



Secretary of State

2013-15 Joint Committee on

Ways and Means Phase 2

Budget Presentation

Presentation Overview

- Policy Packages
- State Agency Assessments
- 10% All Funds Potential Reduction Options
- Quarterly Long-Term Vacancy Report
- Agency Budget Detail

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2013-15 Policy Packages

	Pos./FTE	All Funds	GF	OF	FF
POL 121-Archives: Statewide Assessment	1 / 1.00	\$153,070	(\$3,617,921)	\$3,770,991	
POL 123-Archives: Compact Shelving		\$1,000,000		\$1,000,000	
POL 151-Corporations: Small Business Assistance	2 / 1.50	\$253,936		\$253,936	
POL 171-Administrative: Technology Staffing	4 / 3.92	\$727,313		\$727,313	
POL 172-Administrative: Online Services		\$1,767,463		\$1,767,463	
Total 13-15	7 / 6.42	3,901,782	(\$3,617,921)	\$7,519,703	

Note: POL 122-Archives: Record Center Expansion for \$300k has been withdrawn.

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Archives Division

2013-15 Policy Packages

Package 121 – Archives Assessment & ORMS Trainer – \$3,770,991 OF

- 1) This package would remove the Archives Division from the Central Government Service Charge which funds the Division's General Fund staffing and operational costs.
- 2) This package also includes adding 1FTE for ORMS training.

Package 122 – Records Center Expansion – Package is being withdrawn and request for budget note withdrawn

- We received an offer from the property owners that allows us to expand into an existing building on the property on which the Records Center located at a minimal cost. We will be able to accomplish this expansion with existing funds.

Archives Division

2013-15 Policy Packages

Package 123 – Compact Shelving – \$1,000,000 OF

- The State Archives building is nearing capacity. This package would expand the storage space of the current facility by switching out standard shelving with compact shelving, eventually more than doubling the space for storing the State's historical records. This project can be completed in multiple phases. This request for \$1.0 million is the amount needed to complete one of two floors during the 2013-15 biennium.

Archives Division

Impacts to other State Agencies

POL 121- *Archives Assessment*- Every agency would be assessed a rate, determined by Archives General Fund staffing and operational costs apportioned by the agency's FTE.

Expected collection of 13-15 Assessment \$3,770,991

POL 123 – *Compact Shelving Assessment* - Every agency would be assessed a total Special Assessment of \$1.0 million for Phase 1 costs of Compact Shelving Project apportioned by the agency's FTE for 13-15.

Expected collection of 13-15 Special Assessment \$1,000,000

Corporation Division

Policy Package 151

(Senate Bill 143 or House Bill 3459)

Office of Small Business Assistance – \$253,936 (OF)

Building off of previous work to establish Business Xpress, this proposal would provide funding and two positions to assist Oregon small businesses when they encounter government red tape.

- 1 – Program Analyst 4
(0.75 FTE for 2013-15 phased in January 1, 2014)
- 1 – Public Service Representative 4
(0.75 FTE for 2013-15 phased in January 1, 2014)

Administrative Services

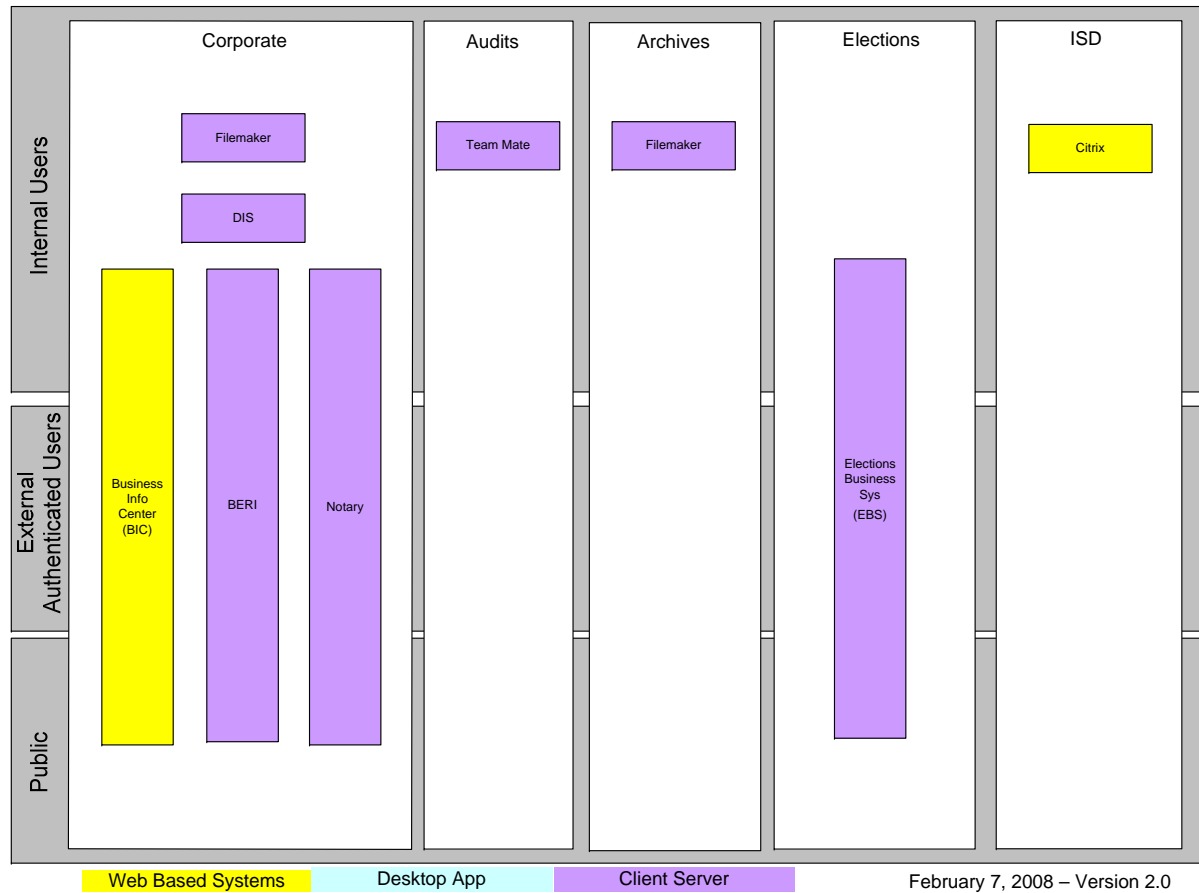
Policy Package 171

ISD Technology Staffing - \$727,313 (OF)

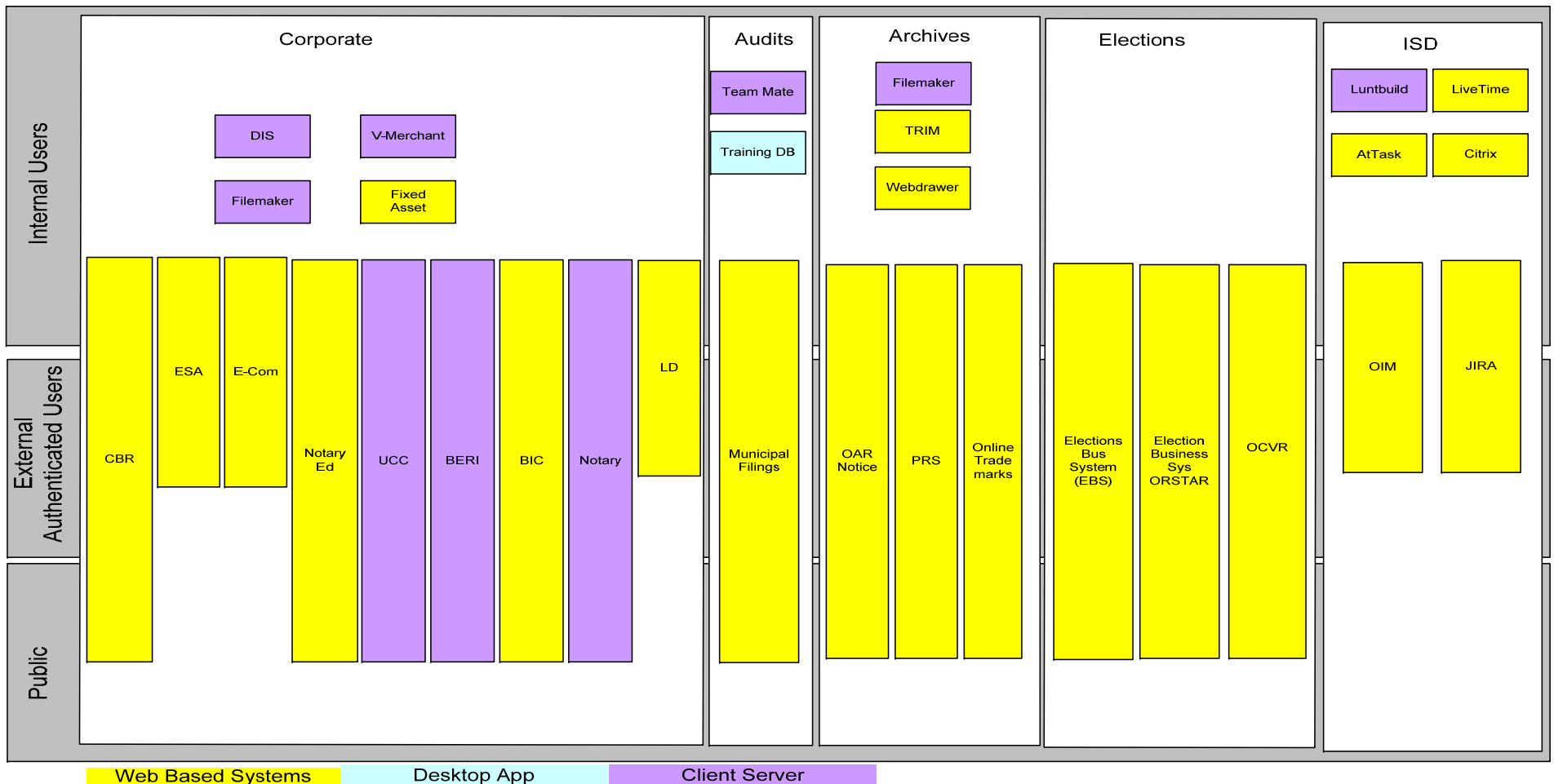
The original request for seven permanent positions has been reduced to four positions to help sustain current service offerings to the business community and the public.

- 1 – Information System Specialist 4 – Field Support Technician
- 1 – Information System Specialist 7 – Developer
(Limited Duration—funded by Corporation Division OF)
- 1 – Information System Specialist 4 – Web Usability Tester
- 1 – Operations and Policy Analyst 2 – Technical Doc Specialist

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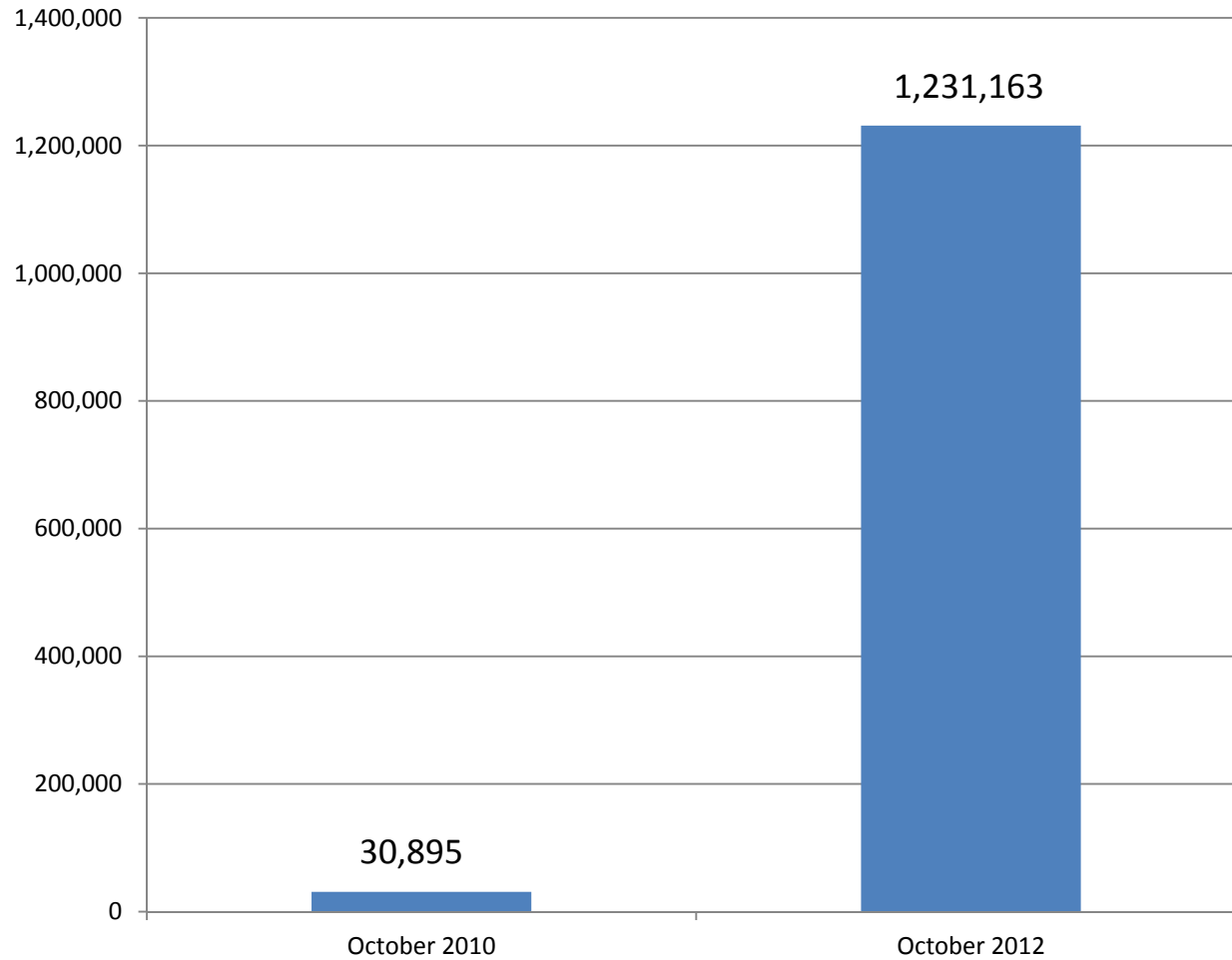


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Administrative Services

Policy Package 171- Technology Staffing

- Technology shift from web presence to “user experience.”
- Application development focus on efficient/simple web portals for mobile devices
 - Any device, anywhere, anytime
- 65% of new business registration are now done online
- 63% of UCC filings are completed online
- As web requirements grow, infrastructure footprint needs to grow.
 - Phishing, Hacking, Intrusion increase due to public-facing apps (Protecting citizen data)
 - Newer, better tools require new skills and additional resources
 - Online apps increase user interface and activity, more technicians needed to respond

Administrative Services

Policy Package 172

Central Business Registry – \$567,463 (OF)

New development to enhance Central Business Registry:

- **City business license** – provide all Oregon cities an option for online business licensing
- **State business licensing** – pilot project with state agency to complete state licensing requirements online
- **Existing business opt-in** – allow businesses registered with the state through paper filing to use the Central Business Registry to update registration information online
- **BERI Interface Rewrite** – modernize the Business Entity Registration and Information (BERI) system to a supported platform, and enable additional online business registration

Administrative Services

Policy Package 172, continued

Business Xpress, Phase 2 – \$1,200,000 (OF)

New development to modernize and enhance the online License Directory, Business Wizard, and Business Information Center applications into a single, easy to use online application.

The new, combined application will streamline the process to update and support all content and information, improving the quality and usability of information provided to business and help them grow and succeed by understanding appropriate requirements, regulations and services.

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2013-15 State Agency Assessments (Fee for Service)

Archives Division

State Records Center- The charge of \$0.66 per cubic foot per month is based on the 2013-15 projected expenditures for the Records Center divided by the estimated occupancy rate (97,453) cubic feet. Users of this facility will be assessed based on the projected cubic feet of occupancy as of January 9, 2012.

Expected collection of 13-15 assessment \$1,543,673

Security Copy Depository Charges- 2013-15 rate is \$1.46 per roll (\$.73/year). Agencies storing 1-6 reels, the minimum charge is \$10 and customers storing 7-13 reels, the minimum charge \$20.

Expected collection of 13-15 assessment \$255,544

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2013-15 State Agency Assessments (Fee for Service)

Archives Division

Administrative Rule Charges- 2013-15 rates are based on 2011-13 projected expenditures for administrative rules as of January 9, 2012. The rate is \$23.15 per rule filing and \$10.25 per page occupied in the annual compilation.

Expected collection of 13-15 Assessment \$578,600

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2013-15 State Agency Assessments

Audits Division

Trust fund agencies and agencies with constitutionally dedicated funds are billed directly for actual audit costs as incurred. For other state agencies, audit costs are allocated based on the agencies' pro rata share of four risk factors: cash, revenues, expenditures, and full-time equivalent positions.

11 of the 83 entities receiving audit assessments are Direct Bill entities.

Expected collection of 13-15 Assessment \$22,804,997

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10% All Funds Potential Reductions

Activity or Program	Describe Reduction	GF	OF	FF
1. Archives- Close State Records Center	Eliminates the State Record Center and half of the Records Management Program and all of ORMS. In addition, State agencies would have to find storage for their boxes at a higher cost.	\$65,772	\$1,186,476	
2. Archives- Eliminate Printing of the Blue Book	The printed version would stop but the online version would continue.		\$50,000	
3. Audits-Cut Audits IT Auditing Staff by 50%	Eliminate 3 FTE-Only audits related to Annual Financial Statements would occur.		\$839,717	

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10% All Funds Potential Reductions

Activity or Program	Describe Reduction	GF	OF	FF
4. Corporation-Close Call Center w/no staff increases	Layoff 2 FTE-Not statutorily required. Filing delays and expense for citizens. Eliminates telephone customer service and support.		\$581,357	
5. Corporation-Eliminate In-Person Notary Training	Layoff 1 FTE-Not statutorily required. Impacts outreach to rural Oregon, Businesses, Division Publications		\$141,024	
6. Corporation-Eliminate Business Outreach OS 2	Layoff 1 FTE-Impacts ability to meet KPM for Filing.		\$120,000	

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10% All Funds Potential Reductions

Activity or Program	Describe Reduction	GF	OF	FF
7. Corporation- Eliminate seasonal filing officer	Layoff 1 FTE-Impacts ability of meet KPM for filing.		\$73,406	
8. Corporation- Services and Supplies	Reduces staff training, travel, professional services.		\$271,549	
9. Corporation- Eliminate lockbox	Increases mail volume delivered to agency mailroom. Creates a strain on existing staff.		\$74,000	
10. ASD-Position savings in Business Services procurement pos.	Minimal impact.	\$5,000	\$20,246	

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10% All Funds Potential Reductions

Activity or Program	Describe Reduction	GF	OF	FF
11. ASD-Eliminate Business Continuity Planning Program	Layoff 1 FTE-Eliminate program activities related to business continuity and disaster planning, risk management.		\$402,658	
12. Elections-Eliminate printing & distribution of Voter's Pamphlet	Eliminates mailing of Voter's Pamphlet to every household and moves to online version.	\$954,959		
13. Elections-Eliminate Compliance Spec 3-	Layoff 1 FTE-No ability to investigate or prosecute C&E reporting violations.	\$223,322		

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10% All Funds Potential Reductions

Activity or Program	Describe Reduction	GF	OF	FF
14. Elections-HAVA Program-	Reduced elections improvements to counties.			\$774,035
15. ASD- Unspecified cuts	Reductions to S&S which may limit funds for employee training and development.	\$12,264		
Total Reductions:		\$1,261,317	\$4,133,660	\$774,035

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Long-Term Vacancy Report as of 3/31/13

	Program	Position#	Classification	Reason	Anticipated Fill Date
1	Elections	0003005	C5247-Compliance Spec. 2	Recruitment Pending	June 2013
2	Information Systems	0003905	X7008-PEM E	Recruitment Pending	July 2013
3	Corporation	0036014	C0104-Office Specialist 2	Seasonal position	June 2013
4	Corporation	0036016	C0104-Office Specialist 2	Seasonal position	May 2013
5	Audits	0099001	C5681-State Auditor 1	Position filled	N/A
6	Audits	0099048	C5681-State Auditor 1	Position filled	N/A

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Long-Term Vacancy Report as of 3/31/13

	Program	Position#	Classification	Reason	Anticipated Fill Date
7	Audits	0007022	C2510-Elec. Publishing Design Spec. 1	Recruitment Pending	July 2013
8	Audits	0007023	C5681-State Auditor 1	Position filled	N/A
9	Elections	6108015	C5247-Compliance Spec 2	Recruitment pending	June 2013
10	Elections-HAVA	6969005	Z2512-Elec. Publishing Design Spec. 3	Recruitment pending	July 2013
11	Elections	6118016	C5248-Compliance Spec 3	Position filled	N/A

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2013-15 Budget Summary

	2013-15 GBB Revised	2013-15 GBB	2011-13 Leg. Approved	\$ Change 2013-15 Revised vs. 2011-13 Leg. Approved
General Fund	\$8,846,089	\$8,846,089	\$12,500,468	(\$3,654,379)
Other Funds	\$49,635,070	\$50,770,080	\$42,099,026	\$7,536,044
Federal Funds	\$7,715,111	\$7,715,111	\$7,559,402	\$155,709
Total Funds	\$66,196,270	\$67,331,280	\$62,158,896	\$4,037,374
Positions	203	206	196	7
FTE	201.61	204.37	195.19	6.42

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2013-15 Budget Summary—Package Detail

Description	Pos./FTE	All Funds	General Fund	Other Funds	Federal Funds
2013-15 Base	196 / 195.19	\$64,422,036	\$12,744,691	\$44,113,922	\$7,563,423
ESS 010—Non-PICS		(\$108,727)	(\$2,616)	(\$108,200)	2,089
ESS 020—Phase in/out		(\$2,015,000)		(\$2,015,000)	
ESS 030—Inflation		\$862,135	(\$162,932)	\$854,137	\$170,930
Subtotal 13-15 CSL	196 / 195.19	\$63,160,444	\$12,579,143	\$42,844,859	\$7,736,442
POL 080 –Eboards		\$64,174	\$2,559	\$61,615	
POL 092—PERS Tax		(\$103,348)	(\$13,077)	(\$87,901)	(\$2,370)
POL 093—Other PERS		(\$826,782)	(\$104,615)	(\$703,206)	(\$18,961)

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2013-15 Budget Summary—Package Detail

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POL 171—ASD Technology Staffing	4 / 3.92	\$727,313		\$727,313	
POL 172—ASD Online Services		\$1,767,463		\$1,767,463	
Total 13-15 Governor's Budget	203 / 201.61	\$66,196,270	\$8,846,089	\$49,635,070	\$7,715,111

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