

HB 5002

Department of Administrative Services

House Bill 5002 is the budget bill for the Department of Administrative Services. The department supports other state agencies by delivering centralized services; which include motor pool, information technology support and oversight, statewide accounting, risk insurance, facilities management, and procurement. The Department also provides management oversight and policy direction to state agencies on operations, finance, human resources and information technology.

The budget for the department totals \$954 million dollars and 790 positions, which is 12% below the 2011-13 legislatively approved budget due largely to reductions in debt service needs. The budget adds \$1.3 million dollars General Fund, on a one-time basis, to maintain the State Hospital North Campus property while it is prepared for sale.

Other Funds reductions included \$8.1 million from the agency's reduction options list, \$3.5 million from terminating the new procurement system contract, and \$10 million in assumed efficiencies in HR, IT, finance, payroll, and procurement functions. In addition, revenue from rates and assessments was reduced \$13.7 million to avoid accumulating higher than needed fund balances. Expenditures for associated assessments and rates in other state agency budgets will be reduced to reflect the lower expenditures and revenue levels.

Your General Government Subcommittee recommends HB 5002 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 5002-A

Carrier – House: Rep. Smith

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: Blake Johnson, Department of Administrative Services

Reviewed By: Paul Siebert, Legislative Fiscal Office

Meeting Date: June 19, 2013

Agency

Department of Administrative Services

Biennium

2013-15

2011-13

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	\$ 2,147,059	\$ 281,066	\$ 2,790,481	\$ 643,422	30.0%
General Fund Debt Service	\$ 6,813,955	\$ 6,815,736	\$ 6,815,736	\$ 1,781	0.0%
Lottery Funds	\$ 3,576,453	\$ 3,576,453	\$ 3,648,000	\$ 71,547	2.0%
Lottery Funds Debt Service	\$ 8,497,075	\$ 8,970,125	\$ 8,892,390	\$ 395,315	4.7%
Other Funds	\$ 407,540,901	\$ 416,492,737	\$ 408,307,479	\$ 766,578	0.2%
Other Funds Capital Improvements	\$ 4,681,401	\$ 5,992,008	\$ 5,992,008	\$ 1,310,607	28.0%
Other Funds Debt Service	\$ 482,245,266	\$ 394,246,923	\$ 394,684,347	\$ (87,560,919)	-18.2%
Other Funds Debt Service Nonlimited	\$ 35,066,756	\$ 0	\$ 0	\$ (35,066,756)	-100.0%
Other Funds Nonlimited	\$ 122,776,980	\$ 122,552,277	\$ 122,552,277	\$ (224,703)	-0.2%
Federal Funds Debt Service Nonlimited	\$ 1	\$ 0	\$ 0	\$ (1)	-100.0%
Total	\$ 1,073,345,847	\$ 958,927,325	\$ 953,682,718	\$ (119,663,129)	-11.1%

Position Summary

Authorized Positions	773	764	790	17
Full-time Equivalent (FTE) positions	769.67	760.92	784.68	15.01

⁽¹⁾ Includes adjustments through December 2012

* Excludes Capital Construction expenditures

2011-2013 Budget Actions

	2011-13 Legislatively Approved Budget ⁽¹⁾	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved		
			\$ Change	% Change	
Other Funds	\$ 407,540,901	\$ 0	\$ 405,852,436	\$ (1,688,465)	-0.4%

Summary of Revenue Changes

The Department of Administrative Services' (DAS) Other Funds operating revenue comes primarily through two sources: fees billed to state agencies for direct services and assessments to state agencies for indirect services. Fees for services are billed to agencies based on usage.

Assessments are generally calculated based on budgeted full-time equivalent (FTE) positions and recovered through the State Government Service Charges line item in agency budgets. Examples of services covered by assessments include those provided by the Chief Operating Office, Chief Financial Office, and Chief Human Resources Office. In addition, agencies benefiting from appropriation and pension obligation bonds are assessed their share of debt service and debt management costs. DAS will need to reconcile revenue accounts to align with expenditure changes and fund balance usage that are expected to reduce state agency costs through lowering assessments and service charges paid by state agencies. The Department may also need to update budget unit beginning balances due to an extensive agency reorganization undertaken midway through the 2011-13 biennium.

Summary of General Government Subcommittee Action

DAS provides management oversight and technical and administrative support to state government. As the central administrative arm of state government, DAS has three primary roles: to help the Governor and Legislature make and implement policy and financial decisions; to make state government accountable by creating and maintaining a consistent management framework; and to provide a strong, stable infrastructure by delivering to state agencies those support services that can most effectively and efficiently be provided centrally.

The Subcommittee approved a budget of \$953,682,718 total funds and 790 positions (784.68 FTE) for DAS. This is a decrease of \$120 million total funds or 11.1 percent below the agency's 2011-13 Legislatively Approved Budget.

The budget includes approval of the following three packages across most budget units. Two are statewide PERS reduction packages and the other corrects a mistake in the statewide Price List of Goods and Services relating to Secretary of State assessments.

Package 092 – PERS Taxation Policy. This package reflects the policy change in Senate Bill 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. This package reflects the policy change in Senate Bill 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 Senate Bill 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.

Package 815 – Correct SOS Audits Charges. This package corrects the Secretary of State (SOS) Audit charges. The 2013-15 Price List mistakenly still included PEBB as part of DAS for calculations of the SOS Audits assessments. These costs should instead be included in the Oregon Health Authority budget, where PEBB now resides.

The budget also included Package 091 – Statewide Administrative Savings. This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch was directed to include these reductions in the Governor’s 2013-15 recommended budget, however this never occurred. DAS will continue to work on details of these reductions and report back during the 2014 session. The package adjusts most of the agency divisions.

Chief Operating Office

The Chief Operating Office (COO) leads the Department of Administrative Services and provides statewide operations and policy leadership. The COO’s coordinates work teams and initiatives that cross jurisdictional and agency boundaries with a goal of achieving transformative, long-term change and developing an agile organization that is able to meet current and future challenges.

The Subcommittee approved Package 081 – May 2012 E-Board, which continues reductions taken in Senate Bill 5701 (2012) that were reported to the May 2012 meeting of the Emergency Board. The package eliminates position authority for an Operations Policy Analyst 4 position.

In Package 090 – Analyst Adjustments, the Subcommittee approved taking the following reductions: elimination of an Administrative Specialist 2 position and elimination of a Chief Audit Executive position.

The COO did not have any Package 091 adjustments as described in the summary.

The Subcommittee approved Package 101 – COO Project Managers. This package adds five positions (4.87 FTE) to the COO as Enterprise Initiative Project Managers. This includes continuation of two current limited-duration Project Manager 1 positions created in 2011-13 as permanent and creation of a new limited duration Policy Analyst position phased-in on October 1, 2013. The three positions will work on statewide initiatives. Two additional Project Manager 1 positions are added as limited-duration to reflect the two positions from other program areas that assisted with statewide projects. These positions are funded by shifting expenditures from Services and Supplies to Personal Services.

The Subcommittee approved the following budget notes relating to implementation of the project managers’ package:

Budget Note:

The Department of Administrative Services shall coordinate with the Oregon Small Business Development Center Network to enhance the development of training opportunities between state agencies and departments and the Network.

Budget Note:

The Department of Administrative Services shall conduct a cost-benefit analysis of providing training using web-based applications compared to total costs of providing traditional training (including cost of motor pool vehicles, mileage, fuel, hotel, per diem and work time lost, etc.). The Department will complete this analysis in collaboration with the 24 state agencies represented on the Enterprise Leadership Team and report findings to the interim Joint Committee on Ways and Means by February 2014.

Package 814 – Reduce Administrative and Services Charges, is a revenue only package that removes \$3,200,000 in revenues derived from assessments, rates, and charges for services paid by agencies, with the direction that Other Fund balances will be used instead to pay for 2013-15 activities. The Subcommittee approved this package as a one-time action.

Chief Financial Office

The Chief Financial Office (CFO) establishes and enforces statewide budget standards and monitors agencies to ensure that funds are spent within legal and budgetary constraints. The CFO instructs agencies on how to prepare budget requests and works directly with the Governor and agencies to produce the Governor's recommended budget for submission to the Legislature. The office also helps to coordinate statewide bonded debt programs, is responsible for reporting actual state expenditures in the Comprehensive Annual Financial Report (CAFR), and has primary responsibility for maintaining the state's procurement policies.

The Subcommittee approved Package 081 – May 2012 E-Board, which continues actions taken in Senate Bill 5701 (2012) that were reported to the May 2012 meeting of the Emergency Board.

Package 102 – Facilities Assessment & Planning Software provides funding to purchase facilities assessment and planning software. Software would be designed to increase asset utilization and maintenance. Software would be made available to agencies on a charge-back basis for use in managing agency owned facilities. The Governor's Budget proposed to finance this effort with Article XI-Q bonds with total estimated debt service of \$2,978,544. The Subcommittee directed DAS to pay cash for the software through a one-time increase in rates and assessments. The Subcommittee approved this package as a one-time action to be phased out in 2015-17.

The Subcommittee approved Package 117 – Capital Planning, which phases-in on January 1, 2014 one permanent Principle Executive Management G position, a State Architect, to establish a proactive capital planning function in the CFO. The Subcommittee approved the package with the understanding that the \$450,000 for Professional Services contracts is added as one-time funding, to be phased-out for 2015-17.

Package 814 – Reduce Administrative and Services Charges, is a revenue only package that removes \$1,000,000 in revenues derived from assessments, rates, and charges for services paid by agencies, with the direction that Other Fund balances will be used instead to pay for 2013-15 activities. The Subcommittee approved this package as a one-time action.

Chief Information Office

The Chief Information Office (CIO) provides enterprise policy leadership, planning and oversight to state government in enterprise information resource management.

The Subcommittee approved Package 103 – Broadband Data Mapping, which continues four limited duration positions (3.00 FTE) to continue a statewide initiative to track and report the availability and adoption of broadband internet services within Oregon. These activities are funded by a federal grant received by PUC, which transfers the funding to DAS. The expenditure limitation associated with this grant funding was added to the DAS budget for the 2011-13 biennium, therefore only the position authority needs to be continued. Since the program and funding are

scheduled to end December 31, 2014, the 2015-17 budget will phase-out the \$885,000 Other Funds expenditure limitation associated with this grant.

The Subcommittee approved Package 810 – LFO Analyst Adjustments, which adds a limited duration Operations and Policy Analyst 4 (1.00 FTE) position for CIO support. The Department proposed funding this limited duration position through shifting expenditures from Services and Supplies to Personal Services as a temporary measure to address workload issues. The Subcommittee approved this package as a one-time action.

Package 814 – Reduce Administrative and Services Charges, which is a revenue only package that removes \$1,000,000 in revenues derived from assessments, rates, and charges for services paid by agencies, with the direction that Other Fund balances will be used instead to pay for 2013-15 activities. The Subcommittee approved this package as a one-time action.

Chief Human Resource Office

The Chief Human Resources Office (CHRO) provides enterprise-wide policy leadership necessary to maintain a reliable and qualified workforce for the state of Oregon. The Office's centralized policy functions enable executive branch agencies to share resources and expertise with which to manage their human resource assets and capital in a cost-effective way.

The Subcommittee approved Package 090 – Analyst Adjustments, which eliminates one Office Support Specialist position.

Package 104 – Replace PPDB, the Subcommittee approved, on a one-time basis, \$2,000,000 of carry forward Other Funds expenditure limitation to begin HRIS replacement project scoping and planning. The Subcommittee deferred to February 2014 approval of total replacement cost expenditures with the understanding that planning expenditures will provide a more accurate estimate of anticipated costs to purchase and install a new HRIS. Before the February 2014 session, DAS will be expected to also provide details on resources dedicated to existing systems, identify which of these resources can be redirected to supporting the new system, and which expenditures can be saved due to replacement of old systems. The addition of the \$2,000,000 in carry forward expenditure limitation will not increase DAS rates/assessments as it represents revenues already collected.

Package 814 – Reduce Administrative and Services Charges, which is a revenue only package that removes \$2,000,000 in revenues derived from assessments, rates, and charges for services paid by agencies, with the direction that Other Fund balances will be used instead to pay for 2013-15 activities. The Subcommittee approved this package as a one-time action.

Enterprise Technology Services

Enterprise Technology Services (ETS) focuses on maximizing the value of the state's technology investments so the business of government runs efficiently, securely, and reliably. ETS is the leading supplier and expert in managed computing technology for Oregon state government. The State Data Center (SDC) was the original service operation that the new ETS has been built upon.

The Subcommittee approved Package 081 – May 2012 E-Board, which reflects redistributing actions taken in Senate Bill 5701 (2012) to the correct program area. The reduction should have occurred in EGS, so there is a corresponding decrease taken in EGS.

In Package 090 – Analyst Adjustments, the Subcommittee recommended taking savings from migrating telephone services to hosted VoIP.

The Subcommittee approved Package 106 – Equipment Lifecycle Replacement, which adds Other Funds expenditure limitation to replace computing, network, and telephone equipment on a regular schedule to avoid equipment failures.

In Package 107 – Support IT Infrastructure Growth, the Subcommittee approved additional funding to support growth in demand for mainframe capacity. This is projected growth in demand for mainframe services by agencies based on historical patterns.

The Subcommittee approved Package 108 – Leverage Technology, which adds funding to purchase storage technologies which can reduce the demand for more expensive alternatives. Investment in 2013-15 would result in unspecified savings in future biennia. This package phases in three new permanent positions (2.64 FTE) on October 1, 2013.

The Subcommittee approved Package 109 – Security, which adds funding to purchase security improvements that audits have pointed out could be used to improve security and adds \$700,000 for replacement and maintenance of primary security equipment.

In Package 110 – eGov Admin Support, the Subcommittee recommended to continue two current limited duration positions (2.00 FTE) as permanent to provide consultation services to agencies and conduct analysis and planning related to eGovernment projects.

Package 111 – Agency Companion POP. This package is a placeholder for hardware, software, and other components purchases ETS would make in support of IT projects approved in other state agency budgets. ETS needs capacity to implement IT projects after such projects are approved and funded in other agency budgets. The amount of resources needed by ETS to accomplish this is difficult to estimate during session. Therefore, the Subcommittee recommended deferral of most of the package to implement IT projects approved in the 2013-15 legislatively approved budget until the February 2014 session. Leading up to the February 2014 session, DAS will work with agencies that received funding for IT projects to develop work plans and detail resources needed to complete the legislatively approved projects successfully. DAS is expected to begin to implement approved projects before explicit expenditure limitation is approved in February. It is for this purpose the Subcommittee added ten Information System Specialist 8 limited duration positions (10.00 FTE). Any expenditure incurred before the February 2014 session, less the cost of the ten limited duration positions approved in this package, are to be included in the budget request brought forward by DAS in the request. The Subcommittee approved this package as a one-time action with the understanding that funding to support these ten positions is to come from fund balances, therefore the addition of these positions will not increase ETS charges for services.

Package 814 – Reduce Administrative and Services Charges, is a revenue only package that removes \$2,700,000 in revenues derived from assessments, rates, and charges for services paid by agencies, with the direction that Other Fund balances will be used instead to pay for 2013-15 activities. This in addition to the \$2,000,000 of balances used to support the limited duration positions in Package 111. The Subcommittee approved this package as a one-time action.

Enterprise Asset Management

Enterprise Asset Management (EAM) is comprised of Facilities Services, the Statewide Fleet Administration and Parking Services Program, and the Oregon Surplus Property Program. The core focus of these programs is property management, both real and personal, for the benefit and optimal use of state government enterprise-wide to support agencies' space, travel, and operational needs.

The Subcommittee approved Package 081 – May 2012 E-Board, which continues reductions taken in Senate Bill 5701 (2012) that were reported to the May 2012 meeting of the Emergency Board. The package eliminates a Principle Executive Manager A position.

In Package 090 – Analyst Adjustments, the Subcommittee recommended reductions from the agency's reduction options list. These reductions include reducing usage of Department of Justice lawyers, reducing utility usage at DAS owned facilities, and reducing vehicle travel by 2.6 percent.

ETS did not have any Package 091 adjustments as described in the summary.

Package 113 – Fleet Vehicle Purchase, adds funding to replace vehicles in the state motor pool. The current replacement budget is insufficient to replace the vehicles that will go over the 130,000 mileage threshold in 2013-15. No rate increases are necessary to support this additional expenditure limitation due to the ending of COP payments used previously to purchase vehicles. The Subcommittee recommended this package.

The Subcommittee approved Package 810 – LFO Analyst Adjustments, which adds two, limited duration Procurement and Contract Specialist 2 positions (2.00 FTE) to the Real Estate Services section. The two positions will work on renegotiating leases with the goal of the state entering into more favorable leases.

The Subcommittee approved Package 811 – Technical Adjustments, which moves two positions (2.00 FTE) into this program area that were incorrectly added to EGS.

Package 813 – North Campus Property, was approved by the Subcommittee as a one-time action. This package reflects the costs associated with the transfer of responsibilities for maintenance and operations of the State Hospital North Campus Property from the Oregon Health Authority (OHA) to DAS, Enterprise Asset Management (EAM). The property is approximately 47.31 acres of land with approximately 500,000 square feet of space in six buildings. DHS/OHA currently occupies approximately 30,000 square feet of office space in building 33. The Department of Corrections occupies the Dome Building, approximately 70,000 square feet, which they also pay to operate and maintain. The Dome Building costs are not included in this package. The remaining buildings (approx. 400,000 sq. ft.) are vacant.

To provide ongoing maintenance for the one occupied building and the four unoccupied buildings, EAM needs one additional part-time limited duration position (.50 FTE) to maintain, operate, and manage this work load. Maintaining the property until it sells includes the following issues: asset protection for building envelopes, elevator maintenance, HVAC, for ventilation to prevent mold, freeze protection for the fire sprinkler systems, fire alarm monitoring, fire sprinkler testing and landscaping maintenance.

The package also includes \$155,000 General Fund for Real Estate Services to prepare the property for sale. This includes title clearing of deeds back to 1887, surveying the boundaries and any easements, etc. that encumber the property, phase II environmental testing and creating a plan for removal of hazardous materials (asbestos and lead are known to exist), city and neighborhood association public relations and outreach, legally partitioning the north campus from the larger 100-acre parcel and beginning the marketing for sale.

Enterprise Goods & Services

Enterprise Goods & Services (EGS) provides cost-effective services to state agencies and, in some cases, to local government. Specifically, EGS supports its customers by providing services in publishing and distribution, risk management, procurement services, share financial services, and financial business systems.

The Subcommittee approved Package 081 – May 2012 E-Board, which continues reductions taken in Senate Bill 5701 (2012) that were reported to the May 2012 meeting of the Emergency Board. The package reduces data processing.

In Package 090 – Analyst Adjustments, the Subcommittee recommended reducing usage of Department of Justice lawyers, eliminating funding for procurement services initiatives, and reducing mainframe usage.

The Subcommittee approved Package 810 – LFO Analyst Adjustments, which adds two limited duration positions (2.00 FTE) working to implement the Improving Government Projects ePayroll and Web-online timekeeping. A Training and Development Specialist will train users of the new systems and an Operations and Policy Analyst will support testing and implementing the projects. These positions are funded through shifting expenditures from Services and Supplies to Personal Services, to reflect efficiencies gained through implementation of the ePayroll and Web-online timekeeping systems. In addition, a limited duration Mail Delivery Driver position (1.00 FTE) is added to meet increasing demand and workload. If the workload continues the agency would request a permanent position for 2013-15.

The Subcommittee approved Package 811 – Technical Adjustments, which removes three positions (3.00 FTE) that were incorrectly added to EGS in Package 060, which implemented the Department's reorganization.

Package 812 – Eliminate ORPIN 2.0 was approved by the Subcommittee. This package reflects the budget adjustments caused by termination of the Procurement Breakthrough – ORPIN 2.0 project SciQuest contract during the 2011-13 biennium. The Services and Supplies reduction was adjusted to include the 2.4 percent inflation factor.

Package 814 – Reduce Administrative and Services Charges, is a revenue only package that removes \$2,000,000 in revenues derived from assessments, rates, and charges for services paid by agencies, with the direction that Other Fund balances will be used instead to pay for 2013-15 activities. The Subcommittee approved this package as a one-time action.

Enterprise Human Resource Services

Enterprise Human Resource Services (EHRS) consists of the HR Client Agency Program and Statewide HR Systems and Operations. The purpose of the Client Agency Program is to provide HR management services to agencies that do not have staff to perform HR functions. Systems & Operations administers and maintains three statewide HR systems: Position and Personnel Database, iLearnOregon, and eRecruit.

The Subcommittee approved Package 090 – Analyst Adjustments, which reduced Services and Supplies expenditures.

The Subcommittee approved Package 811 – Technical Adjustments, which moves a position (1.00 FTE) into this program area that was incorrectly added to EGS in Package 060.

Package 814 – Reduce Administrative and Services Charges, is a revenue only package that removes \$1,800,000 in revenues derived from assessments, rates, and charges for services paid by agencies, with the direction that Other Fund balances will be used instead to pay for 2013-15 activities. The Subcommittee approved this package as a one-time action.

Core Services

DAS Core Services is responsible for overseeing the agency's finances and budget. The unit coordinates rate development; calculates rates, fees and assessments; performs financial analysis for DAS divisions; develops the statewide Price List of Goods and Services; monitors budget implementation; coordinates Emergency Board and Ways and Means requests and presentations; and prepares the agency's biennial budget.

The Subcommittee approved Package 081 – May 2012 E-Board, which continues reductions taken in Senate Bill 5701 (2012) that were reported to the May 2012 meeting of the Emergency Board. The package eliminates a PEM A and a PEM F position.

The Subcommittee approved Package 090 – Analyst Adjustments, which reduced Services and Supplies expenditures.

The Subcommittee approved Package 810 – LFO Analyst Adjustments, which adds a limited duration Operations and Policy Analyst 1 position (1.00 FTE) to support the new Customer Utility Boards with rate setting, program analytics, and establishment and tracking of performance measures. The position would be supported through the overhead charges paid by other DAS programs, meaning the addition of this position does not increase assessments and rates charged to agencies other than DAS.

Package 814 – Reduce Administrative and Services Charges, is a revenue only package that removes \$650,000 in revenues derived from assessments, rates, and charges for services paid by agencies, with the direction that Other Fund balances will be used instead to pay for 2013-15 activities. The Subcommittee approved this package as a one-time action.

Capital Improvements

The Capital Improvement Program, administered by the Facilities Division, includes remodeling and renovation projects costing less than \$500,000. The funding for the program comes from the Capital Projects Fund, which is primarily sourced by Uniform Rent depreciation.

There were no packages considered by the Subcommittee for Capital Improvements.

Capital Construction

The Facilities Division also administers the Capital Construction Program, which includes major remodeling, renovation, and new construction or acquisition projects costing more than \$1 million in the aggregate. Funding for DAS Capital Construction projects typically comes from either bond proceeds or the Capital Projects Fund. The Capital Projects Fund receives revenues from various sources, primarily the depreciation component of the Uniform Rent charge, service agreements, and parking facilities income.

Capital construction expenditure limitation is approved on a project by project basis and is authorized for six years. Because this limitation spans six years it is established in a separate bill.

Miscellaneous Distributions

In accordance with legislative directives, this program unit receives and distributes certain federal, lottery and state moneys to state agencies and local governments. Distributions include quarterly OLCC earnings distributions to Oregon cities, cigarette tax proceeds sharing to cities and counties, and Mass Transit assessment and distribution.

There were no packages considered by the Subcommittee for Miscellaneous Distributions.

Shared Services Fund

In 2007 the Legislature established a new program, the Shared Services Fund, to provide state support to local taxing districts affected by participation in the Strategic Investment Program (SIP). Local taxing districts are now eligible to receive payments from the state that are calculated to equal 50 percent of the personal income tax revenue attributable to the earnings of persons hired or retained as result of an SIP property tax exemption. These payments would otherwise have gone to the state General Fund.

The Subcommittee approved Package 810 – LFO Analyst Adjustments, which provides an Other Funds expenditure limitation place holder for payments from the Shared Services Fund.

DAS Debt Service

This program unit includes debt service payments that are specific to DAS. Debt service payments are made on Certificates of Participation (COPs), Article XI-Q Bonds, and State Energy Loan Program (SELP) funds.

The Subcommittee approved Package 811 – Technical Adjustments, which adjusts debt service payments to reflect updated payment schedules.

Bonds

This program unit includes debt service payments of specific amounts as directed by law. Debt service payments are made on Article XI-O Bonds and Oregon Appropriation Bonds.

Special Government Payments

This program unit includes payments of specific amounts from the General Fund and Lottery Funds as well as transfers of Other Funds revenues as directed by law. Payments include debt service for both General Fund and Lottery Funds backed bonds.

Package 118 – Oregon Government Ethics Commission, is a revenue only package that transfers \$400,000 in assessments collected by DAS to the Ethics Commission. The Subcommittee approved this package.

The Subcommittee approved Package 810 – LFO Analyst Adjustments, which adds \$750,000 General Fund for the Oregon Historical Society and \$500,000 General Fund for Oregon Public Broadcasting.

The Subcommittee approved Package 811 – Technical Adjustments, which increases the Lottery Funds Special Payments for County Fairs by \$71,547 to reflect the higher May 2013 Lottery Forecast. The package also lowers debt service \$77,735 based on updated debt service schedules.

2011-13 Expenditure Limitation Adjustments

The Subcommittee approved two changes to the Department's 2011-13 biennial budget:

- Enterprise Goods and Services - The Subcommittee reduced the 2011-13 budget for the Department of Administrative Services by \$1,821,673 Other Funds to reflect the termination of the SciQuest contract. A total of \$3.9 million was included in the DAS 2011-13 legislatively adopted budget to replace the Oregon Procurement Information Network. This project became known as ORPIN 2.0. The ORPIN 2.0 project was in an evaluation period from January – March 2013 to give DAS executive management the opportunity to assess the project. After completing their assessment, the executives have determined that the proposed SciQuest system does not fully support the enterprise business needs of the State of Oregon. Therefore, they have made the decision not to implement the SciQuest solution.
- Shared Services Fund - The Subcommittee increased the Other Funds expenditure limitation established by the Emergency Board at their December 2012 meeting for payments from the Shared Services Fund by \$133,208. At their December 2012 meeting, the Emergency Board established an Other Funds expenditure limitation of \$11,965,254, to accommodate distributions by the Department of Administrative Services to taxing districts from the Shared Services Fund. DAS discovered an error in the original estimates of payments due counties that affects the first year of the program. The correct payments for tax year 2009 should have totaled \$266,415; instead only half that amount was allocated. To make the correct payments, the other funds expenditure limitation established by the Emergency Board at the December 2012 meeting was increased by \$133,208.

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 5002-A

Department of Administrative Services
Blake Johnson -- (503)378-3195

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 *	\$ 8,961,014	\$ 12,073,528	\$ 894,467,568	\$ 157,843,736	\$ 0	\$ 1	\$ 1,073,345,847	773	769.67
2013-15 ORBITS printed Current Service Level (CSL)*	\$ 7,096,802	\$ 12,546,578	\$ 816,731,668	\$ 122,552,277	\$ 0	\$ 0	\$ 958,927,325	764	760.92
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 030 - Chief Operating Office									
Package 081: May 2012 E-Board									
Personal Services	\$ 0	\$ 0	\$ (6,898)	\$ 0	\$ 0	\$ 0	\$ (6,898)	-1	-1.00
Package 090: Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ (382,934)	\$ 0	\$ 0	\$ 0	\$ (382,934)	-2	-2.00
Package 092: PERS Taxation Policy									
Personal Services	\$ (611)	\$ 0	\$ (14,746)	\$ 0	\$ 0	\$ 0	\$ (15,357)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (4,881)	\$ 0	\$ (117,825)	\$ 0	\$ 0	\$ 0	\$ (122,706)	0	0.00
Package 101: COO - Project Managers									
Personal Services	\$ 0	\$ 0	\$ 906,366	\$ 0	\$ 0	\$ 0	\$ 906,366	5	4.87
Services and Supplies	\$ 0	\$ 0	\$ (347,847)	\$ 0	\$ 0	\$ 0	\$ (347,847)		
Package 815: Correct SOS Audits Charges									
Services and Supplies	\$ 0	\$ 0	\$ (12,374)	\$ 0	\$ 0	\$ 0	\$ (12,374)		
SCR 035 - Chief Financial Office									
Package 081: May 2012 E-Board									
Personal Services	\$ 0	\$ 0	\$ 387,129	\$ 0	\$ 0	\$ 0	\$ 387,129	0	0.00
Package 091: Statewide Administrative Savings									
Services and Supplies	\$ 0	\$ 0	\$ (589,473)	\$ 0	\$ 0	\$ 0	\$ (589,473)		
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (26,631)	\$ 0	\$ 0	\$ 0	\$ (26,631)	0	0.00

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (212,791)	\$ 0	\$ 0	\$ 0	\$ (212,791)	0	0.00
Package 102: Facilities Assessment & Planning Software									
Services and Supplies	\$ 0	\$ 0	\$ 1,517,986	\$ 0	\$ 0	\$ 0	\$ 1,517,986		
Capital Outlay	\$ 0	\$ 0	\$ 600,000	\$ 0	\$ 0	\$ 0	\$ 600,000		
Package 117: Capital Planning									
Personal Services	\$ 0	\$ 0	\$ 192,415	\$ 0	\$ 0	\$ 0	\$ 192,415	1	0.75
Services and Supplies	\$ 0	\$ 0	\$ 465,800	\$ 0	\$ 0	\$ 0	\$ 465,800		
Package 815: Correct SOS Audits Charges									
Services and Supplies	\$ 0	\$ 0	\$ (17,323)	\$ 0	\$ 0	\$ 0	\$ (17,323)		
SCR 040 - Chief Information Office									
Package 091: Statewide Administrative Savings									
Services and Supplies	\$ 0	\$ 0	\$ (565,560)	\$ 0	\$ 0	\$ 0	\$ (565,560)		
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (12,521)	\$ 0	\$ 0	\$ 0	\$ (12,521)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (100,052)	\$ 0	\$ 0	\$ 0	\$ (100,052)	0	0.00
Package 103: CIO - Broadband Data Mapping									
Personal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	4	3.00
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ 200,817	\$ 0	\$ 0	\$ 0	\$ 200,817	1	1.00
Services and Supplies	\$ 0	\$ 0	\$ (200,817)	\$ 0	\$ 0	\$ 0	\$ (200,817)		
Package 815: Correct SOS Audits Charges									
Services and Supplies	\$ 0	\$ 0	\$ (11,137)	\$ 0	\$ 0	\$ 0	\$ (11,137)		
SCR 045 - Chief Human Resource Office									
Package 090: Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ (123,756)	\$ 0	\$ 0	\$ 0	\$ (123,756)	-1	-1.00

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 091: Statewide Administrative Savings Services and Supplies	\$ 0	\$ 0	\$ (635,146)	\$ 0	\$ 0	\$ 0	\$ (635,146)		
Package 092: PERS Taxation Policy Personal Services	\$ 0	\$ 0	\$ (23,051)	\$ 0	\$ 0	\$ 0	\$ (23,051)	0	0.00
Package 093: Other PERS Adjustments Personal Services	\$ 0	\$ 0	\$ (184,192)	\$ 0	\$ 0	\$ 0	\$ (184,192)	0	0.00
Package 104: CHRO - Replace PPDB Services and Supplies	\$ 0	\$ 0	\$ 2,000,000	\$ 0	\$ 0	\$ 0	\$ 2,000,000		
Package 815: Correct SOS Audits Charges Services and Supplies	\$ 0	\$ 0	\$ (16,705)	\$ 0	\$ 0	\$ 0	\$ (16,705)		
SCR 055 - Enterprise Technology Services									
Package 081: May 2012 E-Board Services and Supplies	\$ 0	\$ 0	\$ 252,162	\$ 0	\$ 0	\$ 0	\$ 252,162		
Package 090: Analyst Adjustments Services and Supplies	\$ 0	\$ 0	\$ (3,300,000)	\$ 0	\$ 0	\$ 0	\$ (3,300,000)		
Package 091: Statewide Administrative Savings Personal Services	\$ 0	\$ 0	\$ (2,763,569)	\$ 0	\$ 0	\$ 0	\$ (2,763,569)	0	0.00
Services and Supplies	\$ 0	\$ 0	\$ (3,007,654)	\$ 0	\$ 0	\$ 0	\$ (3,007,654)		
Package 092: PERS Taxation Policy Personal Services	\$ 0	\$ 0	\$ (145,084)	\$ 0	\$ 0	\$ 0	\$ (145,084)	0	0.00
Package 093: Other PERS Adjustments Personal Services	\$ 0	\$ 0	\$ (1,159,290)	\$ 0	\$ 0	\$ 0	\$ (1,159,290)	0	0.00
Package 106: ETS - Equipment Lifecycle Replacement Services and Supplies	\$ 0	\$ 0	\$ 146,000	\$ 0	\$ 0	\$ 0	\$ 146,000		
Capital Outlay	\$ 0	\$ 0	\$ 1,345,811	\$ 0	\$ 0	\$ 0	\$ 1,345,811		
Package 107: ETS - Support IT Infrastructure Growth Services and Supplies	\$ 0	\$ 0	\$ 516,433	\$ 0	\$ 0	\$ 0	\$ 516,433		
Capital Outlay	\$ 0	\$ 0	\$ 2,150,004	\$ 0	\$ 0	\$ 0	\$ 2,150,004		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 108: ETS - Leverage Technology									
Personal Services	\$ 0	\$ 0	\$ 480,216	\$ 0	\$ 0	\$ 0	\$ 480,216	3	2.64
Services and Supplies	\$ 0	\$ 0	\$ 463,449	\$ 0	\$ 0	\$ 0	\$ 463,449		
Capital Outlay	\$ 0	\$ 0	\$ 1,624,773	\$ 0	\$ 0	\$ 0	\$ 1,624,773		
Package 109: ETS - Security									
Services and Supplies	\$ 0	\$ 0	\$ 182,356	\$ 0	\$ 0	\$ 0	\$ 182,356		
Capital Outlay	\$ 0	\$ 0	\$ 723,825	\$ 0	\$ 0	\$ 0	\$ 723,825		
Package 110: ETS - eGov Admin Support									
Personal Services	\$ 0	\$ 0	\$ 335,150	\$ 0	\$ 0	\$ 0	\$ 335,150	2	2.00
Services and Supplies	\$ 0	\$ 0	\$ 52,120	\$ 0	\$ 0	\$ 0	\$ 52,120		
Package 111: ETS - Agency Companion POP									
Personal Services	\$ 0	\$ 0	\$ 2,009,370	\$ 0	\$ 0	\$ 0	\$ 2,009,370	10	10.00
Package 815: Correct SOS Audits Charges									
Services and Supplies	\$ 0	\$ 0	\$ (125,595)	\$ 0	\$ 0	\$ 0	\$ (125,595)		
SCR 060 - Enterprise Asset Management									
Package 081: May 2012 E-Board									
Personal Services	\$ 0	\$ 0	\$ (200,737)	\$ 0	\$ 0	\$ 0	\$ (200,737)	-1	-1.00
Package 090: Analyst Adjustments									
Services and Supplies	\$ 0	\$ 0	\$ (1,954,712)	\$ 0	\$ 0	\$ 0	\$ (1,954,712)		
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (69,958)	\$ 0	\$ 0	\$ 0	\$ (69,958)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (558,997)	\$ 0	\$ 0	\$ 0	\$ (558,997)	0	0.00
Package 113: EAM - Fleet Vehicle Purchase									
Capital Outlay	\$ 0	\$ 0	\$ 3,500,000	\$ 0	\$ 0	\$ 0	\$ 3,500,000		
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ 306,986	\$ 0	\$ 0	\$ 0	\$ 306,986	2	2.00
Package 811: Technical Adjustments									
Personal Services	\$ 0	\$ 0	\$ 315,975	\$ 0	\$ 0	\$ 0	\$ 315,975	2	2.00
Services and Supplies	\$ 0	\$ 0	\$ (1,477,559)	\$ 0	\$ 0	\$ 0	\$ (1,477,559)		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 813: North Campus Property									
Personal Services	\$ 71,327	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 71,327	1	0.50
Services and Supplies	\$ 1,193,580	\$ 0	\$ 291,520	\$ 0	\$ 0	\$ 0	\$ 1,485,100		
Package 815: Correct SOS Audits Charges									
Services and Supplies	\$ 0	\$ 0	\$ (120,157)	\$ 0	\$ 0	\$ 0	\$ (120,157)		
SCR 065 - Enterprise Goods & Services									
Package 081: May 2012 E-Board									
Services and Supplies	\$ 0	\$ 0	\$ (252,162)	\$ 0	\$ 0	\$ 0	\$ (252,162)		
Package 090: Analyst Adjustments									
Services and Supplies	\$ 0	\$ 0	\$ (2,215,811)	\$ 0	\$ 0	\$ 0	\$ (2,215,811)		
Package 091: Statewide Administrative Savings									
Services and Supplies	\$ 0	\$ 0	\$ (2,023,956)	\$ 0	\$ 0	\$ 0	\$ (2,023,956)		
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (95,037)	\$ 0	\$ 0	\$ 0	\$ (95,037)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (759,393)	\$ 0	\$ 0	\$ 0	\$ (759,393)	0	0.00
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ 390,438	\$ 0	\$ 0	\$ 0	\$ 390,438	3	3.00
Services and Supplies	\$ 0	\$ 0	\$ (290,848)	\$ 0	\$ 0	\$ 0	\$ (290,848)		
Package 811: Technical Adjustments									
Personal Services	\$ 0	\$ 0	\$ (451,972)	\$ 0	\$ 0	\$ 0	\$ (451,972)	-3	-3.00
Package 812: Eliminate ORPIN 2									
Services and Supplies	\$ 0	\$ 0	\$ (3,449,640)	\$ 0	\$ 0	\$ 0	\$ (3,449,640)		
Package 815: Correct SOS Audits Charges									
Services and Supplies	\$ 0	\$ 0	\$ (138,897)	\$ 0	\$ 0	\$ 0	\$ (138,897)		
SCR 070 - Enterprise Human Resource Services									
Package 090: Analyst Adjustments									
Services and Supplies	\$ 0	\$ 0	\$ (87,329)	\$ 0	\$ 0	\$ 0	\$ (87,329)		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 091: Statewide Administrative Savings Services and Supplies	\$ 0	\$ 0	\$ (462,891)	\$ 0	\$ 0	\$ 0	(462,891)		
Package 092: PERS Taxation Policy Personal Services	\$ 0	\$ 0	\$ (9,690)	\$ 0	\$ 0	\$ 0	(9,690)	0	0.00
Package 093: Other PERS Adjustments Personal Services	\$ 0	\$ 0	\$ (77,427)	\$ 0	\$ 0	\$ 0	(77,427)	0	0.00
Package 811: Technical Adjustments Personal Services	\$ 0	\$ 0	\$ 135,997	\$ 0	\$ 0	\$ 0	135,997	1	1.00
Package 815: Correct SOS Audits Charges Services and Supplies	\$ 0	\$ 0	\$ (12,504)	\$ 0	\$ 0	\$ 0	(12,504)		
SCR 075 - Core Services									
Package 081: May 2012 E-Board Personal Services	\$ 0	\$ 0	\$ 21,780	\$ 0	\$ 0	\$ 0	21,780	-2	-2.00
Package 090: Analyst Adjustments Services and Supplies	\$ 0	\$ 0	\$ (60,778)	\$ 0	\$ 0	\$ 0	(60,778)		
Package 091: Statewide Administrative Savings Services and Supplies	\$ 0	\$ 0	\$ (135,140)	\$ 0	\$ 0	\$ 0	(135,140)		
Package 092: PERS Taxation Policy Personal Services	\$ 0	\$ 0	\$ (7,230)	\$ 0	\$ 0	\$ 0	(7,230)	0	0.00
Package 093: Other PERS Adjustments Personal Services	\$ 0	\$ 0	\$ (57,769)	\$ 0	\$ 0	\$ 0	(57,769)	0	0.00
Package 810: LFO Analyst Adjustments Personal Services	\$ 0	\$ 0	\$ 140,377	\$ 0	\$ 0	\$ 0	140,377	1	1.00
Package 815: Correct SOS Audits Charges Services and Supplies	\$ 0	\$ 0	\$ (8,043)	\$ 0	\$ 0	\$ 0	(8,043)		
SCR 091 - Shared Services Fund									
Package 810: LFO Analyst Adjustments Special Payments	\$ 0	\$ 0	\$ 1	\$ 0	\$ 0	\$ 0	1		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 093 - DAS Debt Service									
Package 811: Technical Adjustments									
Debt Service	\$ 0	\$ 0	\$ (321,482)	\$ 0	\$ 0	\$ 0	\$ (321,482)		
SCR 099 - Special Governmental Payments									
Package 810: LFO Analyst Adjustments									
Special Payments (6085 Other Special Payments)	\$ 1,250,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,250,000		
Package 811: Technical Adjustments									
Special Payments	\$ 0	\$ 71,547	\$ 0	\$ 0	\$ 0	\$ 0	\$ 71,547		
Debt Service	\$ 0	\$ (77,735)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (77,735)		
TOTAL ADJUSTMENTS	\$ 2,509,415	\$ (6,188)	\$ (7,747,834)	\$ 0	\$ 0	\$ 0	\$ (5,244,607)	26	23.76
SUBCOMMITTEE RECOMMENDATION *	\$ 9,606,217	\$ 12,540,390	\$ 808,983,834	\$ 122,552,277	\$ 0	\$ 0	\$ 953,682,718	790	784.68
% Change from 2011-13 Leg Approved Budget	7.2%	3.9%	-9.6%	-22.4%	0.0%	-100.0%	-11.1%		
% Change from 2013-15 Current Service Level	35.4%	0.0%	-0.9%	0.0%	0.0%	0.0%	-0.5%		
*Excludes Capital Construction Expenditures									

2011 -13 Budget Actions

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 065 - Enterprise Goods & Services									
Services and Supplies	\$ 0	\$ 0	\$ (1,821,673)	\$ 0	\$ 0	\$ 0	\$ (1,821,673)		
SCR 099 - Special Governmental Payments (Shared Services Fund)									
Special Payments (6085 Other Special Payments)	\$ 0	\$ 0	\$ 133,208	\$ 0	\$ 0	\$ 0	\$ 133,208		
Total Subcommittee Recommendation	\$ 0	\$ 0	\$ (1,688,465)	\$ 0	\$ 0	\$ 0	\$ (1,688,465)		

Legislatively Approved 2013-2015 Key Performance Measures

Agency: ADMINISTRATIVE SERVICES, DEPARTMENT of

Mission: Lead the pursuit of excellence in state government.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - 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	63.50	90.00	90.00
1 - 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	55.30	90.00	90.00
1 - 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	66.90	90.00	90.00
1 - 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	66.20	90.00	90.00
1 - 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	59.70	90.00	90.00
1 - 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	62.40	90.00	90.00
2 - FORECAST RELIABILITY - Percent of Advisory Committee and Council Members who rank the reliability of the Office of Economic Analysis' forecasts as good to excellent.		Approved KPM	95.00	90.00	90.00

Agency: ADMINISTRATIVE SERVICES, DEPARTMENT of

Mission: Lead the pursuit of excellence in state government.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
3 - FINANCIAL REPORTING - Number of years out of the last five that State Controller's Division wins GFOA Certificate of Achievement for Excellence in Financial Reporting.		Approved KPM	5.00	5.00	5.00
4 - STATE WORKFORCE TURNOVER - Annual turnover rate for the state workforce.		Approved KPM	3.20	5.60	5.60
5 - STATE WORKFORCE DIVERSITY - Racial/ethnic diversity in the state workforce as a percentage of the total civilian labor force.		Approved KPM	81.00	100.00	100.00
6 - FLEET ADMINISTRATION - Statewide Fleet Administration evaluated as effective by independent party.		Approved KPM	0.00	1.00	1.00
7 - RENT COSTS - Uniform rent costs per square foot as a percent of private market rates.		Approved KPM	86.00	90.00	90.00
8 - IT GOVERNANCE - Percent of the state's major IT projects with a budget or schedule variance of plus 5% as reported in the quarterly major IT project portfolio report for which a mitigation plan is submitted in response to a DAS requirement.		Approved KPM	100.00	100.00	100.00
9 - INFORMATION SECURITY - Overall information security maturity rating based on a sample of state agencies. Rating achieved using a compilation and aggregate score based on the ISO 27002 standard and assigning a rating using the Carnegie-Mellon Capability Maturity Model. (3rd party conducting information security business risk assessments)		Approved KPM	2.40	3.00	3.00
12 - PROCUREMENT EFFECTIVENESS - Estimated savings resulting from price agreement pricing compared to prices that would be paid without the benefit of a price agreement.		Approved KPM	5.10	8.50	8.50
13 - RISK MANAGEMENT - Annual number of: a) worker's compensation; b) liability; c) property; and, d) total claims per 100 FTE.		Approved KPM	5.76	6.62	6.62
14 - SUSTAINABILITY - Percentage reduction in greenhouse gas emissions.		Approved KPM	7.69	2.00	2.00
16 - DATA CENTER - Percentage of time systems are available.		Approved KPM	99.67	99.90	99.90

LFO Recommendation:

Approve the Key Performance Measures as proposed, with the understanding that the Department will bring forward any changes they feel necessary to improve upon the current measures during the 2015-17 KPM review and adoption cycle.

Sub-Committee Action:

Approved the LFO recommendation.

**PROPOSED AMENDMENTS TO
HOUSE BILL 5002**

1 On page 1 of the printed bill, delete lines 5 through 27 and insert:

2 **“SECTION 1. There are appropriated to the Oregon Department of**
3 **Administrative Services, for the biennium beginning July 1, 2013, out**
4 **of the General Fund, the following amounts, for the following pur-**
5 **poses:**

- | | | | |
|----|--------------------------------------|----|-----------|
| 6 | (1) Chief Operating Office | \$ | 275,574 |
| 7 | (2) Enterprise Asset Management . | \$ | 1,264,907 |
| 8 | (3) Oregon Public Broadcasting | \$ | 500,000 |
| 9 | (4) Oregon Historical Society | \$ | 750,000 |
| 10 | (5) Mill Creek debt service..... | \$ | 843,109 |
| 11 | (6) Go! Oregon debt service | \$ | 5,972,627 |

12 **“SECTION 2. Notwithstanding any other law limiting expenditures,**
13 **the following amounts are established for the biennium beginning July**
14 **1, 2013, as the maximum limits for payment of expenses from fees,**
15 **moneys or other revenues, including Miscellaneous Receipts and fed-**
16 **eral funds received from charges, but excluding lottery funds and**
17 **federal funds not described in this section, collected or received by the**
18 **Oregon Department of Administrative Services, for the following pur-**
19 **poses:**

- | | | | |
|----|-----------------------------------|----|------------|
| 20 | (1) Chief Operating Office | \$ | 7,207,877 |
| 21 | (2) Chief Financial Office | \$ | 14,108,064 |
| 22 | (3) Chief Information Office..... | \$ | 12,557,511 |

1	(4) Chief Human Resource Office... \$ 10,115,273
2	(5) Enterprise Technology
3	Services..... \$179,662,251
4	(6) Enterprise Asset Management . \$ 90,040,881
5	(7) Enterprise Goods and Services. \$ 84,468,032
6	(8) Enterprise Human Resource
7	Services..... \$ 5,784,721
8	(9) Core Services \$ 4,362,868
9	(10) Shared Services Fund \$ 1
10	(11) Capital improvements \$ 5,992,008
11	(12) Principal and interest
12	payments for outstanding
13	Oregon appropriation bonds..... \$ 28,890,905
14	(13) Principal and interest
15	payments for outstanding
16	Article XI-O Bonds \$330,237,002
17	(14) Treasury fees \$ 758,906
18	(15) Oregon Department of
19	Administrative Services
20	debt service..... \$34,797,534”.

21 On page 2, line 1, delete “\$8,970,125” and insert “\$8,892,390”.

22 In line 6, delete “\$3,576,453” and insert “\$3,648,000”.

23 Delete lines 18 through 20 and insert:

24 **“SECTION 6. Notwithstanding any other law limiting expenditures,**
25 **the limitation on expenditures established at the December 2012**
26 **Emergency Board meeting, for the biennium beginning July 1, 2011,**
27 **as the maximum limit for payment of expenses from the Shared Ser-**
28 **vices Fund is increased by \$133,208.**

29 **“SECTION 7. Notwithstanding any other law limiting expenditures,**
30 **the limitation on expenditures established by section 2 (1), chapter 571,**

1 **Oregon Laws 2011, for the biennium beginning July 1, 2011, as the**
2 **maximum limit for payment of expenses from fees, moneys or other**
3 **revenues, including Miscellaneous Receipts, but excluding lottery**
4 **funds and federal funds, collected or received by the Oregon Depart-**
5 **ment of Administrative Services is decreased by \$1,821,673 for termi-**
6 **nation of the Oregon Procurement Information Network 2.0 system**
7 **contract.**

8 **“SECTION 8. This 2013 Act being necessary for the immediate**
9 **preservation of the public peace, health and safety, an emergency is**
10 **declared to exist, and this 2013 Act takes effect on its passage.”.**

11
