

**Department of Community Colleges and Workforce Development
2013-15 Governor’s Balanced Budget**

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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 Community Colleges and Workforce Development

255 Capitol Street NE, Salem, OR 97310

AGENCY NAME

AGENCY ADDRESS



Commissioner

SIGNATURE

TITLE



Chair, State Board of Education

SIGNATURE

TITLE

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

MEASURE: HB 5011-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Dembrow
Carrier – Senate: Sen. Monroe**

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

Vote: 25 – 0 – 0

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

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

Prepared By: Bill McGee, Department of Administrative Services

Reviewed By: Monica Brown, Legislative Fiscal Office

Meeting Date: June 10, 2011

Agency
Department of Community Colleges and Workforce Development

Budget Page
B-6

LFO Analysis Page
1

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	\$ 421,431,504	\$ 483,751,458	\$ 421,520,365	\$ 399,158,908	\$ (22,272,596)	-5.3%
General Fund Debt Service	\$ 8,238,075	\$ 20,107,391	\$ 16,538,391	\$ 15,704,592	\$ 7,466,517	+90.6%
Lottery Funds Debt Service	\$ 8,606,535	\$ 7,469,632	\$ 7,469,632	\$ 7,469,632	\$ (1,136,903)	-13.2%
Other Funds	\$ 7,323,058	\$ 6,416,080	\$ 6,874,666	\$ 6,874,666	\$ (448,392)	-6.1%
Other Funds Debt Service	\$ 2,823,884	\$ 0	\$ 0	\$ -	\$ (2,823,884)	-100.0%
Federal Funds	\$ 163,589,805	\$ 116,717,903	\$ 116,785,442	\$ 117,328,006	\$ (46,261,799)	-28.3%
Federal Funds Nonlimited	\$ 18,968,831	\$ 18,968,831	\$ 18,968,831	\$ 18,968,831	\$ 0	0.0%
Federal Funds Nonlimited Debt Service	1	1	1	1	0	0.0%
Total	\$ 630,981,693	\$ 653,431,296	\$ 588,157,328	\$ 565,504,636	\$ (65,477,057)	-10.4%

Position Summary

Authorized Positions	61	59	68	61	0
Full-time Equivalent (FTE) Positions	60.00	58.70	67.45	60.45	+0.45

(1) Includes adjustments through March 2011.

* Excludes Capital Construction expenditures

Summary of Revenue Changes

General Fund supports community college operations, department operations, and debt service. Lottery Funds support debt service on lottery revenue bonds issued for community college deferred maintenance projects. Other Funds revenue sources include federal Carl Perkins Technical Applied Technology Act funds transferred from the Oregon Department of Education; fees charged for General Education Diploma testing, and Basic Adult Skills Inventory System testing, and Adult Basic Education; and miscellaneous receipts from the sale of community college directories and reimbursements. Amusement device tax revenues are statutorily provided for Oregon Youth Conservation Corps (OYCC) program support. OYCC also receives transfers from the Marine Board to support youth projects. CCWD continues to receive a small amount of timber tax revenues following changes to the tax structure in House Bill 2197 (2003).

The Department receives the majority of its Federal Funds under the Workforce Investment Act (WIA) program. WIA Title IB funds support adult dislocated worker, youth education training, and other workforce programs. The WIA Title II Adult Basic Education program funds developmental education for adults. Funds are also received from the U.S. Department of Labor State Energy Sector Partnership and Training Grant and the U.S. Forest Service Youth Employment Initiative.

Federal National Emergency Grants are received intermittently following economic dislocations and large layoffs. These grants are spent under Non-limited expenditure authority.

The Subcommittee reduced the Other Funds beginning balance in the Office Operations program by \$441,483 based on updated projections.

Summary of Education Subcommittee Action

Under the direction of the State Board of Education, the Department of Community Colleges and Workforce Development (CCWD) coordinates the efforts of the state's 17 community colleges and initiates programs to maintain educational opportunities and workforce development capacity within the state. The Department distributes federal workforce development funds to local programs. The Oregon Youth Conservation Corps (OYCC) is also part of the agency.

The Subcommittee approved a budget of \$565,504,636 total funds including \$414,863,500 General Fund, \$7,469,632 Lottery Funds, and 60.45 full-time equivalent positions (FTE). General Fund is reduced from the 2009-11 Legislatively Approved Budget through March 2011 (LAB) by 3.5 percent and Lottery Funds are reduced by 13.2 percent. Total funds are reduced by 25.6 percent due to phase-out of one-time capital construction expenditure limitation and an anticipated decline in federal support for workforce development programs.

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 for operations, skills centers, and debt service. The agency is allowed to expend up to 65 percent of the Community College Support Fund appropriation in the first year in order to make statutorily required payments to the colleges.

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.

Office Operations

The Office Operations program unit provides leadership, coordination, accountability, and technical assistance to Oregon's community colleges and local workforce investment programs. With the exception of the OYCC program, all administrative staff and expenditures are contained in this unit. State and federal resources distributed to community colleges and workforce providers are included in separate program units.

The Subcommittee approved a budget of \$21,510,676 total funds including \$2,848,208 General Fund and 57.45 full-time equivalent positions (FTE). General Fund is reduced from the 2009-11 LAB by 20.7 percent. Total funds are increased by 0.6 percent.

The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 086 that eliminates inflation and Package 087 that reduces Personal Services by 5.5 percent.

- Modified Package 090 that eliminates funds for the healthcare workforce initiative, eliminates a vacant position, and reduces General Fund support for three positions. The Subcommittee removed start-up funding and positions for the Oregon Education Investment Board (OEIB) proposed in Senate Bill 909 for consideration with the implementing legislation. Federal Funds were reduced by \$236,182 to correct a technical error in the Governor's budget. An additional technical adjustment reducing Other Funds beginning balance by \$441,483 was also approved.
- Approved Package 102 that increases Other Funds support for monitoring community college construction projects that receive funding from the state.
- Modified Package 103 that establishes one permanent position and one limited duration position (1.75 FTE) to address workload issues and reclassifies two other positions. The Subcommittee did not approve establishment of an Internal Auditor position in the CCWD budget. The Subcommittee recommends that an internal audit position be established within the Oregon Department of Education (ODE) and reporting to the State Board of Education with the responsibility of reviewing both CCWD and ODE operations. The Subcommittee also did not approve a Procurement and Contracts Specialist 2 position based on analysis of workload statistics. The Subcommittee adopted the following budget note regarding joint auditing services:

Budget Note:

The State Board of Education shall report to the 2012 legislative assembly on its effort to recruit and retain an internal auditor, and to complete annual risk assessments for the Department of Education and the Department of Community Colleges and Workforce Development.

- Approved Package 104 that funds development of a longitudinal data system combining early childhood, K-12, post-secondary, and workforce data. The package is funded with federal funds transferred from the Department of Education and includes one limited-duration position.
- Denied Package 201 that includes \$3.4 million General Fund to support the Getting Oregon Back to Work program. The Subcommittee recommended that the package be considered within the context of resources being allocated across the state for its impact as an economic stimulus effort and its return on investment relative to other proposals.
- Denied Package 202 that includes \$2 million for challenge grants to promote persistence towards and completion of degrees and certificates. The Subcommittee recommended that, because the grant program would fall within the scope of the Oregon Education Investment Board proposed in Senate Bill 909, these funds be considered with the OEIB implementing legislation.

The Subcommittee discussed job training opportunities for people released from state prisons and local community corrections program and adopted the following budget note:

Budget Note:

The Oregon Department of Community Colleges and Workforce Development will coordinate with the Oregon Department of Corrections to assure that persons released from prison are included as a target population for On-the-Job Training funds for the purpose of expanding job opportunities for this population. Also, the Oregon Department of Corrections will encourage county community corrections programs to conduct outreach efforts in recruiting local employers to participate in On-the-Job Training programs that benefit the reentry population.

- Approved Package 801 cutting Services and Supplies by 6.5 percent which reduces General Fund by \$34,659.
- Approved Package 819 that reduces General Fund by \$103,303 to create a supplemental ending balance that may be appropriated to the agency in the 2012 legislative session.

State Support to Community Colleges

This unit contains the Community College Support Fund, the state's contribution to community college operations. It also includes state support for other programs administered by the colleges.

The Subcommittee approved a budget of \$396,310,700 General Fund and \$25,308 Other Funds. General Fund is reduced from the 2009-11 LAB by 5.2 percent. Other Funds are unchanged from the LAB. No positions or FTE are included in this program unit.

The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 085 that biennializes the 2010 allotment reductions and Package 087 that eliminates inflation.
- Approved Package 090 that funds the Community College Support Fund at \$410 million General Fund, prior to the statewide ending balance holdback in Package 819. The package also eliminates support for the healthcare workforce initiative and two skills centers as proposed in the Governor's recommended budget.
- Approved Package 810 that restores \$550,000 General Fund for the Portland Community College and Sabin-Schellenberg Center skills centers eliminated in Package 090.
- Approved Package 819 that reduces General Fund by \$14,239,300 to create a supplemental ending balance that may be appropriated to the agency in the 2012 legislative session.

Federal/Other Support

This unit contains Other Funds and Federal Funds that are distributed to community colleges, local workforce service areas, and other local providers. Federal Funds are received from the U.S. Department of Labor for Workforce Investment Act Title IB programs and the Title II Adult

Basic Education program. Other Funds include federal Carl Perkins Technical and Applied Technology Act Funds transferred from the Department of Education.

The Subcommittee approved a budget of \$120,618,167 total funds, reduced from the 2009-11 LAB by 24.8 percent. No positions or FTE are included in this program unit.

The Subcommittee took the following actions.

- Approved the base budget and essential packages.
- Approved Package 083 that adjusts Federal Funds expenditure limitation for the U.S. Department of Labor State Energy Sector Partnership grant approved by the Emergency Board at its September 2010 meeting.
- Approved Package 086 that eliminates inflation.

Oregon Youth Conservation Corps

The Oregon Youth Conservation Corps (OYCC) provides education, training, and employment opportunities for disadvantaged and at-risk youth ages 16 to 25. Work experience is provided through partnerships with public natural resource agencies.

The Subcommittee approved a budget of \$2,461,970 Other Funds, \$1,403,590 Federal Funds and 3.00 full-time equivalent positions. Other Funds are reduced from the 2009-11 LAB by 9.6 percent while Federal Funds are reduced by 84.3 percent due to the phase-out of federal grants.

The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 083 that allows OYCC to expend U.S. Forest Service grant funds approved by the Emergency Board at its September 2010 meeting.
- Approved Package 086 that eliminates inflation and Package 087 that reduces Personal Services by 5.5 percent.
- Approved Package 810 that increases Federal Funds by \$226,500 in anticipation of receiving three additional grants from the U.S. Bureau of Land Management for youth employment programs and \$800,000 in federal American Recovery and Reinvestment Act funds to support the Oregon Youth Employment Initiative.

Debt Service

This program unit includes debt service on Article XI-G bonds and Lottery Bonds sold to finance community college construction and deferred maintenance projects. The Subcommittee approved a budget of \$15,704,592 General Fund and \$7,469,632 Lottery Funds. General Fund is increased by 90.6 percent while Lottery Funds are reduced by 13.2 percent. There are no positions or FTE included in this program unit.

The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 090 that eliminated debt service for three community college capital construction projects (Clackamas, Columbia Gorge, and Umpqua) approved for the 2009-11 biennium for which the colleges were unable to obtain match. Continuation of sufficient bond capacity for these projects is under consideration, and if approved, would be included in the bond bill (HB 5005).
- Approved Package 819 that reduces General Fund by \$833,799 to create a supplemental ending balance that may be appropriated to the agency in the 2012 legislative session.

Summary of Performance Measure Action

The Subcommittee approved the Department's performance measures and targets. These recommendations are shown in the Legislatively Adopted 2011-13 Key Performance Measures form attached.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Community Colleges and Workforce Development
 Bill McGee 503-378-2078

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED
2009-11 Legislatively Approved Budget at March 2011 *	\$429,669,579	\$8,606,535	\$10,146,942	\$0	\$163,589,805	\$18,968,832
2011-13 ORBITS printed Current Service Level (CSL)*	\$503,858,849	\$7,469,632	\$6,416,080	\$0	\$116,717,903	\$18,968,832
2011-13 Governor's Recommended Budget *	\$438,058,756	\$7,469,632	\$6,874,666	\$0	\$116,785,442	\$18,968,832
<u>SUBCOMMITTEE ADJUSTMENTS (from GRB)</u>						
<u>SCR 001: Office Operations</u>						
Package 090: Analyst Adjustments						
Personal Services	(1,000,000)	0	0	0	(236,182)	0
Services and Supplies	(2,000,000)	0	0	0	0	0
Package 103: Accountability and Support						
Personal Services	(85,564)	0	0	0	(85,564)	0
Services and Supplies	(48,631)	0	0	0	(162,190)	0
Package 201: High Demand Jobs						
Personal Services	(132,600)	0	0	0	0	0
Services and Supplies	(115,000)	0	0	0	0	0
Special Payments						
Dist to Non-Gov Unites	(3,152,400)	0	0	0	0	0
Package 202: Regional Consortiums						
Personal Services	(132,600)	0	0	0	0	0
Services and Supplies	(30,000)	0	0	0	0	0
Special Payments						
Dist to Non-Gov Unites	(1,837,400)	0	0	0	0	0
Package 801: Services and Supplies reduction						
Services and Supplies	(34,659)	0	0	0	0	0
Package 819: Supplemental Statewide Ending Balance						
Personal Services	(61,988)	0	0	0	0	0
Services and Supplies	(16,815)	0	0	0	0	0
Special Payments						
Dist to Non-Gov Unites	(24,500)	0	0	0	0	0

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED
Dist to CC's	(14,239,300)	0	0	0	0	0
Package 810: LFO Analyst Adjustments						
Special Payments						
Dist to CC's	275,000	0	0	0	0	0
Dist to Local School Districts	275,000	0	0	0	0	0
<u>SCR 003: Federal/Other Support</u>						
<u>SCR 004: OYCC</u>						
Package 810: LFO Analyst Adjustment						
Special Payments						
Dist to Non-Gov Unites	0	0	0	0	1,026,500	0
<u>SCR 005: Debt Service</u>						
Package 819: Supplemental Statewide Ending Balance						
Debt Service						
Principal Bonds	0	0	0	0	0	0
Interest Bonds	(833,799)	0	0	0	0	0
TOTAL ADJUSTMENTS	<u>(\$23,195,256)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$542,564</u>	<u>\$0</u>
SUBCOMMITTEE RECOMMENDATION *	<u>\$414,863,500</u>	<u>\$7,469,632</u>	<u>\$6,874,666</u>	<u>\$0</u>	<u>\$117,328,006</u>	<u>\$18,968,832</u>
% Change from 2009-11 Leg Approved Budget	-3.45%	-13.21%	-32.25%	0.00%	-28.28%	0.00%
% Change from 2011-13 Current Service Level	-17.66%	0.00%	7.15%	0.00%	0.52%	0.00%
% Change from 2011-13 Governor's Recommended Budget	-5.30%	0.00%	0.00%	0.00%	0.46%	0.00%

* Excludes Capital Construction Expenditures

Legislatively Approved 2011-2013 Key Performance Measures

Agency: COMMUNITY COLLEGES and WORKFORCE DEVELOPMENT, DEPT. of

Mission: The mission of the Department of Community Colleges and Workforce Development is to contribute leadership and resources to increase the skills, knowledge and career opportunities of Oregonians.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
1 - SUCCESSFUL GED APPLICANTS – Percentage of GED certificate applicants successful.		Approved KPM	80.00	79.00	79.00
2 - AT-RISK YOUTH EXIT SUCCESSFULLY – Percentage of enrolled at-risk youth who remained in or returned to school, or obtained their high school diploma/equivalent upon exiting the program.		Approved KPM	41.10	72.60	72.60
3 - YOUTH EMPLOYED UPON EXIT – Percentage of enrolled older at-risk youth who obtained employment upon exiting the program.		Approved KPM	56.90	76.60	76.60
4 - ADULTS EMPLOYED UPON EXIT – Percentage of clients served in adult workforce programs who obtained employment upon exiting the program.		Approved KPM	41.70	85.50	85.50
5 - DISLOCATED WORKER WAGES – Percentage of dislocated workers who obtained employment with at least 80% of prior earnings.		Approved KPM	65.70	69.50	69.50
6 - CURRENT/INCUMBENT WORKER EMPLOYMENT – Percentage of current/incumbent workers who retained employment after exit.		Approved KPM	71.20	83.00	83.00
7 - COMPLETION OF BASIC SKILLS/ESL – Percentage of students enrolled in a basic skills or ESL program who complete successfully.		Approved KPM	78.00	63.70	63.70
8 - NURSING COMPLETION – Percentage of students who successfully complete a Nursing program.		Approved KPM	95.70	73.70	73.70
10 - BITS COMPANY SATISFACTION – Percent of companies ranking training they received through community college Business and Industry Training System (BITS) as good or better.		Approved KPM	100.00	95.00	95.00
11 - LICENSING/CERTIFICATION RATES – Oregon community college students' pass rates for national licensing tests compared to national pass rates.		Approved KPM	91.00	93.00	93.00

Agency: COMMUNITY COLLEGES and WORKFORCE DEVELOPMENT, DEPT. of

Mission: The mission of the Department of Community Colleges and Workforce Development is to contribute leadership and resources to increase the skills, knowledge and career opportunities of Oregonians.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
12 - PROFESSIONAL TECHNICAL DEGREE/CERTIFICATE COMPLETION – Number of professional-technical degrees and certificates awarded.		Approved KPM	4,981.00	5,101.00	5,101.00
13 - ASSOCIATE DEGREE COMPLETION – Percentage of students in Associates degree programs who obtain an Associates degree.		Approved KPM	22.10	31.60	31.60
14 - STUDENT TRANSFERS TO OUS – Percentage of students attending an Oregon community college during one academic year who transfer to an OUS institution the following academic year.		Approved KPM	18.00	15.20	15.20
15 - PROGRESS OF TRANSFER STUDENTS – Percentage of community college transfer students who demonstrate progress by returning for the second year.		Approved KPM	78.50	80.00	80.00
16 - TUITION/FEES – Oregon's rank for college tuition and fees among all western states.		Approved KPM	4.00	8.00	8.00
17 - HIGH SCHOOL PARTICIPATION – Number of high school students enrolled in community college credit programs.		Approved KPM	24,950.00	22,337.00	22,337.00
18 - MINORITY ENROLLMENT – Each minority's proportion of total community college enrollment as a percentage of each minority's proportion of the general population, by racial/ethnic group. A. African/American, B. Asian/Pacific Islander, C. Hispanic/Latino, D. Native American		Approved KPM	127.00	100.00	100.00
19 - CUSTOMER SERVICE – Percentage 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	67.00	70.00	70.00
19 - CUSTOMER SERVICE – Percentage 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	63.00	70.00	70.00
19 - CUSTOMER SERVICE – Percentage 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	79.00	70.00	70.00

Agency: COMMUNITY COLLEGES and WORKFORCE DEVELOPMENT, DEPT. of

Mission: The mission of the Department of Community Colleges and Workforce Development is to contribute leadership and resources to increase the skills, knowledge and career opportunities of Oregonians.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
19 - CUSTOMER SERVICE – Percentage 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	80.00	70.00	70.00
19 - CUSTOMER SERVICE – Percentage 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	74.00	70.00	70.00
19 - CUSTOMER SERVICE – Percentage 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	66.00	70.00	70.00
20 - BEST PRACTICES - Percent of total best practices met by the Board.		Approved KPM	90.00	100.00	100.00

LFO Recommendation:

Approve.

Sub-Committee Action:

Approve.

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

MEASURE: SB 5508-A

Carrier – House: Rep. Richardson

Carrier – Senate: Sen. Devlin

JOINT COMMITTEE ON WAYS AND MEANS

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

Vote: 24 – 0 – 1

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

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

Prepared By: Sheila Baker, Legislative Fiscal Office

Reviewed By: Daron Hill, Legislative Fiscal Office

Meeting Date: June 29, 2011

<u>Agency</u>	<u>Budget Page</u>	<u>LFO Analysis Page</u>	<u>Biennium</u>
Emergency Board	L-1	263	2011-13
Various Agencies			2009-11

2011-13 Budget Summary*

	<u>2009-11 Legislatively Approved Budget</u>	<u>2011-13 Legislatively Adopted Budget</u>	<u>2011-13 Committee Recommendation</u>	<u>Committee Change</u>
<u>Emergency Board</u>				
General Fund - General Purpose	-	-	\$ 25,000,000	\$ 25,000,000
General Fund - Special Purpose Appropriations				
Department of Human Services/ Oregon Health Authority			\$ 8,000,000	\$ 8,000,000
Department of Justice			\$ 2,000,000	\$ 2,000,000
<u>Various Agencies -- see Attachment A</u>				
General Fund	-	-	\$ (3,802,558)	\$ (3,802,558)
General Fund Debt Service	-	-	\$ (17,335,341)	\$ (17,335,341)
Lottery Funds	-	-	\$ (72,114)	\$ (72,114)
Lottery Funds Debt Service	-	-	\$ (24,405,711)	\$ (24,405,711)
Other Funds	-	-	\$ (8,304,448)	\$ (8,304,448)
Other Funds Debt Service	-	-	\$ (25,605,072)	\$ (25,605,072)
Federal Funds	-	-	\$ (2,633,061)	\$ (2,633,061)
<u>ADMINISTRATION PROGRAM AREA</u>				
<u>Department of Administrative Services</u>				
General Fund	-	-	\$ 1,325,000	\$ 1,325,000
Lottery Funds Debt Service	-	-	\$ 903,119	\$ 903,119
Other Funds	-	-	\$ 19,514,631	\$ 19,514,631
<u>Office of the Governor</u>				
General Fund	-	-	\$ 3,000,000	\$ 3,000,000
Federal Funds	-	-	\$ 825,616	\$ 825,616
<u>Secretary of State</u>				
General Fund	-	-	\$ 80,000	\$ 80,000
Other Funds	-	-	\$ 380,312	\$ 380,312
Federal Funds	-	-	\$ 634,419	\$ 634,419

*Excludes Capital Construction

2011-13 Budget Summary*

	<u>2009-11 Legislatively Approved Budget</u>	<u>2011-13 Legislatively Adopted Budget</u>	<u>2011-13 Committee Recommendation</u>	<u>Committee Change</u>
<u>CONSUMER AND BUSINESS SERVICES PROGRAM AREA</u>				
<u>Oregon Health Licensing Agency</u>				
Other Funds	-	-	\$ 46,356	\$ 46,356
<u>Real Estate Agency</u>				
Other Funds	-	-	\$ 496,400	\$ 496,400
<u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u>				
<u>Oregon Business Development Department</u>				
Lottery Funds	-	-	\$ 1,300,000	\$ 1,300,000
Other Funds	-	-	\$ 106,207	\$ 106,207
Other Funds Nonlimited	-	-	\$ 10,000,000	\$ 10,000,000
<u>Housing and Community Services Department</u>				
Other Funds	-	-	\$ (4,879,057)	\$ (4,879,057)
<u>Department of Veterans' Affairs</u>				
General Fund	-	-	\$ 800,000	\$ 800,000
<u>EDUCATION PROGRAM AREA</u>				
<u>Department of Education</u>				
General Fund	-	-	\$ 2,327,153	\$ 2,327,153
Lottery Funds	-	-	\$ 2,822,847	\$ 2,822,847
Other Funds	-	-	\$ 625,000	\$ 625,000
<u>Department of Community Colleges and Workforce Development</u>				
General Fund	-	-	\$ 3,900,000	\$ 3,900,000
General Fund Debt Service	-	-	\$ (363,510)	\$ (363,510)
<u>Oregon University System</u>				
General Fund	-	-	\$ (8,974,046)	\$ (8,974,046)
General Fund Debt Service	-	-	\$ 5,660,047	\$ 5,660,047
Other Funds	-	-	\$ 1,753,642	\$ 1,753,642

*Excludes Capital Construction

2011-13 Budget Summary*

	2009-11 Legislatively Approved Budget	2011-13 Legislatively Adopted Budget	2011-13 Committee Recommendation	Committee Change
<u>HUMAN SERVICES PROGRAM AREA</u>				
<u>Department of Human Services</u>				
General Fund	-	-	\$ 2,753,263	\$ 2,753,263
Federal Funds	-	-	\$ 5,077,079	\$ 5,077,079
<u>Oregon Health Authority</u>				
General Fund	-	-	\$ 600,000	\$ 600,000
Other Funds	-	-	\$ 14,205,000	\$ 14,205,000
Federal Funds	-	-	\$ 23,360,000	\$ 23,360,000
<u>JUDICIAL BRANCH</u>				
<u>Judicial Department</u>				
General Fund	-	-	\$ 30,497,095	\$ 30,497,095
General Fund Debt Service	-	-	\$ (486,738)	\$ (486,738)
Other Funds	-	-	\$ (28,627,911)	\$ (28,627,911)
<u>LEGISLATIVE BRANCH</u>				
<u>Legislative Counsel Committee</u>				
Other Funds	-	-	\$ (275,000)	\$ (275,000)
<u>NATURAL RESOURCES PROGRAM AREA</u>				
<u>State Department of Agriculture</u>				
Lottery Funds	-	-	\$ 543,000	\$ 543,000
<u>State Department of Energy</u>				
Other Funds	-	-	\$ 500,000	\$ 500,000
<u>State Department of Fish and Wildlife</u>				
Other Funds Debt Service	-	-	\$ 726,928	\$ 726,928

*Excludes Capital Construction

2011-13 Budget Summary*

	<u>2009-11 Legislatively Approved Budget</u>	<u>2011-13 Legislatively Adopted Budget</u>	<u>2011-13 Committee Recommendation</u>	<u>Committee Change</u>
<u>State Forestry Department</u>				
Other Funds	-	-	\$ 114,881	\$ 114,881
<u>Water Resources Department</u>				
General Fund	-	-	\$ 487,062	\$ 487,062
<u>PUBLIC SAFETY PROGRAM AREA</u>				
<u>Oregon Criminal Justice Commission</u>				
Other Funds	-	-	\$ 176,384	\$ 176,384
<u>Department of Justice</u>				
General Fund	-	-	\$ 600,000	\$ 600,000
<u>Oregon Military Department</u>				
General Fund Debt Service	-	-	\$ 618,000	\$ 618,000
Other Funds	-	-	\$ 7,657,737	\$ 7,657,737
<u>Oregon Youth Authority</u>				
General Fund	-	-	\$ 300,000	\$ 300,000
<u>TRANSPORTATION PROGRAM AREA</u>				
<u>Department of Transportation</u>				
General Fund	-	-	\$ 2,000,000	\$ 2,000,000
Other Funds	-	-	\$ 13,053,627	\$ 13,053,627
<hr/>				
2011-13 Budget Summary				
General Fund Total	-	-	\$ 58,985,427	\$ 58,985,427
Lottery Funds Total	-	-	\$ (18,908,859)	\$ (18,908,859)
Other Funds Total	-	-	\$ 1,665,617	\$ 1,665,617
Federal Funds Total	-	-	\$ 27,264,053	\$ 27,264,053

*Excludes Capital Construction

2009-11 Supplemental Appropriations

	<u>2009-11 Legislatively Approved Budget</u>	<u>2009-11 Committee Recommendation</u>	<u>Committee Change</u>
<u>Public Utility Commission</u>			
Other Funds	-	\$ 10,000	\$ 10,000
<u>Oregon University System (Department of Higher Education)</u>			
Federal Funds	-	\$ 3,550	\$ 3,550
<u>Judicial Department</u>			
General Fund	-	\$ 499,999	\$ 499,999
<u>Public Defense Services Commission</u>			
General Fund	-	\$ 802,570	\$ 802,570
<u>Oregon Watershed Enhancement Board</u>			
Federal Funds	-	\$ 800,000	\$ 800,000
<u>Department of Transportation</u>			
Lottery Funds Debt Service	-	\$ 2	\$ 2

2011-13 Position Summary

	<u>2009-11 Legislatively Approved Budget</u>	<u>2011-13 Legislatively Adopted Budget</u>	<u>2011-13 Committee Recommendation</u>	<u>Committee Change</u>
<u>Office of the Governor</u>				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	2.50	2.50
<u>Secretary of State</u>				
Authorized Positions	-	-	1	1
Full-time Equivalent (FTE) positions	-	-	0.50	0.50
<u>Department of Community Colleges and Workforce Development</u>				
Authorized Positions	-	-	1	1
Full-time Equivalent (FTE) positions	-	-	1.00	1.00
<u>Department of Education</u>				
Authorized Positions	-	-	1	1
Full-time Equivalent (FTE) positions	-	-	1.00	1.00
<u>State Commission on Children and Families</u>				
Authorized Positions	-	-	0	0
Full-time Equivalent (FTE) positions	-	-	(0.25)	(0.25)
<u>State Department of Energy</u>				
Authorized Positions	-	-	2	2
Full-time Equivalent (FTE) positions	-	-	2.00	2.00
<u>Water Resources Department</u>				
Authorized Positions	-	-	2	2
Full-time Equivalent (FTE) positions	-	-	2.00	2.00

Summary of Revenue Changes

The General Fund appropriations made in the bill are within resources available as projected in the May 2011 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 939, plus other actions to reduce state agency expenditures.

Summary of Capital Construction Subcommittee Action

Senate Bill 5508 appropriates General Fund to the Emergency Board for general purpose and targeted special purpose appropriations, and makes other adjustments to individual agency budget and position authority as described below.

Emergency Board

The Emergency Board allocates General Fund and provides Lottery Funds, Other Funds, and Federal Funds expenditure limitation to state agencies for unanticipated needs in approved agency budgets when the Legislature is not in session. The Subcommittee appropriated \$25 million General Fund to the Emergency Board for general purposes.

Senate Bill 5508 makes two special purpose appropriations to the Emergency Board, totaling \$10 million General Fund:

- \$8 million General Fund for the Department of Human Services and/or the Oregon Health Authority for caseloads or costs for programs and services. This appropriation is in addition to the resources, and the special purpose appropriation to the Emergency Board, included in the budget bills for the Department of Human Services (House Bill 5030) and the Oregon Health Authority (Senate Bill 5529).
- \$2 million General Fund for the Department of Justice for: 1) the on-going legal costs associated with the state's defense of the revenue stream generated from the Master Settlement Agreement entered into with major tobacco companies; and 2) the Defense of Criminal Convictions program. This appropriation is in addition to the resources included in the budget bill for the Department of Justice (Senate Bill 5518).

If these special purpose appropriations are not allocated by the Emergency Board before December 1, 2012, any remaining funds become available to the Emergency Board for general purposes.

Adjustments to Approved 2011-13 Budgets

OMNIBUS ADJUSTMENTS

Omnibus adjustments reflect savings in multiple agencies based on reductions in Department of Administrative Services' assessments and charges for services, including the State Data Center; Secretary of State audit assessments; and Office of Administrative Hearings charges. Agencies will need to reconcile these changes in the appropriate line items with consideration for the 6.5% overall reduction in services and supplies applied to most agency budgets and reductions in uniform/self-support rent charges. Debt service costs are also adjusted based on

updated bonding information, including a net \$24.4 million reduction in Lottery Funds debt service costs. The combined results of these changes on individual agency budgets are shown in Attachment A. Total savings are \$21.1 million General Fund, \$24.5 million Lottery Funds, \$33.9 million Other Funds, and \$2.6 million Federal Funds.

ADMINISTRATION

Oregon Department of Administrative Services

Senate Bill 5508 includes General Fund appropriations to the Department for the following programs:

- \$100,000 for the Confluence Project, a collaborative effort of Pacific Northwest tribes, civic groups from Washington and Oregon, artists, architects, and landscape designers. Each of its seven sites along the Columbia River features an art installation interpreting the area's ecology and history.
- \$400,000 for the Boardman Health Clinic, which gives Columbia River Community Health Services the amount needed to complete the funding package for this project. The new 15,000 square foot medical facility replaces a 5,000 square foot building that can no longer expand with the existing footprint.
- \$400,000 for Southwestern Oregon Community College's Curry Campus project. The money will help finish equipping and furnishing the facility.
- \$425,000 for Port Orford to purchase a building for the planned marine reserve research and interpretive center.

The Subcommittee added \$19,514,631 Other Funds for costs of issuance and special payments associated with the distribution of proceeds from several Lottery Bond sales; projects are detailed below and approved in the Lottery Bond bill (House Bill 5036). Also included is \$903,119 Lottery Funds to cover the 2011-13 debt service on those bonds.

- \$3,251,756 Other Funds for disbursement to the Port of Morrow for the purpose of Willow Creek/Sage Center Improvements, including construction of sidewalks or other walkways. For debt service, \$173,981 Lottery Funds is approved.
- \$6,478,890 Other Funds for disbursement to the City of Hermiston for the purpose of acquiring, developing, constructing and equipping the Eastern Oregon Trade Center. For debt service, \$346,294 Lottery Funds is approved.
- \$2,950,809 Other Funds for disbursement to the Milton-Freewater Water Control District for public infrastructure improvements, including levee restoration/repair projects and bridge projects in Milton-Freewater and surrounding areas. For debt service, \$157,711 Lottery Funds is approved.
- \$2,549,322 Other Funds for disbursement to the Oregon Historical Society for payment of mortgage costs associated with the society's storage facility in Gresham. For debt service, \$225,133 Lottery Funds is approved.
- \$4,283,854 Other Funds for disbursement to the Lane Transit District for the West Eugene EmX Extension; this project supports the acquisition, construction and procurement of the components of an extension of the bus rapid transit system in west Eugene. Debt service for this project was included as part of the omnibus adjustments mentioned previously.

Office of the Governor

The Subcommittee appropriated \$3 million General Fund and increased Federal Funds expenditure limitation by \$825,616 for the purpose of implementing Senate Bill 909, which creates the Oregon Education Investment Board and the Early Learning Council. Three positions (2.50 FTE) were also approved: a Chief Investment Officer and Early Learning Systems Director (both Principal Executive/Manager G) and one half-

time Executive Support Specialist 2. An estimated \$354,067 General Fund will be spent on Personal Services and services and supplies. The Governor's Office anticipates expending the balance of the General Fund resources for professional services contracts for change management, development of a school-readiness assessment tool, and development of a comprehensive early childhood education and care budget. The federal funds, from the federal State Early Childhood Advisory Council grant received during the 2009-11 biennium, will support the Early Learning System Director, the half-time executive support position, associated services and supplies and Professional Services costs for the work of the Early Learning Council.

Secretary of State

The budget for the Secretary of State is increased by \$80,000 General Fund for House Bill 2257, which expands electronic filing requirements of statements to the Elections Division; by \$380,312 Other Funds for House Bill 3247, which requires the agency to establish the "One Stop Shop for Oregon Business" internet portal; and by \$634,419 Federal Funds for two federal grants, with the understanding that the Department of Administrative Services will unschedule the Federal Funds expenditure limitation pending award of the grants. One limited-duration Operations and Policy Analyst 2 position (0.50 FTE) is also established for development of the internet portal. The General Fund appropriation is to finance one-time costs and will be phased out in development of the agency's 2013-15 biennium budget. All but \$75,000 of the Other Funds for the internet portal will also be phased out in the development of the 2013-15 biennium budget. The remaining \$75,000 is projected to cover the ongoing maintenance costs of the internet portal.

CONSUMER AND BUSINESS SERVICES

Oregon Health Licensing Agency

The Subcommittee approved \$46,356 Other Funds expenditure limitation to support licensing and regulatory oversight of Polysomnographic Technologists within the Respiratory Therapist and Polysomnographic Technologist Licensing Board, as established in Senate Bill 723. The Other Funds revenue results from applications, licensure, renewals, and other fees associated with licensing the Polysomnographic Technologists.

Real Estate Agency

The Other Funds expenditure limitation for the agency is increased by \$496,400 to cover expenses for an online licensing system. The agency received a \$500,000 limitation for this project during the 2009-11 biennium. However, due to delays in project implementation, vendor payments will not be made until the first quarter of the 2011-13 biennium.

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Business Development Department

Senate Bill 5508 establishes \$1.3 million in new Lottery Funds expenditure limitation for the Department. Of this amount, \$1 million is established for identifying regional governance solutions to improve economic development opportunities and for developing a West Coast strategy to create jobs while reducing carbon emissions and the costs of doing business by retrofitting and redesigning the built environment. The remaining \$300,000 is established for a pilot project providing economic gardening services. An additional \$106,207 Other Funds expenditure limitation is provided for payment of costs to issue lottery revenue bonds for the Department. Bond proceeds will provide the source

of these Other Funds. These bonds are associated with the authorization in House Bill 5036 of \$10,000,000 of lottery revenue bond proceeds for infrastructure financing. A total of \$10,000,000 of lottery revenue bond proceeds will be deposited into the Special Public Works Fund and the Water/Waste Water Fund, where they will be used to provide loans and grants to municipalities with eligible infrastructure projects. The Department is authorized to make these loans and grant payments as Nonlimited Other Funds. The Lottery Funds, Other Funds, and Nonlimited Other Funds expenditures are one-time expenditures that will be phased out in the development of the Department's 2013-15 biennium budget.

Of the Lottery Funds available to the Department in the 2011-13 biennium budget, the amount of \$20,000 is designated for the purpose of promoting Oregon businesses at the 2011 and 2012 China International Fairs for Investment & Trade in Xiamen, China.

Housing and Community Services Department

Other Funds expenditure limitation for the Housing and Community Services Department is reduced by \$4,879,057 to reconcile the amount of Lottery Bond proceeds approved in the Capital Construction budget for the purpose of preserving low income housing with expiring federal subsidies. The low income housing preservation package is anticipated to provide gap financing to preserve about 125 units of affordable housing. The total amount approved is \$5,000,000 Other Funds for project costs and \$120,943 Other Funds for costs of issuance.

Department of Veterans' Affairs

Senate Bill 5508 appropriates a total of \$800,000 General Fund to the Department of Veterans' Affairs for the following purposes:

- \$350,000 to augment payments to county veterans' service organizations for the 2011-13 biennium.
- \$350,000 in one-time funding for interim operation of the Military HelpLine service for veterans until federal funding is secured for the service by the Oregon Military Department.
- \$100,000 in one-time funding to provide assistance with medical transportation to veterans who use wheelchairs.

EDUCATION

Department of Education

The State School Fund is adjusted in Senate Bill 5508 to reflect a rebalance of statewide resources, decreasing General Fund and increasing Lottery Funds expenditure limitation by \$2,822,847.

The Subcommittee approved a one-time appropriation of \$150,000 General Fund for the For Inspiration and Recognition of Science and Technology (FIRST) program.

The Oregon Court of Appeals affirmed a ruling against the Department of Education for breach of contract with Vantage Learning which provided standardized testing in Oregon schools. The resulting judgments total \$3.5 million plus accrued interest at 9% per annum from October 2006 to date of payment, which will exceed \$5 million in total. The Subcommittee approved \$5 million General Fund to assist in covering this liability. The Department estimates that approximately \$2.4 million may be available within its existing 2009-11 legislatively approved budget that would otherwise be reverted to the General Fund. The Department is to first utilize its 2009-11 legislatively approved budget to the greatest

extent possible to address the payments due to Vantage Learning; any remaining balance due may be paid from this new appropriation. Any remaining funds from the \$5 million will be disappropriated when the Legislature convenes in 2012.

One position (1.00 FTE) is established for the Director of the Office of Regional Educational Services approved in Senate Bill 250.

The Subcommittee approved an increase of \$625,000 Other Funds expenditure limitation for the Oregon School for the Deaf (OSD) to support building improvements, repairs and maintenance costs, with the understanding that the Department of Administrative Services (DAS) will unschedule \$450,000 pending a joint report from DAS Facilities Division and OSD. The \$175,000 that is not uncheduled is for replacing carpet in the elementary/middle school building and the building used for the infirmary, food service and administration, as the old carpet is a safety hazard for children. Consistent with the direction provided by the Emergency Board in December 2010, the agency and DAS shall bring forward a five-year maintenance plan that is inclusive of funding available within the existing operating budget, community donations, proceeds from the sale of the School for the Blind, and any resources available from other state agencies. The report should also include an update on facility utilization with the improvements sponsored by the Extreme Makeover: Home Edition program. This report shall be considered in conjunction with the work of a legislative interim work group to review deferred maintenance needs and sustainability of the OSD and the staffing model prepared by ODE in response to a budget note adopted with House Bill 5020 (2011) prior to rescheduling the balance of the expenditure limitation.

Department of Community Colleges and Workforce Development

The Subcommittee approved a net increase of \$3.54 million General Fund for the following purposes:

- \$3.4 million General Fund for Oregon's National Career Readiness Certificate (NCRC) and on-the-job training programs which support the Governor's "Getting Oregon Back to Work" initiative. The Subcommittee also approved establishing one limited duration Program Analyst position (1.00 FTE) to support the NCRC. The position is grant funded and the Department has sufficient Federal Funds expenditure limitation.
- \$500,000 General Fund for a one-time expenditure of \$100,000 to the Trucking Solutions Consortium for administration and \$400,000 for a loan program for 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.
- Decreased debt service by \$363,510 to reflect updated principal and interest payments following the April 2011 sale of Article XI-G bonds.

Oregon University System

The Oregon University System (OUS) budget is adjusted in Senate Bill 5508 to reflect the fiscal impact of Senate Bill 242. The OUS budget was reduced \$7,440,000 General Fund to reflect the System now retaining interest on all monies it receives. The interest on tuition and other revenues was previously deposited in the General Fund. To mitigate the impact of this change on the General Fund, OUS agreed to a reduction in its base budget to offset the lost General Fund revenues. OUS is further directed to phase-out an additional \$14,603,000 General Fund during development of its 2013-15 budget request to reflect the 2013-15 lost General Fund revenue estimate of \$22,043,000. Additional changes due to approval of Senate Bill 242 include a \$1,947,230 General Fund reduction to eliminate funding included in the budget to pay Department of Justice costs now that OUS will no longer be represented by the State. OUS estimates it will cost more to retain outside legal counsel, however, so the budget was increased by \$2,307,230 Other Funds to accommodate the increase in legal costs. Reductions of \$236,816 General Fund and

\$1,018,168 Other Funds are made to reflect OUS not paying DAS assessments after July 1, 2012. Additional Other Funds adjustments related to the fiscal impact of Senate Bill 242 include adding \$250,000 for a risk management consultant, \$200,000 for a study on alternative health plans, and \$14,580 due to increasing the membership of the Board of Higher Education to 15 people. Overall, these changes reduce the OUS budget for education and general services by \$9.6 million General Fund and add \$1.8 million Other Funds expenditure limitation. For complete details on the fiscal effects of Senate Bill 242, see the fiscal impact statement issued for Senate Bill 242-C.

Senate Bill 5508 also appropriates \$5,660,047 General Fund for debt service on outstanding Article XI-Q general obligation bonds. The budget for OUS included no debt service for these bonds, which have largely replaced the use of Certificates of Participation.

The Subcommittee approved an additional \$500,000 General Fund for Dispute Resolution services at the University of Oregon and an additional \$150,000 General Fund for the Labor Education Research Center at the University of Oregon. Both increases were made as one time additions in General Fund support for the 2011-13 biennium only.

HUMAN SERVICES

Oregon Health Authority

The Subcommittee approved an additional \$13.9 million Other Funds and \$23.3 million Federal Funds expenditure limitation for the increased hospital benefits for clients in the Oregon Health Plan Standard program. These increased benefits were part of the hospital provider tax expansion, but were contingent on the passage of Senate Bill 204. For this reason the limitation was not included in Senate Bill 5529, the budget bill for the Oregon Health Authority. The Subcommittee also approved the addition of \$600,000 General Fund to mitigate the reduction to the reimbursement rate for durable medical equipment.

In addition, \$300,000 Other Funds expenditure limitation was added to Public Health to restore funding to the Oregon Trauma System. The Seniors Farmers Market Program was increased by \$5,000 Other Funds and \$60,000 Federal Funds expenditure limitation. Revenues from increased medical marijuana fees will fund the state portion of these two items.

The Subcommittee directed the following budget note related to contracts for managed care plans:

BUDGET NOTE

The Oregon Health Authority (OHA) priority shall be to renew contracts of prepaid managed care plans under contract January 1, 2011 within budgetary constraints. The OHA shall not use a competitive bid process or similar process in the renewal of the contracts for prepaid managed care organizations. OHA will work cooperatively with plans to develop capitation rates using realistic pricing structures which are actuarially sound and which address the fiscal viability of the plans given the budget reductions. This structure should reflect the legislatively approved budget and its reductions as well as the need for federal approval in the most expeditious and fiscally prudent manner.

Department of Human Services

The Subcommittee added \$1.5 million Federal Funds expenditure limitation to the Children, Adults and Families budget, based on a federal bonus for Oregon's low negative error rate in administering the Supplemental Nutrition Assistance Program (SNAP/food stamps). The agency expects to use the one-time federal award to offset General Fund expenditures in program administration. The General Fund will be shifted to the Temporary Assistance to Needy Families (TANF) program budget to continue, for at least the first year of the biennium, the \$50 monthly Post-TANF payments for families who are transitioning from TANF cash assistance to employment. House Bill 5030, the department's budget bill, anticipated eliminating these payments for the full 2011-13 biennium as a budget savings action.

The Subcommittee approved an additional \$500,000 General Fund for Oregon Project Independence. Together with funding in House Bill 5030, this brings program funding to \$9.5 million General Fund for the 2011-13 biennium.

After completion of the DHS budget in House Bill 5030, DHS discovered that the budgeted funding level for Type B Area Agencies on Aging (AAAs), who determine long-term care service and financial eligibility and provide adult protective services for seniors and people with physical disabilities, was not sufficient to fund the AAAs at 85% equity relative to state office costs as was intended. The funding level in House Bill 5030 would instead fund Type B AAAs at 83.7% equity. The Subcommittee approved \$279,161 General Fund and \$260,139 Federal Funds to fund the AAAs at 85% equity through February 2012. This allows time for DHS and the AAAs to review the funding allocation model, overall costs, revenues and caseload trends, with the intent that DHS and the AAAs make a recommendation to the 2012 Legislative Assembly for addressing this issue for the balance of the 2011-13 biennium.

An additional \$2 million General Fund and \$3.3 million Federal Funds was approved to partially restore rate reductions slated for certain providers of developmental disability (DD) comprehensive services. The budget continues the DD provider rate reductions implemented as part of the DHS allotment reductions for the 2009-11 biennium, but the added funding will avoid, at least through February 2012, further reductions otherwise expected for the 2011-13 biennium. The added funding will delay the October 1, 2011 4% comprehensive services rate reduction through February 2012 for Adult Supportive Living Services, Adult and Children's 24-Hour DD Residential Services, Employment Services and Children's Proctor Care; and fund brokerage administration at 89% of equity. The funding will not impact the following reductions set to take effect October 1, 2011: 10% reduction to Adult DD Foster Care providers and Community Developmental Disability Programs; a further 4% reduction in Children's DD Foster Care; and a 4% reduction to non-Alternatives to Employment program transportation.

State Commission on Children and Families

An additional 0.25 FTE reduction is made as a technical adjustment to reflect the Commission's final staffing plan to implement its legislatively adopted budget in Senate Bill 5550.

JUDICIAL BRANCH

Judicial Department

The Subcommittee approved adjustments to the budget for the Judicial Department as follows:

- House Bill 2710 transfers funding of the Collection and Revenue Management Program from Other Funds back to the General Fund. This results in a \$28.2 million Other Funds expenditure limitation reduction, with General Fund appropriations of \$9.3 million for third party debt collection fees and \$18.9 million for Personal Service and services and supplies costs. This action does not result in any change to the Department's positions or FTE.
- A General Fund appropriation of \$2 million for Trial and Appellate level operations costs.
- General Fund appropriations for payments to the Oregon Law Commission (\$223,000) and the Council on Court Procedures (\$52,000).
- An Other Funds reduction of \$405,816 for the costs of issuance for Oregon eCourt Program Article XI-Q bonds. The Department's budget will retain \$100,000 for the \$6 million of Article XI-Q bonds approved in House Bill 5005.
- A General Fund Debt Service reduction of \$486,738, which reflects a lower Article XI-Q bond issuance for the Oregon eCourt Program than was assumed in the Governor's recommended budget.

LEGISLATIVE BRANCH

Legislative Counsel Committee

The Other Funds expenditure limitation for the Legislative Counsel Committee is decreased by \$275,000 for payments to the Oregon Law Commission (\$223,000) and the Council on Court Procedures (\$52,000). For the 2011-13 biennium, these two entities will receive a General Fund appropriation through the Oregon Judicial Department (see the Judicial Branch program area narrative above).

NATURAL RESOURCES

State Department of Agriculture

Lottery funds expenditure limitation is increased by \$543,000 on a one-time basis to accommodate 2009-11 carry forward for weed control activities. Due to the excessively wet spring, the Department was unable to complete all the weed control projects originally planned for the 2009-11 biennium.

State Department of Energy

Senate Bill 5508 increases the Department's Other Funds expenditure limitation by \$100,000 for financing and technical assistance to school districts for investments in energy efficiency in the 2011-13 biennium; this includes one limited-duration finance position (1.00 FTE). It also increases Other Funds by \$400,000 for the expenses of one limited-duration Governor's energy policy advisor position (1.00 FTE), for supporting the development of a 10-year plan for energy, and for coordinating other activities related to energy policy within the Office of the Governor and the Department.

The following budget note was approved:

BUDGET NOTE

The Department of Energy will establish a work group to develop policy recommendations to be provided to the Legislature during the February 2012 session relating to large single load customers that result in small utilities being re-designated as large utilities under the renewable portfolio standard. Members of the workgroup shall consist of nine members, appointed as follows:

- The Department of Energy shall appoint:
 - two representatives of the Umatilla Electric Cooperative;
 - one representative of the environmental community;
 - one representative of the natural resource community; and
 - one representative of consumer owned utilities.
- The Co-Speakers of the House of Representatives shall appoint two members, one from each caucus, who shall serve as ex-officio members.
- The Senate President shall appoint two members, one from each caucus, who shall serve as ex-officio members.

A representative of the Governor's office, designated by the Governor, is also invited to participate.

The work group shall:

- examine issues and develop policy recommendations relating to small utilities that have large single load customers, which result in the utilities being reclassified as large utilities under the renewable portfolio standard;
- examine complications resulting from contract requirements between the Bonneville Power Administration and preferred energy customers for Tier II energy contracts, and make recommendations for potential rule or policy changes; and
- submit a report, including findings and recommendations, to the Department of Energy and the interim legislative committees relating to energy and consumer protection no later than February 1, 2012.

Department of Environmental Quality

The Subcommittee approved the following budget note relating to the implementation of new water quality standards:

BUDGET NOTE

By February 15, 2013, DEQ shall report to the Seventy-seventh Legislative Assembly on the status of the water quality standards rules proposed for adoption in June 2011, including whether the rules were adopted by the Environmental Quality Commission (EQC) and approved by the Environmental Protection Agency (EPA). If the standards are adopted and approved, the report shall also include, but need not be limited to:

- the number and types of variances granted;
- a summary of the conditions contained in the variances;
- for each variance application received by DEQ, the cost incurred by a permittee to prepare the variance application as made available by the applicant; and,
- information provided by permittees who applied for a variance on the estimated costs associated with implementing the pollution prevention plan required by the variance and other related fiscal impacts.

By February 15, 2015, DEQ shall report to the Seventy-eighth Legislative Assembly on the status and implementation of the human health toxics standards and any related standards adopted by the EQC and approved by EPA after June 2011. The report shall also include but not be limited to the information listed above.

State Department of Fish and Wildlife

Senate Bill 5508 establishes \$726,928 Other Funds expenditure limitation for State Department of Fish and Wildlife debt service payments for the agency's headquarters building project to be financed with Article XI-Q bonds authorized in HB 5005.

State Forestry Department

The Subcommittee approved an increase of \$414,881 Other Funds for the cost of issuance related to the sale of lottery bonds (\$1.9 million) authorized in House Bill 5036 for the purchase of land in the Gilchrist Forest. The Subcommittee reduced the Private Forests Other Funds expenditure limitation by \$300,000 to remove limitation related to contract services funded by the harvest tax revenue. These services will be accommodated within the Department's total budget authorization for the 2011-13 biennium.

Water Resources Department

Senate Bill 5508 appropriates \$487,062 General Fund to restore a Water Availability Modeler position (\$152,972), a Groundwater Hydro-geologist position (\$159,090) and groundwater research funds (\$125,000) that the Governor's recommended budget proposed to eliminate, and provide \$50,000 services and supplies to contract data systems maintenance and software applications related to the program. Restoring the two positions (2.00 FTE) enables the department to maintain water availability models and hydrographic data needed to make decisions when water right applications, permits, and transfers are evaluated; and identify aquifer boundaries, define water budgets, document the interaction between surface water and groundwater and quantify the impacts of future allocations on senior users and the water resource.

PUBLIC SAFETY

Oregon Criminal Justice Commission

Other Funds expenditure limitation for the Criminal Justice Commission is increased by \$176,384 to provide sufficient limitation for payment to drug courts to comply with the 2005 law that requires the Commission pay 20% of forfeiture collections to drug courts.

Department of Justice

The Subcommittee appropriated \$600,000 General Fund to the Department of Justice for two Crime Victims' programs. The Child Abuse Multidisciplinary Account (CAMI) is to receive \$458,940 General Fund and the Oregon Domestic and Sexual Violence Abuse program is to receive \$141,060 General Fund. These appropriations are in addition to the resources included in the budget bill for the Department of Justice (Senate Bill 5518).

Oregon Military Department

The Subcommittee approved \$7.5 million Other Funds expenditure limitation for the expenditure of Article XI-M seismic rehabilitation bonds approved in House Bill 5005. Additionally, the Subcommittee appropriated \$618,000 in General Fund debt service for the Article XI-M bonds and added \$114,000 Other Funds expenditure limitation for the cost of issuance.

The Subcommittee approved a \$43,737 Other Funds expenditure limitation increase for the cost of issuance of The Dalles Readiness Center's Article XI-Q bonds, as approved in House Bill 5005. This issuance, which will occur late in the 2011-13 biennium, does not have any associated General Fund debt service during the biennium.

Oregon Youth Authority

An additional \$300,000 General Fund is appropriated to the Oregon Youth Authority to enhance funding for east Multnomah County gang intervention services.

TRANSPORTATION

Department of Transportation

The Subcommittee added \$2 million General Fund for Senior and Disabled Transportation operating grants in the Oregon Transportation Department's Public Transit division. Public transit activities include offering mobility grants to communities to ensure equality of opportunity to access transportation systems and services for seniors and individuals with disabilities.

The Subcommittee approved an increase of \$12,503,912 Other Funds expenditure limitation to implement provisions of House Bill 5036 authorizing issuance of lottery bonds for Connect Oregon IV for multimodal transportation projects. This amount includes the cost of issuance and the amount of bond proceeds that is anticipated to be distributed during the biennium.

An additional \$549,715 Other Funds expenditure limitation was approved to correct a calculation error in vacancy savings for Motor Carrier Transportation (\$193,815), Transportation Program Development (\$334,957), and the Transportation Safety Program (\$20,943).

Adjustments to 2009-11 Budgets

Public Utility Commission

Senate Bill 5508 increases the Commission's Other Funds expenditure limitation by \$10,000 for the Board of Maritime Pilots related to Attorney General charges associated with rate cases.

Oregon University System (Department of Higher Education)

Federal Funds expenditure limitation for the Oregon University System is increased by \$3,550. Unallocated federal American Recovery and Reinvestment Act funding is added for 2009-11 to ensure the correct distribution of these funds is maintained between the education sectors as required by the granting authority.

Judicial Department

The Judicial Department budget is increased with a \$499,999 General Fund appropriation for operations. The amount of the appropriation is to ensure that the Department receives seven quarters of House Bill 2287 revenues (\$22,002,005) as anticipated in the Department's 2009-11 legislatively approved budget.

Public Defense Services Commission

The Subcommittee approved a supplemental General Fund appropriation of \$802,570 for the Public Defense Services Account for trial-level public defense. The amount of the appropriation is to ensure that the agency receives seven quarters of House Bill 2287 revenues (\$12,380,573) as anticipated in the Commission's 2009-11 legislatively approved budget.

Oregon Watershed Enhancement Board

Expenditure limitation for this Board is increased by \$800,000 Federal Funds to pay out federal land acquisition grants that the agency expects to expend late in the current biennium.

Department of Transportation

The Subcommittee added \$2 Lottery Funds expenditure limitation for debt service payments for Connect Oregon II for multimodal transportation projects and the Southeast Metro Milwaukie Extension bonds.

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund
ADMINISTRATION					
ADVOCACY COMMISSIONS OFFICE	Operating Expenses	HB 5001	01	GF	(229)
DEPT OF ADMIN SERVICES	Mill Creek Debt Service	SB 5502	01-02	GF	(114,267)
DEPT OF ADMIN SERVICES	Operating Expenses	SB 5502	02-01	OF	-
DEPT OF ADMIN SERVICES	Debt Service (Other)	SB 5502	02-05	OF	-
DEPT OF ADMIN SERVICES	Debt Service - OPB	SB 5502	03-01	LF	-
DEPT OF ADMIN SERVICES	Debt Service - Tillamook FEMA Match	SB 5502	03-06	LF	-
DEPT OF ADMIN SERVICES	Debt Service - Lane Transit District EmX	SB 5502	03-07	LF	-
OREGON STATE TREASURY	Administrative Expenses - Operations	HB 5048	01-01	OF	-
OREGON STATE TREASURY	Administrative Expenses - College Savings	HB 5048	01-02	OF	-
RACING COMMISSION	Operating Expenses	SB 5543	01	OF	-
PUB EMPLOYEES RETIREMNT SYSTEM	Administrative and operating expenses	HB 5039	01-01	OF	-
SECRETARY OF STATE	Executive Office, BSD, ISD, HRD	HB 5041	01-01	GF	(249)
SECRETARY OF STATE	Elections Division	HB 5041	01-02	GF	(6,360)
SECRETARY OF STATE	Archives Division	HB 5041	01-03	GF	(404)
SECRETARY OF STATE	Executive Office, BSD, ISD, HRD	HB 5041	02-01	OF	-
SECRETARY OF STATE	Audits Division	HB 5041	02-03	OF	-
SECRETARY OF STATE	Archives Division	HB 5041	02-04	OF	-
SECRETARY OF STATE	Corporation Division	HB 5041	02-05	OF	-
SECRETARY OF STATE	Help America Vote Act	HB 5041	03	FF	-
LIQUOR CONTROL COMMISSION	Administrative expenses	SB 5522	01-01	OF	-
DEPT OF REVENUE	Administrative Expenses	HB 5040	01	GF	(259,006)
DEPT OF REVENUE	Operating Expenses	HB 5040	02	OF	-
EMPLOYMENT RELATIONS BOARD	Assessments of agencies transferred to DAS	SB 5510	03	OF	-
OFFICE OF THE GOVERNOR	Operating Expenses	HB 5025	01	GF	(8,746)
OFFICE OF THE GOVERNOR	Economic Revitalization Team	HB 5025	03	LF	-
OFFICE OF THE GOVERNOR	Operating Expenses	HB 5025	04	OF	-
GOVERNMENT ETHICS COMMISSION	Other Funds	HB 5024	01	OF	-
OREGON STATE LIBRARY	Operating Expenses	SB 5521	01	GF	(1,859)
OREGON STATE LIBRARY	Operating Expenses - Assessments	SB 5521	03	OF	-
OREGON STATE LIBRARY	Operating Expenses - Non-Assessment	SB 5521	02	OF	-
OREGON STATE LIBRARY	Operating Expenses	SB 5521	04	FF	-
CONSUMER AND BUSINESS SERVICES					
STATE BOARD OF ACCOUNTANCY	Operating Expenses	SB 5501	01	OF	-
TAX PRACTITIONERS BOARD	Operating Expenses	HB 5044	01	OF	-
CONSTRUCTION CONTRACTOR BOARD	Operating Expenses	HB 5012	01	OF	-
COUNSELORS AND THERAPISTS BRD	Operating Expenses	HB 5015	01	OF	-
PSYCHOLOGISTS EXAMINERS BOARD	Operating Expenses	HB 5038	01	OF	-
CHIROPRACTIC EXAMINERS BOARD	Operating Expenses	HB 5007	01	OF	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund
HEALTH RELATED LICENSING BRDS	Oregon State Veterinary Medical Examining Board	HB 5028	07	OF	-
OREGON HEALTH LICENSING AGENCY	Operating Expenses	HB 5026	01	OF	-
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	SB 5519	01	GF	(10,650)
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	SB 5519	02	OF	-
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	SB 5519	04	FF	-
PUBLIC UTILITY COMMISSION	Utility program	SB 5542	01-01	OF	-
PUBLIC UTILITY COMMISSION	Residential Service Protection Fund	SB 5542	01-02	OF	-
PUBLIC UTILITY COMMISSION	Administration	SB 5542	01-03	OF	-
PUBLIC UTILITY COMMISSION	Board of Maritime Pilots	SB 5542	01-04	OF	-
PUBLIC UTILITY COMMISSION	Operating Expenses	SB 5542	02	FF	-
DEPT OF CONSUMER/BSN SERVICES	Operating Expenses	HB 5013	01	OF	-
DEPT OF CONSUMER/BSN SERVICES	Operating Expenses	HB 5013	02	FF	-
REAL ESTATE AGENCY	Operating Expenses	SB 5544	01	OF	-
BOARD OF NURSING	Operating Expenses	SB 5527	01	OF	-
OREGON MEDICAL BOARD	Operating Expenses	SB 5526	01	OF	-
PHARMACY, OREGON BOARD OF	Operating Expenses	SB 5536	01	OF	-
ECONOMIC DEVELOPMENT					
OREGON BUSINESS DEVELOPMENT DEF Arts		SB 5528	01	GF	(1,316)
OREGON BUSINESS DEVELOPMENT DEF Business, Innovation and Trade		SB 5528	02-01	OF	-
OREGON BUSINESS DEVELOPMENT DEF Infrastructure Financing		SB 5528	02-02	OF	-
OREGON BUSINESS DEVELOPMENT DEF Shared Services		SB 5528	02-03	OF	-
OREGON BUSINESS DEVELOPMENT DEF Arts & Cultural Trust		SB 5528	02-04	OF	-
OREGON BUSINESS DEVELOPMENT DEF Debt Service		SB 5528	02-05	OF	-
OREGON BUSINESS DEVELOPMENT DEF Business, Innovation and Trade		SB 5528	03-01a	LF	-
OREGON BUSINESS DEVELOPMENT DEF Shared Services		SB 5528	03-01b	LF	-
OREGON BUSINESS DEVELOPMENT DEF Debt service on lottery bonds		SB 5528	03-01d	LF	-
OREGON BUSINESS DEVELOPMENT DEF Business, Innovation and Trade		SB 5528	04-01	FF	-
OREGON BUSINESS DEVELOPMENT DEF Infrastructure Financing		SB 5528	04-02	FF	-
DEPT OF HOUSING/COMMUNITY SVCS	Operating Expenses	SB 5515	01	GF	822
DEPT OF HOUSING/COMMUNITY SVCS	Operating Expenses	SB 5515	02-01	OF	-
DEPT OF HOUSING/COMMUNITY SVCS	Debt service on lottery bonds	SB 5515	03	LF	-
DEPT OF HOUSING/COMMUNITY SVCS	Operating Expenses	SB 5515	04	FF	-
DEPT OF VETERANS AFFAIRS	Vets' Services Organizations Payments	SB 5546	01-03	GF	(572)
DEPT OF VETERANS AFFAIRS	Vets' Services Organizations Payments	SB 5546	02-01	OF	-
DEPT OF EMPLOYMENT	Operating budget	SB 5509	02-01	OF	-
DEPT OF EMPLOYMENT	Operating budget	SB 5509	05	FF	-
EDUCATION					
TEACHER STANDARDS/PRACTICES	Operating Expenses	SB 5545	01	OF	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund
DEPARTMENT OF HIGHER EDUCATION	Debt service on outstanding general obligation bonds	SB 5532	01-05-a	GF	(4,613,989)
DEPARTMENT OF HIGHER EDUCATION	Debt service for COPs	SB 5532	01-05-b	GF	(8,483,611)
DEPARTMENT OF HIGHER EDUCATION	Repayment to Dept of Energy (Debt Service)	SB 5532	01-05-c	GF	2,085,658
DEPARTMENT OF HIGHER EDUCATION	Education and general services of higher education	SB 5532	02-01	OF	-
DEPARTMENT OF HIGHER EDUCATION	Agricultural Experiment Station and the branch experiment stations of Oregon State University	SB 5532	02-02	OF	-
DEPARTMENT OF HIGHER EDUCATION	Extension Service of Oregon State University	SB 5532	02-03	OF	-
DEPARTMENT OF HIGHER EDUCATION	Forest Research Laboratory of Oregon State University	SB 5532	02-04	OF	-
DEPARTMENT OF HIGHER EDUCATION	Debt service on lottery bonds	SB 5532	04	LF	-
COMMUNITY COLLEGES DEPARTMENT	Operations	HB 5011	01-01	GF	(9,475)
COMMUNITY COLLEGES DEPARTMENT	Operations	HB 5011	02-01	OF	-
COMMUNITY COLLEGES DEPARTMENT	Oregon Youth Conservation Corps	HB 5011	02-02	OF	-
COMMUNITY COLLEGES DEPARTMENT	Operations	HB 5011	03	FF	-
COMMUNITY COLLEGES DEPARTMENT	Debt service on lottery bonds	HB 5011	08	LF	-
DEPT OF EDUCATION	Operations	HB 5020	01-01	GF	(242,493)
DEPT OF EDUCATION	Operations	HB 5020	03-01	OF	-
DEPT OF EDUCATION	Oregon State Schools for the Deaf	HB 5020	03-02	OF	-
DEPT OF EDUCATION	Youth Corrections Education Program	HB 5020	03-05	OF	-
DEPT OF EDUCATION	Operations	HB 5020	04-01	FF	-
DEPT OF EDUCATION	Debt service on lottery bonds	HB 5020	07	LF	-
DEPT OF EDUCATION	Debt service on lottery bonds (OEF)	HB 5020	08	LF	-
HUMAN SERVICES					
LONG TERM CARE OMBUDSMAN	Operating Expenses	SB 5524	01	GF	(1,439)
LONG TERM CARE OMBUDSMAN	Operating Expenses	SB 5524	02	OF	-
COMMISSION FOR THE BLIND	Operating Expenses	SB 5503	01	GF	(1,512)
COMMISSION FOR THE BLIND	Operating Expenses	SB 5503	02	OF	-
COMMISSION FOR THE BLIND	Operating Expenses	SB 5503	03	FF	-
PSYCHIATRIC REVIEW BOARD	Operating Expenses	SB 5539	01	GF	(552)
PSYCHIATRIC REVIEW BOARD	Operating Expenses	SB 5539	02	OF	-
DEPT OF HUMAN SERVICES	Central Services	HB 5030	01-01	GF	(5,183)
DEPT OF HUMAN SERVICES	Children, Adults and Families	HB 5030	01-02	GF	(693,929)
DEPT OF HUMAN SERVICES	Seniors and People with Disabilities	HB 5030	01-03	GF	(250,138)
DEPT OF HUMAN SERVICES	Debt Service	HB 5030	01-04	GF	(73,213)
DEPT OF HUMAN SERVICES	Central Services	HB 5030	02-01	OF	-
DEPT OF HUMAN SERVICES	Children, Adults and Families	HB 5030	02-02	OF	-
DEPT OF HUMAN SERVICES	Seniors and People with Disabilities	HB 5030	02-03	OF	-
DEPT OF HUMAN SERVICES	Shared Services	HB 5030	02-04	OF	-
DEPT OF HUMAN SERVICES	Central Services	HB 5030	03-01	FF	-
DEPT OF HUMAN SERVICES	Children, Adults and Families	HB 5030	03-02	FF	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund
OREGON HEALTH AUTHORITY	Debt Service	SB 5529	02-04	OF	-
OREGON HEALTH AUTHORITY	Programs	SB 5529	04-01	FF	-
OREGON HEALTH AUTHORITY	Central Services	SB 5529	04-02	FF	-
JUDICIAL BRANCH					
JUDICIAL FIT OR DISABILITY COM	Operations	SB 5517	01-01	GF	(45)
JUDICIAL DEPARTMENT	Operations	SB 5516	01-02	GF	(136,824)
JUDICIAL DEPARTMENT	Mandated payments	SB 5516	01-03	GF	(272)
JUDICIAL DEPARTMENT	Debt Service	SB 5516	01-05	GF	(2,790,843)
JUDICIAL DEPARTMENT	Operations	SB 5516	02-01	OF	-
JUDICIAL DEPARTMENT	Operations	SB 5516	04	FF	-
PUBLIC DEFENSE SERVICES	Appellate Division	SB 5540	01-01	GF	(12,289)
PUBLIC DEFENSE SERVICES	Contract and Business Services Division	SB 5540	01-03	GF	(3,410)
LEGISLATIVE BRANCH					
LEGISLATIVE ADMIN COMMITTEE	General program	SB 5520	01-01	GF	(17,594)
LEGISLATIVE ASSEMBLY	Presiding Officers, caucuses, desks	SB 5520	04-01	GF	(24,066)
LEGISLATIVE ASSEMBLY	Assembly - interim	SB 5520	05-01	GF	(1,624)
LEGISLATIVE ASSEMBLY	Assembly - session	SB 5520	05-02	GF	(2,375)
LEGISLATIVE COUNSEL COMMITTEE	Operating Expenses	SB 5520	09	GF	(5,286)
LEGISLATIVE FISCAL OFFICER	Operating Expenses	SB 5520	12	GF	(2,667)
LEGISLATIVE REVENUE OFFICE	Operating Expenses	SB 5520	13	GF	(756)
INDIAN SERVICES COMMISSION	Operating Expenses	SB 5520	14	GF	(201)
NATURAL RESOURCES					
MARINE BOARD	Administration and education	SB 5525	01-01	OF	-
MARINE BOARD	Administration and education	SB 5525	02-01	FF	-
DEPARTMENT OF ENERGY	Operations	SB 5511	01	OF	-
DEPARTMENT OF ENERGY	Operations	SB 5511	03	FF	-
DEPT OF GEOLOGY AND INDUSTRIES	General Fund	SB 5514	01	GF	(2,846)
DEPT OF GEOLOGY AND INDUSTRIES	Other funds	SB 5514	02	OF	-
DEPT OF GEOLOGY AND INDUSTRIES	Federal funds	SB 5514	03	FF	-
DEPT OF PARKS AND RECREATION	Central Services	SB 5534	01-02	OF	-
DEPT OF PARKS AND RECREATION	Central Services	SB 5534	02-02	LF	-
LAND USE APPEALS BOARD	General Fund	HB 5034	01	GF	(597)
LAND USE APPEALS BOARD	Other funds	HB 5034	02	OF	-
DEPT OF WATER RESOURCES	Water resources program	HB 5049	01	GF	(15,771)
DEPT OF WATER RESOURCES	Debt service on lottery bonds	HB 5049	02	LF	-
DEPT OF WATER RESOURCES	Water resources program	HB 5049	03-01	OF	-
DEPT OF WATER RESOURCES	Water development fund	HR 5049	03-02	OF	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund
DEPARTMENT OF STATE LANDS	Common School Fund programs	HB 5042	02-01	FF	-
DEPARTMENT OF STATE LANDS	South Slough National Estuarine Research Reserve operations	HB 5042	02-03	FF	-
DEPT OF AGRICULTURE	Food Safety	HB 5002	01-02	GF	(4,323)
DEPT OF AGRICULTURE	Natural Resources	HB 5002	01-03	GF	(2,085)
DEPT OF AGRICULTURE	Agricultural Development	HB 5002	01-04	GF	(2,506)
DEPT OF AGRICULTURE	Administrative and Support Services	HB 5002	02-01	OF	-
DEPT OF AGRICULTURE	Food Safety	HB 5002	02-02	OF	-
DEPT OF AGRICULTURE	Natural Resources	HB 5002	02-03	OF	-
DEPT OF AGRICULTURE	Agricultural Development	HB 5002	02-04	OF	-
DEPT OF AGRICULTURE	Parks and Natural Resources Fund	HB 5002	03	LF	-
DEPT OF AGRICULTURE	Food Safety	HB 5002	04-01	FF	-
DEPT OF AGRICULTURE	Natural Resources	HB 5002	04-02	FF	-
DEPT OF AGRICULTURE	Agricultural Development	HB 5002	04-03	FF	-
DEPT OF ENVIRONMENTAL QUALITY	Air quality	HB 5022	01-01	GF	(507)
DEPT OF ENVIRONMENTAL QUALITY	Water quality	HB 5022	01-02	GF	(1,856)
DEPT OF ENVIRONMENTAL QUALITY	Land quality	HB 5022	01-03	GF	(54)
DEPT OF ENVIRONMENTAL QUALITY	Cross program	HB 5022	01-04	GF	(23)
DEPT OF ENVIRONMENTAL QUALITY	Air quality	HB 5022	02-01	OF	-
DEPT OF ENVIRONMENTAL QUALITY	Water quality	HB 5022	02-02	OF	-
DEPT OF ENVIRONMENTAL QUALITY	Land quality	HB 5022	02-03	OF	-
DEPT OF ENVIRONMENTAL QUALITY	Cross program	HB 5022	02-04	OF	-
DEPT OF ENVIRONMENTAL QUALITY	Agency management	HB 5022	02-05	OF	-
DEPT OF ENVIRONMENTAL QUALITY	Parks and Natural Resources Fund	HB 5022	03	LF	-
DEPT OF ENVIRONMENTAL QUALITY	Air quality	HB 5022	05-01	FF	-
DEPT OF ENVIRONMENTAL QUALITY	Water quality	HB 5022	05-02	FF	-
DEPT OF ENVIRONMENTAL QUALITY	Land quality	HB 5022	05-03	FF	-
DEPT OF ENVIRONMENTAL QUALITY	Cross program	HB 5022	05-04	FF	-
DEPT OF FISH AND WILDLIFE	Fish Division	SB 5513	01-01	GF	(257)
DEPT OF FISH AND WILDLIFE	Wildlife Division	SB 5513	01-02	GF	(35)
DEPT OF FISH AND WILDLIFE	Administration Division	SB 5513	01-03	GF	(22,619)
DEPT OF FISH AND WILDLIFE	Fish Division	SB 5513	02-01	OF	-
DEPT OF FISH AND WILDLIFE	Wildlife Division	SB 5513	02-02	OF	-
DEPT OF FISH AND WILDLIFE	Administrative Services Division	SB 5513	02-03	OF	-
DEPT OF FISH AND WILDLIFE	Capital Improvement	SB 5513	02-04	OF	-
DEPT OF FISH AND WILDLIFE	Fish Division	SB 5513	04-01	FF	-
DEPT OF FISH AND WILDLIFE	Wildlife Division	SB 5513	04-02	FF	-
DEPT OF FISH AND WILDLIFE	Administrative Services Division	SB 5513	04-03	FF	-
DEPT OF FORESTRY	Fire Protection	HB 5023	01-01	GF	(25,985)
DEPT OF FORESTRY	Private forests	HB 5023	01-02	GF	(6,436)
DEPT OF FORESTRY	Debt Service	HR 5023	01-03	GF	(48,018)

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund
DEPT OF FORESTRY	Agency administration	HB 5023	04-01	FF	-
DEPT OF FORESTRY	Protection from fire	HB 5023	04-02	FF	-
DEPT OF FORESTRY	Private forests	HB 5023	04-04	FF	-
DEPT OF LAND CONSERVTN/DEVELOP	Planning program	HB 5032	01-01	GF	(8,499)
DEPT OF LAND CONSERVTN/DEVELOP	Operating expenses	HB 5032	02	OF	-
DEPT OF LAND CONSERVTN/DEVELOP	Planning program	HB 5032	03	FF	-
COLUMBIA RIVER GORGE COMMISSION	Operating Expenses	HB 5010	01	GF	(54)
PUBLIC SAFETY					
BOARD OF PAROLE/POST PRISON	General Fund	SB 5535	01	GF	(1,693)
OREGON STATE POLICE	Patrol services, criminal investigations and gaming enforcement	SB 5537	01-01	GF	(121,630)
OREGON STATE POLICE	Fish and wildlife enforcement	SB 5537	01-02	GF	(3,867)
OREGON STATE POLICE	Forensic services and State Medical Examiner	SB 5537	01-03	GF	(20,086)
OREGON STATE POLICE	Administrative Services, Criminal Justice information services and Office of the State Fire Marshal	SB 5537	01-04	GF	(38,137)
OREGON STATE POLICE	Fish and wildlife enforcement	SB 5537	02-02	OF	-
OREGON STATE POLICE	Forensic services and State Medical Examiner	SB 5537	02-03	OF	-
OREGON STATE POLICE	Administrative Services, Criminal Justice information services and Office of the State Fire Marshal	SB 5537	02-04	OF	-
OREGON STATE POLICE	Fish and wildlife enforcement	SB 5537	03-02	FF	-
OREGON STATE POLICE	Administrative Services, Criminal Justice information services and Office of the State Fire Marshal	SB 5537	03-04	FF	-
OREGON STATE POLICE	Fish and wildlife enforcement	SB 5537	04-00	LF	-
DEPT OF CORRECTIONS	Operations and health services	SB 5505	01-01	GF	(45,050)
DEPT OF CORRECTIONS	Administration, public services, general services and human resources	SB 5505	01-02	GF	(781,145)
DEPT OF CORRECTIONS	Transitional services	SB 5505	01-03	GF	(11,505)
DEPT OF CORRECTIONS	Debt Service	SB 5505	01-05	GF	(3,022,038)
DEPT OF CORRECTIONS	Operations and health services	SB 5505	02-01	OF	-
DEPT OF CORRECTIONS	Administration, public services, and general services	SB 5505	02-02	OF	-
DEPT OF CORRECTIONS	Transitional services	SB 5505	02-03	OF	-
CRIMINAL JUSTICE COMMISSION	General Fund	SB 5507	01	GF	(1,421)
CRIMINAL JUSTICE COMMISSION	Other funds	SB 5507	02	OF	-
CRIMINAL JUSTICE COMMISSION	Federal funds	SB 5507	03	FF	-
DISTRICT ATTORNEYS/DEPUTIES	Department of Justice for District Attorneys	HB 5019	01	GF	(3,060)
DEPT OF JUSTICE	Operating Expenses	SB 5518	01	GF	(107,062)
DEPT OF JUSTICE	Operating Expenses	SB 5518	02	OF	-
DEPT OF JUSTICE	Operating Expenses	SB 5518	03	FF	-
DEPT OF MILITARY	Administration	HB 5037	01-01	GF	(8,530)
DEPT OF MILITARY	Operations	HB 5037	01-02	GF	(17,641)

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund
DEPT OF MILITARY	Emergency Management	HB 5037	03-02	FF	-
DEPT OF MILITARY	Community Support	HB 5037	03-03	FF	-
PUBLIC SAFETY/STDS/TRAINING	Operations	SB 5541	02	OF	-
OREGON YOUTH AUTHORITY	Operations	SB 5549	01-01	GF	(156,486)
OREGON YOUTH AUTHORITY	Debt Service	SB 5549	01-02	GF	(159,158)
OREGON YOUTH AUTHORITY	Operations	SB 5549	03	FF	-
TRANSPORTATION					
AVIATION DEPARTMENT	Operations	HB 5004	01-01	OF	-
OREGON DEPT OF TRANSPORTATION	Maintenance and emergency relief program	HB 5046	02-02	OF	-
OREGON DEPT OF TRANSPORTATION	Preservation program	HB 5046	02-03	OF	-
OREGON DEPT OF TRANSPORTATION	Bridge program	HB 5046	02-04	OF	-
OREGON DEPT OF TRANSPORTATION	Operations program	HB 5046	02-05	OF	-
OREGON DEPT OF TRANSPORTATION	Modernization program	HB 5046	02-06	OF	-
OREGON DEPT OF TRANSPORTATION	Special programs	HB 5046	02-07	OF	-
OREGON DEPT OF TRANSPORTATION	Local government program	HB 5046	02-08	OF	-
OREGON DEPT OF TRANSPORTATION	Driver and motor vehicle services	HB 5046	02-09	OF	-
OREGON DEPT OF TRANSPORTATION	Motor carrier transportation	HB 5046	02-10	OF	-
OREGON DEPT OF TRANSPORTATION	Transportation program development	HB 5046	02-11	OF	-
OREGON DEPT OF TRANSPORTATION	Public transit	HB 5046	02-13	OF	-
OREGON DEPT OF TRANSPORTATION	Rail	HB 5046	02-14	OF	-
OREGON DEPT OF TRANSPORTATION	Transportation safety	HB 5046	02-15	OF	-
OREGON DEPT OF TRANSPORTATION	Central services	HB 5046	02-16	OF	-
OREGON DEPT OF TRANSPORTATION	Debt Service	HB 5046	02-17	OF	-
OREGON DEPT OF TRANSPORTATION	Motor carrier transportation	HB 5046	03-02	FF	-
OREGON DEPT OF TRANSPORTATION	Transportation program development	HB 5046	03-03	FF	-
OREGON DEPT OF TRANSPORTATION	Public transit	HB 5046	03-04	FF	-
OREGON DEPT OF TRANSPORTATION	Transportation safety	HB 5046	03-06	FF	-
OREGON DEPT OF TRANSPORTATION	Debt service on lottery bonds	HB 5046	04-01	LF	-
TOTAL					(21,137,899)

76th OREGON LEGISLATIVE ASSEMBLY – 2012 Regular Session
BUDGET REPORT AND MEASURE SUMMARY

MEASURE: HB 5202-A

JOINT COMMITTEE ON WAYS AND MEANS

Carrier – House: Rep. Beyer
Carrier – Senate: Sen. Nelson

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

Vote: 24 – 0 – 1

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

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

Prepared By: Jack Kenny and Bill McGee, Department of Administrative Services

Reviewed By: Daron Hill and Paul Siebert, Legislative Fiscal Office

Meeting Date: March 5, 2012

<u>Agency</u>	<u>Budget Page</u>	<u>LFO Analysis Page</u>	<u>Biennium</u>
Capital Construction – various agencies	---	---	2011-13
Capital Construction – Department of Aviation	---	---	2007-09

Budget Summary

	2011-13 Legislatively Approved Budget	2011-13 2012 Session	2012 Session Adjustments
General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	13,180,000	33,134,668	19,954,668
Other Funds	361,124,906	464,571,441	103,446,535
Total Funds	\$ 374,304,906	\$ 497,706,109	\$ 123,401,203

	2007-09 Legislatively Approved Budget	2011-13 2012 Session	2012 Session Adjustments
General Fund	\$ 29,256,500	\$ 29,256,500	\$ 0
Federal Funds	98,722,025	100,907,025	2,185,000
Other Funds	1,347,911,836	1,348,026,836	115,000
Total Funds	\$ 1,475,890,361	\$ 1,478,190,361	\$ 2,300,000

Summary of Revenue Changes

State Agencies

Other Fund revenues are from proceeds from the issuance of lottery bonds; aircraft registration fees assessed in accordance with ORS 837.045; and state gasoline tax and driver and vehicle related fees, and certain local government contributions. Federal Funds are anticipated from the U.S. Veterans Administration, the US Department of Justice’s Integrated Wireless Network grant program, the Federal Aviation Administration’s General Entitlement Program, and Airport Improvement Program.

Oregon University System

Funding for the Oregon University System capital construction projects includes Article XI-F (1) bonds. Student unions, dormitories, parking structures, and similar projects are generally financed from auxiliary enterprise balances and the proceeds of Article XI-F (1) bonds. Debt service on these bonds is paid with revenues generated by the facility and other campus revenues.

Summary of Capital Construction Committee Action

Oregon University System

This bill establishes expenditure limitations for capital construction projects for two universities operated by the Oregon University System: Oregon State University (OSU) and Western Oregon University (WOU).

The Committee approved a budget of \$81.9 million Other Funds for 4 projects, all funded with Article XI-F (1) general obligation bonds. Debt service on the bonds will be paid with student fees, housing and dining revenues, and other campus funds.

Oregon State University

The Committee approved the following 3 projects, totaling \$80.9 million total funds.

- Student Experience Center: approved \$42,700,000 Other Funds (Article XI-F (1) bonds) to construct a new building to house student organizations and accommodate student events, replacing the Memorial Union/Snell Hall facility. Expenditure of bond proceeds for furnishings, fixtures, and equipment was not approved, reducing incurred debt by \$900,000. Debt service will be paid with increased student incidental fees approved by a student referendum in 2010.
- Memorial Union Renovation: approved \$9,177,500 Other Funds (Article XI-F (1) bonds) to renovate space currently occupied by the OSU Bookstore. Expenditure of bond proceeds for furnishings, fixtures, and equipment was not approved, reducing incurred debt by \$400,000. Debt service will be paid with increased student incidental fees approved by a student referendum in 2010.
- New Residence Hall: approved \$29,000,000 Other Funds (Article XI-F (1) bonds) to construct a new 150 student residence hall. Expenditure of bond proceeds for furnishings, fixtures, and equipment was not approved reducing incurred debt by \$1,000,000. Debt service will be paid with housing and dining revenues.

Western Oregon University

The Committee approved the following project, totaling \$1 million total funds.

- Natural Sciences Laboratory Annex: approved \$1,000,000 Other Funds (Article XI-F (1) bonds) to supplement \$7.2 million in Lottery Bonds and \$2.5 million in Other Revenues for construction of a new natural science teaching laboratory. Debt service on the bonds will be paid with campus revenues.

Department of Community Colleges and Workforce Development

The Committee approved \$9,604,450 in Other Funds (Lottery Bonds) for projects at all 17 community colleges. Projects support various Career Technical Education (CTE) and Science, Technology, Engineering, and Mathematics (STEM) programs at the colleges. The lottery bonds to fund these projects cannot be issued if the State Treasurer, after considering a report from the State Debt Policy Advisory Commission (SDPAC) on lottery-backed debt capacity, determines that lottery-backed debt capacity is not sufficient to support issuance of the bonds. The SDPAC report is to be received no later than February 1, 2013. The Department of Administrative Services is requested to unschedule the \$9,604,450 capital construction expenditure limitation for the 17 community college projects until the bonds are sold. Debt service on the bonds would be paid with Lottery Funds.

Blue Mountain Community College: \$465,037 Other Funds (Lottery Bonds) to add a veterinary examination room to an existing animal science building and construct an adjacent building with a general purpose classroom and animal science wet laboratory to support a veterinary assistant certificate program.

Central Oregon Community College: \$500,000 Other Funds (Lottery Bonds) to renovate and expand the mathematics and science laboratory on the Redmond campus.

Chemeketa Community College: \$1,000,000 Other Funds (Lottery Bonds) to contribute towards the purchase of equipment to support the machining program and renovation of part of Building 4 for the visual communications, drafting and civil technologies, and engineering programs.

Clackamas Community College: \$800,000 Other Funds (Lottery Bonds) to upgrade and purchase equipment and improve facilities to support industrial technology and science programs.

Clatsop Community College: \$281,785 Other Funds (Lottery Bonds) to purchase equipment and upgrade a ventilation system in an existing building in support of the welding and fabrication certificate program.

Columbia Gorge Community College: \$297,193 Other Funds (Lottery Bonds) to replace and upgrade equipment for the nursing program.

Klamath Community College: \$300,000 Other Funds (Lottery Bonds) to expand Building 2 to add kitchens, a dining room, and related space to support the Culinary Arts program and provide faculty office space.

Lane Community College: \$1,000,000 Other Funds (Lottery Bonds) to add four classrooms to Building 18 for science, technology, engineering, and mathematics (STEM) classes.

Linn-Benton Community College: \$800,000 Other Funds (Lottery Bonds) to construct or renovate part or all of an advanced transportation technology center to support automotive and heavy equipment diesel programs.

Mt. Hood Community College: \$800,000 Other Funds (Lottery Bonds) for laboratory and classroom additions and upgrades to support CTE and STEM programs.

Oregon Coast Community College: \$273,235 Other Funds (Lottery Bonds) to renovate and furnish the Waldport Center to house nursing assistant, emergency medical technician, home health aide, and other allied health programs.

Portland Community College: \$1,000,000 Other Funds (Lottery Bonds) to renovate surplus State of Oregon property owned by the college to house the facilities maintenance technology program.

Rogue Community College: \$500,000 Other Funds (Lottery Bonds) for construction of a flexible technology building with shop, storage, support, and classroom space to support manufacturing and fabrication programs.

Southwestern Oregon Community College: \$387,200 Other Funds (Lottery Bonds) to purchase equipment and upgrade facilities supporting CTE and STEM programs.

Tillamook Bay Community College: \$300,000 Other Funds (Lottery Bonds) to construct a learning laboratory for agricultural and natural resource programs.

Treasure Valley Community College: \$500,000 Other Funds (Lottery Bonds) to construct an agricultural arena as part of the ongoing Science Center construction project; the arena will support equine science, renewable energy, and viticulture program.

Umpqua Community College: \$400,000 Other Funds (Lottery Bonds): to renovate existing facilities in Roseburg and Drain and construct a new facility in the tri-cities area to enhance tele-education capacity in support of welding, construction, manufacturing, engineering, and other programs.

Department of Veterans' Affairs

Lebanon Veterans' Home: \$10,126,096 Other Funds and \$19,362,748 Federal Funds were approved for construction of a veterans' home in Lebanon, a U.S. Veterans Administration priority project selected in June 2010. Local government funds from Linn County provide approximately 35 percent of project funding for this 150 bed facility expected to be completed in the fall of 2014.

Department of Transportation

OWIN – State Radio Project: \$591,920 Federal Funds is approved to provide additional construction funding for the Statewide Radio Project (formerly referred to as the Oregon Wireless Interoperability Network). A grant from the U.S. Department of Justice, under the Integrated Wireless Network grant program, is the source of the funds which will be used for radio tower construction at a specified site.

DMV Bend Office: \$1,838,489 Other Funds is approved for renovation of the existing Driver and Motor Vehicles field offices in Bend. Cost of construction will be paid from Highway Fund revenues.

2007-09 Supplemental Expenditure Limitation Adjustments

Department of Aviation

Chiloquin State Airport Runway/Apron Rehabilitation: \$115,000 Other Funds and \$2,185,000 Federal Funds is approved for a project to ultimately reconstruct the runway and rehabilitate the apron at Chiloquin State Airport. The most recent Pavement Condition Index survey indicated conditions do not meet manageable maintenance standards. The Department will use authorized funding to develop the final design, acquire the necessary permits, and provide actual construction costs. Other Funds represent the required 5 percent match for this phase of the project.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

VARIOUS

Jack Kenny -- 503-378-3107; Bill McGee - 503-378-2078

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS (excl. OUS/CCWD)	FEDERAL FUNDS	Oregon University System and CC			I
					XI-F (1) Bond Expenditures	XI-G Bond Expenditures	XI-Q Bond Expenditures	
COMMITTEE AUTHORIZATIONS								
EDUCATION PROGRAM AREA								
Oregon University System								
Oregon State University								
Student Experience Center	0	0	N/A	0	42,700,000	0	0	
Memorial Union Renovation	0	0	N/A	0	9,177,500	0	0	
New Residence Hall	0	0	N/A	0	29,000,000	0	0	
Western Oregon University								
Natural Sciences Laboratory Annex	0	0	N/A	0	1,000,000	0	0	
Department of Community College and Workforce Development								
Blue Mountain CC Veterinary Assistant Certificate Program	0	0	N/A	0	0	0	0	N/A
Central Oregon CC Math & Science Lab, Redmond Campus	0	0	N/A	0	0	0	0	N/A
Chemeketa CC CTE/STEM Facilities Improvement Project	0	0	N/A	0	0	0	0	N/A
Clackamas CC Industrial Technology & Science Workforce Advancement	0	0	N/A	0	0	0	0	N/A
Clatsop CC Welding & Fabrication Program	0	0	N/A	0	0	0	0	N/A
Columbia Gorge CC Rural Clinical Simulation Center Capital Equipment Replacement	0	0	N/A	0	0	0	0	N/A
Klamath CC Foodservice Systems; Administration & Management	0	0	N/A	0	0	0	0	N/A
Lane CC STEM Classrooms & Lab	0	0	N/A	0	0	0	0	N/A
Linn-Benton CC Advanced Transportation Technology Center	0	0	N/A	0	0	0	0	N/A
Mt. Hood CC Lab & Classroom Additions & Upgrades	0	0	N/A	0	0	0	0	N/A
Oregon Coast CC Renovations to Allied Health Training Center & Science Lab	0	0	N/A	0	0	0	0	N/A
Portland CC Trades Training Center	0	0	N/A	0	0	0	0	N/A
Rogue CC Manufacturing & Fabrication Flex Lab	0	0	N/A	0	0	0	0	N/A
Southwestern Oregon CC Renovate Labs & Classrooms for CTE & STEM support	0	0	N/A	0	0	0	0	N/A

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS (excl. OUS/CCWD)	FEDERAL FUNDS	Oregon University System and CC		
					XI-F (1) Bond Expenditures	XI-G Bond Expenditures	XI-Q Bond Expenditures
<u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u>							
<u>Department Veterans' Affairs</u>							
Lebanon Veterans Home	0	0	10,126,096	19,362,748	N/A	N/A	N/A
TOTAL	0	0	11,964,585	19,954,668	81,877,500	0	0
<u>2007-09 Supplemental Expenditure Limitation Adjustments</u>							
<u>Department of Aviation</u>							
Chiloquin State Airport Runway/Apron Rehab	0	0	115,000	2,185,000	N/A	N/A	N/A

**76th OREGON LEGISLATIVE ASSEMBLY – 2012 Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: SB 5701-A

JOINT COMMITTEE ON WAYS AND MEANS

Carrier – House: Rep. Richardson

Carrier – Senate: Sen. Devlin

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

Vote: 24 – 0 – 1

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

– Nays:

– Exc:

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

– Nays:

– Exc: Edwards

Prepared By: Linda Ames, Laurie Byerly, Doug Wilson
Legislative Fiscal Office

Reviewed By: Sheila Baker, Legislative Fiscal Office

Meeting Date: March 5, 2012

<u>Agency</u>	<u>Budget Page</u>	<u>LFO Analysis Page</u>	<u>Biennium</u>
Various Agencies Emergency Board	---	---	2011-13

Budget Summary*

* Excludes Capital Construction

	2011-13 Legislatively Adopted Budget	2012 Session Legislatively Approved Budget	Legislative Adjustments (difference between 2012 and 2011-13)	Percentage Change from Legislatively Adopted Budget
<u>Emergency Board</u>				
<u>Emergency Fund</u>				
General Fund - Emergency Fund	\$ 25,000,000	\$ 27,218,734	\$ 2,218,734	8.87%
General Fund - Special Purpose Appropriations				
Public Defense Services Commission	\$ 0	\$ 3,500,000	\$ 3,500,000	-
Oregon Judicial Department	\$ 0	\$ 1,084,432	\$ 1,084,432	-
Allotment mitigation; home foreclosure issues; human services caseloads	\$ 0	\$ 60,000,000	\$ 60,000,000	-
Education programs	\$ 0	\$ 10,000,000	\$ 10,000,000	-
Forestry, fire suppression costs	\$ 4,781,000	\$ 2,660,983	\$ -2,120,017	-44.34%
Early learning programs	\$ 17,649,000	\$ 0	\$ -17,649,000	-100.00%
Employment-related daycare and others	\$ 5,713,750	\$ 0	\$ -5,713,750	-100.00%
Child welfare differential response	\$ 5,000,000	\$ 0	\$ -5,000,000	-100.00%
Department of Human Services/ Oregon Health Authority program costs	\$ 8,000,000	\$ 0	\$ -8,000,000	-100.00%
Oregon Youth Authority	\$ 1,700,000	\$ 0	\$ -1,700,000	-100.00%
<u>Education Program Area</u>				
<u>Department of Community Colleges and Workforce Development</u>				
General Fund	\$ 403,049,433	\$ 402,796,921	\$ -252,512	-0.06%
General Fund Debt Service	15,341,082	15,693,047	351,965	2.29%
Lottery Funds Debt Service	6,882,643	7,144,080	261,437	3.80%
Other Funds Debt Service	0	200,000	200,000	-
<u>Department of Education</u>				
General Fund	\$ 5,498,242,728	\$ 5,501,087,079	\$ 3,344,351	0.06%
Lottery Funds	556,980,287	554,000,717	-2,979,570	-0.53%
Lottery Funds Debt Service	52,311,630	54,160,517	1,848,887	3.53%
Other Funds	55,144,882	60,754,918	5,610,036	10.17%
Other Funds Debt Service	2,464,515	2,525,733	61,218	2.48%

* Excludes Capital Construction

	<u>2011-13 Legislatively Adopted Budget</u>	<u>2012 Session Legislatively Approved Budget</u>	<u>Legislative Adjustments (difference between 2012 and 2011-13)</u>	<u>Percentage Change from Legislatively Adopted Budget</u>
<u>Oregon University System</u>				
General Fund	\$ 596,905,346	\$ 596,893,796	\$ -11,550	0.00%
General Fund Debt Service	72,263,657	71,370,757	-892,900	-1.24%
Lottery Funds	8,825,680	8,592,720	-232,960	-2.64%
Lottery Funds Debt Service	14,133,456	14,394,033	260,577	1.84%
Other Funds Debt Service	23,541,337	23,885,391	344,054	1.46%
<u>Oregon Health & Science University</u>				
General Fund	\$ 66,059,636	\$ 66,041,261	\$ -18,375	-0.03%
<u>Oregon Student Access Commission</u>				
General Fund	\$ 99,921,326	\$ 99,891,570	\$ -29,756	-0.03%
<u>Teacher Standards & Practices Commission</u>				
General Fund	\$ 100,000	\$ 0	\$ -100,000	-100.00%
Federal Funds	0	85,455	85,455	-
<u>Human Services Program Area</u>				
<u>Oregon Health Authority</u>				
General Fund	\$ 1,667,478,497	\$ 1,642,896,745	\$ -24,581,752	-1.47%
Lottery Funds	10,779,583	10,388,614	-390,969	-3.63%
Other Funds	1,918,748,828	1,937,343,629	18,594,801	0.97%
Federal Funds	4,877,574,818	5,030,408,569	152,833,751	3.13%
<u>Department of Human Services</u>				
General Fund	\$ 2,019,007,853	\$ 2,122,494,290	\$ 103,486,437	5.13%
Other Funds	430,256,781	452,262,224	22,005,443	5.11%
Federal Funds	3,131,478,990	3,292,158,766	160,679,776	5.13%

* Excludes Capital Construction

	2011-13 Legislatively Adopted Budget	2012 Session Legislatively Approved Budget	Legislative Adjustments (difference between 2012 and 2011-13)	Percentage Change from Legislatively Adopted Budget
<u>Public Safety Program Area</u>				
<u>Department of Corrections</u>				
General Fund	\$ 1,188,270,117	\$ 1,221,349,965	\$ 33,079,848	2.78%
General Fund Debt Service	133,972,115	138,859,174	4,887,059	3.65%
General Fund Capital Improvement	2,543,185	2,635,425	92,240	3.63%
Other Funds	27,563,757	30,884,955	3,321,198	12.05%
Other Funds Capital Improvement	0	413,449	413,449	-
Federal Funds	6,908,809	7,816,182	907,373	13.13%
<u>Criminal Justice Commission</u>				
Federal Funds	\$ 12,512,069	\$ 19,499,190	\$ 6,987,121	55.84%
<u>District Attorneys and their Deputies</u>				
General Fund	\$ 9,979,285	\$ 10,339,261	\$ 359,976	3.61%
<u>Department of Justice</u>				
General Fund	\$ 53,992,283	\$ 53,831,443	\$ -160,840	-0.30%
Other Funds	225,622,550	224,899,837	-722,713	-0.32%
Federal Funds	107,968,730	107,173,021	-795,709	-0.74%
<u>Oregon Military Department</u>				
General Fund	\$ 14,341,387	\$ 18,757,381	\$ 4,415,994	30.79%
General Fund Debt Service	9,727,048	9,655,111	-71,937	-0.74%
Other Funds	120,644,724	124,763,063	4,118,339	3.41%
Other Funds Debt Service	112,363	660,530	548,167	487.85%

* Excludes Capital Construction

	<u>2011-13 Legislatively Adopted Budget</u>		<u>2012 Session Legislatively Approved Budget</u>		<u>Legislative Adjustments (difference between 2012 and 2011-13)</u>	<u>Percentage Change from Legislatively Adopted Budget</u>
<u>Department of State Police</u>						
General Fund	\$ 215,889,726	\$	221,145,845	\$	5,256,119	2.43%
Lottery Funds	6,653,450		6,855,630		202,180	3.04%
Other Funds	93,439,786		93,876,661		436,875	0.47%
Federal Funds	9,122,153		9,644,097		521,944	5.72%
<u>Department of Public Safety Standards and Training</u>						
General Fund Debt Service	\$ 10,968,292	\$	11,283,810	\$	315,518	2.88%
Other Funds	33,836,196		32,962,299		-873,897	-2.58%
<u>Oregon Youth Authority</u>						
General Fund	\$ 251,618,682	\$	250,012,705	\$	-1,605,977	-0.64%
General Fund Debt Service	5,155,518		5,342,506		186,988	3.63%
<u>Economic and Community Development Program Area</u>						
<u>Oregon Business Development Department</u>						
General Fund	\$ 3,851,208	\$	3,842,479	\$	-8,729	-0.23%
Lottery Funds	57,070,679		56,577,026		-493,653	-0.86%
Lottery Funds Debt Service	79,270,043		82,100,202		2,830,159	3.57%
Other Funds	24,000,075		23,722,575		-277,500	-1.16%
Other Funds Debt Service	1,797,848		2,119,733		321,885	17.90%
Other Funds Nonlimited	196,559,609		193,244,609		-3,315,000	-1.69%
<u>Employment Department</u>						
General Fund	\$ 3,670,948	\$	3,334,080	\$	-336,868	-9.18%
Other Funds	132,527,941		127,142,810		-5,385,131	-4.06%
Federal Funds - CCDF	128,161,683		134,361,683		6,200,000	4.84%
Federal Funds -Non-CCDF	145,721,505		158,066,704		12,345,199	8.47%

* Excludes Capital Construction	<u>2011-13 Legislatively Adopted Budget</u>	<u>2012 Session Legislatively Approved Budget</u>	<u>Legislative Adjustments (difference between 2012 and 2011-13)</u>	<u>Percentage Change from Legislatively Adopted Budget</u>
<u>Housing and Community Services Department</u>				
General Fund	\$ 10,018,855	\$ 10,155,271	\$ 136,416	1.36%
Lottery Funds Debt Service	10,383,766	10,464,685	80,919	0.78%
Other Funds	140,534,236	149,615,398	9,081,162	6.46%
Federal Funds	203,039,554	208,039,554	5,000,000	2.46%
<u>Department of Veterans' Affairs</u>				
General Fund	\$ 6,469,659	\$ 6,562,195	\$ 92,536	1.43%
<u>Natural Resources Program Area</u>				
<u>State Department of Agriculture</u>				
General Fund	\$ 12,917,172	\$ 12,108,804	\$ -808,368	-6.26%
Lottery Funds	6,894,457	7,827,343	932,886	13.53%
Other Funds	52,099,191	52,140,502	41,311	0.08%
<u>Department of Geology and Mineral Industries</u>				
General Fund	\$ 2,465,906	\$ 2,464,702	\$ -1,204	-0.05%
Other Funds	7,246,479	8,955,783	1,788,304	23.59%
Federal Funds	3,558,985	5,347,289	1,709,304	50.25%
<u>State Department of Energy</u>				
Lottery Funds	\$ 2,088,439	\$ 2,164,185	\$ 75,746	3.63%
Other Funds	31,477,822	35,726,832	4,249,010	13.50%
Federal Funds	36,736,670	36,845,834	109,164	0.30%
<u>Department of Environmental Quality</u>				
General Fund	\$ 19,693,974	\$ 19,438,356	\$ -255,618	-1.30%
General Fund Debt Service	5,379,568	5,573,180	193,612	3.60%

* Excludes Capital Construction

	2011-13 Legislatively Adopted Budget		2012 Session Legislatively Approved Budget		Legislative Adjustments (difference between 2012 and 2011-13)	Percentage Change from Legislatively Adopted Budget
<u>State Department of Fish and Wildlife</u>						
General Fund	\$ 6,729,454	\$	6,429,582	\$	-299,872	-4.46%
General Fund Debt Service	338,094		350,262		12,168	3.60%
Other Funds	197,593,072		197,564,072		-29,000	-0.01%
Federal Funds	109,794,486		109,934,486		140,000	0.13%
<u>State Forestry Department</u>						
General Fund	\$ 45,035,023	\$	47,243,020	\$	2,207,997	4.90%
General Fund Debt Service	2,836,524		2,938,611		102,087	3.60%
Lottery Funds Debt Service	2,453,947		2,542,324		88,377	3.60%
<u>Land Conservation & Development Department</u>						
General Fund	\$ 10,885,017	\$	11,132,225	\$	247,208	2.27%
<u>State Marine Board</u>						
Other Funds	\$ 22,020,102	\$	23,287,102	\$	1,267,000	5.75%
<u>Department of State Lands</u>						
General Fund	\$ 0	\$	681,266	\$	681,266	-
Other Funds	36,548,525		37,606,122		1,057,597	2.89%
Federal Funds	5,671,787		6,099,914		428,127	7.55%
<u>State Parks and Recreation Department</u>						
Lottery Funds	\$ 79,815,323	\$	81,546,565	\$	1,731,242	2.17%
<u>Oregon Watershed Enhancement Board</u>						
Lottery Funds	\$ 64,796,420	\$	64,012,066	\$	-784,354	-1.21%
<u>Water Resources Department</u>						
General Fund	\$ 20,614,684	\$	20,359,297	\$	-255,387	-1.24%
Lottery Funds Debt Service	706,751		732,384		25,633	3.63%

* Excludes Capital Construction

	2011-13 Legislatively Adopted Budget	2012 Session Legislatively Approved Budget	Legislative Adjustments (difference between 2012 and 2011-13)	Percentage Change from Legislatively Adopted Budget
<u>Transportation Program Area</u>				
<u>Department of Transportation</u>				
General Fund Debt Service	\$ 15,416,053	\$ 0	\$ -15,416,053	-100.00%
Lottery Funds Debt Service	69,700,542	72,614,930	2,914,388	4.18%
Other Funds	3,201,362,946	3,211,074,312	9,711,366	0.30%
Other Funds Debt Service	351,243,517	367,214,388	15,970,871	4.55%
<u>Consumer and Business Services Program Area</u>				
<u>Department of Consumer and Business Services</u>				
Federal Funds	\$ 753,662	\$ 3,187,702	\$ 2,434,040	322.96%
<u>Oregon Health Licensing Agency</u>				
Other Funds	\$ 6,612,566	\$ 6,591,815	\$ -20,751	-0.31%
<u>Bureau of Labor and Industries</u>				
General Fund	\$ 11,282,811	\$ 11,068,996	\$ -213,815	-1.90%
<u>Administration Program Area</u>				
<u>Department of Administrative Services</u>				
General Fund Debt Service	\$ 6,575,467	\$ 6,813,955	\$ 238,488	3.63%
Lottery Funds Debt Service	8,164,343	8,497,075	332,732	4.08%
Other Funds	397,950,590	395,575,646	-2,374,944	-0.60%
<u>Employment Relations Board</u>				
General Fund	\$ 932,803	\$ 1,932,803	\$ 1,000,000	107.20%

* Excludes Capital Construction

	<u>2011-13 Legislatively Adopted Budget</u>		<u>2012 Session Legislatively Approved Budget</u>		<u>Legislative Adjustments (difference between 2012 and 2011-13)</u>		<u>Percentage Change from Legislatively Adopted Budget</u>
<u>Office of the Governor</u>							
General Fund	\$ 13,339,757	\$	13,607,119	\$	267,362		2.00%
Other Funds	2,740,911		2,740,912		1		0.00%
<u>State Library</u>							
General Fund	\$ 2,868,303	\$	2,848,417	\$	-19,886		-0.69%
<u>Oregon Liquor Control Commission</u>							
Other Funds	\$ 133,668,473	\$	134,176,446	\$	507,973		0.38%
<u>Public Employees Retirement System</u>							
Other Funds	\$ 78,010,820	\$	77,260,820	\$	-750,000		-0.96%
<u>Department of Revenue</u>							
General Fund	\$ 146,373,434	\$	145,198,243	\$	-1,175,191		-0.80%
<u>Secretary of State</u>							
General Fund	\$ 12,040,291	\$	11,906,971	\$	-133,320		-1.11%
<u>State Treasurer</u>							
Other Funds	\$ 34,998,684	\$	35,248,684	\$	250,000		0.71%
<u>Judicial Branch Program Area</u>							
<u>Judicial Department</u>							
General Fund	\$ 342,262,371	\$	346,366,819	\$	4,104,448		1.20%
General Fund Debt Service	16,971,657		20,257,855		3,286,198		19.36%
Other Funds	24,966,976		55,747,370		30,780,394		123.28%
Other Funds Capital Improvement	0		97,460		97,460		-
<u>Commission on Judicial Fitness and Disability</u>							
General Fund	\$ 183,353	\$	176,934	\$	-6,419		-3.50%

* Excludes Capital Construction	<u>2011-13 Legislatively Adopted Budget</u>	<u>2012 Session Legislatively Approved Budget</u>	<u>Legislative Adjustments (difference between 2012 and 2011-13)</u>	<u>Percentage Change from Legislatively Adopted Budget</u>
<u>Public Defense Services Commission</u>				
Other Funds	\$ 1,192,555	\$ 3,830,055	\$ 2,637,500	221.16%
<u>Legislative Branch Program Area</u>				
<u>Legislative Assembly</u>				
General Fund	\$ 35,780,449	\$ 35,652,289	\$ -128,160	-0.36%
<u>Legislative Administration Committee</u>				
General Fund	\$ 28,438,846	\$ 28,303,995	\$ -134,851	-0.47%
<u>Legislative Counsel Committee</u>				
General Fund	\$ 8,127,672	\$ 8,527,715	\$ 400,043	4.92%
<u>Legislative Fiscal Officer</u>				
General Fund	\$ 5,596,558	\$ 5,626,531	\$ 29,973	0.54%
<u>Legislative Revenue Officer</u>				
General Fund	\$ 1,903,986	\$ 1,889,455	\$ -14,531	-0.76%
<u>Commission on Indian Services</u>				
General Fund	\$ 395,270	\$ 368,819	\$ -26,451	-6.69%
General Fund Total			\$ 158,436,374	
Lottery Funds Total			\$ 6,703,657	
Other Funds Total			\$ 119,666,478	
Federal Funds Total			\$ 349,585,545	

Position Summary

Oregon Health Authority

	2011-13 Legislatively Adopted Budget	2012 Session Legislatively Approved Budget	Legislative Adjustments (difference between 2012 and 2011-13)	Percentage Change from Legislatively Adopted Budget
Authorized Positions	4,089	4,036	-53	-1.30%
Full-time Equivalent (FTE) positions	4,033.27	3,980.27	-53.00	-1.31%

Department of Human Services

Authorized Positions	7,392	7,405	13	0.18%
Full-time Equivalent (FTE) positions	7,298.44	7,311.44	13.00	0.18%

Department of Corrections

Authorized Positions	4,511	4,509	-2	-0.04%
Full-time Equivalent (FTE) positions	4,420.74	4,416.55	-4.19	-0.09%

Department of Justice

Authorized Positions	1,290	1,290	0	0.00%
Full-time Equivalent (FTE) positions	1,270.80	1,268.55	-2.25	-0.18%

Department of Public Safety Standards and Training

Authorized Positions	137	137	0	0.00%
Full-time Equivalent (FTE) positions	135.79	132.04	-3.75	-2.76%

Oregon Business Development Department

Authorized Positions	131	132	1	0.76%
Full-time Equivalent (FTE) positions	129.37	129.87	0.50	0.39%

Employment Department

Authorized Positions	1,500	1,514	14	0.93%
Full-time Equivalent (FTE) positions	1,450.30	1,463.68	13.38	0.92%

Housing and Community Services Department

Authorized Positions	190	210	20	10.53%
Full-time Equivalent (FTE) positions	168.37	183.72	15.35	9.12%

	2011-13 Legislatively Adopted Budget	2012 Session Legislatively Approved Budget	Legislative Adjustments (difference between 2012 and 2011-13)	Percentage Change from Legislatively Adopted Budget
<u>Department of Geology and Mineral Industries</u>				
Authorized Positions	43	53	10	23.26%
Full-time Equivalent (FTE) positions	42.20	48.57	6.37	15.09%
<u>Department of Energy</u>				
Authorized Positions	127	128	1	0.79%
Full-time Equivalent (FTE) positions	113.23	118.73	5.50	4.86%
<u>Department of Forestry</u>				
Authorized Positions	1,192	1,192	0	0.00%
Full-time Equivalent (FTE) positions	862.32	852.19	-10.13	-1.17%
<u>Department of Fish and Wildlife</u>				
Authorized Positions	1,469	1,467	-2	-0.14%
Full-time Equivalent (FTE) positions	1227.32	1,225.32	-2.00	-0.16%
<u>Department of Consumer and Business Services</u>				
Authorized Positions	930	934	4	0.43%
Full-time Equivalent (FTE) positions	919.68	921.90	2.22	0.24%
<u>Department of Administrative Services</u>				
Authorized Positions	774	773	-1	-0.13%
Full-time Equivalent (FTE) positions	770.67	769.67	-1.00	-0.13%
<u>Oregon Judicial Department</u>				
Authorized Positions	1,878	1,878	0	0.00%
Full-time Equivalent (FTE) positions	1,739.20	1,752.66	13.46	0.77%

Revenue

The budget adjustments in Senate Bill 5701 anticipate a net \$101 million increase in General Fund resources from transfers of Other Funds account balances included in Senate Bill 1579 and other actions. Two major legal settlements contribute to this increase in General Fund resources. First, the State's share of the punitive damages related to the Williams vs. Philip Morris tobacco related case is \$56.2 million. This amount is transferred from the Criminal Injuries Compensation Account by Senate Bill 1579. The second is a multi-state agreement between 49 states and major mortgage lenders over mortgage fraud practices. The amount of \$25.2 million will be directly deposited in the General Fund. Senate Bill 1579 transfers a further \$4 million from the Department of Justice's Education and Protection Fund to the General Fund.

The rebalance plan also assumes a net increase to the June 2012 forecast of \$5 million from lower than anticipated costs related to the issuance of Tax Anticipation Notes (TANs).

Summary of Committee Action

Senate Bill 5701 is the omnibus budget reconciliation bill for the 2012 legislative session, implementing the statewide rebalance plan that addresses changes in projected revenues and expenditures since the close of the 2011 session. The Joint Committee on Ways and Means approved Senate Bill 5701 with amendments to reflect budget adjustments as described below.

Statewide Adjustments/Special Actions

Statewide Restructure of State Government Business Operations

As part of the legislative plan to rebalance the 2011-13 biennium budget, the Co-Chairs of the Joint Committee on Ways and Means included a reduction of \$28 million in combined General Fund and Lottery Funds as part of an effort to restructure state government business operations designed to make permanent changes to the management of agency programs and services. This effort is complementary to the Executive Branch interest in studying and modifying the state's compensation and classification systems to potentially realign the relative balance of management service and represented employees in state government.

Based on this decision, the personal services budgets of selected state agencies were reduced by targeted amounts. These amounts are highlighted in each agency's section of this budget report. The following budget note was adopted, to apply to each agency subject to the management service personal services reduction:

BUDGET NOTE

The budget rebalance plan developed by the Co-Chairs of the Joint Committee on Ways and Means included the elimination of targeted amounts from adopted budgets through actions to be taken to reduce the number of middle managers and public affairs positions in state government and to reduce the amount currently planned for advertising and personal services contracts. In order to make these targeted reductions primarily to personal services appropriations, the Legislative Fiscal Office is directed to work with agencies to identify specific management and other positions to be eliminated as part of a restructuring of business operations aimed at making permanent changes to the management of agency programs and services. Affected agencies are directed to report on the status of this effort, with the assistance of the Legislative Fiscal Office, to the Emergency Board in May 2012. Since these reductions are intended to be permanent, it is expected that no positions recommended for elimination as a result of this plan will be included in the Governor's proposed 2013-15 budget.

E-Government Funding Model Change

The statewide budget rebalance includes General Fund savings in agencies resulting from an upcoming change in the state's e-government funding model. Currently, agencies are assessed by the Department of Administrative Services (DAS) based on the number of an agency's full-time equivalent (FTE) positions to the cost of the statewide contract for e-government services. The expenditure is part of the statewide price list and is budgeted as a State Government Service Charge in an agency's budget.

In November 2011, DAS signed a contract with NICUSA to take over e-government services (the current contract expires in June 2012) using a self-funded model; under the model the vendor will be paid primarily through a convenience fee tied to certain (mostly commercial business) transactions. The new vendor and funding model is projected to be up and running in July 2012; DAS has calculated that it will be able to reduce agency assessments by \$2,232,000 for the last portion of the biennium. Those assessments are eliminated in the DAS budget, along with \$970,912 General Fund budgeted in other state agencies to pay for that assessment.

Emergency Board

The Emergency Board provides General Fund appropriations and Other Funds and Federal Funds expenditure limitation to state agencies for unanticipated needs in approved agency budgets when the Legislature is not in session. As part of the 2011-13 biennium statewide rebalance plan, Senate Bill 5701 adjusts the Emergency Board's general purpose and special purpose appropriations as described below.

General Purpose Emergency Fund

The bill disappropriates \$681,266 General Fund from the Emergency Fund to correspond with a General Fund appropriation to the Department of State Lands, in the same amount, for payment of expenses related to the Portland Harbor Superfund. It also increases the Emergency Fund by \$2.9 million. These two actions leave a balance of \$27.2 million in the general purpose Emergency Fund for the 2011-13 biennium.

Special Purpose Appropriations

Senate Bill 5701 repeals five special purpose appropriations established during the 2011 legislative session for early learning programs and services (\$17.7 million); employment related day care or other supports and services for children and families (\$5.7 million); child welfare differential response (\$5 million); Department of Human Services and Oregon Health Authority caseload and costs for programs and services (\$8 million); and education-related expenses in the Oregon Youth Authority (\$1.7 million). The bill also:

- Reduces a special purpose appropriation for the Department of Forestry by \$2,120,017, with a corresponding \$2,120,017 General Fund appropriation to the Department of Forestry to pay for fire suppression costs.
- Establishes a \$3.5 million special purpose appropriation for the Public Defense Services Commission in the event that the Commission requires additional resources to support trial-level public defense services.
- Establishes a \$1.1 million special purpose appropriation for the Judicial Department to meet any potential operating needs of the courts.
- Establishes a \$60 million special purpose appropriation for potential allotment reduction mitigation; for home foreclosure issues; or for human services caseload increases.
- Establishes a \$10 million special purpose appropriation for the preservation of education programs in case of allotment reductions. This applies to the Community College Support Fund, the Department of Education grant-in-aid programs, and the state General Fund support of the Oregon Health Sciences University.

If the moneys in the special purpose appropriations are not allocated by the Emergency Board before December 1, 2012, the moneys are available to the Emergency Board to be allocated for any purpose for which the Emergency Board lawfully may allocate funds.

Adjustments to Agency Budgets

Education Program Area

Department of Community Colleges and Workforce Development

The Committee approved a 3.5% reduction to the General Fund appropriation for the following programs that had not been subject to the supplemental ending balance adjustment made during the 2011 legislative session:

- Skill Centers – \$19,250
- Trucking Solutions Consortium and loans to students participating in commercial driver training – \$17,500
- National Career Readiness Certificate and on-the-job training programs – \$119,000

The Committee restored \$813,402 for debt service (\$551,965 General Fund, \$261,437 Lottery Funds, and \$200,000 Other Funds) which had been reduced as part of the supplemental ending balance in the 2011 legislative session. The Community College and Workforce Development Department has \$200,000 available in interest earnings on bond proceeds to make a portion of the debt service payment.

As part of the statewide effort to restructure state government business operations and management of agency programs and services, the personal services budget for the agency was reduced by \$95,768 General Fund. A reduction of \$994 General Fund was made for the agency's share of the statewide e-government savings.

Department of Education

The Committee approved a 3.5% reduction to the General Fund appropriation for the Oregon Department of Education (ODE) for the following new programs that had not been subject to the supplemental ending balance adjustment made during the 2011 legislative session:

- School District Collaboration (Senate Bill 252) – \$175,000
- Career and Technical Education (House Bill 3362) – \$70,000
- Accelerated College Credit (Senate Bill 254) – \$8,750
- For Inspiration and Recognition of Science and Technology (FIRST) – \$5,250
- Farm-to-School (House Bill 2800) – \$7,000
- After School Meal and Snack (Senate Bill 480) – \$6,300

An increase of \$5,610,036 Other Funds expenditure limitation was approved for the long-term care and treatment program. The increase supports an additional 271 slots from the implementation of Senate Bill 170 (2011) and \$1.6 million Other Funds for a high-cost reserve and inflation in the average net operating expenditures.

The 2011-13 legislatively adopted budget included \$5 million General Fund to cover the cost from a breach of contract lawsuit. The Department was directed to first use its 2009-11 legislatively approved budget to the greatest extent possible to address the payments, with any remaining balance due to be paid from the 2011-13 appropriation. The Committee approved a reduction of \$2 million General Fund as final payments have been made.

The overall funding level for the State School Fund was increased by \$2.5 million to cover the cost of extending the sunset for the Small School District Supplement Fund until June 30, 2013 (one additional year). Further, the Committee modified the funding sources to address a forecasted decline in Lottery Funds revenues. The General Fund appropriation is increased by \$5,479,570; the Lottery Funds allocation and expenditure limitation is decreased by \$2,979,570 million.

The Committee added \$587,015 General Fund for the Early Head Start Program. With this additional funding, the Department is expected to maintain 59 enrollment slots for the balance of the biennium.

A \$431,521 General Fund reduction in the personal services budget for the agency was made as ODE's share of the statewide effort to restructure state government business operations and management of agency programs and services (\$280,465 Operations, \$151,056 School for the Deaf). The budget was also reduced by \$18,413 General Fund to capture statewide e-government savings.

The Committee restored debt service of \$1,848,887 Lottery Funds and \$61,218 Other Funds to cover obligations that were reduced as part of the supplemental ending balance in the 2011 legislative session.

Oregon Health & Science University

The Committee approved a 3.5% reduction, or \$18,375 General Fund, for new Health Care Loans (House Bill 2397, 2011) that had not been subject to the supplemental ending balance adjustment made during the 2011 legislative session.

Oregon Student Access Commission

Senate Bill 5701 reflects three adjustments to the Commission's budget. The Committee transferred \$34,152 General Fund from the Oregon Opportunity Grants to child care grants to offset the 3.5% supplemental ending balance reduction for that program in the legislatively adopted budget. The second reduced personal services by \$29,294 General Fund for the Commission's share of the statewide effort to restructure state government business operations and management of agency programs and services. The third change was a \$462 General Fund reduction to capture statewide e-government savings.

Teacher Standards and Practices Commission

As part of the Co-Chairs' statewide rebalance plan, the Committee eliminated the \$100,000 General Fund appropriation for the Educator Preparation Improvement Fund established in House Bill 3474 (2011). The Fund remains in statute and the Teacher Standards and Practices Commission may still accept grants, donations or gifts of money.

The Committee also established an \$85,455 Federal Funds expenditure limitation for the Advancing Longitudinal Data for Educational Reform (ALDER) grant funds received through an intergovernmental agreement with the Department of Education. Funds will be used to support staff time, data gathering, and hardware.

Oregon University System

General Fund debt service appropriations for the Oregon University System (OUS) are adjusted based on updated repayment schedules and restorations of supplemental ending balance reductions taken as part of the legislatively adopted budget. General Fund debt service on Article XI-G general obligation bonds was increased by \$1.7 million. General Fund debt service on certificates of participation (COPs) was increased by \$585,977. General Fund debt service for repayment of energy loans to the Department of Energy (SELP) was decreased by \$3.1 million. The net effect of these adjustments is a savings of \$892,900 General Fund. Lottery Funds expenditure limitation for debt service was increased by \$260,577 to meet lottery bond obligations. Sports Lottery was reduced by \$232,960 to make Lottery Funds available to meet debt service obligations, with direction that this reduction be split between the University of Oregon (\$118,613) and Oregon State University (\$144,347), both of which are on track to experience significant increases in athletic revenues in the 2012-13 fiscal year. In addition, Other Funds debt service was increased by \$344,054 to reflect the redirection of lottery bonds proceeds issued in 2007 for capital repair projects to now pay for debt service on existing lottery bonds.

The Committee approved a 3.5% reduction, \$11,550 General Fund, for clinical legal education (House Bill 5056, 2011) that had not been subject to the supplemental ending balance adjustment made during the 2011 legislative session

Human Services Program Area

Oregon Health Authority

The Oregon Health Authority (OHA) budget is organized into several program areas including Health Care Programs, Addictions and Mental Health, and Public Health, as well as Central and Shared Services. Senate Bill 5701 adjusts the OHA budget for updated pricing of program caseloads, costs and revenues, and selected management actions to help “rebalance” the budget. Most notable are additional costs of \$21.3 million General Fund mostly related to a shortfall in personal services funding in the budget, and \$25.0 million General Fund savings primarily related to caseload changes. The rebalance plan includes agency actions to manage a portion of the personal services underfunding. Finally, the rebalance plan includes a number of technical adjustments to fix errors made in the original split of the Department of Human Services (DHS) into two agencies, and to realign resources within OHA. This includes moving 13 positions from OHA to DHS, and a realignment of positions in the Oregon State Hospital.

The budget as adjusted reflects a number of actions to be taken as a result of the \$62.4 million General Fund and \$390,969 Lottery Funds withheld in the legislatively adopted budget for the 3.5% supplemental statewide ending balance. These actions include various program reductions and the use of one-time revenue sources. They also include total administrative reductions of \$15.3 million General Fund, including the expectation that the agency will manage \$8.3 million of the personal services underfunding in the agency through holding position vacancies and other actions. This total also includes a reduction of \$5.1 million General Fund, which is OHA’s share of the statewide effort to restructure state government business operations and management of agency programs and services. The budget was reduced by \$104,840 General Fund and \$100,729 Federal Funds to reflect savings in State Government Service Charges from the changes in the state’s e-government funding model.

With the addition of certain other actions beyond that already described, the approved adjustments result in an overall \$146.5 million increase in the agency’s total funds budget, but a \$24.6 million General Fund decrease. These actions also result in a \$390,969 decrease in Lottery Funds expenditure limitation, an \$18.6 million increase in Other Funds expenditure limitation, a \$152.8 million increase in Federal Funds limitation, and a reduction of 53 positions (53.00 FTE).

A more detailed description of each program area follows.

Health Care Programs

The budget adjustments in Senate Bill 5701 reflect a net reduction of \$34.1 million General Fund in the Health Care Programs budget, with a \$4.3 million increase in Other Funds expenditure limitation and a \$64 million increase in Federal Funds expenditures limitation. Positions are reduced by 18 (18.00 FTE).

The rebalance plan approved by the Committee includes overall savings of \$25.9 million General Fund, primarily as a result of lower caseloads, but also savings from a slight increase in the federal match rate. Increased costs include a shortfall of \$1.2 million in tobacco tax forecast, as well as \$2.6 million in General Fund costs related to the Medicaid Management Information System (MMIS) as a result of new federal requirements. The federal government will contribute \$21.8 million or 90% of these costs. The rebalance also includes an additional \$80 million in Federal Funds expenditure limitation for the Federal Medical Insurance Pool (FMIP), which is a new federal program to provide insurance coverage for high risk individuals.

The Committee approved a number of other actions, partially to manage the \$33.1 million General Fund withheld in the legislatively adopted budget for the 3.5% supplemental statewide ending balance. Federal revenues from both the 2010 and 2011 federal Children's Health Insurance Program Reauthorization Act (CHIPRA) bonuses, totaling \$23.5 million, will replace General Fund. A total of \$16.8 million of insurer's tax revenue will be redirected to help ensure access to health care for children. Of this total, \$11 million will be used to preserve services for children by preventing program reductions in the Oregon Health Plan (OHP) Plus program. These resources come from unallocated funds of \$10 million and an additional \$1 million in reduced marketing/advertising for the Healthy Kids program. Another \$5.8 million will be used in the Family Health Insurance Assistance Program (FHIAP) to prevent further program reductions. These resources result from lower than expected caseloads in Healthy Kids Connect. The following budget note was approved related to the insurer's tax:

BUDGET NOTE

The Oregon Health Authority is instructed to convene a stakeholder work group consisting of all eight health insurers domiciled in Oregon to review whether there is a future for the health insurance premium tax. Further, by December 2012, the work group shall make recommendations on how to address the funding gap that will arise after the September 30, 2013 sunset of the existing tax authority and how to allocate any surplus premium tax revenue in the remaining months of the 2011-13 biennium to health care programs, especially for Oregon's children. The Oregon Health Authority is instructed to memorialize discussions in writing, as well as to provide updates on the work group discussions to the interim health care policy committees.

A number of program reductions are included in this budget, including administrative reductions of \$1.5 million General Fund. In addition, the agency is expected to manage all personal services underfunding within this program area. Membership in FHIAP will be reduced to save \$2 million General Fund, and those clients will be eligible for OHP Standard. Six positions (6.00 FTE) are also eliminated in the program. Funding for outreach workers at Federally Qualified Health Centers will be reduced by \$134,875 General Fund. The Committee approved the addition of \$1 million General Fund to mitigate the earlier reductions to the reimbursement rates for durable medical equipment. These adjustments are expected to be implemented at the same time as the overall rate adjustments for durable medical equipment for the fiscal year beginning July 1, 2012. This budget has also been reduced by \$699,560 General Fund as a result of the statewide effort to restructure state government business operations and management of agency programs and services. The following budget note relating to generic drugs was approved:

BUDGET NOTE

The Oregon Health Authority is directed to pursue a competitive bidding process for the purchase of lowest cost generic drugs within the Medicaid program. The agency shall report back to the Emergency Board by December 2012 on the status and results of this initiative.

At the direction of the Governor and legislative leadership, OHA suspended new program enrollment in OHP Standard effective January 2012. This was done in order to give the Legislature maximum flexibility to rebalance the budget. These resources were not used in the budget rebalance, and the agency is expected to reopen enrollment in this program.

Addictions and Mental Health

Overall budget adjustments for Addictions and Mental Health increase General Fund by \$3.3 million. These adjustments also result in a reduction to Lottery Funds expenditure limitation of \$390,969, an increase in Other Funds limitation of \$5.7 million, and an increase in Federal Funds limitation of \$3.2 million. A total of 35 positions are eliminated (35.00 FTE).

The rebalance plan approved by the Committee includes General Fund costs of \$12 million, primarily a result of underfunded personal services costs. The Oregon State Hospital accounts for \$14.1 million out of the total \$17.5 million General Fund shortfall in personal services funding agency wide. The rebalance plan reports management actions to absorb about 30% of this shortfall. This is a particularly difficult area of the budget in which to manage personal services costs, since holding vacancies of direct-care staff can result in inadequate staffing levels to provide the necessary care, and may also result in higher overtime costs. The rebalance includes a realignment of positions in the Oregon State Hospital. While this has no impact on the budget, it does result in a reduction of 34 positions. An additional Federal Funds expenditure limitation of \$3.9 million is included in the rebalance. A portion of this is needed as a result of more federal resources from Alcohol and Drug program grants than was originally anticipated. The remainder is for additional federal match of General Fund at the state hospital, which was understated in the legislatively adopted budget.

The Committee approved a number of other actions, partially to manage the \$23.4 million General Fund withheld in the legislatively adopted budget for the 3.5% supplemental statewide ending balance. Four wards in the new Oregon State Hospital will not be opened until the beginning of the 2013-15 biennium. This results in one-time General Fund savings of \$19.6 million in 2011-13, primarily as a result of positions held vacant for part of the biennium. Gambling addiction programs have been reduced by \$390,969 Lottery Funds. This is in addition to the program reduction as a result of the 3.5% supplemental ending balance holdback. Funding for the development of new capacity in the community mental health system is reduced by \$2.8 million General Fund, leaving \$4.8 million in the budget to move forward with immediate plans for expansion of capacity.

This budget anticipates using, in the second year of the biennium, \$5.7 million Other Funds from the Community Mental Health (Dammasch) Housing Trust Fund to support program services. This amount is equal to one-half of the current principal in the Fund. The Other Funds will be used to continue to provide community services to children and adults with mental illness. The community housing grant program will continue during the 2011-13 biennium, at reduced levels as funding permits. The following budget note related to the Dammasch Fund was approved:

BUDGET NOTE

Funds from the Dammasch Trust Fund in the 2011-13 budget are being used due to the severe revenue shortfall the state has experienced. Dammasch funds are being used exclusively for vital mental health services. If revenue should substantially increase in the current biennium, the Legislature will restore these funds to their full amount.

This budget has been reduced by \$3.4 million General Fund as a result of the statewide effort to restructure state government business operations and management of agency programs and services. The agency is also expected to manage a portion of the personal services underfunding within this program area.

Public Health

In Public Health, the overall budget adjustments add \$1.8 million General Fund, \$5.1 million Other Funds, and \$5.7 million Federal Funds.

The rebalance plan approved by the Committee includes a General Fund cost of \$1.2 million, primarily a result of underfunded personal services costs. The plan also includes a \$6.2 million Federal Funds expenditure limitation increase for the Office of Family Health and the Office of Environmental Health. This includes grant awards for the Maternal Infant and Early Childhood Home Visiting Program, the WIC Breastfeeding Program, and the Healthy Homes grant.

Actions were approved to manage the \$1.2 million General Fund withheld in the legislatively adopted budget for the 3.5% supplemental statewide ending balance. The agency is expected to manage all personal services underfunding within this program area. This budget has also been reduced by \$303,303 General Fund as a result of the statewide effort to restructure state government business operations and management of agency programs and services. Other approved actions include the transfer of \$1.5 million from the Tobacco Use Reduction Account to the state General Fund.

Central, Shared & Direct Charge Services

The budget adjustments for Central, Shared and Direct Charge Services increase General Fund by \$5.1 million, Other Funds expenditure limitation by \$3.5 million, and Federal Funds expenditure limitation by \$80 million.

The rebalance plan includes a General Fund cost of \$4 million, primarily a result of underfunded personal services costs. The plan also includes a \$3.5 million increase in Other Funds expenditure limitation for Shared Services. Federal Funds expenditure limitation is increased by \$80.4 million to support additional resources for projects supported by the Office of Health Information Technology (OHIT). OHIT has received additional federal grant funds to support the infrastructure that will promote the development of health information technology strategies and applications to support the widespread improvement of the health care system. It also expects to receive \$67.8 million Federal Funds during the biennium to pass through to health care professionals and hospitals in Oregon as incentives to develop electronic health record systems.

The Committee approved a number of other actions, partially to manage the \$4.7 million General Fund withheld in the legislatively adopted budget for the 3.5% supplemental statewide ending balance. The agency is expected to manage all personal services underfunding within this program area. The original \$4.7 million holdback included \$1.9 million General Fund related to debt service, which was added back. This budget has also been reduced by \$691,053 General Fund as a result of the statewide effort to restructure state government business operations and management of agency programs and services.

Department of Human Services

Senate Bill 5701 increases the Department of Human Services (DHS) budget by a net \$103.5 million General Fund, \$22 million Other Funds, \$160.7 million Federal Funds, and 13 positions (13.00 FTE). The 13 positions are moved from the Oregon Healthy Authority, for no net increase between the two agencies. The net adjustments reflect updated pricing of program caseloads, costs and revenues, and selected agency actions to help “rebalance” the legislatively adopted budget; technical adjustments to fix errors made in the initial distribution of resources between DHS and the Oregon Health Authority when that new agency was created; actions to be taken to address the \$73.7 million General Fund unspecified reduction in the legislatively adopted budget for the 3.5% supplemental statewide ending balance; and other actions anticipated in the Ways and

Means Co-Chairs' statewide budget plan. The budget was reduced by \$240,259 General Fund and \$196,576 Federal Funds to reflect savings in State Government Service Charges from the change in the state's e-government funding model. More detailed description of the budget changes and actions in each program area follows.

Central Services

The Central Services budget is reduced by \$522,515 General Fund, \$10,047 Other Funds, \$1.3 million Federal Funds, and 9 positions (8.99 FTE). This includes reductions of \$580,630 General Fund and \$478,824 Federal Funds as part of the statewide effort to restructure state government business operations and management of agency programs and services. This unit is also expected to manage \$310,205 General Fund and \$310,205 Federal Funds in higher-than-budgeted position costs through holding position vacancies and other actions. Technical adjustments are made to move one position (1.00 FTE) into and 10 positions (9.99 FTE) out of this budget.

Children, Adults and Families

Senate Bill 5701 increases funding for Children, Adults and Families (CAF) by \$26.8 million General Fund, \$14.9 million Other Funds, and \$31.1 million Federal Funds. This reflects budget adjustments based on CAF's budget rebalance needs and technical adjustments, the \$28.7 million General Fund reduction made in the 2011-13 legislatively adopted budget for the 3.5% supplemental ending balance, and other actions anticipated in the statewide budget plan.

DHS identified a net \$34.5 million General Fund need in the CAF budget in its financial report to the Joint Interim Committee on Ways and Means in January 2012. The federally-funded Supplemental Nutrition Assistance Program (SNAP) caseload continues significant growth: \$130 million was added to CAF's nonlimited Federal Funds expenditure limitation in December 2011, 5.6% above the legislatively adopted budget level. Caseloads and costs in the Temporary Assistance to Needy Families (TANF) cash assistance programs are forecast to be \$44.1 million General Fund higher than budgeted, with the most notable increase in the TANF Basic caseload, where the average caseload is now projected to be 28,607 monthly, 17.2% higher than the 24,407 average in the legislatively adopted budget. Child Substitute Care caseloads are forecast higher than budgeted, primarily in regular foster care, special contracts, residential treatment, and target children cases. Other substitute care programs show a small savings compared to the budget. Adoptions program caseloads and costs are projected to be lower than funded in the legislatively adopted budget.

Notable revenue adjustments in CAF's budget rebalance and in the statewide budget plan include the use of \$16 million in federal TANF funds received but not spent in the 2009-11 biennium; \$5.1 million in SNAP access and application process bonuses; and \$6.2 million in federal Child Care and Development Fund moneys received from the Employment Department as Other Funds. In addition, \$10 million in federal fiscal year 2013 TANF contingency funds are assumed to replace a \$5 million shortfall in federal fiscal year 2012 funding and to help avoid \$8 million in further reductions in TANF programs.

Key elements of the CAF budget after the Senate Bill 5701 adjustments include the following:

- In the TANF program, basic cash assistance payment levels and income eligibility criteria are unchanged. Current TANF Parents as Scholars clients can complete their education without losing cash assistance. The TANF Family Support and Connections program is maintained at full funding. Adults who meet the federal 60-month time limit in- or out-of-state will not be eligible for TANF in Oregon. The current "job quit"

ineligibility period is extended from 60 to 120 days. Post-TANF payments to working families are ended May 1, 2012, two months earlier than originally budgeted. There continues to be risk in TANF caseloads which are already running above the Fall 2011 forecast level.

- \$9 million in unallocated JOBS funding is maintained for job placement, contracted slots and client support services such as child care and transportation.
- Employment Related Day Care (ERDC) caseloads are funded at an expected 8,500 average cases, with a continued mix of General Fund and federal Child Care and Development Fund moneys. Client co-payments are increased by 10%, an average of \$5 to \$10 monthly for families receiving subsidies. The unallocated \$5.7 million special purpose appropriation to the Emergency Board for ERDC or other supports and services for children and families is eliminated.
- Child welfare services are maintained, including funding for SB 964 (2011) community-based, family preservation and reunification programs. The unallocated \$5 million special purpose appropriation to the Emergency Board for child welfare differential response is abolished. The new initiative to contract for domestic violence advocates in program offices is scaled back, and \$1 million for new infrastructure grants to domestic violence shelters is eliminated. Foster care, adoptions assistance and other child welfare provider reimbursement payments are unchanged from the legislatively adopted budget level.
- Funding for refugee services is decreased by \$100,000, reducing the legislatively adopted budget for the program by less than 1% overall. The \$100,000 reduction is made in federal TANF funds which will be used elsewhere in CAF to free up \$100,000 General Fund.
- Vocational Rehabilitation Services are continued without reduction.

Higher-than-budgeted position costs in CAF total \$15.6 million General Fund and \$15.6 million Federal Funds; these costs will be managed through holding position vacancies and other actions. An additional \$1.9 million General Fund and \$1.9 million Federal Funds reduction is made in CAF self-sufficiency program staffing and other operating costs. The CAF budget is further reduced by \$3 million General Fund, \$180,000 Other Funds and \$2.8 million Federal Funds as part of the statewide effort to restructure state government business operations and management of agency programs and services. Overall, the impact of these actions is expected to reduce CAF staffing by the equivalent of more than 310 positions, and bring field staffing levels for self-sufficiency and child welfare programs down to less than 70% of the workload staffing models for those programs.

Seniors and People with Disabilities

The budget for Seniors and People with Disabilities (SPD) is increased by \$77.2 million General Fund, \$4.4 million Other Funds, and \$129.8 million Federal Funds. Technical adjustments move one position (1.00 FTE) from SPD to the Central Services budget. These budget adjustments address SPD's budget rebalance and technical adjustments, the \$44.1 million General Fund reduction made in the 2011-13 legislatively adopted budget for the 3.5% supplemental ending balance, and other actions anticipated in the statewide budget plan.

DHS reported in January 2012 to the Joint Interim Committee on Ways and Means that caseloads in long-term care facilities for seniors and people with physical disabilities are expected to be down just slightly overall from the caseloads funded in the legislatively adopted budget.

However, costs for in-home cases and community-based care were higher than budgeted, in part because of some clients shifting to home and community-based care settings from Medicare Part A and Part B Buy-in programs that pay Medicare premiums for low-income “dual eligible” seniors who qualify for both Medicare and Medicaid. In the programs serving people with developmental disabilities, caseloads overall were slightly less than initially funded, although costs per case were running higher due to higher client acuity levels and some movement between program settings. Higher Medicaid client participation rates in those programs were expected to provide more Federal Funds to help offset the higher overall costs. Overall, SPD’s budget rebalance showed a small General Fund savings from the legislatively adopted budget, before consideration of the 3.5% supplemental ending balance reduction and the budgeted long-term care reimbursement reduction.

In addition to the unspecified \$44.1 million General Fund reduction for the 3.5% supplemental ending balance, the legislatively adopted budget reflected a reduction of \$51.5 million General Fund, \$147.6 million total funds in the second year of the biennium for long-term care costs for seniors and adults with physical disabilities in in-home services, community-based facilities, and nursing facilities. When repriced for the shift in service settings and costs in the agency’s budget rebalance, to fully restore this reduction would require \$53.4 million General Fund. The adjustments in Senate Bill 5701 include an additional \$40 million General Fund appropriation in this program area, reducing the potential reimbursement reduction from \$53.4 million to \$13.4 million. The Co-Chairs’ intent is that the Governor’s Office, the Oregon Health Authority and DHS will pursue additional federal Medicaid funding or other federal revenue to mitigate or eliminate the full reduction. DHS is expected to report on this issue to the Emergency Board at its May 2012 meeting, with recommendations regarding any further action to be taken at that time. In addition, as part of the Co-Chairs’ budget rebalance plan, an agreement was made to consider using the Emergency Fund to cover the remaining \$13.4 million reimbursement reduction if additional federal funds are not obtainable and the June 2012 Oregon Economic and Revenue Forecast of 2011-13 biennium General Fund revenues, excluding the impact of 2012 legislative session adjustments, exceeds the amount of General Fund revenues in the March 2012 forecast by at least \$25 million.

The approved budget makes no reductions in Oregon Project Independence services, Medicaid adult day services, or Medicaid home-delivered meals programs.

Alternatives to Employment Services, Sheltered Employment, Supported Employment, the Family Support Program and Family-to-Family network for people with developmental disabilities and their families also continue without reductions. The plan avoids further reductions to reimbursement rates for brokerages and community developmental disability programs (CDDPs). It also adds \$7.5 million General Fund for 24-hour residential providers; for supported living providers; and for children’s residential providers including children’s foster care group homes, to bring the 2011-13 biennial budget reductions to no more than 6% below the 2009-11 level. No changes were made at this time for the adult foster care programs, which are currently in collective bargaining negotiations. The following budget note was approved:

BUDGET NOTE

The Department of Human Services is to report to the Emergency Board in September 2012 on the outcome of the negotiations for the adult foster care programs. If the negotiations result in a reduction that is more than 6% below the 2009-11 reimbursement rate, DHS is to identify options for bringing reimbursement for adult foster care programs to no more than a 6% reduction for the balance of the biennium, and include its preferred option in the agency’s next budget rebalance plan.

Costs for crisis diversion and in-home services for some individuals with developmental disabilities will be limited, resulting in budget savings of \$241,149 General Fund and \$956,710 Federal Funds. Clients in three additional state operated group homes for adults with disabilities will be moved to private group homes, for a \$350,190 General Fund and \$571,410 Federal Funds savings this biennium. With three state operated group homes already in the process of being closed, DHS will move a total of 30 clients to private group homes by the end of the biennium, for an estimated net savings of \$1.3 million General Fund and \$3.4 million Federal Funds.

The budget adjustments anticipate \$2.8 million in General Fund savings from a total of \$1.5 million Other Funds and \$1.3 million Federal Funds in increased revenue, based on contractor estimates for higher third-party recoveries for long-term care cases, higher projected estate recoveries, and a new Medicaid 1915(c) waiver for in-home comprehensive services for children with developmental disabilities.

Higher-than-budgeted position costs in SPD total \$9.4 million General Fund and \$10.7 million Federal Funds; these costs will be managed through holding position vacancies and other actions. An additional \$1 million General Fund and \$1 million Federal Funds reduction is made in SPD and Area Agencies on Aging (AAAs) program staffing and other operating costs. The SPD budget is further reduced by \$2.5 million General Fund and \$3.3 million Federal Funds as part of the statewide effort to restructure state government business operations and management of agency programs and services. Overall, the impact of these actions is expected to reduce staffing for AAA, DD, and SPD staffing by the equivalent of 180 positions, with reduced field staffing levels for Medicaid eligibility and case management.

Shared Services

The Shared Services budget is increased by a net \$2.8 million Other Funds and 23 positions (22.99 FTE). Technical adjustments add \$3.5 million Other Funds, based on the transfer of 23 positions to Shared Services from within DHS and the Oregon Health Authority. The budget reflects a reduction of \$716,863 Other Funds as part of the statewide effort to restructure state government business operations and management of agency programs and services. Higher-than-budgeted position costs of \$4 million Other Funds will be managed through holding position vacancies and other actions.

Of note: Senate Bill 5701 abolishes the unallocated \$8 million special purpose appropriation to the Emergency Board established in 2011 for Department of Human Services and Oregon Health Authority caseloads and costs for programs and services. However, the agencies may, if needed, be able to access a part of the new \$60 million special purpose appropriation to the Emergency Board designated for potential allotment reduction mitigation; for home foreclosure issues; or for human services caseload increases.

Public Safety Program Area

Department of Corrections

Senate Bill 5701 adds a net \$38.1 million General Fund for the Department of Corrections (DOC), reflecting a partial restoration of the 2011-13 legislatively adopted budget's adjustment for the supplemental ending balance, a "rebalance" of resources across the agency's divisions, and DOC's share of the statewide effort to restructure state government business operations and management of agency programs and services.

The 2011-13 legislatively adopted budget included a \$48.2 million General Fund (3.5%) reduction for the supplemental ending balance. The Committee restored \$38.1 million resulting in the following reductions and actions the agency must make to close the resulting funding gap:

- The amount of funding dedicated for the reimbursement of counties for the jail costs of incarcerating Ballot Measure 73 offenders is reduced by \$1.6 million General Fund. Requests for reimbursement have been lower than expected for the first six months of the biennium. The agency would need to request further funding or reallocate resources within its budget if requests return to at least the amount assumed in the legislatively adopted budget.
- A greater amount of federal funds through the State Criminal Alien Assistance Program (SCAAP) is now anticipated so \$315,352 General Fund in the Health Services Division may be replaced with an equivalent amount of federal funds.
- The amount of debt service required for 2011-13 is reduced by \$81,641 General Fund through refinancing of existing certificates of participation (COPs). Future biennial budgets will reflect savings due to this refinancing.
- DOC's share of the statewide effort to restructure state government business operations and management of agency programs and services is \$7.9 million General Fund.

BUDGET NOTE

The Department of Corrections is instructed not to close or deactivate any facility or units for the purposes of the \$7.9 million reduction related to the agency's share of the statewide effort to restructure state government business operations and management of agency programs and services without consulting the Emergency Board or the Legislature.

The Committee also approved an agency-wide rebalance of appropriation and expenditure limitation affecting most of the divisions. Overall, this rebalance reflects no net increase in General Fund, a \$98,019 increase in Other Funds expenditure limitation, and a \$7,989 decrease in the Federal Funds expenditure limitation. As part of this rebalance, \$220,875 General Fund is transferred to the Operations Division from the Transitional Services Division accounting for funding for one of the five management positions that were eliminated in the 2011-13 legislatively adopted budget. This bill eliminates the five positions (5.00 FTE) since only the funding was eliminated in the 2011 legislative session. The agency's budget was also reduced by \$266,788 General Fund to capture statewide e-government savings.

The bill also repeals the appropriation section for Chapter 666 (House Bill 2940, 2011) and combines this \$100,095 General Fund appropriation with the primary appropriation for the agency found in Chapter 635 (Senate Bill 5505, 2011). Also established in this bill is an Other Funds expenditure limitation for Capital Improvements of \$413,449 for the replacement of components of the Eastern Oregon Correctional Institution's (EOCI) water heating system utilizing solar panels.

The Other Funds expenditure limitation is increased by \$3.2 million for grants to local jails funded by criminal court fees. This limitation was inadvertently left out of House Bill 2712 (2011). The Federal Funds expenditure limitation is also increased by \$600,000 for a federal grant that the agency has received relating to the Prison Rape Elimination Act (PREA). There are three limited duration positions (0.81 FTE) authorized for the activities associated with this grant.

Oregon Criminal Justice Commission

The Committee approved an increase in the Federal Funds expenditure limitation for the Criminal Justice Commission (CJC) of \$6,987,121 reflecting the amount of federal resources that must be spent by the end of the 2011-13 biennium. At the time final action on CJC's 2011-13 budget was taken during the 2011 legislative session, the amount of available federal funding through various grants was not finalized. These funds will mostly be used for programs similar to drug courts for Ballot Measure 57 offenders.

District Attorneys and Their Deputies

Senate Bill 5701 appropriates \$359,976 General Fund for the District Attorneys and Their Deputies. This increase represents a restoration of the entire amount reduced for the supplemental ending balance in the 2011-13 legislatively adopted budget offset by a \$2,078 General Fund decrease for the e-government adjustment. The only option for adjusting this budget is to reduce the compensation of the 36 locally elected District Attorneys.

Department of Justice

The Committee approved a net reduction of \$160,840 in the General Fund appropriation for the Department of Justice (DOJ). Instead of restoring the \$1.9 million General Fund (3.5%) that had been reduced in the 2011-13 legislatively adopted budget for the supplemental ending balance, several reductions were made to fill the gap. These General Fund adjustments include \$600,652 for the Defense of Criminal Convictions (DCC) program. At this time the agency believes this reduction will not significantly affect the DCC program as long as the target savings from management actions are met and the resources in a special purpose appropriation to the Emergency Board are available for the program. This DCC reduction also leads to decreases in the Other Funds expenditure limitations for the Appellate Division of \$210,442 (one position/1.00 FTE) and for the Trial Division of \$39,347 (0.25 FTE).

The Division of Child Support will use mostly vacancy savings to save \$785,156 General Fund, also resulting in a decrease of \$1,395,709 in federal matching funds. The Committee did approve a \$300,000 General Fund increase and a \$600,000 increase in the Federal Funds expenditure limitation for matching federal funds to continue the development of the replacement of the Division of Child Support's major information management system necessary to keep pace with changing program and federal requirements. The Criminal Justice Division will reduce its District Attorney Assist and Organized Crime programs by \$270,831 General Fund (2 positions/1.00 FTE) which also results in a \$221,874 reduction in the Other Funds expenditure limitation for the Division. Other General Fund reductions include \$10,500 for the grant to Project Clean Slate and \$50,000 from the Civil Rights unit. The change in the General Fund also reflects the use of \$348,950 Other Funds in penalties and other resources collected through the Medicaid Fraud unit to offset an equivalent amount of General Fund.

The DOJ's share of the statewide effort to restructure state government business operations and management of agency programs and services is \$600,000 Other Funds. It is expected all of the agency's programs will be reviewed and that a portion of the resulting reduction could lead to overall General Fund savings as the rate for agency legal services is adjusted.

The Department of Justice has joined the Attorneys General in 49 other states in a financial settlement with major private mortgage lenders. Funding to assist distressed homeowners and direct payments to states are part of this settlement. The following budget note is included for the Department of Justice.

BUDGET NOTE

The Department of Justice may request funding for activities related to mortgage fraud and similar issues from the special purpose appropriation established for this purpose. These activities may include investigation and prosecution of mortgage fraud cases, efforts to assist distressed homeowners access funding made available by the recent multi-state settlement with private mortgage lenders, housing counseling, and other activities relating to possible foreclosures. The Department of Justice shall work with the Department of Consumer and Business Services, the Housing and Community Services Department, and other agencies and entities in formulating a plan for the best use of these funds for presentation to the Emergency Board as part of its request for these funds.

Oregon Military Department

None of the funding reduced in the 2011-13 legislatively adopted budget was restored for the Oregon Military Department. The Committee made further reductions including \$35,046 General Fund in the Operations program through vacancy savings for a facilities engineer position, and transferred \$71,937 in savings from the Capital Debt Service program to the Operations program for general operating services and supplies expenses. The net General Fund increase to the Operations program is \$36,891. The Committee also decreased the Emergency Management program by a total of \$120,897 General Fund. A portion of this reduction is from vacancy savings in the Director of Emergency Management position (\$11,816) with the remainder as the agency's share of the statewide effort to restructure state government business operations and management of agency programs and services (\$109,081).

The Committee appropriated \$4.5 million General Fund to Military Department for depositing into the Oregon Local Disaster Assistance Loan and Grant Account for school districts that have raised at least 50% of the cost from local resources and donations for the replacement and relocation of school buildings damaged or destroyed by a flood that is declared a federal disaster. The Committee also approved \$4 million Other Funds expenditure limitation for the Oregon Local Disaster Assistance Loan and Grant Account for the payment of such expenses.

The Community Support program's Other Funds expenditure limitation is increased by \$118,339 for 2011 fire season expenditures.

The Committee also increased the Capital Debt Service Other Funds expenditure limitation by \$306,589 for cash proceeds from previously issued Seismic Rehabilitation Grant bonding and \$241,578 for cash proceeds from previously issued certificates of participation used to fund various armory capital improvements. These funds will be used in lieu of General Fund, for \$548,167 in General Fund Debt Service savings.

The following budget note was adopted.

BUDGET NOTE

The Military Department is directed to prepare a statewide information technology plan for upgrading Oregon's 9-1-1 system(s) to Next Generation technology. The plan shall include a detailed component to consolidate the state's Public Safety Answering Points based upon the 2012 L.R. Kimball Consolidation Analysis and Next Generation 9-1-1

Implementation Report. The plan is to be submitted through the normal budget review process for an information technology project and be reviewed by the Department of Administrative Services - Information Enterprise Strategy and Policy Division.

Department of State Police

Senate Bill 5701 reflects a net \$5.3 million increase in the General Fund appropriation for the Oregon State Police (OSP), including adjustments for the restoration of the reduction for the supplemental ending balance, adjustments across divisions based on a rebalance plan proposed by the agency, and OSP's share of the statewide effort to restructure state government business operations and management of agency programs and services. The total \$7.8 million reduced in the 2011-13 legislatively adopted budget for the supplemental ending balance (3.5% reduction) is restored across the agency.

The changes in the bill include the adjustment of General Fund appropriations for each division based on updated projected spending for the remainder of the biennium. This "rebalance" of resources generally transfers General Fund from the Forensics and Information Management divisions to the Patrol and Criminal divisions. Major factors for these transfers include final employee compensation decisions greater than what was assumed in the legislatively adopted budget, savings from vacant positions, increasing fuel costs, need to replace patrol car video camera systems, and specific programmatic needs. The Committee also approved a reduction of \$2.5 million General Fund for OSP's share of the statewide effort to restructure state government business operations and management of agency programs and services.

The 2011-13 legislatively adopted budget was also reduced by \$241,486 Lottery Funds for the supplemental ending balance. None of this reduction is restored in this bill. In addition, other cost increases (e.g., employee compensation and fuel costs) have left the Fish and Wildlife Division with a Lottery Funds shortfall of over \$700,000. To avoid further staffing reductions, funding for up to five Fish and Wildlife trooper positions will be transferred from Ballot Measure 76 Lottery Funds to Other Funds resources available from carry-forward of Oregon Department of Fish and Wildlife revenues and vacancy savings. This transfer requires an additional \$436,875 in Other Funds expenditure limitation. An increase of \$202,180 in the Lottery Funds expenditure limitation is also approved taking advantage of a greater use of Lottery Funds balances.

The Committee approved a \$521,944 increase in the Federal Funds expenditure limitation for OSP to execute a spending plan for the use of forfeiture and seizure funds. These federal resources have restrictions on how they may be used; and generally do not include the salaries and benefits of current permanent personnel. They also may not be used to replace or supplant appropriated resources of the agency. OSP plans to use these funds to purchase equipment to increase the productivity and safety of troopers including Tasers, equipment for the bomb squad, "Speak Write" software, and "confidential" funds for Criminal Division detectives.

Department of Public Safety Standards and Training

An increase of \$315,518 General Fund was approved for the Department of Public Safety Standards and Training (DPSST). All of the General Fund for the agency is for Debt Service payments for the certificates of participation (COPs) issued for the construction of the agency's Salem facility. This amount represents what was reduced for the supplemental ending balance during the 2011 legislative session, less the amount of savings from refinancing some of the COPs.

The Committee approved an \$873,897 decrease of Other Funds expenditure limitation for the Criminal Justice Training program. This reduction corresponds with a decrease in the allocation of Criminal Fines Account (CFA) resources to the agency that is included in House Bill 5702 (2012). This allocation adjustment increases the amount of CFA resources available for the General Fund. This reduction in training funding will result in the discontinuation of the child abuse training program and the elimination of six positions (3.75 FTE) including a Training Support Specialist, two Range Masters, a Training Development Coordinator, a Health and Fitness Coordinator and a general trainer position. The agency has stated that these reductions will not affect the number of basic law enforcement training classes.

Oregon Youth Authority

To restore county programs affected by the supplemental ending balance reduction applied in the Oregon Youth Authority (OYA) 2011-13 legislatively adopted budget, the Committee added \$910,596 General Fund for Diversion (\$325,265), Juvenile Crime Prevention (\$276,061), Multnomah County Gang (\$163,264), and Individualized Services (\$146,006). As part of the county funding discussion, state support for the East Metro Gang Enforcement Team (EMGET) was confirmed to be \$1,666,753 General Fund for the 2011-13 biennium. This amount consists of \$566,753 in state General Fund from Multnomah County's gang funding grant along with \$1.1 million in designated EMGET General Fund.

The Committee used \$186,988 General Fund from OYA's operations budget to restore debt service. The budget was also reduced by \$64,628 General Fund to capture statewide e-government savings.

To generate additional program savings, \$1 million General Fund was eliminated from the budget based on lower utilization of about 25 foster care and residential beds. The personal services budget was also reduced by \$1.3 million as part of the statewide effort to restructure state government business operations and management of agency programs and services.

Economic and Community Development Program Area

Oregon Business Development Department

The Committee reduced the agency's General Fund appropriation by \$8,729; reduced Lottery Funds expenditures for operations by \$493,653; reduced Other Funds expenditures for operations by \$277,500; and increased Lottery Funds debt service expenditures by \$2,830,159 and Other Funds debt service expenditures by \$321,885, to restore reductions and fully finance debt service costs on lottery revenue bonds. The budget adjustments will generally allow the agency to implement its budget as it identified it would with the 3.5% holdback that was approved to generate a supplemental statewide ending balance, but with certain modifications. These modifications include limiting the Lottery Funds reduction for the Strategic Reserve Fund to \$700,000; increasing the Lottery Funds reduction for Oregon InC by \$357,000; increasing Lottery Funds for the Government Contract Assistance Program with the understanding that the Department will provide a total of \$290,000 Lottery Funds to that program; and increasing the Lottery Funds reduction to the Oregon Film and Video Office by \$81,125.

The Committee also approved budget adjustments to eliminate any additional grant or loan commitments in the Building Opportunities for Oregon Small Business Today (BOOST) program. The Business, Innovation and Trade Division's Other Funds expenditure limitation was reduced by \$377,500 for the reduction in BOOST program grant expenditures, and Other Funds Nonlimited were reduced by \$3,315,000 for the

reduction in BOOST program loan expenditures. Senate Bill 1579 transfers the combined reduction of \$3,692,500 in uncommitted BOOST program account Other Funds to the General Fund.

Lottery Funds were reduced by \$3,547 for the e-government funding model change. Expenditures were reduced by \$9,006 General Fund and \$432,802 Lottery Funds for the agency's share of the statewide effort to restructure state government business operations and management of agency programs and services. Finally, a \$100,000 Other Funds increase in the Business, Innovation and Trade Division, and one position (0.50 FTE), were approved to implement Senate Bill 817 (2011), which established the Oregon Low Income Community Jobs Initiative.

Employment Department

The General Fund appropriation to Employment Department's Child Care Division was reduced by \$336,868. Of this amount, \$250,000 reflects delayed implementation of a health consultation program model being developed by the Oregon Health Authority that was assumed in the Child Care plan and legislatively adopted budget, and a reduction in administrative costs related to the provision of customized reports for child care providers; the remaining \$86,868 is attributable to the statewide effort to restructure state government business operations and management of agency programs and services.

Senate Bill 5701 amends the agency's Federal Funds expenditure limitations to distinguish expenditures from Federal Funds received for benefits administration and operation of public employment offices from expenditures from federal Child Care and Development Funds.

The Committee increased Federal Funds expenditure limitation for benefits administration and public employment offices by \$12,345,199 and established three limited duration positions (6.50 FTE) to accommodate changes in caseload across several programs, as follows:

- \$1.3 million and 5.00 FTE for timely benefit administration of federal unemployment insurance benefit extensions for two additional months that had been approved by the U.S. Congress as of February 14, 2012;
- \$427,704 for Office of Administrative Hearings adjudication of those benefits;
- \$1.2 million and 3 positions (1.50 FTE) for casework and benefit administration of an anticipated 300 dislocated workers per quarter under a federally approved extension of the expanded Trade Act;
- \$447,958 for information technology expenditures necessary to enable participation in the Treasury Offset Grant Program, which enables the Department to recover employer taxes or benefit overpayments from Federal tax returns; and
- \$9 million for utilization of Federal Funds for administration in place of Other Funds (Reed Act) dollars.

The Employment Department identified \$16.6 million in Child Care and Development Funds carried over from previous biennia. The Committee increased Child Care and Development Federal Funds by \$6.2 million for the Employment Department for allowable child care expenditures, per federal guidelines. The statewide budget plan anticipates this \$6.2 million will be transferred to the Department of Human Services for child care subsidies and related expenditures. Decisions regarding how to utilize the remaining Child Care and Development Funds will be made at a later date.

Other Funds expenditure limitation adjustments resulted in a net reduction of \$5,385,131, consisting of the following:

- An additional \$2.5 million and eight limited duration positions (5.00 FTE) to allow for timely administrative hearings and decisions due to the 2-month extension of federal unemployment insurance benefits, and higher than anticipated caseloads originating in the Department of Education and the Portland Police and Fire Disability Fund;
- An additional \$1.4 million and three limited duration positions (1.88 FTE) associated with the Department's successful grant application for development of a national model workforce registration system;
- A reduction of \$9 million Other Funds due to the receipt and utilization of a like amount of Federal Funds for the administration of Unemployment Insurance activities; and
- A reduction of \$250,000 that is attributable to the statewide effort to restructure state government business operations and management of agency programs and services.

Housing and Community Services Department

The General Fund appropriation for the Department was increased by \$75,956 to restore funding to the General Fund Food Program, and by \$76,910 to restore the 3.5% supplemental ending balance reduction to the Court Appointed Special Advocate (CASA) program transferred and funded in House Bill 4082 (2012). General Fund for the Low Income Rental Housing Fund was reduced by 3.5% (\$16,450). The bill increases Lottery Fund expenditures by \$80,919 for debt service costs on lottery revenue bonds. Other Funds expenditure limitation was increased by a total of \$9,081,162, consisting of \$5 million for the Oregon Energy Assistance Program pursuant to Senate Bill 863 (2011), \$2,697,087 and 20 positions (15.35 FTE) for administration of the Home Ownership Stabilization Initiative, and \$1,384,075 for administration of the CASA program. Federal Funds expenditure limitation was increased by \$5 million to reflect a federal grant award for phase three of the Neighborhood Stabilization Program.

Department of Veterans' Affairs

The Committee increased the General Fund appropriation to the Oregon Department of Veterans' Affairs by a net \$92,536, based on the following adjustments:

- Restoration of \$115,656 of the 3.5% supplemental ending balance adjustment, with the intention that the General Fund appropriation made for Veterans' Disabled Transportation be reduced by \$90,000 in lieu of reductions to other services provided by the Department of Veterans' Affairs; and
- A reduction of \$23,120 that is attributable to the statewide effort to restructure state government business operations and management of agency programs and services.

A technical adjustment was approved to transfer a state agency assessment adjustment from the General Fund appropriation for National Services Organizations to the General Fund appropriation for services provided to the Oregon Department of Veterans' Affairs; this transfer has no net General Fund impact.

Natural Resources Program Area

Department of Environmental Quality

Senate Bill 7501 adds \$193,612 General Fund to restore funding for debt service payments. A one-time \$86,615 General Fund reduction to the Land Quality program captures savings from putting a position on special assignment in the Water Quality program. The agency's share of the statewide effort to restructure state government business operations and management of agency programs and services is \$169,003 General Fund, which was taken in the Water Quality program.

Department of Geology and Mineral Industries

To accommodate increased demand for contract services such as Lidar data collection and FEMA flood hazard mapping, the Committee increased Federal Funds expenditure limitation by \$1,788,385, increased Other Funds expenditure limitation by \$1,709,304, and established 10 limited duration positions (6.37 FTE). General Fund was also reduced \$1,204 in the Geologic Survey program to reflect savings in State Government Service Charges from a change in the state's e-government funding model.

Department of State Lands

For payment of expenses related to the Portland Harbor Superfund, the Committee added \$681,266 General Fund (with a corresponding disappropriation of \$681,266 General Fund from the Emergency Fund) and an increase of \$333,333 Other Funds expenditure limitation.

Other Funds expenditure limitation was increased by \$468,125 for fire suppression and land rehabilitation costs as a result of fire damage during the 2011 fire season on Common School Fund rangeland, and by \$256,139 for completion of the Territorial Seafloor Mapping Project. Federal Funds expenditure limitation was increased by \$428,127 for the Department to finalize administration of existing contract balances for eight federal grants in the Natural Heritage program (\$250,127) and to accept a grant from the Environmental Protection Agency for a Wetland Program Development grant (\$178,000).

State Department of Agriculture

Senate Bill 5701 reflects a number of one-time fund shifts with the agency's budget, using Ballot Measure 66 (M66) ending balance carried over from the 2009-11 biennium and Other Funds in the Animal Health program, to rebalance the 3.5% General Fund supplemental ending balance reductions taken across agency programs as part of the 2011-13 legislatively adopted budget. These rebalance adjustments increase Administration and Support Services by \$29,703 General Fund; increase Food Safety Policy Area by \$150,882 General Fund and \$31,311 Other Funds; decrease Natural Resources Policy Area by \$73,647 General Fund, but increase dedicated Lottery Funds by \$416,788 (which includes about \$290,000 carry forward expenditure limitation for improvements at the Plant Division's Hawthorne facility); and decrease Agriculture Development Policy Area by \$113,203 General Fund, but increase non-dedicated Lottery Funds by \$763.

Additional adjustments were approved to make General Fund available as part of the state-wide budget rebalance plan. These include two fund shifts to use M66 Lottery Funds carry forward to replace General Fund: \$354,631 in the Invasive Weeds program and \$160,724 in the Insect Pest Prevention and Management program. In the Plant Health program, \$10,000 Other Funds was used to replace General Fund. The Agriculture Development and Marketing program was reduced by \$70,000 General Fund to reflect vacancy savings. Finally, General Fund was reduced \$4,328 in the Administrative and Support Services Division to reflect savings in State Government Service Charges from a change in the state's

e-government funding model. The Department's share of the statewide effort to restructure state government business operations and management of agency programs and services is \$197,170 General Fund, which was taken from the Food Safety program.

A 3.5% reduction, \$5,250 General Fund, was approved for individual farm credit mediations (House Bill 5056) that had not been subject to the supplemental ending balance adjustment made during the 2011 legislative session.

State Department of Energy

Senate Bill 5701 adds \$4,249,010 Other Funds expenditure limitation, \$109,164 Federal Funds expenditure limitation, one position and 5.50 FTE for administration of energy incentive programs created or modified by the passage of House Bill 3672 (2011). Lottery Fund expenditures are increased by \$75,746 for debt service costs on lottery revenue bonds.

State Department of Fish and Wildlife

The Committee approved a one-time \$41,000 fund shift, replacing General Fund for services and supplies with Other Funds at the Hatchery Research Center. Funding was adjusted for a fish ladder capital improvement package on Steamboat Creek by decreasing Other Funds capital improvement expenditure limitation by \$70,000 and increasing Federal Funds capital improvement expenditure limitation by \$140,000. When the Natural Resources Subcommittee considered budget requests from the Department, it also recommended the expenditure of \$20,000 from the Commercial Fish Fund to support the Port Orford Ocean Resource Team facility and \$100,000 from the Recreational Shellfish Fund for a subtidal survey of brood stock clams in Tillamook Bay with the understanding that if the Department requires an increase in Other Funds expenditure limitation to accommodate these expenditures they are to return later in the biennium to request such an increase.

In addition, \$12,168 General Fund was restored for debt service payments on outstanding certificates of participation. Finally, General Fund was reduced \$5,368 in the Administration Division to reflect savings in State Government Service Charges from a change in the state's e-government funding model. The Department's share of the statewide effort to restructure state government business operations and management of agency programs and services is \$253,504 General Fund, which was taken from the Fish Division.

A technical correction to the Department's adopted budget eliminates position authority for two positions (2.00 FTE) in the Conservation Strategy program that were added in error. The funding was intended to be used instead for services and supplies

State Forestry Department

The Committee, per the Co-Chair budget plan, restored the 3.5% supplemental ending balance reduction for some agency programs, adding \$1,189,182 General Fund to the Fire Protection program, along with \$102,087 General Fund and \$81,990 Lottery Funds for debt service.

An additional one-time payment of \$200,000 General Fund was approved in the Agency Administration program to fund a position in the Governor's Office to support forest policy issues, in particular finding a solution to the county government financial predicament related to the Oregon & California (O&C) Act reduction in federal forest payments.

The budget for the Private Forests program was reduced by \$932,036 General Fund, affecting 50 positions and 9.92 FTE, for the Department of Forestry's share of reductions to address the statewide General Fund shortfall and budget rebalance. The budget was reduced by \$312,995

General Fund in the Fire Protection program and \$53,178 General Fund for the Department of Forestry's share of the statewide effort to restructure state government business operations and management of agency programs and services.

To cover 2011 fire suppression severity costs, Senate Bill 5701 appropriates \$2,120,017 General Fund for the Fire Protection program. The bill makes a corresponding disappropriation of \$2,120,017 General Fund from the special purpose appropriation made to the Emergency Board for costs associated with contracting for large air tankers and helicopters to supplement fire suppression resources for the 2011 fire season.

General Fund is reduced by \$2,484 in the Protection from Fire program and \$509 in the Private Forests program to reflect savings in State Government Service Charges from a change in the state's e-government funding model.

Department of Land Conservation and Development

To support an anticipated Governor's directive to pilot a regional land use planning project, \$200,000 General Fund was added to the agency's budget to support rulemaking and related activities. In addition, \$350,000 General Fund was appropriated to the Department for distribution to Jackson, Josephine, and Douglas counties through intergovernmental agreements. The counties will use these funds to complete technical studies, mapping, and preparation of materials required for preparing a petition to the Land Conservation and Development Commission for rulemaking to consider regional definitions of agricultural and forest lands.

As part of the statewide rebalance plan, the agency's budget is reduced by \$265,752 General Fund to capture one-time budget savings achieved by holding positions vacant and through the agency director taking a job rotation to the Governor's office. Personal services expenditures are reduced by \$33,801 General Fund to capture the agency's share of the statewide effort to restructure state government business operations and management of agency programs. The budget also reflects a \$3,239 General Fund reduction in State Government Service Charges from a change in the state's e-government funding model.

The following budget note was adopted:

BUDGET NOTE

The Department of Land Conservation and Development shall prepare a report that identifies which counties and cities with a population over 10,000 people have completed or not completed the following:

1. The requirement of urban service agreements contained in ORS 195.
2. Approved facilities plans.

The report shall include the date the county and city's comprehensive plan was approved by the Land Conservation and Development Commission. The report shall include options to bring counties and cities into compliance with the ORS and shall be presented to the Joint Committee on Ways and Means prior to the 2013 legislative session.

State Marine Board

The Oregon State Marine Board (OSMB) Law Enforcement program's funding is increased by a total of \$1.1 million, of which \$757,200 is Other Funds and \$292,800 is Federal Funds that would be transferred from the Facilities program. Of the total amount, \$945,000 would be used to increase funding for fiscal year 2013 law enforcement contracts to a level commensurate with fiscal years 2011 and 2012. Those fiscal year contracts totaled \$5.9 million each.

The Committee also approved a \$105,000 Other Funds expenditure limitation increase for the replacement of marine law enforcement boats. This is in addition to the \$300,000 Other Funds expenditure limitation in the Board's 2011-13 legislatively adopted budget.

Federal Funds expenditure limitation for the Administration and Education program is increased by \$243,200. The limitation would be transferred from the Facilities program for the replacement of the agency's legacy mainframe boat registration system. The project is currently estimated to cost \$310,000. OSMB has identified \$66,800 of Federal Funds in its 2011-13 legislatively adopted budget to partially fund the purchase with the remaining \$243,200 in Federal Funds coming from the Facilities program. Annual operation and maintenance costs are estimated at \$38,250 per year. Federal Funds from the U.S. Coast Guard's Recreational Boating Safety grant would be used to pay for both the registration system's development and ongoing operation and maintenance costs.

The Facilities program's funding is increased by \$509,800 in Other Funds expenditure limitation and the transfer of \$536,000 in Federal Funds expenditure limitation from the Law Enforcement and the Administration and Education programs. According to OSMB, the Federal Funds expenditure limitation is available for transfer because there are insufficient local matching funds for U.S. Fish and Wildlife Service Boating and Infrastructure grants. The \$509,800 in Other Funds expenditure limitation will be used to fund a second round of local grants for facility maintenance and improvements or to match Federal Funds provided through the Clean Vessel Act, which funds vessel waste pump out facilities and dump stations.

These adjustments in Other Funds and Federal Funds expenditure limitation are approved as one-time increases for the 2011-13 biennium and are not to carry forward into the 2013-15 biennium.

State Parks and Recreation Department

Senate Bill 5701 includes an increase of \$1,731,242 in Lottery Funds dedicated to the Parks and Recreation Department, due to a higher than anticipated carryover of Lottery Fund savings from the 2009-11 biennium. This action offsets the 3.5% supplemental ending balance reductions for the Director's Office (\$45,638), Central Services (\$280,114), Park Development (\$592,240), Direct Services (\$673,108), and Community Support/Grants (\$140,142).

The budget is increased by \$861,950 Federal Funds to support disbursement of grant funds received from the U.S. Fish and Wildlife Service for the Natural Heritage Program, and by \$2,190,000 Federal Funds for grant funds from the National Oceanic and Atmospheric Administration and the U.S. Fish and Wildlife Service. The latter funding supports the Park Development program's purchase of property adjacent to the Carl B. Washburn State Park and Ona Beach State Park.

Water Resources Department

Senate Bill 5701 includes an increase of \$25,633 Lottery Funds Debt Service to restore the 3.5% supplemental ending balance reduction. The agency's budget is reduced by \$7,516 General Fund due to savings in State Government Service Charges from a change in the state's funding model for e-government, and by \$247,871 General Fund for the agency's share of the statewide effort to restructure state government business operations and management of agency programs and services.

Oregon Watershed Enhancement Board

The Committee reduced carry forward Lottery Funds expenditure limitation, provided to complete payments during 2011-13 on grants made in the 2009-11 biennium, by \$784,354 because the agency did not need all \$3.3 million in expenditure limitation provided in the 2011-13 legislatively adopted budget to close out these grants.

Transportation Program Area

Department of Transportation

In the Department of Transportation budget, a \$9,211,366 increase in Other Funds expenditure limitation was approved for the Highway Maintenance program for repair of damage sustained during winter storms in 2009 and 2011. The Committee also approved an increase of \$500,000 Other Funds in the Driver and Motor Vehicles (DMV) program to contract with third-party expertise and resources to assist in evaluating DMV's information systems against current and future business needs. The agency expects to develop a prioritized blueprint for moving forward with critical systems modernization initiatives. Deliverables will include prioritized business and technical requirements, environmental/peer analysis, identification of applicable best practices, a comprehensive technology inventory, assessment of the identified technical components to meet current and future needs, and a strategic vision for moving ahead. Subsequent work will include a tactical plan with an interrelated set of viable, prioritized, and phased initiatives.

Debt service on the Oregon Wireless Interoperability Network in the Department of Transportation was decreased by \$15,416,043 General Fund and increased by \$15,970,871 Other Funds. The source of Other Funds is State Highway Funds for the Department of Transportation's share to date of the State Radio Project. Future debt service is expected to be partially paid by the General Fund and State Highway Fund on an assumed benefit ratio of approximately 40% General Fund and 60% State Highway Fund for the 2013-15 biennium and on a calculated benefit ratio in 2015-17 based on the final bond sale amount, and actual usage data; adjusted by actual amounts paid by each fund. To date, General Fund has paid \$14,878,509, 100% of the bond debt.

Department of Transportation Debt Service was increased by \$2,914,388 Lottery Funds to restore the 3.5% supplemental ending balance reduction.

The following budget note was approved:

BUDGET NOTE

The Department of Transportation shall provide a report to the Joint Committee on Ways and Means and the appropriate legislative policy committees by February 2013 on the criteria used for selecting ConnectOregon projects, and the public benefits derived from investments made by ConnectOregon.

Consumer and Business Services Program Area

Department of Consumer and Business Services

The Committee approved a \$2,434,040 Federal Funds expenditure limitation increase and established four limited-duration positions (2.22 FTE) relating to expenditures financed from a U.S. Department of Health and Human Services Health Insurance Rate Review-Cycle II grant. The agency was awarded a \$4,040,777 grant, but only a portion of these funds will be spent this biennium. It is anticipated that the agency will request that the positions be continued, again on a limited-duration basis for the remainder of the Cycle II grant, and request Federal Funds expenditure limitation for the remaining \$1.6 million of grant funds, in its 2013-15 biennium budget request.

Oregon Health Licensing Agency

The Committee approved a decrease of \$20,751 in Other Funds expenditure limitation reflecting the net effect of the fee changes approved in Senate Bill 1579 (2012). The boards affected by these changes include those related to Body Art Practitioners, Respiratory Therapists and Polysomnographic Technologists, Nursing Home Administrators, and Licensed Dietitians. The original license and renewal fees for the Board of Direct Entry Midwifery were approved at \$1,200 per year, with the understanding that the fee increase is necessary by unique circumstances and is not intended to be permanent.

BUDGET NOTE

There was concern with the fee changes for the Board of Direct Entry Midwifery. The agency is directed to report during the 2013 Legislative Assembly on the status of the revenues, expenditures, and current ending balance forecast for the board, including proposals for fee decreases or other regulatory options for the board.

Bureau of Labor and Industries

The Bureau's General Fund personal services expenditures were reduced by a total of \$210,205, for the agency's share of the statewide effort to restructure state government business operations and management of agency programs and services. The budget was also reduced by \$3,610 General Fund for the e-government funding model change.

Administration Program Area

Department of Administrative Services

The 2009-11 budget for the Department of Administrative Services (DAS) contained \$11,271,656 Other Funds expenditure limitation to spend lottery bond proceeds on county court facilities infrastructure projects. Not all of the projects were completed in that biennium, so the agency requested an adjustment to its 2011-13 budget to finish the projects. Accordingly, the Committee approved the establishment of a new Other Funds expenditure limitation of \$3,932,550 specifically for Court Facilities projects. The Committee also decreased the agency's operations Other Funds expenditure limitation by \$1,930,400 to remove spending authority that was initially expected to be used to cover the project costs.

The Committee approved a reduction of \$2,232,000 Other Funds expenditure limitation associated with a change in the state's e-government funding model. Also approved was a technical adjustment to eliminate a position and \$145,000 Other Funds expenditure limitation from the State Controller's Division. The position was added to the budget in the 2011-13 biennium due to a federal requirement that on January 1, 2012, state governments begin to withhold 3% on vendor payments; however, that federal law was repealed in November 2011.

The Committee restored debt service of \$238,488 General Fund and \$332,732 Lottery Funds to cover obligations that were reduced as part of the supplemental ending balance in the 2011 legislative session. To capture the agency's share of the statewide effort to restructure state government business operations and management of agency programs, personal services were reduced by \$2 million Other Funds.

Employment Relations Board

Senate Bill 5701 appropriates \$1 million General Fund to support local government services in the second year of the biennium. The following budget note was adopted:

BUDGET NOTE

The Employment Relations Board is directed to undertake the following items and then report to the appropriate policy committee and the Joint Committee on Ways and Means during the 2013 legislative session:

- Review its administrative processes and procedures and make any necessary changes to improve the timely disposition of hearing and mediation cases;
- Propose to the 2013 Legislature an expedited hearings process as well as any statutory changes that will improve the timely disposition of its hearing and mediation cases;
- Conduct a review of recent opinions issued by the Board and its administrative law judges to evaluate the quality of opinions issued and how they can be improved upon; and
- Report on the number of frivolous claims received and recommendations for reducing the number of any such claims.

Office of the Governor

The Governor's Office budget was increased by a net \$267,362 General Fund, which includes \$375,334 added to restore the 3.5% supplemental ending balance reduction from the 2011 legislative session, and reductions of \$105,000 to the Oregon Education Investment Board and \$2,972 in State Government Service Charges to reflect a change in the state's e-government funding model.

A \$1 Other Funds expenditure limitation was established as a placeholder for future increases to support spending any donations that the Office may receive.

Oregon State Library

As part of the statewide effort to restructure state government business operations and management of agency programs and services, the General Fund personal services budget for the agency was reduced by \$19,886. The following budget note was adopted:

BUDGET NOTE

The State Library is to report to the May 2012 Joint Interim Committee on Joint Ways and Means or the Emergency Board with an analysis of the requests and response received by the Government Research and Electronic Services program. The report shall include the total number of requests received, the nature of requests, and from what entity the request was made, the number of requests that were responded to, and the cost associated with providing responses.

Oregon Liquor Control Commission

The Commission's budget was increased by a net \$507,973 Other Funds, for the following:

- The legislatively adopted budget mistakenly applied a services and supplies reduction to personal services in the Administration and Support Services program of the Oregon Liquor Control Commission, so the technical correction adds \$707,973 Other Funds expenditure limitation.
- A reduction of \$200,000 Other Funds is the agency's share of the statewide effort to restructure state government business operations and management of agency programs and services.

Public Employees Retirement System

The agency's personal services budget was reduced by \$750,000 Other Funds to capture the agency's share of the statewide effort to restructure state government business operations and management of agency programs.

Department of Revenue

The Committee approved a decrease of \$48,504 General Fund to reflect savings in State Government Service Charges from a change in the state's e-government funding model. To capture the agency's share of the statewide effort to restructure state government business operations and management of agency programs, personal services were reduced by \$1,126,687 General Fund.

Secretary of State

Senate Bill 5701 reflects two adjustments to the Secretary of State's budget. The first reduced General Fund appropriations for personal services expenditures by a total of \$128,650, for the agency's share of the statewide effort to restructure state government business operations and management of agency programs and services. The second made a \$4,670 General Fund reduction for the e-government funding model change.

State Treasurer

Other Funds expenditure limitation was increased by \$250,000, for expenditures of grant funds received from the Rockefeller Foundation for the purpose of designing and launching a West Coast Infrastructure Exchange. This increase is approved on a one-time basis and the increase will be

phased-out in the development of the 2013-15 biennium budget. The Treasurer will request grant expenditure authority in his 2013-15 biennium budget request, if additional funding for this initiative is obtained from the Rockefeller Foundation or from other private sources.

Judicial Branch

Judicial Department

Senate Bill 5701 appropriates an additional \$7.4 million General Fund to the Oregon Judicial Department (OJD), partially offsetting the reduction made in the 2011-13 legislatively adopted budget for the supplemental ending balance. The bill also adds \$30.9 million in Other Funds expenditure limitation.

Funding was restored for constitutionally and legally mandated programs, including \$1.9 million for judicial compensation, \$472,922 for jury services, and \$345,207 for Oregon eCourt Program Debt Service. Court Operations, which includes the circuit and appellate courts and administration, are being held to their 2011-13 legislatively adopted budget, which includes \$2 million for Trial and Appellate Courts that was added at the end of the 2011 session. The Chief Justice has total flexibility to move funds and positions within the Operating Programs budget in order to keep the state's unified court system operating. A \$1.1 million General Fund special purpose appropriation to the Emergency Board is included in the bill in the event that the Department requires additional funding for court operations.

The bill includes \$2.4 million General Fund to fund revenue collection activities through the Department of Revenue and the private collection agencies.

BUDGET NOTE

The Oregon Judicial Department is requested to report to the Legislative Fiscal Office on a quarterly basis on the Department's overall revenue activities, including the cost of collection, amounts collected, and collection rates.

The Department's Special Payments were reduced as these payments were not previously subject to the reduction for the supplemental ending balance. County Law Libraries were reduced by \$259,000 General Fund and Conciliation and Mediation Services were reduced by \$259,000 General Fund.

An additional \$2.9 million in General Fund Debt Service was approved for the Oregon eCourt Program to support \$13.7 million in new bonding authority provided for in House Bill 5201. The operations and maintenance appropriation for the Oregon eCourt Program was reduced by \$93,643 General Fund. This action was submitted as part of the Department's reduction plan and is not expected to impact the current roll-out of the program.

The Other Funds expenditure limitation for the Oregon eCourt Program was increased by a total of \$23.4 million, for the following items:

- \$13.7 million in new bonding authority in House Bill 5201;
- \$6 million for previously authorized bonding authority (Senate Bill 5505, 2011);

- \$3.5 million for an available cash balance from previously issued debt; and
- \$134,116 for a fingerprint grant from the Oregon State Police.

The following budget notes were adopted relating to the Oregon eCourt Program.

BUDGET NOTE

The Judicial Department is requested to work with the Legislative Fiscal Office to prepare a revised schedule for completing the deliverables that were defined in the Agreement between the Chief Justice and the Co-Chairs of the Joint Committee on Ways and Means in the SB 5516 (2011) budget report. The Judicial Department and the Legislative Fiscal Office are also requested to establish a regular meeting schedule to review the deliverables and the status of Oregon eCourt. The parties will report to the Chief Justice and the Co-Chairs of the Joint Committee on Ways and Means periodically on the status of the deliverables and the Oregon eCourt program. The Judicial Department will also report as requested to the Joint Committee on Legislative Audits and Technology on the deliverables and the status of the Oregon eCourt program.

BUDGET NOTE

The Oregon Judicial Department (OJD) is requested to develop, by no later than April 1, 2012, a detailed implementation and evaluation plan to manage the pilot court and early adopter court Oregon eCourt implementations. For each trial court, the plan must include a clear definition of the implementation goals & objectives, processes, timelines, and costs; success evaluation criteria and measures for proving successful execution of each plan; and a plan to incorporate the lessons learned after each trial court implementation into subsequent implementations. If OJD determines that the implementation goals & objectives, schedule, or costs should be revised or rebaselined, OJD must immediately provide documentation of any adjustment to the Legislative Fiscal Office (LFO) so that the impact can be calibrated to the affected trial court implementation plan.

LFO will work with OJD to evaluate the success of each pilot and early adopter implementation against the plan. Factors that will be considered will be agreed upon by LFO and OJD and will be documented in each trial court implementation plan. The plan for the initial trial court will specifically include an initial evaluation of the usability of the Odyssey product. Each of the subsequent four early adopter implementations will further test the scalability of the product, and additional components of Oregon eCourt that may have been added; the configurations that have been established; the business functions that have been integrated with the Odyssey product; the system interfaces; and the data conversion plan and implementation.

LFO will request that OJD report after the pilot court and each early adopter implementation on its implementation including a post implementation review of outcomes, success measures and costs, and the lessons learned analysis. OJD should provide recommendations based on these reviews for the next early adopter court. Once all four of the first early

adopters are completed, OJD should conduct a major review to verify that the product(s) and all the methods involved in the implementation for the first five pilot and early adopter courts are sufficient for a successful implementation in Multnomah County. Because Multnomah County is being implemented via a 'by case-type' methodology, rather than all case types at once, like the first five trial courts, OJD should provide a Multnomah County-specific implementation and evaluation plan to guide the Oregon eCourt product(s) implementation. Upon completion of this implementation, LFO and OJD will review the Multnomah County implementation against the detailed implementation plan and the OJD assessment to evaluate the success of this implementation. This review will provide the basis for determining readiness of OJD and the contractor for implementing Oregon eCourt in the remaining trial courts.

Other Funds expenditure limitation of \$1.7 million was established for the new and existing Specialty Court grants, which the Department reports will offset the impact of recent General Fund reductions. The Committee also approved a one-time 13.46 FTE increase for the Specialty Courts. The \$1.7 million Other Funds expenditure limitation and 13.46 FTE increase are one-time only, and do not carry forward for the 2013-15 budget.

The Department's Other Funds expenditure limitation was increased by a total of \$5.5 million for the following purposes:

- \$4.7 million for the State Court Facilities and Security Account for Special Payment transfers to local court security accounts.
- \$670,203 in for new and existing grants for pre-trial release programs and the Citizen Review Board.
- \$226,592 for Debt Service Other Funds expenditure limitation to support the issuance costs of an additional \$13.7 million in bonding.
- \$97,460 Other Funds Capital Improvement for emergency repairs to the Supreme Court Building.
- \$77,860 for a Special Payment to Tri-County Metropolitan Transportation District of Oregon (TRIMET).

This \$5.5 million increase in Other Funds expenditure limitation is a one-time increase and does not carry forward for the 2013-15 budget.

Commission on Judicial Fitness and Disability

The Commission's Administration program budget was increased by \$6,228 General Fund. The Extraordinary program's budget was reduced by \$12,647 General Fund, leaving a balance of \$6,200 for any potential prosecutions. The Commission has not prosecuted a case of judicial misconduct in the last two biennia and its total extraordinary budget has been disappropriated each of the last two biennia.

Public Defense Services Commission

Senate Bill 5701 reduces the Commission's Appellate Division budget by \$112,000 General Fund and increases the Contract and Business Services budget by \$112,000 General Fund. This rebalance action utilizes vacancy savings in the Appellate Division to fund a portion of the Contract and Business Services 3.5% supplemental ending balance holdback which was taken as part of the 2011-13 legislatively adopted budget. A \$3.5 million General Fund special purpose appropriation is included in the bill in the event that the Commission requires additional funding for the trial-level public defense services.

The Public Defense Services Account's Other Funds expenditure limitation is increased by \$1.4 million for trial-level public defense and by \$1.3 million for the Application and Contribution Program to establish a special payment to the Oregon Judicial Department. In future, the Application and Contribution program is to be budgeted as a special payment rather than as a revenue transfer. The legislative expectation is that the Application and Contribution Program will be funded by the Commission at a level not to exceed \$2.5 million.

Legislative Branch

Budgets for the legislative branch agencies were adjusted for a number of issues, including a change in the way that General Fund reversions are handled for the Legislative and Judicial Branch (see Senate Bill 1579), a reduction in legislative members' budgets, restoration of some supplemental ending balance budget reductions including debt service, and changes in the state's e-government funding model. The net adjustments in Senate Bill 5701 are as follows:

- Legislative Assembly reduced by \$128,160 General Fund.
- Legislative Administration reduced by \$134,851 General Fund.
- Legislative Counsel increased by \$400,043 General Fund.
- Legislative Fiscal increased by \$29,973 General Fund.
- Legislative Revenue reduced by \$14,531 General Fund.
- Commission on Indian Services reduced by \$26,451 General Fund.

AGENCY SUMMARY

Postsecondary education and skill development are essential for Oregonians to be sufficiently prepared for the current and future workplace, and to ensure Oregon has a strong and stable economy. It is more critical than ever for Oregonians to have at least a two-year postsecondary degree or credential. With this in mind and with the endorsement of leading business interests, legislation was passed in 2011 to focus the State of Oregon on a 40/40/20 goal: 40 percent of Oregon's adults holding as their highest credential a bachelor's degree or higher, 40 percent having as their highest credential an associate's degree or professional certificate, and 100 percent having earned a high school diploma or its equivalent (20% having a high school diploma or its equivalent as their only credential).

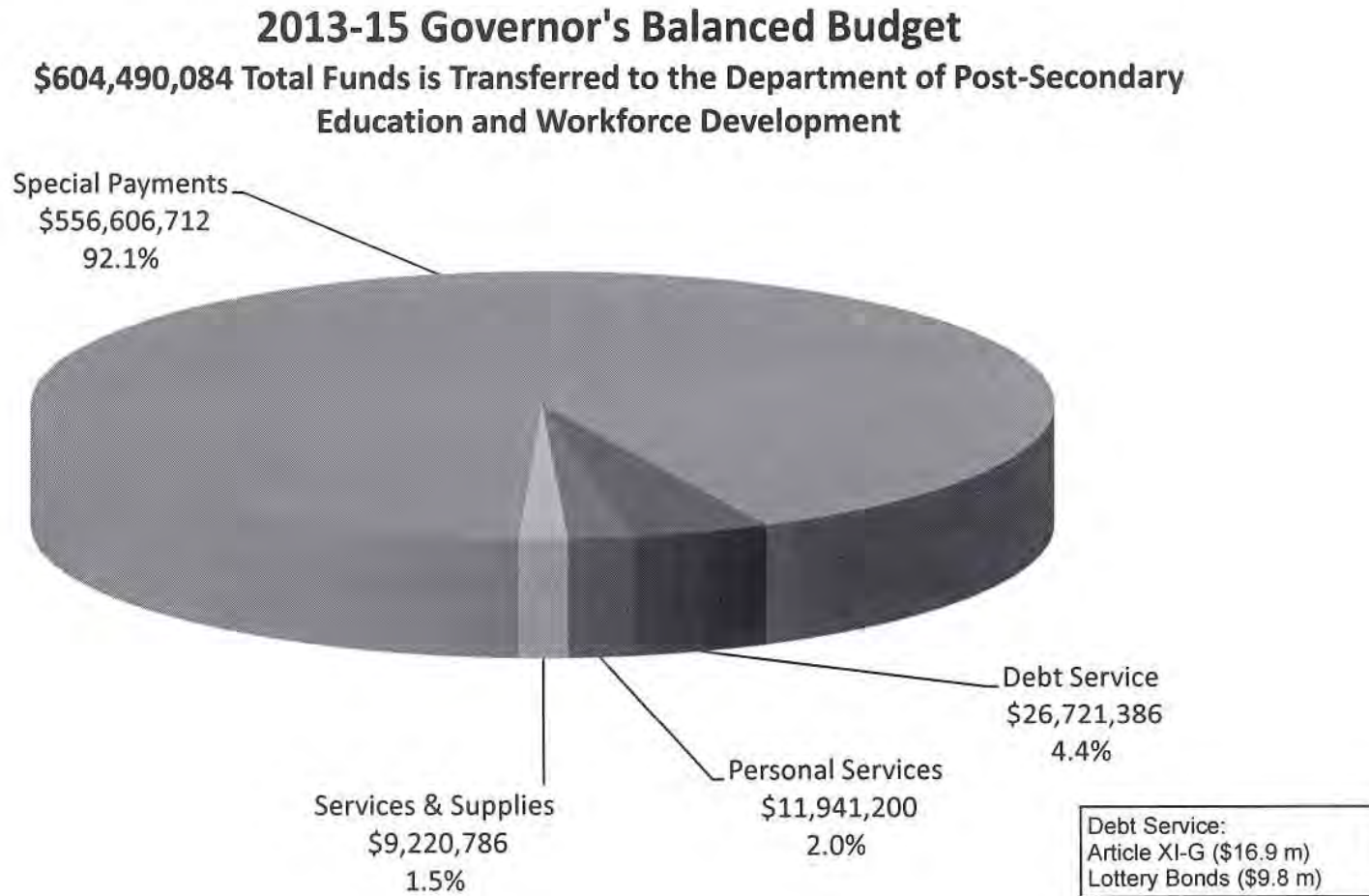
There is some debate as to what percentage of the economy requires "middle skill" workers, with education beyond high school. Middle skills credentials include certificates, associate's degrees, journey cards, and industry recognized credentials, yet are short of a four-year degree. Some national research puts the percentage of required "middle skill" workers as high as 50 percent for a vibrant economy. One thing remains clear: the "middle 40" of 40/40/20 is the heart and soul of Oregon's economy and community colleges are the primary carriers of that "middle 40." As such, community colleges are committed to improving student persistence and completion, helping the state move toward the 40/40/20 vision by 2025.

To accomplish this, the department works within two separate and connected universes: education and workforce development. These two universes have great synergy and are leveraged for maximum impact even though the funding streams (general, federal, and other funding) are at times mutually exclusive. Our strategic actions are aligned with the agency mission – to increase skill and knowledge for all Oregonians – and informed by the governor-appointed boards that we serve: the Oregon Education Investment Board, the Higher Education Coordinating Commission, the State Board of Education, and the Oregon Workforce Investment Board. The intersecting strategies of these coordinating/governing boards are expressed in the state's overarching goals of economic vitality through increased education attainment.

Every education sector – universities, community colleges, student financial aid systems, PreK-12, and teacher licensing – and every participating state and local workforce program and provider plays a critical role in achieving our collective success. A very high percent of workers needed in 2025 are in the workforce today and will be working still in 2025, which illustrates that the 40/40/20 goal cannot be reached through the education pipeline alone. Incumbent worker training, adult literacy programs and other kinds of lifelong learning are necessary to meet our common goal. CCWD has an essential role in accomplishing 'the middle 40%' goal and does so through an array of programs and partnership collaborations across education and workforce systems.

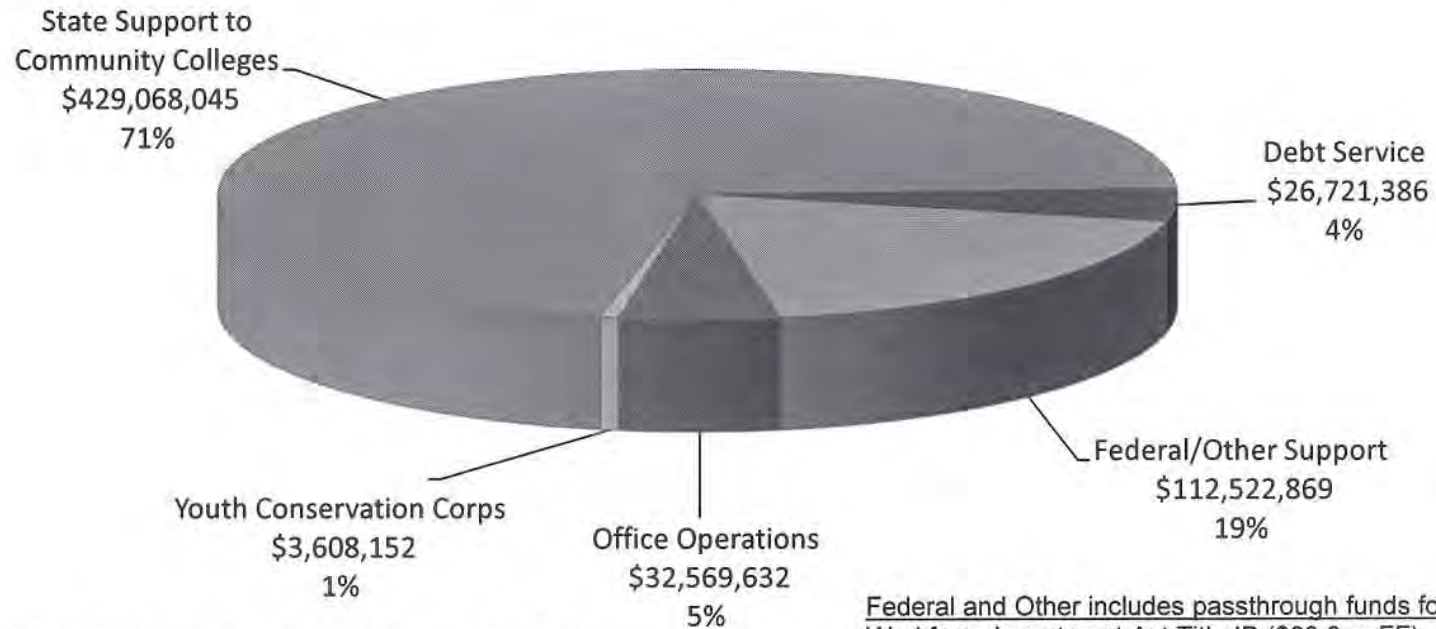
Budget Summary Graphics

The charts below display the amount transferred to the Department of Post-Secondary Education and Workforce Development in 2013-15 Governor's Balanced Budget (GBB) by major program areas/activities and funding stream.



The majority of the CCWD budget (92 percent) is distributed to the field to provide support for local education, workforce development, and youth. CCWD's administrative costs associated with these programs comprise only three and a half percent of the budget. Debt Service is now four percent of the total budget.

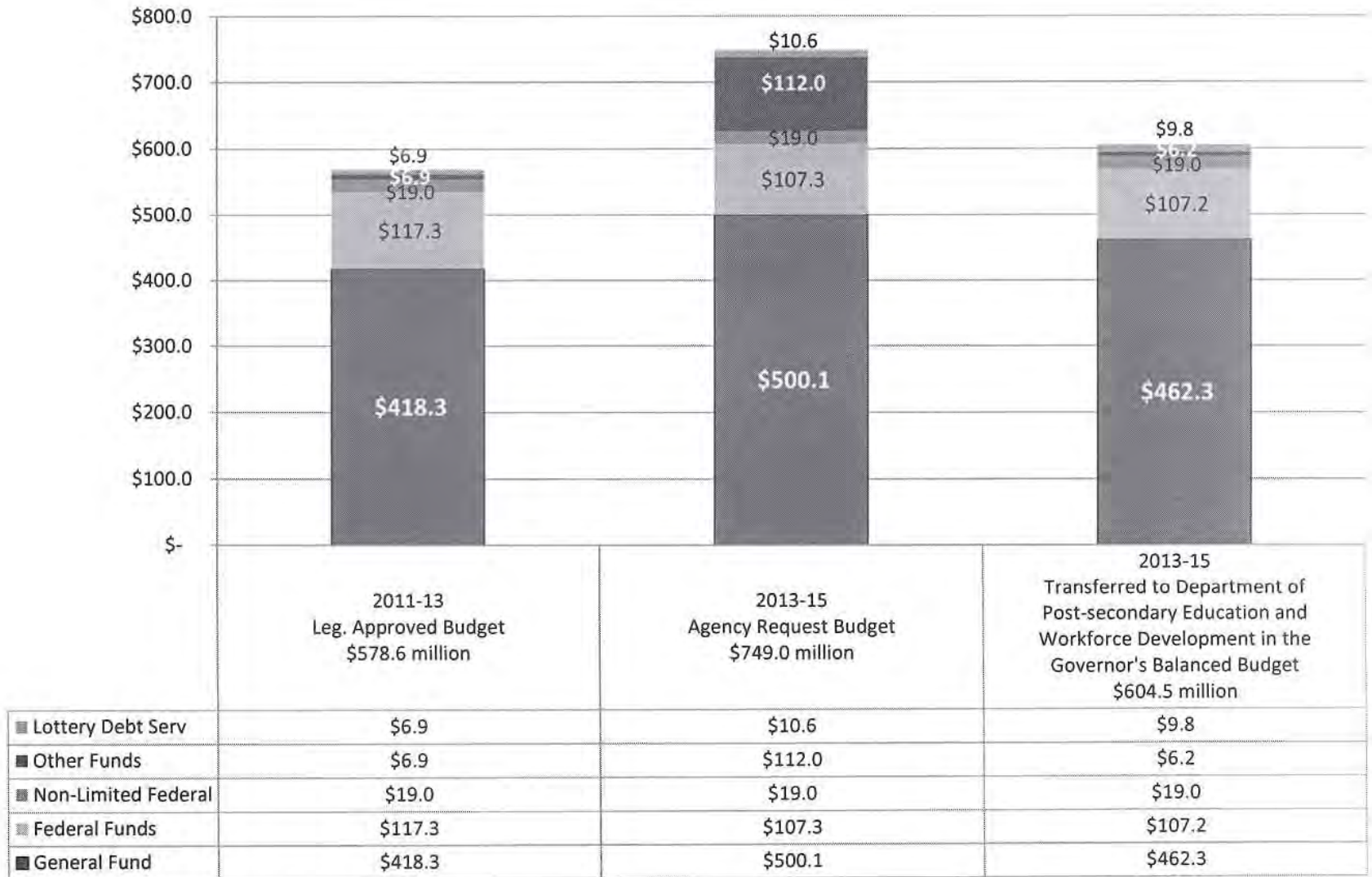
2013-15 CCWD Governor's Balanced Budget
\$604,490,084 Total Funds is Transferred to the
Department of Post-secondary Education and Workforce Development



Office Operations includes passthrough funds for:
 Workforce Initiative (\$8.15 m GF)
 Back to Work Oregon (\$3.2 m GF)

Federal and Other includes passthrough funds for:
 Workforce Investment Act Title IB (\$83.9 m FF)
 Workforce Investment Act Title II (\$9.2 m FF)
 Carl Perkins Career and Technical (\$0.4 m OF)
 National Emergency Grants (\$19.0 m NL FF)
 Oregon Youth Conservation Corps (\$1.9 m OF and \$1.1 FF)

Across all fund types and including capital construction, the 2013-15 ARB is 11 percent higher than the 2011-13 Legislatively Approved Budget and 22 percent higher Current Service Level. This is primarily due to the \$105 million capital construction request (Other Funds) which adds a 16 percent increase to the total ARB. This request was not recommended in the Governor’s Balanced Budget.



Mission Statement and Statutory Authority

The mission of the Department of Community Colleges and Workforce Development is to contribute leadership and resources to increase the skills, knowledge, and career opportunities of Oregonians. CCWD is guided by and committed to four agency goals and a primary focus area. Our work is accomplished through a comprehensive network of education and workforce partners. Statutes and rules that apply directly to the agency include:

Oregon Revised Statute (ORS):

- ORS Chapter 326 State Administration of Education
- ORS Chapters 341 Community Colleges
- ORS Chapter 285 (Former Provisions) Economic Development

Oregon Administrative Rule (OAR):

- OAR 151 Education and Workforce Policy
 - Division 10 Workforce Investment Act Program
 - Division 20 Administration of Statewide and Local Workforce Investment Systems

- OAR 581 Oregon Department of Education
 - Division 40 Method of Awarding Competitive Grants

OAR 589 Department of Community Colleges and Workforce Development

- Division 2 Community College Funding
- Division 3 Community College Capital Projects
- Division 4 Student Records
- Division 5 Community College Formation and Annexation
- Division 6 Community College Course Approval
- Division 7 Community College Programs
- Division 8 Community College Personnel Policies
- Division 9 Student Measles Immunization
- Division 10 Discrimination Prohibited
- Division 20 Workforce Investment Act

Other statutes and rules also apply to our partnership relationships with other state agencies. All of these statutes and rules govern the way the agency conducts its business and ensure the agency is accountable for its actions relating to policy guidance, technical assistance and resource distribution. Oregon's 17 Community Colleges comprise the system: Blue Mountain Community College, Central Oregon Community College, Chemeketa Community College, Clackamas Community College, Clatsop Community College, Columbia Gorge Community College, Klamath Community College, Lane Community College, Linn-Benton Community College, Mt Hood Community College, Oregon Coast Community College, Portland

Community College, Rogue Community College, Southwestern Community College, Tillamook Bay Community College, Treasure Valley Community College, Umpqua Community College

Goals

- Oregonians have strong literacy skills
- Oregon’s workforce is well-educated and has access to a wide variety of training programs.
- Oregonians have access to excellent, affordable community colleges.
- CCWD delivers high quality customer service.

Primary Focus

Education and training for middle skills jobs and credentials includes certificates, associate’s degrees, apprenticeship, journey cards, and industry recognized credentials. CCWD is the agency with primary responsibility for education of the “middle 40”, improving student persistence and completion to help the state move toward the 40/40/20 vision by 2025.

Key Partnerships

Key education partners for the agency, the Oregon University System and the Oregon Student Access Commission include the Oregon Education Investment Board (OEIB), the Higher Education Coordinating Commission (HECC), the State Board of Education (SBE), the Department of Education (ODE), PK-12 teachers, administrators, counselors and other professionals working in Oregon schools, Oregon’s 17 community colleges and local college boards, the State Board of Higher Education (SHBE), and the seven universities. Entities within the DPSE have many additional partners:

Key workforce partners include the Oregon Employment Department, WorkSource Oregon, State and Local Workforce Investment Boards, labor unions, apprenticeship programs, Oregon Bureau of Labor and Industries (BOLI), Oregon Business Development Department, industry associations/groups, and employers.

Governance

CCWD is governed by and/or provides staff resources to the Boards that oversee much of Oregon’s education and workforce policy work, the Oregon Education Investment Board (OEIB), the Higher Education Coordinating Commission (HECC), the State Board of Education (SBE), and the Oregon Workforce Investment Board.

The OEIB, created in 2011 legislation, is chaired by the Governor and oversees an effort to create a seamless, unified system for investing in and delivering public education from early childhood through high school and college so that all Oregonians are well prepared for careers in our economy. The goal of the OEIB is to accomplish the 40/40/20 goals through a set of strategic initiatives.

The HECC was created in 2011 legislation, as well, and given authority to coordinate higher education policy with Oregon University System and community colleges.

Agency Process Improvement Efforts

The Department of Community Colleges and Workforce Development (CCWD) works with the community colleges and the workforce system to continually improve system performance. It is integral to our work. Because CCWD does not directly administer programs, the work we do requires a great deal of cooperative effort with our colleges and workforce partners. In 2011-13 we provided leadership and coordination for development of a system of Community College Achievement Compacts (described in detail below.) The lessons learned from that process are expected to inform similar developments in the workforce system in 2013-15. We are currently working with Community College presidents to develop a model to improve the performance incentives in the distribution of Community College Support Funds. At the same time, we are beginning work with stakeholders across the higher education enterprise to examine outcomes based funding strategies that best position Oregon to meet goals of 40/40/20.

CCWD reorganized in 2011-13 and created a Research and Communications Division to address the growing need for performance management and research support and coordination across the community colleges and workforce system. Along with achievement compacts, the CCWD Research and Communication Division annually collects data from community colleges to report on key performance measures (KPMs) in the Legislative Annual Performance Progress Report (APPR). Current work is focused on creation of a state longitudinal data system across the education enterprise. In 2011-13, CCWD participated in the ALDER grant project with other education agencies and the need to continue this type of work is anticipated in 2013-15 (per CCWD POP 105.)

Agency Programs

CCWD's strategic efforts to align education and workforce training are designed to increase access to, progress in, and completion of students in education and skill development programs, and to improve the effectiveness and value of the programs and services for students, for employers, and for the economic vitality of the community and the State of Oregon.

The agency's major accomplishments fall into three broad categories:

- increasing access and success at Oregon community colleges,
- delivering value-added workforce development programs, and
- measuring results to help ensure Oregonians are prepared for lifelong learning, rewarding work and engaged citizenship.

The key student success and workforce initiatives are highlighted in this section are not mutually exclusive. Rather they are closely connected and complement one another's contributions.

Oregon Community Colleges

The Oregon Community Colleges are the key access point for the majority of Oregonians seeking a postsecondary credential or degree. The colleges provide the opportunity for over 370,000 students each year to advance their educational levels and acquire new skills regardless of their starting points. CCWD administers the Community College Support Fund (CCSF), the state's contribution to community college operating costs. Funds are distributed through a formula that is based on the number of full-time equivalent students at each of the 17 community colleges. The colleges combine state funding (31%) with property tax (24%) and tuition revenues (45%) to provide programs and services.

There is a growing sense of urgency for Oregon's community colleges to address not simply student access but just as important, persistence and completion. Our responsibility for the 'middle 40' coupled with the documented need that 92% of Oregon's high-skill, high-demand jobs will require some postsecondary education has challenged community colleges to focus on completion and success.

- **Achievement Compacts**

During the 2012 Legislative session, SB 1581 was introduced with language that "requires governing bodies of education entities to enter into achievement compacts with the Oregon Education Investment Board [OEIB]." Thus, each community college board of trustees will annually complete an achievement compact and negotiate targets and projections with the OEIB. Each compact will be in place for one fiscal year beginning July 1, 2012. This piece of legislation also outlines the terms the achievement compacts may contain including:

- Completion rates;
- Attainment of diplomas, certificates and degrees;
- Validation of the quality of knowledge and skills acquired by students of a given education entity; and
- The relevance of the knowledge and skills acquired by the students to the workforce, the economy, and society.

Additionally the legislation specifies that the terms of the achievement compacts "shall be limited to the enrollment of, and attainment of degrees, by, Oregon residents in programs for which the state provides funding."

CCWD works closely with the Oregon Community College Association, the Oregon Presidents' Council, the Oregon Education Association, and local community college boards of trustees to provide timely information and assistance to colleges for the successful completion of their compacts.

- **State Support to Community Colleges**

The Community College Support Fund (CCSF) is the state's contribution to the operation of the 17 community colleges. Prior to passage of Ballot Measure 5, landmark legislation in the U.S. and State of Oregon in 1990 that established limits on Oregon's property taxes, the state was a majority funder of community college operations. Today, the state share has dropped to 31 percent, about equal to student tuition. In just the last four years, there has been a significant additional reduction:

- Community College Support Fund – 2007-2011: \$500,000,000 to \$395,000,000 (LAB) = 21% reduction in State GF resources
- Enrollment – 2007-2011: Over the same four year period, enrollment increased more than 34% from 91,456 FTE to 124,988 FTE
- State General Fund Reimbursement/Student – 2007-2011: \$2,688 to \$1,580 decrease = 41% reduction in State GF resources/student

Community College Instructional Programs (*Data from 2010-11*)

The community colleges offer a wide array of credit and non-credit programs and support services including:

- Career and Technical Education (CTE) programs (28% of student enrollment)
- Lower Division Collegiate (LDC) transfer classes (50% of student enrollment)
- Developmental Education (18% of student enrollment)
- Adult and Continuing Education (3% of student enrollment)

College and Career Readiness Student Success Programs and Initiatives

Over the last five years, CCWD and community colleges have prioritized the use of evidence-based research as the foundation to build a statewide Student Success Plan. The Plan calls for each college to review their data on key milestones and momentum points of student progress. The Plan focuses on creating adequate measurements to provide a more complete picture of student enrollment and achievement patterns. Community colleges are working together to develop college-specific action plans that will lead to an increase in student goal attainment. This concentration and critical analysis at the college and state level has confirmed that simply measuring the number or degrees is not a sufficient determinant of success at community colleges. Rather, progress in and successful transitions from developmental education to collegiate level course work is as important for student success as is the completion of a GED or an Associate's degree.

- **Accelerated Learning Opportunities (Grades 9-14)**

An area of increasing research is the linkage between early acquisition of college credit for high school students and their chances of enrolling and completing a college certificate or degree. Oregon has had successful early college and other transition programs in place for over a decade. However, over the last few years, work of CCWD and the Joint Boards of Education has focused on making these programs more available and more consistent statewide. Examples of successful transition programs include:

- **Dual Credit** – Standards are in place for all dual credit programs in Oregon to assure quality and consistency in awarding and transcribing college credit earned by high school students.
- **Expanded Options** – Implemented at all Oregon community colleges these programs provide access to college credit to high school students throughout Oregon through dual enrollment.
- **Advanced Placement (AP) and International Baccalaureate (IB)** – Collaborated with the Oregon University System for alignment and adoption of consistent awarding of credit for Advanced Placement and International Baccalaureate courses at all Oregon public postsecondary institutions.
- **Associate of Arts Oregon Transfer (AAOT)** – Revised the degree to keep it current when transferring between two and four-year institutions. The AAOT provides students with the first two years of undergraduate courses for transfer into four-year institutions and is approved at all Oregon community colleges.
- **Oregon Transfer Module (OTM)** – Created and adopted the OTM at all Oregon community colleges. This collection of courses provides students with the first year of course work for transfer to two and four-year institutions and is available at all Oregon community colleges and accepted at all public four-year institutions.

- **Associate of Science Oregon Transfer-Business (ASOT-Business)** – Revised the degree to keep it current when transferring between two and four-year institutions. The ASOT-Business provides students with the first two years of undergraduate courses for transfer into four-year institution business programs and is approved at all Oregon community colleges.

- **Adult Basic Skills (Adult Education and Family Literacy)**

During the 2009-11 biennium, 43,827 adult Oregonians with serious employment obstacles, ages 16 and older, received assistance in obtaining the knowledge and basic skills necessary for work, further education, family self-sufficiency, and community involvement. These adults were served in Adult Basic Education, English as a Second Language, and adult literacy programs. Basic skills include reading, writing, math, speaking/listening in English, GED and Adult High School Diploma preparation, and basic computer literacy.

- **Oregon Pathways for Adult Basic Skills Transition to Education and Work Initiative (OPABS):** In 2006, CCWD began, in partnership with community college Adult Basic Skills programs, the OPABS Initiative. The goal of this initiative is to build a pipeline of learners to successfully transition into postsecondary education, training programs, and employment. CCWD funds and directs OPABS development, implementation, and dissemination.

The design of OPABS is accelerated basic skills courses that incorporate applied occupational content from Oregon’s high-demand industries, such as Health Services (e.g., certified nurse’s assistant, medical records), Industrial and Engineering Systems (welding, construction), and Business and Management (hospitality, food and beverage services). Additionally, adult learners are offered a college and career readiness course coupled with advising modules that assist learners in understanding and completing college enrollment. Early indications show that the contextualization of course work is increasing the number of adult learners that complete literacy programs.

- **Back to Work Oregon**

The 2011-2013 Back to Work Oregon program placed 1,325 unemployed Oregonians into jobs using local federal and non-federal resources. Oregon’s General Fund contribution was used to place 663 Oregonians into long term jobs and was matched by Local Workforce Investment Boards, who put an additional 662 back to work.

The Back to Work Oregon Program consists of two components:

- *On-the-Job Training (OJT)* which is a “hire-first” program that reimburses a company for the cost of training a new employee. A rigorous training plan is put in place by the company which leads to employee retention in the job. The employee becomes a taxpayer, by drawing a paycheck during training, and beyond.
- *Oregon’s National Career Readiness Certificate (NCRC)* which demonstrates that an individual has the foundational skills necessary to succeed in the training plan and on the job, and provides the individual with a portable credential for future career growth.

CCWD oversees and manages the program from the state level and Oregon's seven Local Workforce Investment Boards operate the program locally in partnership with the Oregon Employment Department. The program is intended to help recovering Oregon companies open more job vacancies while helping Oregonians get back to work sooner. It addresses both the needs of business for skilled workers and the needs of Oregonians to have job-specific certified transportable skills.

- **Career and Technical Education**

The purpose of federal Carl D. Perkins Career and Technical Education (CTE) funding is to develop more fully the academic and career and technical skills of high school and community college students who enroll in career and technical education (CTE) programs. It builds on efforts of states and localities to develop challenging academic standards, promote development of services/activities that integrate academic, career and technical instruction, and link secondary and postsecondary education for participating CTE students through intentionally designed CTE Programs of Study (POS). Each POS is implemented by secondary and postsecondary partners to be a series of complete, yet non-duplicative career focused courses. Programs of Study emphasize technical, academic and career knowledge and skills acquired in applied career contexts. Perkins funding also increases state and local flexibility in providing services/activities designed to develop, implement, and improve CTE including technical preparation education.

About 85 percent of Oregon's allocation is distributed to high schools and community colleges (50 percent to high schools and 50 percent to community colleges). Oregon community colleges use these federal resources to build on efforts to assist students in meeting challenging academic and technical standards, including preparation for high skill, high wage, or high demand occupations in current or emerging professions. Community colleges also use these federal Perkins funds to support partnerships among high schools, universities, and business and industry.

Success of the program is accomplished through design, development, and evaluation that support:

- Student attainment of State established academic, career and technical, and skill proficiencies.
- Student attainment of diploma (equivalent), proficiency credential w/diploma, or postsecondary degree or credential.
- Placement in, retention in, and completion of, postsecondary education or advanced training, placement in military service, or placement or retention in employment.
- Student participation in and completion of career and technical education programs that lead to nontraditional training and employment.
- Oregon Progress Board Benchmarks: Percentage of Oregon adults who have completed an associate degree in career and technical education.

- **Career Pathways**

Oregon is a leading state in the development and implementation of career pathways as a systemic framework for increasing postsecondary credentials and meeting local and statewide labor market demand. The guiding vision of the Career Pathways Initiative is to ensure that Oregonians can obtain the skills and certifications to enter and advance in high-demand occupations. A career pathway is a series of connected education and skill development programs with support services that enable individuals to secure employment. Each step on a career pathway is designed to prepare for the next level of education and/or employment. All 17 community colleges have implemented Career Pathways.

Over the past five years working with employers and faculty, more than 250 career pathways roadmaps have been developed in high-demand occupations across the state. In July 2007, the State Board of Education approved a new credential, a Career Pathway Certificate (12-44 credits) that is a “momentum point” and is “stackable” toward an associate degree that prepares students for a specific entry level occupation or job advancement. More than 220 Career Pathway Certificates have been developed across the 17 colleges working with local employers. Through accessing career pathway roadmaps online, outreach to students, and the flexible delivery system of career pathways, an estimated 3,500 Oregonians were awarded Career Pathway and other short-term Certificates from 2008 through 2011.

- **Certified Work-Ready Communities**

Certified Work Ready Communities (CWRC) is an overarching strategy of Governor Kitzhaber and the Oregon Workforce Investment Board (OWIB) to enable Oregon’s communities to demonstrate the skilled workforce necessary for companies to locate and grow here. Through certification by earning a National Career Readiness Certificate (NCRC), workers are able to demonstrate they have the foundational skills to succeed in and grow the companies in their communities, preparing Oregonians for lifelong learning, rewarding work and engaged citizenship. More recently, Governor Kitzhaber included the CWRC concept as part of his 10-Year Plan for Oregon Project, *Economy & Jobs Policy Vision*; it is also a key strategy in the OWIB 2012-22 strategic plan. Building on this strong foundation, Oregon CWRC will include pathways for communities to excel in certifying a skilled workforce.

A CWRC is a community-based framework for economic and workforce development that certifies counties/regions as “work ready” when established goals have been met. It links workforce development to education, aligns with the economic development needs of communities, regions and states and certifies individuals for jobs based on skill levels. In Oregon, certification as a Work Ready Community indicates that a community is taking steps to ensure its citizens have the talent necessary to succeed in existing jobs, master new technologies, and embrace innovation. Certification signifies that a community wants to transform its economic base and gain a competitive edge in attracting new businesses and jobs.

Oregon CWRC implementation consists of three phases with the first phase beginning on January 1, 2013. Phases Two and Three will begin July, 2013 and July, 2014 respectively. Four of the fifteen workforce regions were approved for Phase One implementation and include the following counties: Crook, Deschutes, Jefferson, Lane, Marion, Multnomah, Polk, Washington and Yamhill.

Counties/regions have two years from their implementation date to earn a certification, based on the following criteria:

1. Minimum number of NCRC holders in three workforce categories (Emerging, Transitional and Current) by county
2. Minimum number of Employer Letters of Commitment by county
3. Minimum percent of Emerging and Transitional workforce receive a Soft Skills Assessment by county
4. Minimum percent of Employer Letters of Commitment preferring a Soft Skills Assessment by county

Oregon will use employer Letters of Commitment as a measure of business engagement within a community in support of their county or region becoming a Certified Work Ready Community. Currently, over 900 Oregon businesses have chosen to recognize, prefer or recommend the NCRC and approximately 21,500 Oregonian’s have earned an NCRC, as of December 2012.

- **Core to College**

Oregon is one of ten states which received three-year “Core to College” grant awards from Rockefeller Philanthropy Advisors in December 2011 to foster long-term collaborations between state postsecondary education and K-12 entities that will improve student college and career readiness, provide more seamless transitions for prospective students, and increase student access and success in postsecondary education. Core to College is grounded in the internationally-benchmarked Common Core State Standards (CCSS), which Oregon adopted in 2010 and will have fully implemented in K-12 schools statewide in 2014-15. The project is designed to promote the successful implementation of the CCSS and aligned assessments and to encourage shared ownership of college readiness throughout P-20 education so that all students will be college and career ready in literacy and mathematics no later than the end of high school.

The project was conceived through a partnership among the major Oregon education sectors: the Department of Education (ODE), Department of Community Colleges and Workforce Development (CCWD), and Oregon University System (OUS). This collaborative partnership continues through the project’s steering committee. The Alignment Director grant-mandated position for the project is located in CCWD.

Intended outcomes from this initiative include:

- Increased understanding of CCSS across Oregon postsecondary education institutions, particularly in math and English departments as well as teacher preparation programs.
- Statewide agreement on the definition of college and career readiness.
- Postsecondary use of the summative Smarter Balanced (SBAC) assessment of CCSS as a means to signify student readiness for enrollment in transferable, entry-level, college credit-bearing course.
- K-12 and postsecondary alignment to CCSS in teacher development and education.

- **General Educational Development**

The GED program serves as a bridge to higher education, trade schools, apprenticeship programs and employment opportunities for Oregonians who have not earned a high school diploma. The program provides the GED Test to adults without a high school credential. Sixteen and 17 year olds may test if they are enrolled in an approved Oregon Option program or exempted from compulsory attendance by a school district. There is no residency requirement in the State of Oregon. The test was developed by committees of professional educators and test specialists in each subject area. The GED tests are administered to graduating high school seniors in Oregon and the 49 states to establish the passing standard. Passing scores on the tests are set so that examinees must perform as well as or better than 60 percent of the norm group of graduating high school seniors or exceed the performance of at least 40 percent of traditional graduating high school seniors. The GED tests are also available in Spanish and French language versions. For those candidates requiring special accommodations for documented disabilities, the tests are available in Braille, in large print, and on audiocassettes.

Because of this standardization, the GED continues to measure important knowledge and skills that are usually acquired during a regular program of study in high school. However, one key development has been an increased emphasis on testing knowledge and skills needed for the workplace and for higher education. The GED Tests cover five academic areas: Language Arts Writing, Social Studies,

Science, Language Arts Reading, and Mathematics. In addition to subject knowledge, the tests measure cognitive skills (comprehension, application, analysis, synthesis, and evaluation).

ORS 326.550 allows the State Board of Education to establish a nonrefundable application fee to cover the costs of administering this program. The fee, established by Oregon Administrative Rule 581-43-600, totals \$35 for persons taking the test, \$5 for duplicate certificates, and \$5 for transcripts. The funds cover the costs of CCWD staff, and related services and supplies. The fee for individuals taking the test increased from \$25 to \$35 on July 1, 2009.

- **Healthcare**

CCWD has concentrated on strategic investments in high-demand occupations, specifically in healthcare given that community colleges prepare over 80% of all nurses and over 90% of all other allied health professionals in Oregon. Investments have included:

- Development of Basic Healthcare Education certificate to provide early access to healthcare education for emerging and transitioning workforce. The courses in this certificate are foundational to most health care fields
- Development of online delivery system for health care education
- Professional development for nurse educators
- Training for clinical preceptors and increasing the capacity for clinical experiences statewide
- Development of a workforce training in high demand health care occupations such as Medical Interpreter and Community Health Worker

- **National Career Readiness Certificate**

House Bill 2398 (passed in 2009) called for CCWD to create the Career Readiness Certificate (CRC) Program, now called National Career Readiness Certificate (NCRC). The NCRC is championed by both the Oregon Workforce Investment Board (OWIB) and the State Board of Education (SBE) because it is a credential that certifies the skills workers need to be successful in the workplace. The NCRC provides documented, transportable, skills-based certificates to Oregon citizens to assist them in getting a job in Oregon or across the nation. Employers recognize the NCRC as a meaningful credential and have confidence that certificate holders have the skills necessary to be successful in the workplace. WorkSource Oregon Centers are the primary vehicle for delivery of the NCRC with the eventual goal being NCRC's easily accessible to Oregonians in one or more of the following institutions: WorkSource Oregon Centers, community colleges, Education Service Districts, high schools, or other access points.

- **Oregon Youth Conservation Corps**

The Oregon Youth Conservation Corps participants conserve, rehabilitate, and improve the natural, historical, and cultural resources of the state. OYCC programs increase educational, training, and employment opportunities for youth by improving work skills, instilling work ethic, and increasing employability. The youth served by the program are ages 13-24 (75% at-risk). OYCC supports two programs to provide alternative education opportunities for disadvantaged and at-risk youth:

- Summer work programs that benefit at-risk and disadvantaged youth and their communities,
- Support for alternative educational programs including funding, partnership building, project development, curriculum, and professional/technical training for staff, and

- Partnerships with organizations and agencies at all levels to identify and recruit youth who are eligible to apply for summer and year round programs.

OYCC traditionally serves approximately 1,000 youth per year between the two programs.

- ◆ **Research**

CCWD recognized the growing importance of research to the agency and Oregon community colleges and created the Division of Research and Communications in March 2011. Since then this team has had a variety of responsibilities that touch every aspect of the agency including: calculating data for federal reports, collaborating with partner agencies, like the Oregon Employment Department, to share and analyze data and research of common interest, assisting in development and production of agency documents and presentations, compiling Key Performance Measures, design and usage of the Oregon Community College Unified Reporting System (OCCURS), and more. The advent of the Oregon Education Investment Board and the Achievement Compacts have added another facet as compact data calculations and definitions are compiled by this team and disseminated to all 17 community colleges. As the demand to have more data continues to grow, the Research and Communications Division will provide expertise and assistance to inform policy and decision making.

CCWD's data systems collect information on community college students, career and technical education students in high school, GED participants, Workforce Investment Act (WIA) Title IB clients and Adult Basic Skills students.

The primary data collection system for workforce program is the WorkSource Oregon Management Information System (WOMIS), which uses a single, statewide registration function for Wagner-Peyser and Workforce Investment Act (WIA) Title IB customers. Applications housed within WOMIS are Customer Registration, and iMatchSkills. WOMIS is a web-based, Oracle application, hosted at the State Data Center in Salem, and managed and supported by a cross-agency technology team located in Salem at the Oregon Employment Department (OED). Being a shared system, WOMIS is jointly supported by CCWD and the OED central office.

Customer Registration collects, stores, and provides data elements for tracking and reporting on demographics and eligibility components of workforce program participants. This system tracks customers through registration, basic needs and skills assessment, skills training, job search and match, and job referrals – providing program information for state and federal programs including Wagner-Peyser, Veterans, WIA Adult, Dislocated Workers, and Trade Act. WOMIS serves customers at home, over the internet, and in local WorkSource centers. Additionally, WOMIS provides informational reports to local, state, and federal entities, and passes information to the statewide WIA customer tracking application (I-Trac).

The primary data system used for analysis and tracking relating to Oregon community colleges and students is the Oregon Community College Unified Reporting System (OCCURS). OCCURS was developed in 1993 as a collaborative data warehouse for storing information relating to all Oregon community colleges. Since that time there have been numerous updates to software and operating systems as well as increased demand for more data analysis, reporting and accessibility – things for which OCCURS was not developed. To address this gap CCWD embarked on a redesign of OCCURS in the latter half of the 2011-13 biennium. The OCCURS 2.0 data system will provide stricter data security, ease of

interfacing for end users at the community colleges, increased data reliability and validity, all while allowing external stakeholders to querying parts of the system via a web based datamart. The upgraded system is expected to be fully operational by July 2013.

- **Workforce Development**

Workforce development programs provide customized assistance to individuals as they get, keep, or advance in the workplace. These programs also serve businesses by providing skilled employees who contribute to the productivity and competitiveness of Oregon's economy. CCWD administers on behalf of the Governor the federal job training funds through the Workforce Investment Act (WIA) programs. These programs are delivered by Local Workforce Investment Boards (LWIBs) and a network of local/community service providers. The programs assist youth, adults, and dislocated workers by providing education and employment transition services. The funds are targeted to people who face serious barriers to employment.

- **WorkSource Oregon: Integrated Service Delivery**

In partnership with the Oregon Employment Department (OED), CCWD has integrated our agencies local workforce services to more effectively connect job seekers to education and skill development opportunities, and to employers who have job openings. The integrated and collaborative service design includes Local Workforce Investment Boards, business partners, and other agencies and is delivered at over 40 WorkSource Oregon locations across the state. The integrated workforce model produces more detailed information about the skill levels of individual Oregonians and provides more value-added and customized strategies to help job seekers identify, and build up skill gaps. WorkSource Oregon integration sites also provide curriculum and programs for skill development, connections to education programs, and links to free and/or low cost learning resources. The workforce integration initiative has a two prong approach: 1) for value-added skill development for job seekers and 2) for Oregon employers to identify the job skills needed and connect them to Oregonians that have the needed skills. CCWD and OED work together to identify employers who have job openings and ensure that the best job candidate (using our value-added skills approach) is referred to the business.

- **Oregon Workforce Investment Board (OWIB)**

The OWIB is the Governor's chief advisory body on workforce matters. It is made up of business leaders, organized labor, state agencies, education entities, and elected officials. The majority of the members are from business. While the board is a requirement of the Federal Workforce Investment Act, its purpose in Oregon goes far beyond the WIA. One of its major purposes is to bring the disparate state and local partners together to build a responsive, effective public workforce system.

In December 2011, the Governor delivered a powerful charge to the OWIB: transform the workforce development system to achieve better outcomes for Oregon's businesses and for all Oregonians who can and want to work. The Governor's charge is a call to action – to produce a highly-skilled workforce, to advance more people into family wage jobs, and to help Oregon businesses compete in a global economy.

In response, the OWIB's produced a new 10-year strategic plan, *Working in Oregon*. The plan is a call to action for transformational change in Oregon's workforce development system - from a number of stand-alone programs and agencies to a highly-aligned and integrated system. It builds on Oregon's past successes in workforce development, but challenges the system to move in a new strategic direction that will

ensure businesses can find the workers they need to prosper and grow, and that Oregonians will have the knowledge and skills required to compete for the jobs of today and careers of tomorrow.

The implementation of this plan has just begun. Oregon's seven Local Workforce Investment Boards have been tasked with developing local strategic plans addressing the strategies in the OWIB plan. In concert with their local workforce partners, they will set performance targets for job seeker and system performance outcomes. These performance targets, along with the roles and responsibilities of each local partner will become Performance Compacts between the OWIB and the Local Boards. This will assure a level alignment and accountability for results system wide.

In the plan, the OWIB identified three statewide strategies to achieve its goals over the next decade. Each strategy was selected because it achieves greater alignment and efficiency among programs and systems, is responsive to industry needs, and is tied to the Governor's vision for prosperity.

- *Industry Sector Strategies:* Critical industry sectors fuel the state's economy. The workforce system must prepare workers for the higher wage, higher skill, in-demand occupations these sectors have to offer. This approach will create a mutual benefit for companies and workers. Each Local Workforce Investment Board will select one or two industry sectors to focus on for the next two years. They will select from a list of traded sectors identified by the Oregon Business Development Department or sectors that produce good jobs in local communities, such as health care.
- *Certified Work Ready Communities:* CWRC is an overarching strategy of Governor Kitzhaber and the OWIB to enable Oregon's communities to demonstrate the skilled workforce necessary for companies to locate and grow here. Through certification by earning a National Career Readiness Certificate (NCRC), workers are able to demonstrate they have the foundational skills to succeed in and grow the companies in their communities, preparing Oregonians for lifelong learning, rewarding work and engaged citizenship. More recently, Governor Kitzhaber included the CWRC concept as part of his 10-Year Plan for Oregon Project, *Economy & Jobs Policy Vision*; it is also a key strategy in the OWIB 2012-22 strategic plan. Building on this strong foundation, Oregon CWRC will include pathways for communities to excel in certifying a skilled workforce.

A CWRC is a community-based framework for economic and workforce development that certifies counties/regions as "work ready" when established goals have been met. It links workforce development to education, aligns with the economic development needs of communities, regions and states and certifies individuals for jobs based on skill levels. In Oregon, certification as a Work Ready Community indicates that a community is taking steps to ensure its citizens have the talent necessary to succeed in existing jobs, master new technologies, and embrace innovation. Certification signifies that a community wants to transform its economic base and gain a competitive edge in attracting new businesses and jobs.

- *System Innovation:* Oregon's workforce system must work to find new ways to operate more efficiently and effectively to meet new challenges and deliver on outcomes in a time of shrinking resources. Partners in the workforce system must work together in new ways, and leave behind the systems and approaches that are less effective at meeting the stated outcomes and goals of the plan. System innovation is about the workforce system at both the state and local level working together to achieve common outcomes. System

innovation will require the workforce system to review and evaluate current programs and processes in light of how these support the greater system goals, and add value to the experiences of customers – businesses and jobs seekers – and the services provided to them. Achieving this requires an aligned and transparent workforce budget that commits resources to regional interests through a local, unified plan, which is based on the state strategic plan.

Environmental Factors

Educational attainment is the biggest single factor influencing the prosperity of individual Oregonians, the state’s economy, and also state and local government’s fiscal health and ability to provide essential public services. Education is the single most important determinant of individual and state economic success. The more education that citizens acquire, the better their job prospects and income, the stronger the labor force, the more competitive the economy, and the more adequate the government revenues from individual and business taxes. The state budget has a huge stake in improving the education levels of its citizens. (*The Fiscal Return on Education*, Impresa Economics, January, 2010)

There was a time when Oregon workers could earn good wages for modest levels of skill. Historically, a high school graduate could get a good paying job in a mill or factory. Those days are gone. Repetitive, routine, low-skill work has been automated or has moved elsewhere and no longer commands high wages here. Increasingly, the only jobs that pay well are those that entail a high level of skill and ability. In turn, a high level of educational attainment among the population of states and communities tends to draw employers offering jobs paying high wages.

The one certainty about today’s labor market is that individual economic success is directly tied to each individual’s level of education. *High-wage jobs tend to require more education. In fact, of high wage jobs in Oregon (defined as those paying more than \$50,000 annually) 62 percent require at least a bachelor’s degree.* The more education a person has, the higher the typical level of earnings. Data from the American Community Survey (2008) show a steep “staircase” of annual earnings related to higher levels of education. Persons without a high school diploma average only slightly more than \$20,000 in annual income; those with only a high school degree about \$40,000. One to three years of college moves average income above \$40,000 per year, and a bachelor’s degree or higher more than \$60,000 annually.

Continued economic challenges and the passage of SB 253 (2011), known commonly as the 40/40/20 goal, usher in a new era of collaboration and a long term investment strategy for Oregon’s educational future. The Oregon post-secondary education institutions has long aspired to achieve statewide goals and produce the highest level of educational outcomes for Oregonians, with a commitment to access, affordability and successful college completion. The new climate of 40/40/20 challenges the new Department of Post-Secondary Education to expand its active participation in Oregon’s educational investment by embracing an increasingly holistic and integrated perspective and reach, as educators throughout the state look to a broadened investment strategy which encompasses a PK-20, student-centered approach.

To that end, the Governor’s Education Policy Vision outlined in his 10-Year Plan for Oregon emphasizes the need for Oregonians to “commit to a shared sense of responsibility for moving Oregon students along their educational pathway to lifelong learning, rewarding work and engaged citizenship”. The 10-Year Plan report notes that Oregon currently ranks 47th among states in the share of high school students who head to college, with only about half of students enrolling. This generation of Oregonians ranks below the national average and is generally less educated than their parents. In addition, they are falling behind other countries. The Governor’s report calls for an intentional and focused review of current policy and

investment and a commitment to not only improving but to becoming one of the best educated populations in the world. The ambitious 40/40/20 goal adopted by the 2011 Oregon Legislature intends to ensure that goal. In addition, the Governor signed into law SB 909 (2011) which called for the creation of a unified student-centered system of public education from birth through graduate school (PK-20) and emphasized the need for a collaborative strategy to be developed between all educational sectors affecting Oregon's learners.

Several milestones at all levels of a student development are needed to achieve that goal. These milestones are not merely designed to achieve a more educated populace but are necessary to the economic health and success of Oregon. Over the next decade, 61 percent of all Oregon jobs will require a technical certificate, associates' degree or higher level of education.

The Oregon Education Investment Board (OEIB) created by SB 909 (2011) was tasked with developing outcomes, progress and strategies needed to achieve the 40/40/20 goal. The report "Oregon Learns" outlined the basic strategy contained in the 10-Year Plan and is founded on three key concepts:

1. Create a coordinated, student-centered education system, from birth through college and career readiness (0-20) to enable all Oregon students to learn at their best pace and achieve their full potential. Creating a coordinated and aligned public education system will require:
 - 1.1 Coordinating and streamlining governance and agency structures
 - 1.2 Implementing a coordinated and aligned set of standards, assessments and validations
 - 1.3 Focusing on transition points between learning stages
2. Focus state investment on achieving student outcomes
 - 2.1 Define the core outcomes
 - 2.2 For early learning, create a system that supports investment in, and accountability for, ensuring all children are ready for school by Kindergarten
 - 2.3 Invest in evidence-based programs and practices that improve outcomes. A beginning list of programs and practices was outlined by the OEIB and will be continually refined and updated. The OEIB identified the following programs and practices for investment at this early stage:
 - High quality early learning programs
 - Programs effective at accelerating learning for those furthest behind
 - Teacher and leader effectiveness
 - Post-secondary access and affordability
 - Programs which Support Science, Technology, Engineering & Math (STEM)
 - Programs which develop career pathways
 - Programs which provide "wrap around" services and community school models. These include programs which provide services and support for whole families throughout the 0-20 educational system.
 - Models that promote flexibility, innovation and individualized learning
 - 2.4 Increase state investment
3. Build statewide support systems. The state's role is not to deliver education but rather invest in and support the thousands of institutions and providers across the state that do. The 10 year outcome for this strategy is to build system-wide standards, guidance and support.
 - 3.1 Statewide longitudinal database

- 3.2 Research and dissemination of best practices
- 3.3 Accountability and reporting
- 3.4 Support for continuous improvement and
- 3.5 Removing barriers and reducing mandates

Oregon's Demographics

In a series of papers, the Oregon Business Council outlined the relationship between the labor market, demographics and the importance of education. According to *The Competitive Imperative: The Economic Case for Increasing Oregon's Education Output and Quality (with updated statistics from the 2012 US Census)*:

The tightening in the labor market coincides with major changes in the racial and ethnic characteristics of the U.S. and Oregon populations. The nation and Oregon are both becoming more diverse. The percentage of the state's population that described itself as "white" in the census declined from 92.8 percent in 1990 to 78.1 percent in 2012 (although changes in Census Bureau's phrasing of questions about race and ethnicity make it difficult to directly compare data from one year to another). All of the state's minority populations increased, particularly Hispanics, who are the fastest growing minority group in Oregon.

Migration is always changing the face of Oregon's population. A majority of Oregon's current residents were not born in Oregon. In addition, 9.8 percent of Oregon's 2012 population was born outside the United States – a total of nearly 380,000 residents. Approximately 181,000 are from Latin America, 108,000 from Asia, and 58,000 from Europe. Africa, Australia, and Canada make up the balance.

The biggest change in Oregon's demographic picture in the past decade is the growth of the state's Hispanic population, which grew 144 percent between 1990 and 2000, and another 20 percent between 2000 and 2003. According to the Census Bureau, Oregon had more than 450,000 Hispanic residents in 2010.

Census data from 2000 show that Oregon's Hispanic population has a far lower level of education than the rest of the state's population. Only about half of the state's working age Hispanic population has completed high school (compared to about 90 percent of the non-Hispanic population). Slightly less than 10 percent of the state's adult Hispanic population has completed a four-year degree – compared to about 28 percent of non-Hispanics. Hispanics make up more than a quarter of the working age population that has not completed high school.

Demographic data indicate that the state's Hispanic population will continue to increase in the years ahead. The Census Bureau's 2010 population data show that Hispanics constitute about 12 percent of the state's total population. According to a 2012 report by the Western Interstate Commission on Higher Education (WICHE), Hispanics age 24-65 were the least well off financially among all race/ethnicities with a median income of \$20,320, just 58 percent of the statewide median. That same report states that the number of Hispanic high school graduates is expected to nearly triple by 2025 to 12,700 students. Even with no further immigration, Oregon will increasingly become Hispanic, and the lack of resources for programs that address the low educational achievement and income among this population is troubling.

With growth in the international character of Oregon’s population, English learning is taking on more importance. According to Census 2010, among 18- to 64-year-olds living in the state, more than 189,000 people spoke English “less than very well.”

The Hispanic population is simply the largest and most visible element of Oregon’s growing diversity. The number of Asian Americans, African Americans and foreign born residents has also increased during the past few decades. Oregon, like the rest of the nation, will become increasingly diverse in the years ahead. Ensuring an adequate education for the state’s new immigrant population – whether adults or children, whether from other states or countries – will be a key to Oregon’s future economic prosperity.

Oregon’s Economy

Responding to “Why Oregon Needs an Educated and Skilled Workforce,” the Oregon Employment Department identified several key points about the state of Oregon’s labor force and job growth between 2006 and 2016. A few of these key points are outlined below.

Job Growth

Education is critically important to Oregon’s long-term economic success because it determines how successful Oregon businesses can be. Businesses in Oregon and elsewhere depend on the skill and talent of their workers to develop new ideas and become more nationally and internationally competitive. A wide range of industries from high tech to forest products to metals manufacturing have pushed responsibility for innovation, quality, and productivity down to teams of front line workers. This new way of running businesses, what some call “high performance work organization,” depends for its success directly on the skills of workers, especially their ability to work effectively as teams, to communicate with other workers (and with customers), and to identify and solve problems.

Job growth and earnings in today’s economy provide a glimpse of the future. During the 2010-2020 decade, total employment is projected to increase by 297,698 jobs, or 18.1 percent. Employment growth is expected to be concentrated in the service-providing sectors of the economy. Four broad industries are expected to account for 60 percent of the state’s job growth between 2010 and 2020:

- Health care (12 percent)
- Service, including law enforcement, food service, tourism, and hairdressing (18 percent)
- Office and administrative support (16 percent)
- Professional and related (14 percent)

Educational Needs and Impact on Earnings and Employment

While many of the jobs openings expected in Oregon over the next decade will require a minimum of on-the-job training, 33 percent will require at least postsecondary training and 19 percent will require at least a bachelor’s degree. (Table 1)

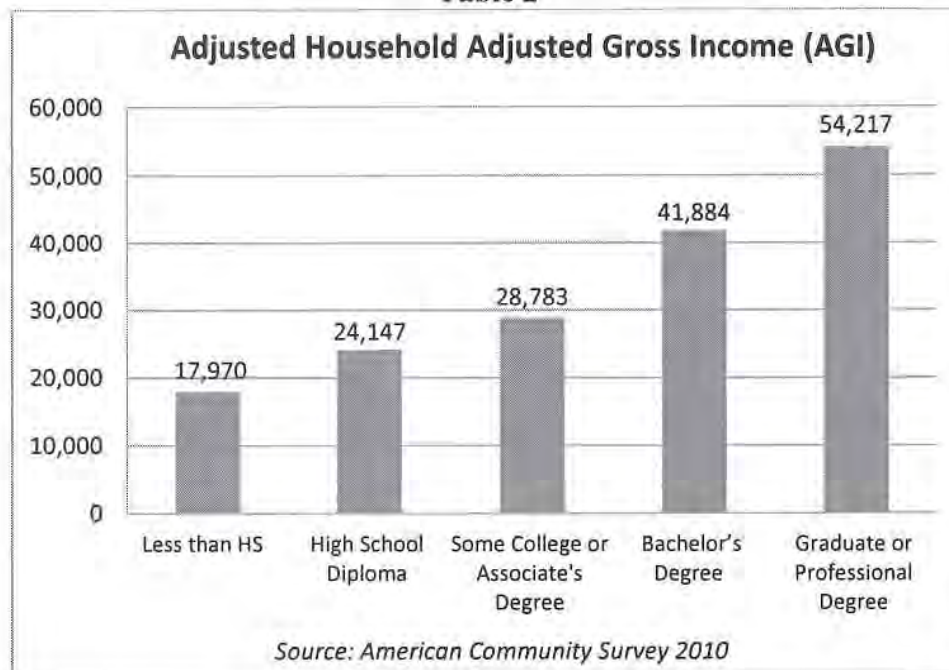
Table 1

Oregon Projected Growth Openings by Minimum Education Required 2010-2020	
Short-term on-the-job training	110,965
Moderate-term on-the-job training	46,942
Long-term on-the-job training	16,984
Related work experience	23,894
Postsecondary training	27,241
Associate's	15,470
Bachelor's	45,372
Advanced degree	11,398

Source: Oregon Employment Department, 2012

- Nationally, 44 percent of jobs will require at least postsecondary training, and 31 percent require at least a bachelor's. (OED) Some studies put the requirement for at least some postsecondary education at 64% or even 92%, depending on the underlying definitions of expectations of increased skill level requirements for many jobs.
- High-wage jobs tend to require more education. In fact, of high wage jobs in Oregon (defined as those paying more than \$50,000 annually) 62% require at least a bachelor's degree.
- Data from the U.S. Census Bureau American Community Survey clearly demonstrate that Oregonians with higher levels of educational attainment have higher median incomes (Table 2).

Table 2



Median adjusted gross income of Oregon households, by education of household head, 2008, for all household heads aged 25 to 64 years of age. Data from American Community Survey, computed from micro sample data (Ruggles, Sobek et al, 2009).

Higher earnings are not the only potential benefit of higher levels of education. Nationally, the unemployment rate for individuals who have not completed high school (9.6%), is much higher than for individuals with a four-year or higher degree (3.3%). American Community Survey census data from 2006 show a similar pattern in Oregon, with those who haven't completed high school experiencing much higher unemployment rates than those who have had some postsecondary training. (Table 3) Besides the obvious economic impacts of not having unemployed Oregonians paying income taxes to sustain state services including education, these data have enormous potential impacts on the use of those services, such as Unemployment Insurance, Supplemental Nutritional Assistance Program (Food Stamps), Temporary Assistance for Needy Families (TANF), public health programs, and other state and community assistance resources – a “double whammy” effect on the state budget.

Table 3

Unemployment Rate for Oregonians Aged 25 to 64 by Education Level Completed, Census 2010	
Less than high school	17.3%
High school graduate	15.6%
Some college, no degree	11.8%
Bachelor's degree +	6.30%
Total	11.4%

Source: US Census Bureau, 2010

Agency Initiatives

The Department of Community Colleges and Workforce Development supports a strong education and workforce system, providing public stewardship and accountability to federal, state, and local partners. CCWD administers programs and funds to increase the number of career-ready Oregonians with credentials, certificates, and degrees in occupations that are in local demand. The following groupings indicate the intent of the goals of the Agency:

- Providing leadership in shaping the education programs and workforce services that benefit *individuals, business and communities* in Oregon.
- Ensuring a continuum of comprehensive learning opportunities that enable youth and adults to effectively contribute to our global society.
- Broadening sustainable public access to skills, knowledge and *career* opportunities.
- Fostering innovation in instruction, service delivery and information collection and dissemination.
- Meeting *public stewardship and accountability* expectations of federal, state, and local partners.

The following agency initiatives were included in the Agency Recommended Budget:

Policy Package 101: State Support to Community Colleges – This package requests additional General Fund support to the community colleges. The Community College Support Fund (CCSF) is the state’s General Fund contribution to operation of the educational and general programs of Oregon’s 17 community colleges. Community colleges are the largest provider of post-secondary education in Oregon enrolling nearly 400,000 students each year. Prior to passage of Measure 5, the state was a majority funder of community college operations. Today, the state share has dropped to 31 percent.

Community colleges are directly responsible for meeting the “middle 40” in the 40/40/20 goal for associate’s degrees and professional credentials. The middle 40 is also the educational segment in Oregon with the largest gap. In 2010, 18 percent of all working adults and 17 percent of young adults had attained associate degrees or credentials. To reach 40/40/20, the number of community college students with degrees and certificates will have to double by 2025. The colleges are also the bridge to two other education sectors in the 40/40/20 goal through articulation and transfer programs with universities and dual credit partnerships with high schools, as well as, GED and Adult High School Diploma programs.

Policy Package 102: Community College Capital Construction – ORS 341.009 (14) says that the state “should maintain a policy of substantial state participation in community college building costs.” This general policy guideline has resulted in the submission of requests for state General Fund backed bonding authority for community college capital projects in each budget cycle over the last decade. The college presidents ranked sixteen projects using the criteria shared with State Board of Education at its February 2012 meeting.

Policy Package 103: Career Pathways – Census data show that approximately 287,120 Oregonians over the age of 25 do not have a high school diploma or post-secondary education. Many of these individuals are unemployed or underemployed, lacking the skills that Oregon employers require. Launched in 2004, Oregon’s nationally recognized Career Pathways Initiative is focused on ensuring that these Oregonians, as well as high school graduates who need additional education, are able to prepare for, access and complete short-term certificate programs of less than one year that lead to immediate employment in occupations in demand by employers, or provide a seamless “pathway” to the next highest level of a degree or certificate related to the occupation. This investment will expand career pathways programs in each community college.

Not Recommended in the Governor's Budget

Policy Package 104: Certified Work Ready Communities (CWRC) – A CWRC is a community-based framework for economic and workforce development that certifies communities/counties/regions as “work ready” when established goals have been met. It links workforce development to education, aligns with the economic development needs of communities, regions and states and certifies the availability of “work ready” individuals for jobs based on skill levels. In Oregon, certification as a Work Ready Community will signify that a community is prepared to transform its economic base and gain a competitive edge in attracting new businesses and jobs by taking steps to ensure its citizens have the talent necessary to succeed in existing jobs, master new technologies and embrace innovation.

Governor Kitzhaber has included the CWRC in his 10 Year Plan for Oregon Project, *Economy & Jobs Policy Vision*. The CWRC is also a key strategy in the Oregon Workforce Investment Board's (OWIB) 2012-22 strategic plan.

Not Recommended in the Governor's Budget

Policy Package 105: Cross-agency Education Research Unit – CCWD, Department of Education, and the Oregon University System each are submitting packages to support development of research capacity across the education enterprise. A longitudinal data system is a component of this capacity that must be developed. CCWD is providing leadership along with the Oregon Department of Education, Oregon Employment Department, Oregon University System, and Oregon Teachers Standards and Practices Commission, on Project ALDER (Advancing Longitudinal Data for Educational Reform), a 3-year federal grant designed to expand data collection and sharing of data between all education sectors in Oregon, as well as, with neighboring states. The grant, and its associated funding, ends June 2013, thus creating a need for General Fund allocations to support the work that needs to continue to develop the system. The purpose of the Oregon state longitudinal data system is to inform policy and practice for the improved educational outcomes for students at all levels of the education enterprise in Oregon. To do the work required to analyze the data and make it useful for stakeholders and decision-makers, staff must be established to analyze, interpret, and make the data understandable in the context of Oregon's 40/40/20 education goals.

Not Recommended in the Governor's Budget

Policy Package 201: Workforce Initiative – Certified Work Ready Communities (CWRC) will enable Oregon's communities to demonstrate the skilled workforce necessary for companies to locate and grow here. Implementation will ensure that Oregon has a diverse and dynamic economy that provides jobs and prosperity for all Oregonians. Through certification, workers will be able to demonstrate they have the foundational skills to be able to succeed in and grow the companies in their communities, preparing Oregonians for lifelong learning, rewarding work and engaged citizenship.

Added in the Governor's Budget

Policy Package 202: Community Care Worker Training – Oregon has a goal of training 300 or more Community Healthcare Workers by 2015 in order to aid full implementation of Community Care Organizations. The agency proposes to foster collaboration between Oregon's 17 community colleges in an effort to assist program development and delivery. Benchmarks include establishment of a statewide workgroup made up of community college healthcare deans and directors and development of online and statewide training delivery. This action aligns with the agency mission to contribute leadership and resources to increase the skills, knowledge and career opportunities of Oregonians.

Added in the Governor's Budget

AGENCY INITIATIVES	POLICY PKG	GENERAL FUND	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS
State Support to Community Colleges (CCSF) <i>Revised in Governor's Budget to \$4,948,306</i>	101	\$29,758,256			\$29,758,256
Community College Capital Construction <i>Not Recommended in Governor's Budget</i>	102		\$105,891,100		\$105,891,100
Career Pathways <i>Not Recommended in Governor's Budget</i>	103	\$4,000,000			\$4,000,000
Certified Work Ready Communities (CWRC) <i>Not Recommended in Governor's Budget</i>	104	\$6,000,000			\$6,000,000
Cross-agency Education Research Unit <i>Not Recommended in Governor's Budget</i>	105	\$377,802			\$377,802
Workforce Initiative <i>Approved in Governor's Budget</i>	201	\$10,000,000			
Community Care Worker Training <i>Approved in Governor's Budget</i>	202	\$673,800			
CCWD Transfer to Department of Post-Secondary Education <i>Approved in Governor's Budget</i>	400	(\$429,042,737)			

The impact and outcomes of these initiatives are detailed in the policy package narratives in the program unit sections of this document.

Criteria for Budget Development

CCWD relied on input from a variety of state and local agency, community college, workforce and community partners when developing the agency budget. The budget advances:

- 40/40/20 by 2025
- The Governor's Ten-Year Budget goals for Education
- The Governor's Ten-Year Budget goals for Jobs and the Economy
- The Oregon Workforce Investment Board Strategic Plan
- The Oregon Education Investment Board achievement compacts
- The Higher Education Coordinating Commission
- The State Board of Education's Work Plan

Major Information Technology Projects/Initiatives

CCWD uses technology to enhance productivity in the office, to be an effective tool in extending access to postsecondary education to all Oregonians, as well as, to support research and achievement of the Governor's and the Legislature's goals and initiatives. Technology is also used to provide integrated services to the clients of the WIA Title IB federal program. CCWD has common intake and registration with the Oregon Employment Department for all WIA IB participants through the new integration process. Information systems are an important ongoing tool to track outcomes, accountability, and coordination.

Funding for several information systems is included within the base budget. These systems collect information on community college students, career and technical education students in high school, GED participants, WIA clients and basic skills students. The agency also developed a web page, harmonized with the Oregon.gov framework, which provides access to information about CCWD services to citizens and stakeholders. The information management systems currently in place within CCWD are:

- **The Oregon Community College Unified Reporting System (OCCURS):**
OCCURS is the primary tool for gathering information about community college programs and students. It collects information at the course and student level for management and policy decisions and to report enrollment at the state level. CCWD embarked on a redesign of OCCURS in the latter half of the 2011-13 biennium. The OCCURS 2.0 data system will provide stricter data security, ease of interfacing for end users at the community colleges, increased data reliability and validity, all while allowing external stakeholders to querying parts of the system via a web based datamart. The upgraded system is expected to be fully operational by July 2013.
- **General Educational Development (GED) Database:**
CCWD is the administering agency for the state's GED program. A database has been developed for timely reporting to the U.S. GED Testing Service and to state decision makers. This system also allows staff to automate the process of disseminating GED certificates and transcripts.
- **Workforce Investment Act Management Information System (WIAMIS):**
WIAMIS provides information on Oregon's Workforce Investment Act clients. The system collects information from local systems and compiles statewide data. WIAMIS is used as the primary reporting tool for WIA IB performance.
- **Tracking of Programs and Students (TOPS):**
TOPS is a system used to assess skill gains for basic skills students. Participants take pre- and post-service tests to provide accurate data on the effectiveness of basic skills programs around the state. TOPS is the primary reporting tool for WIA Title II. TOPS will be obsolete when this data is incorporated into the newly designed OCCURS 2.0 data system.
- **CCWD Web Page:**
The agency's web page resides at <http://www.oregon.gov/CCWD>. Oregonians can get information about Oregon Workforce Investment Board (OWIB), community colleges, CCWD programs and activities, find information on the agency budget and the State Board of Education, submit

questions to staff and link to community colleges and other partners, and many other items. The page is perpetually evolving to provide the highest level of on-line service possible and conforms to the State's federal standard on web access and readability for ADA purposes.

- **Community College Financial Information System (CCFIS):**
CCFIS is the primary tool used by the community colleges to report revenues and expenditures to CCWD.
- **Workforce Investment Act Title 1B (WIA) Reimbursement/Reporting System:**
The Reimbursement/Reporting System allows the Local Workforce Investment Areas to request funds weekly as needed. This system also is the vehicle by which the Local Workforce Areas report the information required for the federally required quarterly financial reports.

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Community Coll & Workforce Dvlpmnt, Dept of
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2011-13 Leg Adopted Budget	62	61.45	568,421,216	418,390,515	6,882,643	6,869,643	117,309,583	-	18,968,832
2011-13 Emergency Boards	-	-	10,165,340	99,453	261,437	9,804,450	-	-	-
2011-13 Leg Approved Budget	62	61.45	578,586,556	418,489,968	7,144,080	16,674,093	117,309,583	-	18,968,832
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(3)	(2.75)	649,088	282,083	-	40,465	326,540	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	5,840,458	3,404,944	2,635,514	(200,000)	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	(9,604,450)	-	-	(9,604,450)	-	-	-
Subtotal 2013-15 Base Budget	59	58.70	575,471,652	422,176,995	9,779,594	6,910,108	117,636,123	-	18,968,832
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(61,724)	(5,334)	-	(10,350)	(46,040)	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	46,968	(1,667)	-	11,077	37,558	-	-
Subtotal	-	-	(14,756)	(7,001)	-	727	(8,482)	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	14,403,101	14,403,101	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(5,961,775)	(1,013,250)	-	(840,485)	(4,108,040)	-	-
Subtotal	-	-	8,441,326	13,389,851	-	(840,485)	(4,108,040)	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	34,622,656	31,995,216	-	91,212	2,536,228	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	22,153	6,318	-	3,242	12,593	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Community Coll & Workforce Dvlpmnt, Dept of
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-000-00-00-00000

<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	-	-	34,644,809	32,001,534	-	94,454	2,548,821	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	(9,184,452)	(9,184,452)	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2013-15 Current Service Level	59	58.70	609,358,579	458,376,927	9,779,594	6,164,804	116,068,422	-	18,968,832

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Community Coll & Workforce Dvlpmnt, Dept of
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	59	58.70	609,358,579	458,376,927	9,779,594	6,164,804	116,068,422	-	18,968,832
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	(8,805,197)	-	-	-	(8,805,197)	-	-
Modified 2013-15 Current Service Level	59	58.70	600,553,382	458,376,927	9,779,594	6,164,804	107,263,225	-	18,968,832
080 - E-Boards									
081 - May 2012 E-Board	(1)	(1.00)	749,656	(40,862)	-	(20,432)	810,950	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	(1)	(1.00)	749,656	(40,862)	-	(20,432)	810,950	-	-
Policy Packages									
090 - Analyst Adjustments	(2)	(2.00)	(2,645,635)	(2,265,904)	-	4,852	(384,583)	-	-
091 - Statewide Administrative Savings	-	-	(357,844)	(39,363)	-	(55,892)	(262,589)	-	-
092 - PERS Taxation Policy	-	-	(624,592)	(599,013)	-	(4,839)	(20,740)	-	-
093 - Other PERS Adjustments	-	-	(8,956,989)	(8,752,606)	-	(38,661)	(165,722)	-	-
101 - State Support to Community Colleges	-	-	4,948,306	4,948,306	-	-	-	-	-
102 - Community College Capital Construction	-	-	150,000	-	-	150,000	-	-	-
103 - Career Pathways	-	-	-	-	-	-	-	-	-
104 - Certified Work Ready Communities	-	-	-	-	-	-	-	-	-
105 - Cross-Agency Education Research Unit	-	-	-	-	-	-	-	-	-
201 - Workforce Initiative	3	3.00	10,000,000	10,000,000	-	-	-	-	-
202 - Community Care Worker Training	-	-	673,800	673,800	-	-	-	-	-
400 - Transfer to Dept of Post-Sec Ed	(59)	(58.70)	(604,490,084)	(462,301,285)	(9,779,594)	(6,199,832)	(107,240,541)	-	(18,968,832)
Subtotal Policy Packages	(58)	(57.70)	(601,303,038)	(458,336,065)	(9,779,594)	(6,144,372)	(108,074,175)	-	(18,968,832)

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Community Coll & Workforce Dvlpmnt, Dept of
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-000-00-00-00000

<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>
Total 2013-15 Governor's Budget	-	-	-	-	-	-	-	-	-

Percentage Change From 2011-13 Leg Approved Budget	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-	-100.00%
Percentage Change From 2013-15 Current Service Level	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-	-100.00%

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Office Operations
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-001-00-00-00000

<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>
2011-13 Leg Adopted Budget	59	58.45	25,377,822	6,738,733	-	3,967,304	14,671,785	-	-
2011-13 Emergency Boards	-	-	(233,262)	(233,262)	-	-	-	-	-
2011-13 Leg Approved Budget	59	58.45	25,144,560	6,505,471	-	3,967,304	14,671,785	-	-
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(3)	(2.75)	622,768	282,083	-	14,145	326,540	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	56	55.70	25,767,328	6,787,554	-	3,981,449	14,998,325	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(61,724)	(5,334)	-	(10,350)	(46,040)	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	46,150	(1,667)	-	10,259	37,558	-	-
Subtotal	-	-	(15,574)	(7,001)	-	(91)	(8,482)	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	163,801	163,801	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(1,520,149)	(482,500)	-	(840,485)	(197,164)	-	-
Subtotal	-	-	(1,356,348)	(318,699)	-	(840,485)	(197,164)	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	293,435	82,857	-	43,795	166,783	-	-
State Gov't & Services Charges Increase/(Decrease)			22,153	6,318	-	3,242	12,593	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Office Operations
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-001-00-00-00000

<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	-	-	315,588	89,175	-	47,037	179,376	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2013-15 Current Service Level	56	55.70	24,710,994	6,551,029	-	3,187,910	14,972,055	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Office Operations
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-001-00-00-00000

<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: 2013-15 Current Service Level	56	55.70	24,710,994	6,551,029	-	3,187,910	14,972,055	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	(1,079,676)	-	-	-	(1,079,676)	-	-
Modified 2013-15 Current Service Level	56	55.70	23,631,318	6,551,029	-	3,187,910	13,892,379	-	-
080 - E-Boards									
081 - May 2012 E-Board	(1)	(1.00)	(102,157)	(40,862)	-	(20,432)	(40,863)	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	(1)	(1.00)	(102,157)	(40,862)	-	(20,432)	(40,863)	-	-
Policy Packages									
090 - Analyst Adjustments	(2)	(2.00)	(489,435)	(109,704)	-	4,852	(384,583)	-	-
091 - Statewide Administrative Savings	-	-	(357,844)	(39,363)	-	(55,892)	(262,589)	-	-
092 - PERS Taxation Policy	-	-	(29,170)	(4,932)	-	(3,498)	(20,740)	-	-
093 - Other PERS Adjustments	-	-	(233,080)	(39,411)	-	(27,947)	(165,722)	-	-
101 - State Support to Community Colleges	-	-	-	-	-	-	-	-	-
102 - Community College Capital Construction	-	-	150,000	-	-	150,000	-	-	-
103 - Career Pathways	-	-	-	-	-	-	-	-	-
104 - Certified Work Ready Communities	-	-	-	-	-	-	-	-	-
105 - Cross-Agency Education Research Unit	-	-	-	-	-	-	-	-	-
201 - Workforce Initiative	3	3.00	10,000,000	10,000,000	-	-	-	-	-
202 - Community Care Worker Training	-	-	-	-	-	-	-	-	-
400 - Transfer to Dept of Post-Sec Ed	(56)	(55.70)	(32,569,632)	(16,316,757)	-	(3,234,993)	(13,017,882)	-	-
Subtotal Policy Packages	(55)	(54.70)	(23,529,161)	(6,510,167)	-	(3,167,478)	(13,851,516)	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Office Operations
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-001-00-00-00000

<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>
Total 2013-15 Governor's Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-100.00%	-100.00%	-100.00%	-100.00%	-	-100.00%	-100.00%	-	-
Percentage Change From 2013-15 Current Service Level	-100.00%	-100.00%	-100.00%	-100.00%	-	-100.00%	-100.00%	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 State Support to CCs
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-002-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2011-13 Leg Adopted Budget	-	-	396,336,008	396,310,700	-	25,308	-	-	-
2011-13 Emergency Boards	-	-	(19,250)	(19,250)	-	-	-	-	-
2011-13 Leg Approved Budget	-	-	396,316,758	396,291,450	-	25,308	-	-	-
2013-15 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 2013-15 Base Budget	-	-	396,316,758	396,291,450	-	25,308	-	-	-
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	-	-	14,239,300	14,239,300	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(530,750)	(530,750)	-	-	-	-	-
Subtotal	-	-	13,708,550	13,708,550	-	-	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	31,912,359	31,912,359	-	-	-	-	-
Subtotal	-	-	31,912,359	31,912,359	-	-	-	-	-
040 - Mandated Caseload									

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 State Support to CCs
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-002-00-00-00000

<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	-	-	(9,184,452)	(9,184,452)	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2013-15 Current Service Level	-	-	432,753,215	432,727,907	-	25,308	-	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 State Support to CCs
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-002-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	-	-	432,753,215	432,727,907	-	25,308	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	-	-	432,753,215	432,727,907	-	25,308	-	-	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	-	-	-	-	-	-	-
092 - PERS Taxation Policy	-	-	(594,081)	(594,081)	-	-	-	-	-
093 - Other PERS Adjustments	-	-	(8,713,195)	(8,713,195)	-	-	-	-	-
101 - State Support to Community Colleges	-	-	4,948,306	4,948,306	-	-	-	-	-
102 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
103 - Career Pathways	-	-	-	-	-	-	-	-	-
104 - Certified Work Ready Communities	-	-	-	-	-	-	-	-	-
105 - Cross-Agency Education Research Unit	-	-	-	-	-	-	-	-	-
201 - Workforce Initiative	-	-	-	-	-	-	-	-	-
202 - Community Care Worker Training	-	-	673,800	673,800	-	-	-	-	-
400 - Transfer to Dept of Post-Sec Ed	-	-	(429,068,045)	(429,042,737)	-	(25,308)	-	-	-
Subtotal Policy Packages	-	-	(432,753,215)	(432,727,907)	-	(25,308)	-	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 State Support to CCs
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-002-00-00-00000

<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>
Total 2013-15 Governor's Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-	-	-100.00%	-100.00%	-	-100.00%	-	-	-
Percentage Change From 2013-15 Current Service Level	-	-	-100.00%	-100.00%	-	-100.00%	-	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Federal/Other Support
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-003-00-00-00000

<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>
2011-13 Leg Adopted Budget	-	-	120,618,167	-	-	415,128	101,234,208	-	18,968,831
2011-13 Emergency Boards	-	-	-	-	-	-	-	-	-
2011-13 Leg Approved Budget	-	-	120,618,167	-	-	415,128	101,234,208	-	18,968,831
2013-15 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 2013-15 Base Budget	-	-	120,618,167	-	-	415,128	101,234,208	-	18,968,831
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	-	-	(2,733,786)	-	-	-	(2,733,786)	-	-
Subtotal	-	-	(2,733,786)	-	-	-	(2,733,786)	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	2,364,009	-	-	-	2,364,009	-	-
Subtotal	-	-	2,364,009	-	-	-	2,364,009	-	-
040 - Mandated Caseload									

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Federal/Other Support
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-003-00-00-00000

<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: 2013-15 Current Service Level	-	-	120,248,390	-	-	415,128	100,864,431	-	18,968,831

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Federal/Other Support
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-003-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2013-15 Current Service Level	-	-	120,248,390	-	-	415,128	100,864,431	-	18,968,831
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	(7,725,521)	-	-	-	(7,725,521)	-	-
Modified 2013-15 Current Service Level	-	-	112,522,869	-	-	415,128	93,138,910	-	18,968,831
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	-	-	-	-	-	-	-
092 - PERS Taxation Policy	-	-	-	-	-	-	-	-	-
093 - Other PERS Adjustments	-	-	-	-	-	-	-	-	-
101 - State Support to Community Colleges	-	-	-	-	-	-	-	-	-
102 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
103 - Career Pathways	-	-	-	-	-	-	-	-	-
104 - Certified Work Ready Communities	-	-	-	-	-	-	-	-	-
105 - Cross-Agency Education Research Unit	-	-	-	-	-	-	-	-	-
201 - Workforce Initiative	-	-	-	-	-	-	-	-	-
202 - Community Care Worker Training	-	-	-	-	-	-	-	-	-
400 - Transfer to Dept of Post-Sec Ed	-	-	(112,522,869)	-	-	(415,128)	(93,138,910)	-	(18,968,831)
Subtotal Policy Packages	-	-	(112,522,869)	-	-	(415,128)	(93,138,910)	-	(18,968,831)

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Federal/Other Support
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-003-00-00-00000

<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>
Total 2013-15 Governor's Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-	-	-100.00%	-	-	-100.00%	-100.00%	-	-100.00%
Percentage Change From 2013-15 Current Service Level	-	-	-100.00%	-	-	-100.00%	-100.00%	-	-100.00%

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Youth Conservation Corp
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-004-00-00-00000

<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>
2011-13 Leg Adopted Budget	3	3.00	3,865,493	-	-	2,461,903	1,403,590	-	-
2011-13 Emergency Boards	-	-	-	-	-	-	-	-	-
2011-13 Leg Approved Budget	3	3.00	3,865,493	-	-	2,461,903	1,403,590	-	-
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	26,320	-	-	26,320	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	3	3.00	3,891,813	-	-	2,488,223	1,403,590	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Non-PICS Personal Service Increase/(Decrease)	-	-	818	-	-	818	-	-	-
Subtotal	-	-	818	-	-	818	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(1,177,090)	-	-	-	(1,177,090)	-	-
Subtotal	-	-	(1,177,090)	-	-	-	(1,177,090)	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	52,853	-	-	47,417	5,436	-	-
Subtotal	-	-	52,853	-	-	47,417	5,436	-	-
040 - Mandated Caseload									

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Youth Conservation Corp
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-004-00-00-00000

<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: 2013-15 Current Service Level	3	3.00	2,768,394	-	-	2,536,458	231,936	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Youth Conservation Corp
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-004-00-00-00000

<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: 2013-15 Current Service Level	3	3.00	2,768,394	-	-	2,536,458	231,936	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	3	3.00	2,768,394	-	-	2,536,458	231,936	-	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	851,813	-	-	-	851,813	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	851,813	-	-	-	851,813	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	-	-	-	-	-	-	-
092 - PERS Taxation Policy	-	-	(1,341)	-	-	(1,341)	-	-	-
093 - Other PERS Adjustments	-	-	(10,714)	-	-	(10,714)	-	-	-
101 - State Support to Community Colleges	-	-	-	-	-	-	-	-	-
102 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
103 - Career Pathways	-	-	-	-	-	-	-	-	-
104 - Certified Work Ready Communities	-	-	-	-	-	-	-	-	-
105 - Cross-Agency Education Research Unit	-	-	-	-	-	-	-	-	-
201 - Workforce Initiative	-	-	-	-	-	-	-	-	-
202 - Community Care Worker Training	-	-	-	-	-	-	-	-	-
400 - Transfer to Dept of Post-Sec Ed	(3)	(3.00)	(3,608,152)	-	-	(2,524,403)	(1,083,749)	-	-
Subtotal Policy Packages	(3)	(3.00)	(3,620,207)	-	-	(2,536,458)	(1,083,749)	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Youth Conservation Corp
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-004-00-00-00000

<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>
Total 2013-15 Governor's Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-100.00%	-100.00%	-100.00%	-	-	-100.00%	-100.00%	-	-
Percentage Change From 2013-15 Current Service Level	-100.00%	-100.00%	-100.00%	-	-	-100.00%	-100.00%	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Debt Service
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-005-00-00-00000

<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>
2011-13 Leg Adopted Budget	-	-	22,223,726	15,341,082	6,882,643	-	-	-	1
2011-13 Emergency Boards	-	-	813,402	351,965	261,437	200,000	-	-	-
2011-13 Leg Approved Budget	-	-	23,037,128	15,693,047	7,144,080	200,000	-	-	1
2013-15 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	5,840,458	3,404,944	2,635,514	(200,000)	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2013-15 Base Budget	-	-	28,877,586	19,097,991	9,779,594	-	-	-	1
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: 2013-15 Current Service Level	-	-	28,877,586	19,097,991	9,779,594	-	-	-	1

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Debt Service
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-005-00-00-00000

<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: 2013-15 Current Service Level	-	-	28,877,586	19,097,991	9,779,594	-	-	-	1
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	-	-	28,877,586	19,097,991	9,779,594	-	-	-	1
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	(2,156,200)	(2,156,200)	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	-	-	-	-	-	-	-
092 - PERS Taxation Policy	-	-	-	-	-	-	-	-	-
093 - Other PERS Adjustments	-	-	-	-	-	-	-	-	-
101 - State Support to Community Colleges	-	-	-	-	-	-	-	-	-
102 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
103 - Career Pathways	-	-	-	-	-	-	-	-	-
104 - Certified Work Ready Communities	-	-	-	-	-	-	-	-	-
105 - Cross-Agency Education Research Unit	-	-	-	-	-	-	-	-	-
201 - Workforce Initiative	-	-	-	-	-	-	-	-	-
202 - Community Care Worker Training	-	-	-	-	-	-	-	-	-
400 - Transfer to Dept of Post-Sec Ed	-	-	(26,721,386)	(16,941,791)	(9,779,594)	-	-	-	(1)
Subtotal Policy Packages	-	-	(28,877,586)	(19,097,991)	(9,779,594)	-	-	-	(1)

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
Debt Service
2013-15 Biennium

Governor's Budget
Cross Reference Number: 58600-005-00-00-00000

<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>
Total 2013-15 Governor's Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-	-	-100.00%	-100.00%	-100.00%	-100.00%	-	-	-100.00%
Percentage Change From 2013-15 Current Service Level	-	-	-100.00%	-100.00%	-100.00%	-	-	-	-100.00%

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Capital Construction
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-089-00-00-00000

<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>
2011-13 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2011-13 Emergency Boards	-	-	9,604,450	-	-	9,604,450	-	-	-
2011-13 Leg Approved Budget	-	-	9,604,450	-	-	9,604,450	-	-	-
2013-15 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	-	-	(9,604,450)	-	-	(9,604,450)	-	-	-
Subtotal 2013-15 Base Budget	-	-	-	-	-	-	-	-	-
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: 2013-15 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Capital Construction
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-089-00-00-00000

<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: 2013-15 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2013-15 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
081 - May 2012 E-Board	-	-	-	-	-	-	-	-	-
082 - September 2012 E-Board	-	-	-	-	-	-	-	-	-
083 - December 2012 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
091 - Statewide Administrative Savings	-	-	-	-	-	-	-	-	-
092 - PERS Taxation Policy	-	-	-	-	-	-	-	-	-
093 - Other PERS Adjustments	-	-	-	-	-	-	-	-	-
101 - State Support to Community Colleges	-	-	-	-	-	-	-	-	-
102 - Community College Capital Construction	-	-	-	-	-	-	-	-	-
103 - Career Pathways	-	-	-	-	-	-	-	-	-
104 - Certified Work Ready Communities	-	-	-	-	-	-	-	-	-
105 - Cross-Agency Education Research Unit	-	-	-	-	-	-	-	-	-
201 - Workforce Initiative	-	-	-	-	-	-	-	-	-
202 - Community Care Worker Training	-	-	-	-	-	-	-	-	-
400 - Transfer to Dept of Post-Sec Ed	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-

Summary of 2013-15 Biennium Budget

Community Coll & Workforce Dvlpmnt, Dept of
 Capital Construction
 2013-15 Biennium

Governor's Budget
 Cross Reference Number: 58600-089-00-00-00000

<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>
Total 2013-15 Governor's Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2011-13 Leg Approved Budget	-	-	-100.00%	-	-	-100.00%	-	-	-
Percentage Change From 2013-15 Current Service Level	-	-	-	-	-	-	-	-	-

PROGRAM PRIORITIZATION FOR 2013-15

Agency Name: Community Colleges and Workforce Development																			Agency Number: 58600		
2013-15 Biennium																					
Office Operations																					
Program/Division Priorities for 2013-15 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																				
	CCWD	Office Ops	The Department of Community Colleges and Workforce Development provides leadership, accountability, and technical assistance to Oregon's 17 community colleges; 19 adult basic skills providers; seven local workforce investment areas; and 36 county-based programs. These positions administer the Community College Support Fund, Title IB (WorkSource Oregon Centers), Title II (Adult Basic Education and Family Literacy) of the Workforce Investment Act, Carl Perkins and the GED program. Funding comes from a combination of General, Federal, and Other Funds.	Provides the Policy, Accountabilities, Data Collection, Research and Program Improvement facilitating the achievement of all the Departments Key Performance Measures	6,7	14,261,941		3,327,503		13,904,035		\$ 31,493,479	61	60.20	N	Y	FO S	-Statutory Authority Chapter 616, Section 1, Subsection 1(a), 2011 - Statutory Authority Chapter 616, Section 2, Subsection 1, 2011 - Statutory Authority Chapter 616 Section 3, 2011	Carl Perkins requires a \$700,000 General Fund Match	Policy Packages: 102 requests \$150,000 for capital construction 103 requests \$1,367,470 General Fund for Career Pathways 104 requests \$6,000,000 General Fund for Certified Work Ready Communities 105 requests \$377,802 for the Cross-Agency Education Research	
												\$ -									
												\$ -									
						14,261,941	-	3,327,503	-	13,904,035	-	\$ 31,493,479	61	60.20							

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:

PROGRAM PRIORITIZATION FOR 2013-15

Agency Name: Community Colleges and Workforce Development																					
2013-15 Biennium																			Agency Number: 58600		
State Support to Community Colleges																					
Program/Division Priorities for 2013-15 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	CCWD	CCSF	The Community College Support Fund (CCSF) is the state's contribution to the operation of the 17 community colleges. In the past two biennia, General Fund represented approximately 45 percent of local community college general fund revenues. The General Fund support is distributed to the community colleges through a formula adopted by the State Board of Education.	1: Successful GED applicants; 7: Completion of basic skills/ESL; 8: Nursing completion; 10: BITS company satisfaction; 11: Licensing/ certification rates; 12: Professional / technical degree/ certificate completion; 13: Associate degree completion; 14: Student transfers to OUS; 15: Progress of transfers students; 16: Tuition/fees; 17: High school participation; 18: Minority enrollment		466,783,320		25,308				\$ 466,808,628			N	Y	S	Statutory Authority: Chapter 616, Section 1, Subsection 2, 2011		Policy Option Packages 101 requests \$29,758,256 in General Funds for Community College Fund Support 103 requests \$2,642,530 in General Funds for Career Pathways
							466,783,320	-	25,308	-	-	-	\$ 466,808,628	0	0.00						

Document criteria used to prioritize activities:

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

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

PROGRAM PRIORITIZATION FOR 2013-15

Agency Name: Community Colleges and Workforce Development																			Agency Number: 58600			
2013-15 Biennium																						
Federal and Other Support																						
Program/Division Priorities for 2013-15 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	CCWD	WIA Title IB	These programs prepare adults, youth, and dislocated workers who are facing serious barriers to employment for participation in the labor force by providing job training and other services that will result in increased employment and earnings, increased educational and occupational skills, and decreased welfare dependency, thereby improving the quality of the workforce and enhancing the productivity of the nation. Title IB activities are supported by funds appropriated by the U.S. Department of Labor and can be spent only on these specific	2: At-risk youth exit successfully; 3: Youth employed upon exit. 4: Adults employed upon exit. 5: Dislocated worker wages; 6: Incumbent worker						83,971,414	18,968,831	\$ 102,940,245			N	Y	FO	Federal Funds Statutory Authority Chapter 616, Section 3, 2011			
	2	CCWD	WIA Title II	Adult Basic Skills funding comes through the Workforce Investment Act, Title II, Adult Education and Family Literacy Act. These funds are used to provide adults, ages 16 and older, the opportunity to develop basic reading, writing, math, English language, and critical thinking skills.	1. Successful GED applicants; 7. Completion of basic skills/ESL						9,167,496		\$ 9,167,496			N	Y	FO	Federal Funds Statutory Authority Chapter 616, Section 3, 2011			
	3	CCWD	Perkins	Carl D. Perkins Career and Technical Education Improvement Act of 2006: The purpose of the federal Perkins funds is to develop more fully the academic and career and technical skills of high school and community college students who enroll in career and technical education programs. 85% of Oregon's allocation is distributed to high schools and community colleges (50% to high schools and 50% to community colleges). Oregon community colleges use these federal resources to build on efforts to assist students in meeting challenging academic and technical standards, including preparation for high skill, high wage, or high demand occupations in current or emerging professions. Community colleges also use these federal Perkins funds to support partnerships among high schools, universities,	12: Professional / technical degree/ certificate completion; 17: High school participation				415,128				\$ 415,128			N	N	FO	Other Funds Statutory Authority Chapter 616 Section 2, Subsection 1 2011			
									#####		93,138,910	18,968,831	\$ 112,522,869	0	0.00							

Document criteria used to prioritize activities:

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

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

PROGRAM PRIORITIZATION FOR 2013-15

Agency Name: Community Colleges and Workforce Development																					
2013-15 Biennium																			Agency Number: 58600		
Oregon Youth Conservation Corps																					
Program/Division Priorities for 2013-15 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	CCWD	OYCC	The Oregon Youth Conservation Corps (OYCC) was established by the 1987 Legislature for the purpose of providing education, training, and employment opportunities for disadvantaged and at-risk youth ages 13 to 25 (changed from 16 in 2001 to address middle school dropouts). The program purpose is to improve work skills, instill work ethic, increase employability, improve school completion and to protect, conserve, rehabilitate and improve the natural, historical and cultural resources of	2- At-risk youth exit successfully	7			2,538,671		231,936		\$ 2,770,607	3	3.00	N	Y	Statutory Authority, Chapter 616, Section 2, Subsection 2 2011 Statutory Authority, Chapter 616, Section 4, 2011			
									2,538,671		231,936		\$ 2,770,607	3	3.00						

Document criteria used to prioritize activities:

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
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PROGRAM PRIORITIZATION FOR 2013-15

2011-2013 Biennium

Agency Name: <i>Community Colleges and Workforce Development</i>																							
Agency Number: 58600																							
Department-Wide Priorities for 2013-15 Biennium																							
1	2	3	4	5	6	7	7	9	10	11	12	13	14	15	16	17	18	19	20	21	22		
Priority (ranked with highest priority first)	Dept. 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			
Dept	Prgm/ Div																						
		CCWD	Office Ops	The Department of Community Colleges and Workforce Development provides leadership, accountability, and technical assistance to Oregon's 17 community colleges, 19 adult basic skills providers, seven local workforce investment areas, and 36 county-based programs. These positions administer the Community College Support Fund, Title IB (WorkSource Oregon Centers), Title II (Adult Basic Education and Family Literacy) of the Workforce Investment Act, Carl Perkins and the GED program. Funding comes from a combination of General, Federal, and Other Funds.	Provides the Policy, Accountability, Data Collection, Research and Program Improvement facilitating the achievement of all the Department's Key Performance Measures	6 7	14,261,941	-	-	3,327,503	-	13,904,035	0	\$ 31,493,479	56	55.70	N	Y	FO S	General Fund - Statutory Authority: Chapter 616, Section 1, Subsection 1(a), 2011 Other Funds - Statutory Authority: Chapter 516, Section 2, Subsection 1, 2011 Federal Funds - Statutory Authority: Chapter 616, Section 3, 2011	Carl Perkins requires a \$700,000 General Fund Match 102 requests \$150,000 for capital construction 103 requests \$1,357,470 General Fund for Career Pathways 104 requests \$8,000,000 General Fund for Certified Work Ready Communities 105 requests \$377,802 for the Cross-Agency Education Research Unit		
1		CCWD	Debt Svc	The budget includes General Fund to pay debt service obligations for Article XI G bonds for capital construction at some of the community colleges. These capital projects were approved in the 2005 and 2007 legislative sessions.	7. Completion of basic skills/ ESL; 8. Nursing completion; 11. Licensing/ certification rates; 12. Professional / technical degree/ certificate completion; 13. Associate degree completion; 14. Student transfers to	7	19,097,991	10,579,594	-	-	1	\$ 29,677,586				N	N	D	Statutory Authority: Chapter 616, Section 2, Subsection 3, 2011				
2	1	CCWD	CCSF	The Community College Support Fund (CCSF) is the state's contribution to the operation of the 17 community colleges in the past two biennia. General Fund represented approximately 45 percent of local community college general fund revenues. The General Fund support is distributed to the community colleges through a formula adopted by the State Board of Education.	1. Successful GED applicants; 7. Completion of basic skills/ESL; 8. Nursing completion; 10. BITS company satisfaction; 11. Licensing/ certification rates; 12. Professional / technical degree/ certificate completion; 13. Associate degree completion; 14. Student transfers to OUS; 15. Progress of transfers students; 16. Tuition/fees; 17. High school participation.	7	466,783,320	-	-	26,308	-	0	\$ 466,808,628				N	Y	S	Statutory Authority: Chapter 616, Section 1, Subsection 2, 2011		Policy Option Packages: 101 requests \$29,756,256 in General Funds for Community College Fund Support 103 requests \$2,542,530 in General Funds for Career Pathways	
3	1	CCWD	WIA Title IB	These programs prepare adults, youth, and dislocated workers who are facing serious barriers to employment for participation in the labor force by providing job training and other services that will result in increased employment and earnings, increased educational and occupational skills, and decreased welfare dependency, thereby improving the quality of the workforce and enhancing the productivity of the nation. Title IB activities are supported by funds appropriated by the U.S. Department of Labor and can be spent only on these specific activities.	2. At-risk youth exit successfully; 3. Youth employed upon exit; 4. Adults employed upon exit; 5. Dislocated worker wages; 6. Incumbent worker employment.	6						83,971,414	18,988,831	\$ 102,940,247				N	Y	FO	Federal Funds - Statutory Authority: Chapter 616, Section 3, 2011		

1	2	3	4	5	6	7	7	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority ranked with highest priority first	Dept. 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	
4	2	CCWD	WIA Title II	Adult Basic Skills funding comes through the Workforce Investment Act, Title II, Adult Education and Family Literacy Act. These funds are used to provide adults, ages 16 and older, the opportunity to develop basic reading, writing, math, English language, and critical thinking skills.	1. Successful GED applicants; 7. Completion of basic skills/ESL.					9,167,496	0	\$ 9,167,496			N	Y	FO	Federal Funds Statutory Authority Chapter 616, Section 3, 2011			
5	3	CCWD	Perkins	Carl D. Perkins Career and Technical Education Improvement Act of 2006: The purpose of the federal Perkins funds is to develop more fully the academic and career and technical skills of high school and community college students who enroll in career and technical education programs. 85% of Oregon's allocation is distributed to high schools and community colleges (50% to high schools and 50% to community colleges). Oregon community colleges use these federal resources to build on efforts to assist students in meeting challenging academic and technical standards, including preparation for high skill, high wage, or high demand occupations in current or emerging professions. Community colleges also use these federal Perkins funds to support partnerships among high schools, universities, and business and industry.	12. Professional / technical degree/ certificate completion, 17. High school participation			415,128			0	\$ 415,128			N	Y	FO	Other Funds Statutory Authority Chapter 616 Section 2, Subsection 1, 2011			
7	1	CCWD	OYCC	The Oregon Youth Conservation Corps (OYCC) was established by the 1987 Legislature for the purpose of providing education, training, and employment opportunities for disadvantaged and at-risk youth ages 13 to 25 (changed from 16 in 2001 to address middle school dropouts). The program purpose is to improve work skills, instill work ethic, increase employability, improve school completion and to protect, conserve, rehabilitate and improve the natural, historical and cultural resources of Oregon.	2. At-risk youth exit successfully			2,638,671		231,536	0	\$ 2,770,607	3	3.00	N	Y		Statutory Authority Chapter 616, Section 2, Subsection 2 2011 Statutory Authority Chapter 616, Section 4, 2011			
1		CCWD	Cap Constr	Community College Capital Construction. Limitation for capital projects approved in 2007 & 2009 are not included in the 2013-15 CSL but exist for six years.	1. Successful GED applicants; 7. Completion of basic skills/ESL; 8. Nursing completion; 10. BITS company satisfaction; 11. Licensing/ certification rates; 12. Professional / technical degree/ certificate completion, 13. Associate degree completion; 14. Student transfers to OUS; 15. Progress of transfers students; 16. Tuition fees; 17. High school participation; 18. Minority enrollment	105,741,100						\$ 105,741,100			N	N	S	Statutory Authority Chapter 616, Section 7, Subsection 1, 2011			
#####																					

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
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- 8 Emergency Services
- 9 Environmental Protection
- 10 Public Health
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Document criteria used to prioritize activities:

Prioritize each program activity for the Department as a whole

Reduction Options

General Fund

ACTIVITY OR PROGRAM (WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	DESCRIBE REDUCTION (DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2013-15 AND 2013-15)	AMOUNT AND FUND TYPE (GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	RANK AND JUSTIFICATION (RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
10% General Fund Reduction			

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
<p>1. <u>Community College Support Fund (CCSF)</u> Reduce the CCSF (SCR 002-00) by 10.5%</p>	<p>Community colleges rely on three complementary funding streams to support education and workforce services to local communities: General Fund appropriations through the CCSF, property taxes, and student tuition and fees.</p> <p>As State General Fund investments are reduced, tuition rates are forced up. This limits the numbers of students who can afford post-secondary education. Also, when reductions in CCSF cannot be recovered through tuition or property tax increases, colleges are forced to limit academic offerings and this further limits Oregon's ability to reach 40/40/20 educational goals by the year 2025.</p> <p>This reduction represents a 10.5% reduction from the CCSF Continuing Service Level. The CCSF has been reduced by more than 20% since 2007-09. This reduction option would further exacerbate the impact of continued reductions.</p>	<p>\$ 45,656,661 GF</p>	<p>1.</p>
<p>2. <u>Back to Work Oregon</u> Back-to-Work Oregon is a General Fund program within Office Operations (SCR 001-01) that provides on-the-job training and job placement for Oregonians who are out of work. Reduce by 10%.</p>	<p>A budget reduction of \$348,160 in the Back to Work Oregon program would result in the elimination of 71 GF job placements. Historically, the GF job placements have been leveraged by the Local Workforce Investment Boards on a one-to-one basis so this reduction would result in an</p>	<p>\$348,160 GF</p>	<p>2.</p>

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
	<p>additional reduction of 71 job placements, bringing the total to 142 less unemployed Oregonians accessing jobs that include training. This impact would also include 128 less National Career Readiness Certificates awarded as a requirement of these lost positions.</p>		

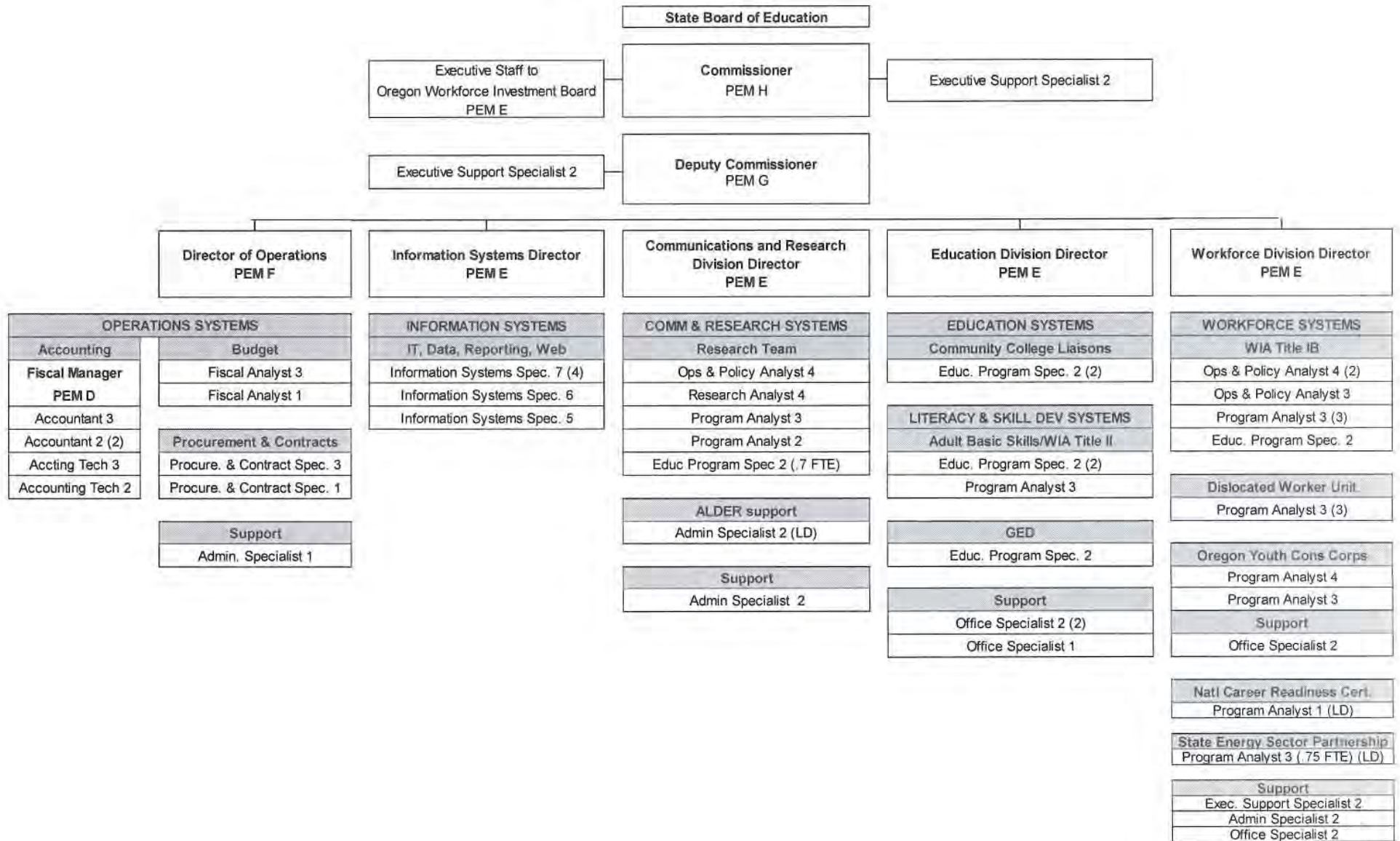
Federal Funds

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
(WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	(DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2013-15 AND 2013-15)	(GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	(RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
10% Federal Funds Reduction			
<p>1. <u>Funding for Local and Regional Workforce Investment Board Support</u></p> <p>Title IB of the Workforce Investment Act funds for adult, dislocated workers, youth employment training programs, and other workforce training programs. This program is funded by the U.S. Dept. of Labor (DOL).</p>	<p>The effect on Title IB would be a reduction of funds that pay for training, retraining, and skill upgrades to Oregonians seeking skills to enter the workforce or who have been dislocated from employment and require retraining to re-enter the workforce.</p>	<p>\$10,731,583 Federal Funds Limited</p>	<p>1.</p>
<p>2. <u>Funding for National Emergency Grants (NEGs)</u></p>	<p>The effect would be that Oregon would not be able to access federal funds to help retrain and reemploy workers in the event of a mass layoff.</p>	<p>\$1,896,883 Federal Funds Non-Limited</p>	<p>1.</p>

Other Funds

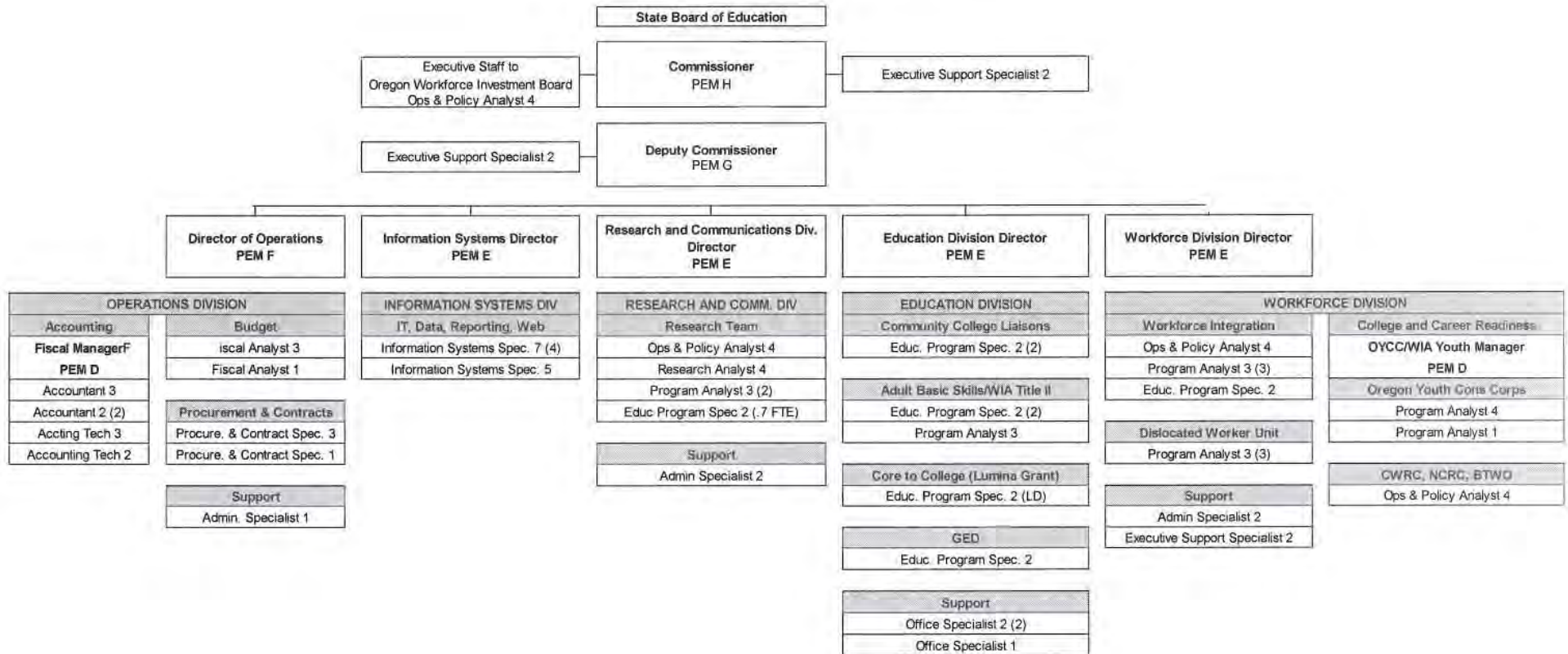
ACTIVITY OR PROGRAM (WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	DESCRIBE REDUCTION (DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2013-15 AND 2013-15)	AMOUNT AND FUND TYPE (GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	RANK AND JUSTIFICATION (RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
10% Other Fund Reductions			
<p>1. <u>Funding of the Oregon Youth Conservation Corps.</u> The purpose of this program is to establish and maintain education and environmental program for disadvantaged and at-risk youth.</p>	<p>Would reduce many education, training, and employment opportunities for our most at-risk youth ages 13-24. These youth report their OYCC experience increased their academic and work skills as well as increasing their interest in further education and job training.</p>	<p>\$463,284 Amusement Device Taxes</p>	<p>1.</p>
<p>2. <u>General Educational Development (GED) Testing Program.</u> The purpose of this program is to provide the GED Test to adults without a high school credential. ORS 326.550 allows the State Board of Education to establish a nonrefundable application fee to cover the costs of administering this program.</p>	<p>This program is self-funding. The State's ability to comply with required GED Testing Service policy would be negatively affected. To use this fee for any other than GED testing would require a change in statute.</p>	<p>\$154,428 Other Funds GED Fees</p>	<p>2.</p>

**Department of Community Colleges and Workforce Development
2011-13 Legislatively Adopted Budget
62 Positions (61.45 FTE)**



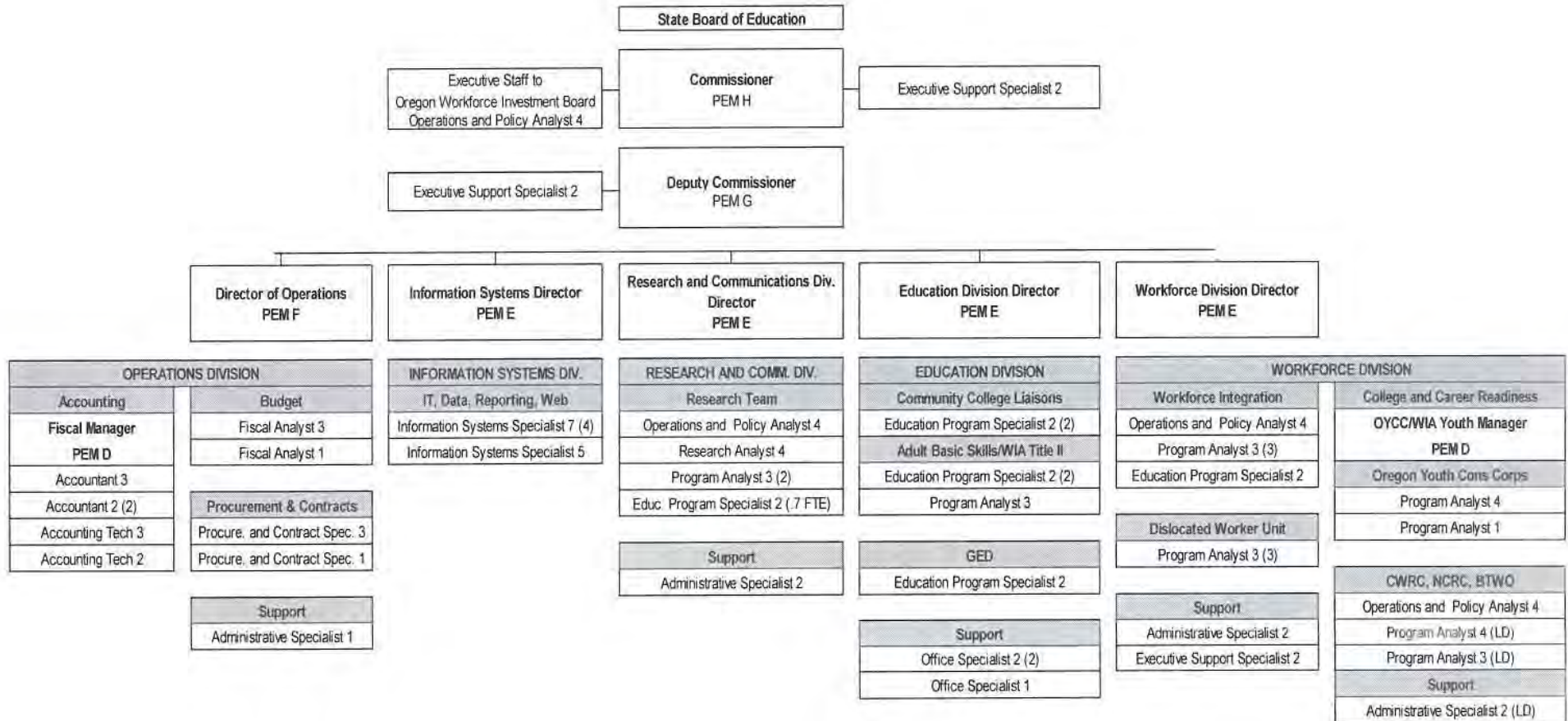
2011-13 Organization Chart

Department of Community Colleges and Workforce Development
 2011-13 Legislatively Approved Budget with Reclassifications
 61 Positions (60.45 FTE)



2013-15 Organization Chart

Department of Community Colleges and Workforce Development
 2013-15 Governor's Balanced Budget
 59 Positions (58.7 FTE)



Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
LIMITED BUDGET (Excluding Packages)						
General Fund	436,425,064	403,049,433	402,796,921	403,087,330	403,079,004	-
Other Funds	6,202,167	6,869,643	6,869,643	6,918,150	6,910,108	-
Federal Funds	142,433,655	117,309,583	117,309,583	117,672,197	117,636,123	-
All Funds	585,060,886	527,228,659	526,976,147	527,677,677	527,625,235	-
AUTHORIZED POSITIONS	63	62	62	59	59	-
AUTHORIZED FTE	60.58	61.45	61.45	58.70	58.70	-
LIMITED BUDGET (Essential Packages)						
010-NON-PICS PSNL SVC / VACANCY FACTOR						
General Fund	-	-	-	(7,001)	(7,001)	-
Other Funds	-	-	-	727	727	-
Federal Funds	-	-	-	(8,482)	(8,482)	-
All Funds	-	-	-	(14,756)	(14,756)	-
021-PHASE-IN						
General Fund	-	-	-	14,403,101	14,403,101	-
022-PHASE-OUT PGM & ONE-TIME COSTS						
General Fund	-	-	-	(1,013,250)	(1,013,250)	-
Other Funds	-	-	-	(840,485)	(840,485)	-
Federal Funds	-	-	-	(4,108,040)	(4,108,040)	-
All Funds	-	-	-	(5,961,775)	(5,961,775)	-
031-STANDARD INFLATION						
General Fund	-	-	-	9,595,757	9,587,432	-
Other Funds	-	-	-	98,725	94,454	-
Federal Funds	-	-	-	2,565,415	2,548,821	-

Community Coll & Workforce Dvlpmnt, Dept of

Agency Number: 58600

Agencywide Appropriated Fund Group
2013-15 Biennium

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
All Funds	-	-	-	12,259,897	12,230,707	-
032-ABOVE STANDARD INFLATION						
General Fund	-	-	-	24,068,729	22,414,102	-
050-FUNDSHIFTS						
General Fund	-	-	-	(9,184,452)	(9,184,452)	-
TOTAL LIMITED BUDGET (Essential Packages)						
General Fund	-	-	-	37,862,884	36,199,932	-
Other Funds	-	-	-	(741,033)	(745,304)	-
Federal Funds	-	-	-	(1,551,107)	(1,567,701)	-
All Funds	-	-	-	35,570,744	33,886,927	-
LIMITED BUDGET (Current Service Level)						
General Fund	436,425,064	403,049,433	402,796,921	440,950,214	439,278,936	-
Other Funds	6,202,167	6,869,643	6,869,643	6,177,117	6,164,804	-
Federal Funds	142,433,655	117,309,583	117,309,583	116,121,090	116,068,422	-
All Funds	585,060,886	527,228,659	526,976,147	563,248,421	561,512,162	-
AUTHORIZED POSITIONS	63	62	62	59	59	-
AUTHORIZED FTE	60.58	61.45	61.45	58.70	58.70	-
LIMITED BUDGET (Policy Packages)						
070-REVENUE SHORTFALLS- RANK 0 - 001-00-00-00000						
Federal Funds	-	-	-	(1,079,676)	(1,079,676)	-
070-REVENUE SHORTFALLS- RANK 0 - 003-00-00-00000						
Federal Funds	-	-	-	(7,725,521)	(7,725,521)	-
081-MAY 2012 E-BOARD- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	(41,011)	(40,862)	-

Agency Request
2013-15 Biennium

Governor's Budget
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Legislatively Adopted
Agencywide Appropriated Fund Group - BPR001

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	-	-	-	(20,507)	(20,432)	-
Federal Funds	-	-	-	(41,012)	(40,863)	-
All Funds	-	-	-	(102,530)	(102,157)	-
Authorized Positions	-	-	-	(1)	(1)	-
Authorized FTE	-	-	-	(1.00)	(1.00)	-
081-MAY 2012 E-BOARD- RANK 0 - 004-00-00-00000						
Federal Funds	-	-	-	-	851,813	-
090-ANALYST ADJUSTMENTS- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(109,704)	-
Other Funds	-	-	-	-	4,852	-
Federal Funds	-	-	-	-	(384,583)	-
All Funds	-	-	-	-	(489,435)	-
Authorized Positions	-	-	-	-	(2)	-
Authorized FTE	-	-	-	-	(2.00)	-
091-STATEWIDE ADMINISTRATIVE SAVINGS- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(39,363)	-
Other Funds	-	-	-	-	(55,892)	-
Federal Funds	-	-	-	-	(262,589)	-
All Funds	-	-	-	-	(357,844)	-
092-PERS TAXATION POLICY- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(4,932)	-
Other Funds	-	-	-	-	(3,498)	-
Federal Funds	-	-	-	-	(20,740)	-
All Funds	-	-	-	-	(29,170)	-

Community Coll & Workforce Dvlpmnt, Dept of

Agency Number: 58600

**Agencywide Appropriated Fund Group
2013-15 Biennium**

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
092-PERS TAXATION POLICY- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	(594,081)	-
092-PERS TAXATION POLICY- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(1,341)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(39,411)	-
Other Funds	-	-	-	-	(27,947)	-
Federal Funds	-	-	-	-	(165,722)	-
All Funds	-	-	-	-	(233,080)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	(8,713,195)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(10,714)	-
201-WORKFORCE INITIATIVE- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	10,000,000	-
Authorized Positions	-	-	-	-	3	-
Authorized FTE	-	-	-	-	3.00	-
202-COMMUNITY CARE WORKER TRAINING- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	673,800	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(16,316,757)	-
Other Funds	-	-	-	-	(3,234,993)	-
Federal Funds	-	-	-	-	(13,017,882)	-
All Funds	-	-	-	-	(32,569,632)	-

____ Agency Request
2013-15 Biennium

____ Governor's Budget
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____ Legislatively Adopted
Agencywide Appropriated Fund Group - BPR001

Community Coll & Workforce Dvlpmnt, Dept of

Agency Number: 58600

**Agencywide Appropriated Fund Group
2013-15 Biennium**

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Authorized Positions	-	-	-	-	(56)	-
Authorized FTE	-	-	-	-	(55.70)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	(429,042,737)	-
Other Funds	-	-	-	-	(25,308)	-
All Funds	-	-	-	-	(429,068,045)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 003-00-00-00000						
Other Funds	-	-	-	-	(415,128)	-
Federal Funds	-	-	-	-	(93,138,910)	-
All Funds	-	-	-	-	(93,554,038)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(2,524,403)	-
Federal Funds	-	-	-	-	(1,083,749)	-
All Funds	-	-	-	-	(3,608,152)	-
Authorized Positions	-	-	-	-	(3)	-
Authorized FTE	-	-	-	-	(3.00)	-
101-STATE SUPPORT TO COMMUNITY COLLEGES- RANK 1 - 002-00-00-00000						
General Fund	-	-	-	29,758,256	4,948,306	-
102-COMMUNITY COLLEGE CAPITAL CONSTRUCTION- RANK 2 - 001-00-00-00000						
Other Funds	-	-	-	150,000	150,000	-
103-CAREER PATHWAYS - RANK 3 - 001-00-00-00000						
General Fund	-	-	-	1,357,470	-	-
Authorized Positions	-	-	-	2	-	-
Authorized FTE	-	-	-	1.50	-	-

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Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
103-CAREER PATHWAYS - RANK 3 - 002-00-00-00000						
General Fund	-	-	-	2,642,530	-	-
104-CERTIFIED WORK READY COMMUNITIES - RANK 4 - 001-00-00-00000						
General Fund	-	-	-	6,000,000	-	-
Authorized Positions	-	-	-	2	-	-
Authorized FTE	-	-	-	2.00	-	-
105-CROSS-AGENCY EDUCATION RESEARCH UNIT- RANK 5 - 001-00-00-00000						
General Fund	-	-	-	377,802	-	-
Authorized Positions	-	-	-	2	-	-
Authorized FTE	-	-	-	2.00	-	-
TOTAL LIMITED BUDGET (Policy Packages)						
General Fund	-	-	-	40,095,047	(439,278,936)	-
Other Funds	-	-	-	129,493	(6,164,804)	-
Federal Funds	-	-	-	(8,846,209)	(116,068,422)	-
All Funds	-	-	-	31,378,331	(561,512,162)	-
AUTHORIZED POSITIONS	-	-	-	5	(59)	-
AUTHORIZED FTE	-	-	-	4.50	(58.70)	-
TOTAL LIMITED BUDGET (Including Packages)						
General Fund	436,425,064	403,049,433	402,796,921	481,045,261	-	-
Other Funds	6,202,167	6,869,643	6,869,643	6,306,610	-	-
Federal Funds	142,433,655	117,309,583	117,309,583	107,274,881	-	-
All Funds	585,060,886	527,228,659	526,976,147	594,626,752	-	-
AUTHORIZED POSITIONS	63	62	62	64	-	-
AUTHORIZED FTE	60.58	61.45	61.45	63.20	-	-

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Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
NONLIMITED BUDGET (Excluding Packages)						
Federal Funds	16,431,823	18,968,831	18,968,831	18,968,831	18,968,831	-
NONLIMITED BUDGET (Current Service Level)						
Federal Funds	16,431,823	18,968,831	18,968,831	18,968,831	18,968,831	-
NONLIMITED BUDGET (Policy Packages)						
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 003-00-00-00000						
Federal Funds	-	-	-	-	(18,968,831)	-
TOTAL NONLIMITED BUDGET (Policy Packages)						
Federal Funds	-	-	-	-	(18,968,831)	-
TOTAL NONLIMITED BUDGET (Including Packages)						
Federal Funds	16,431,823	18,968,831	18,968,831	18,968,831	-	-
OPERATING BUDGET (Excluding Packages)						
General Fund	436,425,064	403,049,433	402,796,921	403,087,330	403,079,004	-
Other Funds	6,202,167	6,869,643	6,869,643	6,918,150	6,910,108	-
Federal Funds	158,865,478	136,278,414	136,278,414	136,641,028	136,604,954	-
All Funds	601,492,709	546,197,490	545,944,978	546,646,508	546,594,066	-
AUTHORIZED POSITIONS	63	62	62	59	59	-
AUTHORIZED FTE	60.58	61.45	61.45	58.70	58.70	-
OPERATING BUDGET (Essential Packages)						
010-NON-PICS PSNL SVC / VACANCY FACTOR						
General Fund	-	-	-	(7,001)	(7,001)	-
Other Funds	-	-	-	727	727	-
Federal Funds	-	-	-	(8,482)	(8,482)	-
All Funds	-	-	-	(14,756)	(14,756)	-

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
021-PHASE-IN						
General Fund	-	-	-	14,403,101	14,403,101	-
022-PHASE-OUT PGM & ONE-TIME COSTS						
General Fund	-	-	-	(1,013,250)	(1,013,250)	-
Other Funds	-	-	-	(840,485)	(840,485)	-
Federal Funds	-	-	-	(4,108,040)	(4,108,040)	-
All Funds	-	-	-	(5,961,775)	(5,961,775)	-
031-STANDARD INFLATION						
General Fund	-	-	-	9,595,757	9,587,432	-
Other Funds	-	-	-	98,725	94,454	-
Federal Funds	-	-	-	2,565,415	2,548,821	-
All Funds	-	-	-	12,259,897	12,230,707	-
032-ABOVE STANDARD INFLATION						
General Fund	-	-	-	24,068,729	22,414,102	-
050-FUNDSHIFTS						
General Fund	-	-	-	(9,184,452)	(9,184,452)	-
TOTAL OPERATING BUDGET (Essential Packages)						
General Fund	-	-	-	37,862,884	36,199,932	-
Other Funds	-	-	-	(741,033)	(745,304)	-
Federal Funds	-	-	-	(1,551,107)	(1,567,701)	-
All Funds	-	-	-	35,570,744	33,886,927	-
OPERATING BUDGET (Current Service Level)						
General Fund	436,425,064	403,049,433	402,796,921	440,950,214	439,278,936	-
Other Funds	6,202,167	6,869,643	6,869,643	6,177,117	6,164,804	-

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Federal Funds	158,865,478	136,278,414	136,278,414	135,089,921	135,037,253	-
All Funds	601,492,709	546,197,490	545,944,978	582,217,252	580,480,993	-
AUTHORIZED POSITIONS	63	62	62	59	59	-
AUTHORIZED FTE	60.58	61.45	61.45	58.70	58.70	-
OPERATING BUDGET (Policy Packages)						
070-REVENUE SHORTFALLS- RANK 0 - 001-00-00-00000						
Federal Funds	-	-	-	(1,079,676)	(1,079,676)	-
070-REVENUE SHORTFALLS- RANK 0 - 003-00-00-00000						
Federal Funds	-	-	-	(7,725,521)	(7,725,521)	-
081-MAY 2012 E-BOARD- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	(41,011)	(40,862)	-
Other Funds	-	-	-	(20,507)	(20,432)	-
Federal Funds	-	-	-	(41,012)	(40,863)	-
All Funds	-	-	-	(102,530)	(102,157)	-
Authorized Positions	-	-	-	(1)	(1)	-
Authorized FTE	-	-	-	(1.00)	(1.00)	-
081-MAY 2012 E-BOARD- RANK 0 - 004-00-00-00000						
Federal Funds	-	-	-	-	851,813	-
090-ANALYST ADJUSTMENTS- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(109,704)	-
Other Funds	-	-	-	-	4,852	-
Federal Funds	-	-	-	-	(384,583)	-
All Funds	-	-	-	-	(489,435)	-
Authorized Positions	-	-	-	-	(2)	-

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Authorized FTE	-	-	-	-	(2.00)	-
091-STATEWIDE ADMINISTRATIVE SAVINGS- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(39,363)	-
Other Funds	-	-	-	-	(55,892)	-
Federal Funds	-	-	-	-	(262,589)	-
All Funds	-	-	-	-	(357,844)	-
092-PERS TAXATION POLICY- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(4,932)	-
Other Funds	-	-	-	-	(3,498)	-
Federal Funds	-	-	-	-	(20,740)	-
All Funds	-	-	-	-	(29,170)	-
092-PERS TAXATION POLICY- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	(594,081)	-
092-PERS TAXATION POLICY- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(1,341)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(39,411)	-
Other Funds	-	-	-	-	(27,947)	-
Federal Funds	-	-	-	-	(165,722)	-
All Funds	-	-	-	-	(233,080)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	(8,713,195)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(10,714)	-

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201-WORKFORCE INITIATIVE- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	10,000,000	-
Authorized Positions	-	-	-	-	3	-
Authorized FTE	-	-	-	-	3.00	-
202-COMMUNITY CARE WORKER TRAINING- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	673,800	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(16,316,757)	-
Other Funds	-	-	-	-	(3,234,993)	-
Federal Funds	-	-	-	-	(13,017,882)	-
All Funds	-	-	-	-	(32,569,632)	-
Authorized Positions	-	-	-	-	(56)	-
Authorized FTE	-	-	-	-	(55.70)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	(429,042,737)	-
Other Funds	-	-	-	-	(25,308)	-
All Funds	-	-	-	-	(429,068,045)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 003-00-00-00000						
Other Funds	-	-	-	-	(415,128)	-
Federal Funds	-	-	-	-	(112,107,741)	-
All Funds	-	-	-	-	(112,522,869)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(2,524,403)	-
Federal Funds	-	-	-	-	(1,083,749)	-

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All Funds	-	-	-	-	(3,608,152)	-
Authorized Positions	-	-	-	-	(3)	-
Authorized FTE	-	-	-	-	(3.00)	-
101-STATE SUPPORT TO COMMUNITY COLLEGES- RANK 1 - 002-00-00-00000						
General Fund	-	-	-	29,758,256	4,948,306	-
102-COMMUNITY COLLEGE CAPITAL CONSTRUCTION- RANK 2 - 001-00-00-00000						
Other Funds	-	-	-	150,000	150,000	-
103-CAREER PATHWAYS - RANK 3 - 001-00-00-00000						
General Fund	-	-	-	1,357,470	-	-
Authorized Positions	-	-	-	2	-	-
Authorized FTE	-	-	-	1.50	-	-
103-CAREER PATHWAYS - RANK 3 - 002-00-00-00000						
General Fund	-	-	-	2,642,530	-	-
104-CERTIFIED WORK READY COMMUNITIES - RANK 4 - 001-00-00-00000						
General Fund	-	-	-	6,000,000	-	-
Authorized Positions	-	-	-	2	-	-
Authorized FTE	-	-	-	2.00	-	-
105-CROSS-AGENCY EDUCATION RESEARCH UNIT- RANK 5 - 001-00-00-00000						
General Fund	-	-	-	377,802	-	-
Authorized Positions	-	-	-	2	-	-
Authorized FTE	-	-	-	2.00	-	-
TOTAL OPERATING BUDGET (Policy Packages)						
General Fund	-	-	-	40,095,047	(439,278,936)	-
Other Funds	-	-	-	129,493	(6,164,804)	-

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Federal Funds	-	-	-	(8,846,209)	(135,037,253)	-
All Funds	-	-	-	31,378,331	(580,480,993)	-
AUTHORIZED POSITIONS	-	-	-	5	(59)	-
AUTHORIZED FTE	-	-	-	4.50	(58.70)	-
TOTAL OPERATING BUDGET (Including Packages)						
General Fund	436,425,064	403,049,433	402,796,921	481,045,261	-	-
Other Funds	6,202,167	6,869,643	6,869,643	6,306,610	-	-
Federal Funds	158,865,478	136,278,414	136,278,414	126,243,712	-	-
All Funds	601,492,709	546,197,490	545,944,978	613,595,583	-	-
AUTHORIZED POSITIONS	63	62	62	64	-	-
AUTHORIZED FTE	60.58	61.45	61.45	63.20	-	-
DEBT SERVICE (Excluding Packages)						
General Fund	8,238,075	15,341,082	15,693,047	19,097,991	19,097,991	-
Lottery Funds	8,307,548	6,882,643	7,144,080	10,579,594	9,779,594	-
Other Funds	2,823,882	-	200,000	-	-	-
All Funds	19,369,505	22,223,725	23,037,127	29,677,585	28,877,585	-
DEBT SERVICE (Current Service Level)						
General Fund	8,238,075	15,341,082	15,693,047	19,097,991	19,097,991	-
Lottery Funds	8,307,548	6,882,643	7,144,080	10,579,594	9,779,594	-
Other Funds	2,823,882	-	200,000	-	-	-
All Funds	19,369,505	22,223,725	23,037,127	29,677,585	28,877,585	-
DEBT SERVICE (Policy Packages)						
090-ANALYST ADJUSTMENTS- RANK 0 - 005-00-00-00000						
General Fund	-	-	-	-	(2,156,200)	-

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400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 005-00-00-00000						
General Fund	-	-	-	-	(16,941,791)	-
Lottery Funds	-	-	-	-	(9,779,594)	-
All Funds	-	-	-	-	(26,721,385)	-
TOTAL DEBT SERVICE (Policy Packages)						
General Fund	-	-	-	-	(19,097,991)	-
Lottery Funds	-	-	-	-	(9,779,594)	-
All Funds	-	-	-	-	(28,877,585)	-
TOTAL DEBT SERVICE (Including Packages)						
General Fund	8,238,075	15,341,082	15,693,047	19,097,991	-	-
Lottery Funds	8,307,548	6,882,643	7,144,080	10,579,594	-	-
Other Funds	2,823,882	-	200,000	-	-	-
All Funds	19,369,505	22,223,725	23,037,127	29,677,585	-	-
DEBT SERVICE NONLIMITED (Excluding Packages)						
Federal Funds	-	1	1	1	1	-
DEBT SERVICE NONLIMITED (Current Service Level)						
Federal Funds	-	1	1	1	1	-
DEBT SERVICE NONLIMITED (Policy Packages)						
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 005-00-00-00000						
Federal Funds	-	-	-	-	(1)	-
TOTAL DEBT SERVICE NONLIMITED (Policy Packages)						
Federal Funds	-	-	-	-	(1)	-
TOTAL DEBT SERVICE NONLIMITED (Including Packages)						
Federal Funds	-	1	1	1	-	-

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CAPITAL CONSTRUCTION (Excluding Packages)						
Other Funds	128,610,000	-	9,604,450	-	-	-
CAPITAL CONSTRUCTION (Current Service Level)						
Other Funds	128,610,000	-	9,604,450	-	-	-
CAPITAL CONSTRUCTION (Policy Packages)						
102-COMMUNITY COLLEGE CAPITAL CONSTRUCTION- RANK 2 - 089-00-00-00000						
Other Funds	-	-	-	105,741,100	-	-
TOTAL CAPITAL CONSTRUCTION (Policy Packages)						
Other Funds	-	-	-	105,741,100	-	-
TOTAL CAPITAL CONSTRUCTION (Including Packages)						
Other Funds	128,610,000	-	9,604,450	105,741,100	-	-
TOTAL BUDGET (Excluding Packages)						
General Fund	444,663,139	418,390,515	418,489,968	422,185,321	422,176,995	-
Lottery Funds	8,307,548	6,882,643	7,144,080	10,579,594	9,779,594	-
Other Funds	137,636,049	6,869,643	16,674,093	6,918,150	6,910,108	-
Federal Funds	158,865,478	136,278,415	136,278,415	136,641,029	136,604,955	-
All Funds	749,472,214	568,421,216	578,586,556	576,324,094	575,471,652	-
AUTHORIZED POSITIONS	63	62	62	59	59	-
AUTHORIZED FTE	60.58	61.45	61.45	58.70	58.70	-
TOTAL BUDGET (Essential Packages)						
010-NON-PICS PSNL SVC / VACANCY FACTOR						
General Fund	-	-	-	(7,001)	(7,001)	-
Other Funds	-	-	-	727	727	-
Federal Funds	-	-	-	(8,482)	(8,482)	-

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All Funds	-	-	-	(14,756)	(14,756)	-
021-PHASE-IN						
General Fund	-	-	-	14,403,101	14,403,101	-
022-PHASE-OUT PGM & ONE-TIME COSTS						
General Fund	-	-	-	(1,013,250)	(1,013,250)	-
Other Funds	-	-	-	(840,485)	(840,485)	-
Federal Funds	-	-	-	(4,108,040)	(4,108,040)	-
All Funds	-	-	-	(5,961,775)	(5,961,775)	-
031-STANDARD INFLATION						
General Fund	-	-	-	9,595,757	9,587,432	-
Other Funds	-	-	-	98,725	94,454	-
Federal Funds	-	-	-	2,565,415	2,548,821	-
All Funds	-	-	-	12,259,897	12,230,707	-
032-ABOVE STANDARD INFLATION						
General Fund	-	-	-	24,068,729	22,414,102	-
050-FUNDSHIFTS						
General Fund	-	-	-	(9,184,452)	(9,184,452)	-
TOTAL BUDGET (Essential Packages)						
General Fund	-	-	-	37,862,884	36,199,932	-
Other Funds	-	-	-	(741,033)	(745,304)	-
Federal Funds	-	-	-	(1,551,107)	(1,567,701)	-
All Funds	-	-	-	35,570,744	33,886,927	-
TOTAL BUDGET (Current Service Level)						
General Fund	444,663,139	418,390,515	418,489,968	460,048,205	458,376,927	-

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Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Lottery Funds	8,307,548	6,882,643	7,144,080	10,579,594	9,779,594	-
Other Funds	137,636,049	6,869,643	16,674,093	6,177,117	6,164,804	-
Federal Funds	158,865,478	136,278,415	136,278,415	135,089,922	135,037,254	-
All Funds	749,472,214	568,421,216	578,586,556	611,894,838	609,358,579	-
AUTHORIZED POSITIONS	63	62	62	59	59	-
AUTHORIZED FTE	60.58	61.45	61.45	58.70	58.70	-
TOTAL BUDGET (Policy Packages)						
070-REVENUE SHORTFALLS- RANK 0 - 001-00-00-00000						
Federal Funds	-	-	-	(1,079,676)	(1,079,676)	-
070-REVENUE SHORTFALLS- RANK 0 - 003-00-00-00000						
Federal Funds	-	-	-	(7,725,521)	(7,725,521)	-
081-MAY 2012 E-BOARD- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	(41,011)	(40,862)	-
Other Funds	-	-	-	(20,507)	(20,432)	-
Federal Funds	-	-	-	(41,012)	(40,863)	-
All Funds	-	-	-	(102,530)	(102,157)	-
Authorized Positions	-	-	-	(1)	(1)	-
Authorized FTE	-	-	-	(1.00)	(1.00)	-
081-MAY 2012 E-BOARD- RANK 0 - 004-00-00-00000						
Federal Funds	-	-	-	-	851,813	-
090-ANALYST ADJUSTMENTS- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(109,704)	-
Other Funds	-	-	-	-	4,852	-
Federal Funds	-	-	-	-	(384,583)	-

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
All Funds	-	-	-	-	(489,435)	-
Authorized Positions	-	-	-	-	(2)	-
Authorized FTE	-	-	-	-	(2.00)	-
090-ANALYST ADJUSTMENTS- RANK 0 - 005-00-00-00000						
General Fund	-	-	-	-	(2,156,200)	-
091-STATEWIDE ADMINISTRATIVE SAVINGS- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(39,363)	-
Other Funds	-	-	-	-	(55,892)	-
Federal Funds	-	-	-	-	(262,589)	-
All Funds	-	-	-	-	(357,844)	-
092-PERS TAXATION POLICY- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(4,932)	-
Other Funds	-	-	-	-	(3,498)	-
Federal Funds	-	-	-	-	(20,740)	-
All Funds	-	-	-	-	(29,170)	-
092-PERS TAXATION POLICY- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	(594,081)	-
092-PERS TAXATION POLICY- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(1,341)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(39,411)	-
Other Funds	-	-	-	-	(27,947)	-
Federal Funds	-	-	-	-	(165,722)	-
All Funds	-	-	-	-	(233,080)	-

Community Coll & Workforce Dvlpmnt, Dept of

Agency Number: 58600

**Agencywide Appropriated Fund Group
2013-15 Biennium**

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
093-OTHER PERS ADJUSTMENTS- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	(8,713,195)	-
093-OTHER PERS ADJUSTMENTS- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(10,714)	-
201-WORKFORCE INITIATIVE- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	10,000,000	-
Authorized Positions	-	-	-	-	3	-
Authorized FTE	-	-	-	-	3.00	-
202-COMMUNITY CARE WORKER TRAINING- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	673,800	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 001-00-00-00000						
General Fund	-	-	-	-	(16,316,757)	-
Other Funds	-	-	-	-	(3,234,993)	-
Federal Funds	-	-	-	-	(13,017,882)	-
All Funds	-	-	-	-	(32,569,632)	-
Authorized Positions	-	-	-	-	(56)	-
Authorized FTE	-	-	-	-	(55.70)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 002-00-00-00000						
General Fund	-	-	-	-	(429,042,737)	-
Other Funds	-	-	-	-	(25,308)	-
All Funds	-	-	-	-	(429,068,045)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 003-00-00-00000						
Other Funds	-	-	-	-	(415,128)	-
Federal Funds	-	-	-	-	(112,107,741)	-

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Community Coll & Workforce Dvlpmnt, Dept of

Agency Number: 58600

**Agencywide Appropriated Fund Group
2013-15 Biennium**

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
All Funds	-	-	-	-	(112,522,869)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 004-00-00-00000						
Other Funds	-	-	-	-	(2,524,403)	-
Federal Funds	-	-	-	-	(1,083,749)	-
All Funds	-	-	-	-	(3,608,152)	-
Authorized Positions	-	-	-	-	(3)	-
Authorized FTE	-	-	-	-	(3.00)	-
400-TRANSFER TO DEPT OF POST-SEC ED- RANK 0 - 005-00-00-00000						
General Fund	-	-	-	-	(16,941,791)	-
Lottery Funds	-	-	-	-	(9,779,594)	-
Federal Funds	-	-	-	-	(1)	-
All Funds	-	-	-	-	(26,721,386)	-
101-STATE SUPPORT TO COMMUNITY COLLEGES- RANK 1 - 002-00-00-00000						
General Fund	-	-	-	29,758,256	4,948,306	-
102-COMMUNITY COLLEGE CAPITAL CONSTRUCTION- RANK 2 - 001-00-00-00000						
Other Funds	-	-	-	150,000	150,000	-
102-COMMUNITY COLLEGE CAPITAL CONSTRUCTION- RANK 2 - 089-00-00-00000						
Other Funds	-	-	-	105,741,100	-	-
103-CAREER PATHWAYS - RANK 3 - 001-00-00-00000						
General Fund	-	-	-	1,357,470	-	-
Authorized Positions	-	-	-	2	-	-
Authorized FTE	-	-	-	1.50	-	-
103-CAREER PATHWAYS - RANK 3 - 002-00-00-00000						
General Fund	-	-	-	2,642,530	-	-

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Legislatively Adopted
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Agency Number: 58600

Agencywide Appropriated Fund Group
2013-15 Biennium

Version: Y - 01 - Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
104-CERTIFIED WORK READY COMMUNITIES - RANK 4 - 001-00-00-00000						
General Fund	-	-	-	6,000,000	-	-
Authorized Positions	-	-	-	2	-	-
Authorized FTE	-	-	-	2.00	-	-
105-CROSS-AGENCY EDUCATION RESEARCH UNIT- RANK 5 - 001-00-00-00000						
General Fund	-	-	-	377,802	-	-
Authorized Positions	-	-	-	2	-	-
Authorized FTE	-	-	-	2.00	-	-
TOTAL BUDGET (Policy Packages)						
General Fund	-	-	-	40,095,047	(458,376,927)	-
Lottery Funds	-	-	-	-	(9,779,594)	-
Other Funds	-	-	-	105,870,593	(6,164,804)	-
Federal Funds	-	-	-	(8,846,209)	(135,037,254)	-
All Funds	-	-	-	137,119,431	(609,358,579)	-
AUTHORIZED POSITIONS	-	-	-	5	(59)	-
AUTHORIZED FTE	-	-	-	4.50	(58.70)	-
TOTAL BUDGET (Including Packages)						
General Fund	444,663,139	418,390,515	418,489,968	500,143,252	-	-
Lottery Funds	8,307,548	6,882,643	7,144,080	10,579,594	-	-
Other Funds	137,636,049	6,869,643	16,674,093	112,047,710	-	-
Federal Funds	158,865,478	136,278,415	136,278,415	126,243,713	-	-
All Funds	749,472,214	568,421,216	578,586,556	749,014,269	-	-
AUTHORIZED POSITIONS	63	62	62	64	-	-
AUTHORIZED FTE	60.58	61.45	61.45	63.20	-	-

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Legislatively Adopted
Agencywide Appropriated Fund Group - BPR001

Summary Cross Reference Number	Cross Reference Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
001-00-00-00000	Office Operations						
	General Fund	3,586,861	6,738,733	6,505,471	14,261,941	-	-
	Other Funds	3,217,650	3,967,304	3,967,304	3,327,503	-	-
	Federal Funds	11,363,101	14,671,785	14,671,785	13,904,035	-	-
	All Funds	18,167,612	25,377,822	25,144,560	31,493,479	-	-
002-00-00-00000	State Support to CCs						
	General Fund	432,838,203	396,310,700	396,291,450	466,783,320	-	-
	Other Funds	11,635	25,308	25,308	25,308	-	-
	All Funds	432,849,838	396,336,008	396,316,758	466,808,628	-	-
003-00-00-00000	Federal/Other Support						
	Other Funds	942,358	415,128	415,128	415,128	-	-
	Federal Funds	139,509,711	120,203,039	120,203,039	112,107,741	-	-
	All Funds	140,452,069	120,618,167	120,618,167	112,522,869	-	-
004-00-00-00000	Youth Conservation Corp						
	Other Funds	2,030,524	2,461,903	2,461,903	2,538,671	-	-
	Federal Funds	7,992,666	1,403,590	1,403,590	231,936	-	-
	All Funds	10,023,190	3,865,493	3,865,493	2,770,607	-	-
005-00-00-00000	Debt Service						
	General Fund	8,238,075	15,341,082	15,693,047	19,097,991	-	-

Summary Cross Reference Number	Cross Reference Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
005-00-00-00000	Debt Service						
	Lottery Funds	8,307,548	6,882,643	7,144,080	10,579,594	-	-
	Other Funds	2,823,882	-	200,000	-	-	-
	Federal Funds	-	1	1	1	-	-
	All Funds	19,369,505	22,223,726	23,037,128	29,677,586	-	-
089-00-00-00000	Capital Construction						
	Other Funds	128,610,000	-	9,604,450	105,741,100	-	-
TOTAL AGENCY							
	General Fund	444,663,139	418,390,515	418,489,968	500,143,252	-	-
	Lottery Funds	8,307,548	6,882,643	7,144,080	10,579,594	-	-
	Other Funds	137,636,049	6,869,643	16,674,093	112,047,710	-	-
	Federal Funds	158,865,478	136,278,415	136,278,415	126,243,713	-	-
	All Funds	749,472,214	568,421,216	578,586,556	749,014,269	-	-

REVENUE

REVENUE FORECAST NARRATIVE	OTHER FUNDS	FEDERAL FUNDS	LOTTERY FUNDS
<p><u>General Educational Development (GED) Testing Program:</u> The purpose of this program is to provide the GED Test to adults without a high school credential. ORS 326.550 allows the State Board of Education to establish a nonrefundable application fee to cover the costs of administering this program. The fee, established by Oregon Administrative Rule 581-43-600, totals \$35 for persons taking the test, \$5 for duplicate certificates, and \$5 for transcripts. The fee for tests was increased from \$25 starting with the 2011-13 Biennium. The funds cover the costs of 2.3 staff FTE, essay readers, and related services and supplies. Revenue projections are based on the number of tests and document requests anticipated based on history and other inputs, such as economic conditions.</p>	\$795,480		
<p><u>Carl Perkins Career and Technical Education Act Funds:</u> The purpose of the Carl Perkins funding is to develop more fully the academic and career and technical skills of high school and community college students who enroll in career and technical education programs. 85 percent of Oregon’s allocation is distributed to high schools and community colleges (50 percent to high schools and 50 percent to community colleges). Oregon community colleges use these federal resources to build on efforts to assist students in meeting challenging academic and technical standards, including preparation for high skill, high wage, or high demand occupations in current or emerging professions. Community colleges also use these federal Perkins funds to support partnerships among high schools, universities, and business and industry. The Oregon Department of Education receives the funds from the U.S. DOE and then passes a portion to CCWD. Federal sequestration may impact our allocation</p>	\$2,007,245		

REVENUE FORECAST NARRATIVE	OTHER FUNDS	FEDERAL FUNDS	LOTTERY FUNDS
<p><u>Oregon Youth Conservation Corps:</u> The purpose of this program is to establish and maintain an education and environmental program for disadvantaged and at-risk youth. A significant share of the funding for this program comes from Amusement Device Taxes (ADT), Oregon State Marine Board grants and from partner agencies. Anticipated revenues are expected to be sufficient to support essential budget level expenditures.</p>	\$2,275,000		
<p><u>Timber Tax:</u> Forestland owners paid a reduced property tax annually then paid a tax when timber was harvested. In 2003, the forestland owners owning large tracts of forestland switched to paying all of their property tax annually with no tax paid if they harvest. In 2004, most of the owners of smaller tracts of forestland made the same switch. There was, however, an option for land owners of small tracts to continue with a program that was similar to the old system, paying part of their property tax annually with a tax payment made when timber is harvested. It is estimated that the amount of land under this new option represents about 6.5% of the total amount of forestland, down significantly from the land under the programs that were phased out. As these programs began phasing out in 2003, timber tax receipts have decreased but are expected to stabilize through 2013-15 at a fairly low level.</p>	\$25,308		
<p><u>Workforce Investment Act (WIA) One-Stop Services:</u> Title IB of the Workforce Investment Act funds for adult, dislocated workers, youth employment training programs, and other workforce training programs. This program is funded by the U.S. Dept. of Labor (DOL). The allocation to Oregon has been trending downward since the year 2000 and current funding levels are approximately 40% lower than they were in 2000. We expect funding to flatten in the coming years, except that federal sequestration may impact our allocation.</p>		\$95,028,659	

REVENUE FORECAST NARRATIVE	OTHER FUNDS	FEDERAL FUNDS	LOTTERY FUNDS
<p><u>WIA Title II Adult Basic Skills (ABS) Funds:</u> Title II of the Workforce Investment Act includes funds to support developmental education for adults. This program is funded by the U.S. Department of Education. Appropriations for WIA Title II are projected to remain at level funding during the next biennium based on the President’s budget. The revenue includes unexpended funds from prior grants. Anticipated revenues are expected to be sufficient to support essential budget level expenditures, although federal sequestration may impact our allocation.</p>		\$12,287,102	
<p><u>Bureau of Land Management</u> OYCC is specifically chartered by the BLM to serve as a clearinghouse for all forms of youth conservation corps operating in Oregon, including school, tribal, youth offender, and nonprofit organization crews. The BLM provides the funding and OYCC manages the grants at the local level.</p>		\$231,936	
<p><u>National Emergency Grants (Non-Ltd):</u> National Emergency Grants are discretionary grants awarded by the Secretary of Labor pursuant to the federal Workforce Investment Act. Funds are awarded to provide employment-related service for dislocated workers, and are reserved and made available for obligation by the Secretary. In Oregon, application is made for an NEG when a local area is faced with a layoff that affects more than 50 workers. Due to an increase in need elsewhere in the country, CCWD anticipates a decrease in NEG funds available to Oregon.</p>		\$18,968,831	

Detail of Lottery Funds, Other Funds, and Federal Funds Revenue

CCWD 58600-000-00			2009-11	2011-13		2013-15		
Source	Fund	ORBITS Revenue Acct	Actual	Legislatively Adopted	Estimated	Agency Request	Governor's Recommended	Legislatively Adopted
GED	OF	0410	843,994	795,480	795,480	795,480		
Carl Perkins	OF	1581	1,773,537	2,007,245	2,007,245	2,007,245		
OYCC	OF	See OYCC Detail	1,551,456	2,275,000	2,275,000	2,275,000		
Timber Tax	OF	1150	11,635	25,308	25,308	25,308		
Other Fund Ltd	OF	0975	588,959	661,974	661,974	791,467		
State Longitudinal Data Systems (ALDER)	OF	1581	0	541,398	541,398	0		
Transfer from Employment Dept. (LMI)	OF	1471	376,994	0	109,416	0		
Other Funds Debt Svc Ltd	OF	See Debt Service Detail	3,234,861	0	0	0		
Other Funds Capital Construction	OF	See Debt Service Detail	130,778,191	0	0	105,741,100		
ARRA Funds Transferred from ODOT	OF	0975	337,489	0	33,334	0		
Transfer from Dept. of Administrative Services for Bond Issuance Costs	OF	0565	0	410,414	0	0		
Lottery Debt Service	LF	See Debt Service Detail	8,446,136	6,841,327	6,841,327	10,579,594		
Lottery Funds Capital Construction	LF	0605	73,698	0	0	0		
WIA Title IB	FF	0995	117,886,305	101,804,450	95,028,659	95,028,659		

CCWD 58600-000-00			2009-11	2011-13		2013-15		
Source	Fund	ORBITS Revenue Acct	Actual	Legislatively Adopted	Estimated	Agency Request	Governor's Recommended	Legislatively Adopted
WIA Title II	FF	0995	11,816,669	11,368,076	11,368,076	12,287,102		
U.S. Forest Service Federal Grant (OYEI)	FF	0995	7,992,666	1,170,190	1,255,493	0		
U.S. Bureau of Land Management Federal Grant	FF	0995		226,500	431,629	231,936		
SESP	FF	0995	2,166,726	3,033,467	3,033,467	0		
NEG	FF	0995	16,431,823	18,968,831	18,968,831	18,968,831		

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

Community Coll & Workforce Dvlpmnt, Dept of
2013-15 Biennium

Agency Number: 58600
Cross Reference Number: 58600-000-00-00-00000

<i>Source</i>	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Lottery Funds						
Interest Income	187,291	-	-	-	-	-
Transfer In - Intrafund	73,698	-	-	-	-	-
Tsfr From Administrative Svcs	8,258,845	6,841,327	7,077,687	10,579,594	-	-
Transfer Out - Intrafund	(73,698)	-	-	-	-	-
Total Lottery Funds	\$8,446,136	\$6,841,327	\$7,077,687	\$10,579,594	-	-
Other Funds						
Charges for Services	843,154	795,480	795,480	795,480	-	-
Admin and Service Charges	840	-	-	-	-	-
General Fund Obligation Bonds	57,455,000	-	-	-	-	-
Lottery Bonds	13,700,000	410,414	10,014,864	-	-	-
Revenue Bonds	46,230	-	-	-	-	-
Interest Income	3,234,861	-	200,000	-	-	-
Donations	128,330	175,000	175,000	175,000	-	-
Other Revenues	58,418,123	961,974	961,974	106,832,567	-	-
Transfer In - Intrafund	2,168,191	-	-	-	-	-
Tsfr From Revenue, Dept of	1,337,086	1,725,308	1,725,308	1,725,308	-	-
Tsfr From Marine Bd, Or State	61,000	100,000	100,000	100,000	-	-
Tsfr From Employment Dept	376,994	-	-	-	-	-
Tsfr From Education, Dept of	1,773,537	2,548,643	2,548,643	2,007,245	-	-
Transfer Out - Intrafund	(2,168,191)	-	-	-	-	-
Total Other Funds	\$137,375,155	\$6,716,819	\$16,521,269	\$111,635,600	-	-
Federal Funds						
Federal Funds	143,918,195	117,609,583	117,609,583	107,547,697	-	-

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

Community Coll & Workforce Dvlpmnt, Dept of
2013-15 Biennium

Agency Number: 58600
Cross Reference Number: 58600-000-00-00-00000

<i>Source</i>	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Federal Funds						
Tsfr To Governor, Office of the	(74,971)	(300,000)	(300,000)	(270,000)	-	-
Total Federal Funds	\$143,843,224	\$117,309,583	\$117,309,583	\$107,277,697	-	-
Nonlimited Federal Funds						
Federal Funds	16,431,823	18,968,832	18,968,832	18,968,832	-	-
Total Nonlimited Federal Funds	\$16,431,823	\$18,968,832	\$18,968,832	\$18,968,832	-	-

Agencywide Revenues and Disbursements Summary
2013-15 Biennium

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Other Funds	843,994	795,480	795,480	795,480	-	-
BOND SALES						
0555 General Fund Obligation Bonds						
Other Funds	57,455,000	-	-	-	-	-
0565 Lottery Bonds						
Other Funds	13,700,000	410,414	10,014,864	-	-	-
0570 Revenue Bonds						
Other Funds	46,230	-	-	-	-	-
TOTAL BOND SALES						
Other Funds	71,201,230	410,414	10,014,864	-	-	-
INTEREST EARNINGS						
0605 Interest Income						
Lottery Funds	187,291	-	-	-	-	-
Other Funds	3,234,861	-	200,000	-	-	-
All Funds	3,422,152	-	200,000	-	-	-
DONATIONS AND CONTRIBUTIONS						
0905 Donations						
Other Funds	128,330	175,000	175,000	175,000	-	-
OTHER						
0975 Other Revenues						
Other Funds	58,418,123	961,974	961,974	106,832,567	-	-

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
FEDERAL FUNDS REVENUE						
0995 Federal Funds						
Federal Funds	160,350,018	136,578,415	136,578,415	126,516,529	-	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
Lottery Funds	73,698	-	-	-	-	-
Other Funds	2,168,191	-	-	-	-	-
All Funds	2,241,889	-	-	-	-	-
1107 Tsfr From Administrative Svcs						
Lottery Funds	8,258,845	6,841,327	7,077,687	10,579,594	-	-
1150 Tsfr From Revenue, Dept of						
Other Funds	1,337,086	1,725,308	1,725,308	1,725,308	-	-
1250 Tsfr From Marine Bd, Or State						
Other Funds	61,000	100,000	100,000	100,000	-	-
1471 Tsfr From Employment Dept						
Other Funds	376,994	-	-	-	-	-
1581 Tsfr From Education, Dept of						
Other Funds	1,773,537	2,548,643	2,548,643	2,007,245	-	-
TOTAL TRANSFERS IN						
Lottery Funds	8,332,543	6,841,327	7,077,687	10,579,594	-	-
Other Funds	5,716,808	4,373,951	4,373,951	3,832,553	-	-

Community Coll & Workforce Dvlpmnt, Dept of

Agency Number: 58600

Agencywide Revenues and Disbursements Summary
2013-15 Biennium

Version: Y-01-Governor's Budget

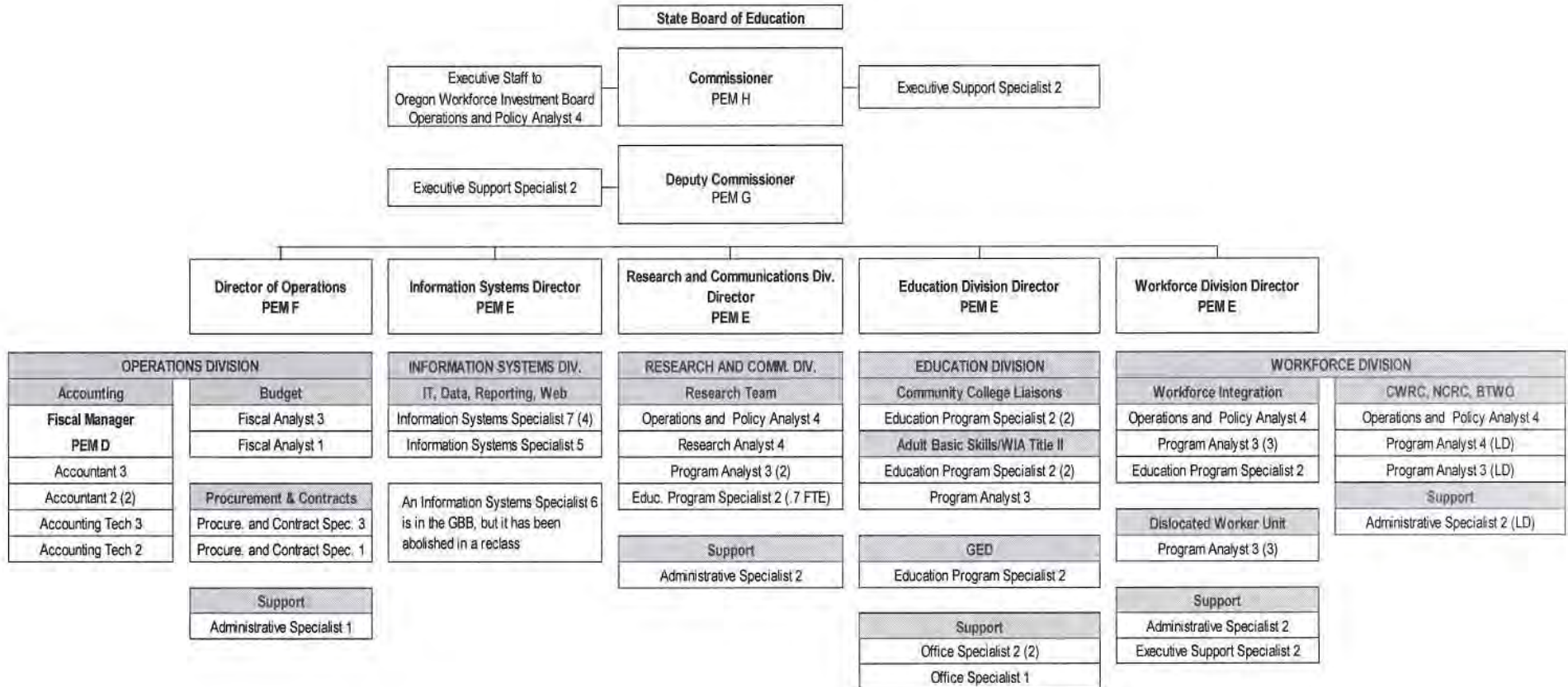
Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
TOTAL TRANSFERS IN	\$14,049,351	\$11,215,278	\$11,451,638	\$14,412,147	-	-
TOTAL REVENUES						
General Fund	444,669,579	418,390,515	418,489,968	500,143,252	-	-
Lottery Funds	8,519,834	6,841,327	7,077,687	10,579,594	-	-
Other Funds	139,543,346	6,716,819	16,521,269	111,635,600	-	-
Federal Funds	160,350,018	136,578,415	136,578,415	126,516,529	-	-
TOTAL REVENUES	\$753,082,777	\$568,527,076	\$578,667,339	\$748,874,975	-	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
Lottery Funds	(73,698)	-	-	-	-	-
Other Funds	(2,168,191)	-	-	-	-	-
All Funds	(2,241,889)	-	-	-	-	-
2121 Tsfr To Governor, Office of the						
Federal Funds	(74,971)	(300,000)	(300,000)	(270,000)	-	-
TOTAL TRANSFERS OUT						
Lottery Funds	(73,698)	-	-	-	-	-
Other Funds	(2,168,191)	-	-	-	-	-
Federal Funds	(74,971)	(300,000)	(300,000)	(270,000)	-	-
TOTAL TRANSFERS OUT	(\$2,316,860)	(\$300,000)	(\$300,000)	(\$270,000)	-	-
AVAILABLE REVENUES						
General Fund	444,669,579	418,390,515	418,489,968	500,143,252	-	-

Agencywide Revenues and Disbursements Summary
2013-15 Biennium

Version: Y-01-Governor's Budget

Description	2009-11 Actuals	2011-13 Leg Adopted Budget	2011-13 Leg Approved Budget	2013-15 Agency Request Budget	2013-15 Governor's Budget	2013-15 Leg Adopted Budget
Lottery Funds	8,446,136	6,882,643	7,144,080	10,645,987	-	-
Other Funds	138,986,934	7,762,743	17,567,193	112,528,700	-	-
Federal Funds	160,275,047	136,278,415	136,278,415	126,246,529	-	-
TOTAL AVAILABLE REVENUES	\$752,377,696	\$569,314,316	\$579,479,656	\$749,564,468	-	-
EXPENDITURES						
General Fund	444,663,139	418,390,515	418,489,968	500,143,252	-	-
Lottery Funds	8,307,548	6,882,643	7,144,080	10,579,594	-	-
Other Funds	137,636,049	6,869,643	16,674,093	112,047,710	-	-
Federal Funds	158,865,478	136,278,415	136,278,415	126,243,713	-	-
TOTAL EXPENDITURES	\$749,472,214	\$568,421,216	\$578,586,556	\$749,014,269	-	-
REVERSIONS						
9900 Reversions						
General Fund	(6,440)	-	-	-	-	-
ENDING BALANCE						
Lottery Funds	138,588	-	-	66,393	-	-
Other Funds	1,350,885	893,100	893,100	480,990	-	-
Federal Funds	1,409,569	-	-	2,816	-	-
TOTAL ENDING BALANCE	\$2,899,042	\$893,100	\$893,100	\$550,199	-	-

**Department of Community Colleges and Workforce Development
2013-15 Governor's Balanced Budget
56 Positions (55.7 FTE)**



OFFICE OPERATIONS

The Department of Community Colleges and Workforce Development provides leadership, accountability, and technical assistance to Oregon's 17 community colleges; 18 adult basic skills providers; seven local workforce investment areas; and 36 county-based programs. The Office Operations budget is approximately \$31.5 million Total Funds and makes up 4.2% of the 2013-15 Agency Request Budget. The majority of the Department's administration is within this Summary Cross Reference within the CCWD budget.

The 56 positions in Office Operations administer programs including State Support to Community Colleges, Title IB (WorkSource Oregon Centers) and Title II (Adult Basic Education and Family Literacy) of the Workforce Investment Act, the GED program, research, and financial operations. Funding comes from a combination of General, Federal, and Other Funds.

The 56 positions (55.7 FTE) in Office Operations staff five program areas:

- Operations Division – Accounting/Reporting, Administration of Community College Support Fund, Budget, Human Resources, Internal Audit, Procurement, Grant Management and Capital Bond Management
- Information Systems Division – Information Technology, Reporting, and Web
- Education Division – Community Colleges, Adult Basic Skills, GED, and Career/Technical Education
- Workforce Division – WIA Title IB (One-Stop Career Centers), Dislocated Worker, and Youth
- Research and Communications Division – Research Analysis, Data Collection, Reporting, Compliance Accountability, Achievement Compacts, Key Performance Measures (KPMs), Longitudinal Data System

Goals:

- Provide leadership to prepare Oregonians for “middle skill” jobs.
- Provide technical assistance, program support and monitoring for Oregon's 15 workforce regions and 17 community colleges.
- Provide reliable and timely fiscal and administrative services for the department.

Services Provided:

- Leadership and resources for high-quality education and training services to help prepare Oregon's workers for well-paying middle-skill jobs in key economic sectors. Services include developing policies, guidance, advocacy strategies and performance metrics to achieve the desired outcomes for the “middle 40”.
- Program, Fiscal and Technical support for Community Colleges Services include the distribution of state funds, the approval of community college courses and programs, and the development, maintenance, data collection and reporting of the Oregon Community College Unified Reporting System (OCCURS). CCWD staff provide technical assistance to local community colleges on statewide initiatives, federal grant implementation, career and technical education programs, and review career and technical education programs for compliance with State Board of Education standards.

- General Fund revenues support most of the community college activities of the agency. Federal Carl Perkins funds from the U.S. Dept. of Education support career and technical education activities specifically. These funds are received as Other Funds from the Oregon Department of Education Office of Educational Improvement and Innovation. Perkins funds are restricted to career and technical education activities.
- CCWD staff also work closely with the Oregon University System (OUS) and provide support for joint meetings and working groups of the Oregon Education Investment Board (OEIB), the Higher Education Coordinating Commission (HECC), the State Board of Education, the Oregon State Board of Higher Education and legislative mandated task forces. The joint work includes research and evidence based practices, ensuring maximum transferability of courses between public two- and four-year institutions, developing assessment, entrance and exit criteria, and working to provide a seamless system for students' postsecondary experience.
- Workforce Investment Act (WIA) Title IB
Services include compliance monitoring to reduce the risk of violating the complex federal guidelines that govern WIA programs. The local programs prepare youth and adults, facing serious barriers to employment, for participation in the labor force by providing job readiness and/or training and other services. The purpose of the WIA and its services are to increase employment and earnings, increase educational and occupational skills, and decrease welfare dependency, thereby improving the quality of the workforce and enhancing the productivity of the nation.

WIA Title IB activities are supported by funds appropriated by the U.S. Department of Labor and can be spent only on these specific activities. However, five percent can be retained for CCWD Office Operations from the Title IB grant, excluding NEG funds. No match is required.

- A Workforce Investment Act (WIA) Title II
WIA Title II funds Adult Basic Skills (ABS) programs provided by community colleges and community-based organizations. CCWD staff provide leadership and technical assistance and staff development opportunities to local programs to ensure high quality adult education instruction. A key part of staff activity includes collaborating with partners such as the WIA Title IB providers, the Department of Human Services, the Employment Department, and the Department of Corrections to develop strategies for moving people into new and better jobs.

Five percent of Title II funds are retained to pay administrative costs, and 12.5 percent are used for statewide adult education staff development and state leadership activities. The state grants 82.5 percent of funds to local providers. Each state must provide a non-federal contribution equal to 25 percent of the total amount of funds expended for adult education and literacy activities in the state.

- General Educational Development (GED)
GED is administered at the state level by 2.2 FTE within CCWD. All staff members are fully supported from fees generated by those taking the GED battery of tests. More than 10,000 people each year finish the GED test and approximately 8,500 certificates are issued each year.

- **Carl Perkins Career and Technical Education (CTE) Act**
Administration and Leadership funds support programs based on state criteria, evaluation of programs, articulation and alignment, support for Accelerated Learning options, Leadership/technical assistance for CTE, nontraditional employment and training, and Programs of Study development and implementation. A General Fund one-to-one match is required for the federal Administration funding.
- **Research**
In this age of accountability, the need to have useable, understandable data available to stakeholders and policy makers is increasing. Senate Bill 1538 (2012) requires that governing bodies of educational entities, including community colleges, enter into achievement compacts annually with the Oregon Education Investment Board (OEIB). The CCWD Research and Communications Division has played a leadership role in the development of the outcomes metrics in the community college achievement compacts, and expects to continue to have a central role in collecting and analyzing achievement compact data in the future. Along with the achievement compacts, the CCWD Research and Communications Division annually collects data from community colleges to report on key performance measures (KPMs) in the Legislative Annual Performance Progress Report (APPR). The advent of a state longitudinal data system will make accessing the data necessary to complete these, and other statutorily mandated reports, less cumbersome; however, the need remains of having skilled staff, such as the CCWD Research and Communications Division, to calculate, analyze and interpret the data.
- **Procurement and Grants**
Procurement and grant activities support the agency's mission by facilitating the distribution of funds to partners and vendors in a wide variety of strategic initiatives and specific projects serving Oregon's citizens in the areas of higher education and workforce development. The unit works with fiscal and program staff to develop, execute, and administer agreements to distribute \$695 million of special payments funds and \$8.2 million in professional services contracts.

The Procurement and Grants Unit also directs the agency's efforts to meet directives of the Legislature and Governor's Office in the areas of ensuring open and fair competition, seeking partnering opportunities with women-owned, minority-owned and small emerging businesses, supporting sustainability, shepherding state financial resources, and pursuing federal and other grant opportunities.
- **Capital Construction/Bond Management**
CCWD issues capital construction bonds on behalf of community colleges. CCWD and DAS staff, with assistance from contracted monitoring firms, oversee the sale of bonds, execution of projects and payment to colleges as work progresses on the projects. In addition, CCWD pays the debt service on the bonds as debts come due. All of the administration is funded through the Office Operations Summary Cross Reference.
- **Financial Systems**
1.0 FTE perform the needed accounting, federal reporting and budgeting functions for CCWD's \$749 million operation.

- Internal Audit

The 2011 Legislature approved funding for an Internal Auditor position at the Oregon Department of Education (ODE) with the caveat that the auditor is devoted at least part time to do internal risk audit work for CCWD. The position has been filled and is jointly managed between CCWD and ODE.

Office Operation

Essential and Policy Packages

Package 010: Vacancy Factor and Non-PICS Personal Services

The method for determining vacancy savings is provided by the Department of Administrative Services. CCWD's vacancy factor calculation decreased savings for CCWD from the 2013-15 Agency Request Budget by \$5,334 General Fund, \$10,350 Other Funds, and \$46,040 Federal Funds.

Additional changes include:

1. Pension Bond contributions decreased by \$3,969 General Fund, increased by \$6,604 Other Funds, and also increased by \$35,584 Federal Funds.
2. Per DAS instructions, the cost of temporaries was increased by 2.4% or \$3,182 General Fund, \$2,651 Other Funds and \$1,974 Federal Funds.
3. Mass Transit costs decreased by \$880 General Fund and increased by \$1,004 Other Funds.

Package 021: Phased-In Programs

The 2011-13 Legislatively Approved Budget included a 3.5% reduction to create a supplemental ending balance. This reduction was a one-time reduction and therefore the funding was added back to the Community College Support Fund. As a result, General Fund was increased by \$14,239,300.

The 2011-13 Legislatively Approved Budget included a 3.5% reduction to create a supplemental ending balance. This reduction was a one-time reduction. After adding 2.4% inflation to the original reduction, \$17,445 General Fund was added back for Supplies and Services and \$121,856 General Fund was added back for Back to Work Oregon. In addition, General Fund which is transferred to the Dept. of Education for the Carl Perkins federal grant match was increased by \$24,500 which increases the General Fund available for the Carl Perkins match \$700,000.

Package 022: Phased-Out Programs

The following projects and programs were phased out:

1. The loan program which was established for students participating in commercial driver license training was phased-out, decreasing General Fund by \$482,500.
2. Project ALDER (Advancing Longitudinal Data for Educational Reform) was phased-out reducing Other Funds limitation by \$430,071. The project was funded through a federal grant received by the Department of Education which ends June 30, 2013. The project was designed to provide Oregon with a single-source education and workforce longitudinal data system while also building partnerships necessary to support and sustain the data exchange
3. Other Fund limitation for Lottery Bond Issuance Costs of \$410,414 was phased-out.

4. The State Energy Sector Partnership & Training Grant (SESP) was a federal grant under the American Recovery and Reinvestment Act of 2009 through the U.S. Department of Labor for a span of three years. Federal Fund limitation for temporary appointments as well as services and supplies was reduced by \$197,164. Federal Funds was phased-out.

Package 031: Standard Inflation and State Government Service Charges

Applying the standard inflation factors as provided by the Department of Administrative Services to Services and Supplies, and some Special Payments, results in an increase of \$97,500 General Fund, \$51,308 Other Funds and \$195,970 Federal Funds.

Policy Package 070: Revenue Shortfalls

The purpose of this package is to reduce federal fund expenditures due to lower WIA Title IB revenue expected for the 2013-15 biennium. Professional services were reduced, by \$1,079,676 Federal Funds, in Office Operations. An additional reduction to special payments in the amount of \$7,725,521 was made in SCR Federal and Other Support.

Policy Package 081: May 2012 E-Board

This package eliminates position 00000941 as was directed by the Legislature at the May 2012 E-Board. General Fund was decreased by \$40,862 Other Fund limitation was decreased by \$20,507 and Federal Fund limitation was decreased by \$40,863.

Policy Package 090 Analyst Adjustments

This package eliminates two vacant positions, a Policy Analyst 3 and a Program Analyst 3 which were funded with Federal Funds. This package also shifts an Accountant Tech 2 from General Funds to Other Funds and Federal Funds, reduces temporaries by \$75,000 and Services and Supplies by \$25,000 General Fund. This package has been adjusted for final 2013 PERS rates.

	General Fund	Other Fund	Federal Fund	Total Fund
Personal Services	(84,704)	4,852	(384,583)	(464,435)
Supplies and Services	(25,000)			(25,000)
Total	(109,704)	4,852	(384,583)	(489,435)

Policy Package 091 Statewide Administrative Savings

The Governor’s budget requires increased efficiency in the operation of state government, calls for additional savings in administrative expenditures, and allows for the reinvestment of some of the savings realized through efficiencies into agency programs or to other initiatives that will further improve the administrative operations of state government.

Package 091 was included in all agency budgets as a placeholder for administrative efficiencies to be found in Finance, IT, HR, Accounting, Payroll, and Procurement activities. The Improving Government subcommittee of the Enterprise Leadership Team will be identifying proposed efficiencies or changes in the delivery of service to meet the funding level in the Governor’s budget, and will work with individual agencies on the impact to their budget, along with reinvestment opportunities.

	General Fund	Other Fund	Federal Fund	Total Fund
Personal Services	(30,771)	(25,795)	(148,487)	(205,053)
Supplies and Services	(8,592)	(30,097)	(114,102)	(152,791)
Total	(39,363)	(55,892)	(262,589)	(357,844)

Policy Package 092 PERS Taxation Policy

This package supports a policy change to limit tax relief calculations to PERS retirees that are Oregon residents. Non-resident retirees will no longer receive the tax relief benefit. The policy change saves approximately 40 basis points on the PERS employer rate. This package reduces General Fund by (\$4,932), Other Funds by (\$3,498), and Federal Funds by (\$20,740).

Policy Package 093 Other PERS Adjustments

This package support policy changes that reduce the PERS employer rate by approximately 320 basis points. This package reduces General Fund by (\$39,411), Other Funds by (\$27,947), and Federal Funds by (\$165,722).

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(7,001)	-	-	-	-	-	(7,001)
Federal Funds	-	-	-	(8,482)	-	-	(8,482)
Total Revenues	(\$7,001)	-	-	(\$8,482)	-	-	(\$15,483)
Personal Services							
Temporary Appointments	2,956	-	2,463	1,766	-	-	7,185
Overtime Payments	-	-	-	58	-	-	58
Public Employees' Retire Cont	-	-	-	11	-	-	11
Pension Obligation Bond	(3,969)	-	6,604	35,584	-	-	38,219
Social Security Taxes	226	-	188	139	-	-	553
Mass Transit Tax	(880)	-	1,004	-	-	-	124
Vacancy Savings	(5,334)	-	(10,350)	(46,040)	-	-	(61,724)
Total Personal Services	(\$7,001)	-	(\$91)	(\$8,482)	-	-	(\$15,574)
Total Expenditures							
Total Expenditures	(7,001)	-	(91)	(8,482)	-	-	(15,574)
Total Expenditures	(\$7,001)	-	(\$91)	(\$8,482)	-	-	(\$15,574)
Ending Balance							
Ending Balance	-	-	91	-	-	-	91
Total Ending Balance	-	-	\$91	-	-	-	\$91

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 021 - Phase-in

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	163,801	-	-	-	-	-	163,801
Total Revenues	\$163,801	-	-	-	-	-	\$163,801
Services & Supplies							
Instate Travel	8,609	-	-	-	-	-	8,609
Facilities Rental and Taxes	8,836	-	-	-	-	-	8,836
Total Services & Supplies	\$17,445	-	-	-	-	-	\$17,445
Special Payments							
Dist to Non-Gov Units	121,856	-	-	-	-	-	121,856
Spc Pmt to Education, Dept of	24,500	-	-	-	-	-	24,500
Total Special Payments	\$146,356	-	-	-	-	-	\$146,356
Total Expenditures							
Total Expenditures	163,801	-	-	-	-	-	163,801
Total Expenditures	\$163,801	-	-	-	-	-	\$163,801
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(482,500)	-	-	-	-	-	(482,500)
Lottery Bonds	-	-	(410,414)	-	-	-	(410,414)
Federal Funds	-	-	-	(197,164)	-	-	(197,164)
Tsfr From Education, Dept of	-	-	(541,398)	-	-	-	(541,398)
Total Revenues	(\$482,500)	-	(\$951,812)	(\$197,164)	-	-	(\$1,631,476)
Personal Services							
Temporary Appointments	-	-	(24,000)	(24,000)	-	-	(48,000)
Social Security Taxes	-	-	(1,836)	(1,836)	-	-	(3,672)
Total Personal Services	-	-	(\$25,836)	(\$25,836)	-	-	(\$51,672)
Services & Supplies							
Instate Travel	-	-	(3,267)	(12,000)	-	-	(15,267)
Out of State Travel	-	-	(6,000)	(1,650)	-	-	(7,650)
Employee Training	-	-	(1,339)	(2,066)	-	-	(3,405)
Office Expenses	-	-	(2,008)	(2,066)	-	-	(4,074)
Telecommunications	-	-	(2,008)	(2,780)	-	-	(4,788)
Publicity and Publications	-	-	(168)	(315)	-	-	(483)
Professional Services	-	-	(340,000)	(134,040)	-	-	(474,040)
Attorney General	-	-	(3,153)	-	-	-	(3,153)
Employee Recruitment and Develop	-	-	(279)	-	-	-	(279)
Dues and Subscriptions	-	-	(179)	(420)	-	-	(599)
Facilities Rental and Taxes	-	-	(3,347)	(4,920)	-	-	(8,267)
Other Services and Supplies	-	-	(411,747)	(1,107)	-	-	(412,854)

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<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	-	-	(6,025)	-	-	-	(6,025)
IT Expendable Property	-	-	(8,285)	(9,964)	-	-	(18,249)
Total Services & Supplies	-	-	(\$787,805)	(\$171,328)	-	-	(\$959,133)
Capital Outlay							
Data Processing Software	-	-	(9,844)	-	-	-	(9,844)
Data Processing Hardware	-	-	(17,000)	-	-	-	(17,000)
Total Capital Outlay	-	-	(\$26,844)	-	-	-	(\$26,844)
Special Payments							
Dist to Non-Gov Units	(482,500)	-	-	-	-	-	(482,500)
Total Special Payments	(\$482,500)	-	-	-	-	-	(\$482,500)
Total Expenditures							
Total Expenditures	(482,500)	-	(840,485)	(197,164)	-	-	(1,520,149)
Total Expenditures	(\$482,500)	-	(\$840,485)	(\$197,164)	-	-	(\$1,520,149)
Ending Balance							
Ending Balance	-	-	(111,327)	-	-	-	(111,327)
Total Ending Balance	-	-	(\$111,327)	-	-	-	(\$111,327)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	89,175	-	-	-	-	-	89,175
Federal Funds	-	-	-	179,376	-	-	179,376
Total Revenues	\$89,175	-	-	\$179,376	-	-	\$268,551

Services & Supplies

Instate Travel	980	-	1,717	2,423	-	-	5,120
Out of State Travel	263	-	1,148	2,835	-	-	4,246
Employee Training	211	-	598	1,078	-	-	1,887
Office Expenses	1,196	-	2,793	2,285	-	-	6,274
Telecommunications	(2,061)	-	(733)	(3,898)	-	-	(6,692)
State Gov. Service Charges	6,318	-	3,242	12,593	-	-	22,153
Data Processing	(944)	-	(443)	(1,903)	-	-	(3,290)
Publicity and Publications	112	-	832	307	-	-	1,251
Professional Services	4,841	-	23,506	143,459	-	-	171,806
IT Professional Services	14	-	3,784	5,490	-	-	9,288
Attorney General	3,804	-	2,533	2,304	-	-	8,641
Employee Recruitment and Develop	14	-	-	27	-	-	41
Dues and Subscriptions	257	-	194	973	-	-	1,424
Facilities Rental and Taxes	752	-	2,428	10,626	-	-	13,806
Agency Program Related S and S	23	-	10	211	-	-	244
Other Services and Supplies	178	-	5,129	82	-	-	5,389
Expendable Prop 250 - 5000	-	-	288	-	-	-	288

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	415	-	11	484	-	-	910
Total Services & Supplies	\$16,373	-	\$47,037	\$179,376	-	-	\$242,786
Special Payments							
Dist to Non-Gov Units	72,802	-	-	-	-	-	72,802
Total Special Payments	\$72,802	-	-	-	-	-	\$72,802
Total Expenditures							
Total Expenditures	89,175	-	47,037	179,376	-	-	315,588
Total Expenditures	\$89,175	-	\$47,037	\$179,376	-	-	\$315,588
Ending Balance							
Ending Balance	-	-	(47,037)	-	-	-	(47,037)
Total Ending Balance	-	-	(\$47,037)	-	-	-	(\$47,037)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 070 - Revenue Shortfalls

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	-	(1,079,676)	-	-	(1,079,676)
Total Services & Supplies	-	-	-	(\$1,079,676)	-	-	(\$1,079,676)
Total Expenditures							
Total Expenditures	-	-	-	(1,079,676)	-	-	(1,079,676)
Total Expenditures	-	-	-	(\$1,079,676)	-	-	(\$1,079,676)
Ending Balance							
Ending Balance	-	-	-	1,079,676	-	-	1,079,676
Total Ending Balance	-	-	-	\$1,079,676	-	-	\$1,079,676

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 081 - May 2012 E-Board

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(40,862)	-	-	-	-	-	(40,862)
Other Revenues	-	-	(20,507)	-	-	-	(20,507)
Federal Funds	-	-	-	(40,863)	-	-	(40,863)
Total Revenues	(\$40,862)	-	(\$20,507)	(\$40,863)	-	-	(\$102,232)
Personal Services							
Class/Unclass Sal. and Per Diem	(22,579)	-	(11,290)	(22,579)	-	-	(56,448)
Empl. Rel. Bd. Assessments	(16)	-	(8)	(16)	-	-	(40)
Public Employees' Retire Cont	(4,306)	-	(2,153)	(4,306)	-	-	(10,765)
Social Security Taxes	(1,727)	-	(864)	(1,727)	-	-	(4,318)
Worker's Comp. Assess. (WCD)	(23)	-	(12)	(24)	-	-	(59)
Flexible Benefits	(12,211)	-	(6,106)	(12,211)	-	-	(30,528)
Reconciliation Adjustment	-	-	1	-	-	-	1
Total Personal Services	(\$40,862)	-	(\$20,432)	(\$40,863)	-	-	(\$102,157)
Total Expenditures							
Total Expenditures	(40,862)	-	(20,432)	(40,863)	-	-	(102,157)
Total Expenditures	(\$40,862)	-	(\$20,432)	(\$40,863)	-	-	(\$102,157)
Ending Balance							
Ending Balance	-	-	(75)	-	-	-	(75)
Total Ending Balance	-	-	(\$75)	-	-	-	(\$75)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 081 - May 2012 E-Board

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Positions							(1)
Total Positions							(1)
Total Positions	-	-	-	-	-	-	(1)
Total FTE							(1.00)
Total FTE							(1.00)
Total FTE	-	-	-	-	-	-	(1.00)

01/16/13 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:58600 COMMUNITY COLLEGES DEPARTMENT
 SUMMARY XREF:001-00-00 Office Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2013-15
 PICS SYSTEM: BUDGET PREPARATION

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 PROD FILE

PACKAGE: 081 - May 2012 E-Board

POSITION NUMBER CLASS COMP CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FP SAL/OPE	LF SAL/OPE	AF SAL/OPE
0000941 OA C0104 AA OFFICE SPECIALIST 2	1-	1.00-	24.00-	02	2,352.00	22,579- 18,283-	11,290- 9,143-	22,579- 18,284-		56,448- 45,710-
TOTAL PICS SALARY						22,579-	11,290-	22,579-		56,448-
TOTAL PICS OPE						18,283-	9,143-	18,284-		45,710-
TOTAL PICS PERSONAL SERVICES =	1-	1.00-	24.00-			40,862-	20,433-	40,863-		102,158-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(109,704)	-	-	-	-	-	(109,704)
Federal Funds	-	-	-	(384,583)	-	-	(384,583)
Total Revenues	(\$109,704)	-	-	(\$384,583)	-	-	(\$494,287)
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	-	(258,984)	-	-	(258,984)
Temporary Appointments	(75,000)	-	-	-	-	-	(75,000)
Empl. Rel. Bd. Assessments	-	-	-	(80)	-	-	(80)
Public Employees' Retire Cont	-	-	-	(49,388)	-	-	(49,388)
Social Security Taxes	(5,738)	-	-	(19,812)	-	-	(25,550)
Worker's Comp. Assess. (WCD)	-	-	-	(118)	-	-	(118)
Flexible Benefits	-	-	-	(61,056)	-	-	(61,056)
Reconciliation Adjustment	(3,966)	-	4,852	4,855	-	-	5,741
Total Personal Services	(\$84,704)	-	\$4,852	(\$384,583)	-	-	(\$464,435)
Services & Supplies							
Instate Travel	(1,293)	-	-	-	-	-	(1,293)
Employee Training	(2,252)	-	-	-	-	-	(2,252)
Office Expenses	(2,660)	-	-	-	-	-	(2,660)
Telecommunications	(3,547)	-	-	-	-	-	(3,547)
Publicity and Publications	(444)	-	-	-	-	-	(444)
Employee Recruitment and Develop	(129)	-	-	-	-	-	(129)
Dues and Subscriptions	(444)	-	-	-	-	-	(444)
Facilities Rental and Taxes	(5,346)	-	-	-	-	-	(5,346)

____ Agency Request
2013-15 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<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	(905)	-	-	-	-	-	(905)
Expendable Prop 250 - 5000	(3,990)	-	-	-	-	-	(3,990)
IT Expendable Property	(3,990)	-	-	-	-	-	(3,990)
Total Services & Supplies	(\$25,000)	-	-	-	-	-	(\$25,000)
Total Expenditures							
Total Expenditures	(109,704)	-	4,852	(384,583)	-	-	(489,435)
Total Expenditures	(\$109,704)	-	\$4,852	(\$384,583)	-	-	(\$489,435)
Ending Balance							
Ending Balance	-	-	(4,852)	-	-	-	(4,852)
Total Ending Balance	-	-	(\$4,852)	-	-	-	(\$4,852)
Total Positions							
Total Positions							(2)
Total Positions	-	-	-	-	-	-	(2)
Total FTE							
Total FTE							(2.00)
Total FTE	-	-	-	-	-	-	(2.00)

01/16/13 REPORT NO.: PDPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:58600 COMMUNITY COLLEGES DEPARTMENT
 SUMMARY XREF:001-00-00 Office Operations

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2013-15
 PICS SYSTEM: BUDGET PREPARATION

PAGE 2
 PROD FILE

PACKAGE: 090 - Analyst 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
0000505	OA	C0872 AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,628.00			111,072-		111,072-
										60,305-		60,305-
0000506	OA	C0862 AA PROGRAM ANALYST 3	1-	1.00-	24.00-	09	6,163.00			147,912-		147,912-
										70,149-		70,149-
TOTAL PICS SALARY										258,984-		258,984-
TOTAL PICS OPE										130,454-		130,454-
TOTAL PICS PERSONAL SERVICES =			2-	2.00-	48.00-					389,438-		389,438-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 091 - Statewide Administrative Savings

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(39,363)	-	-	-	-	-	(39,363)
Federal Funds	-	-	-	(262,589)	-	-	(262,589)
Total Revenues	(\$39,363)	-	-	(\$262,589)	-	-	(\$301,952)
Personal Services							
Undistributed (P.S.)	(30,771)	-	(25,795)	(148,487)	-	-	(205,053)
Total Personal Services	(\$30,771)	-	(\$25,795)	(\$148,487)	-	-	(\$205,053)
Services & Supplies							
Undistributed (S.S.)	(8,592)	-	(30,097)	(114,102)	-	-	(152,791)
Total Services & Supplies	(\$8,592)	-	(\$30,097)	(\$114,102)	-	-	(\$152,791)
Total Expenditures							
Total Expenditures	(39,363)	-	(55,892)	(262,589)	-	-	(357,844)
Total Expenditures	(\$39,363)	-	(\$55,892)	(\$262,589)	-	-	(\$357,844)
Ending Balance							
Ending Balance	-	-	55,892	-	-	-	55,892
Total Ending Balance	-	-	\$55,892	-	-	-	\$55,892

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 092 - PERS Taxation Policy

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(4,932)	-	-	-	-	-	(4,932)
Federal Funds	-	-	-	(20,740)	-	-	(20,740)
Total Revenues	(\$4,932)	-	-	(\$20,740)	-	-	(\$25,672)
Personal Services							
PERS Policy Adjustment	(4,932)	-	(3,498)	(20,740)	-	-	(29,170)
Total Personal Services	(\$4,932)	-	(\$3,498)	(\$20,740)	-	-	(\$29,170)
Total Expenditures							
Total Expenditures	(4,932)	-	(3,498)	(20,740)	-	-	(29,170)
Total Expenditures	(\$4,932)	-	(\$3,498)	(\$20,740)	-	-	(\$29,170)
Ending Balance							
Ending Balance	-	-	3,498	-	-	-	3,498
Total Ending Balance	-	-	\$3,498	-	-	-	\$3,498

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 093 - Other PERS Adjustments

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(39,411)	-	-	-	-	-	(39,411)
Federal Funds	-	-	-	(165,722)	-	-	(165,722)
Total Revenues	(\$39,411)	-	-	(\$165,722)	-	-	(\$205,133)
Personal Services							
PERS Policy Adjustment	(39,411)	-	(27,947)	(165,722)	-	-	(233,080)
Total Personal Services	(\$39,411)	-	(\$27,947)	(\$165,722)	-	-	(\$233,080)
Total Expenditures							
Total Expenditures	(39,411)	-	(27,947)	(165,722)	-	-	(233,080)
Total Expenditures	(\$39,411)	-	(\$27,947)	(\$165,722)	-	-	(\$233,080)
Ending Balance							
Ending Balance	-	-	27,947	-	-	-	27,947
Total Ending Balance	-	-	\$27,947	-	-	-	\$27,947

**POLICY PACKAGE 102:
Community College Capital Construction
Office Operations**

PURPOSE

ORS 341.009 (14) says that the state “should maintain a policy of substantial state participation in community college building costs.” This general policy guideline has resulted in the submission of requests for state General Fund backed bonding authority for community college capital projects in each budget cycle over the last decade. The college presidents ranked sixteen projects using the criteria shared with State Board of Education (SBE) at its February 2012 meeting. All Community College Presidents agreed to the prioritized list.

Community colleges submitted due diligence reports rank ordered according to OAR and CCWD criteria. This policy package requests article XI-G bonds matched dollar-for-dollar by local revenues, to be dedicated to community college capital construction. The SBE discussed the final, prioritized list of capital construction projects at their January 25, 2013 meeting.

This package includes \$150,00 Other Funds limitation for project monitoring costs associated with the oversight of capital construction projects.

HOW ACHIEVED

At its August 2013 meeting, the SBE approved up to \$105,731,100 in state bonding revenues as the target for the state to match local capital revenue for 2013-15. This request represents the final total cost of the prioritized list of 16 community college capital projects (Oregon Coast Community College does not have a project at this time.); and \$150,000 for project monitoring costs associated with the oversight of the growing number of capital projects. The monitoring is contracted out to a qualified firm with expertise in project management through the Department of Administrative Services.

Each college was required to provide a Due Diligence Report for each project requested. The Due Diligence Report described the need, proposed solution, facility information, schedule, academic and planning considerations, construction costs and financial considerations. According to OAR 589-003-0100 (5) higher relative rank was assigned to those projects that:

- a. Clearly serve an instructional purpose (first priority);
- b. Clearly meet an important demonstrated service need of the college (second priority);
- c. Clearly meet a facilities need that cannot be adequately addressed through alternative, interim, or existing facilities (third priority);
- d. Clearly serve to complete a comprehensive community college facility (fourth priority);
- e. Clearly meet an important and articulated objective of the college (fifth priority); and
- f. Clearly reflect evidence of local planning and needs assessment (sixth priority).

A volunteer group of Community College Presidents and the Community College Commissioner reviewed the due diligence reports and applied the following guiding principles to determine the priority order of the capital projects:

- Structural integrity and safety issues (those colleges that have a compelling safety issue, i.e., condemned structures, lack of adequate safety facilities, etc.);
- Connections and partnerships with the Oregon University System and PK-12 Education;
- Economic development and high demand occupations; and
- Sustainability

Projects requested by colleges in the last legislative sessions that did not change their scope were placed at the top of the priority order. The article XI-G bond requests were capped at \$8,000,000 or 50% of the total project cost, whichever amount was less.

The results of the ranking are as follows:

Community College Capital Projects in Priority Order

Rank	Name of Project	College Name	Cost of Project	XI-G Bond Request	Square Footage
1	Student Success Center/CTC Expansion	Klamath	15,700,000	7,850,000	49,228
2	Nursing and Allied Health Program Facilities	Linn-Benton	18,356,954	\$8,000,000	74,655
3	Health and Science Technology Building	Southwestern Oregon	17,010,000	8,000,000	40,000
4	Redwood Campus Science and Health Center	Rogue	9,269,000	4,634,500	70,000
5	Applied Technology Classroom Center	Chemeketa	17,000,000	8,000,000	26,684
6	Workforce Vocational (CTE) Training Center	Treasure Valley	5,660,500	2,830,250	20,700
7	Industrial Technology Building	Umpqua	19,423,137	8,000,000	70,632
8	Animal Science Education Center	Blue Mountain	6,662,700	3,331,350	65,500+
9	Clairmont Career & Technology Education Center	Clackamas	34,500,000	8,000,000	60,000
10	The Commons	Lane	19,000,000	8,000,000	103,000
11	Hood River Center – Phase II	Columbia Gorge	14,640,000	7,320,000	24,000
12	General Classrooms Building	Central Oregon	11,550,000	5,775,000	35,000
13	Health and Wellness Center	Clatsop	15,980,000	8,000,000	24,900
14	Career and Technical Workforce Building	Tillamook Bay	4,500,000	2,000,000	20,000
15	District Technology Renovation	Portland	16,700,000	8,000,000	22,000
16	Student Services Enhancement	Mt. Hood	18,277,094	8,000,000	89,890
TOTAL			\$244,229,385	\$105,741,100	

STAFFING IMPACT

No staffing is requested in this package.

QUANTIFYING RESULTS

The Capital Construction package supports CCWD Key Performance Measures (KPMs):

#8: Nursing completion

#12: Career and technical degree/certificate completion

#13: Associate degree completion

REVENUE SOURCE

Office Operations 001-01

\$150,000 Other Funds

Recommended in the Governor's Budget

Capital Construction 089-01

\$105,741,100 Other Funds (Article XI-G Bonds)

Not Recommended in the Governor's Budget

TOTAL RECOMMENDED PACKAGE

\$150,000 Other Funds

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Community Coll & Workforce Dvlpmnt, Dept of
Pkg: 102 - Community College Capital Construction

Cross Reference Name: Office Operations
Cross Reference Number: 58600-001-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Other Revenues	-	-	150,000	-	-	-	150,000
Total Revenues	-	-	\$150,000	-	-	-	\$150,000
Services & Supplies							
Professional Services	-	-	150,000	-	-	-	150,000
Total Services & Supplies	-	-	\$150,000	-	-	-	\$150,000
Total Expenditures							
Total Expenditures	-	-	150,000	-	-	-	150,000
Total Expenditures	-	-	\$150,000	-	-	-	\$150,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

POLICY PACKAGE 104

Certified Work Ready Communities

PURPOSE

Certified Work Ready Communities (CWRC) will enable Oregon's communities to demonstrate the skilled workforce necessary for companies to locate and grow here. Implementation will ensure that Oregon has a diverse and dynamic economy that provides jobs and prosperity for all Oregonians. Through certification, workers will be able to demonstrate they have the foundational skills to be able to succeed in and grow the companies in their communities, preparing Oregonians for lifelong learning, rewarding work and engaged citizenship.

A significant component of CWRC is the National Career Readiness Certificate (NCRC). Oregon's NCRC was launched by Governor Kitzhaber in 2011 and is a portable, industry-recognized credential which verifies "work readiness". The NCRC clearly identifies an individual's WorkKeys® skills in Reading for Information, Applied Mathematics and Locating Information enabling employers to identify job applicants with potential to match the skills required of specific jobs. The NCRC has been identified as one of Governor Kitzhaber's key workforce development strategies and was utilized in combination with On-the-Job Training in the Back to Work Oregon program. This program was implemented in the 2011-13 biennium and was designed to help get Oregon's economy back on track by putting 1,325 unemployed Oregonians into long term jobs. More recently, Governor Kitzhaber has included the CWRC concept as part of his 10 Year Plan for Oregon Project, *Economy & Jobs Policy Vision*; it is also a key strategy in the Oregon Workforce Investment Board's (OWIB) 2012-2022 strategic plan. Building on this strong foundation, Oregon CWRC will include pathways for communities to excel in certifying a skilled workforce.

A CWRC is a community-based framework for economic and workforce development that certifies counties/regions as "work ready" when established goals have been met. It links workforce development to education, aligns with the economic development needs of communities, regions and states and certifies individuals for jobs based on skill levels. In Oregon, certification as a Work Ready Community indicates that a community is taking steps to ensure its citizens have the talent necessary to succeed in existing jobs, master new technologies and embrace innovation. Certification signifies that a community wants to transform its economic base and gain a competitive edge in attracting new businesses and jobs. CWRC programs, utilizing the NCRC to signify work readiness, have been launched successfully in several states to assess and improve worker skills, reduce employer hiring and training costs, market communities and attract new business. The shared belief among those states is that improving the skills of the current and emerging workforce is a powerful economic development strategy.

HOW ACHIEVED

In January of 2012, Oregon was selected by ACT as one of four states across the nation to participate in a twelve month training program that leads state leadership teams through successful startup and deployment of a statewide CWRC initiative. ACT is a national independent, not-for-profit organization that provides a broad array of assessment, research, and information in the areas of education and workforce development. Oregon's academy leadership team includes representatives from the private business sector, Oregon Business Council, state and local economic development, education (secondary and post-secondary), and state and local workforce development entities. The Department of Community Colleges and Workforce Development (CCWD) is leading this team as well as the adoption and implementation of CWRC. This leadership will leverage existing

expertise, resources, and capacity to develop a workforce ready to meet critical skill shortages and the needs of the workplace in a changing global economy.

Certification

Counties/regions will have two years from their implementation date to earn a certification, based on the following criteria:

1. Minimum number of NCRC holders in three workforce categories (Emerging, Transitional and Current) by county
2. Minimum number of Employer Letters of Commitment by county
3. Minimum % of Emerging and Transitional workforce receive a Soft Skills Assessment by county
4. Minimum % of Employer Letters of Commitment preferring a Soft Skills Assessment by county

Oregon will use employer Letters of Commitment as a measure of business engagement within a community in support of their county or region becoming a Certified Work Ready Community. Currently, over 800 Oregon businesses have chosen to recognize, prefer or recommend the NCRC and approximately 18,500 Oregonian's have earned an NCRC.

Outcome Based Goals

In the next three years Oregon CWRC will increase the number of Oregonians earning an NCRC to 100,000, expand business usage of NCRC to 1,500 signed Letters of Commitment, certify at least 25% of Oregon counties as "work ready", and assure that NCRC earners at all levels are reflective of state's diverse population.

Implementation Timeline

Oregon's CWRC will be implemented in three phases with each community working toward certification over a period of two years.

Phase one - Early Adopter communities Certification program begins January 1, 2013

Phase two - Community Certification program begins July 1, 2013

Phase three - Remainder of communities across the state certification program begins July 1, 2014

Key Activities

- Establish implementation workgroup
- Compile current CWRC benchmarks and data
- Identify startup funding
- Develop CWRC Implementation Plan
- Develop Communications and Outreach Plan
- Develop Business Engagement Plan
- Develop Measurement, Analysis and Evaluation Plan
- Develop, finalize state criteria and process for awarding CWRC in Oregon
- Research and select a Soft Skills Assessment tool

- On-going state leadership support to local communities during the certification period
- On-going evaluation and monitoring with recommendations of improvement
- Recertification of communities every two years

STAFFING IMPACT

This package provides \$6,000,000 General Fund including 1.5 positions (1.0 FTE Program Analyst 4 and 0.5 FTE Administrative Specialist 2). Funds and staff will provide ongoing leadership support to communities, compile CWRC benchmarks and data, develop implementation, communication, outreach, business engagement, and evaluation plans, select a soft skills assessment tool, and certify and recertify work ready communities.

\$1,771,000	Assessments, Curriculum
\$3,801,422	Grants to Local Areas
\$317,172	Personal Services
\$110,406	Supplies and Services
<u>\$6,000,000</u>	<u>Total GF</u>

Staff: 1.0 FTE Program Analyst 4
 0.5 FTE Administrative Specialist 2

QUANTIFYING RESULTS

The Oregon Certified Work Ready Communities package supports CCWD Key Performance Measure (KPM):

- KPM #1: Successful GED Applicants
- KPM #4: Adults Employed Upon Exit
- KPM #5: Dislocated Worker Wages
- KPM #6 Current/Incumbent Worker Employment
- KPM #7 Completion of Basic Skills/ESL

The Oregon CWRC will advance the mission of CCWD by contributing to increased skills and career opportunities for Oregonians, and advance the department’s contributions to Oregon’s Benchmarks, which include increasing:

- Oregon's national rank in new companies;
- Numbers of Oregonian’s with the skills required for high demand, high pay jobs;
- Adult literacy rates; and
- Options for labor force skills training

Progress will be measured by examining:

- Job Seekers
 - Those with NCRC placed at a higher rate than those without

- Those with NCRC placed into higher wage jobs than those without
- Those with NCRC retained at a higher rate than those without
- Those with NCRC believe that the NCRC impacted their ability to get a job
- Those earning an NCRC reflect the diversity of our state.
- Employers
 - Employers preferring an NCRC in hiring have lower turnover rates
 - Employers preferring and NCRC believe that hiring NCRC earners improves productivity
 - Employers preferring and NCRC believe that hiring NCRC earners reduces hiring costs
- Communities
 - Number of businesses preferring the NCRC
 - Number of businesses retained/expanded
 - number, type and size of community resources for NCRC

REVENUE SOURCE

Office Operations 001-01
\$6,000,000 General Fund

NOT RECOMMENDED IN GOVERNOR'S BUDGET

POLICY PACKAGE 105

Cross-Agency Education Research Unit

PURPOSE

The purpose of the Oregon state longitudinal data system is to provide data that informs policy and practice for the improvement of educational outcomes for students at all levels of education in Oregon. However, in order to make the data useful for stakeholders there must be staff designated to analyze, interpret, and make the data understandable in the context of Oregon's 40/40/20 education goals. Progress toward that goal will improve the life outcomes of Oregon students and will improve the performance of Oregon's economy by creating a more productive workforce. It is likely to also improve the efficiency of resource use so that the state can meet its educational goals at a lower cost.

HOW ACHIEVED

The purpose is achieved by providing research and analysis of educational issues in Oregon in order to assist policymakers in making sound policy decisions. This proposal is for a research unit for the P-20 educational continuum. It is a joint proposal from four agencies: the Oregon University System (OUS), the Oregon Department of Community Colleges and Workforce Development (CCWD), the Oregon Student Access Commission (OSAC), and the Oregon Department of Education (ODE). Each of these entities will be submitting a POP for this proposal. This POP is for the Oregon Department of Community Colleges and Workforce Development's portion of the proposal.

In June 2011, Governor Kitzhaber signed Senate Bill 909 into law. The purpose of that legislation was to create a unified educational system from birth onward (often termed PK-20) and the formation of the Oregon Educational Investment Board to oversee state investment (tax dollars) in PreK-20 areas of public education. Another important goal of this legislation was to develop a statewide longitudinal data system designed to track students through the educational process and into Oregon's workforce. This system would provide better and more accurate information concerning state educational practices for policy-makers, educators, students and their families--resulting in data driven educational decisions.

Community colleges are primarily responsible for meeting the "middle 40" in the 40/40/20 goal: associate's degrees and professional credentials. The middle 40 is also the educational segment in Oregon with the largest gap. In 2010, 18 percent of all working adults and 17 percent of young adults had attained associate degrees or credentials. To reach 40/40/20, the number of community college students with degrees and certificates will have to double.

CCWD links to both the Education and the Jobs and Economy Policy Visions. Regarding education, CCWD is aligning strategies around the state's core outcomes of:

- Ready to apply math and reading skills (e.g. adult basic education, developmental education);
- On track to earn a diploma (e.g. Oregon Youth Conservation Corps and high school dual enrollment);
- Ready for college and career training (e.g. Career Pathways, GED); and
- Ready to contribute in career and community (e.g. Career and Technical Education, lower division transfer degree (AAOT,) and Work Source Oregon).

As for Economy and Jobs, CCWD is focusing efforts on Oregon’s long-term economic prosperity and resiliency through people-based strategies designed to lift up Oregon workers, innovators and entrepreneurs. Specifically, CCWD is concentrating on the following outcomes:

- Use Sector Strategies to assure a highly skilled workforce that can help sustain and grow priority industry clusters;
- Strengthen and align Oregon’s workforce to meet the labor skill demand of employers and move people into career pathways via workforce
- Achievement compacts;
- Create Work Ready communities;
- Build the middle 40 – support two-years of postsecondary education or equivalent training; and
- Support entrepreneurship and highly skilled individuals.

Senate Bill 1538 (2012) requires that governing bodies of educational entities, including community colleges, enter into achievement compacts annually with the Oregon Education Investment Board (OEIB). CCWD has played a leadership role in the development of the outcomes metrics in the community college achievement compact, and expects to continue to have a central role in collecting and analyzing achievement compact data in the future. Along with the achievement compacts, CCWD annually collects data from community colleges to report on key performance measures (KPMs) in the Legislative Annual Performance Progress Report (APPR). The advent of a state longitudinal data system will make accessing the data necessary to complete these, other statutorily mandated reports, less cumbersome; however the need remains of having adequate staff to calculate, analyze and interpret the data.

CCWD also engages in a leadership role, along with the Oregon Department of Education, Oregon Employment Department, Oregon University System, and Oregon Teachers Standards and Practices Commission, on Project ALDER (Advancing Longitudinal Data for Educational Reform), a 3-year federal grant designed to expand data collection and sharing of data between all education sectors in Oregon and with neighboring states as well. The grant, and its associated funding, ends on June 20, 2013 thus creating a need for General Fund allocations to support the work that continues with the Oregon longitudinal data system.

STAFFING IMPACT

This package provides \$377,802 General Fund and two positions (2 – 1.0 FTE Research Analyst 3). The staff will add capacity to the agency’s Research Team for the planning, designing and analyzing of research studies, developing of procedures for data collection, providing technical direction for staff, participating with Information Systems staff to enhance information systems, verifying the accuracy and validity of data, writing reports, as well as, explaining and discussing research data with agency personnel and other agencies.

\$297,023	Personal Services
49,281	Supplies and Services
<u>31,498</u>	<u>Capital Outlay (IT Equipment)</u>
\$377,802	Total GF

Staff: Two 1.0 FTE Research Analyst 3s

QUANTIFYING RESULTS

More collaboration with educational (OUS, ODE, OSAC) and workforce (OED, OWIB) partners; increased output of briefings and research findings by Research Team to stakeholders including the Oregon Education Investment Board, the State Board of Education, the Higher Education Coordinating Commission, and Oregon community colleges.

Improved data quality and validity for the Oregon Community College Unified Reporting System (OCCURS) – the system used for calculating Achievement Compacts, KPMs, and other community college data requests.

Improved connection to data for stakeholders including community colleges, students, legislators and the public.

REVENUE SOURCE

Office Operations 001-01
\$377,802 General Fund

NOT RECOMMENDED IN GOVERNOR’S BUDGET

POLICY PACKAGE 201 Workforce Initiative

PURPOSE

This package includes \$10 million General Fund for a workforce initiative that expands the Back to Work Oregon (\$3.35 million) and provides funding for the Certified Work Ready Communities program proposed in CCWD ARB Package 104 (\$1 million), the National Career Readiness Certificate (\$1.8 million) programs, sector-related workforce training (\$2 million), and provides technical assistance to local workforce programs (\$1 million). The package has three full-time permanent positions that includes one Program Analyst 4, one Program Analyst 3, and one Administrative Specialist 2 (\$463,000).

HOW ACHIEVED

Back to Work Oregon (\$3.35 million General Fund)

The Back to Work Oregon program was first funded in the 2011 Session with \$3.4 million General Fund. This program consists of two components:

- *On-the-Job Training (OJT)* which is a “hire-first” program that reimburses a company for the cost of training a new employee. A rigorous training plan is put in place by the company which leads to employee retention in the job. The employee becomes a taxpayer, by drawing a paycheck during training, and beyond.
- *Oregon's National Career Readiness Certificate (NCRC)* which demonstrates that an individual has the foundational skills necessary to succeed in the training plan and on the job, and provides the individual with a portable credential for future career growth.

The Department of Community Colleges and Workforce (CCWD) will oversee and manage the program from the state level and Oregon’s seven Local Workforce Investment Boards will operate the program locally in partnership with the Oregon Employment Department. This program is intended to help recovering Oregon companies open more job vacancies while helping Oregonians get back to work sooner and address both the needs of business for skilled workers and the needs of Oregonians to have job-specific certified transportable skills.

In the 2013-15 biennium, the program will place 663 unemployed Oregonians into long term jobs. Local Workforce Investment Boards will also utilize their local federal and non-federal resources to support this effort.

National Career Readiness Certificate (\$1.8 million General Funds)

A significant component of CWRC is the National Career Readiness Certificate (NCRC). Oregon’s NCRC was launched by Governor Kitzhaber in 2011 and is a portable, industry-recognized credential which verifies “work readiness”. The NCRC clearly identifies an individual's WorkKeys® skills in Reading for Information, Applied Mathematics and Locating Information enabling employers to identify job applicants with potential to match the skills required of specific jobs. The NCRC has been identified as one of Governor Kitzhaber’s key workforce development strategies and

was utilized in combination with On-the-Job Training in the Back to Work Oregon program. This program was implemented in the 2011-13 biennium and was designed to help get Oregon's economy back on track by putting 1,325 unemployed Oregonians into long term jobs. More recently, Governor Kitzhaber has included the CWRC concept as part of his 10 Year Plan for Oregon Project, *Economy & Jobs Policy Vision*; it is also a key strategy in the Oregon Workforce Investment Board's (OWIB) 2012-2022 strategic plan. Building on this strong foundation, Oregon CWRC will include pathways for communities to excel in certifying a skilled workforce.

Certified Work Ready Communities (\$1 million General Funds)

A CWRC is a community-based framework for economic and workforce development that certifies counties/regions as "work ready" when established goals have been met. It links workforce development to education, aligns with the economic development needs of communities, regions and states and certifies individuals for jobs based on skill levels. In Oregon, certification as a Work Ready Community indicates that a community is taking steps to ensure its citizens have the talent necessary to succeed in existing jobs, master new technologies and embrace innovation. Certification signifies that a community wants to transform its economic base and gain a competitive edge in attracting new businesses and jobs. CWRC programs, utilizing the NCRC to signify work readiness, have been launched successfully in several states to assess and improve worker skills, reduce employer hiring and training costs, market communities and attract new business. The shared belief among those states is that improving the skills of the current and emerging workforce is a powerful economic development strategy.

National Career Readiness Certificate (\$1.8 million General Funds)

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Supporting Sector Strategies (\$2 million General Fund)

Sector strategies are employer-driven partnerships to meet the needs of key industries within regional labor markets. Partners include business, labor, economic development, and education and training partners. Sector partnerships remove bottlenecks that inhibit recruitment, hiring, training and worker advancement within an industry. They create formal career paths to good jobs, reducing barriers to employment and sustaining or increasing middle-class jobs and prepare workers for the higher wage, higher skill, in-demand occupations these sectors offer.

Despite an overall labor surplus, many employers are reporting that they are unable to find the skilled workers they need. Through the NCRC process Oregon workers can be assessed and certified that they have the skills needed in these critical employment areas. Both the NCRC and

CWRC can provide the certainty as to the quality of the workforce and the community's ability to meet the demands of business growth. Oregon's communities need to be able to demonstrate the skilled workforce necessary for companies to locate and grow here. Certifying and marketing these strengths to existing and potential new businesses can be a powerful economic development tool that can help Oregon businesses.

Technical Assistance to Local Workforce Programs (\$1.0 million General Fund)

This funding will be used for evaluation, marketing, and outreach. The work will be performed through personal services contracts.

STAFFING IMPACT (\$462,989 General Fund)

This package includes General Fund for 3 positions (1.0 FTE Program Analyst 4, 1.0 FTE Program Analyst 3, and 1.0 FTE Administrative Specialist 2). Funds and staff will provide ongoing leadership support to communities, compile CWRC benchmarks and data, develop implementation, communication, outreach, business engagement, and evaluation plans, select a soft skills assessment tool, and certify and recertify work ready communities.

QUANTIFYING RESULTS

The Oregon Certified Work Ready Communities package supports CCWD Key Performance Measure (KPM):

KPM #1: Successful GED Applicants

KPM #4: Adults Employed Upon Exit

KPM #5: Dislocated Worker Wages

KPM #6 Current/Incumbent Worker Employment

KPM #7 Completion of Basic Skills/ESL

REVENUE SOURCE

Office Operations 001-01

\$10,000,000 General Fund

ADDED IN THE GOVERNOR'S BUDGET