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# MEMORANDUM

Legislative Fiscal Office  
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**To:** Members of the Transportation and Economic Development  
Subcommittee

**From:** Michelle Deister, Legislative Fiscal Office  
(503) 986-1817

**Date:** June 6, 2013

**Subject:** Employment Department – HB 5009  
Work Session Recommendations

## Employment Department – Agency Totals

	2009-11 Actual	2011-13 Legislatively Approved	2013-15 Current Service Level	2013-15 LFO Recommended
General Fund	2,756,223	3,234,080	4,119,654	0
Other Funds	88,175,490	129,170,224	127,539,307	120,620,370
Federal Funds	322,105,147	303,447,537	279,109,814	159,045,097
Other Funds NL	2,415,086,782	2,077,281,096	1,648,948,096	1,648,948,096
Federal Funds NL	3,009,968,682	1,425,000,000	110,000,000	110,000,000
<b>Total Funds</b>	<b>\$5,838,092,334</b>	<b>\$3,938,132,937</b>	<b>\$2,169,716,871</b>	<b>\$2,038,613,563</b>
Positions	1,659	1549	1346	1334
FTE	1,608.46	1481.21	1306.70	1,279.37

Attached are the recommendations from the Legislative Fiscal Office for the Oregon Employment Department. It contains the following:

- Standard packages to achieve administrative savings and savings in PERS contributions related to SB 822;
- Limited duration positions to administer a federally approved extension – through December, 2013 of Emergency Unemployment Compensation for eligible claimants;
- Limited duration positions to continue efforts aimed at fraud detection and benefit payment control/overpayment recovery; and to provide intensive services related to the Federal Trade Act.
- Approval of positions delivering Reemployment Eligibility Assessment services to claimants.
- Reductions in expenditures in the Unemployment Insurance, Business and Employment Services, and Workforce and Economic Research divisions to align with anticipated revenue amounts;
- Continuation of limited duration positions providing employment placement

- research services on a fee-for-service basis;
- Additional expenditure limitation for UI Call Center phone system replacement and the Office of Administrative Hearings case management system;
- The transfer of the Child Care Division and associated support positions to the Early Learning Council of the Department of Education; and
- Technical adjustments to correct for a double count of the Trade Act extension, and to properly reflect expenditure categories of 2011-13 rebalance actions.

### **Adjustments to Current Service Level:**

See attached “Work Session Presentation Report” dated June 6, 2013.

### ***Accept LFO Recommendation***

*Move the LFO recommendation to HB 5009 .*

### **Performance Measures**

See attached “Legislatively Proposed 2013-15 Key Performance Measures” form. The Legislative Fiscal Office recommends the approval of performance targets as proposed, with the exception of KPM # 13, which is recommended for deletion due to the transfer of the Child Care division to another state agency.

### ***Accept LFO Recommendation***

*Move the LFO recommendation on Key Performance Measures*

### **Recommended Changes to Appropriation Bill:**

The Legislative Fiscal Office recommends a budget of \$120,620,370 Other Funds, \$159,045,097 Federal Funds, and 1,334 positions (1,279.37 FTE) and that House Bill 5009 be amended accordingly.

*Move to amend HB 5009 with the following changes:*

#### **Section 1**

***Line 14 – Delete [\$96,151,296] and insert \$94,070,764.***

***Line 16 – Delete [\$25,501,985] and insert \$26,040,985.***

#### **Section 4 (pg. 2)**

***Line 8 – Delete [\$156,568,665] and insert \$159,045,097.***

### **HB 5009 Final Subcommittee Action:**

#### ***Final Motion:***

*Move HB 5009 to the full committee with a “do pass” recommendation, as amended.*

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	<b>3,670,948</b>	-	<b>132,896,829</b>	<b>273,883,188</b>	<b>2,077,281,096</b>	<b>1,003,167,000</b>	<b>3,490,899,061</b>	<b>1,500</b>	<b>1,436.90</b>
2011-13 Ebds, SS & Admin Act	(436,868)	-	(3,726,605)	29,564,349	-	421,833,000	447,233,876	49	44.31
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	<b>3,234,080</b>	-	<b>129,170,224</b>	<b>303,447,537</b>	<b>2,077,281,096</b>	<b>1,425,000,000</b>	<b>3,938,132,937</b>	<b>1,549</b>	<b>1,481.21</b>
<b>2011-13 Leg Approved Budget (Base)</b>	<b>3,234,080</b>	-	<b>127,511,698</b>	<b>293,428,387</b>	<b>2,077,281,096</b>	<b>1,003,167,000</b>	<b>3,504,622,261</b>	<b>1,515</b>	<b>1,450.95</b>
Summary of Base Adjustments	726,987	-	2,110,967	(815,730)	(428,333,000)	(893,167,000)	(1,319,477,776)	(187)	(147.25)
<b>2013-15 Base Budget</b>	<b>3,961,067</b>	-	<b>129,622,665</b>	<b>292,612,657</b>	<b>1,648,948,096</b>	<b>110,000,000</b>	<b>2,185,144,485</b>	<b>1,328</b>	<b>1,303.70</b>
010: Non-PICS Pers Svc/Vacancy Factor	2,909	-	(137,685)	204,878	-	-	70,102	-	-
020: Phase In / Out Pgm & One-time Cost	150,000	-	(2,644,371)	(17,631,803)	-	-	(20,126,174)	20	5.00
030: Inflation & Price List Adjustments	5,678	-	698,698	4,203,278	-	-	4,907,654	-	-
040: Mandated Caseload	-	-	-	(279,196)	-	-	(279,196)	(2)	(2.00)
<b>2013-15 Current Service Level</b>	<b>4,119,654</b>	-	<b>127,539,307</b>	<b>279,109,814</b>	<b>1,648,948,096</b>	<b>110,000,000</b>	<b>2,169,716,871</b>	<b>1,346</b>	<b>1,306.70</b>
080: E-Boards	-	-	159,774	(3,012)	-	-	156,762	-	-
<b>Adjusted 2013-15 Current Service Level</b>	<b>4,119,654</b>	-	<b>127,699,081</b>	<b>279,106,802</b>	<b>1,648,948,096</b>	<b>110,000,000</b>	<b>2,169,873,633</b>	<b>1,346</b>	<b>1,306.70</b>
<b>Total LFO Recommended Packages</b>	<b>(4,119,654)</b>	-	<b>(7,078,711)</b>	<b>(120,061,705)</b>	-	-	<b>(131,260,070)</b>	<b>(12)</b>	<b>(27.33)</b>
<b>2013-15 Legislative Actions</b>	-	-	<b>120,620,370</b>	<b>159,045,097</b>	<b>1,648,948,096</b>	<b>110,000,000</b>	<b>2,038,613,563</b>	<b>1,334</b>	<b>1,279.37</b>
Net change from 2011-13 Leg Approved Budget	(3,234,080)	-	(8,549,854)	(144,402,440)	(428,333,000)	(1,315,000,000)	(1,899,519,374)	(215)	(201.84)
Percent change from 2011-13 Leg Approved Budget	(100.0%)	0.0%	(6.6%)	(47.6%)	(20.6%)	(92.3%)	(48.2%)	(13.9%)	(13.6%)
Net change from 2013-15 Current Service Level	(4,119,654)	-	(7,078,711)	(120,061,705)	-	-	(131,260,070)	(12)	(27.33)
Percent change from 2013-15 Current Service Level	(100.0%)	0.0%	(5.5%)	(43.0%)	0.0%	0.0%	(6.0%)	(0.9%)	(2.1%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	-	-	<b>22,634,632</b>	<b>111,266,399</b>	-	-	<b>133,901,031</b>	<b>721</b>	<b>666.64</b>
2011-13 Ebds, SS & Admin Act	-	-	(9,000,000)	19,637,114	-	-	10,637,114	32	35.00
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	-	-	<b>13,634,632</b>	<b>130,903,513</b>	-	-	<b>144,538,145</b>	<b>753</b>	<b>701.64</b>
<b>2011-13 Leg Approved Budget (Base)</b>	-	-	<b>13,634,632</b>	<b>122,411,598</b>	-	-	<b>136,046,230</b>	<b>721</b>	<b>671.64</b>
Summary of Base Adjustments	-	-	(503,448)	(1,733,038)	-	-	(2,236,486)	(124)	(91.40)
<b>2013-15 Base Budget</b>	-	-	<b>13,131,184</b>	<b>120,678,560</b>	-	-	<b>133,809,744</b>	<b>597</b>	<b>580.24</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(176,088)	243,516	-	-	67,428	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(115,200)	(5,421,832)	-	-	(5,537,032)	-	-
030: Inflation & Price List Adjustments	-	-	38,219	1,201,959	-	-	1,240,178	-	-
040: Mandated Caseload	-	-	-	(279,196)	-	-	(279,196)	(2)	(2.00)
<b>2013-15 Current Service Level</b>	-	-	<b>12,878,115</b>	<b>116,423,007</b>	-	-	<b>129,301,122</b>	<b>595</b>	<b>578.24</b>
080: E-Boards	-	-	(25,515)	(3,012)	-	-	(28,527)	-	-
<b>Adjusted 2013-15 Current Service Level</b>	-	-	<b>12,852,600</b>	<b>116,419,995</b>	-	-	<b>129,272,595</b>	<b>595</b>	<b>578.24</b>
<b>Total LFO Recommended Packages</b>	-	-	<b>(406,760)</b>	<b>7,413,477</b>	-	-	<b>7,006,717</b>	<b>86</b>	<b>47.29</b>
<b>2013-15 Legislative Actions</b>	-	-	<b>12,445,840</b>	<b>123,833,472</b>	-	-	<b>136,279,312</b>	<b>681</b>	<b>625.53</b>
Net change from 2011-13 Leg Approved Budget	-	-	(1,188,792)	(7,070,041)	-	-	(8,258,833)	(72)	(76.11)
Percent change from 2011-13 Leg Approved Budget	0.0%	0.0%	(8.7%)	(5.4%)	0.0%	0.0%	(5.7%)	(9.6%)	(10.8%)
Net change from 2013-15 Current Service Level	-	-	(406,760)	7,413,477	-	-	7,006,717	86	47.29
Percent change from 2013-15 Current Service Level	0.0%	0.0%	(3.2%)	6.4%	0.0%	0.0%	5.4%	14.5%	8.2%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 081 May 2012 E-Board**

Package Description This package obviates "general" reductions taken as part of the 2011-13 budget rebalance actions; specific adjustments to meet amounts approved by the February 2012 legislature were included in the agency's base budget.

LFO Recommendation Approve.

LFO Analyst Notes The accounting actions replaced "unspecified S&S" reductions with specific line item reductions. The "Unspecified" amount had to be zeroed out with a corresponding positive entry, while the specific reductions were shown in line items in the budget system. Employment initially took all of the "unspecified" reductions in B&ES. This package more evenly distributes reductions across divisions.

<b>LFO Recommended</b>	-	-	(25,515)	(3,012)	-	-	(28,527)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	(74,946)	(688,459)	-	-	(763,405)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 092 PERS Taxation Policy**

Package Description This package 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%.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	(31,747)	(212,687)	-	-	(244,434)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 093 Other PERS Adjustments**

Package Description This package 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%.

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%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve.

LFO Recommended	-	-	(253,670)	(1,699,472)	-	-	(1,953,142)	-	-
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	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
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**Package 104 Benefit Payment Control Staff**

Package Description This package provides expenditure limitation and position authority to continue 12.00 FTE dedicated to fraud detection and overpayment recovery. For the 2011-13 biennium, these positions provided additional resources to detect overpayments and implement long-term process improvements to make our overpayment prevention and recovery efforts more efficient, resulting in an increase of approximately \$12.4 million in overpayment recovery during the course of the 2011-13 biennium.

LFO Recommendation The Legislative Fiscal Office recommends that the positions be approved as limited duration for the 2013-15 biennium.

<b>LFO Recommended</b>	-	-	<b>1,532,141</b>	<b>288,000</b>	-	-	<b>1,820,141</b>	<b>12</b>	<b>12.00</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 111 Re-employment and Eligibility Assessment**

Package Description Throughout the 2011-13 biennium, the Employment Department received a series of Reemployment Eligibility Assessment grant funds from the Department of Labor. The purpose of the grant is to evaluate a UI claimant's eligibility, work search efforts, and skills to provide targeted job search and reemployment assistance, with the goal of moving the claimant from UI benefits to employment sooner (and therefore sparing the UI trust fund additional weeks of claims). The Employment Department's program began as a pilot project and has since received funding to provide intensive services state-wide, reducing the average length of a claim by one week. The Employment Department anticipates that funding for this activity will be ongoing and has requested that associated positions be permanent. The package includes federal funds expenditure limitation for 29 Business and Employment Specialist 2 positions/29.00 FTE.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	-	<b>4,282,303</b>	-	-	<b>4,282,303</b>	<b>29</b>	<b>29.00</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 113 Revenue Realignment**

Package Description Revenue Realignment for the UI division was not anticipated when the Governor's budget was developed. As a result of a reduction in total UI claims and a related but accelerated decrease in Federal Funds reimbursement for UI administrative activities, the Unemployment Insurance Division must reduce its operating costs to align with available revenue. Reductions include consolidation of three call centers into two, and reductions in support, audit and administrative functions. These reductions will be phased in over the course of the biennium, allowing many of the position reductions to occur through attrition. Additional reductions are anticipated for the 2015-17 biennium.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	(1,578,538)	(1,260,777)	-	-	(2,839,315)	(38)	(13.34)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 401 Transfer Child Care Division to Early Learning Council**

Package Description This package transfers one Information Specialist 6 position dedicated to child care information system development and maintenance to the Early Learning Council.

LFO Recommendation Approve.

LFO Analyst Notes position no. 00002800

<b>LFO Recommended</b>	-	-	-	(221,777)	-	-	(221,777)	(1)	(1.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 811 EUC Extension**

Package Description This package is associated with federal action that extended Emergency Unemployment Compensation through December, 2013. The package adds limited duration positions and staffing to administer the extension for a period of six months, until the federal extension expires. HB 5052 provided for the limitation and positions for this issue for the current (2011-13) biennium.

LFO Recommendation Approve.

LFO Analyst Notes 39 positions 9.75 FTE = EUC Workload;  
24 positions 6.00 FTE = Reemployment Eligibility Assessment  
3 positions 0.75 FTE = EUC Worksearch  
17 positions 3.38 FTE = UI Integrity

<b>LFO Recommended</b>	-	-	-	4,332,169	-	-	4,332,169	83	19.88
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 812 Information Technology**

Package Description This package provides expenditure limitation to replace telephone systems associated with the UI call center that have reached the end of their useful and supported life cycle, and enhanced predictive dialing capabilities. The package includes one project manager position for a period of 18 months. Source of funding is Federal UI administrative funding. The Department of Administrative Service Chief Information Officer has also reviewed and approved this project.

LFO Recommendation Approve.

LFO Recommended	-	-	-	2,594,177	-	-	2,594,177	1	0.75
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	-	-	73,720,432	27,755,497	-	-	101,475,929	513	510.96
2011-13 Ebds, SS & Admin Act	-	-	1,143,072	1,200,000	-	-	2,343,072	6	3.38
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	-	-	74,863,504	28,955,497	-	-	103,819,001	519	514.34
<b>2011-13 Leg Approved Budget (Base)</b>	-	-	74,863,504	28,955,497	-	-	103,819,001	519	514.34
Summary of Base Adjustments	-	-	1,651,220	(254,378)	-	-	1,396,842	(43)	(40.38)
<b>2013-15 Base Budget</b>	-	-	76,514,724	28,701,119	-	-	105,215,843	476	473.96
010: Non-PICS Pers Svc/Vacancy Factor	-	-	46,970	(42,259)	-	-	4,711	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(507,575)	(711,203)	-	-	(1,218,778)	20	5.00
030: Inflation & Price List Adjustments	-	-	453,520	126,732	-	-	580,252	-	-
<b>2013-15 Current Service Level</b>	-	-	76,507,639	28,074,389	-	-	104,582,028	496	478.96
080: E-Boards	-	-	216,797	-	-	-	216,797	-	-
<b>Adjusted 2013-15 Current Service Level</b>	-	-	76,724,436	28,074,389	-	-	104,798,825	496	478.96
<b>Total LFO Recommended Packages</b>	-	-	(3,026,875)	360,516	-	-	(2,666,359)	(23)	(1.75)
<b>2013-15 Legislative Actions</b>	-	-	73,697,561	28,434,905	-	-	102,132,466	473	477.21
Net change from 2011-13 Leg Approved Budget	-	-	(1,165,943)	(520,592)	-	-	(1,686,535)	(46)	(37.13)
Percent change from 2011-13 Leg Approved Budget	0.0%	0.0%	(1.6%)	(1.8%)	0.0%	0.0%	(1.6%)	(8.9%)	(7.2%)
Net change from 2013-15 Current Service Level	-	-	(3,026,875)	360,516	-	-	(2,666,359)	(23)	(1.75)
Percent change from 2013-15 Current Service Level	0.0%	0.0%	(3.9%)	1.3%	0.0%	0.0%	(2.5%)	(4.6%)	(0.4%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 081 May 2012 E-Board**

Package Description This package obviates "general" reductions taken as part of the 2011-13 budget rebalance actions; specific adjustments to meet amounts approved by the February 2012 legislature were included in the agency's base budget.

LFO Recommendation Approve.

LFO Analyst Notes The accounting actions replaced "unspecified S&S" reductions with specific line item reductions. The "Unspecified" amount had to be zeroed out with a corresponding positive entry, while the specific reductions were shown in line items in the budget system. Employment initially took all of the "unspecified" reductions in B&ES. This package more evenly distributes reductions across divisions.

<b>LFO Recommended</b>	-	-	<b>216,797</b>	-	-	-	<b>216,797</b>	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation

LFO Recommended	-	-	(443,957)	(163,364)	-	-	(607,321)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 092 PERS Taxation Policy**

Package Description This package 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%.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	(137,090)	(62,097)	-	-	(199,187)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 093 Other PERS Adjustments**

Package Description This package 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%.

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%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	(1,095,411)	(496,187)	-	-	(1,591,598)	-	-
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	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
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**Package 102 Trade Act Reauthorization**

Package Description Package 102 provides expenditure limitation and position authority to implement the federal extension of the Trade Act. The Trade Act provides funding for extensive job search and training for workers who lose jobs due to international trade competition. Since 2011, the requirements for more intensive services for this population have increased significantly. One-on-one case management services are required for every program enrollee, with more frequent interfaces for those in training programs. The agency requested 24 permanent staff to meet what is assumed to be an ongoing, long-term work load (due to the number of months that trade act participants remain eligible for training and services) and 12 limited duration positions for the 2013-15 biennium, based on estimates of time spent on each enrollee. The federal trade act provides funding based on a formula to support the administration of this program.

LFO Recommendation The Legislative Fiscal Office recommends that the positions be approved as limited duration for the 2013-15 biennium.

<b>LFO Recommended</b>	-	-	-	<b>4,049,524</b>	-	-	<b>4,049,524</b>	<b>24</b>	<b>24.00</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 109 B & ES Contracted Services**

Package Description Since 1997-99, the Legislature has approved limited duration positions to provide job placement services under contract, on a fee for service basis. This arrangement enables the Department to respond to requests from state agencies to provide job placement services for clients. Client agencies include Vocational Rehabilitation, Corrections, and the Department of Human Services. The Employment Department is requesting approval for 23 limited duration Business and Employment Specialist 2 positions, which will only be filled if placement requests are sufficient to do so.

LFO Recommendation Approve as modified: the Legislative Fiscal Office recommendation reflects expenditure limitation and position authority for 22 limited duration positions.

LFO Analyst Notes Removed position no. 1310923.

<b>LFO Recommended</b>	-	-	3,137,022	-	-	-	3,137,022	22	22.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 113 Revenue Realignment**

Package Description The Business and Employment Services Division is funded through Other Funds (primarily a surcharge on employer payroll taxes of 0.09% to support these services) and Federal Funds, from the Wagner-Peyser act and Unemployment Insurance administrative grants for some positions. Slow payroll growth has impacted the amount of payroll tax surcharge, Federal Fund support has not kept up with inflationary costs, and federal Reed Act balances are declining due to utilization to support department expenditures. These circumstances require the Business and Employment Services division to reduce operating costs to align with anticipated available revenue. The Employment Department proposes to accomplish this by consolidating smaller or remote field offices with those in neighboring communities; and staff reductions in field offices and in the Salem central office. The reductions will be phased in over the course of the 2013-15 biennium, allowing many of the position reductions to occur through attrition. Further reductions are anticipated for the 2015-17 biennium.

LFO Recommendation Approve.

LFO Analyst Notes The Employment Department's final reduction plan restores the following positions that were included for elimination in the original plan: 0000067; 0000153; 0000245;0000450; 0003359; 0004328;. Position numbers that will be eliminated include: 0001269; 0002001; 0002220; 0002268; 0002806; 0002997;. Where necessary, these positions may include fund shifts so that the overall limitation approved by fund type in this recommendation remains unchanged.

<b>LFO Recommended</b>	-	-	(3,641,642)	(2,337,979)	-	-	(5,979,621)	(48)	(39.50)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 401 Transfer Child Care Division to Early Learning Council**

Package Description Eliminates four positions to reflect central administrative support for the Child Care Division.

LFO Recommendation Approve.

LFO Analyst Notes Positions to be eliminated include an Information Systems Specialist 5, and an Information Systems Spec. 7 (pos. no. 00003252). Reductions should be accomplished with minimal reconciliation.

<b>LFO Recommended</b>	-	-	(845,797)	-	-	-	(845,797)	(4)	(4.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 810 LFO Analyst Adjustments

Package Description This package adjusts for a double-counting of the federal Trade Act extension that was accidentally included in the Governor's budget.

LFO Recommendation Approve.

LFO Recommended	-	-	-	(629,381)	-	-	(629,381)	(17)	(4.25)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	<b>3,670,948</b>	-	<b>2,930,056</b>	<b>128,161,683</b>	-	-	<b>134,762,687</b>	<b>77</b>	<b>73.00</b>
2011-13 Ebds, SS & Admin Act	(436,868)	-	1,658,526	8,727,235	-	-	9,948,893	3	0.93
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	<b>3,234,080</b>	-	<b>4,588,582</b>	<b>136,888,918</b>	-	-	<b>144,711,580</b>	<b>80</b>	<b>73.93</b>
<b>2011-13 Leg Approved Budget (Base)</b>	<b>3,234,080</b>	-	<b>2,930,056</b>	<b>135,361,683</b>	-	-	<b>141,525,819</b>	<b>78</b>	<b>73.67</b>
Summary of Base Adjustments	726,987	-	113,465	608,770	-	-	1,449,222	-	0.33
<b>2013-15 Base Budget</b>	<b>3,961,067</b>	-	<b>3,043,521</b>	<b>135,970,453</b>	-	-	<b>142,975,041</b>	<b>78</b>	<b>74.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	2,909	-	1,996	894	-	-	5,799	-	-
020: Phase In / Out Pgm & One-time Cost	150,000	-	-	(11,158,768)	-	-	(11,008,768)	-	-
030: Inflation & Price List Adjustments	5,678	-	44,063	2,849,400	-	-	2,899,141	-	-
<b>2013-15 Current Service Level</b>	<b>4,119,654</b>	-	<b>3,089,580</b>	<b>127,661,979</b>	-	-	<b>134,871,213</b>	<b>78</b>	<b>74.00</b>
<b>Adjusted 2013-15 Current Service Level</b>	<b>4,119,654</b>	-	<b>3,089,580</b>	<b>127,661,979</b>	-	-	<b>134,871,213</b>	<b>78</b>	<b>74.00</b>
<b>Total LFO Recommended Packages</b>	<b>(4,119,654)</b>	-	<b>(3,089,580)</b>	<b>(127,661,979)</b>	-	-	<b>(134,871,213)</b>	<b>(78)</b>	<b>(74.00)</b>
<b>2013-15 Legislative Actions</b>	-	-	-	-	-	-	-	-	-
Net change from 2011-13 Leg Approved Budget	(3,234,080)	-	(4,588,582)	(136,888,918)	-	-	(144,711,580)	(80)	(73.93)
Percent change from 2011-13 Leg Approved Budget	(100.0%)	0.0%	(100.0%)	(100.0%)	0.0%	0.0%	(100.0%)	(100.0%)	(100.0%)
Net change from 2013-15 Current Service Level	(4,119,654)	-	(3,089,580)	(127,661,979)	-	-	(134,871,213)	(78)	(74.00)
Percent change from 2013-15 Current Service Level	(100.0%)	0.0%	(100.0%)	(100.0%)	0.0%	0.0%	(100.0%)	(100.0%)	(100.0%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve.

LFO Recommended	(17,071)	-	(9,112)	(65,701)	-	-	(91,884)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 092 PERS Taxation Policy**

Package Description This package 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%.

LFO Recommendation Approve.

LFO Recommended	(8,533)	-	(2,630)	(20,446)	-	-	(31,609)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 093 Other PERS Adjustments**

Package Description This package 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%.

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%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation This package 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%.

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%. However, no employer rate is reduced below its 2011-13 biennium rate.

<b>LFO Recommended</b>	<b>(68,180)</b>	<b>-</b>	<b>(21,014)</b>	<b>(163,375)</b>	<b>-</b>	<b>-</b>	<b>(252,569)</b>	<b>-</b>	<b>-</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 101 TQRIS**

Package Description Package 101 provides for expenditure limitation and position authority needed to implement the Tiered Quality Rating and Improvement System for child care, pursuant to a Race to the Top grant received during the 2011-13 biennium.

LFO Recommendation Approve.

LFO Recommended	-	-	-	2,798,959	-	-	2,798,959	2	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 401 Transfer Child Care Division to Early Learning Council**

Package Description All revenues, expenditures, positions, and FTE are eliminated as the Child Care Division is shifted to the Early Learning Council. The package has been adjusted for final 2013-15 PERS rates.

LFO Recommendation Approve.

LFO Analyst Notes LFO adjusted this package to account for the denial of Package 081 in the Child Care division.

<b>LFO Recommended</b>	<b>(4,025,870)</b>	<b>-</b>	<b>(3,056,824)</b>	<b>(130,211,416)</b>	<b>-</b>	<b>-</b>	<b>(137,294,110)</b>	<b>(80)</b>	<b>(76.00)</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	-	-	25,063,841	-	-	-	25,063,841	120	117.80
2011-13 Ebds, SS & Admin Act	-	-	2,471,797	-	-	-	2,471,797	8	5.00
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	-	-	27,535,638	-	-	-	27,535,638	128	122.80
<b>2011-13 Leg Approved Budget (Base)</b>	-	-	27,535,638	-	-	-	27,535,638	128	122.80
Summary of Base Adjustments	-	-	425,672	-	-	-	425,672	(17)	(12.80)
<b>2013-15 Base Budget</b>	-	-	27,961,310	-	-	-	27,961,310	111	110.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(24,714)	-	-	-	(24,714)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(1,861,496)	-	-	-	(1,861,496)	-	-
030: Inflation & Price List Adjustments	-	-	114,560	-	-	-	114,560	-	-
<b>2013-15 Current Service Level</b>	-	-	26,189,660	-	-	-	26,189,660	111	110.00
080: E-Boards	-	-	(31,508)	-	-	-	(31,508)	-	-
<b>Adjusted 2013-15 Current Service Level</b>	-	-	26,158,152	-	-	-	26,158,152	111	110.00
<b>Total LFO Recommended Packages</b>	-	-	(117,167)	-	-	-	(117,167)	3	1.13
<b>2013-15 Legislative Actions</b>	-	-	26,040,985	-	-	-	26,040,985	114	111.13
Net change from 2011-13 Leg Approved Budget	-	-	(1,494,653)	-	-	-	(1,494,653)	(14)	(11.67)
Percent change from 2011-13 Leg Approved Budget	0.0%	0.0%	(5.4%)	0.0%	0.0%	0.0%	(5.4%)	(10.9%)	(9.5%)
Net change from 2013-15 Current Service Level	-	-	(117,167)	-	-	-	(117,167)	3	1.13
Percent change from 2013-15 Current Service Level	0.0%	0.0%	(0.4%)	0.0%	0.0%	0.0%	(0.4%)	2.7%	1.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 081 May 2012 E-Board**

Package Description This package obviates "general" reductions taken as part of the 2011-13 budget rebalance actions; specific adjustments to meet amounts approved by the February 2012 legislature were included in the agency's base budget.

LFO Recommendation Approve.

LFO Analyst Notes The accounting actions replaced "unspecified S&S" reductions with specific line item reductions. The "Unspecified" amount had to be zeroed out with a corresponding positive entry, while the specific reductions were shown in line items in the budget system. Employment initially took all of the "unspecified" reductions in B&ES. This package more evenly distributes reductions across divisions.

<b>LFO Recommended</b>	-	-	(31,508)	-	-	-	(31,508)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve.

LFO Recommended	-	-	(152,394)	-	-	-	(152,394)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 092 PERS Taxation Policy**

Package Description This package 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%.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	(56,034)	-	-	-	(56,034)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 093 Other PERS Adjustments**

Package Description This package 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%.

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%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve.

LFO Recommended	-	-	(447,739)	-	-	-	(447,739)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 811 EUC Extension**

Package Description This package provides limited duration position and authority and expenditure limitation to the Office of Administrative Hearings for expected increases in UI appeals related to federal action which extended Emergency Unemployment Compensation through December 2013.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	221,000	-	-	-	221,000	3	1.13
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 812 Information Technology**

Package Description This package provides Other Funds expenditure limitation for the remains of (mostly completed) Phase I of the Office of Administrative Hearings case management system replacement project. The project moves agency files off of the various databases and tracking software that came to the Office of Administrative Hearings from agencies of origin, and onto a single, consolidated system. When completed, the project's goal is to provide OAH with an integrated comprehensive case management functionality that will improve services to OAH clients and provide efficiencies within the Office. The expenditure limitaton is for expenses expected to be billed in the early part of the biennium.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	<b>318,000</b>	-	-	-	<b>318,000</b>	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	-	-	8,547,868	6,699,609	-	-	15,247,477	69	68.50
2011-13 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	-	-	8,547,868	6,699,609	-	-	15,247,477	69	68.50
<b>2011-13 Leg Approved Budget (Base)</b>	-	-	8,547,868	6,699,609	-	-	15,247,477	69	68.50
Summary of Base Adjustments	-	-	424,058	562,916	-	-	986,974	(3)	(3.00)
<b>2013-15 Base Budget</b>	-	-	8,971,926	7,262,525	-	-	16,234,451	66	65.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	14,151	2,727	-	-	16,878	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(160,100)	(340,000)	-	-	(500,100)	-	-
030: Inflation & Price List Adjustments	-	-	48,336	25,187	-	-	73,523	-	-
<b>2013-15 Current Service Level</b>	-	-	8,874,313	6,950,439	-	-	15,824,752	66	65.50
<b>Adjusted 2013-15 Current Service Level</b>	-	-	8,874,313	6,950,439	-	-	15,824,752	66	65.50
<b>Total LFO Recommended Packages</b>	-	-	(438,329)	(173,719)	-	-	(612,048)	-	-
<b>2013-15 Legislative Actions</b>	-	-	8,435,984	6,776,720	-	-	15,212,704	66	65.50
Net change from 2011-13 Leg Approved Budget	-	-	(111,884)	77,111	-	-	(34,773)	(3)	(3.00)
Percent change from 2011-13 Leg Approved Budget	0.0%	0.0%	(1.3%)	1.2%	0.0%	0.0%	(0.2%)	(4.3%)	(4.4%)
Net change from 2013-15 Current Service Level	-	-	(438,329)	(173,719)	-	-	(612,048)	-	-
Percent change from 2013-15 Current Service Level	0.0%	0.0%	(4.9%)	(2.5%)	0.0%	0.0%	(3.9%)	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	(51,625)	(40,443)	-	-	(92,068)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 092 PERS Taxation Policy**

Package Description This package 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%.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	(18,367)	(14,824)	-	-	(33,191)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 093 Other PERS Adjustments**

Package Description This package 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%.

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%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	(146,763)	(118,452)	-	-	(265,215)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 110 Research Contracted Services**

Package Description This package provides expenditure limitation and position authority for the Workforce and Economic Research Division to conduct specialized research and economic analysis on behalf of requesting businesses on a fee for service basis. Positions would only be filled if relevant specific projects are identified and specific funding is provided by the requesting entity.

LFO Recommendation The Legislative Fiscal Office recommends approval of two limited duration positions.

LFO Analyst Notes Removed position no. 1311001.

<b>LFO Recommended</b>	-	-	373,048	-	-	-	373,048	2	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 113 Revenue Realignment**

Package Description Funding for basic foundational labor statistics and attendant analysis comes from the U.S. Department of Labor, Bureau of Labor Statistics. This funding is anticipated to be at least flat, if not declining in coming years. Special Employment Department Administrative Funds have funded more in-depth analysis, but this source of funding will be lower than projected due to slow economic recovery. The division must therefore align its expenditures with declining federal and SEDAF revenue. This is accomplished by eliminating a total of 5 permanent positions over the course of the 2013-15 biennium, two of which are included in the LFO recommendation. The other three positions are assumed to be reduced through attrition.

LFO Recommendation Approve. The Legislative Fiscal Office recommends that \$500,000 in Other Funds personal services expenditure limitation associated with savings from the three remaining three position reductions be unscheduled by the Department of Administrative Services.

LFO Analyst Notes Pkg 113 Research: The Employment Department's final reduction plan restores the following positions that were included for elimination in the original plan: 0000064; 0000391. Position numbers that will be eliminated include: 0000399; 0002805. Where necessary, these positions may include fund shifts so that the overall limitation approved by fund type in this recommendation remains unchanged.

<b>LFO Recommended</b>	-	-	(594,622)	-	-	-	(594,622)	(2)	(2.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	-	-	-	-	2,077,281,096	1,003,167,000	3,080,448,096	-	-
2011-13 Ebds, SS & Admin Act	-	-	-	-	-	421,833,000	421,833,000	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	-	-	-	-	2,077,281,096	1,425,000,000	3,502,281,096	-	-
<b>2011-13 Leg Approved Budget (Base)</b>	-	-	-	-	2,077,281,096	1,003,167,000	3,080,448,096	-	-
Summary of Base Adjustments	-	-	-	-	(428,333,000)	(893,167,000)	(1,321,500,000)	-	-
<b>2013-15 Base Budget</b>	-	-	-	-	1,648,948,096	110,000,000	1,758,948,096	-	-
<b>2013-15 Current Service Level</b>	-	-	-	-	1,648,948,096	110,000,000	1,758,948,096	-	-
<b>Adjusted 2013-15 Current Service Level</b>	-	-	-	-	1,648,948,096	110,000,000	1,758,948,096	-	-
<b>2013-15 Legislative Actions</b>	-	-	-	-	1,648,948,096	110,000,000	1,758,948,096	-	-
Net change from 2011-13 Leg Approved Budget	-	-	-	-	(428,333,000)	(1,315,000,000)	(1,743,333,000)	-	-
Percent change from 2011-13 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	(20.6%)	(92.3%)	(49.8%)	0.0%	0.0%
Net change from 2013-15 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2013-15 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## Legislatively Proposed 2013-2015 Key Performance Measures

**Agency: EMPLOYMENT DEPARTMENT**

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

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - ENTERED EMPLOYMENT - % of job seekers who got a job with a new employer after registering with the Employment Department.		Approved KPM	49.00	57.00	57.00
2 - EMPLOYMENT RETENTION - % of Job Seekers who were in employment two quarters after registering with the Employment Department.		Approved KPM	81.00	80.00	80.00
3 - COST PER PLACEMENT– total cost of B&ES programs divided by the total number of job seekers entered into employment after receiving services.		Approved KPM	248.00	200.00	200.00
4 - FIRST PAYMENT TIMELINESS – % of initial unemployment insurance payments made within 21 days of eligibility.		Approved KPM	95.20	95.00	95.00
5 - NON-MONETARY DETERMINATIONS TIMELINESS – % of claims that are adjudicated within 21 days of issue detection		Approved KPM	82.10	80.00	80.00
6 - COST PER CLAIM – total cost of UI programs divided by the total number of initial claims for UI benefits filed.		Approved KPM	176.00	160.00	160.00
7 - UNEMPLOYMENT INSURANCE APPEALS TIMELINESS – % of cases requesting a hearing that are heard or are otherwise resolved within 30 days of the date of request.		Approved KPM	45.80	60.00	60.00
8 - NON-UNEMPLOYMENT INSURANCE APPEALS TIMELINESS - Percentage of orders issued within the standards established by the user agencies.		Approved KPM	92.51	93.00	93.00
9 - AVERAGE DAYS TO ISSUE AN ORDER - Average number of days to issue an order following the close of record.		Approved KPM	5.94	6.60	6.60
10 - COST PER REFERRAL TO OAH – total cost of OAH programs divided by the total number of referrals.		Approved KPM	315.00	440.00	454.00

**Agency: EMPLOYMENT DEPARTMENT**

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

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
11 - HIGHER AUTHORITY APPEALS TIMELINESS – % of cases requesting an appeal that receive a decision within 45 days of the date of request.		Approved KPM	71.00	75.00	75.00
12 - TIMELINESS OF NEW STATUS DETERMINATIONS - % of new status determinations completed within 90 days of the end of the liable quarter.		Approved KPM	78.60	80.00	80.00
13 - CHILD CARE HEALTH & SAFETY REVIEWS – % of family child care facilities required to have health & safety onsite reviews that were reviewed by Child Care Division.		Approved KPM	100.00	100.00	100.00
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	86.90	95.50	95.50
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	85.70	95.50	95.50
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	87.80	95.50	95.50
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	89.30	95.50	95.50
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	86.80	95.50	95.50
14 - CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	87.70	95.50	95.50

**LFO Recommendation:**

The Legislative Fiscal Office recommends the approval of performance targets as proposed, with the exception of KPM # 13, which is recommended for deletion due to the transfer of the Child Care division to another state agency.

**Sub-Committee Action:**