

HB 5003
Oregon Commission for the Blind

HB 5003 is the budget bill for the Commission for the Blind. The agency's programs are focused on two main objectives: employment and independence for Oregonians who are blind or visually impaired. The agency provides employment and technology services, training, supported employment programs, and small business opportunities.

The Human Services Subcommittee approved a total budget of \$16.8 million, including \$1.6 million General Fund, and 51 positions. The budget is 7.8 percent more than the 2011-13 legislatively approved budget.

The budget restores program reductions included in the Governor's budget. It also provides funding to add two new technology instructors to the program. As approved, the budget meets federal maintenance of effort requirements, and allows the agency to match all available federal funds.

The agency's performance measures were reviewed and approved.

The Human Services Subcommittee recommends HB 5003 be amended and reported out do pass, as amended.

**77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY**

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: HB 5003-A

Carrier – House: Rep. Gallegos

Carrier – Senate: Sen. Steiner Hayward

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

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

Prepared By: Jim Carbone, Department of Administrative Services

Reviewed By: Linda Ames, Legislative Fiscal Office

Meeting Date: June 6, 2013

Agency

Oregon Commission for the Blind

Biennium

2013-15

Budget Summary*

	2011-13 Legislatively Approved Budget ⁽¹⁾	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
				\$\$ Change	% Change
General Fund	\$ 1,148,037	\$ 1,474,612	\$ 1,564,347	416,310	36.3%
Other Funds	\$ 2,946,859	\$ 2,886,114	\$ 3,055,164	108,305	3.7%
Federal Funds	\$ 11,532,986	\$ 12,336,492	\$ 12,220,266	687,280	6.0%
Total	\$ 15,627,882	\$ 16,697,218	\$ 16,839,777	1,211,895	7.8%

Position Summary

Authorized Positions	48	48	51	3
Full-time Equivalent (FTE) positions	44.60	44.73	47.73	3.13

(1) Includes adjustments through December 2012.

* Excludes Capital Construction expenditures

Summary of Revenue Changes

Federal Funds are the Commission for the Blind's largest source of funding. These are primarily from the U.S. Department of Education, and are matched at a rate of 78.7% federal funds for basic vocational rehabilitation support and as high as 90% federal funds for in-service training and independent living. General Fund and certain Other Funds are used to meet the federal maintenance of effort and matching requirements. Almost half of Other Funds revenue supports the Industries for the Blind program, predominately from Multnomah County to support services for developmentally disabled persons. Other sources include cooperative agreements with school districts and other providers, business enterprise vendor assessments, and donations. The Subcommittee's recommended budget relies on \$392,060 in revenues from the donation fund.

Summary of Human Services Subcommittee Action

The Commission for the Blind's mission is to assist blind Oregonians in making informed choices to achieve full inclusion and integration in society through employment, independent living, and social self-sufficiency. The agency's programs are focused on two main objectives: employment and independence.

The Subcommittee recommended a 2013-15 budget of \$16,839,777 Total Funds (\$1,564,347 General Fund, \$3,055,164 Other Funds and \$12,220,266 Federal Funds). This is a 7.8% Total Funds increase over the agency's 2011-13 Legislatively Approved Budget.

Administrative Services

The Administrative Services unit provides support and leadership to the entire agency. This includes responsibility for management of Human Resources, Budget, Accounting, Operations and Information Systems. For this unit the Subcommittee approved a 2013-15 budget of \$1,819,001

Total Funds (\$258,847 General Fund, \$80,977 Other Funds, and \$1,479,177 Federal Funds) and 8 positions (7.50 FTE). This includes the following adjustments to the current service level:

Package 091 (Statewide Administrative Savings), a \$33,853 Total Funds reduction, is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

Package 092 (PERS Taxation Policy) reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

Package 093 (Other PERS Adjustments) reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

The Subcommittee also approved Package 090 (Agency Adjustments), a \$78,322 Total Fund reduction, and Package 810 (LFO Analyst Adjustments), a \$78,322 Total Funds increase. Package 090 contained reductions that were included in the Governor's Budget. These reductions are reversed in Package 810 in order to prevent program reductions and to enable the agency to meet Maintenance of Effort requirements.

Rehabilitation Services

The Rehabilitation Services unit provides comprehensive, goal-oriented services to Oregonians who are blind to maximize their independence in their communities through work and independent living skills. Clients are assisted in identifying barriers to full participation in society through individualized plans developed to overcome these barriers and reach their goals. For this unit the Subcommittee approved a 2013-15 budget of \$9,639,092 Total Funds (\$703,299 General Fund, \$935,804 Other Funds, and \$7,999,989 Federal Funds) and 27 positions (25.63 FTE).

The Subcommittee approved the PERS adjustments included in packages 092 and 093.

The Subcommittee also approved Package 090 (Agency Adjustments), a \$1,240,436 Total Funds reduction, and Package 810 (LFO Analyst Adjustments), a \$1,240,436 Total Funds increase. Package 090 contained reductions that were included in the Governor's Budget. These reductions are reversed in Package 810 in order to prevent program reductions and to enable the agency to meet Maintenance of Effort requirements.

Business Enterprises

The Business Enterprise Program trains, licenses and supports individuals who are legally blind to enable them to operate food service and vending businesses in public buildings. For this unit the Subcommittee approved a 2013-15 budget of \$767,463 Total Funds (\$53,571 General Fund, \$239,704 Other Funds, and \$474,188 Federal Funds) and 2 positions (2.00 FTE).

The PERS adjustments included in packages 092 and 093 were approved.

The Subcommittee also approved Package 090 (Agency Adjustments), a \$105,026 Total Funds decrease, and Package 810 (LFO Analyst Adjustments), a \$105,026 Total Funds increase. Package 090 contained reductions that were included in the Governor's Budget. These reductions are reversed in Package 810 in order to prevent program reductions and to enable the agency to meet Maintenance of Effort requirements.

Industries for the Blind

The Industries for the Blind program operates an alternative work and vocational program specializing in serving clients with multiple disabilities who are both developmentally disabled and blind. For this unit the Subcommittee approved a 2013-15 budget of \$1,593,821 Other Funds and one position (1.00 FTE).

The Subcommittee approved package 810 (LFO Analyst Adjustments) which adds authority for one position. Historically this program has been staffed with non-state employees. However, per recent Attorney General advice, the supervisor of this unit is required to be a state employee.

Orientation and Career Center for the Blind

The Orientation and Career Center for the Blind is a highly specialized training program for Oregonians who experience blindness. It provides the intensive skills training that individuals who are blind need in order to accomplish tasks they were previously able to do visually. For this unit the Subcommittee approved a 2013-15 budget of \$3,020,400 Total Funds (\$548,630 General Fund, \$204,858 Other Funds, and \$2,266,912 Federal Funds) and 13 positions (11.60 FTE).

The PERS adjustments included in packages 092 and 093 were approved.

The Subcommittee approved Package 090 (Agency Adjustments), a \$221,416 Total Funds decrease, and Package 810 (LFO Analyst Adjustments), a \$322,867 Total Funds increase. Package 090 contained reductions that were included in the Governor's Budget. These reductions are reversed in Package 810 in order to prevent program reductions and to enable the agency to meet Maintenance of Effort requirements. Also included in this package is an additional \$101,451 Other Funds expenditures limitation to match expected available revenues.

The Subcommittee also approved package 102 (Technology Instructors for Medford/Salem), a \$264,982 Total Funds increase. This package adds two technology instructors, one in Salem and one in Medford. These additional staff will decrease wait times for clients and enable the agency to serve an additional 400 clients during the 2013-15 biennium.

Summary of Performance Measure Action

See attached Legislatively Adopted 2013-15 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5003-A

**Oregon Commission for the Blind
Jim Carbone - 503-378-3619**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2011-13 Legislatively Approved Budget at Dec 2012 *	\$ 1,148,037	\$ 0	\$ 2,946,859	\$ 0	\$ 11,532,986	\$ 0	\$ 15,627,882	48	44.60
2013-15 ORBITS printed Current Service Level (CSL)*	\$ 1,474,612	\$ 0	\$ 2,886,114	\$ 0	\$ 12,336,492	\$ 0	\$ 16,697,218	48	44.73
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 001 - Administrative Services									
Package 090: Analyst Adjustments									
Personal Services	\$ (15,559)	\$ 0	\$ 11,870	\$ 0	\$ 0	\$ 0	\$ (3,689)	0	0.00
Services and Supplies	\$ (1,887)	\$ 0	\$ (32,054)	\$ 0	\$ (40,692)	\$ 0	\$ (74,633)	0	0.00
Package 091: Stawew ide Administrative Savings									
Personal Services	\$ (3,000)	\$ 0	\$ 0	\$ 0	\$ (25,000)	\$ 0	\$ (28,000)	0	0.00
Services and Supplies	\$ (47)	\$ 0	\$ 0	\$ 0	\$ (5,806)	\$ 0	\$ (5,853)	0	0.00
Package 092: PERS Taxation Policy									
Personal Services	\$ (641)	\$ 0	\$ (130)	\$ 0	\$ (2,849)	\$ 0	\$ (3,620)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (5,123)	\$ 0	\$ (1,038)	\$ 0	\$ (22,764)	\$ 0	\$ (28,925)	0	0.00
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 15,559	\$ 0	\$ (11,870)	\$ 0	\$ 0	\$ 0	\$ 3,689	0	0.00
Services & Supplies	\$ 1,887	\$ 0	\$ 32,054	\$ 0	\$ 40,692	\$ 0	\$ 74,633	0	0.00
SCR 002 - Rehabilitative Services									
Package 090: Analyst Adjustments									
Personal Services	\$ (102,572)	\$ 0	\$ (889)	\$ 0	\$ (570,943)	\$ 0	\$ (674,404)	-4	-4.00
Services and Supplies	\$ 0	\$ 0	\$ 39,147	\$ 0	\$ (360,183)	\$ 0	\$ (321,036)	0	0.00
Special Payments	\$ (114,156)	\$ 0	\$ 150,575	\$ 0	\$ (281,415)	\$ 0	\$ (244,996)	0	0.00
Package 092: PERS Taxation Policy									
Personal Services	\$ (1,500)	\$ 0	\$ (570)	\$ 0	\$ (9,170)	\$ 0	\$ (11,240)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (11,983)	\$ 0	\$ (4,556)	\$ 0	\$ (73,271)	\$ 0	\$ (89,810)	0	0.00

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			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
Package 810: LFO Analyst Adjustments										
Personal Services	\$ 102,572	\$ 0	\$ 889	\$ 0	\$ 570,943	\$ 0	\$ 674,404	4	4.00	
Services & Supplies	\$ 0	\$ 0	\$ (39,147)	\$ 0	\$ 360,183	\$ 0	\$ 321,036	0	0.00	
Special Payments	\$ 114,156	\$ 0	\$ (150,575)	\$ 0	\$ 281,415	\$ 0	\$ 244,996	0	0.00	
SCR 003 - Business Enterprises										
Package 090: Analyst Adjustments										
Personal Services	\$ (37,778)	\$ 0	\$ 37,778	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00	
Services & Supplies	\$ (15,793)	\$ 0	\$ (55,305)	\$ 0	\$ (33,928)	\$ 0	\$ (105,026)	0	0.00	
Package 092: PERS Taxation Policy										
Personal Services	\$ 0	\$ 0	\$ (601)	\$ 0	\$ (619)	\$ 0	\$ (1,220)	0	0.00	
Package 093: Other PERS Adjustments										
Personal Services	\$ 0	\$ 0	\$ (4,780)	\$ 0	\$ (4,948)	\$ 0	\$ (9,728)	0	0.00	
Package 810: LFO Analyst Adjustments										
Personal Services	\$ 37,778	\$ 0	\$ (37,778)	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00	
Services & Supplies	\$ 15,793	\$ 0	\$ 55,305	\$ 0	\$ 33,928	\$ 0	\$ 105,026	0	0.00	
SCR 004 - Industries for the Blind										
Package 810: LFO Analyst Adjustments										
Personal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1	1.00	
SCR 005 - Orientation Center for the Blind										
Package 090: Analyst Adjustments										
Personal Services	\$ (71,406)	\$ 0	\$ 54,033	\$ 0	\$ (64,186)	\$ 0	\$ (81,559)	-1	-0.50	
Services & Supplies	\$ (21,181)	\$ 0	\$ 0	\$ 0	\$ (118,676)	\$ 0	\$ (139,857)	0	0.00	
Package 092: PERS Taxation Policy										
Personal Services	\$ (850)	\$ 0	\$ (200)	\$ 0	\$ (4,009)	\$ 0	\$ (5,059)	0	0.00	
Package 093: Other PERS Adjustments										
Personal Services	\$ (6,789)	\$ 0	\$ (1,594)	\$ 0	\$ (32,036)	\$ 0	\$ (40,419)	0	0.00	
Package 102 - Technology Instructors										
Personal Services	\$ 119,668	\$ 0	\$ 81,068	\$ 0	\$ 64,246	\$ 0	\$ 264,982	2	2.00	

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DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 71,406	\$ 0	\$ (54,033)	\$ 0	\$ 64,186	\$ 0	\$ 81,559	1	0.50
Services & Supplies	\$ 21,181	\$ 0	\$ 0	\$ 0	\$ 118,676	\$ 0	\$ 139,857	0	0.00
Special Payments 6085	\$ 0	\$ 0	\$ 101,451	\$ 0	\$ 0	\$ 0	\$ 101,451	0	0.00
TOTAL ADJUSTMENTS	\$ 89,735	\$ 0	\$ 169,050	\$ 0	\$ (116,226)	\$ 0	\$ 142,559	3	3.00
SUBCOMMITTEE RECOMMENDATION *	\$ 1,564,347	\$ 0	\$ 3,055,164	\$ 0	\$ 12,220,266	\$ 0	\$ 16,839,777	51	47.73
% Change from 2011-13 Leg Approved Budget	36.3%	0.0%	3.7%	0.0%	6.0%	0.0%	7.8%	6.3%	7.0%
% Change from 2013-15 Current Service Level	6.1%	0.0%	5.9%	0.0%	-0.9%	0.0%	0.9%	6.3%	6.7%

*Excludes Capital Construction Expenditures

Legislatively Approved 2013-2015 Key Performance Measures

Agency: BLIND, COMMISSION for the

Mission: To assist blind Oregonians in making informed choices and decisions to achieve full inclusion and integration in society through employment, independent living, and social self-sufficiency.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - EMPLOYMENT- Percentage of individuals who enter into individualized plans for employment in the vocational rehabilitation program who are successful in reaching their outcome.		Approved KPM	74.00	68.90	68.90
2 - INDEPENDENT LIVING- Percentage of older individuals who complete independent living services who self assess as having an increase in confidence, skills, and abilities.		Approved KPM	91.00	85.00	85.00
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Accuracy	Approved KPM	92.80	96.50	96.50
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Availability of Information	Approved KPM	95.70	96.50	96.50
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Approved KPM	94.20	96.50	96.50
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Helpfulness	Approved KPM	97.10	96.50	96.50
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Overall	Approved KPM	95.70	96.50	96.50

Agency: BLIND, COMMISSION for the

Mission: To assist blind Oregonians in making informed choices and decisions to achieve full inclusion and integration in society through employment, independent living, and social self-sufficiency.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Timeliness	Approved KPM	97.10	96.50	96.50
4 - BEST PRACTICES - Percent of total best practices met by the Commission.		Approved KPM	100.00	100.00	100.00

LFO Recommendation:

Approve the KPMs as proposed. Approve targets for 2014 and 2015 as shown.

Sub-Committee Action:

Approved the LFO recommendation.

HB 5003-1
(LC 9003)
5/31/13 (TR/ps)

**PROPOSED AMENDMENTS TO
HOUSE BILL 5003**

1 In line 6 of the printed bill, delete “\$1,064,346” and insert “\$1,564,347”.

2 In line 9, delete “\$3,077,800” and insert “\$3,055,164”.

3 In line 14, delete “\$10,685,997” and insert “\$12,220,266”.

4
