

# DEPARTMENT OF STATE LANDS

**2015-2017**

**Governor's Budget**

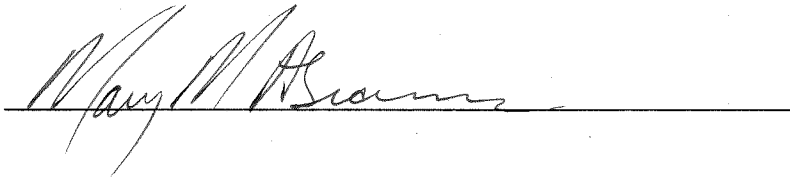


*Mary Abrams, Director*

# INTRODUCTORY INFORMATION

**CERTIFICATION**  
**2015-17 GOVERNOR'S BUDGET**

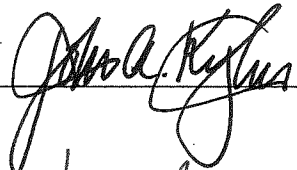
I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numerical information has been verified.

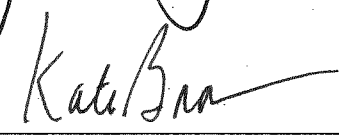
  
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Mary M. Abrams, Director

Department of State Lands  
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775 Summer Street NE, Salem, Oregon 97301

  
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John A. Kitzhaber, M.D., Governor

Kate Brown, Secretary of State

  
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Ted Wheeler, State Treasurer

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# LEGISLATIVE ACTION

**77<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2013 Session  
BUDGET REPORT AND MEASURE SUMMARY**

**JOINT COMMITTEE ON WAYS AND MEANS**

**MEASURE: SB 5540-A**

**Carrier – House: Rep. Unger**

**Carrier – Senate: Sen. Edwards**

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

**Vote:** 23 – 1 – 2

House

**Yeas:** Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Jenson, Komp, McLane, Nathanson, Read, Richardson, Tomei, Williamson

**Nays:**

**Exc:** Smith

Senate

**Yeas:** Devlin, Edwards, Hansell, Monroe, Rosenbaum, Steiner Hayward, Thomsen, Whitsett, Winters

**Nays:** Girod

**Exc:** Bates

**Prepared By:** Lisa Pearson, Department of Administrative Services

**Reviewed By:** Linda Gilbert, Legislative Fiscal Office

**Meeting Date:** May 24, 2013

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Agency

Department of State Lands

Biennium

2013-15



## **Budget Summary\***

	2011-13 Legislatively Approved Budget <sup>(1)</sup>	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
				\$\$ Change	% Change
General Fund	\$ 681,266	\$ 0	\$ 0	\$ (681,266)	-100.0%
Other Funds	\$ 27,264,355	\$ 25,459,907	\$ 29,074,625	\$ 1,810,270	6.6%
Other Funds Capital Improvement	\$ 639,517	\$ 294,417	\$ 594,417	\$ (45,100)	-7.1%
Other Funds Nonlimited	\$ 29,054,249	\$ 10,054,249	\$ 10,234,249	\$ (18,820,000)	-64.8%
Federal Funds	\$ 6,099,914	\$ 2,777,493	\$ 1,696,671	\$ (4,403,243)	-72.2%
Total	\$ 63,739,301	\$ 38,586,066	\$ 41,599,962	\$ (22,139,339)	-34.7%

## **Position Summary**

Authorized Positions	108	105	107	-1	-0.9%
Full-time Equivalent (FTE) positions	106.42	104.00	106.00	-0.42	-0.4%

<sup>(1)</sup> Includes adjustments through December 2012

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

The Department of State Lands relies primarily upon Other Fund revenues to support its budget. The department obtains Other Fund revenues from two sources, operations and investment income. Operations generate revenue from the sale of timber, lease rentals and royalties, periodic land sales, permit fees, unclaimed property, donations, and publications. Investment income is from interest and capital gains earnings off of the Common School Fund. The department also receives federal funds through grants and support for its South Slough National Estuarine Research Reserve.

## **Summary of Natural Resources Subcommittee Action**

The Department of State Lands generates revenue for the Common School Fund while managing state owned land and conserving resources. The Department provides administrative support to the State Land Board, which is composed of the Governor, the Treasurer, and the Secretary of State, and implements the policies of the State Land Board in management of the Common School Fund (CSF) and its assets. The Subcommittee approved a total funds budget of \$41,599,962 and 106.00 full-time equivalent (FTE). The total funds budget is a 34.7 percent total funds

decrease from the 2011-13 Legislatively Approved Budget through December 2012, and a 7.8 percent increase from the 2013-15 current service level. The approved budget continues service levels at 2011-13 biennium levels.

#### Common School Fund

This program includes the Director's Office, Wetlands and Waterways, Land Management, and Finance and Administration. These units manage land (including rangeland), lease minerals and waterways, issue removal-fill permits, develop policies and rules, provide technical information, promote protection and enhancement of Oregon's wetlands, and manage unclaimed property, estate administration, and forfeitures. This program also includes the revenue transfer of the Common School Fund Fair Market Value for school support. The Subcommittee approved a total funds budget of \$35,273,956 and 89.00 full-time equivalent positions.

The Subcommittee recommended 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 Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

Package 092: PERS Taxation Policy was approved; 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 the 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.

The Subcommittee recommended 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 101: Portland Harbor Clean Up was approved; it provides \$3,514,770 Other Funds expenditure limitation and one limited duration position (1.00 FTE) to continue work in case the state needs to defend itself in a Portland Harbor Superfund Site lawsuit. The position is a Natural Resource Specialist 4; it will conduct detail work otherwise performed by the Department of Justice (DOJ). The position will allow the agency to reduce its DOJ expenditures to around \$60,000 per month. The package also provides resources for contracted forensic analysis. Funding for the package comes from anticipated insurance reimbursements, but the timing and actual reimbursement amounts are uncertain. Therefore, the department should report on the status of the work and the fiscal situation during the 2014 legislative session. If adjustments are needed, they can be made at that time.

The Subcommittee recommended Package 104: Property Tax Expense. This package provides \$299,000 Other Funds expenditure limitation for four purposes: (1) to pay property taxes on the former Eugene Motor Pool site that was acquired in the 2009-11 biennium, (2) to pay property taxes on a commercial building acquired as an asset of the Common School Fund in the fall of 2012, (3) to pay property management fees and (4) to properly account for tenant incurred and paid costs such as utilities. Because item (4) is *not* in the control of the agency, the recommended package uses Non-Limited Other Funds. This fund type is used when costs are outside the control of the agency.

Package 810: LFO Adjustments was approved; it adds \$95,166 Federal Funds expenditure limitation to carryover unspent US Environmental Protection Agency grant funds for streamlining and upgrading Oregon's Rapid Wetland Assessment Protocol.

#### Oregon Wetlands Revolving Fund

This program is a revolving fund that receives payments from removal fill applicants needing mitigation for their projects. The fund provides resources to the State Land Board for investment in other wetland mitigation sites. The Subcommittee approved a total funds budget of \$1,845,481 and 1.00 FTE.

Package 092: PERS Taxation Policy was approved; 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 the 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.

The Subcommittee recommended 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.

#### Natural Heritage Program

The Natural Heritage Program is mandated by ORS 273.563 to conserve a discrete, limited system of natural heritage resources and to establish a natural heritage database. The 2011 Legislative Assembly moved the program to the Oregon Parks and Recreation Department (OPRD) effective January 1, 2012. DSL and the Oregon Parks and Recreation Department agreed that DSL would continue to manage a few grants that were not complete by the transfer date. One of these grants remains outstanding, so the subcommittee approved a total funds budget of \$57,800 and no FTE.

Package 810: LFO Adjustments was approved; it adds \$57,800 Federal Funds expenditure limitation to carryover grant funds that are passed-through to the Yamhill Soil and Water Conservation District. The project is expected to be completed in December 2013.

#### South Slough Sanctuary (National Estuarine Research Reserve)

The South Slough National Estuarine Research Reserve (SSNERR) is a 4,800 acre natural research area encompassing a portion of the Coos estuary on the southern Oregon coast. The program gathers information for coastal zone decision-making and educates the public about estuarine zones. The state's portion of the Reserve is a Common School Fund asset and its operating expenses are paid by Common School Fund revenues and federal grant funds. The Subcommittee approved a total funds budget of \$3,828,308 and 16.00 FTE.

Package 092: PERS Taxation Policy was approved; 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 the 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.

The Subcommittee recommended 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 105: South Slough National Estuarine Research Reserve Program Efficiencies was approved; it reclassifies a Principle Executive Manager A to a manager B, a Natural Resource Specialist 2 to a Natural Resource Specialist 3, and a Natural Resource Specialist 3 to a Natural Resource Specialist 4. The package is self-financed by moving expenditure limitation from services and supplies to personal services so there is no overall impact on budget. The Department of Administrative Services Chief Human Resources Office reviewed the proposed reclassifications and concluded they were correct.

The Subcommittee approved Package 106: South Slough National Estuarine Research Reserve Stewardship; this package adds \$152,856 Other Funds expenditure limitation and 1.00 FTE to implement the Reserve's forest management plan, climate change plan and watershed management plan. The Department of Administrative Services Chief Human Resources Office agrees with the classification of the requested Natural Resource Specialist 3 position.

Package 810: LFO Adjustments was approved; it reduces total funds by \$806,936 and no FTE. The package addresses two issues: carryover of Other Funds expenditure limitation for a habitat and monitoring restoration project and reducing Federal Funds expenditure limitation because of reduced federal revenue availability.

#### Capital Improvements

This program provides resources to manage and maintain landholdings and leases following an asset management plan. Funds for the Capital Improvement program come from the Common School Fund principal. The Subcommittee approved a budget of \$594,417 Other Funds and no full-time equivalent positions.

Package 103: Headquarters HVAC Upgrade was approved; it provides \$300,000 Other Funds expenditure limitation for digital HVAC controls at the Salem Headquarters building, which is an asset of the Common School Fund so its value must be maintained.

#### **Summary of Performance Measure Action**

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

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**SB 5540-A**

**Department of State Lands**  
**Lisa Pearson -- 503-373-7501**

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 *	\$ 681,266	\$ 0	\$ 27,903,872	\$ 29,054,249	\$ 6,099,914	\$ 0	\$ 63,739,301	108	106.42
2013-15 ORBITS printed Current Service Level (CSL)*	\$ 0	\$ 0	\$ 25,754,324	\$ 10,054,249	\$ 2,777,493	\$ 0	\$ 38,586,066	105	104.00
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>010 - Common School Fund</b>									
Package 091: Statewide Administrative Savings									
Personal Services	\$ 0	\$ 0	\$ (97,253)	\$ 0	\$ 0	\$ 0	\$ (97,253)	0	0.00
Services and Supplies	\$ 0	\$ 0	\$ (93,339)	\$ 0	\$ 0	\$ 0	\$ (93,339)		
Capital Outlay	\$ 0	\$ 0	\$ (3,720)	\$ 0	\$ 0	\$ 0	\$ (3,720)		
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (37,937)	\$ 0	\$ 0	\$ 0	\$ (37,937)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (303,130)	\$ 0	\$ 0	\$ 0	\$ (303,130)	0	0.00
Package 101: Portland Harbor Clean Up									
Personal Services	\$ 0	\$ 0	\$ 171,374	\$ 0	\$ 0	\$ 0	\$ 171,374	1	1.00
Services and Supplies	\$ 0	\$ 0	\$ 3,343,396	\$ 0	\$ 0	\$ 0	\$ 3,343,396		
Package 104: Property Tax Expense									
Services and Supplies	\$ 0	\$ 0	\$ 119,000	\$ 180,000	\$ 0	\$ 0	\$ 299,000	0	0.00
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 60,000	\$ 0	\$ 60,000	0	0.00
Services and Supplies	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,166	\$ 0	\$ 35,166		
<b>013 - Oregon Wetlands Revolving Fund</b>									
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (424)	\$ 0	\$ 0	\$ 0	\$ (424)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (3,390)	\$ 0	\$ 0	\$ 0	\$ (3,390)	0	0.00
<b>020 - NHAC</b>									
Package 810: LFO Analyst Adjustments									
Special Payments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 57,800	\$ 0	\$ 57,800	0	0.00

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>030 - South Slough National Estuarine Research Reserve</b>									
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (3,621)	\$ 0	\$ (3,006)	\$ 0	\$ (6,627)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (28,920)	\$ 0	\$ (24,020)	\$ 0	\$ (52,940)	0	0.00
Package 105: SSNERR Program Efficiencies									
Personal Services	\$ 0	\$ 0	\$ 13,473	\$ 0	\$ 5,596	\$ 0	\$ 19,069	0	0.00
Services and Supplies			\$ (13,473)	\$ 0	\$ (5,596)	\$ 0	\$ (19,069)		
Package 106: SSNERR Watershed Stewardship									
Personal Services	\$ 0	\$ 0	\$ 152,856	\$ 0	\$ 0	\$ 0	\$ 152,856	1	1.00
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ 233,390	\$ 0	\$ 0	\$ 0	\$ 233,390	0	0.00
Services and Supplies	\$ 0	\$ 0	\$ 166,436	\$ 0	\$ (830,000)	\$ 0	\$ (663,564)		
Capital Outlay	\$ 0	\$ 0	\$ -	\$ 0	\$ (376,762)	\$ 0	\$ (376,762)		
<b>088 - Capital Improvements</b>									
Package 103: Headquarters HVAC Upgrade									
Capital Outlay			\$ 300,000				\$ 300,000		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,914,718</b>	<b>\$ 180,000</b>	<b>\$ (1,080,822)</b>	<b>\$ 0</b>	<b>\$ 3,013,896</b>	<b>2</b>	<b>2.00</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 29,669,042</b>	<b>\$ 10,234,249</b>	<b>\$ 1,696,671</b>	<b>\$ 0</b>	<b>\$ 41,599,962</b>	<b>107</b>	<b>106.00</b>
% Change from 2011-13 Leg Approved Budget	-100.0%	0.0%	6.3%	-64.8%	-72.2%	0.0%	-34.7%	-0.9%	-0.4%
% Change from 2013-15 Current Service Level	0.0%	0.0%	15.2%	1.8%	-38.9%	0.0%	7.8%	1.9%	1.9%

## Legislatively Approved 2013-2015 Key Performance Measures

**Agency: STATE LANDS, DEPARTMENT OF**

Mission: The mission of the Department of State Lands is to ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - Increase in Deposits to the Common School Fund - Percent annual increase in amount of cash generated by agency activities deposited to the Common School Fund.		Approved KPM	-15.10	1.50	1.50
2 a - Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for forest lands.		Approved KPM	45.20	36.00	36.00
2 b - Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for all other activities of the agency.		Approved KPM	56.40	36.00	36.00
3 - Increase in Revenues from Land Management Activities - Percent increase in revenues generated by all Land Management activities, exclusive of timber harvest receipts.		Approved KPM	4.38	5.20	5.30
4 - Complete Management Plans or Policies – Percent of DSL lands and waterways with completed area management plans or policies.		Approved KPM	87.00	92.00	95.00
5 - No Net Loss of Wetlands - Change in wetland acreage due to permit actions.		Approved KPM	101.00	0.00	0.00
6 - Number of Days for a Permit Decision - Average number of days for an agency permit decision after receipt of a complete application.		Approved KPM	56.80	60.00	60.00
7 - Annual Resolution of Removal-Fill Permit Non-Compliance - Percent of removal-fill permit non-compliance conditions that have a final resolution in place within 12 months from date non-compliance is determined.		Approved KPM	56.00	50.00	50.00
8 - Annual Resolution of Removal-Fill Violations Related to Unauthorized Activities-Percent of removal-fill violations that have a final resolution in place within 12 months of receipt of a complaint generating determination of a violation.		Approved KPM	73.00	50.00	50.00

**Agency: STATE LANDS, DEPARTMENT OF**

Mission: The mission of the Department of State Lands is to ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
9 - Agency Response Time to Wetland Delineation Reports - Average number of days for the agency initial review and response to a complete wetland delineation report.		Approved KPM	67.00	60.00	60.00
10 - Agency Response Time for Wetland Land Use Notices - Average number of days for an agency response to wetland land use notices.		Approved KPM	17.60	22.00	22.00
11 - Use of Payment to Provide Moneys - Percent payment-to-provide money received in Mitigation Bank Fund obligated and committed within one year.		Approved KPM	100.00	100.00	100.00
12 - Increase Unclaimed Property Holder Reporting. - Percent annual increase in amount of unclaimed property reported and remitted annually.		Approved KPM	48.30	60.00	60.00
13 - 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	83.00	93.00	93.00
13 - 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	79.00	93.00	93.00
13 - 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	85.00	93.00	93.00
13 - 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	84.00	93.00	93.00
13 - 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	84.00	93.00	93.00



**Agency: STATE LANDS, DEPARTMENT OF**

Mission: The mission of the Department of State Lands is to ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
13 - 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	79.00	93.00	93.00
14 - Regional Solutions Customer Service - Percent of local participants who rank the Department's involvement in the Regional Solutions process as good to excellent.		Approved KPM	57.00	85.00	85.00
15 - South Slough National Estuarine Research Reserve Operation Costs Leveraged. - Percent of SSNERR operations funded from sources other than CSF, including leverage from grants, fees, program revenues and gifts.		Approved KPM	13.00	10.00	10.00
16 - South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.		Approved KPM	50.00	50.00	50.00
17 - Best Practices - Percent of total best practices met by the Land Board.		Approved KPM	93.00	100.00	100.00

**LFO Recommendation:**

Approve the KPM's and targets as submitted by the department with the following modifications:

KPM #2a&b – Administrative and Operational Costs - A lower target is desirable; DSL has only met the target once in seven years. Shares of these costs are fixed and a lower target is largely dependent on the amount of revenue generated. Recommend revisiting the methodology during the interim to establish more meaningful metrics.

KPM #4 – Complete Management Plans or Policies - Agency expects to achieve the 90% completion target in 2013 leaving 10% remaining to be completed. Recommend increasing the target to 92% in 2014 and 95% in 2015 and once 100% of the plans have been completed then the KPM will need to be modified to reflect updating the plans on some continuum.

KPM #14 – Regional Solutions Customer Service – The governor removed the agency from the Regional Solutions Team several years ago . Currently the agency is used by RST on an ad hoc basis. Customers, surveyed by the Governor’s office, only randomly see the agency’s work. The LFO recommends eliminating this KPM.

KPM #16 – South Slough Reserve Education Plans - Target was initially 90% then lowered to 37.5%. Actual experience of one biennium was 50%; Target should be increased to the actual experience and then increased appropriately over time.

KPM #17 – Best Practices of the Land Board – Target should be established at 100%

**Sub-Committee Action:**

The Sub-committee members discussed the importance of retaining KPMs 2a and 2b: Administrative and Operational costs. While this measurement applies to elements not in the agency's control, such as forest harvest demand, yield and pricing, litigation, etc, retaining the measure continues the discussion. The Sub-committee approved the LFO recommendation.

**77<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session  
BUDGET REPORT AND MEASURE SUMMARY**

**MEASURE: HB 5008-A**

**Carrier – House: Rep. Buckley  
Carrier – Senate: Sen. Devlin**

**JOINT COMMITTEE ON WAYS AND MEANS**

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

**Vote:** 22 – 2 – 2

House

Yeas: Barker, Buckley, Frederick, Huffman, Jenson, Komp, Nathanson, Read, Smith, Tomei, Williamson

Nays: Freeman, Hanna

Exc: McLane, Richardson

Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc:

**Prepared By:** Linda Ames, Legislative Fiscal Office

**Reviewed By:** Daron Hill, Legislative Fiscal Office

**Meeting Date:** July 8, 2013

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Agency

Emergency Board

Various Agencies

Biennium

2013-15

2011-13

**2013-15 Budget Summary\***

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Emergency Board</u></b>				
General Fund - General Purpose	-	-	\$ 30,000,000	\$ 30,000,000
General Fund - Special Purpose Appropriations				
State employee compensation changes	-	-	\$ 86,500,000	\$ 86,500,000
Home health care worker compensation	-	-	\$ 12,900,000	\$ 12,900,000
Oregon State Library	-	-	\$ 1,702,192	\$ 1,702,192
Department of Education - student assessments	-	-	\$ 4,600,000	\$ 4,600,000
Department of Education - youth development	-	-	\$ 1,789,557	\$ 1,789,557
Department of Housing and Community Development - Oregon Hunger Response Fund	-	-	\$ 225,000	\$ 225,000
Oregon Health Authority - A&D rate increases	-	-	\$ 3,300,000	\$ 3,300,000
Oregon Health Authority - Dental Pilots	-	-	\$ 100,000	\$ 100,000
<b><u>Various Agencies - Omnibus Adjustments</u></b>				
General Fund	-	-	\$ (190,669,103)	\$ (190,669,103)
General Fund Debt Service	-	-	\$ (761,790)	\$ (761,790)
Lottery Funds	-	-	\$ (1,719,018)	\$ (1,719,018)
Lottery Funds Debt Service	-	-	\$ (1,307,446)	\$ (1,307,446)
Other Funds	-	-	\$ (5,660,297)	\$ (5,660,297)
Federal Funds	-	-	\$ (1,629,523)	\$ (1,629,523)
<b><u>ADMINISTRATION PROGRAM AREA</u></b>				
<b><u>Department of Administrative Services</u></b>				
General Fund	-	-	\$ 1,150,000	\$ 1,150,000
Lottery Funds	-	-	\$ 21,380	\$ 21,380
Other Funds	-	-	\$ 54,596,958	\$ 54,596,958

\*Excludes Capital Construction

**2013-15 Budget Summary\***

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Office of the Governor</u></b>				
General Fund	-	-	\$ 9,174	\$ 9,174
Lottery Funds	-	-	\$ 900,000	\$ 900,000
<b><u>Department of Revenue</u></b>				
General Fund	-	-	\$ 3,196,495	\$ 3,196,495
General Fund Debt Service	-	-	\$ 1,554,716	\$ 1,554,716
Other Funds	-	-	\$ 26,903,021	\$ 26,903,021
<b><u>Secretary of State</u></b>				
General Fund	-	-	\$ 9,174	\$ 9,174
<b><u>Treasurer of State</u></b>				
Other Funds	-	-	\$ 9,174	\$ 9,174
 <b><u>CONSUMER AND BUSINESS SERVICES PROGRAM AREA</u></b>				
<b><u>Bureau of Labor and Industries</u></b>				
General Fund	-	-	\$ 6,881	\$ 6,881
Other Funds	-	-	\$ 2,293	\$ 2,293
 <b><u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u></b>				
<b><u>Oregon Business Development Department</u></b>				
General Fund Debt Service	-	-	\$ 280,954	\$ 280,954
Lottery Funds	-	-	\$ 1,374,525	\$ 1,374,525
Other Funds	-	-	\$ 29,752,779	\$ 29,752,779
Other Funds Non-limited	-	-	\$ 12,000,000	\$ 12,000,000
<b><u>Housing and Community Services Department</u></b>				
General Fund	-	-	\$ 225,000	\$ 225,000
Other Funds	-	-	\$ 5,076,190	\$ 5,076,190

\*Excludes Capital Construction

**2013-15 Budget Summary\***

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Department of Veterans' Affairs</u></b>				
General Fund Debt Service	-	-	\$ 852,814	\$ 852,814
Other Funds	-	-	\$ 65,000	\$ 65,000
<b><u>EDUCATION PROGRAM AREA</u></b>				
<b><u>Department of Education</u></b>				
General Fund	-	-	\$ (8,826,545)	\$ (8,826,545)
Lottery Funds	-	-	\$ 12,826,545	\$ 12,826,545
Other Funds	-	-	\$ 12,000,000	\$ 12,000,000
Federal Funds	-	-	\$ 1,000,000	\$ 1,000,000
<b><u>Department of Community Colleges and Workforce Development</u></b>				
Other Funds	-	-	\$ (307,051)	\$ (307,051)
Other Funds Debt Service	-	-	\$ 307,051	\$ 307,051
<b><u>Oregon Health and Science University</u></b>				
General Fund	-	-	\$ 1,000,000	\$ 1,000,000
<b><u>Higher Education Coordinating Commission</u></b>				
General Fund	-	-	\$ 859,630	\$ 859,630
<b><u>Oregon University System</u></b>				
General Fund	-	-	\$ 15,674,000	\$ 15,674,000
<b><u>HUMAN SERVICES PROGRAM AREA</u></b>				
<b><u>Oregon Health Authority</u></b>				
General Fund	-	-	\$ (1,940,000)	\$ (1,940,000)
Other Funds	-	-	\$ (3,160,291,391)	\$ (3,160,291,391)
Other Funds Nonlimited	-	-	\$ 3,160,291,391	\$ 3,160,291,391

\*Excludes Capital Construction

**2013-15 Budget Summary\***

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Department of Human Services</u></b>				
General Fund	-	-	\$ 5,000,000	\$ 5,000,000
Other Funds	-	-	\$ 1,000,000	\$ 1,000,000
Federal Funds	-	-	\$ 9,700,000	\$ 9,700,000
<b><u>Long Term Care Ombudsman</u></b>				
General Fund	-	-	\$ 785,488	\$ 785,488
<b><u>JUDICIAL BRANCH</u></b>				
<b><u>Judicial Department</u></b>				
General Fund	-	-	\$ 634,980	\$ 634,980
Other Funds	-	-	\$ 335,001	\$ 335,001
<b><u>Public Defense Services Commission</u></b>				
General Fund	-	-	\$ 2,409,367	\$ 2,409,367
<b><u>LEGISLATIVE BRANCH</u></b>				
<b><u>Legislative Administration Committee</u></b>				
General Fund Debt Service	-	-	\$ 1,421,341	\$ 1,421,341
Other Funds	-	-	\$ 615,000	\$ 615,000
<b><u>NATURAL RESOURCES PROGRAM AREA</u></b>				
<b><u>State Department of Agriculture</u></b>				
General Fund	-	-	\$ 34,060	\$ 34,060
Lottery Funds	-	-	\$ (21,380)	\$ (21,380)
<b><u>Columbia River Gorge Commission</u></b>				
General Fund	-	-	\$ (79,873)	\$ (79,873)
<b><u>Department of Land Conservation and Development</u></b>				
General Fund	-	-	\$ 196,000	\$ 196,000

\*Excludes Capital Construction

**2013-15 Budget Summary\***

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Department of Environmental Quality</u></b>				
Other Funds Debt Service	-	-	\$ (17,140,278)	\$ (17,140,278)
<b><u>State Department of Energy</u></b>				
Other Funds	-	-	\$ 9,876,190	\$ 9,876,190
<b><u>State Department of Fish and Wildlife</u></b>				
General Fund	-	-	\$ 115,940	\$ 115,940
<b><u>State Forestry Department</u></b>				
Other Funds	-	-	\$ 120,000	\$ 120,000
Federal Funds	-	-	\$ 3,000,000	\$ 3,000,000
<b><u>Parks and Recreation Department</u></b>				
Other Funds	-	-	\$ 5,069,882	\$ 5,069,882
<b><u>Department of State Lands</u></b>				
Other Funds	-	-	\$ 307,360	\$ 307,360
Federal Funds	-	-	\$ 135,000	\$ 135,000
<b><u>Water Resources Department</u></b>				
Other Funds	-	-	\$ 10,242,513	\$ 10,242,513
<b><u>PUBLIC SAFETY PROGRAM AREA</u></b>				
<b><u>Department of Corrections</u></b>				
General Fund	-	-	\$ 2,340,830	\$ 2,340,830
<b><u>Oregon Criminal Justice Commission</u></b>				
General Fund	-	-	\$ 10,190,000	\$ 10,190,000
<b><u>Department of Justice</u></b>				
General Fund	-	-	\$ 3,683,276	\$ 3,683,276
General Fund Debt Service	-	-	\$ 1,601,856	\$ 1,601,856
Other Funds	-	-	\$ 14,377,862	\$ 14,377,862
Federal Funds	-	-	\$ 27,447,707	\$ 27,447,707

\*Excludes Capital Construction

**2013-15 Budget Summary\***

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Oregon Military Department</u></b>				
General Fund	-	-	\$ 290,000	\$ 290,000
General Fund Debt Service	-	-	\$ 314,523	\$ 314,523
Other Funds	-	-	\$ 237,345	\$ 237,345
<b><u>Oregon State Police</u></b>				
General Fund	-	-	\$ 3,387,000	\$ 3,387,000
<b><u>Department of Public Safety Standards and Training</u></b>				
Other Funds	-	-	\$ 1,000,000	\$ 1,000,000
<b><u>Oregon Youth Authority</u></b>				
General Fund	-	-	\$ 126,673	\$ 126,673
Other Funds Debt Service	-	-	\$ 384,877	\$ 384,877
 <b><u>TRANSPORTATION PROGRAM AREA</u></b>				
<b><u>Department of Transportation</u></b>				
General Fund Debt Service	-	-	\$ (757,944)	\$ (757,944)
Other Funds	-	-	\$ 56,885,788	\$ 56,885,788
<hr/>				
<b>2013-15 Budget Summary</b>				
<b>General Fund Total</b>	-	-	\$ (4,568,334)	\$ (4,568,334)
<b>Lottery Funds Total</b>	-	-	\$ 12,074,606	\$ 12,074,606
<b>Other Funds Total</b>	-	-	\$ 218,056,658	\$ 218,056,658
<b>Federal Funds Total</b>	-	-	\$ 39,653,184	\$ 39,653,184

\*Excludes Capital Construction



**2011-13 Supplemental Appropriations**

	2011-13 Legislatively Approved Budget	2011-13 Committee Recommendation	Committee Change
<b><u>Emergency Board</u></b>			
General Fund	-	\$ (50,447,306)	\$ (50,447,306)
<b><u>Oregon University System</u></b>			
Other Funds	-	\$ (2,329,480,585)	\$ (2,329,480,585)
Other Funds Non-limited	-	\$ (2,236,635,139)	\$ (2,236,635,139)
<b><u>Military Department</u></b>			
General Fund	-	\$ (460,000)	\$ (460,000)
General Fund Debt Service	-	\$ (26,748)	\$ (26,748)
<b><u>Oregon Youth Authority</u></b>			
General Fund	-	\$ 200,000	\$ 200,000

**2013-15 Position Summary**

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Office of the Governor</u></b>				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	3.00	3.00
<b><u>Department of Revenue</u></b>				
Authorized Positions	-	-	31	31
Full-time Equivalent (FTE) positions	-	-	31.00	31.00
<b><u>Oregon Business Development Department</u></b>				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	3.00	3.00
<b><u>Department of Education</u></b>				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	3.38	3.38
<b><u>Higher Education Coordinating Commission</u></b>				
Authorized Positions	-	-	6	6
Full-time Equivalent (FTE) positions	-	-	3.69	3.69
<b><u>Long Term Care Ombudsman</u></b>				
Authorized Positions	-	-	8	8
Full-time Equivalent (FTE) positions	-	-	3.81	3.81
<b><u>Department of Corrections</u></b>				
Authorized Positions	-	-	-197	-197
Full-time Equivalent (FTE) positions	-	-	-65.31	-65.31
<b><u>Criminal Justice Commission</u></b>				
Authorized Positions	-	-	1	1
Full-time Equivalent (FTE) positions	-	-	0.88	0.88

**2013-15 Position Summary**

	<u>2011-13 Legislatively Approved Budget</u>	<u>2013-15 Legislatively Adopted Budget</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Oregon State Police</u></b>				
Authorized Positions	-	-	15	15
Full-time Equivalent (FTE) positions	-	-	4.38	4.38
<b><u>Department of Public Safety Standards and Training</u></b>				
Authorized Positions	-	-	4	4
Full-time Equivalent (FTE) positions	-	-	3.52	3.52
<b><u>Department of Transportation</u></b>				
Authorized Positions	-	-	2	2
Full-time Equivalent (FTE) positions	-	-	2.00	2.00

## **Summary of Revenue Changes**

The General Fund appropriations made in the bill are within resources available as projected in the May 2013 economic and revenue forecast by the Department of Administrative Services Office of Economic Analysis, supplemented by transfers from various agency accounts to the General Fund for general governmental purposes as authorized in House Bill 2322, plus other actions to reduce state agency expenditures.

## **Summary of Capital Construction Subcommittee Action**

House Bill 5008 appropriates General Fund to the Emergency Board for general purpose and targeted special purpose appropriations, and makes other adjustments to individual agency budget and position authority as described below.

### **Emergency Board**

The Emergency Board allocates General Fund and provides Lottery Funds, Other Funds, and Federal Funds expenditure limitation to state agencies for unanticipated needs in approved agency budgets when the Legislature is not in session. The Subcommittee appropriated \$30 million General Fund to the Emergency Board for general purposes.

House Bill 5008 makes eight special purpose appropriations to the Emergency Board, totaling \$111.1 million General Fund:

- \$86.5 million General Fund for allocation to state agencies for state employee compensation changes.
- \$12.9 million General Fund for allocation to state agencies for compensation changes for home health care workers who are not state employees.
- \$1,702,192 General Fund for second year operational costs for the Oregon State Library. The 2013-15 budget for the State Library provides for only one year of budget authority for the agency (see House Bill 5022). The release of this appropriation, by either the Legislature or the Emergency Board, is contingent on a successful reorganization plan being submitted and approved by the Legislature in 2014.
- \$4.6 million for the Department of Education for costs over and above the amount included in the Department's budget bill (Senate Bill 5518) relating to assessments and other resources aligned to common core standards including those assessments required under the federal Elementary and Secondary Education Act (ESEA). The Department of Education must report on what assessments it plans to implement and on the most current estimates of the costs for each component of the assessment when making the request for this special purpose appropriation.
- \$1,789,557 General Fund for the Department of Education's Youth Development Division. This amount represents program funding for the second year of the biennium for youth development grants, performance-based contracts, and services provided at the local level. Prior to requesting this special purpose appropriation, the Youth Development Council will report back to the Joint Committee on Ways and Means during the 2014 Legislative Session with a plan for investing and distributing these funds. The plan must take into account (1) the furtherance of the policy directives and youth academic and developmental outcomes outlined in House Bill 3231; (2) Oregon's

40/40/20 educational goals; and (3) the Oregon Education Investment Board's Strategic Plan. In developing this plan, the Youth Development Council shall consult with representatives of youth, parents, schools, service providers, labor, business, local governments, tribal governments, and communities.

- \$225,000 General Fund one-time funding for the Oregon Hunger Response Fund, for allocation to the Housing and Community Services Department after receipt of the agency's report on alternate, sustainable service delivery models, pursuant to a budget note.
- \$3.3 million General Fund for the Oregon Health Authority for adult residential room and board rate increases within the alcohol and drug system, after receipt of the agency's study on both the youth and adult system, during the 2014 legislative session. Based on the findings of that study, some or all of this funding could be allocated at that time.
- \$100,000 General Fund for the Oregon Health Authority for staffing needs related to the Dental Pilot Projects. These projects were established in Senate Bill 738 (2011), but no funding was provided. While the funding for the pilots is expected to come from foundations and private funders, the agency needs staff to manage the program.

If these special purpose appropriations are not allocated by the Emergency Board before December 1, 2014, any remaining funds become available to the Emergency Board for general purposes.

### **Adjustments to Approved 2013-15 Budgets**

#### **OMNIBUS ADJUSTMENTS**

Omnibus adjustments reflect budget changes in multiple agencies based on reductions in Department of Administrative Services' assessments and charges for services, a reduction to the Attorney General rates, an increase resulting from a new Secretary of State Archives assessment, and debt service adjustments. Also included is a 5% reduction to services and supplies (excluding the fixed costs of State Government Service Charges, Attorney General charges, rent, and fuel and utilities) that is applied to General Fund and certain Lottery Funds only. Total savings are \$36.5 million General Fund, \$1.7 million Lottery Funds, \$5.7 million Other Funds, and \$1.6 million Federal Funds.

Omnibus adjustments also include a 2% supplemental ending balance holdback that is applied primarily to General Fund, and excludes debt service as well as selected programs. This reduction may be restored during the 2014 legislative session depending on statewide economic conditions. Agency detail for this adjustment is shown in Attachment A. Total budget reductions include \$154.9 million General Fund and \$1.4 million Lottery Funds.

Another statewide adjustment, which is included in agency budget bills and not in House Bill 5008, affects most state agencies. Package 091 (Statewide Administrative Savings) is a placeholder for administrative efficiencies and associated budget reductions in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Subcommittee affirmed that the reductions, at \$62.0 million total funds, are permanent and ongoing as they reflect fundamental changes in business processes. The Department of Administrative Services (DAS) will continue to work on details of these reductions with agencies and report to the Joint Committee on Ways and Means during the 2014 session. Agencies should direct concerns regarding permanency or implementation of the reductions to DAS. The Department will include a plan for resolving any issues related to these reductions as part of its 2014 report.

## ADMINISTRATION

### Oregon Department of Administrative Services

House Bill 5008 includes one-time General Fund appropriations to the Department of Administrative Services (DAS) for the following purposes:

- \$500,000 to the East Valley Water District to support completion of an environmental impact study on a proposed water storage project.
- \$250,000 to the Historic Public Market Foundation to assist with development of the James Beard Public Market in Portland.
- \$400,000 for distribution to 211info, which is a statewide, nonprofit information and referral service for community and social services. The state currently supports about one-third of the organization's operating budget, primarily through contracts with individual state agency programs for specific services. 211info also receives funding from local governments, other nonprofits, grants, and foundations. This direct General Fund appropriation is intended to help 211info maintain statewide program access over the 2013-15 biennium. An additional request to support around-the-clock operations was not funded; right now 211info operates Monday through Friday from 8 am to 6 pm. To gain a better understanding of how state agencies can most effectively use 211info and to provide the legislature information to help evaluate potential future funding requests, the Subcommittee adopted a budget note:

#### **Budget Note:**

The Department of Administrative Services shall work with other state agencies to identify all information and referral services for state government, with a primary focus on help lines (for example, 1-800 numbers). The Department will submit a report to the Joint Committee on Ways and Means during the 2014 legislative session summarizing the purpose, scope, and cost of each service. For each state agency currently using 2-1-1 the report shall also provide information on the service(s) being provided, including but not limited to, contract provisions, utilization, benefits, costs, and budget. Finally, the report shall include an analysis of potential cost savings or efficiencies that might be achieved by broader use of 2-1-1.

The Subcommittee added \$27,100,007 Other Funds expenditure limitation for one-time cost of issuance and special payments associated with the disbursement of proceeds from several Lottery Bond sales; projects are detailed below and approved in the Lottery Bond bill (Senate Bill 5533). There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is calculated at a total of \$4,882,645 Lottery Funds: \$2,193,283 for the Lane Transit project; \$1,835,741 for the Portland Convention Center hotel project; \$637,464 for the Confederated Tribes of Umatilla; and \$216,157 for the North Central Education Service District project.

- \$10,239,248 Other Funds for disbursement to Metro for the purpose of assisting with the development of a hotel near the Portland Convention Center.
- \$3,562,986 Other Funds for disbursement to the Confederated Tribes of Umatilla for construction a 1.5 mile road extension from the Port of Umatilla into the Confederated Tribes of Umatilla, which will open additional industrial land for development.
- \$1,042,755 Other Funds for disbursement to North Central Education Service District for partial funding of digital switch technology acquisition that would serve the educational and public safety needs of Wheeler, Gilliam, and Sherman Counties.
- \$12,255,018 Other Funds for disbursement to the Lane Transit District for the West Eugene EmX extension project.

House Bill 5008 includes Other Funds expenditure limitations for the following purposes:

- \$400,000 one-time Other Funds increase to support a DAS contract with the Province of British Columbia on behalf of Multnomah County. The county wants to contract with Partnerships BC, which is a government-owned infrastructure development company, to develop a business case for a new Multnomah County Courthouse. Oregon counties are prohibited from contracting with foreign governments, but the state is allowed. This contract will be issued outside the normal, competitive procurement process because under ORS 190 DAS may enter into intergovernmental agreements with foreign governments and bypass this process. Multnomah County will pay for the planning work through DAS to Partnerships BC.
- \$2,955,118 Other Funds increase to the Enterprise Asset Services budget unit to correct a mistake when too much services and supplies expenditure limitation was inadvertently removed from the program in House Bill 5002, the budget bill for the Department of Administrative Services.
- \$24,141,833 one-time increase to the Shared Services Fund to accommodate first year payments from the Fund to counties. 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. Local taxing districts are now eligible to receive payments from the state that are calculated to equal 50% of the personal income tax revenue attributable to the earnings of persons employed as result of a SIP property tax exemption. These payments would otherwise have gone to the state General Fund.

The Subcommittee increased Lottery Funds by \$21,380 to reflect additional Lottery Funds for County Fairs support. The funding is available due to the termination of the County Fair Commission, for which the Department of Agriculture had received Lottery Funds for minimal administrative support of Commission operations.

The Subcommittee also added the following budget note on how to best meet the information technology needs of small state agencies:

**Budget Note:**

The Department of Administrative Services is directed to report back to the February 2014 Legislative Session with a plan to address the specific needs of smaller (<300 FTE) agencies with regard to Information Technology and Telecommunications Management. The Department shall also report on resources that will be necessary to implement such a plan and how those resources would be funded.

**Office of the Governor**

A \$900,000 Lottery Funds limitation and three limited duration Principal Executive/Manager F positions (3.00 FTE) are added to the Office of the Governor. These positions will focus on streamlining the permitting process for significant projects across all levels of government; federal, state, county and city.

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Office of the Governor is an increase of \$9,174 General Fund, including other payroll expenses. Statewide elected officials last received a salary

increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

The following budget note was approved:

**Budget Note:**

The Joint Committee on Ways and Means approved a budget with House Bill 5028, the budget bill for the Oregon Business Development Department, that concerned the Regional Solutions program. That budget note is repealed, and the following, also concerning the Regional Solutions program, is adopted.

The Transportation and Economic Development Subcommittee approved a \$1 Other Funds expenditure limitation for the Oregon Business Development Department for Regional Solutions. Prior to legislative approval of any increase in the expenditure limitation for this program, the Office of the Governor shall report to the Interim Joint Committee on Ways and Means with a request to introduce a bill, for consideration during the 2014 Session of the Legislative Assembly, to establish the Regional Solutions program. In addition to any other provisions in this report that the Governor may include, the report shall include requested provisions to: provide for the establishment of Regional Solutions Centers; identify the membership, governance and duties of the Centers; establish criteria on the use of funds allocated to the program; define the process for the development and approval of funding proposals; establish authority for the Oregon Business Development Department to distribute moneys to projects funded under the program and to provide effective oversight of the uses of the moneys so distributed; and delineate the activities and responsibilities of the Oregon Business Development Department for administering the program. The Office of the Governor shall submit this report to the Interim Joint Committee on Ways and Means no later than during the Legislative Days in November 2013.

**Department of Revenue**

The Subcommittee approved funding for the implementation of the replacement of the agency's core information technology applications (Core System Replacement project). The estimated one-time cost of implementation totals \$70.9 million and is scheduled to be fully completed by the 2017-19 biennia. Overall, the project will be funded with \$12.5 million of General Fund and \$58.4 million of Article Q-bonds. General Fund will provide for Debt Service repayment. Ongoing costs are roughly estimated at 2-3 times the initial one-time costs.

For the 2013-15 biennium, the Subcommittee approved \$26.5 million of Other Funds expenditure limitation for development costs, which will be financed with Article XI-Q bonds approved in House Bill 5506. Personal Services are increased by \$6.0 million Other Funds (31 positions/31.00 FTE), \$18.8 million Other Funds for Services and Supplies, and \$1.7 million for Capital Outlay. Major costs include: \$11.3 million for vendor contract payments; \$1 million for vendor contracted maintenance; \$1.5 million for an independent quality assurance/control vendor; and \$3 million in vendor contract contingency costs.

Unless otherwise approved by the Legislature or the Emergency Board, the positions budgeted for the Core System Replacement project are established as permanent full-time positions under the following conditions: (a) the positions will be abolished on or before the completion of the project; (b) the positions are to remain in the Core System Replacement program (i.e., CSR summary cross reference) and may not be transferred to any other program or used for any other purpose other than the development to the Core System Replacement project; and (c) the positions may not to be included in any permanent finance plan action.



The Subcommittee appropriated \$3.6 million General Fund for the agency's payments to the Department of Administrative Services for State Data Center charges and for vendor contract maintenance costs to support the ongoing maintenance of the vendor product after installation.

The Subcommittee appropriated \$1.6 million in General Fund Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in SB 5506. General Fund Debt Service for the 2015-17 biennium will total \$10.1 million. Other Funds expenditure limitation of \$521,182 is included for the cost of issuance of the bonds.

The Department of Administrative Services is requested to unschedule \$13 million of Other Funds expenditure limitation related to the May 2014 Article XI-Q bond sale pending a Department of Revenue report to the Legislature in 2014 on the status of the project.

The Subcommittee adopted the following budget note:

**Budget Note:**

The Department of Revenue (DOR) is directed to work with the Department of Administrative Services (DAS) in the development and implementation of the Core Systems Replacement Project. DAS is to provide DOR with the oversight of the project, including support for project management, information technology systems development lifecycle, procurement, quality assurance, and other needs to successfully complete this project.

DOR is to submit updated key foundational project management documentation, each accompanied by an independent quality control review, to Legislative Fiscal Office (LFO) on or before February 1, 2014, as available for review.

DOR and DAS are directed to report to LFO every six months through the biennium on the status of the project using DOR's standard project management reports as well as provide copies of all Quality Assurance and Quality Control and Independent Verification and Validation reports upon their receipt by the agency.

The Subcommittee disappropriated \$440,937 General Fund and reduced Other Funds expenditure limitation by \$146,979 from the Administration program due to the passage of Senate Bill 184, which allows for agencies to send notification by first class mail, or in some cases by an alternative method such as e-mail, in lieu of certified mail. The reduction is the difference in cost between certified mail and first class postage that is estimated to be realized by the agency.

**Secretary of State**

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Secretary of State is an increase of \$9,174 General Fund, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

### Treasurer of State

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Treasurer is an increase of \$9,174 Other Funds expenditure limitation, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

## **CONSUMER AND BUSINESS SERVICES**

### Bureau of Labor and Industries

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Bureau of Labor and Industries is an increase of \$6,881 General Fund and \$2,293 Other Funds expenditure limitation, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

## **ECONOMIC AND COMMUNITY DEVELOPMENT**

### Oregon Business Development Department

The Subcommittee increased the General Fund appropriation by \$280,954, to fully-fund 2013-15 biennium debt service costs for Article XI-Q general obligation bonds issued to finance Innovation Infrastructure projects. Debt service costs are higher than originally projected, because the bonds are not eligible to be issued on a tax-exempt basis. This increase will provide a total of \$694,286 General Fund to pay 2013-15 biennium debt service costs on the \$5,000,000 project. Debt service costs will increase to \$1.4 million in the 2015-17 biennium.

The Subcommittee established two new Lottery Funds expenditure limitations, and approved the establishment of three full-time, limited-duration positions (3.00 FTE). The first Lottery Funds expenditure limitation of \$1,124,525 supports three limited-duration positions housed in the Shared Services/Central Pool program area, and associated services and supplies costs. These include two positions in regional governance solutions and one position for West Coast Strategies. The second newly-established Lottery Funds expenditure limitation provides \$250,000 for Business, Innovation and Trade for an ongoing Economic Gardening services pilot project. Both of these Lottery Funds expenditure limitations are approved on a one-biennium basis, and will be phased out in the development of the Department's 2015-17 biennium current service level budget.

The bill includes several budget adjustments to allow expenditures of bond proceeds authorized for the Department by Senate Bill 5506 and Senate Bill 5533, and payment of the costs of issuing those bonds. The Other Funds expenditure limitation for the cost of issuing Article XI-Q bonds for the agency is reduced by \$115,000, and the Other Funds expenditure limitation for the cost of issuing lottery revenue bonds for the re-

capitalization of the Special Public Works Fund is reduced by \$132,221 from the levels approved in House Bill 5028, the Department's budget bill. These adjustments will provide expenditure limitation of \$120,000 for the cost of issuing the Article XI-Q bonds, and \$258,580 for the cost of issuing the lottery revenue bonds. These costs will be funded from bond proceeds.

The Subcommittee increased the Other Funds expenditure limitation for the seismic rehabilitation grant program by \$30,000,000 to permit expenditure of bond proceeds approved for that program. Finally, the Subcommittee increased the agency's Nonlimited Other Funds expenditures in the Infrastructure Finance Authority by \$12,000,000 for expenditure of lottery revenue bond proceeds transferred to the Special Public Works Fund. Loan award expenditures from the Special Public Works Fund are not limited in the Department's budget.

#### Housing and Community Services Department

The Subcommittee approved Other Funds expenditure limitation to enable the Department to expend \$5 million in bond proceeds and \$76,190 for cost of issuance for preservation of existing affordable housing. The funds will help provide financing for the acquisition of affordable housing properties with expiring subsidies from owners who do not wish to renew their federal contracts; the properties will be acquired by new owners who commit to keeping them affordable to low-income Oregonians, rather than having the units convert to market-rate housing. The proceeds are anticipated to provide gap financing to preserve an estimated 200 units of affordable housing. The bonds are included in Senate Bill 5533.

The bill includes \$225,000 General Fund for one-time funding for the Oregon Hunger Response Fund for the first year of the biennium. An additional \$225,000 General Fund is included as a special purpose appropriation to the Emergency Board.

#### Department of Veterans' Affairs

Expenditure limitation is provided to the Oregon Department of Veterans' Affairs for cost of issuance in the amount of \$65,000 Other Funds, and a General Fund appropriation for debt service in the amount of \$502,814, related to the issuance of \$4 million in Article XI-Q bonds for completion of construction of a second Veterans' Home skilled nursing facility in Linn County. Other and Federal Funds Capital Construction expenditure limitation to spend the Article XI-Q bonds and federal matching funds from the U.S. Department of Veterans' Affairs is included in Senate Bill 5507.

A one-time General Fund appropriation of \$350,000 is made to the Oregon Department of Veterans' Affairs for veterans' suicide prevention and crisis intervention telephone counseling services, allocated pursuant to the following budget note:

#### **Budget Note:**

The Oregon Department of Veterans' Affairs shall establish a veterans' crisis suicide line that offers free, anonymous assistance, 24 hours a day, to active-duty service members, veterans and their families. The Department shall establish an RFP process for the line to contract with a provider that has a contractual affiliation with the National Suicide Prevention Line and the National Veteran's Crisis Line, and has capacity to answer at least 30,000 veteran or suicide calls per year. The Department shall establish the line within 90 days of passage.

## EDUCATION

### Department of Education

The State School Fund is adjusted in this bill to reflect a rebalance of statewide resources, decreasing General Fund and increasing Lottery Funds expenditure limitation by \$12,826,545.

The Other Funds expenditure limitation of the Department of Education for the Grant-in-Aid budget unit is increased by \$11,341,084 and the Other Funds expenditure limitation for the Operations unit of the Department of Education is increased by \$658,916 for increased resources for the Network of Quality Teaching and Learning. The funding is contingent on the increased distribution of up to \$12 million from the Common School Fund over and above the standard distribution according to the policy adopted by the State Land Board on April 14, 2009. The increased resources for the Network will be used for grants, contracts and other assistance distributed to school districts, education service districts, and other entities as well as for agency staffing and associated costs for the following components of the Network: (1) \$2.6 million for Educator Effectiveness, (2) \$1.2 million for Student Centered Learning, (3) \$500,000 for Educator Preparation, (4) \$1.0 million for Closing the Achievement Gap, (5) \$2.2 million for Aligning Professional Development Plans to School Improvement Objectives and Educators' Needs, and (6) \$4.5 million for Supporting Implementation of Common Core Standards. Three new limited duration positions are established (two Education Program Specialist 2 and a Program Analyst 4) and the FTE is increased on two other Program Analyst 4 positions for a total FTE increase of 3.38 FTE. This \$12 million increase is a one-time increase for only the 2013-15 biennium.

The Subcommittee approved an increase of \$2.0 million General Fund in the amount appropriated for the strategic initiatives in the grant-in-aid budget unit. These additional funds are for an increase in resources for the Seamless Transitions policy package (package 305) for collaboration or consortiums of post-secondary institutions and school districts to increase the award of college or community college credits for high school students. The combined funding of this \$2.0 million and the \$2.0 million appropriated for this purpose in Senate Bill 5518, is to be used to support the Eastern Promise consortium and the expansion of consortiums into other regions of the state.

The bill includes \$1.5 million General Fund for Student Achievement Improvement Grants established in House Bill 2322. The Department of Education is to award at least two grants per congressional district to schools considered high poverty under Title I of the federal Elementary and Secondary Act, serving students in grades Kindergarten to 8<sup>th</sup> grade that are in the bottom five percent of all schools based on the rating system used by the Department for academic performance. The funds are to be used to hire at least one licensed teacher at the school. The grant program is only authorized for the 2013-15 biennium.

The following budget notes were approved:

#### **Budget Note:**

The Oregon Department of Education is instructed to report to the Interim Joint Committee on Ways and Means before January 1, 2014 on progress on implementing its 2013-15 strategic plan. This first report is to be a baseline for future reports to the Legislature for measuring the success of transforming the agency to focus more on assisting and collaborating with educational partners, closing the achievement gaps, and being more "results-focused." The report should include the following:

1. A breakdown of the agency's education programs and services with a description of each program and service, including overall purpose, description of federal or state laws or rule that govern the program, target group served, overall funding by fund type, amount of program funding, amount of staff resources dedicated to the program based on FTE, amount spent on administrative costs at the state level, and description of measurements use to gauge the performance of the program or service.
2. Actions taken by the agency in the past six months to become more collaborative with partners and to improve customer service.
3. Actions taken by the agency in the past six months to increase the share of funding the agency receives that is passed through to educational partners.
4. Comparison of the staffing levels and operations of the Oregon Department of Education with education agencies in other states with similar missions and responsibilities.
5. Description of changes in the overall measures and metrics established by the agency as part of it strategic plan development.

The Department will consult with the Legislative Fiscal Office in determining the level of detail included in item #1 above and how specific the program level that should be in the report to the Legislature. In addition to the report due by January 1, 2014, the Department is instructed to provide updated information on the items above during the budget presentation to the Joint Committee on Ways and Means during the 2015 Legislative Session.

**Budget Note:**

The Department of Education shall not purchase or acquire the interim item bank and related assessments from Smarter Balance Assessment Consortium. The Department shall provide each district with available funds to administer a locally selected and established interim growth assessment system for students in grades Kindergarten through ninth that is capable of informing instruction and measuring student academic performance against a stable scale irrespective of grade level.

The Subcommittee approved an increase of \$500,000 General Fund for the Farm to School program described in ORS 336.431. This program enables schools to offer fresh, locally sourced products and to promote mutually beneficial educational activities and focus on children's long-term health habits. In addition, Federal Funds expenditure limitation for early learning programs was increased by \$1.0 million to reflect a larger carry-forward of child care related funds from 2011-13.

Department of Community Colleges and Workforce Development

A specific Other Funds expenditure limitation for debt service for Article XI-G bonds is established in the amount of \$307,051 for the Department of Community Colleges and Workforce Development. A corresponding reduction in another Other Funds expenditure limitation for the Department is made for a net change of zero across the entire agency.

Oregon Health and Science University

House Bill 5008 includes a General Fund appropriation of \$1,000,000 through the Department of Administrative Services, for the Primary Health Care Loan Forgiveness Program in the Office of Rural Health at the Oregon Health and Science University. This program provides loans to eligible primary care practitioners enrolled in an approved rural-specific Oregon training Program, and was established in 2011. This provides additional funding for the 2013-15 biennium.

### Higher Education Coordinating Commission

The Subcommittee approved an increase of \$859,630 General Fund for the budget for the Higher Education Coordinating Commission (HECC) to reflect the added responsibilities of House Bill 3120 and Senate Bill 270. Both of these bills are related to post-secondary education governance. This funding is in addition to the amount already included in House Bill 5033, the budget bill for the HECC. This funding will be used to fund six permanent positions (3.69 FTE) – a manger, two Operations/Policy Analyst 4 positions, two Education Program Specialist 2 positions, and one Procurement and Contract Specialist 3 position. The manager position is budgeted to start in October of 2013 with the remaining positions to start in April 2014. The following budget note was approved:

#### **Budget Note:**

Prior to final adoption of any significant change to the distribution of the Community College Support Fund, the Higher Education Coordinating Commission is directed to consult with the appropriate legislative committees including the interim policy committees with jurisdiction on post-secondary education issues and the interim Joint Committee on Ways and Means or Emergency Board on the proposed distribution change.

### Oregon University System

The Subcommittee increased the General Fund appropriation for public university support by \$15,000,000 with direction that the money be used to reduce resident undergraduate tuition increases at the state's seven public universities. The Subcommittee adopted the following budget note to limit tuition increases on resident undergraduate students:

#### **Budget Note:**

In adopting the budget for the Oregon University System, the Legislature intends that increases in the base rates for tuition paid by resident undergraduate students on all seven campuses and one branch campus (EOU, OIT, OSU, OSU-Cascades, PSU, SOU, UO and WOU) may not exceed an average of 3.5% at any individual campus in any given year of the 2013-15 biennium. For students choosing the Tuition Promise program at WOU, rates of increase over the prior cohort may not exceed 5.7% in any given year. These limits on tuition shall apply to all seven campuses and one branch campus for the next two academic years (2013-14 and 2014-15) regardless of the outcome of any governance changes that may be implemented during the biennium.

House Bill 5008 includes General Fund appropriations to the Oregon University System (OUS) State Programs budget unit for the following purposes:

- \$1,200,000 to expand fermentation science programs at Oregon State University.
- \$250,000 one-time appropriation to Oregon State University for technical assistance to help shellfish hatchery larval production affected by ocean acidification and assist with the maintenance of OSU's Mollusca Brood Stock Program with the intent to produce larval strains more resilient to the adverse effects of ocean acidification.
- \$80,000 to increase the base funding for the Labor Education and Research Center at the University of Oregon.

The Subcommittee adopted the following budget note related to public university support of State Programs with non-state funding:

**Budget Note:**

It is the expectation of the Legislature that university support for State Programs housed within the Oregon University System be maintained or increased in the same manner as other university programs during the 2013-15 biennium.

The Subcommittee also approved a decrease of \$856,000 General Fund from the budget for the Oregon University System to reflect the shifting of various responsibilities in House Bill 3120 and Senate Bill 270 from the Chancellor's Office (CO) to the Higher Education Coordinating Commission (HECC). Both of these bills are related to post-secondary education governance. This reduction related to transfer of duties from CO to HECC rolls-up to a \$1,200,000 General Fund reduction in the 2015-17 biennium.

**HUMAN SERVICES**

**Oregon Health Authority**

The Subcommittee added \$1,360,000 General Fund to the Oregon Health Authority for the following purposes:

- \$200,000 General Fund for providing fresh Oregon-grown fruits, vegetables and cut herbs from farmers' markets and roadside stands to eligible low-income seniors under the Senior Farm Direct Nutrition Program. Another \$100,000 General Fund was added for the same purpose for eligible individuals through the Women, Infants and Children Program.
- \$260,000 General Fund to increase reimbursements for ambulance transport services.
- \$200,000 General Fund for the Oregon State Hospital to contract for legal services from the Marion County District Attorney, to address the issue of chronically violent patients at the hospital.
- \$700,000 General Fund for breast and cervical cancer screening services. Of this total, about \$400,000 is needed to backfill funding shortfalls in the first year of the biennium related to reductions in funding from the Komen Foundation, as well as reductions resulting from federal sequestration.

The transfer of \$100,000 General Fund from the CCare program to the Oregon Vasectomy Project was approved. This will supplement the project's \$10,000 Title X federal funds.

The Subcommittee approved additional rate increases for the Alcohol and Drug system in Addictions and Mental Health (AMH). A total of \$800,000 General Fund will be used to provide a 2.4% rate increase effective July 1, 2013, and another \$1.4 million General Fund will be used to increase the room and board rate for youth residential beds from \$60 per day to \$90 per day effective July 1, 2013. (The agency's regular budget bill, House Bill 5030, already increases those rates from \$30 per day to \$60 per day.) The funding for these changes comes from two sources: \$1.7 million from the "reinvested" dollars in the AMH budget, resulting from dollars freed up as more clients will have insurance beginning January 2014, and \$500,000 General Fund from the Intensive Treatment and Recovery Services (ITRS) program. With the Affordable Care Act expansion, many of the ITRS clients will have insurance, and less General Fund will be needed to maintain the program level.

ITRS is reduced an additional \$3.3 million General Fund, and this funding is placed in a special purpose appropriation in the Emergency Board, to be available for rate increases in the adult residential system for alcohol and drug treatment for the second year of the biennium. As documented in the budget report for House Bill 5030, the agency will do a study of both the youth and adult systems and report to the 2014 Legislature. Based on the findings of that study, some or all of this special purpose appropriation could be allocated at that time. The Legislature could also decide to reduce the youth rate based on the results of that study.

House Bill 5030, the budget bill for the Oregon Health Authority, eliminated all Other Funds Nonlimited authority for the Public Employees' Benefit Board and the Oregon Educators Benefit Board, and instead moved all expenditure limitation to Other Funds Limited. This bill reverses that, resulting in a decrease in Other Funds Limited of \$3.2 billion and an increase in Other Funds Nonlimited of the same amount.

The following budget notes related to the Oregon State Hospital and the Blue Mountain Recovery Center were approved:

**Budget Note:**

The Oregon Health Authority shall report to the interim Joint Committee on Ways and Means or the Emergency Board by December 2013 on recommendations for decreasing the use of overtime and improving patient and staff safety at the Oregon State Hospital.

In order to make recommendations, the Oregon State Hospital will form a work group that will include representation from some of the major classifications of employees, particularly those providing direct care of patients, such as psychologists, psychiatrists, registered nurses, mental health therapists, mental health therapy technicians, mental health security technicians, and managers.

The report should include the following:

- Data on overtime hours worked and costs over the last 12 to 18 months, as well as the reasons for the use of this overtime. Details on mandated overtime should be reported.
- Data on the numbers and types of assaults on patients and staff over the last 12 to 18 months, as well as the costs, both direct and indirect, associated with those assaults. The report should also contain information on the concentration of those assaults involving a small number of individuals.
- Recommendations for reducing overtime and reducing assaults, and the status of implementing those recommendations. The report should include, but not be limited to, recommendations related to the float (relief) pool, such as the appropriate mix of permanent full-time, permanent part-time, limited duration, and temporary positions. The report should also consider recommendations for working with the Marion County District Attorney to address issues related to chronically violent patients.

**Budget Note:**

The Oregon Health Authority shall report to the appropriate legislative committee in September and December on the planning for the transfer of patients from the Blue Mountain Recovery Center (BMRC) pending its closure on January 1, 2014. Additionally, the Oregon Health Authority shall convene a workgroup comprised of the appropriate representatives of the various stakeholder groups, to identify future options for BMRC staff and facilities. The workgroup will have the following charge:

- (1) To identify needed services for Eastern Oregon's most vulnerable people, including those with:
  - (a) acute and chronic mental illness who require special services to enable them to successfully function in society;



- (b) substance abuse and subsequent involvement with the criminal justice system; and
- (c) mental illness and additional complications arising from age-related conditions.

(2) To advise the legislature and the Oregon Health Authority on strategies to best retain the existing specialized mental health workforce in the region; and

(3) To advise the legislature and the Oregon Health Authority on the best utilization of the current facilities and identify additional capital improvements to provide the above-identified services.

#### Department of Human Services

The Subcommittee added \$5 million General Fund and \$9.7 million Federal Funds expenditure limitation (\$14.7 total funds) to the Aging and People with Disabilities budget for the following purposes:

- \$1,300,000 General Fund and \$2,900,000 Federal Funds limitation to advance the implementation date for home and community based care rate increases from October 1, 2013 to July 1, 2013. Rates have been flat since July 2008 and were increased as part of the Department's budget as approved in Senate Bill 5529.
- \$2,500,000 General Fund and \$5,600,000 Federal Funds limitation to partially restore the instrumental activities of daily living (IADL) reduction that occurred in January 2012. Using available funding, the Department will develop and implement a plan to restore hours to the maximum extent possible. The plan may include a phased-in restoration as the Department conducts eligibility re-assessments for consumers served in long term care programs.
- \$700,000 General Fund to augment \$1.6 million General Fund already approved to support projects (innovations and pilots) to develop new approaches to long term care services. The additional amount includes \$350,000 General Fund for a grant to the Neighborhood Housing and Care Program, which is implementing a model for serving people living with HIV/AIDS in their homes. The average age and acuity of these individuals is growing along with the baby boomer population.
- \$500,000 General Fund and \$1,200,000 Federal Funds limitation to help cover Homecare Worker compensation costs associated with nurse delegation duties.

The 2013-15 budget approved for the Department of Human Services (DHS) in Senate Bill 5529 continued some reductions in developmental disability program budgets for community programs and brokerages. These reductions left equity (parity) relative to state office costs at levels ranging from 85% to 95%, depending on the budget component (e.g., case management and brokerage options). After completion of the DHS budget in Senate Bill 5529, DHS discovered that, within the budgeted funding level for these programs and with some updated assumptions in the budget model, equity for both programs could be brought up to 94% across all components. The Subcommittee approved the Department's plan to realign the budgets for the programs and implement the revised parity level. DHS is currently developing workload-based models for both programs and plans to build those models into the agency's 2015-17 budget proposal.

The Subcommittee added \$1,000,000 Other Funds expenditure limitation for the Employment Related Day Care (ERDC) program to help cover child care provider rate increases while providing subsidies to as many employed parents as possible. This funding is currently available due to lower than expected 2011-13 utilization of federal Child Care Development Fund dollars by the Child Care Division; General Fund may be needed in future biennia to cover these expenditures.

### Long Term Care Ombudsman

The Subcommittee added \$585,488 General Fund and seven permanent positions (2.81 FTE) to support work under Senate Bill 626, which expands duties of the Long Term Care Ombudsman to advocate for residents of care facilities who have mental illness or developmental disabilities. There are about 7,600 persons living in 1,816 licensed adult foster homes and group homes in Oregon serving persons with developmental disabilities and mental illness.

To provide the subject matter expertise needed to develop and refine the expanded program, the agency would add one permanent full-time Program Analyst 4 position. Five full-time deputy ombudsman positions (Program Analyst 2 classification) would ultimately be needed to work with approximately 125 new volunteers. Consistent with an expected gradual ramp-up for the new program, four of these positions would be phased in over the last 12 months of the 2013-15 biennium, with the fifth position phased-in at the start of the 2015-17 biennium. A half-time volunteer recruiter position (Program Analyst 1) would also be required to develop and maintain volunteer ranks and an Administrative Specialist would help support the new program, staff, volunteers, and an expanded advisory committee.

In addition, to help the agency better serve its existing clients, the Subcommittee increased the agency's budget by \$200,000 General Fund, which covers salary and other costs associated with adding one full-time deputy ombudsman position (1.00 FTE). This position will supervise 25 to 30 additional volunteers, increasing facility coverage (visits) with an emphasis on adult foster homes.

## **JUDICIAL BRANCH**

### Judicial Department

The Subcommittee increased the General Fund appropriation for judicial compensation by \$634,980, to finance a second salary increase for judges during the 2013-15 biennium. Judicial salaries are established by statute. House Bill 2322 increases the salaries of judges by \$5,000 per year beginning January 1, 2014, and by an additional \$5,000 per year beginning January 1, 2015. The 2013-15 biennium cost of the House Bill 2322 salary increases totals \$2,539,916. House Bill 5016, the budget bill for the Judicial Department, includes \$1,934,859 General Fund to fund the first \$5,000 salary increase. The General Fund increase included in this bill provides the additional funds needed to pay the second \$5,000 salary increase for the six months that it will be in effect in the 2013-15 biennium.

An Other Funds expenditure limitation increase of \$335,000 was approved for operations, for costs of issuing Article XI-Q bonds to finance a \$4.4 million capital construction project to renovate the exterior of the Supreme Court Building, and to finance a \$15 million grant to support development of a new courthouse for the Multnomah County Circuit Court in Portland. The cost of issuing the bonds will be financed from the proceeds of the bonds.

The Subcommittee also established a \$1 Other Funds expenditure limitation for the Oregon Courthouse Capital Construction and Improvement Fund. This newly-established Fund will hold Article XI-Q bond proceeds and county matching funds, and will be used to fund the purchase, remodeling or construction of courthouses owned or operated by the State. Senate Bill 5506 authorizes \$15 million of Article XI-Q bond proceeds that would be deposited into this Fund. The Legislative Assembly or the Emergency Board must increase the \$1 expenditure limitation, before bond proceeds and county matching funds could be distributed to the county for a construction project.

The Subcommittee reduced the Other Funds expenditure limitation on expenditures of Article XI-Q bond proceeds for Oregon eCourt by \$190,767, to correct an error in House Bill 5016, the Judicial Department's budget bill.

#### Public Defense Services Commission

The Subcommittee increased the General Fund appropriation for Professional Services by \$2,409,367. This increase includes three components:

- General Fund is increased \$2,400,000 to reduce trial-level juvenile dependency caseloads and improve the quality of legal services in juvenile dependency and termination of parental rights cases. The approved funding level will support an approximate 4.5% average reduction in the caseloads of attorneys providing these services, however, the agency may choose to distribute available funds on a pilot project basis. The agency will make caseload reductions conditional upon agreement to implement established best practices, and will evaluate the impacts of the caseload reductions.
- General Fund is increased \$864,567 to increase compensation paid to public defender contractors, hourly-paid attorneys, and hourly-paid investigators. The funds provided by this action will be added to the \$2,135,433 General Fund appropriated to the Commission for this same purpose in House Bill 5041, to provide a total of \$3,000,000 for compensation increases. From the \$3,000,000 available, the agency is to allocate \$2,329,729 to reduce the average salary differential between public defender salaries and district attorney salaries, allocate \$218,141 to increase the compensation rates for hourly-paid attorneys, and allocate \$452,130 to increase the compensation rates for hourly-paid investigators.
- General Fund is reduced \$855,200 as a result of passage of Senate Bill 40, which reduces crimes for the unlawful manufacture and possession of marijuana and marijuana products. The fiscal impact of these actions will reduce costs to the Commission by this amount.

### **LEGISLATIVE BRANCH**

#### Legislative Administration Committee

The Legislative Administration Committee has increased expenditures related to the Capitol Master Plan project. The bill establishes an Other Funds limitation of \$615,000 for the cost of issuance of Article XI-Q bonds for the project. It also includes a General Fund appropriation of \$1,421,341 for the debt service on the bonds issued for the 2013-15 biennium. Expenditure limitation for the project costs are provided in SB 5507 (the capital construction bill).

#### Legislative Fiscal Officer

House Bill 5008 establishes an Other Funds account called the Legislative Fiscal Office Operating Fund.

### **NATURAL RESOURCES**

#### State Department of Agriculture

The bill adds \$34,060 General Fund to increase special payments to USDA-APHIS-Wildlife Services for predator control activities. \$65,940 General Fund was also added to the Department of Fish and Wildlife for the same purpose. With these increases, state-support in both

departments for predator control activities will be equalized at \$415,889 for the 2013-15 biennium. The Subcommittee added the following budget note related to this increase:

**Budget Note:**

The Department of Fish and Wildlife and the Department of Agriculture shall, using information provided by USDA-APHIS-Wildlife Services, report to the appropriate subcommittee of the Joint Committee on Ways and Means during the 2015 Regular Session on wildlife conflicts responded to by Wildlife Services agents by species, resource type, and methods used to address the conflict, summarized by county.

The Subcommittee reduced Lottery Funds by \$21,380 to reflect the ending of the County Fair Commission, for which the Department had received funding for minimal administrative support. The moneys will now instead be added to the Lottery Funds support for County Fair payments by the Department of Administrative Services.

**Columbia River Gorge Commission**

The budget for the Columbia River Gorge Commission was reduced by \$79,873 General Fund to match the lower appropriation made by the State of Washington for Columbia River Gorge Commission activities.

**State Department of Energy**

House Bill 5008 increases the Department's Other Funds expenditure limitation by \$9,876,190 for home energy efficiency programs that will further the Ten Year Energy Plan goal of meeting new electric energy load growth through energy efficiency and conservation. This expenditure limitation includes \$76,190 for cost of issuance associated with \$5 million in Lottery Bond proceeds, as well as \$4.8 million in unexpended public purpose charge single family weatherization funding transferred from the Housing and Community Services Department in House Bill 2322.

The bill clarifies the use of Lottery Funds by the Department of Energy, to be consistent with the agency's adopted budget.

**Department of Environmental Quality**

House Bill 5008 removes \$17,140,248 Other Funds expenditure limitation for debt service payments mistakenly added in Senate Bill 5520. This subsection of Senate Bill 5520, the budget bill for the Department of Environmental Quality, is not necessary because the agency was also provided nonlimited Other Funds authority to pay debt service costs during the 2013-15 biennium in the same bill. This adjustment will prevent authorized Other Fund debt service payments from being erroneously doubled counted in 2013-15.

**Department of Land Conservation and Development**

The Subcommittee approved \$116,000 General Fund to supplement grant funding for the Southern Oregon Regional Land Use Pilot Program. The bill also includes \$80,000 General Fund for a grant to the Columbia River Gorge Commission for continuation of work on urban planning issues inside the Oregon portion of the National Scenic Area in the Columbia River Gorge. In addition, a reduction of \$35,000 General Fund in the Planning Program was approved because rulemaking will not be required to implement provisions of House Bill 2202 to mining on land zoned for exclusive farm use.

### State Department of Fish and Wildlife

The Subcommittee added a one-time \$50,000 General Fund appropriation as state match for a study on the effects of cormorant predation on listed salmonids. The state support will be matched with \$150,000 Federal Funds to hire seasonal positions to conduct population surveys, conduct diet studies to help verify the extent of salmonid predations, and assist in on-going hazing efforts.

The bill also adds \$65,940 General Fund to increase special payments to USDA-APHIS-Wildlife Services for predator control activities. \$34,060 General Fund was also added to the Department of Agriculture for the same purpose. With these increases, state-support in both departments for predator control activities will be equalized at \$415,889 General Fund for the 2013-15 biennium. The Subcommittee added the following budget note for both agencies:

#### **Budget Note:**

The Department of Fish and Wildlife and the Department of Agriculture shall, using information provided by USDA-APHIS-Wildlife Services, report to the appropriate subcommittee of the Joint Committee on Ways and Means during the 2015 Regular Session on wildlife conflicts responded to by Wildlife Services agents by species, resource type, and methods used to address the conflict, summarized by county.

### State Forestry Department

The Department has received a pre-award notice from the U.S. Department of Agriculture regarding the availability of \$3 million of federal legacy dollars to be applied to the Gilchrist Forest acquisition. Limitation in that amount is added for the 2013-15 biennium. The total amount includes \$600,000 for recently-available infill acreage.

To cover the expense of bond issuance for the Gilchrist Forest purchase and the East Lane construction, the Subcommittee increased Other Funds expenditure limitation by \$120,000.

The Department is directed to use up to \$200,000 of the Forest Revenue CSF account to supplement Policy Package 486, SB 5521 (2013), for the same purposes as Package 486. Package 486 provided \$250,000 Other Funds expenditure limitation to meet statutory requirements for forest research and monitoring on the Elliott State Forest.

The following budget note was approved for the State Forestry Department:

#### **Budget Note:**

Senate Bill 5521 (2013) provided \$2,885,000 Lottery Funds limitation to the Department of Forestry for the Governor's dry-side forest health collaboration effort for a new business model to improve federal forest project management and technical and scientific support. In administering the funding, the department is authorized to also consider a small grant program and a limited duration liaison position, from the \$2,885,000, at the department's discretion. The small grants are to be administered by the Oregon Watershed Enhancement Board using the Board's existing expenditure limitation. The position, if created, is to be the state's point of contact for the US Forest Service, congressional delegation, local forest collaborative groups, and the state Legislative Assembly.

The Department is directed to report to the Legislature in February 2014 on specific plans, expected outcomes, progress, and the amount of federal funding and support provided to the collaboration.

#### Parks and Recreation Department

Other Funds expenditure limitation is increased by \$5,000,000 for lottery bond proceeds designated to be passed through to a local recipient for the Willamette Falls project. In addition, the limitation is increased by \$69,882 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is \$0.9 million Lottery Funds.

#### Department of State Lands

House Bill 5008 increases the Department's Other Funds expenditure limitation by \$307,360. This is for unspent limitation associated with the conversion of 960 open rangeland acres currently leased for livestock grazing. The acreage will be converted to about 620 acres of irrigated agriculture land. The expenditure limitation was authorized by the Emergency Board in May, 2012. Due diligence review and determination of wetlands, required before undertaking the conversion, has taken longer than expected. After the final wetlands determination report in July 2013, the agency can move ahead to complete the project.

The Subcommittee increased the Federal Funds expenditure limitation in anticipation of two Environmental Protection Agency grants to develop scientifically based tools for functions-based, watershed-scale approach to wetlands mitigation in Oregon. The Department expects final notification on the grants in September 2013. The total amount is \$135,000. The Department of Administrative Services (DAS) is requested to unschedule the limitation until such time as State Lands notifies DAS and the Legislative Fiscal Office that the funds are awarded.

#### Water Resources Department

The Subcommittee approved \$10,242,513 Other Funds expenditure limitation from bond proceed resources for water supply projects including, but not limited to, statewide piping and lining open, rock or dirt-lined irrigation canal projects; implementation/completion of the Umatilla Basin Aquifer Recovery Project, repairing the Dam at Wallowa Lake and constructing a new reservoir in Juniper Canyon; the Willamette Basin Long-Term Water Allocation Study; the Deschutes Basin Study; and development of above and below ground water storage projects with partners in Oregon, Washington State, and Canada.

### **PUBLIC SAFETY**

#### Department of Corrections

If House Bill 3194 becomes law, the operational budget for the Department of Corrections (DOC), excluding Community Corrections, is reduced by \$19.7 million General Fund and 197 positions (65.31 FTE). This reduction eliminates most of the mandated caseload estimate included in House Bill 5005, and reflects a decrease in projected bed utilization of approximately 700 in 2013-15 from the April 2013 corrections forecast. Although the operational budget is decreased overall, the Department did receive \$168,302 General Fund and 0.79 FTE to support the transitional leave program requirements in House Bill 3194.

The Subcommittee made several modifications to DOC's Community Corrections budget. First, \$9 million General Fund was approved to enhance baseline funding for community corrections programs. Further, if House Bill 3194 becomes law, baseline funding is increased to total

\$215 million, or an additional \$8.09 million General Fund. At \$215 million, the Community Corrections baseline would be \$33 million, or 18%, above the 2011-13 legislatively approved budget. Also, conditional on passage of House Bill 3194, \$5 million General Fund was approved for jail support. DOC will distribute these dollars to counties based on each county's proportion of the baseline funding formula.

The following budget note was approved:

**Budget Note:**

As in the 2011-13 legislatively approved budget, the Department of Corrections is instructed to address the level of unspecified reductions in its budget without closure of existing facilities and without use of layoffs to reach the reduction goal. A report on what steps may be needed to reach reduction goals will be presented to the Joint Committee on Ways and Means during the February, 2014 legislative session.

**Criminal Justice Commission**

House Bill 3194 creates the Justice Reinvestment Account (Account) to support grants to counties for programs to reduce recidivism and decrease utilization of state prison capacity. However, the bill itself does not establish a funding level. The Subcommittee approved \$10 million General Fund for the Account with the understanding that an additional \$5 million would be approved during the February 2014 legislative session if the legislative assembly receives a 2013-15 General Fund forecast that is higher than the close of session forecast. This approval was made with the understanding that the Governor's Office will also direct the Criminal Justice Commission (CJC) to allocate \$5 million in federal funds from the 2012 and 2013 Byrne/Justice Assistance Grants for similar grants to counties. In the 2015-17 biennium, the current service level is expected to total \$20 million General Fund for the Account.

The Subcommittee also approved \$190,000 General Fund and the phase-in of one Program Analyst 4 (0.88 FTE) to support grant administration and the Task Force on Public Safety as authorized in House Bill 3194.

The following budget note was approved:

**Budget Note:**

CJC is directed to administer the Justice Reinvestment Program and Specialty Courts Grant Programs during 2013-2015 using General, Other and Federal Funds. CJC will work with the Justice Reinvestment Grant Review Committee and the Criminal Justice Commission to distribute and allocate these different funds in an efficient and effective manner. CJC will report back on the results of this work during the February 2014 legislative session.

**Department of Justice**

The Subcommittee approved an increase in Other Funds (Criminal Fine Account) expenditure limitation by \$700,000 to support an increased allocation to Child Abuse Multidisciplinary Intervention (CAMI). With this adjustment, CAMI would receive in total General Fund and Criminal Fine Account allocations, \$10.7 million or 9.9% increase over the 2011-13 legislatively approved budget.

An increase of \$1.8 million General Fund was approved for the Oregon Domestic and Sexual Violence Services Fund (ODSVS). If House Bill 3194 becomes law, an additional \$2.2 million General Fund, for a total of \$4 million, is approved. These adjustments augment the \$4.4 million General Fund authorized in House Bill 5018.

This bill includes a reduction in the Other Funds expenditure limitation for the Department of Justice's Civil Enforcement Division of \$471,040. During consideration of House Bill 5018, this amount was shifted from the Non-limited budget category. Upon further review, restitution and refund payments from the Protection and Education Revolving Account can correctly be categorized as Non-limited.

The Subcommittee approved the first phase of funding to replace the Child Support Enforcement Automated System (CSEAS). This approval included \$1.6 million General Fund for debt service on XI-Q Bonds authorized in Senate Bill 5506, \$14.1 million Other Funds expenditure limitation, and \$27.4 million Federal Funds. In total, the CSEA projected is estimated to cost \$109.4 million with federal funding supporting two-thirds of the project. The Subcommittee also approved the following budget note:

**Budget Note:**

The Department of Justice (DOJ) is directed to work with the Department of Administrative Services (DAS) in the development and implementation of the Child Support System Modernization project. DAS is to provide support to and collaborate with the DOJ in the information technology systems development lifecycle, procurement, quality assurance, and other support needed to successfully complete this project. DOJ and DAS are directed to report to the Legislative Fiscal Office at a minimum of every six months through the remainder of the biennium on the status of the project as well as provide copies of all Quality Assurance, Quality Control, and Independent Verification and Validation reports upon their receipt by the agency. DOJ is also to submit an update on the status of foundational project management documentation, including copies of completed documents, each accompanied by independent quality control review, to LFO by December 1, 2013.

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of \$5,000 per year, beginning on January 1, 2014. The impact on the Department of Justice is an increase of \$9,174 Other Funds expenditure limitation, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

The Subcommittee also authorized \$75,000 General Fund to support the Oregon Crime Victims Law Center. Further, the Defense of Criminal Conviction program was reduced by \$391,724 General Fund to reflect a smaller increase in mandated caseload.

**Oregon Military Department**

The Subcommittee appropriated \$275,000 of General Fund for the Oregon Local Disaster Assistance Loan and Grant Account under the Emergency Management program for possible loans or grants from the account. The Department will need to request Other Funds expenditure limitation from either the Legislature or the Emergency Board specific to a local disaster in order to expend funds from the Account.



The bill includes \$15,000 General Fund for the Oregon Youth Challenge program for the reimbursement of fuel costs of participating youths' parents or legal guardians who travel to the program to visit their children. The Oregon Youth Challenge program is to establish a reimbursement policy for such expenses and is to expend no more than the appropriation provided, unless federal matching funds are available for this purpose.

General Fund Debt Service of \$314,523 was approved to support repayment of Article XI-Q General Obligation bond approved in Senate Bill 5506 for the 2013-15 biennium (Sharff Hall – Portland and Roseburg Armory). The appropriation reflects a reduction of \$78,840 for General Fund Debt Service savings from previously issued bonds. The General Fund Debt Service for the 2015-17 biennium will total \$2.2 million and will include Debt Service costs for Sharff Hall, the Medford Armory, the Roseburg Armory, and the Baker City Readiness Center. The Subcommittee also approved \$237,345 Other Funds expenditure limitation for the cost of issuance for the four projects.

#### Oregon State Police

To address concerns for diminishing availability of public safety services in some Oregon counties, particularly in the areas of patrol and criminal investigations, the Subcommittee approved \$1.16 million General Fund and 10 trooper positions (2.50 FTE) within the Patrol Division, \$462,000 General Fund and four trooper positions (1.00 FTE) within the Criminal Division, \$1.47 million General Fund for forensic equipment and one Forensic Scientist (0.88 FTE), and \$300,000 General Fund to support contractual payments for medical examiner services in Southern Oregon.

#### Department of Public Safety Standards and Training

The Subcommittee approved \$1 million Other Funds (Criminal Fine Account) expenditure limitation and four Public Safety Training Specialist 2 positions (3.52 FTE) to support the Oregon Center for Policing Excellence.

#### Oregon Youth Authority

The General Fund appropriation for the East Multnomah County gang funding is increased by \$126,673 for extraordinary inflation associated with personnel costs. Total funding with this addition is \$1,833,428.

Because of savings in capital projects, Oregon Youth Authority is able to redirect unspent funds to debt service, eliminating the need for the same amount of General Fund. The Subcommittee approved establishing a new other Funds expenditure limitation for \$384,877 for debt service. The General Fund reduction is included in the omnibus adjustments.

## **TRANSPORTATION**

#### Department of Transportation

Senate Bill 665 proposed moving the Statewide Interoperability Coordinator (SWIC) position and support for the Statewide Interoperability Executive Council from the Department of Transportation to the Department of Administrative Services. The bill was not heard. The agencies are instructed to complete planning for the transfer and report to the February 2014 Legislature on status of the federal FirstNet grant funding and how the SWIC's salary and other expenses will be paid. Two positions that were eliminated from the Department of Transportation's Highway Maintenance unit budget in anticipation of Senate Bill 665's passage are restored. They are a Project Manager 3 and an Operations and Policy Analyst 4. Other Funds expenditure limitation is increased by \$391,871 in Personal Services to support the positions.

House Bill 3137 permits an individual to submit to the Department of Transportation a voluntary odometer reading for a vehicle over ten years old as part of transfer of any interest in the motor vehicle. The measure has a fiscal impact to the Driver and Motor Vehicles Division. If the bill becomes law, it is understood that the Department may proceed with implementation if the National Highway Traffic Safety Administration odometer fraud grant in the same amount, for which the Department applied in May, 2013, is awarded. If the grant is not awarded and the Department can find no other funding to implement the measure, the Department may request funding from the Legislature in February 2014.

The Subcommittee approved an increase in Other Funds expenditure limitation in the Transportation Program Development section of \$42,000,000 in lottery bond proceeds for ConnectOregon V. In addition, the limitation is increased by \$691,683 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is \$7.6 million Lottery Funds. The following direction was provided:

**Budget Note:**

In order to ensure Connect Oregon Funds are used efficiently and effectively, the department shall take steps to ensure that projects are delivered on time and on budget. Actions shall include, but not be limited to, the withholding of five percent of the moneys awarded. Of the amount withheld under this section, the department shall release to the recipient:

- (a) Eighty percent when the recipient has completed the project.
- (b) Twenty percent when the recipient has submitted and the department has accepted the final performance measure report as established by agreement between the department and the recipient. The department may not pay and the recipient forfeits the amount withheld under this paragraph if the recipient does not submit a final performance measure report before the due date in a manner that is acceptable to the department as established by the agreement between the department and the recipient. Additionally, if the recipient does not submit the performance measure report before the due date, the recipient may not apply for another performance grant during the next application cycle.

Public Transit Other Funds expenditure limitation is increased by \$3,500,000 lottery bond proceeds for the Salem Keizer Transit Center. In addition, the Other Funds limitation is increased by \$62,986 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is \$0.6 million Lottery Funds.

General Fund debt service in Senate Bill 5544 for the Lane Transit EmX project is eliminated, for a reduction of \$757,944. Lottery Funds debt service for this borrowing will begin in the 2015-17 biennium.

Other Funds expenditure limitation is increased in the Rail Division by \$10,000,000 for lottery bond proceeds for Coos Bay Rail. In addition, the limitation is increased by \$239,248 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is \$1.8 million Lottery Funds.

## **Adjustments to 2011-13 Budgets**

### Emergency Board

House Bill 5008 disappropriates \$50,447,306 General Fund from the Emergency Board. This represents all remaining appropriation in the Emergency Board for the 2011-13 biennium.

### Oregon University System

The Subcommittee acted to align 2011-13 Other Funds expenditure limitations, adopted for the Oregon University System (OUS) before Senate Bill 242 (2011) was passed, with current budget reality, by removing a total of \$2,329,480,585 Other Fund limited and \$2,236,635,139 Other Funds non-limited authority approved by the Legislature during the 2011 Regular Session. With the passage of Senate Bill 242 (2011) the Oregon University System and its seven public universities were reorganized as non-state agencies. Part of this change involved removing OUS from being subject to Other Funds expenditure limitation by the Legislature.

### Oregon Youth Authority

House Bill 5008 includes a supplemental General Fund appropriation of \$200,000 for operations.

### Military Department

The Subcommittee disappropriated \$460,000 of General Fund for the Oregon Local Disaster Assistance Loan and Grant Account, which is in the Emergency Management program. There are currently no outstanding loan or grant requests for the account. The Subcommittee also disappropriated \$26,748 of General Fund Debt Service savings from the Capital Debt Service and Related Costs program.

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
<b>ADMINISTRATION</b>								
ADVOCACY COMMISSIONS OFFICE	Operating Expenses	SB 5501	01	GF	(8,301)	-	-	-
DEPT OF ADMIN SERVICES	Chief Operating Office	HB 5002	01-01	GF	(5,511)	-	-	-
DEPT OF ADMIN SERVICES	Enterprise Asset Management	HB 5002	01-02	GF	(25,298)	-	-	-
DEPT OF ADMIN SERVICES	Oregon Public Broadcasting	HB 5002	01-03	GF	(10,000)	-	-	-
DEPT OF ADMIN SERVICES	Oregon Historical Society	HB 5002	01-04	GF	(15,000)	-	-	-
SECRETARY OF STATE	Administrative Services	SB 5539	01-01	GF	(39,053)	-	-	-
SECRETARY OF STATE	Elections Division	SB 5539	01-02	GF	(136,133)	-	-	-
DEPT OF REVENUE	Administration	SB 5538	01	GF	(1,121,210)	-	-	-
DEPT OF REVENUE	Property Tax	SB 5538	02	GF	(289,008)	-	-	-
DEPT OF REVENUE	Personal Tax and Compliance	SB 5538	03	GF	(1,329,932)	-	-	-
DEPT OF REVENUE	Business	SB 5538	04	GF	(446,852)	-	-	-
DEPT OF REVENUE	Elderly Rental Assistance and Nonprofit Housing	SB 5538	05	GF	(113,440)	-	-	-
EMPLOYMENT RELATIONS BOARD	Operating Expenses	HB 5010	01	GF	(38,817)	-	-	-
OFFICE OF THE GOVERNOR	Operating Expenses	SB 5523	01	GF	(205,081)	-	-	-
OFFICE OF THE GOVERNOR	Expenses for Duties	SB 5523	02	GF	(1,000)	-	-	-
OREGON STATE LIBRARY	Operating Expenses	HB 5022	01	GF	(32,951)	-	-	-
<b>CONSUMER AND BUSINESS SERVICES</b>								
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	HB 5020	01	GF	(234,674)	-	-	-
<b>ECONOMIC DEVELOPMENT</b>								
ECONOMIC AND COMMUNITY DEVELOP	Arts Commission	HB 5028	01-01	GF	(89,679)	-	-	-
ECONOMIC AND COMMUNITY DEVELOP	Business, Innovation and Trade	HB 5028	03-01	LF	-	(1,178,533)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Business, Innovation and Trade - Seismic Rehab	SB 813	18e-01	LF	-	(3,208)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Shared Services	HB 5028	03-02	LF	-	(136,228)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Shared Services - Seismic Rehab	SB 813	18e-02	LF	-	(2,413)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Oregon Film & Video Office	HB 5028	03-03	LF	-	(23,072)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Oregon Growth Board	HB 2323	14	LF	-	(2,000)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Oregon Industrial Site Readiness Program	SB 246	08	LF	-	(3,585)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Beginning and Expanding Farmer Loan Program	HB 2700	07	LF	-	(4,552)	-	-
DEPT OF HOUSING/COMMUNITY SVCS	Operating Expenses	HB 5015	01	GF	(169,304)	-	-	-
DEPT OF VETERANS AFFAIRS	Services Provided by ODVA	HB 5047	01-01	GF	(82,086)	-	-	-
DEPT OF VETERANS AFFAIRS	County Payments	HB 5047	01-02	GF	(91,535)	-	-	-
DEPT OF VETERANS AFFAIRS	Vet's Services Organizations Payments	HB 5047	01-03	GF	(2,212)	-	-	-
<b>EDUCATION</b>								
DEPT OF EDUCATION	Operations	SB 5518	01-01	GF	(909,397)	-	-	-
DEPT OF EDUCATION	Oregon School for the Deaf	SB 5518	01-02	GF	(222,340)	-	-	-
DEPT OF EDUCATION	Early intervention services and early childhood special education programs	SB 5518	02-01	GF	(2,720,844)	-	-	-
DEPT OF EDUCATION	Other special education programs	SB 5518	02-02	GF	(857,426)	-	-	-
DEPT OF EDUCATION	Blind and Visually Impaired Student Fund	SB 5518	02-03	GF	(19,769)	-	-	-
DEPT OF EDUCATION	Breakfast and summer food programs	SB 5518	02-04	GF	(46,375)	-	-	-
DEPT OF EDUCATION	Strategic investments	SB 5518	02-05	GF	(436,976)	-	-	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
DEPT OF EDUCATION	Other grant-in-aid programs	SB 5518	02-06	GF	(80,053)	-	-	-
DEPT OF EDUCATION	Oregon prekindergarten program	SB 5518	02-07	GF	(2,548,483)	-	-	-
DEPT OF EDUCATION	Other early learning programs	SB 5518	02-08	GF	(673,910)	-	-	-
DEPT OF EDUCATION	Youth development programs	SB 5518	02-09	GF	(114,982)	-	-	-
OREGON EDUCATION INVESTMENT BRD	Operating Expenses	SB 5548	01	GF	(123,176)	-	-	-
STUDENT ASSISTANCE COMMISSION	Oregon Opportunity Grants	HB 5032	01-01	GF	(2,269,536)	-	-	-
STUDENT ASSISTANCE COMMISSION	OSAC operations	HB 5032	01-02	GF	(63,076)	-	-	-
STUDENT ASSISTANCE COMMISSION	Other payments to individuals and institutions	HB 5032	01-03	GF	(28,985)	-	-	-
COMMUNITY COLLEGES DEPARTMENT	Operations	HB 5019	01-01	GF	(275,715)	-	-	-
COMMUNITY COLLEGES DEPARTMENT	Skills centers	HB 5019	01-03	GF	(12,000)	-	-	-
HIGHER EDUCATION COORD. COMM.	Operations	HB 5033	01	GF	(45,957)	-	-	-
<b>HUMAN SERVICES</b>								
LONG TERM CARE OMBUDSMAN	Operating Expenses	HB 5024	01	GF	(39,554)	-	-	-
COMMISSION FOR THE BLIND	Operating Expenses	HB 5003	01	GF	(31,287)	-	-	-
PSYCHIATRIC REVIEW BOARD	Operating Expenses	HB 5040	01	GF	(46,969)	-	-	-
DEPT OF HUMAN SERVICES	Central Services, Statewide Assessments & Enterprise-wide Costs	SB 5529	01-01	GF	(3,618,994)	-	-	-
DEPT OF HUMAN SERVICES	Child Welfare, Self Sufficiency, and Vocational Rehabilitation Services	SB 5529	01-02	GF	(16,897,531)	-	-	-
DEPT OF HUMAN SERVICES	Aging and People with Disabilities and Developmental Disabilities Programs	SB 5529	01-03	GF	(25,049,879)	-	-	-
OREGON HEALTH AUTHORITY	Programs	HB 5030	01-01	GF	(36,974,198)	-	-	-
OREGON HEALTH AUTHORITY	Central Services, Statewide Assessments and Enterprise-wide Costs	HB 5030	01-02	GF	(1,834,762)	-	-	-
<b>JUDICIAL BRANCH</b>								
JUDICIAL FIT OR DISABILITY COM	Administration	HB 5017	01-01	GF	(3,849)	-	-	-
JUDICIAL FIT OR DISABILITY COM	Extraordinary expenses	HB 5017	01-02	GF	(206)	-	-	-
JUDICIAL DEPARTMENT	Operations	HB 5016	01-02	GF	(5,455,635)	-	-	-
JUDICIAL DEPARTMENT	Mandated Payments	HB 5016	01-03	GF	(296,940)	-	-	-
JUDICIAL DEPARTMENT	Electronic Court	HB 5016	01-04	GF	(37,415)	-	-	-
JUDICIAL DEPARTMENT	Third-party Debt Collections	HB 5016	01-06	GF	(239,201)	-	-	-
JUDICIAL DEPARTMENT	Oregon Law Commission	HB 5016	05	GF	(4,492)	-	-	-
JUDICIAL DEPARTMENT	Council on Court Procedures	HB 5016	06	GF	(1,040)	-	-	-
JUDICIAL DEPARTMENT	Conciliation & mediation services in circuit courts	HB 5016	07-01	GF	(144,248)	-	-	-
JUDICIAL DEPARTMENT	Operating law libraries or providing law library services	HB 5016	08-01	GF	(144,248)	-	-	-
PUBLIC DEFENSE SERVICES	Appellate Division	HB 5041	01-01	GF	(291,347)	-	-	-
PUBLIC DEFENSE SERVICES	Professional Services	HB 5041	01-02	GF	(4,617,158)	-	-	-
PUBLIC DEFENSE SERVICES	Contract and Business Services Division	HB 5041	01-03	GF	(65,418)	-	-	-
<b>LEGISLATIVE BRANCH</b>								
LEGISLATIVE ADMIN COMMITTEE	General program	HB 5021	01-01	GF	(533,335)	-	-	-
LEGISLATIVE ASSEMBLY	Biennial General Fund	HB 5021	04	GF	(266,482)	-	-	-
LEGISLATIVE ASSEMBLY	77th Leg Assembly	HB 5021	05-01	GF	(338,307)	-	-	-
LEGISLATIVE ASSEMBLY	78th Leg Assembly	HB 5021	05-02	GF	(176,899)	-	-	-
LEGISLATIVE COUNSEL COMMITTEE	Operating Expenses	HB 5021	08	GF	(200,172)	-	-	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
LEGISLATIVE FISCAL OFFICER	Operating Expenses	HB 5021	11-01	GF	(73,889)	-	-	-
LEGISLATIVE REVENUE OFFICE	Operating Expenses	HB 5021	12	GF	(51,399)	-	-	-
INDIAN SERVICES COMMISSION	Operating Expenses	HB 5021	13	GF	(9,186)	-	-	-
<b>NATURAL RESOURCES</b>								
DEPT OF GEOLOGY AND INDUSTRIES	General Fund	HB 5014	01	GF	(51,519)	-	-	-
DEPT OF PARKS AND RECREATION	General Fund	HB 5034	01	GF	(20,000)	-	-	-
LAND USE APPEALS BOARD	General Fund	SB 5531	01	GF	(30,950)	-	-	-
DEPT OF WATER RESOURCES	Water resources program	SB 5547	01	GF	(540,096)	-	-	-
DEPT OF AGRICULTURE	Administrative and Support Services	SB 5502	01-01	GF	(33,821)	-	-	-
DEPT OF AGRICULTURE	Food Safety	SB 5502	01-02	GF	(130,436)	-	-	-
DEPT OF AGRICULTURE	Natural Resources	SB 5502	01-03	GF	(140,392)	-	-	-
DEPT OF AGRICULTURE	Agricultural Development	SB 5502	01-04	GF	(79,760)	-	-	-
DEPT OF ENVIRONMENTAL QUALITY	Air quality	SB 5520	01-01	GF	(114,865)	-	-	-
DEPT OF ENVIRONMENTAL QUALITY	Water quality	SB 5520	01-02	GF	(392,845)	-	-	-
DEPT OF ENVIRONMENTAL QUALITY	Land quality	SB 5520	01-03	GF	(15,194)	-	-	-
DEPT OF FISH AND WILDLIFE	Fish Division	HB 5013	01-01	GF	(252,570)	-	-	-
DEPT OF FISH AND WILDLIFE	Wildlife Division	HB 5013	01-02	GF	(9,787)	-	-	-
DEPT OF FISH AND WILDLIFE	Administrative Services Division	HB 5013	01-03	GF	(29,412)	-	-	-
DEPT OF FISH AND WILDLIFE	Capital Improvement	HB 5013	01-05	GF	(2,912)	-	-	-
DEPT OF FORESTRY	Agency administration	SB 5521	01-01	GF	(4,000)	-	-	-
DEPT OF FORESTRY	Fire protection	SB 5521	01-02	GF	(771,994)	-	-	-
DEPT OF FORESTRY	Private forests	SB 5521	01-03	GF	(286,486)	-	-	-
DEPT OF LAND CONSERVTN/DEVELOP	Planning program	SB 5530	01-01	GF	(211,684)	-	-	-
DEPT OF LAND CONSERVTN/DEVELOP	Grant Programs	SB 5530	01-02	GF	(24,653)	-	-	-
COLUMBIA RIVER GORGE COMMISSION	Operating Expenses	SB 5511	01	GF	(17,820)	-	-	-
<b>PUBLIC SAFETY</b>								
BOARD OF PAROLE/POST PRISON	General Fund	HB 5035	01	GF	(79,300)	-	-	-
OREGON STATE POLICE	Patrol services, criminal investigations and gaming enforcement	HB 5038	01-01	GF	(2,965,500)	-	-	-
OREGON STATE POLICE	Fish and wildlife enforcement	HB 5038	01-02	GF	(57,000)	-	-	-
OREGON STATE POLICE	Forensic services and State Medical Examiner	HB 5038	01-03	GF	(742,545)	-	-	-
OREGON STATE POLICE	Administrative Services, information management and Office of the State Fire Marshal	HB 5038	01-04	GF	(928,850)	-	-	-
DEPT OF CORRECTIONS	Operations and health services	HB 5005	01-01	GF	(17,849,890)	-	-	-
DEPT OF CORRECTIONS	Administration, general services and human resources	HB 5005	01-02	GF	(2,570,120)	-	-	-
DEPT OF CORRECTIONS	Offender management and rehabilitation	HB 5005	01-03	GF	(1,281,735)	-	-	-
DEPT OF CORRECTIONS	Community corrections	HB 5005	01-04	GF	(4,342,090)	-	-	-
DEPT OF CORRECTIONS	Capital Improvements	HB 5005	01-06	GF	(53,975)	-	-	-
CRIMINAL JUSTICE COMMISSION	General Fund	HB 5007	01	GF	(277,465)	-	-	-
DISTRICT ATTORNEYS/DEPUTIES	Department of Justice for District Attorneys	SB 5517	01	GF	(209,190)	-	-	-
DEPT OF JUSTICE	Office of AG & administration	HB 5018	01-01	GF	(6,000)	-	-	-
DEPT OF JUSTICE	Civil enforcement	HB 5018	01-02	GF	(77,855)	-	-	-
DEPT OF JUSTICE	Criminal Justice	HB 5018	01-03	GF	(168,930)	-	-	-
DEPT OF JUSTICE	Crime victims' services	HB 5018	01-04	GF	(114,900)	-	-	-
DEPT OF JUSTICE	Defense of criminal conviction	HB 5018	01-05	GF	(379,270)	-	-	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
DEPT OF JUSTICE	Child Support Division	HB 5018	01-06	GF	(465,565)	-	-	-
DEPT OF MILITARY	Administration	SB 5534	01-01	GF	(88,729)	-	-	-
DEPT OF MILITARY	Operations	SB 5534	01-02	GF	(127,396)	-	-	-
DEPT OF MILITARY	Emergency Management	SB 5534	01-03	GF	(37,768)	-	-	-
DEPT OF MILITARY	Community Support	SB 5534	01-04	GF	(4,114)	-	-	-
OREGON YOUTH AUTHORITY	Operations	HB 5050	01-01	GF	(5,017,373)	-	-	-
OREGON YOUTH AUTHORITY	Juvenile crime prevention/diversion	HB 5050	01-02	GF	(351,862)	-	-	-
OREGON YOUTH AUTHORITY	East Multnomah County gang funding	HB 5050	01-03	GF	(34,135)	-	-	-
OREGON YOUTH AUTHORITY	Multnomah County Gang Services	HB 5050	01-04	GF	(67,542)	-	-	-
OREGON YOUTH AUTHORITY	Capital Improvements	HB 5050	01-06	GF	(14,763)	-	-	-
<b>TRANSPORTATION</b>								
OREGON DEPT OF TRANSPORTATION	PTD: Elderly & People w/Disabilities Transportation Pgm	SB 5544	02	GF	(40,000)	-	-	-
<b>TOTAL</b>					<b>(154,895,175)</b>	<b>(1,353,591)</b>	<b>-</b>	<b>-</b>

**77<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2014 Session  
BUDGET REPORT AND MEASURE SUMMARY**

**JOINT COMMITTEE ON WAYS AND MEANS**

**MEASURE: HB 5201-A**

**Carrier – House: Rep. Buckley**

**Carrier – Senate: Sen. Devlin**

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

**Vote:**

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

**Prepared By:** Linda Ames and Laurie Byerly, Legislative Fiscal Office

**Reviewed By:** Daron Hill, Legislative Fiscal Office

**Meeting Date:** March 6, 2014

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**Agency**

Various Agencies

Emergency Board

**Biennium**

2013-15



## **Budget Summary**<sup>(1)</sup>

	<b>2013-15 Legislatively Approved Level</b> <sup>(2)</sup>	<b>2014 Committee Recommendation</b>	<b>Committee Change from 2013-15 Leg. Approved</b>	
			<b>\$\$ Change</b>	<b>% Change</b>
<b><u>Emergency Board</u></b>				
General Fund - General Purpose	\$ 30,000,000	\$ 30,000,000	\$ -	0.0%
General Fund - Special Purpose Appropriations				
State employee compensation changes	\$ 86,500,000	\$ -	\$ (86,500,000)	-100.0%
Home health care worker compensation	\$ 12,900,000	\$ -	\$ (12,900,000)	-100.0%
Department of Education - student assessments	\$ 4,600,000	\$ -	\$ (4,600,000)	-100.0%
Department of Education - youth development	\$ 1,789,557	\$ -	\$ (1,789,557)	-100.0%
Housing & Community Services - various	\$ 9,215,066	\$ -	\$ (9,215,066)	-100.0%
Oregon Health Authority - A&D rate increases	\$ 3,300,000	\$ -	\$ (3,300,000)	-100.0%
Oregon Health Authority - dental pilots	\$ 100,000	\$ -	\$ (100,000)	-100.0%
Seniors	\$ 26,000,000	\$ 12,704,627	\$ (13,295,373)	-51.1%
Oregon Health Authority/Department of Human Services - future costs	\$ -	\$ 24,000,000	\$ 24,000,000	0.0%
Oregon University System/Higher Ed Coordinating Commission - future costs	\$ -	\$ 3,500,000	\$ 3,500,000	0.0%
Judicial Department - operations	\$ -	\$ 1,300,000	\$ 1,300,000	0.0%
Judicial Department - debt collection costs	\$ -	\$ 700,000	\$ 700,000	0.0%
 <b><u>ADMINISTRATION PROGRAM AREA</u></b>				
<b><u>Department of Administrative Services</u></b>				
General Fund	\$ 11,148,091	\$ 11,914,443	\$ 766,352	6.9%
Other Funds	\$ 877,567,512	\$ 907,312,584	\$ 29,745,072	3.4%
<b><u>Oregon Advocacy Commissions Office</u></b>				
General Fund	\$ 399,995	\$ 425,525	\$ 25,530	6.4%
<b><u>Employment Relations Board</u></b>				
General Fund	\$ 1,894,849	\$ 2,061,040	\$ 166,191	8.8%
Other Funds	\$ 1,901,273	\$ 2,140,264	\$ 238,991	12.6%
<b><u>Government Ethics Commission</u></b>				
Other Funds	\$ 1,935,994	\$ 1,976,802	\$ 40,808	2.1%
<b><u>Office of the Governor</u></b>				
General Fund	\$ 10,007,383	\$ 11,401,846	\$ 1,394,463	13.9%
Lottery Funds	\$ 3,261,204	\$ 3,376,215	\$ 115,011	3.5%
Other Funds	\$ 2,809,734	\$ 2,910,655	\$ 100,921	3.6%

	2013-15 Legislatively Approved Level <sup>(2)</sup>	2014 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
			\$\$ Change	% Change
<b><u>Oregon State Library</u></b>				
General Fund	\$ 1,591,908	\$ 1,629,976	\$ 38,068	2.4%
Other Funds	\$ 2,774,285	\$ 2,810,561	\$ 36,276	1.3%
Federal Funds	\$ 2,463,398	\$ 2,478,210	\$ 14,812	0.6%
<b><u>Oregon Liquor Control Commission</u></b>				
Other Funds	\$ 150,626,250	\$ 151,875,699	\$ 1,249,449	0.8%
<b><u>Public Employees Retirement System</u></b>				
Other Funds	\$ 84,002,344	\$ 88,153,980	\$ 4,151,636	4.9%
<b><u>Racing Commission</u></b>				
Other Funds	\$ 5,821,294	\$ 5,905,502	\$ 84,208	1.4%
<b><u>Department of Revenue</u></b>				
General Fund	\$ 165,191,130	\$ 166,641,759	\$ 1,450,629	0.9%
Other Funds	\$ 65,256,876	\$ 64,202,113	\$ (1,054,763)	-1.6%
<b><u>Secretary of State</u></b>				
General Fund	\$ 8,476,735	\$ 8,663,845	\$ 187,110	2.2%
Other Funds	\$ 48,895,140	\$ 50,265,885	\$ 1,370,745	2.8%
Federal Funds	\$ 7,710,474	\$ 5,045,103	\$ (2,665,371)	-34.6%
<b><u>Treasurer of State</u></b>				
Other Funds	\$ 45,149,748	\$ 46,683,387	\$ 1,533,639	3.4%
<b><u>CONSUMER AND BUSINESS SERVICES PROGRAM AREA</u></b>				
<b><u>Board of Accountancy</u></b>				
Other Funds	\$ 2,073,326	\$ 2,104,122	\$ 30,796	1.5%
<b><u>Board of Chiropractic Examiners</u></b>				
Other Funds	\$ 1,454,717	\$ 1,480,033	\$ 25,316	1.7%
<b><u>Construction Contractors Board</u></b>				
Other Funds	\$ 15,874,620	\$ 16,287,732	\$ 413,112	2.6%

	2013-15 Legislatively Approved Level <sup>(2)</sup>	2014 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
			\$\$ Change	% Change
<b><u>Department of Consumer and Business Services</u></b>				
Other Funds	\$ 210,350,105	\$ 215,686,144	\$ 5,336,039	2.5%
Federal Funds	\$ 984,288	\$ 5,636,901	\$ 4,652,613	472.7%
<b><u>Board of Licensed Professional Counselors and Therapists</u></b>				
Other Funds	\$ 1,096,822	\$ 1,128,319	\$ 31,497	2.9%
<b><u>Board of Dentistry</u></b>				
Other Funds	\$ 2,581,266	\$ 2,606,916	\$ 25,650	1.0%
<b><u>Oregon Health Licensing Agency</u></b>				
Other Funds	\$ 7,642,521	\$ 3,882,241	\$ (3,760,280)	-49.2%
<b><u>Health Related Licensing Boards</u></b>				
State Mortuary and Cemetery Board				
Other Funds	\$ 1,409,105	\$ 1,446,342	\$ 37,237	2.6%
Board of Naturopathic Medicine				
Other Funds	\$ 631,110	\$ 653,339	\$ 22,229	3.5%
Occupational Therapy Licensing Board				
Other Funds	\$ 367,857	\$ 380,132	\$ 12,275	3.3%
Board of Medical Imaging				
Other Funds	\$ 836,832	\$ 856,351	\$ 19,519	2.3%
State Board of Examiners for Speech-Language Pathology and Audiology				
Other Funds	\$ 529,895	\$ 544,232	\$ 14,337	2.7%
Oregon State Veterinary Medical Examining Board				
Other Funds	\$ 740,203	\$ 756,229	\$ 16,026	2.2%
<b><u>Bureau of Labor and Industries</u></b>				
General Fund	\$ 11,517,209	\$ 11,846,552	\$ 329,343	2.9%
Other Funds	\$ 9,871,681	\$ 10,550,519	\$ 678,838	6.9%
Federal Funds	\$ 1,495,043	\$ 1,683,613	\$ 188,570	12.6%
<b><u>Oregon Medical Board</u></b>				
Other Funds	\$ 10,453,997	\$ 10,729,843	\$ 275,846	2.6%
<b><u>Board of Nursing</u></b>				
Other Funds	\$ 14,196,228	\$ 14,493,701	\$ 297,473	2.1%

	2013-15 Legislatively Approved Level <sup>(2)</sup>	2014 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
			\$\$ Change	% Change
<b><u>Board of Pharmacy</u></b>				
Other Funds	\$ 5,783,198	\$ 5,957,609	\$ 174,411	3.0%
<b><u>Board of Psychologist Examiners</u></b>				
Other Funds	\$ 1,005,553	\$ 1,038,215	\$ 32,662	3.2%
<b><u>Public Utility Commission</u></b>				
Other Funds	\$ 40,049,729	\$ 40,901,178	\$ 851,449	2.1%
Federal Funds	\$ 2,444,367	\$ 2,474,000	\$ 29,633	1.2%
<b><u>Real Estate Agency</u></b>				
Other Funds	\$ 7,053,979	\$ 7,277,657	\$ 223,678	3.2%
<b><u>Board of Licensed Social Workers</u></b>				
Other Funds	\$ 1,350,215	\$ 1,395,325	\$ 45,110	3.3%
<b><u>Board of Tax Practitioners</u></b>				
Other Funds	\$ 1,157,125	\$ 1,183,845	\$ 26,720	2.3%
<b><u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u></b>				
<b><u>Oregon Business Development Department</u></b>				
General Fund	\$ 8,250,274	\$ 8,371,867	\$ 121,593	1.5%
Lottery Funds	\$ 115,478,577	\$ 117,386,290	\$ 1,907,713	1.7%
Other Funds	\$ 67,638,351	\$ 77,605,374	\$ 9,967,023	14.7%
Federal Funds	\$ 38,781,008	\$ 38,841,307	\$ 60,299	0.2%
<b><u>Employment Department</u></b>				
Other Funds	\$ 120,522,794	\$ 127,704,596	\$ 7,181,802	6.0%
Federal Funds	\$ 159,967,135	\$ 168,973,715	\$ 9,006,580	5.6%
<b><u>Housing and Community Services Department</u></b>				
General Fund	\$ 8,593,855	\$ 19,401,247	\$ 10,807,392	125.8%
Other Funds	\$ 73,939,411	\$ 138,522,567	\$ 64,583,156	87.3%
Federal Funds	\$ 77,993,813	\$ 117,493,813	\$ 39,500,000	50.6%

	<u>2013-15 Legislatively Approved Level<sup>(2)</sup></u>	<u>2014 Committee Recommendation</u>	<u>Committee Change from 2013-15 Leg. Approved</u>	
			<u>\$\$ Change</u>	<u>% Change</u>
<b><u>Department of Veterans' Affairs</u></b>				
General Fund	\$ 9,448,781	\$ 9,600,742	\$ 151,961	1.6%
Other Funds	\$ 43,788,902	\$ 50,400,107	\$ 6,611,205	15.1%
Federal Funds	\$ -	\$ 300,000	\$ 300,000	0.0%
 <b><u>EDUCATION PROGRAM AREA</u></b>				
<b><u>Department of Community Colleges and Workforce Development</u></b>				
General Fund	\$ 496,408,441	\$ 496,718,644	\$ 310,203	0.1%
Other Funds	\$ 115,912,543	\$ 116,212,901	\$ 300,358	0.3%
Federal Funds	\$ 107,203,669	\$ 107,441,253	\$ 237,584	0.2%
<b><u>Department of Education</u></b>				
General Fund	\$ 436,954,079	\$ 453,469,907	\$ 16,515,828	3.8%
Other Funds	\$ 134,359,784	\$ 134,784,035	\$ 424,251	0.3%
Federal Funds	\$ 996,058,997	\$ 1,005,410,381	\$ 9,351,384	0.9%
<b><u>State School Fund</u></b>				
Other Funds	\$ 400,826	\$ 3,936,407	\$ 3,535,581	882.1%
<b><u>Higher Education Coordinating Commission</u></b>				
General Fund	\$ 3,111,497	\$ 2,903,360	\$ (208,137)	-6.7%
Other Funds	\$ 1,732,885	\$ 1,757,474	\$ 24,589	1.4%
Federal Funds	\$ 342,759	\$ 347,571	\$ 4,812	1.4%
<b><u>Oregon Education Investment Board</u></b>				
General Fund	\$ 6,035,608	\$ 6,202,578	\$ 166,970	2.8%
<b><u>Oregon Health and Science University</u></b>				
Other Funds	\$ 31,639,826	\$ 231,675,116	\$ 200,035,290	632.2%
<b><u>Oregon Student Access Commission</u></b>				
General Fund	\$ 115,718,916	\$ 115,806,520	\$ 87,604	0.1%
Lottery Funds	\$ 246,223	\$ 2,546,223	\$ 2,300,000	934.1%
Other Funds	\$ 20,094,896	\$ 20,173,727	\$ 78,831	0.4%
<b><u>Teachers Standards and Practices Commission</u></b>				
Other Funds	\$ 4,904,153	\$ 5,004,014	\$ 99,861	2.0%

	2013-15 Legislatively Approved Level <sup>(2)</sup>	2014 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
			\$\$ Change	% Change
<b><u>Oregon University System</u></b>				
General Fund	\$ 752,677,876	\$ 751,177,876	\$ (1,500,000)	-0.2%
<b><u>HUMAN SERVICES PROGRAM AREA</u></b>				
<b><u>Commission for the Blind</u></b>				
General Fund	\$ 1,522,942	\$ 1,598,027	\$ 75,085	4.9%
Other Funds	\$ 3,052,021	\$ 2,025,381	\$ (1,026,640)	-33.6%
Federal Funds	\$ 12,129,790	\$ 12,321,894	\$ 192,104	1.6%
<b><u>Oregon Health Authority</u></b>				
General Fund	\$ 1,972,206,670	\$ 1,959,774,729	\$ (12,431,941)	-0.6%
Lottery Funds	\$ 10,545,822	\$ 10,592,532	\$ 46,710	0.4%
Other Funds	\$ 3,771,761,551	\$ 3,814,407,180	\$ 42,645,629	1.1%
Federal Funds	\$ 7,485,009,093	\$ 8,632,707,613	\$ 1,147,698,520	15.3%
<b><u>Department of Human Services</u></b>				
General Fund	\$ 2,257,307,600	\$ 2,324,079,188	\$ 66,771,588	3.0%
Other Funds	\$ 474,879,587	\$ 501,842,250	\$ 26,962,663	5.7%
Federal Funds	\$ 6,338,409,362	\$ 6,463,843,621	\$ 125,434,259	2.0%
<b><u>Long Term Care Ombudsman</u></b>				
General Fund	\$ 2,705,620	\$ 3,784,880	\$ 1,079,260	39.9%
Other Funds	\$ 680,105	\$ 703,321	\$ 23,216	3.4%
<b><u>Psychiatric Security Review Board</u></b>				
General Fund	\$ 2,306,552	\$ 2,372,291	\$ 65,739	2.9%
Other Funds	\$ 103,725	\$ 110,734	\$ 7,009	6.8%
<b><u>JUDICIAL BRANCH</u></b>				
<b><u>Judicial Department</u></b>				
General Fund	\$ 394,466,850	\$ 400,423,412	\$ 5,956,562	1.5%
Other Funds	\$ 61,809,554	\$ 65,078,242	\$ 3,268,688	5.3%
Federal Funds	\$ 1,227,911	\$ 1,233,153	\$ 5,242	0.4%

	2013-15 Legislatively Approved Level <sup>(2)</sup>	2014 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
			\$\$ Change	% Change
<b><u>Commission on Judicial Fitness and Disability</u></b>				
General Fund	\$ 193,140	\$ 197,316	\$ 4,176	2.2%
<b><u>Public Defense Services Commission</u></b>				
General Fund	\$ 244,280,071	\$ 249,451,095	\$ 5,171,024	2.1%
Other Funds	\$ 4,467,042	\$ 4,474,644	\$ 7,602	0.2%
<b><u>LEGISLATIVE BRANCH</u></b>				
<b><u>Legislative Administration Committee</u></b>				
General Fund	\$ 33,376,264	\$ 33,937,491	\$ 561,227	1.7%
Other Funds	\$ 37,920,316	\$ 37,929,526	\$ 9,210	0.0%
<b><u>Legislative Assembly</u></b>				
General Fund	\$ 38,039,318	\$ 38,204,763	\$ 165,445	0.4%
Other Funds	\$ 277,937	\$ 278,847	\$ 910	0.3%
<b><u>Commission on Indian Services</u></b>				
General Fund	\$ 444,063	\$ 450,369	\$ 6,306	1.4%
<b><u>Legislative Counsel</u></b>				
General Fund	\$ 9,784,658	\$ 9,952,041	\$ 167,383	1.7%
Other Funds	\$ 1,658,313	\$ 1,681,068	\$ 22,755	1.4%
<b><u>Legislative Fiscal Office</u></b>				
General Fund	\$ 3,610,997	\$ 3,558,397	\$ (52,600)	-1.5%
Other Funds	\$ 3,000,000	\$ 3,179,547	\$ 179,547	6.0%
<b><u>Legislative Revenue Office</u></b>				
General Fund	\$ 2,711,399	\$ 2,769,184	\$ 57,785	2.1%
<b><u>NATURAL RESOURCES PROGRAM AREA</u></b>				
<b><u>Department of Agriculture</u></b>				
General Fund	\$ 18,720,616	\$ 19,460,351	\$ 739,735	4.0%
Lottery Funds	\$ 6,333,815	\$ 6,473,272	\$ 139,457	2.2%
Other Funds	\$ 53,980,931	\$ 55,589,067	\$ 1,608,136	3.0%
Federal Funds	\$ 15,168,522	\$ 15,320,730	\$ 152,208	1.0%

	2013-15 Legislatively Approved Level <sup>(2)</sup>	2014 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
			\$\$ Change	% Change
<b><u>Columbia River Gorge Commission</u></b>				
General Fund	\$ 873,180	\$ 891,000	\$ 17,820	2.0%
<b><u>Department of Environmental Quality</u></b>				
General Fund	\$ 29,936,112	\$ 30,961,259	\$ 1,025,147	3.4%
Lottery Funds	\$ 3,824,782	\$ 3,873,265	\$ 48,483	1.3%
Other Funds	\$ 139,956,679	\$ 142,862,396	\$ 2,905,717	2.1%
Federal Funds	\$ 27,563,182	\$ 28,010,107	\$ 446,925	1.6%
<b><u>Department of Energy</u></b>				
Other Funds	\$ 49,447,398	\$ 50,489,645	\$ 1,042,247	2.1%
Federal Funds	\$ 2,939,208	\$ 2,977,118	\$ 37,910	1.3%
<b><u>Department of Fish and Wildlife</u></b>				
General Fund	\$ 17,157,413	\$ 17,704,434	\$ 547,021	3.2%
Lottery Funds	\$ 4,767,766	\$ 4,921,716	\$ 153,950	3.2%
Other Funds	\$ 182,247,358	\$ 185,369,107	\$ 3,121,749	1.7%
Federal Funds	\$ 131,933,605	\$ 134,778,425	\$ 2,844,820	2.2%
<b><u>State Forestry Department</u></b>				
General Fund	\$ 56,437,263	\$ 97,836,604	\$ 41,399,341	73.4%
Other Funds	\$ 339,657,186	\$ 343,086,494	\$ 3,429,308	1.0%
Federal Funds	\$ 33,853,011	\$ 34,108,167	\$ 255,156	0.8%
<b><u>Department of Geology and Mineral Industries</u></b>				
General Fund	\$ 2,505,043	\$ 2,582,015	\$ 76,972	3.1%
Other Funds	\$ 7,835,292	\$ 7,955,725	\$ 120,433	1.5%
Federal Funds	\$ 4,303,586	\$ 4,429,263	\$ 125,677	2.9%
<b><u>Department of Land Conservation and Development</u></b>				
General Fund	\$ 12,330,059	\$ 12,667,032	\$ 336,973	2.7%
Other Funds	\$ 947,584	\$ 960,315	\$ 12,731	1.3%
Federal Funds	\$ 5,891,950	\$ 6,014,070	\$ 122,120	2.1%
<b><u>Land Use Board of Appeals</u></b>				
General Fund	\$ 1,517,044	\$ 1,573,758	\$ 56,714	3.7%
Other Funds	\$ 84,328	\$ 87,401	\$ 3,073	3.6%



	2013-15 Legislatively Approved Level <sup>(2)</sup>	2014 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
			\$\$ Change	% Change
<b><u>Department of State Lands</u></b>				
Other Funds	\$ 29,740,188	\$ 30,563,139	\$ 822,951	2.8%
Federal Funds	\$ 1,831,671	\$ 2,881,911	\$ 1,050,240	57.3%
<b><u>State Marine Board</u></b>				
Other Funds	\$ 25,981,329	\$ 26,214,465	\$ 233,136	0.9%
Federal Funds	\$ 7,443,149	\$ 7,450,387	\$ 7,238	0.1%
<b><u>Parks and Recreation Department</u></b>				
Lottery Funds	\$ 84,614,432	\$ 85,843,436	\$ 1,229,004	1.5%
Other Funds	\$ 111,999,304	\$ 113,690,281	\$ 1,690,977	1.5%
Federal Funds	\$ 11,819,364	\$ 11,858,367	\$ 39,003	0.3%
<b><u>Water Resources Department</u></b>				
General Fund	\$ 26,504,946	\$ 27,284,614	\$ 779,668	2.9%
Other Funds	\$ 34,547,011	\$ 34,736,737	\$ 189,726	0.5%
Federal Funds	\$ 1,272,735	\$ 1,275,264	\$ 2,529	0.2%
<b><u>Oregon Watershed Enhancement Board</u></b>				
Lottery Funds	\$ 58,109,189	\$ 58,227,336	\$ 118,147	0.2%
Other Funds	\$ 1,849,375	\$ 1,852,224	\$ 2,849	0.2%
Federal Funds	\$ 32,732,090	\$ 32,817,029	\$ 84,939	0.3%
<b><u>PUBLIC SAFETY PROGRAM AREA</u></b>				
<b><u>Department of Corrections</u></b>				
General Fund	\$ 1,396,990,504	\$ 1,448,294,183	\$ 51,303,679	3.7%
Other Funds	\$ 39,599,876	\$ 39,926,693	\$ 326,817	0.8%
<b><u>Oregon Criminal Justice Commission</u></b>				
General Fund	\$ 23,745,288	\$ 23,851,046	\$ 105,758	0.4%
Other Funds	\$ 483,422	\$ 479,680	\$ (3,742)	-0.8%
Federal Funds	\$ 7,135,487	\$ 7,163,318	\$ 27,831	0.4%
<b><u>District Attorneys and Their Deputies</u></b>				
General Fund	\$ 10,239,592	\$ 10,849,009	\$ 609,417	6.0%

	2013-15 Legislatively Approved Level <sup>(2)</sup>	2014 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
			\$\$ Change	% Change
<b><u>Department of Justice</u></b>				
General Fund	\$ 64,380,931	\$ 66,289,084	\$ 1,908,153	3.0%
Other Funds	\$ 259,697,319	\$ 265,469,616	\$ 5,772,297	2.2%
Federal Funds	\$ 142,235,349	\$ 144,356,473	\$ 2,121,124	1.5%
<b><u>Oregon Military Department</u></b>				
General Fund	\$ 20,783,532	\$ 21,863,993	\$ 1,080,461	5.2%
Other Funds	\$ 111,646,205	\$ 113,902,017	\$ 2,255,812	2.0%
Federal Funds	\$ 284,930,096	\$ 287,230,606	\$ 2,300,510	0.8%
<b><u>Board of Parole and Post-Prison Supervision</u></b>				
General Fund	\$ 4,063,865	\$ 4,189,720	\$ 125,855	3.1%
<b><u>Department of State Police</u></b>				
General Fund	\$ 232,126,436	\$ 240,590,265	\$ 8,463,829	3.6%
Lottery Funds	\$ 6,914,543	\$ 7,166,858	\$ 252,315	3.6%
Other Funds	\$ 91,213,655	\$ 93,291,730	\$ 2,078,075	2.3%
Federal Funds	\$ 9,411,098	\$ 9,446,084	\$ 34,986	0.4%
<b><u>Department of Public Safety Standards and Training</u></b>				
Other Funds	\$ 34,859,020	\$ 35,668,666	\$ 809,646	2.3%
<b><u>Oregon Youth Authority</u></b>				
General Fund	\$ 269,052,312	\$ 275,662,044	\$ 6,609,732	2.5%
Other Funds	\$ 19,508,582	\$ 19,553,725	\$ 45,143	0.2%
Federal Funds	\$ 34,496,051	\$ 34,680,918	\$ 184,867	0.5%
<b><u>TRANSPORTATION PROGRAM AREA</u></b>				
<b><u>Department of Aviation</u></b>				
Other Funds	\$ 6,202,750	\$ 6,297,654	\$ 94,904	1.5%
Federal Funds	\$ 4,769,741	\$ 4,778,379	\$ 8,638	0.2%
<b><u>Department of Transportation</u></b>				
General Fund	\$ 2,060,000	\$ 6,060,000	\$ 4,000,000	194.2%
Other Funds	\$ 3,813,954,090	\$ 3,837,855,561	\$ 23,901,471	0.6%
Federal Funds	\$ 119,483,481	\$ 119,553,108	\$ 69,627	0.1%

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**2013-15 Legislatively  
Approved Level<sup>(2)</sup>**

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**2014 Committee  
Recommendation**

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**Committee Change from  
2013-15 Leg. Approved**

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**\$\$ Change****% Change**

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**2013-15 Budget Summary**

<b>General Fund Total</b>	\$	115,394,418
<b>Lottery Funds Total</b>	\$	6,310,790
<b>Other Funds Total</b>	\$	457,732,914
<b>Federal Funds Total</b>	\$	1,343,927,389

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(1) Excludes Capital Construction

(2) Includes approved expenditures through November 2013 and administrative actions

**Position Summary**

	<b>2013-15 Legislatively Approved Level</b>	<b>2014 Committee Recommendation</b>	<b>Committee Change from 2013-15 Leg. Approved</b>	
			<b>Change</b>	<b>% Change</b>
<b><u>Department of Administrative Services</u></b>				
Authorized Positions	790	806	16	2.0%
Full-time Equivalent (FTE) positions	784.68	792.40	7.72	1.0%
<b><u>Oregon Liquor Control Commission</u></b>				
Authorized Positions	233	230	(3)	-1.3%
Full-time Equivalent (FTE) positions	227.63	225.13	(2.50)	-1.1%
<b><u>Department of Revenue</u></b>				
Authorized Positions	1,081	1,074	(7)	-0.6%
Full-time Equivalent (FTE) positions	1,024.49	1,016.66	(7.83)	-0.8%
<b><u>Construction Contractors Board</u></b>				
Authorized Positions	75	75	-	0.0%
Full-time Equivalent (FTE) positions	75.00	74.50	(0.50)	-0.7%
<b><u>Department of Consumer and Business Services</u></b>				
Authorized Positions	927	918	(9)	-1.0%
Full-time Equivalent (FTE) positions	919.97	911.97	(8.00)	-0.9%
<b><u>Oregon Health Licensing Agency</u></b>				
Authorized Positions	35	35	-	0.0%
Full-time Equivalent (FTE) positions	35.00	17.50	(17.50)	-50.0%
<b><u>Bureau of Labor and Industries</u></b>				
Authorized Positions	100	101	1	1.0%
Full-time Equivalent (FTE) positions	98.50	98.38	(0.12)	-0.1%
<b><u>Oregon Medical Board</u></b>				
Authorized Positions	40	39	(1)	-2.5%
Full-time Equivalent (FTE) positions	38.79	38.33	(0.46)	-1.2%
<b><u>Public Utility Commission</u></b>				
Authorized Positions	131	130	(1)	-0.8%
Full-time Equivalent (FTE) positions	128.25	127.25	(1.00)	-0.8%
<b><u>Real Estate Agency</u></b>				
Authorized Positions	30	29	(1)	-3.3%
Full-time Equivalent (FTE) positions	30.00	29.50	(0.50)	-1.7%

	<u>2013-15 Legislatively Approved Level</u>	<u>2014 Committee Recommendation</u>	<u>Committee Change from 2013-15 Leg. Approved</u>	
			<u>Change</u>	<u>% Change</u>
<b><u>Department of Community Colleges and Workforce Development</u></b>				
Authorized Positions	59	58	(1)	-1.7%
Full-time Equivalent (FTE) positions	58.70	57.70	(1.00)	-1.7%
<b><u>Department of Education</u></b>				
Authorized Positions	509	519	10	2.0%
Full-time Equivalent (FTE) positions	480.03	485.39	5.36	1.1%
<b><u>Employment Department</u></b>				
Authorized Positions	1,345	1,347	2	0.1%
Full-time Equivalent (FTE) positions	1,287.03	1,286.63	(0.40)	0.0%
<b><u>Housing and Community Services Department</u></b>				
Authorized Positions	169	169	-	0.0%
Full-time Equivalent (FTE) positions	77.59	150.33	72.74	93.7%
<b><u>Department of Veterans' Affairs</u></b>				
Authorized Positions	82	83	1	1.2%
Full-time Equivalent (FTE) positions	81.20	82.13	0.93	1.1%
<b><u>Commission for the Blind</u></b>				
Authorized Positions	51	51	-	0.0%
Full-time Equivalent (FTE) positions	47.73	46.98	(0.75)	-1.6%
<b><u>Oregon Health Authority</u></b>				
Authorized Positions	4,482	4,521	39	0.9%
Full-time Equivalent (FTE) positions	4,119.23	4,139.97	20.74	0.5%
<b><u>Department of Human Services</u></b>				
Authorized Positions	7,630	7,631	1	0.0%
Full-time Equivalent (FTE) positions	7,480.61	7,477.12	(3.49)	0.0%
<b><u>Long Term Care Ombudsman</u></b>				
Authorized Positions	19	24	5	26.3%
Full-time Equivalent (FTE) positions	14.56	16.81	2.25	15.5%
<b><u>Department of Agriculture</u></b>				
Authorized Positions	477	480	3	0.6%
Full-time Equivalent (FTE) positions	351.17	352.92	1.75	0.5%

	<b>2013-15 Legislatively Approved Level</b>	<b>2014 Committee Recommendation</b>	<b>Committee Change from 2013-15 Leg. Approved</b>	
			<b>Change</b>	<b>% Change</b>
<b><u>Department of Energy</u></b>				
Authorized Positions	115	114	(1)	-0.9%
Full-time Equivalent (FTE) positions	114.02	112.81	(1.21)	-1.1%
<b><u>Department of Environmental Quality</u></b>				
Authorized Positions	719	720	1	0.1%
Full-time Equivalent (FTE) positions	706.33	704.87	(1.46)	-0.2%
<b><u>Department of Fish and Wildlife</u></b>				
Authorized Positions	1,523	1,520	(3)	-0.2%
Full-time Equivalent (FTE) positions	1,262.41	1,258.99	(3.42)	-0.3%
<b><u>Department of Land Conservation and Development</u></b>				
Authorized Positions	61	60	(1)	-1.6%
Full-time Equivalent (FTE) positions	58.06	57.31	(0.75)	-1.3%
<b><u>Water Resources Department</u></b>				
Authorized Positions	157	157	-	0.0%
Full-time Equivalent (FTE) positions	154.80	154.55	(0.25)	-0.2%
<b><u>Department of Corrections</u></b>				
Authorized Positions	4,490	4,488	(2)	0.0%
Full-time Equivalent (FTE) positions	4,443.68	4,441.68	(2.00)	0.0%
<b><u>Department of Justice</u></b>				
Authorized Positions	1,282	1,285	3	0.2%
Full-time Equivalent (FTE) positions	1,265.25	1,266.83	1.58	0.1%
<b><u>Oregon Military Department</u></b>				
Authorized Positions	523	522	(1)	-0.2%
Full-time Equivalent (FTE) positions	478.01	477.51	(0.50)	-0.1%
<b><u>Department of State Police</u></b>				
Authorized Positions	1,260	1,259	(1)	-0.1%
Full-time Equivalent (FTE) positions	1,247.13	1,245.63	(1.50)	-0.1%
<b><u>Oregon Youth Authority</u></b>				
Authorized Positions	1,030	1,025	(5)	-0.5%
Full-time Equivalent (FTE) positions	992.58	989.79	(2.79)	-0.3%

## **Summary of Revenue Changes**

The General Fund appropriations made in the bill are within resources available as projected in the February 2014 economic and revenue forecast by the Department of Administrative Services Office of Economic Analysis, supplemented by one-time savings identified in several agencies, as well as a transfer from Secretary of State's Corporate Division as authorized in House Bill 4157.

## **Summary of Capital Construction Subcommittee Action**

House Bill 5201 is the omnibus budget reconciliation bill for the 2014 legislative session, implementing the statewide rebalance plan that addresses changes in projected revenues and expenditures since the close of the 2013 session. The Subcommittee approved House Bill 5201 with amendments to reflect budget adjustments as described below.

### **Statewide Adjustments**

#### **EMPLOYEE COMPENSATION DISTRIBUTION**

The Subcommittee approved allocating \$86.5 million General Fund to state agencies for employee compensation. This amount is 100% of the General Fund special purpose appropriation to the Emergency Board, made by House Bill 5008 (2013) for employee compensation. Also approved were associated expenditure limitation increases of \$2.6 million Lottery Funds, \$84.7 million Other Funds, and \$44.2 million Federal Funds. The General Fund component is expected to cover about 90% of the statewide estimate of costs for compensation and benefit changes agreed to through collective bargaining or other salary agreements. Lottery Funds, Other Funds, and Federal Funds expenditure limitations are calculated at the full cost estimate level.

Section 105 of the budget bill reflects the employee compensation amounts approved for each agency; adjustments for agencies are not addressed in the agency narratives, although they are included in the table at the beginning of the budget report.

#### **2% HOLDBACK**

House Bill 5008 (2013) included a 2% supplemental ending balance holdback that was primarily applied to General Fund, and excluded debt service as well as selected programs. Agencies' 2013-15 legislatively adopted budgets were reduced by these amounts. With the current statewide economic conditions and revenue forecast, these budget reductions are being partially restored. Generally, 25% of the holdback is being restored to each affected agency, although there are a number of exceptions. Restorations include a total of \$68.3 million General Fund and \$0.3 million Lottery Funds. Section 104 of the budget bill reflects the restoration amounts for each agency. More detail is available in the narrative for each affected agency; agencies without General Fund or Lottery Funds in their budgets were not affected.

#### **PACKAGE 091**

Package 091 Statewide Administrative Savings is another 2013-15 adjustment affecting most agency budgets and captured in agency budget bills. The 2013 Legislature approved this package of \$62.0 million total funds in permanent reductions as a placeholder for administrative efficiencies.

The placeholder, which carried forward from the Governor's budget, was simply a pro rata calculation across personal services and services and supplies expenditures in administrative budget structures. The Department of Administrative Services (DAS) committed to work out reduction details with agencies and report to the Joint Committee on Ways and Means during the 2014 session. The areas targeted for reduction were finance, information technology, human resources, accounting, payroll, and procurement expenditures.

The legislative expectation was that DAS would present a statewide plan identifying specific efficiencies and realigning placeholder reductions, if needed. However, DAS did not come forward with a plan, but instead reported that efforts to realize the savings in Package 091 met with unexpected challenges. These include actual savings taking longer than one biennium to materialize and some ideas requiring up front investments that would offset any near term savings. Since DAS failed to deliver a plan, the Legislative Fiscal Office worked with state agencies and their DAS budget analysts to replace placeholders with specific reduction actions. For some agencies, the updated Package 091 will deviate from placeholder expenditure categories or appropriations; these changes are described in the individual agency narratives. Agency narratives, where applicable, will also identify position count and full-time equivalent (FTE) decreases.

### **Emergency Board**

The Emergency Board allocates General Fund and provides Lottery Funds, Other Funds, and Federal Funds expenditure limitation to state agencies for unanticipated needs in approved agency budgets when the Legislature is not in session. As part of the 2013-15 biennium statewide rebalance plan, House Bill 5201 adjusts the Emergency Board's special purpose appropriations as described below:

- Eliminates a special purpose appropriation for state agencies of \$86.5 million, with corresponding General Fund appropriations to various state agencies for state employee compensation changes.
- Eliminates a special purpose appropriation for state agencies of \$12.9 million, with corresponding General Fund appropriations to the Department of Human Services (\$11,038,678) and the Oregon Health Authority (\$1,861,322) for compensation changes for home health care workers who are not state employees.
- Eliminates a special purpose appropriation for the Oregon Department of Education (ODE) of \$4.6 million, with a General Fund appropriation of \$4.4 million to ODE for assessments including those assessments required under the federal Elementary and Secondary Act and linked to Common Core Standards.
- Eliminates a special purpose appropriation for the Oregon Department of Education (ODE) of \$1,789,557, with a corresponding General Fund appropriation to the ODE for program funding for the second year of the biennium for youth development grants, performance-based contracts, and services at the local level.
- Eliminates multiple special purpose appropriations for the Housing and Community Services Department totaling \$9,215,066, with a General Fund appropriation of \$8,540,066 to the Housing and Community Services Department for second year operations, and an appropriation of \$225,000 to the agency for one-time supplemental funding to the Oregon Hunger Response Fund for fiscal year 2014.
- Eliminates a special purpose appropriation for the Oregon Health Authority of \$3.3 million, with a General Fund appropriation of \$2,942,895 to the Oregon Health Authority for adult residential rate increases within the alcohol and drug system.



- Eliminates a special purpose appropriation for the Oregon Health Authority of \$100,000, with a corresponding General Fund appropriation to the Oregon Health Authority for staffing needs related to the Dental Pilot Projects.
- Reduces the special purpose appropriation of \$26 million for seniors made by House Bill 5101 (2013 Special Session) to appropriate \$13,295,373 General Fund to programs benefitting seniors in multiple agencies, but primarily in the Department of Human Services.
- Establishes a \$24 million special purpose appropriation for the Oregon Health Authority or the Department of Human Services for caseload costs or other budget challenges that the agencies are unable to mitigate.
- Establishes a \$3.5 million special purpose appropriation to be allocated for future costs associated with higher education governance changes; including costs incurred by the Higher Education Coordinating Commission as duties and responsibilities are transferred from the Chancellor's Office to the Commission and for impacts on the budgets of the four technical and regional universities.
- Establishes a \$1.3 million special purpose appropriation to be allocated to the Judicial Department for Operations support. The Department may request funds to finance one-time operations investments and service increases.
- Establishes a \$700,000 special purpose appropriation to be allocated to the Judicial Department for third-party debt collection costs.

If remaining special purpose appropriations are not allocated by the Emergency Board before December 1, 2014, any remaining funds become available to the Emergency Board for general purposes.

The Subcommittee established a reservation within the general purpose Emergency Fund of \$350,000 for the Board of Parole and Post-Prison Supervision (BPPPS) for replacement of the Parole Board Management Information System (PBMIS). Allocation of the reservation is contingent upon the Board providing a project budget, project plan, and periodic status reports. BPPPS may request allocation of the reservation from the Emergency Board after the Legislative Fiscal Office approves the project budget and project plan.

A reservation was also established within the general purpose Emergency Fund of \$3.5 million for the Statewide Longitudinal Data System proposed by the Oregon Education Investment Board (OEIB), Oregon Department of Education (ODE), and the Higher Education Coordinating Commission (HECC). Prior to the release of this reservation, the agencies must meet the requirements of the budget note included in this bill for OEIB relating to completing a refined business case, development of a comprehensive set of foundational project management documents, and completion of an assessment of the foundational project management documents and a project risk assessment by an independent Quality Assurance contractor.

## **Adjustments to Agency Budgets**

### **ADMINISTRATION**

#### **Department of Administrative Services**

The Subcommittee approved an \$8,644,690 Other Funds expenditure limitation increase for Enterprise Technology Services (ETS) to begin a \$40 million technology equipment lifecycle replacement plan. Due to continued use of equipment past its useful life, the state is now experiencing unacceptable levels of technology service outages that impact state government operations. DAS estimates there is now more than \$40 million

worth of equipment and infrastructure past the 5 year useful life. DAS will enter into lease-to-own agreements to finance the equipment replacement. Existing ETS rates are estimated to be sufficient to generate enough revenue to pay the \$8,644,690 Other Funds needed for leases-to-own agreements that will be entered into this biennium. Use of this additional revenue will likely preclude DAS from lowering ETS rates mid-biennium as was being contemplated by the ETS Customer Utility Board. Use of existing rate revenue will avoid costs associated with borrowing the money internally, as was initially recommended by the Department. The \$8,644,690 Other Funds increase for 2013-15 rolls-up to \$18,743,503 in 2015-17 for the second phase of the equipment replacement plan. DAS plans to incorporate a depreciation factor in future ETS rates, which will allow the state to accommodate lifecycle replacement costs on an ongoing basis. The Subcommittee also approved a \$5,121,497 Other Funds expenditure limitation increase and the establishment of 19 positions (10.22 FTE) for ETS to meet the increasing demand for technology services from state and local governments, including implementation of IT projects approved in 2013-15 adopted budgets.

The Subcommittee adopted the following budget note to ensure proper oversight of state information technology assets and projects:

**Budget Note:**

The Oregon Department of Administrative Services (DAS), working with the State CIO, shall produce a comprehensive inventory report of all current information technology (IT) assets as required under current law with a special emphasis on the planned replacement or modernization status of information systems in use by all executive branch agencies. This inventory report shall include, but not be limited to:

- Agency name, Information System (Application) name, Agency Program owner, and business purpose of the Information System
- Age, Date of last upgrade, and planned changes/enhancements/retirement for the Information System (Application) in the future

In addition, DAS and the State CIO shall produce a comprehensive report of all IT projects underway in the 2013-15 biennium or planned for the 2015-17 biennium. The IT project report shall include, but not be limited to:

- Agency name, project title/name, project description, estimated budget (for all biennia), estimated start and completion date.

Both the IT inventory and project reports shall include:

- A narrative explanation of the methods, assumptions and tools used and any challenges DAS or the State CIO faced in collecting IT asset and/or IT project information;
- A narrative description of any statutory, rule or policy changes or resource allocations DAS or the State CIO believes are necessary to support continued or better IT asset inventory and/or IT project reporting.

The State CIO shall include a narrative section focused on planned statewide information systems modernization as well as the IT inventory and project reports outlined above, in the appendix of the State Information Technology and Telecommunications Plan (changed to Enterprise Information Resources Management Strategy in HB 4135) the State CIO is required to develop and update each biennium under ORS 291.039.

The IT inventory and project reports and a status report on the completion of the State IT and Telecommunications plan (changed to Enterprise Information Resources Management Strategy in HB 4135) shall be presented to the Joint Committee on Legislative Audits, Information Management and Technology and the General Government Subcommittee of the Emergency Board or the interim Joint Committee on Ways and Means before the start of the 2015 session. The State IT and Telecommunications Plan (changed to Enterprise Information Resources Management Strategy in HB 4135) shall be presented to the General Government Subcommittee of the Joint Committee on Ways and Means and other appropriate committees during the 2015 session.

The Subcommittee approved a \$700,000 Other Funds expenditure limitation for the Chief Operating Office for two special projects that cross multiple agencies or require some independence. The first such project is a \$350,000 limitation increase to purchase a statewide license for the Agora software program to be used by multiple state agencies. Agora offers tools to link economic and community development projects with project funders. The second special project involves the expenditure of \$350,000 Other Funds to examine the Cover Oregon Website Project. At the request of the Governor, DAS contracted with First Data Government Solutions through the Enterprise Initiatives Master Price Agreement. First Data Government Solutions will complete a third party assessment of the Cover Oregon Website Project. Funding for the contract will be transferred from the Oregon Health Authority and Cover Oregon to pay the cost of this assessment and any applicable legal fees

The Subcommittee approved a \$1,220,548 Other Funds expenditure limitation increase for Enterprise Asset Management (EAM) for the state motor pool. A \$1,047,548 Other Funds increase is for the purchase of 47 new vehicles and for fuel and maintenance of these vehicles. The Subcommittee also increased the Other Funds expenditure limitation for EAM by \$173,000 to accommodate the transfer of an auto mechanic position from the Oregon Department of Transportation to the state motor pool to consolidate light fleet maintenance in the Salem area.

House Bill 5201 includes one-time General Fund appropriations to the Department of Administrative Services for the following purposes:

- \$345,000 for disbursement to the SW Oregon Assessment and Taxation Coalition involving the assessors of Coos, Curry, Douglas, Jackson, Josephine, Klamath, and Lane counties for a pilot project to form partnerships for the delivery of taxation and assessment services, to seek ways to deliver these services more efficiently.
- \$200,000 for disbursement to Oregon Health and Science University Office of Rural Health for the Primary Health Care Loan Forgiveness Program.
- \$100,000 for disbursement to the City of Forest Grove for initial planning costs associated with construction of a community center facility. The building could potentially house city hall, city offices, and a police station.
- \$80,000 for disbursement to Sustainable Northwest for completion of a Western Juniper utilization and marketing project.
- \$20,000 for disbursement to the Medford Senior Center for their Senior Nutrition Program.

The Subcommittee added \$9,033,609 Other Funds expenditure limitation for one-time cost of issuance and special payments associated with the disbursement of proceeds from Lottery Bond sales; projects are detailed below and approved in in Senate Bill 5703. There is no debt service allocated in the 2013-15 biennium, as the bonds will not be sold until the spring of 2015. Debt service for 2015-17 is estimated at a total of \$1,640,046 Lottery Funds: \$588,086 for the Port of Morrow Community Revitalization Revolving Loan Fund; \$270,707 for the Stayton

Stormwater project; \$176,765 for the Beaverton Community Health Collaborative project; \$176,765 for the Mid-Columbia Medical Center; and \$427,723 for the Cornelius Library matching fund project.

- \$2,958,304 Other Funds for disbursement to the Port of Morrow for a Community Revitalization Revolving Loan Fund that would be available to Malheur, Harney, Grant, Baker, Union, Wallowa, Umatilla, Morrow, Gilliam, Sherman, and Wheeler counties for energy conservation, renewable energy, and general business development projects.
- \$2,451,194 Other Funds for disbursement to the City of Cornelius for a new public library with the stipulation that the City of Cornelius secures matching funds and commitments of no less than \$10.4 million by the end of the 2013-15 biennium, prior to the distribution of the lottery revenue bond proceeds for the project.
- \$1,544,053 Other Funds for disbursement to the City of Stayton to purchase property and develop a storm water detention facility in Stayton. The facility is expected to improve water quality for downstream agricultural users and manage peak storm flows into the Salem Ditch and Mill Creek.
- \$1,040,029 Other Funds for disbursement to the Mid-Columbia Medical Center to support capital construction projects to expand or improve the medical center.
- \$1,040,029 Other Funds for disbursement to the Beaverton Community Health Collaborative for the construction of a multi-service health and wellness facility.

The Subcommittee accepted technical adjustments to the revenue reductions assumed in the Department 2013-15 legislatively adopted budget by increasing the assumed Other Funds revenue by \$1.5 million for the Chief Operating Office, \$1.8 million for Enterprise Human Resource Services, and \$437,180 for the Chief Information Office. In addition, the Subcommittee approved another technical adjustment to move a limited duration position to Enterprise Technology Services from the Chief Information Office where it was added by error in the legislatively adopted budget.

The Subcommittee approved and updated Package 091 Statewide Administrative Savings, eliminating 2 Custodian positions (2.00 FTE) and one Production Supervisor position (1.00 FTE). Because some of the administrative reductions were not achievable, particularly the \$5,771,223 Other Funds in Enterprise Technology Services (ETS), Other Funds reductions were taken in the Chief Information Office (\$3,515,338) to eliminate empty Other Funds expenditure limitation and Enterprise Asset Management (\$130,906) to eliminate the two custodian positions. These reductions allowed restorations of \$3,183,353 Other Funds in ETS and \$462,891 Other Funds in Enterprise Human Resource Services. The Subcommittee also approved the standard 25% restoration rate for the supplemental ending balance reductions, which resulted in the restoration of \$13,953 General Fund.

#### **Oregon Advocacy Commissions Office**

The Subcommittee approved a restoration of \$8,301 General Fund for the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. The restoration fully restores the original holdback reduction.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings. A portion of the agency's reduction to personal services was moved to services and supplies.

### **Employment Relations Board**

The Subcommittee increased the agency's General Fund appropriation by \$116,236 and Other Funds expenditure limitation by \$148,020 to fund employee pay differentials, unemployment benefits, payment of accrued employee vacation time, a temporary double-fill of an administrative law judge position, and mediator travel expenses. The source of Other Funds is from the agency's state agency assessment ending balance (\$87,998) and fee revenue balance (\$60,022). Projected fee revenue is higher than anticipated in the agency's legislatively adopted budget for 2013-15. With the exception of the employee pay differentials and mediator travel expense, the remaining items are considered one-time increases and are not to carry forward into the 2015-17 biennium.

With this General Fund appropriation, the agency did not require a restoration of its 2% ending balance holdback.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings. A portion of the agency's reduction to personal services was moved to services and supplies. The reduction to services and supplies now totals \$7,162 and will come from savings achieved by a renegotiated facilities rental agreement.

An adjustment was made related to the agency's compensation plan that moved \$11,645 of Other Funds expenditure limitation from the Employment Relations Board Administrative Account (i.e., state agency assessments) to expenditures supported by fee revenue.

### **Government Ethics Commission**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings. A portion of the agency's reduction to personal services was moved to services and supplies.

### **Office of the Governor**

The Subcommittee approved a restoration of \$51,520 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. That represents 25% of the initial holdback.

The Subcommittee appropriated \$1,080,000 General Fund for the Public Infrastructure Commission and the West Coast Infrastructure Exchange. The governor's Office may transfer some, or all, of the funds to the State Treasurer for the implementation of House Bill 4111.

### **Oregon State Library**

Of the agency's original \$32,951 supplemental ending balance holdback reduction, the agency has achieved savings of \$14,335 General Fund by reducing Fiscal Year 2014 Ready-to-Read grants. The remainder of the holdback, \$18,616, was restored by the Subcommittee to be used for Fiscal Year 2015 Ready-to-Read grants. The restoration represents 57 % of the initial holdback.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings. The agency's personal services budget was reduced by \$5,956 General Fund and \$20,209 Other Funds by reducing pay differentials. The remaining personal services reduction was moved to services and supplies.

The Subcommittee adopted the following budget note related to the reorganization of the State Library.

**Budget Note:**

The Co-Chairs of the Joint Committee on Ways and Means will establish a workgroup to build upon previous State Library reorganization efforts, including the 2012 Joint Committee on Ways and Means report on the consolidation and improvement of library and archives services as well as subsequent proposals this biennium. The purpose of the workgroup is to modernize the delivery of state library services by improving access to public information, eliminating duplicative services and costs, increasing utilization of digital resources, and increasing collaborative partnerships across entities.

The workgroup shall recommend draft legislation for introduction in the 2015 legislative session for the reorganization of state library services, which should, where possible, incorporate national best practices pertaining to library reorganizations.

The workgroup will include Legislative members, and other members chosen to represent the interests of state library service users and employees.

It is the Co-Chairs' expectation that the workgroup will be staffed by the Legislative Fiscal Office with assistance from the State Librarian, State Archivist, State Law Librarian, Department of Administrative Services – Project Management Office, the Department of Administrative Services – Chief Financial Office, and Legislative Committee Services. Staff of the Oregon Historical Society is also invited to participate as staff to the workgroup.

**Oregon Liquor Control Commission**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating a total of three positions (2.50 FTE), and making shifts between personal services and services and supplies in various agency programs. As approved, Package 091 now consists of the following elements:

- Personal services reductions totaling \$50,048 and 0.5 FTE (seasonal liquor distribution worker), services and supplies reductions totaling \$137,000, and capital outlay reductions of \$409 in the Distilled Spirits program;
- Personal services reductions of \$239,002 and abolishment of one management position (1.00 FTE) in the Public Safety program; and
- Personal services reductions totaling \$121,390 and 1.00 FTE (Office Specialist 2 position), services and supplies reductions totaling \$85,000 and capital outlay reductions totaling \$1,980 in the Support Services program.

**Public Employees Retirement System**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings. The agency was able to reduce its personal services by only \$45,651 due a reduction in temporary employees and overtime. The remaining personal services reduction of \$1,041,400 was moved to services and supplies. The reduction to services and supplies now totals \$1,393,957 and will come from savings to employee training, office expense, data processing, and professional services. The capital outlay reduction of \$29,380 reduced the budget for data processing hardware.

The Subcommittee increased the Other Funds expenditure limitation for the Operations program by \$1,022,945 for the implementation of Senate Bill 861, which was passed by the Legislature during the 2013 special session. This includes four limited duration Retirement Counselor 1 positions (3.33 FTE). Personal services total \$392,428 and services and supplies total \$630,517.

The four limited duration positions were established administratively on November 1, 2013; therefore, the agency does not require position or FTE authority, but does require the associated expenditure limitation. The revenue to fund these expenses is from a transfer from the Oregon Public Employees Retirement Fund from current year earnings. The Other Funds expenditure limitation was approved only as a one-time increase and does not carry forward into the 2015-17 biennium.

Other Funds expenditure limitation was increased for the Operations program by \$718,750 in services and supplies for phase two of a three phase project to move the administration of the Individual Account Program from a third-party administrator to the agency. The Other Funds expenditure limitation was approved only as a one-time increase and is not carried forward into the 2015-17 biennium.

The Subcommittee requests that the Department of Administrative Services un-schedule the entire amount of the Individual Account Program expenditure limitation, pending a Department of Administrative Services – Chief Information Office review and recommendation to approve the project being submitted to the Legislative Fiscal Office for its review and recommended approval.

### **Department of Revenue**

The agency did not require a restoration of its 2% ending balance holdback that totaled \$3.3 million General Fund, due to vacancy savings. The vacancy savings occurred in programs that did not require a rebalance of the agency's budget.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating eight permanent full-time positions and reducing one permanent full-time position to part-time (8.50 FTE). The alternative plan minimizes the impact to the agency's Information Technology Division so as to support its transition of legacy information technology systems to a new information system entitled the Core System Replacement project.

The positions eliminated include: Accountant 1 position (1.00 FTE); Office Specialist 1 positions (1.00 FTE); Office Assistant 2 position (1.00 FTE); Information System Specialist 4 position (1.00 FTE) and a Fiscal Analyst 2 position is reduced from permanent full time to permanent part-time (0.50 FTE) in the Administrative Services Division. Two Administrative Specialist 1 positions (2.00 FTE) are eliminated from the Personal Tax and Compliance Division. An Information System Specialist 3 position (1.00 FTE) and an Information System Specialist 5 position (1.00 FTE) are eliminated from the Property Tax Division. In addition, \$71,904 of Other Funds for services and supplies is eliminated in the Property Tax Division in order to achieve the reduction target.

The Subcommittee disappropriated \$2.1 million in one-time General Fund savings, which are in addition to the General Fund savings the agency set aside to compensate for its 2% ending balance holdback. The additional vacancy savings include: Administration (\$990,828), Property Tax (\$139,386), Personal and Compliance (\$716,614), and Business Divisions (\$253,172).

The Subcommittee also disappropriated \$500,000 General Fund in one-time services and supplies savings from the Core System Replacement project due to lower than expected Department of Administrative Services – State Data Center charges.

A reduction of \$352,716 in Other Funds personal services expenditure limitation was made to the Administration Division to adjust for an unneeded compensation plan increase. Two million dollars of Other Funds expenditure limitation in the Property Tax Division was reduced for

limitation that does not have a revenue source. The Property Tax Division has historically had Other Funds in its services and supplies expenditure limitation in excess of its actual need. Therefore, this is a permanent reduction.

The primary vendor contract for the Core Systems Replacement project was originally estimated to cost \$29 million; however, the agency was able to negotiate a \$27 million contract. The savings for the current biennium totals \$2.3 million Other Funds, with \$300,000 of the savings being needed in a future biennium.

HB 5008 (2013) requested that the Department of Administrative Services unreschedule \$12,994,327 of Other Funds expenditure limitation for the project that is related to the May 2014 Article XI-Q bond sale. The Subcommittee approved rescheduling \$10,694,327 due to the \$2.3 million in contract savings this biennium. The remaining \$2.3 million is to remain unrescheduled.

The Subcommittee provided the following instruction:

The Department of Administrative Services is requested to reschedule \$10,694,327 Other Funds expenditure limitation for the Core System Replacement project, pending the May 2014 Article XI-Q bond sale.

Additionally, the Department of Revenue is directed to report to the Joint Interim Committee on Ways and Means during Legislative Days in May and September 2014 on the status of the project.

The Subcommittee added one permanent full-time Principle Executive Manager E position (0.67 FTE) for the Core System Replacement project to function as a business team/business process subject matter expert lead for the project. The requested position would be funded with previously authorized Article XI-Q bond proceeds. The agency has sufficient Other Funds expenditure limitation for this position due to initial vacancy savings within the program.

The Subcommittee approved the agency's request to make the following technical adjustments to align the agency's budget with its current operations and the organizational structure. These changes balance overall and result in no increase or decrease to the agency's budget. They include: (a) \$1,892,699 and nine positions (9.00 FTE) to move the Research Section from the Business Division to the Agency Program Management Office Division; (b) \$322,254 and one position (1.00 FTE) to move a Principle Executive Manager G and associated services and supplies from the Administrative Services Division to the Agency Program Management Office Division; (c) \$1,109,718 and seven positions (7.00 FTE) to move the Special Services Section from the Administrative Services Division and the Property Tax Division to the Executive Division; (d) \$219,538 and one position (1.00 FTE) to move a Principle Executive Manager E position from the Administrative Services Division to the Personal Tax and Compliance Division; (e) \$112,092 to move one position (1.00 FTE), an Administrative Specialist position, from the Personal Tax and Compliance Division to the Business Division; (f) \$161,411 to move one Information System Specialist 5 position (1.00 FTE) from the Property Tax Division to the Administrative Services Division; (g) \$4,945,157 to move all operating program's Attorney General into the Administrative Services Division; and (h) \$880,556 to move all the operating program's Information Technology Expendable Property into the Administrative Services Division.

#### **Secretary of State**

The Subcommittee increased the General Fund appropriation by \$43,796 to restore 25% of the agency's 2% supplemental General Fund ending balance holdback. The entire amount of the restoration was directed to administrative services.



The Subcommittee also reduced the Federal Funds expenditure limitation by \$2,700,000, to more closely align the limitation with the Secretary's revised plan of expenditure of federal Help America Vote Act (HAVA) moneys. The Secretary reported that HAVA monies, initially budgeted for county election tabulation systems upgrades, are being redirected to finance upgrades to the Oregon Centralized Voter Registration system instead. This redirection reduces current biennium Federal Funds expenditures and will allow HAVA monies to fully support program costs, without need for additional General Fund support, through the remainder of the 2013-15 biennium and through the 2015-17 biennium as well.

### **Treasurer of State**

The Subcommittee increased the Other Funds expenditure limitation for services and supplies for the agency by \$1,080,000 for the Public Infrastructure Commission and the West Coast Infrastructure Exchange. The revenue source is a transfer from the Governor's Office, which was appropriated General Fund for House Bill 4111 (2014), to satisfy the requirement under section 4(1) of the measure.

The Subcommittee adopted the following budget note:

#### **Budget Note:**

The State Treasurer is directed to spend a minimum of \$100,000 on section 2(2) of House Bill 4111 from funding the agency received in House Bill 5201 for the Public Infrastructure Commission and the West Coast Infrastructure Exchange.

## **CONSUMER AND BUSINESS SERVICES**

### **Board of Accountancy**

No revisions were needed to implement Package 091 Statewide Administrative Savings, consistent with the original placeholder reduction.

### **Board of Chiropractic Examiners**

No revisions were needed to implement Package 091 Statewide Administrative Savings, consistent with the original placeholder reduction.

### **Construction Contractors Board**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating 0.50 FTE and moving a portion of the reduction from personal services to capital outlay.

### **Department of Consumer and Business Services**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating 9 positions and 8.00 FTE, and shifting \$15,493 from services and supplies to personal services.

A one-time increase of \$4,625,091 Federal Funds expenditure limitation was also approved for the Health Insurance Rate Review Grant Cycle II and III, to support state efforts to enhance the health insurance premium rate review process and increase the transparency of the review process.

### **Board of Dentistry**

No revisions were needed to implement Package 091 Statewide Administrative Savings, consistent with the original placeholder reduction.

### **Oregon Health Licensing Agency**

No changes were made from the original placeholder budget categories to implement Package 091 Statewide Administrative Savings. However, the agency's budget is moved to the Oregon Health Authority beginning July 1, 2014, as directed by House Bill 2074 (2013). The associated budget change is a reduction of \$3,760,280 Other Funds expenditure limitation and 17.50 FTE, which represents approximately one year of the biennial budget for the Oregon Health Licensing Agency. A corresponding increase is made in the Oregon Health Authority budget.

### **Health Related Licensing Boards**

An updated Package 091 Statewide Administrative Savings was approved for each of the six licensing boards: Mortuary and Cemetery, Naturopathic Medicine, Occupational Therapy, Medical Imaging, Speech-Language Pathology and Audiology, and Veterinary Medical. The boards are shifting reductions from personal services to services and supplies to meet the savings targets.

### **Bureau of Labor and Industries**

To restore a portion of the agency's 2% supplemental ending balance holdback, the Subcommittee added \$67,522 General Fund. This amount represents 29% of the total holdback; to cover the remaining gap BOLI will continue to hold the Apprenticeship Representative position in its Portland office vacant for the rest of the biennium.

An updated Package 091 Statewide Administrative Savings was approved, eliminating a total of 0.75 FTE across 2 positions in accounting and office administration. A portion of the agency's reduction was also moved from personal services to services and supplies.

The Subcommittee approved an increase of \$450,000 Other Funds expenditure limitation and the establishment of a limited duration full-time Office Specialist 2 position (0.63 FTE) to enhance the Support Services Program. The program is part of an interagency agreement with the Oregon Department of Transportation, which provides the funding, to help increase diversity in the highway construction workforce. The Bureau of Labor and Industries (BOLI) will utilize the additional funds to increase support to existing pre-apprenticeship preparation programs and establish new preparation programs in rural areas. The limited duration position will provide administrative support for the program, allowing the program coordinator to focus on development and implementation of the preparation programs.

To provide education and outreach on fair housing laws and to investigate fair housing cases, the Subcommittee approved a one-time increase of \$146,584 Federal Funds expenditure limitation. In partnership with the U.S. Department of Housing and Urban Development (HUD), BOLI will use the funds to complete dated fair housing cases that have been dual-filed with BOLI and HUD, and to work with the Fair Housing Council of Oregon to provide education and outreach. Additionally, BOLI's Technical Assistance Program will provide training sessions throughout the state on changes to fair housing laws.

The Subcommittee approved the following budget note related to workforce needs of employees of Qualified Rehabilitation Facilities:

**Budget Note:**

The Bureau of Labor and Industries, in consultation with the Department of Administrative Services, will convene a stakeholder workgroup to include not more than four Qualified Rehabilitation Facilities (QRFs) or a representative representing a majority of the QRFs in the state; labor unions representing QRFs; at least one organization representing the disability rights community; and any other interest with employee or business interests related to QRFs that voluntarily participate, during the 2014 interim. The workgroup will meet at least four times to develop concepts to address the workforce support needs of employees with disabilities employed by QRFs. These concepts may be presented to the 2015 Legislative Assembly for possible introduction as a bill.

**Oregon Medical Board**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating one position and 0.46 FTE in administration and the remaining reductions taken in services and supplies.

**Board of Nursing**

No revisions were needed to implement Package 091 Statewide Administrative Savings, consistent with the original placeholder reduction.

**Board of Pharmacy**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, reallocating among expenditure accounts to affect permanent administrative cost reductions. Other Funds personal services reductions of \$3,693 and services and supplies reductions of \$1,503 are reallocated entirely to agency services and supplies.

**Public Utility Commission**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating a mailroom assistant position (1.00 FTE). A portion of the reduction originally applied to services and supplies was shifted to personal services.

**Real Estate Agency**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating one position and 0.50 FTE.

**Board of Licensed Social Workers**

No revisions were needed to implement Package 091 Statewide Administrative Savings, consistent with the original placeholder reduction.

**Board of Tax Practitioners**

No revisions were needed to implement Package 091 Statewide Administrative Savings, consistent with the original placeholder reduction.

## ECONOMIC AND COMMUNITY DEVELOPMENT

### **Oregon Business Development Department**

The Subcommittee increased the General Fund appropriation by \$89,679 to fully restore the Arts Commission's 2% supplemental General Fund ending balance holdback. Lottery Funds expenditure limitations were increased by a total of \$250,000 to partially restore the 2% supplemental Lottery Funds ending balance holdbacks to the Shared Services and Business, Innovation, and Trade Divisions. No additional Lottery Funds are allocated from the Administrative Services Economic Development Fund for this partial restoration of the holdback amounts, or for Lottery Funds expenditure limitation increases provided for compensation cost increases; the agency will finance these expenditures out of sufficient cash balances of Lottery Funds in the division budgets.

The Subcommittee established a \$1,150,000 Lottery Funds expenditure limitation for the Business, Innovation and Trade Division for support of the Oregon Manufacturing Extension Partnership and for port property redevelopment. The expenditure limitation is established on a one-time basis and will be phased out in the development of the agency's 2015-17 biennium current service level. The expenditure limitation was established to provide a special payment of an additional \$750,000 to support the Oregon Manufacturing Extension Partnership, and a special payment of \$400,000 to the Port of Port Orford for redevelopment of the Cannery Building owned by the Port.

The Subcommittee increased the Regional Solutions Other Funds expenditure limitation in the Infrastructure Finance Authority program area by \$9,349,999, and increased the general Infrastructure Finance Authority Other Funds expenditure limitation by \$240,594, to authorize distribution of lottery revenue bond proceeds to support Regional Solutions projects, and to pay bond-related costs, respectively. These Other Funds expenditure limitation increases are approved on a one-time basis only, and will be phased out in the development of the agency's 2015-17 biennium current service level.

The 2013-15 biennium budget includes authorization of up to \$10 million of lottery revenue bond proceeds for Regional Solutions projects. In the 2013 session, the Legislature established a \$1 Other Funds limitation on Regional Solutions project expenditures, pending submission of specific projects for review. A total of \$9,350,000 of Regional Solutions project expenditures were approved. The approved project names and associated funding levels are listed below:

- North Central Region – North Central Oregon Attainable Housing Revolving Loan Fund (\$2 million)
- South Central Region – Removing Stringent Air Quality Permitting Requirements (\$1.5 million)
- South Central Region – Innovation and Learning Center (\$500,000)
- Mid-Valley Region – White's Rail Siding (\$300,000)
- Mid-Valley Region – Carlton Water Infrastructure (\$500,000)
- Mid-Valley Region – Job Growers Workforce Investment Board (\$550,000)
- North Coast Region – Rainier Rail Corridor (\$2 million)
- South Coast Region – Portable Dredge Purchase (\$2 million).

The Subcommittee also approved a change in the use of \$12 million of Other Funds lottery revenue bond proceeds previously authorized in the 2013 session for transfer to the Special Public Works Fund. Of this amount, \$3 million of proceeds are redirected to the Marine Navigation Improvement Fund for coastal port dredging; with the remaining \$9 million of proceeds to be transferred to the Special Public Works Fund.

Finally, the Subcommittee approved the implementation of the agency's Package 091 reductions. The implementation includes permanent fund shifts in the financing of two agency positions in the Shared Services/Central Pool program area. The two positions, formerly Lottery Fund-financed, will now have 22% of their personal services costs funded by Other Funds generated by agency programs. This action supports a \$100,000 fund shift from Lottery Funds to Other Funds approved with Package 091 in the agency budget.

### **Employment Department**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating two positions in the Unemployment Insurance division (a Public Affairs Specialist at .75 FTE and an Information Support Specialist at 1.00 FTE), eliminating three positions in the Business and Employment Services division (an Executive Support Specialist, a Safety Specialist and an Office Specialist, 3.00 FTE), and eliminating one position in the Research division (an Economist, 1.00 FTE). A portion of the reduction was shifted from personal services to services and supplies.

House Bill 5201 includes an increase of eight positions (5.35 FTE) and additional expenditure limitation in the amount of \$3,947,126 Other Funds and \$4,757,762 Federal Funds for grant awards, supplemental federal funding for unemployment insurance programs, Office of Administrative Hearings caseload, and information technology needs.

### **Housing and Community Services Department**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, reducing number of months on three positions (two Information Systems Specialists with a reduction of 0.50 FTE each, and a Procurement and Contract Specialist reduced by 0.62 FTE). Over all, personal services were reduced by \$227,189 Other Funds and \$99,918 Federal Funds; services and supplies were reduced by a total of \$113,376 Other Funds and \$14,195 Federal Funds; and capital outlay was reduced by \$1,825 Other Funds. All reductions are allocated to the Business Operations unit of the agency's Central Services program.

The Subcommittee approved a restoration of \$42,326 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. That represents 25% of the initial holdback. The funding is restored to the agency's General Fund programs as follows:

- Foreclosure Counseling (SB 1552): \$10,231
- Emergency Housing Assistance: \$11,625
- State Homeless Assistance Program: \$6,604
- Low Income Rental Assistance: \$1,122
- Oregon Hunger Response Fund: \$6,628
- Court Appointed Special Advocates: \$5,755
- Housing Choice Landlord Guarantee Program: \$361

The Transportation and Economic Development Subcommittee recommended operational funding for the 2014 state fiscal year for the Housing and Community Services Department after receiving a report on the results of the agency's review of services and delivery options. The goals of the review included identifying and eliminating duplication and fragmentation in service delivery, as well as efficiencies that could help to address an anticipated operating deficit of \$8 million in 2015-17. Report recommendations include simplifying program rules and reporting requirements; implementing shared services arrangements for some administrative functions; redesigning policy and governance structure to provide clear guidance and priorities; moving local service delivery partners toward performance based contracting over time; and moving food and volunteer programs to other areas of state government. The Subcommittee discussed the importance and expectation of a more detailed implementation plan for the report recommendations. Subcommittee members also conveyed the expectation that legislative policy committees should be the venue in which changes to agency advisory bodies are discussed and determined, and that such policy discussions not be circumvented by the Executive or budget process.

Given that the majority of recommendations require additional work to develop specific implementation plans, the Subcommittee recommendation for 2014 funding is predicated on continuing programs for the remainder of the biennium within the existing agency structure. The agency will begin the process of administrative rule review immediately, to begin identifying changes that will simplify grant administration and remove unnecessary reporting and monitoring requirements. Recommendations with budget and staffing implications will be proposed for implementation in conjunction with the 2015-17 budget process, along with changes to Key Performance Measures.

House Bill 5201 repeals three special purpose appropriations related to HCSD, and instead appropriates a total of \$8,765,066 million in General Fund to the agency; \$8.5 million of this is for fiscal year 2014 operations and \$225,000 is for a one-time increase in support for the Oregon Hunger Response Fund. Fiscal year 2014 agency operations costs amount to \$60,528,131 Other Funds, \$39,500,000 Federal Funds, \$122,795,359 Other Funds Non-Limited, \$54,000,000 Federal Funds Non-Limited, and 74.36 FTE. The above amounts include employee compensation distribution amounts, and are consistent with the 2014 operating expenditure limitation recommended by the Subcommittee on Transportation and Economic Development.

Additional one-time General Fund in the amount of \$1.5 million for the Emergency Housing Account and \$500,000 for the State Homeless Assistance Program was also approved (along with a corresponding increase of \$1.5 million in Other Funds expenditure limitation for the Emergency Housing Account). As these programs are ongoing, the Housing and Community Services Department is not anticipated to incur or capture additional administrative expenses from this supplemental funding. Other Funds expenditure limitation of \$2,555,025 is added to provide additional one-time support for affordable housing preservation, funded by lottery bonds authorized in Senate Bill 5703; \$55,025 of this amount is attributable to bond-related costs.

### **Department of Veterans' Affairs**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, shifting the majority of personal services savings in the Loan Program to services and supplies, in consideration of previous position reductions taken in the legislatively adopted budget (elimination of 12.00 FTE in the Loan Program). As modified, Package 091 reductions eliminate one position (0.20 FTE) and total \$16,426 in personal services, and \$136,794 in services and supplies in the Loan Program, and \$153,224 in services and supplies reductions in the Veterans' Home program.

The Subcommittee approved a restoration of \$43,959 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. That represents 25% of the initial holdback. The funding is restored to the agency's General Fund programs in the following amounts:

- Counseling and Claims: \$2,198
- County Veterans Service Officers special payments: \$21,971
- Aid programs administered by the Oregon Department of Veterans' Affairs: \$19,342
- Special Payments to National Service Organizations: \$448

House Bill 5201 includes additional Other Funds expenditure limitation in the amount of \$6,230,000 for two additional positions (1.13 FTE), and planning, marketing, start up and operating costs associated with the second Veterans' Home in Lebanon, Linn County. The home is scheduled to open in the fall of 2014.

Federal Funds expenditure limitation in the amount of \$300,000 was established to accommodate the possible receipt of a federal grant for transportation services to veterans in highly rural areas of the state. Expenditure limitation was approved, with the understanding that the Department of Administrative Services would unschedule the limitation until the Oregon Department of Veterans' Affairs was notified that its grant application was successful. No additional matching funds or position authority is required to administer the funds, which will be passed through to Baker, Gilliam, Grant, Morrow, Sherman and Wheeler Counties. The agency anticipates a notice of award in April, 2014.

### **Oregon State Lottery**

The Subcommittee approved a budget note requiring the Oregon State Lottery to submit a report to the Emergency Board on the feasibility of establishing a veterans-themed lottery raffle game.

#### **Budget Note:**

The Oregon State Lottery shall report to the Emergency Board, no later than September 2014, on the feasibility of establishing a dedicated lottery raffle game that has a veteran-oriented theme or indicates that the proceeds benefit veteran's education and economic development related to veterans. The report shall identify the impacts of establishing the game on the operations of the State Lottery, and include a projection of the level of net revenues available from a dedicated game for veteran's education and economic development, and a projection of the impact of the game on the level of net revenues otherwise available for transfer to the Administrative Services Economic Development Fund.

## **EDUCATION**

### **Department of Community Colleges and Workforce Development**

Based on their budgeted amount for their agency Operations budget, the Department of Community Colleges and Workforce Development (CCWD) has funding for the equivalent of 8.65 FTE in the General Fund budget passed by the 2013 Legislature. Given the demand for the General Fund related workload, the General Fund staff compliment should be closer to 13.00 FTE. As a result, CCWD estimated their General

Fund budget is underfunded by \$884,136. The agency identified almost \$350,000 in savings by keeping three positions vacant and switching the funding on another position, reducing the remaining General Fund gap to \$535,087. To fill this remaining shortfall, the Subcommittee approved the following one-time actions; (1) assumed additional revenue from work done by CCWD staff for the Higher Education Coordinating Commission (HECC) of \$64,000 to offset General Fund need and increased the Other funds expenditure limitation by this amount, (2) assumed \$100,000 of debt service savings from the delay of building projects at community colleges that is freed up to offset the Operations budget gap, (3) appropriated \$250,000 General Fund, and (4) transferred \$121,087 from the Strategic Fund of the Community College Support Fund to the agency Operations budget.

The Subcommittee approved the establishment of an Other Funds expenditure limitation in the amount of \$46,469 for the payment of the issuance costs associated with the sale of Lottery bonds for the Central Oregon Community College's Student Success Center in the remodeled Cascades Hall.

The Subcommittee did not restore any of the \$287,715 General Fund reduced in the Department of Community College and Workforce's legislatively adopted budget for the 2% supplemental ending balance holdback.

As a result of Package 091 relating to Statewide Administrative Savings in 2013, CCWD's Operations budget was reduced by \$357,844 total funds (\$39,363 General Fund, \$55,892 Other Funds and \$262,589 Federal Funds). These reductions will be made by eliminating one Accounting Technician position (1.00 FTE), reducing funding for hiring temporary employees, reducing in-state travel, and reducing the amount of resources for contracting out for services. The impact of these reductions will limit the agency's flexibility in addressing and completing short term projects that are requested of the agency or unanticipated needs like information server failures that might occur. These actions will also limit the agency's ability to hire people with specialized expertise that agency staff does not have.

### **Department of Education**

The Department of Education's (ODE) current budget includes \$9.4 million for the Career and Technical Education Revitalization Grant Program as authorized in ORS 344.075. This bill increases the amount available for the program by a one-time \$2 million General Fund appropriation. Grants awarded through this program must be used to enhance the collaboration between education providers and employers by: (1) developing or enhancing career and technical education programs of study; (2) expanding the professional growth of and career opportunities for students through career and technical education programs; (3) assessing the ability of each career and technical education program to meet workforce needs and give students the skills required for jobs in this state that provide high wages and are in high demand; and (4) supporting the achievement of the high school diploma requirements

The Legislature in 2013 provided an additional \$7.5 million General Fund for the Career and Technical Education (CTE) Revitalization Grant Program, and this bill adds a further \$2 million General Fund to the program without adding any resources for the administration, monitoring and technical assistance related for the program. The Subcommittee approved a transfer of \$230,537 General Fund from the Grant-in-Aid budget of the agency to the Operations budget, and the establishment of three positions (1.25 FTE) for these functions.

A special purpose appropriation to the Emergency Board of \$4.6 million General Fund was made in 2013 for student assessments. The Subcommittee approved the repeal of this special purpose appropriation, and instead approved a \$4.4 million General Fund direct appropriation



to ODE to augment the \$16 million total funds currently in the agency's budget for student assessments. This additional funding is to be used to purchase a summative assessment system tied to the Common Core standards as well as providing resources to school districts for formative and interim assessment tools. The Department of Administrative Services was instructed to unschedule this additional \$4.4 million until final negotiations with the assessment contractors are completed.

**Budget Note:**

The Department of Education is instructed to provide at least \$2 million of the total amount in the budget for student assessments as payments to school districts for formative and interim assessment tools.

ODE's Early Learning Division received an additional \$10.1 million Federal Funds in resources through the Race to the Top grant program of the U.S. Department of Education. The agency plans to spend \$5.5 million of these funds during the 2013-15 biennium. The funds will be used for a variety of purposes including increasing the use of the Tiered Quality Rating and Improvement System (TQRIS), professional development of early learning providers, and for a statewide referral system for information on early childhood services. The Subcommittee approved Federal Funds expenditure limitation increases split between the Early Learning Grant-in-Aid budget for grants to organizations (\$3,955,190 Federal Funds) and the agency's Operations budget (\$1,547,971 Federal Funds) for contracts, staffing and other agency costs. Seven limited duration new positions (4.11 FTE) were approved for establishment. Five current positions will also be funded with these new resources.

The Subcommittee approved an additional one-time \$1.0 million General Fund appropriation for the Long Term Care and Treatment programs which provide educational services to students in residential and day treatment centers as defined in ORS 343.961. In approving this additional funding, the Subcommittee expects all of the \$1.0 million will be provided to the entities who directly provide educational services to these students.

**Budget Note:**

Prior to May 1, 2014, the Department of Education is instructed to provide the School Funding Task Force established by House Bill 2506 (2013) with information to assist the Task Force in formulating recommendations relating to the level and allocation of funding for the Long Term Care and Treatment program. This information must include: (1) the actual costs of providing adequate and comparable educational services to students who receive services under the program; (2) various alternatives for allocating and distributing funding to these programs in an equitable manner to maximize the amount that is used for direct educational services to these students; (3) alternatives of metrics for measuring the effectiveness of the programs and providers of these educational services; and (4) other information the Task Force requests. The Task Force, with the assistance of the Department, shall work with various stakeholders including providers, school districts and others in formulating recommendations to the 2015 Legislature regarding the level and distribution of funding for the program.

The 2013 Legislature provided \$1,789,557 General Fund for a special purpose appropriation to the Emergency Board for program funding for the second year of the biennium for youth development grants, performance-based contracts, and services provided at the local level. The Subcommittee approved the repeal of this special purpose appropriation, and redirected those resources as a General Fund appropriation to the Department of Education. The agency's Youth Development Division submitted a plan for investing and distributing these funds to the Interim Joint Ways and Means Committee in January 2014 which approved the use of these funds for the Youth and Innovation Grant Fund. This Fund

provides resources for new innovative approaches to improve education and workforce success for those youth disconnected or at risk of disconnecting from the education system and labor market. Most of this funding (\$1.6 million General Fund) will be for grants to local entities, while the remaining \$189,557 General Fund will be used for the administration of the youth development programs.

The Subcommittee approved a total of \$5,948,790 General Fund in restorations to the ODE budget, representing just under 70% of the amount reduced in the legislatively adopted budget for the 2% supplemental ending balance holdback. All of the 2% reductions were restored for the following programs: (1) Oregon Pre-Kindergarten program (\$2,548,483); (2) other early learning programs (\$673,910) including Early Learning Hub funding, Health Families Oregon, Relief Nurseries, and Early Learning Kindergarten Readiness grants; (3) youth development grant programs (\$114,982); (4) staffing costs at the Oregon School for the Deaf (\$222,340); and (5) the newly authorized strategic education initiatives (\$436,976). Other restorations were \$1,080,405 for the Early Childhood Special Education programs, and \$562,775 for the Early Intervention program. Finally, a total of \$308,919 in the agency Operations budget was restored for nursing program support to school districts, youth development program administration, and licensing of Head Start programs.

As a result of Package 091 relating to Statewide Administrative Savings in 2013, ODE's Operations budget was reduced by \$814,374 total funds. The budget passed by the 2013 Legislature included over \$75 million total funds in new or expanded initiatives without a corresponding increase of resources in administrative activities. Based on this, the Package 091 related reductions for ODE did not include any staff reductions; but included service and supply cuts to the budget, personnel, accounting and payroll, and procurement functions totaling \$280,576 total funds. Another \$533,798 total funds was reduced from the information technology budget, most of it coming from resources for assessment related contracts. Overall, \$276,887 General Fund, \$123,622 Other Funds, and \$413,865 Federal Funds was reduced from the ODE Operations budget.

The Federal Funds expenditure limitation for early learning programs is increased by \$2.2 million to reflect a larger carry-forward of child care related funds from 2011-13 and larger current biennium revenues from the federal Child Care Development Fund. These additional revenues will be used to increase funding for the Employment Related Day Care program administered by the Department of Human Services.

### **State School Fund**

The State provides payments funded by the State School Fund for Local Option Equalization Grants authorized in ORS 327.339. The Department of Education (ODE) makes those grant payments to school districts as Other Funds, but the current budget does not have sufficient Other Funds expenditure limitation for the current biennium. The Subcommittee approved a \$3,535,581 increase in Other Funds expenditure limitation which is the estimate at this time of the grants that must be paid during 2013-15.

### **Higher Education Coordinating Commission**

In development of the 2013-15 budget for the Higher Education Coordinating Commission (HECC), there was an inadvertent double counting of funding of \$249,175 General Fund in the costs of the Commission's meeting and operating costs. The Subcommittee reduced this amount from the HECC budget.

The Subcommittee did not restore any of the \$45,957 General Fund reduced in the Higher Education Coordinating Commission's legislatively adopted budget for the 2% supplemental ending balance holdback.

### **Oregon Education Investment Board**

The Subcommittee restored \$30,794 General Fund to the Oregon Education Investment Board (OEIB) which represents 25% of the amount reduced in the OEIB's legislatively adopted budget for the 2% supplemental ending balance holdback. This restoration will allow the OEIB to fund data analysis and policy research on best practices, investment strategies, and polices relating to early learning and primary literacy.

The OEIB and other education agencies presented an initial business case and related project management materials for the Statewide Longitudinal Data System to the Education Subcommittee of the Joint Committee on Ways and Means. The Education Subcommittee recommended the project staff continue to refine the business case, provide more detailed planning and project management materials, and contract with an independent Quality Assurance contractor to move on to the next steps in the implementation of this project. This work is to be completed with existing resources in the Oregon Department of Education's budget.

#### **Budget Note:**

The Oregon Education Investment Board (OEIB) is directed to work with the Oregon Department of Education (ODE), the Higher Education Coordinating Council (HECC), other education related agencies, and the Office of the State Chief Information Officer to refine the business case and develop a comprehensive set of foundational project management documents including a detailed project budget and schedule for the design, development and implementation of the State Longitudinal Data System for P-20W Education. The OEIB, ODE, HECC and other agencies must follow State Chief Information Officer standards in the development of these materials; and submit them to the State Chief Information Officer for review in compliance with Department of Administrative Services and State Chief Information Officer rules, policies and standards for project review, approval and oversight. An independent Quality Assurance contractor must be selected to complete quality control reviews of the refined business case and foundational project management documents. In addition, the independent Quality Assurance contractor must complete a project risk assessment. Prior to requesting additional funding for the Statewide Longitudinal Data System, OEIB and other agencies must submit the quality control reviewed business case and foundational project management documents and the project risk assessment, along with a recommendation on the project from the State Chief Information Officer to the Legislative Fiscal Office. The OEIB and other agencies are directed to report to the Emergency Board during each of the Emergency Board's meetings prior to January 1, 2015 on the status of the project and/or to request the authority to proceed with the project once the above requirements have been met.

### **Oregon Health and Science University**

The Subcommittee approved a total of \$200,035,290 Other Funds expenditure limitation in the Department of Administrative Services for disbursement of bond proceeds to Oregon Health and Science University (OHSU) for the construction of research, clinical, other related facilities, and for bond related costs for the expansion of the OHSU Cancer Institute. Senate Bill 5703 contains authorization to issue up to \$161,490,000 in Article XI-G general obligation bonds (debt service to be paid with General Funds) and \$38,545,290 in lottery bonds (debt service to be repaid with Lottery Funds) for the Cancer Institute for disbursement to OHSU. Before these Article XI-G and Lottery bonds may be issued, OHSU must raise at least \$800 million in gifts, grants and other revenues through OHSU's Cancer Challenge campaign. The bond proceeds will be used: (1) to construct a research building on the Schnitzer Campus which will include wet laboratory facilities, bio-computing space and research support facilities; and (2) for additional floors in the Center for Health and Healing II (CHH II) building already planned for construction for clinical trial space. Debt service payments on these bonds to be paid beginning in the 2015-17 biennium are estimated at \$23,357,272 General

Fund and \$6,669,787 Lottery Funds. A budget note is included in the Oregon Health Authority section of this budget report instructing OHSU, other health care providers and Coordinated Care Organizations to develop recommendations relating to access to services for Medicaid clients.

### **Oregon Student Access Commission**

Funding for the Oregon Opportunity Grants is increased by \$2.3 million in the Oregon Student Access Commission's (OSAC) budget by increasing the expenditure limitation for Lottery Funds funded by allocations from the Education Stability Fund. This amount is anticipated to provide an estimated 1,150 more grants to post-secondary students at an average of \$2,000 during the 2013-15 biennium. These additional resources are from carry-forward funds from the 2011-13 biennium that are available for this purpose.

The Subcommittee did not restore any of the \$2,332,612 General Fund reduced in the OSAC's legislatively adopted budget for the 2% supplemental ending balance holdback, almost all of which was reduced from the Oregon Opportunity Grant program. As noted above, \$2.3 million of Lottery Funds was added to this program for the remainder of the biennium.

As a result of Package 091 relating to Statewide Administrative Savings in 2013, OSAC's Operations budget was reduced by \$41,153 total funds (\$17,284 General Fund and \$23,869 Other Funds). The Commission plans to take \$19,030 total funds of this reduction in State Government Service Charges since Commission staff has assumed some of the administrative responsibilities (without new resources) that the Department of Administrative Services (DAS) provided in the past. The remaining reductions will be taken from other services and supplies (\$11,290 total funds), Office Expenses, and other services and supplies categories. Since the original 091 reduction was split between personal services and services and supplies, all of the original \$31,666 total funds in the personal services reduction will have to be transferred to services and supplies category.

### **Teacher Standards and Practices Commission**

The Teacher Standards and Practices Commission's (TSPC) budget was reduced by \$13,537 Other Funds as a result of the passage of the Package 091 relating to Statewide Administrative Savings. The Commission will take these reductions by cutting \$8,135 from the budget for overtime and related personal services, and \$5,402 from other services and supplies.

### **Oregon University System**

The Subcommittee approved a special one-time General Fund appropriation of \$2,000,000 for the four technical and regional universities and Portland State University to help fund new compensation agreements for classified staff. Of the \$2,000,000 appropriation, \$850,000 is for Portland State University, with the remainder to be shared by Eastern Oregon University, Southern Oregon University, Western Oregon University, and the Oregon Institute of Technology. The Subcommittee also approved a one-time \$500,000 General Fund appropriation to both Eastern Oregon University and Southern Oregon University as temporary bridge funding to assist the universities for the remainder of the biennium as they address budget shortfalls.

The Subcommittee also disappropriated \$4,500,000 General Fund from the appropriation supporting the Chancellor's Office with direction the Chancellor's Office utilize existing fund balances to continue operations for the remainder of the 2013-15 biennium. A total of \$3.5 million General Fund was appropriated to the Emergency Board as a special purpose appropriation to be allocated for future costs associated with higher

education governance changes, including costs incurred by the Higher Education Coordinating Commission as duties and responsibilities are transferred from the Chancellor's Office to the Commission and for impacts on the budgets of the four technical and regional universities.

The Subcommittee approved the following budget note related to the closure of Blue Mountain Recovery Center in Pendleton, and clarified that this work should be done within the existing Oregon Solutions General Fund budget of \$2.2 million for 2013-15. The parties involved are expected to include a number of local and regional entities, as well as the Department of Administrative Services, Oregon Business Development Department, Department of Corrections, Oregon Health Authority, Department of Veterans' Affairs, and the Regional Solutions program within the Governor's Office. Other parties may be identified as the work proceeds.

**Budget Note:**

The closure of the Blue Mountain Recovery Center will have a major economic impact on the city of Pendleton and the surrounding region. In order to address the challenges associated with the closure, a state and local conversation needs to occur, and a strategy needs to be developed, to mitigate the effects and chart a path forward for the community. The strategy should address how the state can invest resources in the community to ensure the economic effects on the community as a whole are addressed, to the extent possible. The strategy should also seek to leverage investments from the federal government in addressing the challenge and engage other private and civic organizations to the extent they can be of assistance. In carrying out the development of a strategy, the Oregon Solutions program at Portland State University shall provide staffing to bring the needed parties together to develop a mutually supported plan. The Oregon Solutions program shall report in September 2014 to the Emergency Board on the plan.

**HUMAN SERVICES**

**Commission for the Blind**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings in which a small portion of the agency's reduction was moved from services and supplies to personal services. The Subcommittee also approved the restoration of \$31,287 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. This represents 100% of the initial holdback.

The agency's budget is reduced by \$1,043,821 Other Funds expenditure limitation and 0.75 FTE to reflect the elimination of the Oregon Industries for the Blind program effective December 2013. This was an alternative work and vocational program specializing in serving clients with multiple disabilities who are both developmentally disabled and blind. Historically the program had served about 40 clients, and all clients have now been placed in other programs.

**Oregon Health Authority**

The Oregon Health Authority (OHA) budget is organized into several program areas including Health Care Programs, Addictions and Mental Health, and Public Health, as well as Central and Shared Services. House Bill 5201 adjusts the OHA budget for updated pricing of program caseloads, costs, and revenues to help "rebalance" the budget. This information was presented at the January 2014 meeting of the Interim Joint

Committee on Ways and Means. Most notable are additional costs of \$26.9 million General Fund related to loss of federal match for Alcohol & Drug residential facilities that have more than 16 beds, claims costs for hospital patients thought to be eligible for Medicaid but not yet through the formal eligibility process, and additional costs to keep Blue Mountain Recovery Center open through March 2014. The rebalance also includes \$67.9 million General Fund savings, related to caseload changes, federal match rate changes, and one-time Other Funds revenues received above forecasted amounts.

The approved rebalance plan includes additional Federal Funds expenditure limitation of \$1.1 billion mostly related to faster enrollment of new clients under the Affordable Care Act (ACA) expansion than was originally forecast. The plan also includes some agency restructuring. A new budget structure called Health Policy Programs is created, with budget and staff being transferred from Central Services and Medical Assistance Programs. A second budget structure is created for the transfer of the Oregon Health Licensing Agency into OHA effective July 1, 2014 per House Bill 2074 (2013).

The agency continues to face a number of budget risks that were not explicitly included in the rebalance plan. These include changes to caseloads, federal sequestration reductions, the Oregon State Hospital budget, and state expenditures required to meet the federal Designated State Health Programs (DSHP) waiver conditions. House Bill 5201 establishes a new special purpose appropriation of \$24 million, to be allocated to OHA or the Department of Human Services for caseload costs or other budget challenges that the agencies are unable to mitigate.

In addition to the rebalance adjustments, the adjusted budget reflects a number of actions to be taken as a result of the \$38.8 million General Fund withheld in the legislatively adopted budget for the 2% supplemental ending balance. The Subcommittee approved a restoration of \$9.7 million as part of the statewide restoration. That represents 25% of the initial holdback. Other actions taken include program reductions of \$4 million General Fund and the use of \$25.1 million in one-time revenues.

With the addition of certain other actions beyond that already described, the approved adjustments result in an overall \$1.1 billion increase in the agency's total funds budget, but a \$27.2 million General Fund decrease. These actions also result in a \$36.4 million increase in Other Funds expenditure limitation, a \$1.1 billion increase in Federal Funds limitation, and an increase of 39 positions (20.74 FTE). These numbers do not include changes related to employee compensation cost changes.

A more detailed description of each program area follows.

#### Health Care Programs

The budget adjustments in House Bill 5201 reflect a net \$62.6 million decrease in General Fund in the Medical Assistance Programs (MAP) budgets, with a \$24.8 million increase in Other Funds limitation and a \$1.2 billion increase in Federal Funds limitation.

The rebalance plan for MAP approved by the Subcommittee includes overall savings of \$67.9 million General Fund, related to caseload changes, federal match rate changes, a reduction in the clawback payment to the federal government, and one-time Other Funds revenues received above forecasted amounts. Increased costs include a \$1.8 million shortfall in tobacco tax revenue as a result of the latest forecast. The loss of federal match for Alcohol and Drug residential facilities that have more than 16 beds results in a \$15.7 million General cost. The approved rebalance includes a cost of \$7.0 million General Fund to cover claims costs for hospital patients thought to be eligible for Medicaid but not yet through the

formal eligibility process. During the period before the patient completes the formal eligibility process, the federal match for services already received is at the state's regular match rate. The rebalance changes also include an additional \$1.2 billion in Federal Funds expenditure limitation, primarily because the state is enrolling new clients under the ACA expansion faster than originally forecast.

The MAP budget is also affected by two organizational changes included in the rebalance. A total of \$34 million General Fund that was previously in the MAP budget is transferred to a new budget structure called Health Policy Programs. In addition, a total of \$16.7 million General Fund and \$50.2 million total funds is transferred from Addictions and Mental Health to MAP. This completes another component of the transfer that eventually moves these programs receiving Medicaid match into the CCOs, and so into the MAP budget.

Health Policy Programs will also include the transfer of the Transformation Center from Central Services. The final resulting budget for Health Policy Programs will be \$44.1 million General Fund, \$129.4 million total funds, and 128 positions (122.37 FTE). All these adjustments net to zero agency-wide. As a part of the approved rebalance, a second new budget structure is created for the Oregon Health Licensing Agency, which will transfer to OHA on July 1, 2014 as a result of House Bill 2074 (2013). This program will then be called the Health Licensing Office. The second year budget amount of \$3.8 million Other Funds is added to OHA, as well as the 35 positions (17.50 FTE) in the current agency. There is a corresponding reduction to the budget of the Oregon Health Licensing Agency.

The Subcommittee approved a restoration of \$20.8 million of the 2% supplemental ending balance holdback that was included in the MAP original legislatively adopted budget for 2013-15. This is funded with one-time revenues available in the budget. The agency expects to address the remaining \$2.1 million shortfall by reducing the 2014-15 fee-for-service inflation adjustment for the Oregon Health Plan from 2.4% to 1.2%.

The final budget adjustments include additional General Fund savings of \$24.4 million as a result of the Children's Health Insurance Reauthorization Act (CHIPRA) bonus that was announced in December. A total of \$1.9 million General Fund and \$5.0 million total funds is added to the MAP budget to cover compensation changes for home health care workers who are not state employees. A total of \$12.9 million had been included in a special purpose appropriation for this purpose. That amount is fully distributed to OHA and the Department of Human Services to cover these costs.

The Subcommittee approved the following budget note relating to the health care system, and the role of Oregon Health and Science University within that system:

**Budget Note:**

The Oregon Health Authority will work with health systems, Coordinated Care Organizations, and health care providers to develop recommendations that ensure that Medicaid clients have access to medically appropriate and necessary inpatient or outpatient health services. Factors to be considered will include:

- (a) The acuity of the patient's condition and the urgency of the patient's need for treatment;
- (b) The role of Oregon Health and Science University as the state's only public academic health center;
- (c) The role of Oregon Health and Science University as a health care provider as well as its capacity relative to other hospitals, clinics or facilities in the community; and

(d) Advancing the goals of the triple aim, including factors such as:

- (A) delivery of quality care
- (B) cost
- (C) convenience to the patient
- (D) patient's access to care

OHA will report on the recommendations to the appropriate legislative policy committees before the 2015 session.

#### Addictions and Mental Health

The budget adjustments included in House Bill 5201 for Addiction and Mental Health (AMH) reflect a net decrease of \$3.2 million General Fund, an increase of \$9.2 million Other Funds limitation and a decrease of \$36.6 million Federal Funds limitation.

The rebalance plan approved by the Subcommittee includes a cost of \$2 million General Fund to keep Blue Mountain Recovery Center open until the end of March 2014. This is offset by savings of \$0.2 million General Fund as a result of the increase in the federal match rate. In addition, the budget is decreased by \$19.4 million General Fund as a result of transfers and technical adjustments. This is primarily the result of the transfer of another component of the remaining programs in AMH that will be moved to the CCOs during this biennium.

The Subcommittee approved a restoration of \$11.4 million of the 2% supplemental ending balance holdback that was included in the AMH original legislatively adopted budget for 2013-15. The agency expects to address the remaining \$1.9 million shortfall by eliminating the development of one 5-bed residential treatment home, and delaying the opening of two others by a few months.

If House Bill 4124 becomes law, the current youth suicide prevention coordinator in Public Health will move to AMH and take on a number of new responsibilities, including a new focus on intervention. AMH will coordinate with Public Health on funding to continue a position in Public Health that will continue to focus on prevention. Both these positions will have an important role to play as the new investments in children's mental health are implemented.

The Subcommittee approved a General Fund appropriation of \$50,000 for the Buckley sobering center of Willamette Family Treatment Services. This is one-time funding to establish a pilot at the center, in order to determine the efficacy of allowing the sobering center to sign clients up for the Oregon Health Plan, if appropriate, as well as the effectiveness of including peer support navigators on staff to facilitate on-going treatment. AMH and the center will report the results of the pilot during the 2015 legislative session.

House Bill 5201 includes an additional \$2.9 million General Fund to increase rates for Alcohol and Drug adult residential facilities. House Bill 5008 (2013) set aside a special purpose appropriation of \$3.3 million for this purpose, and the agency was directed to do a study on both the youth and adult systems. The agency presented that study to the 2014 Legislature. The \$2.9 million will allow the agency to increase the indigent (non-Medicaid) rate for adults from the current \$105.50 per bed per day up to \$120.00 (both rates include the current \$20 rate for room and board). This increase will be for both years of the biennium. This brings the indigent rate up to the same level as the Medicaid fee-for-service and CCO rate. In addition, the room and board rate will be increased from \$20.00 to \$24.00 for indigent, fee-for-service and CCOs,



effective January 1, 2014. It is not ideal to increase the room and board rate, because that portion of the total rate cannot be matched. However, an increase in the treatment portion of the rate would flow through the CCO budgets, and they are capped at this time.

The Subcommittee approved the agency plan to spend the remaining \$10 million Other Funds revenues from the increase in the cigarette tax that was dedicated to community mental health programs. AMH plans to invest \$5 million of the funding in rental assistance programs through the current structures within the agency. For the other \$5 million, AMH plans to partner with the National Alliance on Mental Illness (NAMI) and the Oregon Residential Provider Association (ORPA) for development of supported housing for individuals with mental illness, who will seek out grants, gifts and contributions to supplement the state money to support this development. The state funding will provide not more than 20% of the costs for the construction of the housing, and up to 50% of the start-up costs of the housing. The partners will convene a work group to advise in developing and prioritizing the list of projects. In order to ensure that the money available is invested this biennium, timelines will be established for funds to be committed. Funds that are not committed by those deadlines will be utilized for additional rental assistance funding. The partners have agreed on a Memorandum of Understanding that lays out these details. This \$5 million funding is to be considered one-time for purposes of 2015-17 budget development. The Subcommittee approved the following budget note:

**Budget Note:**

Addictions and Mental Health, the National Alliance on Mental Illness, and the Oregon Residential Provider Association shall report back to each of the interim Emergency Board meetings on the status of all projects being considered or funded. The report should include information on each project, including location, timelines, various funding sources, number of housing units total, and number of housing units specifically for persons with mental illness. At least 10 days before a contract is signed by the Oregon Health Authority for any specific project, the agency shall notify Legislative Leadership and the Legislative Fiscal Office of their intent to sign a contract and the details of the contract.

**Public Health**

The budget adjustments included in House Bill 5201 for Public Health reflect a net increase of \$1.2 million General Fund, and a decrease of \$0.1 million Other Funds limitation and \$0.5 million Federal Funds limitation.

The Subcommittee approved a restoration of \$0.7 million, or all of the 2 % supplemental ending balance holdback that was included in the Public Health legislatively adopted budget. The special purpose appropriation for dental pilot projects of \$100,000 was eliminated and placed in this budget. This will enable the agency to provide staff to implement the program originally envisioned in Senate Bill 738 (2011). The Subcommittee also approved additional funding of \$270,000 for breast and cervical cancer screening services. About \$100,000 of this was needed to backfill funding shortfalls recently communicated to the agency by the Komen Foundation.

Public Health programs had three fee schedules that were approved by the Department of Administrative Services and implemented administratively during the interim. These were ratified as a part of House Bill 5202, the statewide fee ratification bill. These include the fees related to the regulation of non-transplant anatomical research recovery organizations, registration of medical marijuana facilities, and the Oregon State Public Health Laboratory fees for communicable disease tests.

The Subcommittee approved the following budget note:

**Budget Note:**

The Oregon Health Authority will report to the Emergency Board in September 2014 on plans to appoint a state dental director as part of the agency's 2015-17 budget request. The report will include a position description outlining the duties of this position and the estimated costs to fill the position.

**Central and Shared Services/Statewide Assessments and Enterprise-wide Costs**

The budget adjustments included in House Bill 5201 reflect net decreases of \$7.3 million General Fund, \$3.6 million Other Funds limitation and \$81.9 million Federal Funds limitation.

The reductions in these budgets are primarily the result of transferring the budget and staff from the Office of Health Policy and Research and the new Transformation Center, both currently in Central Services, over to the new Health Policy Programs. These actions are included in the rebalance. The Subcommittee approved a restoration of \$1.8 million, or all of the 2% supplemental ending balance holdback that was included in the legislatively adopted budget.

An updated Package 091 Statewide Administrative Savings was approved in which a portion of the agency's reduction was moved from services and supplies to personal services. These reductions are all in Shared Services, which for OHA are the information technology services provided to both OHA and the Department of Human Services. One of the strategies for efficiencies is to do more projects with agency staff, rather than hiring contractors to perform the work at a higher price. The agency also expects to reduce expenditures related to mainframe printing by working with recipients to see which reports are still used. There are also opportunities to standardize software tools and reduce the amount of annual maintenance and support required.

**Department of Human Services**

The Department of Human Services (DHS) 2013-15 budget is organized through eight budget structures and five appropriations. The budget structures reflect five direct program areas (Self Sufficiency, Child Welfare, Vocational Rehabilitation, Aging and People with Disabilities, and Developmental Disabilities) and three program support functions (Central, Shared Services, and State Assessments and Enterprise-wide Costs). In addition, the agency's rebalance plan approved by the Subcommittee as part of House Bill 5201 adds a new program structure – Program Design Services – to consolidate and better capture cross-program work, such as licensing and regulatory oversight. The funding and position transfers from the programs to the new structure drive decreases in program budgets that net out across the agency; these should not be confused with program reductions.

Setting aside statewide budget issues, the agency's rebalance plan, which was presented at the January 2104 meeting of the Interim Joint Committee on Ways and Means, generates a net savings of \$0.5 million General Fund. This net positive position reflects both costs and savings tied to agency caseloads, costs per case, and a slightly higher federal percentage for FMAP eligible costs. It also accounts for new program funding gaps identified since the 2013 session, including \$2.2 million General Fund needed to avoid going to a wait list for Vocational Rehabilitation services and \$1.9 million General Fund to cover a 6% interim rate increase for employment services providers in the Developmental Disabilities program.

The rebalance plan also contains several technical adjustments/transfers within the agency and between DHS and the Oregon Health Authority. Internal DHS changes, mostly tied to allocating costs and budget with more precision than was used during budget development, net to zero. There is a net increase of \$1.8 million General Fund in the DHS budget due to the realignment of costs between DHS and OHA associated with mental health facility development and outreach services; changes between the two agencies net to zero.

In addition to rebalance adjustments, the Subcommittee approved a direct restoration of \$11.4 million General Fund withheld in the legislatively adopted budget for the 2% supplemental ending balance; this represents 25% of the holdback amount. Through the use of one-time revenues in both OHA and DHS, including \$3.3 million Federal Funds in bonus revenue received under the Supplemental Nutrition Assistance Program (SNAP) and \$15.0 million Federal Funds in Temporary Assistance for Needy Families (TANF) carryforward revenue, the remaining holdback of \$34.2 million General Fund was covered. The Subcommittee did not make any program reductions, but budget risks do remain. These include changes to caseloads, final sequestration actions, potential federal penalties, litigation and other legal costs, and federal rule changes affecting home care workers.

The Subcommittee approved several other changes (additions) beyond the rebalance and statewide actions. The most significant of these is a series of investments totaling \$8.3 million General Fund (\$9.4 million total funds), which is sourced by \$26 million General Fund set aside side for senior programs during the 2013 Special Session. Overall, House Bill 5201 increased the agency's budget by \$66.8 million General Fund, \$27.0 million Other Funds, and \$125.4 million total funds, or about 2.4% overall. The net change to positions is an increase of 1 position and a decrease of 3.49 FTE, which reflects a mix of phase-ins, position eliminations, and classification changes.

A more detailed description of each program area follows. For context regarding caseload changes, the 2013-15 legislatively adopted budget was based on the spring 2013 caseload forecast; the rebalance adjustments in House Bill 5201 factor in caseload and cost changes tied to the fall 2013 forecast, published in December 2013.

#### Self Sufficiency

The budget adjustments approved by the Subcommittee for the Self Sufficiency (SS) program reflect net decreases of \$19.8 million General Fund, \$13.1 million Other Funds limitation, \$7.4 million Federal Funds limitation, and 77 positions (77.00 FTE).

Rebalance adjustments account for projected growth of about 3% in the overall 2013-15 SNAP caseload from the previous forecast. Embedded in the net increase is a decrease in the number of SS households receiving SNAP, while the number of Aging and People with Disabilities households receiving SNAP continues to grow. Caseloads in the TANF cash assistance programs are down 1% from the spring numbers, at a biennial average of 33,591 families. Overall caseload savings of \$1.0 million General Fund are included in the agency's rebalance calculation. Budget and program risks for these economically-sensitive caseloads include final structure of the SNAP program upon federal reauthorization, growth in participating households associated with increased Medicaid enrollments under the Affordable Care Act, and possible extension of unemployment benefits.

To support implementation of a new program structure, Program and Design Services (PDS), \$9.4 million total funds and 75 positions (75.00 FTE) are transferred out of SS and into PDS. Technical adjustments and transfers account for a decrease of \$44.9 million total funds and 2

positions (2.00 FTE); the largest portion is \$33.4 million totals funds associated with moving the budget for the Modernization project from SS to the Office of IT Business Supports, which is part of the new PDS budget structure.

The Subcommittee approved use of \$18.3 million in one-time federal revenues (SNAP bonus and TANF carryforward) to help fully restore the 2% holdback. Another change outside the agency's rebalance plan is a one-time investment of \$200,000 General Fund to support nutritional programs. Half of the money will help increase the number of summer and after-school food sites by at least 50 over the next year through offering technical assistance and implementing practices to help sustain programs into the futures. The other half, which will be matched with \$100,000 in federal dollars, will be used to help seniors and other eligible groups or individuals with low participation rates access SNAP benefits, update online tools, and develop client education materials around protecting benefit cards.

An increase of \$2,200,000 Other Funds expenditure limitation was also approved by the Subcommittee and should allow the Employment Related Day Care (ERDC) program to achieve an average monthly caseload of 8,500 over the last 12 months of the biennium. One-time funding to support this increase is available due to a higher than anticipated amount of Child Care Development Fund (CCDF) carryforward revenue from the 2011-13 biennium. While the budget continues to be inadequate to meet program needs – there are currently over 800 families on the waiting list – the Legislature is committed to improving program effectiveness and flexibility within available resources. With this goal in mind, the Subcommittee adopted the following budget note:

**Budget Note:**

The Oregon Department of Education - Early Learning Division's Office of Child Care and the Department of Human Services will convene a workgroup of stakeholders to develop a set of policy recommendations on how best to modify the ERDC program to provide child care subsidies to working parents enrolled in post-secondary higher education. The agencies will report these recommendations back to the Emergency Board in May 2014; the expectation is that rulemaking to implement legislatively approved changes would follow soon after. Program elements to address within the recommendations should include eligibility criteria, work hour requirements, school attendance verification, academic standing expectations, limitations on assistance, TANF leavers, families having children with special needs, program exit income limits, child care quality, data reporting, caseload priorities, and program evaluation.

**Child Welfare**

The budget adjustments approved by the Subcommittee for the Child Welfare (CW) program reflect an increase of \$16.5 million General Fund, a decrease of \$1.6 million Other Funds limitation, an increase of \$5.2 million Federal Funds limitation, and a decrease of 18 positions (18.00 FTE).

While forecasts for individual CW caseloads have fluctuated between the spring and fall forecasts, these changes did not drive any budget adjustments. The rebalance does include savings from a change in the Federal Medical Assistance Percentage (FMAP), decreasing General Fund need by \$0.9 million. Based on the latest federal estimates, the 2013-15 biennial average FMAP rate will increase from 63.06% to 63.40%, which reduces the state contribution percentage. This change also affects other agency programs.

The approved budget adjustments include \$0.3 million General Fund to correct an error made in 2013-15 budget development. In the agency's 2011-13 budget, a one-time revenue source (federal grant) was used to sustain the post-adoptions program. However, the one-time action was not

reversed as planned. A portion of the FMAP General Fund savings is used to cover the oversight and maintain the program at the 2013-15 legislatively adopted level. Also included is spending authority and eight limited duration positions (8.00 FTE) to support work under a federal grant. DHS received legislative approval to apply for the grant, which supports recruiting resource families for foster children, in May 2013.

To support the new program structure, Program and Design Services (PDS), \$4.0 million total funds and 26 positions (16.00 FTE) are transferred out of CW and into PDS. Technical adjustments and transfers account for an increase of \$1.7 million total funds for this program.

The Subcommittee added \$800,000 General Fund to establish necessary legal, financial, and administrative foundations to launch a Pay for Prevention effort in Oregon. The money will go to the Center for Evidence-Based Policy at OHSU for conducting economic research, developing provider capacity, and building a performance measurement, accounting and reporting system. The ultimate goal of the initiative is to identify young children most at-risk, implement evidence-based supports designed to achieve specific outcomes, and invest in performance-based contracting that links payment to outcomes through social impact financing. The Subcommittee approved the following budget note related to the project:

**Budget Note:**

By January 1, 2015, the Office of the Governor and the Center for Evidence-Based Policy at OHSU will jointly report to the Human Services Subcommittee of the Emergency Board on how the Pay for Prevention money is being spent and project progress. In addition, OHSU shall solicit independent review from a panel of experts on key components of project as it is developed. The report will include a summary of the independent panel's assessment of the project, including project design, research validity, and project viability.

**Vocational Rehabilitation**

The Subcommittee approved budget adjustments for Vocational Rehabilitation (VR) equating to increases of \$3.6 million General Fund, \$6,703 Other Funds limitation, \$3.0 million Federal Funds limitation, and 10 positions (8.80 FTE).

The fall forecast projects caseload to be about 2% lower than the spring estimate. Any savings associated with fewer clients is masked by higher than expected costs per case, which have grown by about 5% from the spring 2013 forecast. Cost drivers include higher expenses for some services, such as technology devices for communication and mobility, and new referrals having needs more complex or costly to support than existing clients.

To maintain the program and cover these costs without moving to an Order of Selection (priority wait list), the budget approved by the Subcommittee includes an additional \$2.2 million General Fund. The extra state dollars will have implications for future Maintenance of Effort (MOE) requirements. No additional federal dollars are available at this time; there is a slight possibility re-allotment funds could be accessed later in the biennium to reduce General Fund and MOE impacts.

Technical adjustments and transfers account for an increase of \$2.7 million total funds and 10 positions (8.80 FTE); the bulk of the dollars and the positions are associated with moving work tied to the Governor's Executive Order 13-04 (employment services) from Developmental Disabilities to VR.

### Aging and People with Disabilities

The budget adjustments approved by the Subcommittee in House Bill 5201 for the Aging and People with Disabilities (APD) program reflect an increase of \$12.2 million General Fund, a decrease of \$6.8 million Other Funds limitation, a decrease of \$4.0 million Federal Funds limitation, and a decrease of 78 positions (82.25 FTE).

Overall caseloads in long-term care facilities are down about 3% from the level funded in the legislatively adopted budget. In-home caseloads are just over 8% higher than budgeted, while both community-based facilities' and nursing facilities' caseloads are lower, by about 10% and 2%, respectively. After costs associated with higher acuity levels and lower than expected provider tax revenues, these changes drive a net savings of \$4.0 million General Fund. In addition to the caseload savings, APD also has \$6.6 million General Fund in savings due to the FMAP change noted previously.

While the caseload trends are consistent with APD policy goals, the Department is concerned that it may be too early in the biennium to safely capture and repurpose the associated savings. Risks include the implementation of the K Plan and the initiative to reduce nursing facility bed capacity.

To support creation of the new program structure, \$15.6 million total funds and 85 positions (85.00 FTE) are transferred out of APD and into PDS. Technical adjustments and transfers account for an increase of \$4.8 million total funds for this program and mostly consist of a net \$4.7 million total funds increase realigning budgets between APD and OHA (Addictions and Mental Health).

In addition to the rebalance changes and statewide adjustments, this program was significantly impacted by the Subcommittee's approval of funding for several senior programs or initiatives, including two pieces of legislation. While APD is not always the directed recipient or primarily participant in these projects, the bulk of the money does flow through DHS and the program has a key role in coordinating activities and reporting. The following section discusses the funding decisions and associated expectations.

### Recommendations for 2013 Special Session \$26 million Special Purpose Appropriation for Seniors

During the 2013 Special Session in September 2013, as part of HB 5101 (2013), \$26.0 million General Fund was set aside in a Special Purpose Appropriation (SPA) to the Emergency Board for Board for future distribution to programs or activities supporting seniors. Over the four months between that action and the 2014 Legislative Session, the Department worked with a group of stakeholders to develop a list of proposals for funding allocation.

The Subcommittee approved most of the requested projects; the remaining unallocated General Fund will stay in the Senior SPA for future distribution by the Emergency Board. The legislative intent is that the proposals currently unfunded will have first priority (i.e., portions of the SPA are set aside for these) in the next round of SPA allocations, which is likely to occur as soon as May 2014. Projects are also funded with the caveat that, for ongoing initiatives, overall 2015-17 costs should not exceed the initial 2013 Special Session revenue allocation of \$41 million plus standard inflation. This funding level restriction should be considered as the both the executive and legislative branches develop budgets for the 2015-17 biennium. In addition, some projects were approved as one-time expenditures and are generally not expected to roll forward; these programs have been identified as such in the following narrative. However, these programs' status as one-time expenditures may be evaluated for

ongoing status based on program development and the level of resources available in 2015-17. If included as ongoing, the program costs should be clearly identifiable within the 2015-17 budget build.

Funding recipients are expected to work with the Department of Human Services to provide to the Joint Committee on Ways and Means Subcommittee on Human Services during the 2015 Legislative Session a coordinated update on what was accomplished with these investments.

Projects or proposals brought forward for consideration for Senior SPA funding, along with the Subcommittee's recommendation are summarized in the table below. Subsequent narrative sections describe expectations regarding each project or proposal and next steps, including future allocations for projects for which funds are not being authorized at this time. For reference, summary item numbers 1 through 21 correspond in order to the consensus list developed by the Campaign for Oregon's Seniors & People with Disabilities; three other proposals were added as issues surfaced during the legislative session.

## 2013 Special Session \$26M Appropriation Allocation Recommendations

Item #	Item	Who	Request	Approved	Recommendation
1	Geriatric/disability/mental health and addiction specialists for each county	OHA - AMH	2,800,000	-	Hold; present plan in May
2	Senior mental health training	OHA - AMH	700,000	-	Hold; present plan in May
3	Enhance funding for elder and disabled transit services	ODOT	4,000,000	4,000,000	Fund
4	Geriatric medication competency training pilot	DHS - APD	1,600,000	1,600,000	Fund but require May report on RFP
5	Training on Alzheimer's/dementias	DHS - APD	450,000	450,000	Fund but require May report on RFP
6	Training for caregivers on challenging behaviors	DHS - APD	400,000	400,000	Fund but require May report on RFP
7	First responder training on Alzheimer's/dementias	DHS - APD	500,000	500,000	Fund but require May report on RFP
8	Increase access to caregiver training statewide	DHS - APD	350,000	350,000	Fund but require May report on RFP
9	Restoration of Quality Care Fund sweep	DHS - APD	1,000,000	1,000,000	Restore fund but report on spending plan
10	SB 1553 - Public Guardianship Program	LTCO	949,183	949,183	Fund
11	Re-establish annual reporting for long term care	DHS - APD	750,000	100,000	Partially fund; report back in May
12	Develop community based care capacity index	DHS - APD	750,000	100,000	Partially fund; report back in May
13	General Assistance study	DHS - APD	112,000	112,000	Fund
14	Collect/analyze data on via annual BRFSS report	OHA - PH	30,000	30,000	Fund
15	Cash Oregon Grant for technology upgrade	DHS - APD	150,000	150,000	Fund
16	Personal Incidental Fund (PIF) from \$30 to \$100 per month	DHS - APD	1,300,000	539,728	Fund at \$60 and start indexing
17	Initiate SB 870 to expand coverage for younger persons with disabilities	DHS - APD	3,000,000	-	Hold; present pilot plan in May
18	HB 4151 - Elder Abuse Task Force Recommendation	DHS - APD	149,365	149,365	Fund
19	Adult Protection Services Technology Investment	DHS - APD	1,000,000	-	Hold; pending business case and plan
20	AAAs - Replace Older Americans Act lost due to sequestration cuts	DHS - APD	2,500,000	-	Hold; pending actual awards/need
21	AAAs - Evidence based health promotion/disease prevention	DHS - APD	1,250,000	1,250,000	Fund
22	Senior Property Tax Deferral Hardship Fund (\$313,800)	DHS - APD	313,800	313,800	Fund
23	SB 1542 - Expand Home Care Registry to Private Payers	DHS - APD	1,281,297	1,281,297	Fund
24	Medford Senior Center Nutrition Program	DAS	20,000	20,000	Fund

Total **25,355,645** **13,295,373**

SPA Amount	26,000,000	26,000,000
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SPA Remaining	644,355	12,704,627
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**Items #1 and #2** were not funded by the Subcommittee, pending a report to the May meeting of the Emergency Board. The current \$3.5 million General Fund (\$7.0 million total funds) proposal places geriatric and disability mental health and addiction specialists in all 36 county mental health programs, in order to improve services for older adults with mental illness. Behavioral health services for older adults rest in systems of care that are often times disconnected. These systems include Aging and People with Disabilities long term care, home health, Medicare (including Medicare Advantage plans) and community mental health programs. The geriatric specialist would focus on the coordination of these systems within their community to meet the behavioral health needs of older adults. In its report, the Oregon Health Authority will provide a more detailed plan for both the services and training components of the proposal. The report should include how to structure the program and how to best work with Coordinated Care Organizations, in both the short and long run, considering that these staff would service Medicare clients as well as those eligible for Medicaid. The report should also address the appropriate level of staffing in different areas of the state.

**Item #3** was funded, adding \$4.0 million General Fund for senior and disabled transportation budgeted in the Department of Transportation (ODOT). The program distributes funds to counties, transit districts, and tribes that provide transportation services for older adults and persons with disabilities. This infusion brings total funding for the biennium to \$11.0 million, which is about 30% of the estimated need as evaluated in a 2010 study by Portland State University.

**Items #4 through #8**, at a total of \$3.3 million General Fund were approved on a *one-time* basis for the Department of Human Services to fund a broad scale Caregiver Training Initiative designed to provide consistent, standardized, and evidence-based training across all segments of the long term care services and supports (LTCSS) continuum. The growing population of seniors and people with disabilities requires a well-trained workforce and the development of additional community resources for both professional and family caregivers. Curriculum, trainings, and capacity development will be targeted in the following areas:

- Geriatric medication management and competency
- Alzheimer's disease and related dementias
- Challenging behaviors in non-dementia populations
- Specialized training for the public safety workforce on Alzheimer's and related dementias
- Enhanced training and access to caregiver trainings in underserved areas, populations and settings

DHS will issue a Request for Proposal (RFP) for organizations with the demonstrated experience, competency, expertise and ability to develop, coordinate and conduct trainings, curriculums and materials to reach all the intended audiences identified. Organizations will need to demonstrate the ability to work statewide with both private and public entities in the development, coordination and successful execution of this initiative. Programming should be aligned with current state policy initiatives.

The Subcommittee directed DHS to report back to the Emergency Board in May on the status of the RFP with the goal being for trainings to commence by July 2014.

For **Item #9**, the Subcommittee approved a *one-time* allocation of \$1.0 million General Fund, which allows Quality Care Fund resources to be directed back from general program expenditures to training, technical assistance, quality improvement initiatives and licensing activities. The fund's revenue comes from long-term care facility licensing fees and civil penalties. Prior to formally allocating Quality Care Fund dollars to projects or initiatives, the Department will report to the Emergency Board on the spending plan, the process used to decide on fund allocations,

and the overall plan for managing the fund going forward. This report will be provided in May 2014 in conjunction with the training RFP report discussed above.

Funding for **Item #10**, which was approved in the amount of \$949,183 General Fund, will support a new Public Guardian and Conservator program within the office of the Long Term Care Ombudsman (LTCC). The program is created with passage of SB 1553 (2014); more information on the program is included in the LTCO narrative.

**Items #11 and #12** take care of two data and information reporting gaps in the Department of Human Services. The approved initial allocation of \$200,000 General Fund (\$100,000 per project) will allow DHS to develop a work plan and more precise costing for these projects before returning to request the remaining funding. The first project will restart annual Nursing Facility and Community Based Care utilization reports, which were discontinued in 2009 due to budget reductions. The second effort is around improving availability of quality information on community based care facilities, through development of a website that will contain information on facility location, type of care, vacancies and customer satisfaction.

An allocation of \$112,000 General Fund (**Item #13**) will allow the Department of Human Services, with stakeholder participation, to conduct a **one-time** study on and make recommendations for a program designed to provide temporary cash assistance to low-income, childless adults with disabilities (at a minimum). The Department will report the study results and program recommendations to the appropriate House and Senate policy committees and the Joint Committee on Ways and Means during the 2015 Legislative Session. The report should include, but not be limited to, data on special populations, such as homeless persons, veterans, and individuals nearing or on post-prison supervision, eligibility requirements, services offered, desired outcomes, cost avoidance, potential pilot projects, and a menu of program/funding options.

**Item #14**, funded at \$30,000 will go to the Oregon Health Authority (Public Health) to pay for collecting specialized data on cognitive data and caregiving under the Behavioral Risk Factor Surveillance System. These data are particularly important for the Oregon Chapter of the Alzheimer's Association and its efforts to advance research, to provide and enhance care and support, and to reduce the risk of dementia through the promotion of brain health.

The Subcommittee approved **Item #15**, at \$150,000 General Fund, which supports a grant to Cash Oregon to support the one-time purchase of new laptops for the AARP Tax Aide program. This is a volunteer program that helps low-income seniors prepare tax returns.

Each Medicaid nursing facility resident has a monthly allowance to cover personal incidental needs (**Item #16**); this amount has been set at \$30 per month for the last twenty years. The Subcommittee approved \$539,728 General Fund and \$952,472 Federal Funds for DHS to increase the amount to \$60 per month, effective July 2014. Beginning with the 2015-17 biennium, the Department is directed to begin indexing personal incidental fund increases in nursing facilities to annual increase percentages published by the social security administration. (The approved recommendation was modified from the original proposal, which requested an increase to \$100 without any indexing.)

For **Item #17**, the Subcommittee retained \$3.0 million General Fund within the SPA for distribution in May 2014, after DHS and stakeholders have brought forward a pilot project plan to make Oregon Project Independence services available to people with disabilities, as envisioned by SB 870 (2005). To provide more specific direction, the Subcommittee adopted the following budget note:

**Budget Note:**

The Department of Human Services shall develop a pilot project to expand Oregon Project Independence services to people with disabilities effective July 1, 2014. To meet this timeline, the Department will need to make emergency rules; that rulemaking will incorporate the feedback of appropriate stakeholders and advocates. Appropriate parties include, but are not limited to, the Oregon Association of Area Agencies on Aging and the Disability Services Advisory Councils. The pilot shall cover a regionally diverse area of Oregon, including both rural and metropolitan areas. The Department shall report on the pilot project plan, which should cover structure, outreach, evaluation, and budget components, and request release of SPA funds at the May 2014 meeting of the Emergency Board.

The Department of Human Services will study and report back to the appropriate 2015 legislative committees on the potential to transition Oregon Project Independence to a statewide, age neutral program that assesses and serves seniors and persons with physical disabilities based on need. This report will include cost projections for the expansion of services, projected caseloads and demographic distribution.

Funding for ***Item #18***, which was approved in the amount of \$149,365 General Fund, \$118,680 Federal Funds, and two positions (1.34 FTE) supports work under HB 4151 (2014). This bill sets consistent timelines for investigations of elder abuse cases by DHS and directs the agency to adopt policies and guidelines for the development of an electronic database of abuse reports and to standardize investigation and reporting practices. A registry of persons working or seeking to work in elder care facilities will be implemented by January 1, 2015; the registry will augment the existing criminal background check system. One of the new positions will work with the standardized practices and protocols related to the abuse reporting and investigating components of the bill. The other one will be responsible for the registry work, including coordination with reporting facilities and development of registry rules.

Discussions regarding various systems and worker registries led the Subcommittee to adopt an associated budget note:

**Budget Note:**

The Department of Human Services will report to the Joint Committee on Ways and Means during the 2015 Legislative Session on the “ready to work” registry and associated rules required under HB 4151 (2014). The report should also include a section on the feasibility of developing a comprehensive (diverse care settings) and multipurpose (employment, referral, certification, background check, abuse) care worker registry, including potential efficiencies, benefits, costs, and barriers. Lastly, the report will provide an update on how administrative rule changes required by HB 3168 (2013) have reduced duplicative background check counts and decreased waiting times for applicants.

The Subcommittee did not fund ***Item #19***, which is a DHS request for funding to begin developing a new system to manage adult protective services activities. At a minimum, the Department plans to finalize a system business case and explore opportunities for federal funding before returning the Emergency Board to report on the project’s progress and potentially request at least an initial allocation from the Senior SPA.

**Item #20** is a request for \$2.5 million in state funding to backfill anticipated federal reductions in federal Older Americans Act dollars. Several programs administered by the local Area Agencies on Aging (AAA) are potentially affected by sequestration reductions. However, federal funding award letters have not yet been received and more recent information indicates that the shortfall may be much less than expected, if not completely mitigated. Accordingly, the Subcommittee did not allocate funds, but welcomes a SPA allocation request during the interim, depending on final federal awards and demonstrated need. Not taking action on potential sequester reductions at this time is also consistent with the approach taken in other areas of the DHS budget, where sequester impacts continue to remain an unfunded risk.

The Subcommittee approved **Item #21**, which provides \$1,250,000 General Fund to support statewide AAA efforts in the areas of Evidence Based Health Promotion and Disease Prevention. These programs serve individuals with long-term services and supports needs regardless of eligibility for entitlement programs. The money will be distributed through formula, with each region putting together a plan for that will include anticipated numbers of individuals served and outcomes.

To address back taxes for certain seniors who were allowed back into the senior property tax deferral program after being disqualified in 2011, the Subcommittee added \$313,800 General Fund (**Item #22**). The plan is for these *one-time* funds to flow through DHS to one or more Area Agencies on Aging to perform eligibility and authorize payments.

Funding for **Item #23**, which was approved in the amount of \$1,281,297 General Fund and five positions (1.41 FTE) supports work under SB 1542 (2014). This bill requires the Home Care Commission (budgeted within DHS) to administer a program enabling private payers to buy home care services from the Commission's home care registry. Currently, only individuals covered by Medicaid may hire caregivers through the registry. Under the program, the Commission will be responsible for a variety of tasks, including publicizing the registry, screening workers, setting standards, providing referrals, establishing rates, and paying wages. After General Fund pays for *one-time* start-up costs, the program will be self-supporting; the bill allows the Commission to set consumer rates at levels that support recovering up to 107% of program costs.

For **Item #24**, the Subcommittee approved \$20,000 General Fund in the DAS budget as a *one-time* pass-through to the Medford Senior Center to cover emergency need in its senior nutrition program. Last fiscal year, the program provided 17,159 meals for the elderly in Jackson County.

#### Developmental Disabilities

The budget changes approved by the Subcommittee in House Bill 5201 for the Developmental Disabilities (DD) program reflect net increases of \$21.9 million General Fund, \$1,291 Other Funds expenditure limitation, \$41.8 million Federal Funds expenditure limitation, and a decrease of 80 positions (78.80 FTE).

Both caseloads and cost per case in DD programs are expected to be higher than the previous forecast, driving an increase of \$10.8 General Fund (\$22.0 million Federal Funds). Caseload counts are growing and clients are moving between service categories, primarily because under the K Plan services must be provided to all eligible applicants. Costs per case are also going up due to increasing client acuity. While the legislatively adopted budget attempted to build in K Plan impacts, some elements, such as significantly more children entering the DD system or side effects of brokerages being pushed to capacity, were not anticipated in the previous forecast. These and other issues will continue to be risks moving forward.

The caseload associated costs are partially offset by FMAP rate savings of \$4.9 million General Fund and participation rate adjustments resulting in savings of \$1.3 million General Fund.

Other program costs covered in the rebalance include \$1.3 million General Fund (\$2.6 million total funds) to keep funding for the Community Developmental Disability Programs (CCDP) at 94% equity; a budget estimate error resulted in the equity level being underfunded. Another budget change provides \$1.9 million General Fund (\$5.2 million total funds) to cover a 6% interim rate increase for DD employment services providers; this item was included after discussion during November 2013 Legislative Days.

To support implementation of a new program structure, Program and Design Services (PDS), \$9.9 million total funds and 67 positions (67.00 FTE) are transferred out of APD and into PDS. Technical adjustments and transfers account for a decrease of \$4.4 million total funds and 13 positions (11.80 FTE) for this program.

Another technical change in this program area is a title clarification. To better characterize program clients, DHS is now referring to this program as Intellectual and Developmental Disabilities (I/DD).

The Subcommittee added \$490,000 General Fund (\$1,136,368 total funds) to cover a gap in some CDDP budgets due funding formula changes that left 11 of the programs with budgets below 2011-13 levels. This action corrects that disparity and supports program stability while the Department and the CDDPs are transitioning to a workload, instead of caseload, model for 2015-17 budget development.

#### Program Design Services

The Subcommittee approved the following budget for Program Design Services (PDS): \$20,225,454 General Fund, \$11,026,715 Other Funds, \$78,907,230 Federal Funds, and 253 positions (253.00 FTE). The idea behind establishing this new structure is to capture program design services and some direct services to DHS clients and programs that span across the Department's five major program areas. The budget is created primarily through budget transfers from other programs. The agency's plan is to increase both program utility and transparency by consolidating certain services, which include the following offices: Program Integrity, Licensing and Regulatory Oversight, IT Business Supports, Business Intelligence, and Continuous Improvement.

In addition to budget transfers, also included is an additional \$38 million Federal Funds expenditure limitation to leverage and spend additional federal match received for the Modernization technology project. The project is now housed in IT Business Supports; previously it was under the Self Sufficiency program.

Initially, the resources for each office were expected to continue to be part of each relevant program budget. However, due to budget and accounting system limitations, DHS was having difficulty providing managers and office customers with meaningful, timely, and accurate budget reports. For each program area receiving services, the Department will still be able to report on the nature and cost of services provided.

### Central Services

The budget adjustments included in House Bill 5201 reflect the following net changes for Central Services: an increase of \$542,649 General Fund, a decrease of \$115,287 Other Funds expenditure limitation, and an increase of \$307,909 Federal Funds expenditure limitation. Embedded in these figures is a decrease of \$276,548 total funds associated with technical adjustments and transfers.

### Shared Services

The Subcommittee approved a net increase of \$8.2 million Other Funds expenditure limitation and a net decrease of 9 positions (9.24 FTE). The changes are primarily due to technical adjustments and transfers, including five positions moving from APD and OHA-AMH to Shared Services. An increase of \$1.8 million Other Funds expenditure limitation would allow the budget to support activities in DHS and OHA program affected by 2013-15 policy option packages.

An updated Package 091 Statewide Administrative Savings was approved by the Subcommittee, and includes eliminating fourteen permanent full-time positions. The revised plan also attributes \$2 million in General Fund savings to lower leases, budgeted in Statewide Assessments and Enterprise-wide Costs, instead of Personal Services in Shared Services. The eliminated positions are as follows:

- Financial Services (3 positions, 3.00 FTE) – Principal Executive Manager D, Office Specialist 1, Administrative Specialist 2
- Shared Services Administration (1 position, 1.00 FTE) – Executive Support Specialist 2
- Performance Excellence (2 positions, 2.00 FTE) – Operations & Policy Analyst 3, Operations & Policy Analyst 4
- Human Resources (2 positions, 2.00 FTE) – Principal Executive Manager D, Human Resources Assistant
- Budget/Planning/Analysis (2 positions, 2.00 FTE) – Operations & Policy Analyst 3, Fiscal Analyst 2
- Communications (1 position, 1.00 FTE) – Operations & Policy Analyst 3
- Payment Accuracy & Recovery (3 positions, 3.00 FTE) – Revenue Agent 2, Administrative Specialist 2, Human Services Specialist 4

### Statewide Assessments and Enterprise-wide Costs

The budget adjustments included in House Bill 5201 reflect the following net increases for this program unit: \$11.6 million General Fund, \$29.4 million Other Funds expenditure limitation, and \$7.6 million Federal Funds expenditure limitation. Within these numbers, technical adjustments and transfers account for an increase of \$6.0 million General Fund (\$11.2 million total funds), primarily to align the assessment budget with policy package changes in program budget structures.

In addition, the approved rebalance plan includes a request for \$30 million Other Funds expenditure limitation to support accessing a line of credit. For several biennia, the agency has used a line of credit and borrowed funds from the Treasury to finance prepayments and account for a lag in receipt of certain revenues, including provider taxes. As was done for the 2011-13 biennium, the Subcommittee requests that the Department of Administrative Services (DAS) unschedule the expenditure limitation to be accessed only as needed depending on cash flow issues. The DAS Chief Financial Office and the Legislative Fiscal Office will jointly approve any rescheduling.

An updated Package 091 Statewide Administrative Savings was approved by the Subcommittee, shifting \$2 million in General Fund savings to account for lower leases, instead of Personal Services savings. The agency identified a list of 99 leases that are set to expire over the course of the biennium and will track and document the savings expected to be achieved through improved contracting and negotiating tools. The

Department and the DAS Chief Financial Office has committed to holding budgets associated with these leases at assumed savings level for 2015-17 budget development, regardless of lease negotiation outcomes.

### **Long Term Care Ombudsman**

The Subcommittee approved an increase of \$39,554 General Fund, which fully restores the agency's 2% supplemental ending balance holdback included in the legislatively adopted budget. The restoration will allow the agency to meet budget needs without jeopardizing implementation of Senate Bill 626 (2013), which expanded the duties of the Long Term Care Ombudsman to advocate for residents of care facilities who have mental illness or developmental disabilities.

No changes were needed to reconcile Package 091 Statewide Administrative Savings, leaving the placeholder budget category reductions intact.

To cover costs associated with Senate Bill 1553 (2104), which establishes the Public Guardian and Conservator within the office of the Long Term Care Ombudsman, the Subcommittee approved \$949,183 General Fund, 5 positions, and 2.25 FTE. This new program helps persons without relatives or friends willing or able to serve as guardians or conservators; services range from making care decisions to handling financial issues. Along with providing direct services, the program will set professional standards for and certify guardians and conservators, produce training materials, develop a volunteer program to assist the guardians and conservators, establish an eligibility process for program services, and work with local programs and organizations to provide services.

The fiscal impact includes Personal Services and related Services and Supplies for the following five positions: a Principal Exec/Manager D (Deputy Long Term Care Ombudsman), a Program Analyst 4 (Public Guardian), an Administrative Specialist 2, and two Program Analyst 2 positions (Deputy Public Guardian). Since the program starts mid-biennium, costs for 2015-17 are projected to more than double due to the additional year and anticipated growth. The budget estimate assumes a caseload of 165 clients/wards per year.

## **JUDICIAL BRANCH**

### **Commission on Judicial Fitness and Disability**

The Subcommittee increased General Fund appropriations by \$2,028 to restore 50% of the agency's 2% supplemental General Fund ending balance holdback.

### **Judicial Department**

The Subcommittee increased General Fund appropriations by \$3,086,092 to restore approximately 49% of the agency's 2% supplemental General Fund ending balance holdback. The amounts of the holdback restored include a \$2 million restoration to Operations (approximately 37%). The Judicial Department's 2% ending balance holdbacks on pass-through appropriations received 25% restorations. General Fund increases to Mandated payments and to Third-party debt collection exceeded the 2% holdbacks to those programs. The Subcommittee appropriated \$762,585 General Fund to Mandated payments, to restore both the 2% supplemental General Fund ending balance holdback, and the 5% General Fund services and supplies reduction, included in the legislatively adopted budget. The Subcommittee appropriated \$250,000 General Fund to the Department, and an additional \$700,000 General Fund in a special purpose appropriation to the Emergency Board, for Third-party debt collection

costs. These costs vary with the amount of debt successfully collected. The special purpose appropriation serves as a set aside to provide additional funding if debt collection levels are high enough to make to the funds necessary. The Subcommittee also approved a \$1,300,000 General Fund special purpose appropriation to the Emergency Board for Operations support. The Department may request funds to finance one-time operations investments and service increases.

The Subcommittee reduced the General Fund appropriation for Judicial compensation by \$108,823, and the General Fund appropriation for Debt service by \$144,201. The Judicial Department carries forward any General Fund appropriations from the prior biennium that remain unspent. Carry-forwards in these two areas were larger than anticipated when the budget was approved in the 2013 session, resulting in funding levels that are higher than needed to fund program costs. The two General Fund appropriation reductions reduce support to the levels needed, and will not require any reduction in judicial compensation or debt service payments. The Subcommittee also approved a one-time \$50,000 General Fund appropriation for transfer to the Douglas County court facilities security account, to assist the county in providing needed security protection at the county courthouse. This appropriation will be phased out in the development of the Department's 2015-17 biennium current service level.

Finally, the Subcommittee approved a \$2,565,968 Other Funds expenditure limitation increase for grant-funded programs. The expenditure limitation increase will accommodate expenditure of both currently awarded grants, and of projected renewals of expiring grants at current levels, that support drug and specialty courts, pretrial release programs, and other initiatives. The grant funds are provided by the Criminal Justice Commission and non-state sources.

#### **Public Defense Services Commission**

The Subcommittee increased General Fund appropriations by \$4,868,381 to restore most of the agency's 2% supplemental General Fund ending balance holdback. The amounts of the holdback restored include a 75% restoration to the Appellate Division; 50% restoration to the Contract and Business Services Division; and a full restoration to Professional Services, the portion of the agency's General Fund that finances the Commission's purchases of trial-level public defense services provided by independent contractors and hourly-paid private sector attorneys.

The Subcommittee also increased the General Fund appropriation to the Contract and Business Services Division by \$48,631, to correct the support level for state government services charges in the agency budget. An error in the 2013-15 biennium Governor's recommended budget underfunded support for charges for payroll services.

#### **LEGISLATIVE BRANCH**

The Legislative Branch retains its General Fund reversions from the previous biennium. The legislatively adopted budget included anticipated reversions but adjustments are now needed after the actual amounts are known. The following adjustments are included in the bill:

- The Legislative Administration Committee is increased by \$251,000.
- The Legislative Assembly (Biennial Offices) is decreased by \$251,000.
- The Legislative Assembly (Members – Interim) is increased by \$275,000.
- The Legislative Assembly (Members – Session) is decreased by \$275,000.



- The Legislative Revenue Office is increased by \$13,000.
- The Legislative Fiscal Office is decreased by \$13,000.

The bill includes a restoration of 25% of the 2% supplemental ending balance holdback for all of the Legislative Branch agencies.

## **NATURAL RESOURCES**

### **Department of Agriculture**

The Subcommittee approved a one-time \$125,000 General Fund appropriation for use by Portland State University's Consensus Center to support a balanced task force to begin examining labeling requirements, liability, compensation, budgetary requirements and any other areas relating to genetically engineered agricultural products and recommend if new authorities or statutory changes are needed. The Subcommittee also approved a one-time \$65,000 General Fund appropriation to pay the costs necessary to establish administrative rules and put the program processes in place to be able to issue licenses and permits for industrial hemp production.

Other Funds expenditure limitation was increased by \$430,590 for the food safety program. These funds will be used to hire three new inspector positions (1.75 FTE), which will allow the Department to conduct food safety inspections of facilities on a shorter interval than is currently possible.

The Subcommittee approved the standard 25% restoration rate for the supplemental ending balance reductions, which resulted in the restoration of \$96,102 General Fund. The Subcommittee also approved an updated Package 091 Statewide Administrative Savings, which moved some of the Other Funds reductions from administrative support services to agency programs.

### **Columbia River Gorge Commission**

The Subcommittee restored the full 2% supplemental ending balance holdback of \$17,820 General Fund for the Columbia River Gorge Commission. This action brings the Commission's 2013-15 budget back to parity with the budget adopted by the State of Washington for the agency.

### **Department of Energy**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating a part time Office Specialist 1 position (0.63 FTE) and reducing FTE on an Accounting Technician 3 position (-0.58 FTE).

House Bill 5201 includes a net of \$276,190 in additional Other Funds expenditure limitation, to facilitate the expenditure of lottery bond proceeds totaling \$10,152,380. Ten million dollars is intended to be deposited into the Jobs and Energy and Schools Fund and granted by the Oregon Department of Energy to Clean Energy Works Oregon, which will utilize the funding to facilitate the delivery of energy efficiency projects; \$152,380 is for bond-related costs.

### **Department of Environmental Quality**

The Subcommittee approved a \$375,000 General Fund appropriation and three limited duration positions (1.04 FTE) to conduct air toxics monitoring in the Swan Island area. The funds will be used to operate a new air toxics monitor to better understand what air toxics people are exposed to in the vicinity of Swan Island. The monitoring work will continue into the first few months of the 2015-17 biennium, with a roll-up cost of \$120,389 General Fund and three limited duration positions (0.48 FTE).

The Subcommittee approved the standard 25% restoration rate for the supplemental ending balance reductions, which resulted in the restoration of \$130,726 General Fund. The Subcommittee also approved an updated Package 091 Statewide Administrative Savings, which moved some of the reductions from Agency Management to the Air, Water, and Land Quality programs and eliminated 2 positions and 2.50 FTE in Land Quality.

### **Department of Fish and Wildlife**

The Subcommittee approved the transfer of \$613,000 Federal Funds from the Fish Division to Capital Improvement to comply with new federal rules that require states to hold title to any land acquired using federal funds from the Sportfish Restoration Fund. The Department has traditionally used a portion of these funds to partner with the Oregon State Marine Board to improve public boating access. In the past the funds were awarded and a local government held title to any land purchased as part of these projects. The Department will now have to hold title, but local governments will continue to manage and maintain these facilities. The Subcommittee also approved the transfer of \$183,000 Other Funds from the Fish Division to Capital Improvement to replace a condemned residence at the Cedar Creek Hatchery.

The Subcommittee approved the transfer of \$1,104,325 Federal Funds and \$359,548 Other Funds from the Wildlife Division to Capital Improvement to reflect plans to use these monies for land acquisition to increase hunter access, habitat improvement, and for capital improvements to existing facilities. The Federal Funds are from the Pittman Roberts Program (PR) which distributes revenue from a federal excise tax on sporting arms and ammunition. The Other Funds are necessary to meet PR match requirements.

The Subcommittee approved the standard 25% restoration rate for the supplemental ending balance reductions, which resulted in the restoration of \$73,671 General Fund. The Subcommittee also approved an updated Package 091 Statewide Administrative Savings, which eliminated 3 positions and 3.42 FTE in the Administrative Services Division.

### **State Forestry Department**

The Subcommittee approved a restoration of \$457,618 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. That represents 50% of the initial holdback for Fire Protection and 25% of the initial holdback for Private Forests. No revisions were needed to implement Package 091 Administrative Savings, consistent with the original placeholder reduction.

The Subcommittee approved \$40 million General Fund to supplement the 2013-15 Department's Fire Protection Division appropriation. The funding covers the estimated state's share of \$75 million in net costs for the 2013 fire season. \$10 million is the deductible on the state's and landowners' insurance policy. The additional \$30 million covers costs that exceeded the state's \$10 million deductible, the landowners' \$10

million deductible, and the insurance policy \$25 million payout. The Department will reconcile the 2013 and 2014 fire seasons and report on total costs during the 2015 Legislative Session.

#### **Department of Geology and Mineral Industries**

The Subcommittee approved a restoration of \$12,880 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. That represents 25% of the initial holdback.

The Subcommittee approved an updated Package 091 Administrative Savings, moving a portion, primarily in Other Funds expenditure limitation, from personal services to services and supplies.

#### **Department of Land Conservation and Development**

The Subcommittee approved a restoration of \$59,087 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. That represents 25% of the initial holdback. Funds restored include \$24,653 in the grants program for grants, and \$34,434 in the operations and planning program for personal services.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating one position (0.75 FTE) and moving a portion of the reduction from personal services to services and supplies.

#### **Land Use Board of Appeals**

The Subcommittee approved a restoration of \$7,738 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. That represents 25% of the initial holdback.

#### **Department of State Lands**

No revisions were needed to implement Package 091 Administrative Savings, consistent with the original placeholder reduction.

The Department is planning an agency-wide reorganization. The Subcommittee approved increasing the Department's Other Funds expenditure limitation by \$135,684. The purpose is securing professional services for business process mapping, review, and improvement recommendations, in support of the reorganization.

The South Slough National Estuarine Research Reserve has received a \$1 million grant award notice from the U.S. Fish and Wildlife Services. The grant will enable the Department to add 240 acres to Reserve property. The Subcommittee recommended increasing Federal Funds expenditure limitation by \$1 million and Other Funds expenditure limitation by \$58,700. The Other Funds provide part of the required match. The remaining match will be provided by in-kind work and contributions from supportive local entities.

#### **State Marine Board**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings by taking all of the administrative savings in services and supplies. The Board did not have sufficient vacant positions to take additional cuts to personal services.

### **Parks and Recreation Department**

The General Fund reduction taken for the 2% supplemental ending balance holdback was not restored.

No revisions were needed to implement Package 091 Administrative Savings, consistent with the original placeholder reduction.

### **Water Resources Department**

House Bill 5201 includes a 25% restoration of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. The restoration will allow the Water Resources Department to fill a position in the Field Services Division that was held vacant in order to generate the required savings.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, reallocating among expenditure accounts to affect permanent administrative cost reductions. To accommodate the General Fund personal services reduction of \$58,076, a 0.50 FTE grant administration position was reduced to 0.25 FTE. Other Funds personal services reductions of \$28,742 and services and supplies reductions of \$39,053 are allocated entirely to services and supplies.

The Subcommittee included the following budget note:

#### **Budget Note:**

The Water Resources Department will dedicate up to \$2.25 million of the \$10 million net proceeds from the lottery bond sale as authorized by Senate Bill 5533 (2013) or utilize authority under Package 204 in Senate Bill 5547 (2013) for the purposes of matching federal funds for ongoing studies conducted by the United States Army Corps of Engineers to allocate stored water in the Willamette Basin Project Reservoirs and to conduct a comprehensive basin study by the United States Bureau of Reclamation in the Deschutes River Basin. Of the up to \$2.25 million, up to \$1.5 million shall be reserved for the Willamette Basin Project Reallocation and \$750,000 shall be reserved for the Deschutes Basin Comprehensive Basin Study. Any reserved funds remaining after the completion of these two studies shall be made available for other purposes of the Water Supply Development Account as authorized under Senate Bill 839 (2013).

### **Oregon Watershed Enhancement Board**

The Subcommittee increased the Measure 76 Lottery Funds allocations from the Watershed Conservation Operating Fund to the Department of State Police by \$183,060 and the allocation to the Department of Agriculture by \$141,485 to fund state employee compensation changes. The Department of Fish and Wildlife and the Department of Environmental Quality will use existing Measure 76 fund balances to pay for state employee compensation changes and therefore did not need an increase in Lottery Funds allocation.

No revisions were needed to implement Package 091 Statewide Administrative Savings, consistent with the original placeholder reduction.

## **PUBLIC SAFETY**

### **Department of Corrections**

The Subcommittee restored \$26,043,835 General Fund, nearly the full 2% supplemental ending balance holdback. The funding allocation by division is unchanged from the legislatively adopted budget for 2013-15.

- \$17,849,890 in Operations and Health services
- \$4,342,090 in Community Corrections
- \$2,570,120 in Administration, general services, and human resources
- \$1,281,735 in Offender management and rehabilitation

The Capital Improvements 2% holdback was not restored.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating 2 positions and 2.00 FTE in information technology. A portion of the agency's reduction was also moved from personal services to services and supplies.

### **Criminal Justice Commission**

The Subcommittee restored \$69,366 General Fund of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15; this amount represents 25% of the holdback. The Commission will utilize the restored funds for Attorney General costs related to rule-making implementation for the Justice Reinvestment Grant Program established in HB 3194 (2013).

An updated Package 091 Statewide Administrative Savings was approved, that included shifting the full amount of the reduction to services and supplies. This action was taken primarily because the agency's budget is 93% special payments and contains only 9 positions.

### **District Attorneys and Their Deputies**

The Subcommittee restored the full 2% supplemental ending balance holdback of \$209,190 General Fund for the District Attorneys. This action was taken primarily because the agency's budget is 96% personal services and without the restoration the agency would need to reduce district attorney working days.

The Subcommittee added \$240,000 General Fund to the budget of the District Attorneys to provide a one-time \$5,000 compensation increase to the salary plan for each District Attorney effective July 1, 2014. It is the intent of the Subcommittee that this appropriation be used to increase the salary of each District Attorney by the \$5,000 amount regardless of what tier each District Attorney is currently in within the compensation plan.

### **Department of Justice**

The Subcommittee restored the full 2% supplemental ending balance holdback of \$1,212,520 General Fund for the Department of Justice. The Subcommittee, however, repurposed the restoration by restoring the \$1.2 million in the following amounts for the following purposes:

- \$6,000 to the Office of the Attorney General and administration for Project Clean Slate

- \$87,865 to the Crime Victims' Services Division for Oregon Domestic and Sexual Violence Services
- \$25,043 to the Crime Victims' Services Division for Multidisciplinary Teams and Child Abuse Intervention
- \$1,992 to the Crime Victims' Services Division for the Address Confidentiality Program
- \$1,091,620 to the Criminal Justice Division for support of the Internet Crimes Against Children program, the Fusion Center, and district attorneys and law enforcement partners.

The addition of the General Fund to the Criminal Justice Division (\$793,340 personal services and \$298,271 services and supplies) will allow the Department to retain an existing forensic investigator position assigned to the Internet Crimes Against Children program, establish four limited duration positions (3.46 FTE; one PEM D and three Research Analysts) in support of Fusion Center operations once grant funding ends this biennium, and reestablish two permanent senior assistant attorney general positions (1.16 FTE) and establish one permanent criminal investigator position (0.50 FTE) to provide support to district attorneys and law enforcement partners.

In addition, the Subcommittee approved an increase of \$586,354 Other Funds (\$485,702 personal services and \$100,652 services and supplies) in the Criminal Justice Division for support of the Fusion Center. When the 2013-15 legislatively adopted budget was developed, the Department anticipated receiving grant funding through the Oregon Military Department, Office of Emergency Management, to partially support the Fusion Center. However, the grant award had not been made and the corresponding Other Funds expenditure limitation and position authority were not included in the budget. The Fusion Center continued to maintain operations and the agency now has received the first year grant award and is anticipating a second year award.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating a total of four positions and 3.54 FTE and making shifts between personal services and services and supplies. To better align the permanent administrative savings reductions, the Subcommittee made the following adjustments to the original placeholder reduction:

- Office of the Attorney General and administration – added a net \$87,993 Other Funds expenditure limitation increase (increased personal services by \$314,581 and decreased services and supplies by \$226,588) and eliminated 2 positions (2.00 FTE)
- General Counsel Division – reduced the Other Funds expenditure limitation by \$87,993 (personal services) and eliminated 1 position (0.54 FTE)
- Crime Victims' Services Division – no net dollar change, but increased personal services by \$3,400 Other Funds and decreased services and supplies by \$3,400 Other Funds, plus eliminated 1 position (1.00 FTE)

The Subcommittee also authorized \$135,000 General Fund to support the Oregon Crime Victims Law Center.

In addition, to gain a better understanding of work currently underway to identify and evaluate alternative funding models for the agency's programs providing legal support to state agencies, the Subcommittee approved the following budget note:

**Budget Note:**

Costs of legal representation in an increasingly complex modern legal system continue to drive agency budget and policy decisions. The Department of Justice has begun working with the Department of Administrative Services and agencies to

identify and evaluate alternative funding models to improve the stability, affordability, and effectiveness of legal costs for agencies and to encourage pro-active consultation with the Department by agencies.

As the Department of Justice continues with this effort, it shall prioritize developing options for legal services for the Child Welfare program and report on these efforts to the Joint Committee on Ways and Means during the 2015 legislative session. In addition, no later than September 1, 2014, the Department of Justice and the Department of Human Services will also provide a joint written status report to the Legislative Fiscal Office on the specific options under consideration and progress being made on the development of those options.

### **Oregon Military Department**

The agency received a partial restoration of its 2% ending balance holdback that totaled \$151,000 General Fund. The funds are appropriated to the Operations program to support operations and maintenance costs at the Portland and Kingsley Field airbases. The restoration represents 59% of the initial holdback.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings. The agency was able to reduce its personal services by \$259,280 by eliminating one vacant permanent part-time Fiscal Analyst 3 position in the Administration program (0.50 FTE) and reducing overtime and temporaries. The remaining personal services reduction of \$164,517 was moved to services and supplies and capital outlay. The agency has a plan to find efficiencies in various services and supplies line-items, including in-state travel, office expense, employee training, publications, facilities maintenance, expendable property, as well as other line-items. The capital outlay reduction will be to the automotive and aircraft line-item where the agency has identified savings.

The Subcommittee established a \$385,000 Other Funds Capital Improvement expenditure limitation for the purchase of 1.46 acres of commercial property contiguous to the Department's Forest Grove Readiness Center compound. The property and building will be used as a field maintenance shop for Washington County's National Guard contingent. The source of the Other Funds is the agency's Capital Construction Account. This is a one-time expenditure limitation increase and will not continue into future biennia.

The Other Funds expenditure limitation for the Community Support program was increased by \$1,404,971 for the reimbursement of firefighting expenditures related to the 2013 fire season. This is a one-time expenditure limitation that is not to continue into future biennia.

As part of the agency's compensation plan funding, the Subcommittee approved \$734,800 in General Fund for the Operations program. This adjustment is to partially fund the difference between what the federal government will reimburse the state and recently concluded contract negotiations with the Portland and Kingsley Field airbase firefighter unions. This is a one-time appropriation and will not continue into future biennia.

### **Board of Parole and Post-Prison Supervision**

The Subcommittee approved a restoration of \$19,825 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. That represents 25% of the initial holdback.

The Subcommittee established a reservation within the general purpose Emergency Fund of \$350,000 for the Board of Parole and Post-Prison Supervision (BPPPS) for replacement of the Parole Board Management Information System (PBMIS). Allocation of the reservation is contingent upon the Board providing a project budget, project plan, and periodic status reports. BPPPS may request allocation of the reservation from the Emergency Board after the Legislative Fiscal Office approves the project budget and project plan.

#### **Department of State Police**

The Subcommittee restored \$2,351,854 General Fund of the 2% supplemental ending balance holdback for the Department of State Police. This represents 50% of the total 2% holdback. The agency will use the restored amount to fund the hire of 20 troopers and the purchase of 18 vehicles and associated equipment in September 2014.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating a total of one position and 1.50 FTE, permanently shifting funding for three administrative positions from General Fund to Other Funds, and reducing capital outlay for the Dispatch Centers and Information Technology Services.

#### **Department of Public Safety Standards and Training**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings by taking all of the administrative savings in services and supplies.

#### **Oregon Youth Authority**

The Subcommittee approved a restoration of \$1,367,729 of the 2% supplemental ending balance holdback that was included in the agency's original legislatively adopted budget for 2013-15. That represents 25% of the initial holdback.

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, eliminating 5 positions and 2.79 FTE; these are administrative support type positions. A very small portion of the agency's reduction was also moved from personal services to services and supplies.

### **TRANSPORTATION**

#### **Department of Aviation**

The Subcommittee approved an updated Package 091 Statewide Administrative Savings, moving a small amount from personal services to services and supplies.

#### **Department of Transportation**

The General Fund reduction taken for the 2% supplemental ending balance holdback was not restored. The Subcommittee approved an updated Package 091 Statewide Administrative Savings. A portion of the agency's reduction was moved from personal services to services and supplies.

The Seniors special purpose appropriation, described on page 47, provides \$4 million General Fund to the Department for additional Elderly and Disabled Transit support.



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**Legislative  
Fiscal Office**

900 Court St. NE, Rm. H-178  
Salem, OR 97301  
503-986-1828



**Ken Rocco**  
Legislative Fiscal Officer

**Daron Hill**  
Deputy Legislative Fiscal Officer

## Summary of Emergency Board Action May 2014

The Legislative Emergency Board met on May 30, 2014 and considered an agenda of 52 items. The agenda included two requests for allocations from the general purpose appropriation made to the Emergency Board; one of which was approved. There were also six agency requests on the agenda for allocations from special purpose appropriations made to the Emergency Board, totaling \$13.7 million, \$10.6 million of which were allocated. Additional details on these allocations are described below. After the Emergency Board actions, the unallocated, unreserved balance of the general purpose Emergency Fund is \$26.1 million with a \$36.3 million balance in special purpose appropriations.

The agenda included 17 items that requested additional 2013-15 biennium authority to spend Lottery Funds, Other Funds, and Federal Funds (including two adjusting 2011-13 capital construction expenditure authority). The Emergency Board approved expenditure limitation increases of approximately \$44.4 million Other Funds (including \$38.1 million for the Department of Administrative Services to make payments to counties under the Strategic Investment Program) and \$7.7 million Federal Funds. The Emergency Board also authorized the establishment of three permanent positions (1.25 FTE), six limited duration positions (2.71 FTE), and an increase of 19.63 FTE to existing positions.

The agenda also included 14 agency reports which the Emergency Board acknowledged receiving (three of which were on consent – from the Departments of Human Services, Transportation, and Administrative Services). The Emergency Board heard 19 requests for the submission of federal grant applications (eleven of which were on consent – from the Oregon Health Authority, Criminal Justice Commission, and Departments of Justice, Parks and Recreation, Agriculture, and Transportation). Two of the grant application requests included approvals of associated expenditure limitation increases.

The following is a summary of significant Emergency Board actions taken at the May 2014 meeting:

### **Education**

- Allocated \$700,000 to the Higher Education Coordinating Commission and \$2,299,999 to the Department of Administrative Services for the four Technical and Regional Universities from a special purpose appropriation made to the Emergency Board for costs associated with changes in the higher education system governance.
- Acknowledged receipt of a report by the Oregon Education Investment Board on the status of the P-20 Education State Longitudinal Data System project.
- Approved the submission of two five-year federal grant applications by the Department of

Education to the U.S. Department of Health and Human Services in the amount of \$9.75 million and to the U.S. Department of Education for up to \$3.75 million to address mental health issues in schools.

### **Human Services**

- Allocated \$390,000 to the Oregon Health Authority from a special purpose appropriation made to the Emergency Board for senior services to cover senior mental health services and planning costs; the agency was also directed to return to the Emergency Board with a more detailed program plan.

- Allocated \$500,000 to the Department of Human Services from a special purpose appropriation made to the Emergency Board for senior services to cover adult abuse data system planning costs and directed the agency to report back to the Emergency Board on planning progress.
- Allocated \$3,000,000 to the Department of Human Services from a special purpose appropriation made to the Emergency Board for senior services to cover costs of a pilot project expanding Oregon Project Independence services to people with disabilities.
- Allocated \$2,016,628 to the Department of Human Services from a special purpose appropriation made to the Emergency Board for senior services to restore federal funding lost due to sequestration.
- Acknowledged receipt of a report from the Department of Human Services and the Department of Education on policy recommendations on how best to modify the Employment Related Day Care program to provide child care subsidies to working parents enrolled in post-secondary higher education.
- Approved, retroactively, the submission of a federal grant application by the Department of Human Services to the U.S. Department of Agriculture in the amount of up to \$750,308 to expand employment services to certain Supplemental Nutrition Assistance Program participants.
- Acknowledged receipt of a report by the Department of Human Services on caregiver training and the Quality Care Fund.
- Acknowledged receipt of a report by the Oregon Health Authority on mental health housing investments.

#### **Public Safety and Judicial Branch**

- Deferred a request for an allocation from the general purpose Emergency Fund by the Criminal Justice Commission of \$142,000 to fund a vacant position until later in the biennium, and approved increases in the Other Funds expenditure limitation of \$212,000 and the Federal Funds expenditure limitation of \$1,107,000 for Specialty Court grants.
- Acknowledged receipt of a report by the Judicial Department on compensation plan changes for the agency resulting from a classification study that reviewed 29 existing job classifications covering 151 positions.

- Acknowledged receipt of a report by the Military Department on Next Generation 9-1-1 and directed the agency to report back to the Emergency Board on the status of the project.

#### **Natural Resources**

- Increased the Other Funds expenditure limitation of the Department of State Lands by \$223,145 for fire suppression and recovery costs incurred in 2013.
- Increased the Other Funds expenditure limitation of the Department of State Lands by \$750,000 for remodeling the State Lands Building for consolidation of agency staff.
- Increased the Other Funds expenditure limitation of the Department of State Lands by \$235,000 for capital improvements to enhance Common School Fund lands revenue for two Harney County projects related to conversion of grazing land to agricultural land, with the understanding that \$195,000 of the limitation increase will be uncheduled until a water right is obtained.
- Approved the submission of a federal grant application by the Parks and Recreation Department to the U.S. Fish and Wildlife Service in the amount of \$970,000 to acquire 357 acres of coastal property in the Sand Lake area of Tillamook County.
- Approved, retroactively, the submission of three federal grant applications by the Oregon Watershed Enhancement Board to the U.S. Fish and Wildlife Service in the combined amount of \$3,000,000 for acquisition and restoration of coastal wetlands (China Camp Creek, Scholfield Creek, and Kilchis River).
- Approved, retroactively, the submission of a federal grant application by the Department of Fish and Wildlife to the U.S. Fish and Wildlife Service in the amount of \$1,000,000 for acquisition of 10,000 acres near the Lower Deschutes Wildlife Area to provide enhanced public access to hunting, fishing, and wildlife viewing.

#### **Economic and Community Development**

- Allocated \$98,700 from the general purpose Emergency Fund to the Department of Veterans' Affairs and authorized the establishment of one limited duration position to facilitate timely training and accreditation of County Veteran Service Officers.

- Approved, retroactively, the submission of a federal grant application by the Department of Housing and Community Services to the U.S. Department of Housing and Urban Development in the amount of \$2,335,000 for project-based rental assistance to make 80 units of affordable housing available to extremely low-income Oregonians with mental illness.
- Approved, retroactively, the submission of a federal grant application by the Oregon Business Development Department to the U.S. Small Business Administration in the amount of \$300,000 for funds available under the State Trade and Export Promotion program and increased the Federal Funds expenditure limitation by \$210,000, with the understanding the limitation increase will be unscheduled until the grant is received.

#### **Transportation**

- Established a \$278,841 Other Funds Capital Construction expenditure limitation and a \$1,590,307 Federal Funds Capital Construction expenditure limitation for the Department of Transportation to renovate the Salem baggage depot located adjacent to the Amtrak passenger rail station; the new limitations will expire at the end of the 2013-15 biennium.
- Increased the 2011-13 Other Funds Capital Construction expenditure limitation for the Department of Transportation by \$332,391 to complete the Bend Driver and Motor Vehicle Division field office project.
- Approved the submission of a federal grant application by the Department of Aviation to the Federal Aviation Administration in the amount of \$2,385,000, increased the Other Funds Capital Construction expenditure limitation by \$265,000, and increased the Federal Funds Capital Construction expenditure limitation by \$2,385,000 for improvements at the Cottage Grove State Airport.
- Increased the 2011-13 Other Funds Capital Construction expenditure limitation for the Department of Aviation by \$204,454 to cover unbudgeted administrative, legal, engineering, and well drilling expenses at the Aurora State Airport.

#### **Consumer and Business Services**

- Increased the Other Funds expenditure limitation for the Department of Consumer and Business

Services by \$402,411, authorized the reclassification of two existing permanent positions, and authorized the establishment of five limited duration positions (2.21 FTE) to support increases in workload driven by changes in the health insurance market and in construction inspection and permitting services.

- Acknowledged receipt of a report by the Construction Contractors Board on agency operations and directed the agency to report back to the Emergency Board in September.

#### **Administration**

- Acknowledged receipt of a report by the Secretary of State on costs associated with a data breach of the agency's web applications.
- Increased the Other Funds expenditure limitation of the Treasurer of State by \$580,732 and authorized the establishment of two permanent full-time positions (0.83 FTE) for the creation of an Information Security Management program within the agency.
- Increased the Other Funds expenditure limitation of the Treasurer of State by \$111,967 and authorized the establishment of one permanent full-time position (0.42 FTE) to support the Oregon 529 College Savings Network program.
- Increased the Other Funds expenditure limitation for the Department of Administrative Services by \$38,110,951 for distributions to counties of funds from the Shared Services Fund related to the Strategic Investment Program; \$37.8 million of the amount is to be provided to Washington County.
- Increased the Other Funds expenditure limitation for the Government Ethics Commission by \$133,560 for costs associated with development of an electronic reporting system for statements of economic interest.
- Acknowledged receipt of a report by the Governor's Office on positions loaned from other agencies, funded with resources from other agencies, or currently vacant.
- Allocated \$1,684,947 from a special purpose appropriation made to the Emergency Board for the Oregon State Library, increased the Other Funds expenditure limitation by \$264,471 for endowment and donation funds and by \$2,857,191 for state agency assessments, increased the Federal Funds expenditure limitation by \$2,409,329, and authorized an

increase of 19.63 FTE for existing positions for second fiscal year operational costs of the agency.

- Acknowledged receipt of a report from the Department of Revenue on the Core System Replacement project and directed the agency to report back to the Emergency Board in September

on its readiness to proceed with implementation of Phase I of the project.

- Acknowledged receipt of a report by the Department of Administrative Services on uniform rent rates and approved the rates for the 2015-17 biennium.

<b>Emergency Fund Balance Summary</b>		
	<b>Agency Requests</b>	<b>Full Board Action</b>
<b>General Purpose Emergency Fund</b>		
Appropriation (after 2014 Session adjustments)	30,000,000	30,000,000
Allocations to date	0	0
<b>Unallocated Balance</b>	<b>30,000,000</b>	<b>30,000,000</b>
Reservations (within General Purpose)	3,850,000	3,850,000
Reservations allocated to date	0	0
<b>Unallocated Reservations</b>	<b>3,850,000</b>	<b>3,850,000</b>
<b>General Purpose Unallocated/Unreserved Balance</b>	<b>26,150,000</b>	<b>26,150,000</b>
# <b>May 2014 Requests - General Purpose</b>		
25 Criminal Justice Commission - Restore funding for Economist position	(142,000)	0
28 Department of Veterans' Affairs - Funding for position to assist training CVSOs	(98,700)	(98,700)
Total Requests - General Purpose	(240,700)	(98,700)
<b>General Purpose Unallocated/Unreserved Balance after 5/2014</b>	<b>25,909,300</b>	<b>26,051,300</b>
<b>Special Purpose Appropriations - Agency Specific (after 2014 Session actions)</b>		
Allocations/Transfers to Date	0	0
<b>Unallocated Balance</b>	<b>46,906,819</b>	<b>46,906,819</b>
# <b>May 2014 Requests - Special Purpose Appropriations - Agency Specific</b>		
8 Higher Education Coordinating Commission - Costs related to changes in governance of universities	(2,999,999)	(2,999,999)
10 Oregon Health Authority - Senior mental health specialists	(3,500,000)	(390,000)
20 Department of Human Services - Adult abuse prevention technology project	(500,000)	(500,000)
21 Department of Human Services - Oregon Project Independence pilot for people with disabilities	(3,000,000)	(3,000,000)
22 Department of Human Services - Older Americans Act backfill due to sequestration cuts	(2,016,628)	(2,016,628)
46 Oregon State Library - Second year operational costs	(1,702,192)	(1,684,947)
Total Requests - Special Purpose - Agency Specific	(13,718,819)	(10,591,574)
<b>Special Purpose - Agency Specific - Unallocated Balance after 5/2014</b>	<b>33,188,000</b>	<b>36,315,245</b>

Emergency Board materials for the May 2014 meeting are available at <https://olis.leg.state.or.us/liz/201311/Committees/EB/2014-05-30-08-30/Agenda>

This summary is available on the Legislative Fiscal Office website at [www.oregonlegislature.gov/lfo](http://www.oregonlegislature.gov/lfo)

**Legislative  
Fiscal Office**

900 Court St. NE, Rm. H-178  
Salem, OR 97301  
503-986-1828



**Ken Rocco**  
Legislative Fiscal Officer

**Daron Hill**  
Deputy Legislative Fiscal Officer

## Summary of Emergency Board Action September 2014

The Legislative Emergency Board met on September 17, 2014 and considered an agenda of 58 items. The agenda included four requests for allocations from the general purpose appropriation made to the Emergency Board, including one from a reservation; all of which were approved. There were also two agency requests on the agenda for allocations from special purpose appropriations made to the Emergency Board, totaling \$3.4 million, all of which was allocated. Additional details on these allocations are described below. After the Emergency Board actions, the unallocated balance of the general purpose Emergency Fund is \$28.3 million (including \$3.5 million in reservations) with a \$32.9 million balance in special purpose appropriations.

The agenda included 13 items that requested additional 2013-15 biennium authority to spend Other Funds and Federal Funds and one item requesting a transfer of expenditure limitation between programs within an agency. The Emergency Board approved expenditure limitation increases of approximately \$6.2 million Other Funds (including \$4.7 million for the Department of Justice) and \$0.8 million Federal Funds. The Emergency Board also authorized the establishment of one permanent position (0.38 FTE) and three limited duration positions (0.75 FTE).

The agenda also included 20 agency reports which the Emergency Board acknowledged receiving. The Emergency Board heard 20 requests for the submission of federal grant applications (thirteen of which were on consent – from the Oregon Health Authority [7], the Judicial Department, and the Departments of Justice, Parks and Recreation, Human Services [2], and Consumer and Business Services). One of the grant application requests included approvals of associated expenditure limitation increases.

The following is a summary of significant Emergency Board actions taken at the September 2014 meeting:

### Education

- Acknowledged receipt of a report by the Oregon Education Investment Board on the status of the P-20 Education State Longitudinal Data System project.
- Approved, retroactively, the submission of a federal grant application by the Office of Student Access and Completion to the U.S. Department of Education in the amount of \$1.4 million for a College Access Challenge Grant.
- Approved, retroactively, the submission of a federal grant application by the Department of Community Colleges and Workforce Development to the U.S. Department of Labor in the amount of \$6 million for a five year Workforce Innovation Grant.

### Human Services

- Allocated \$3,110,000 to the Oregon Health Authority from a special purpose appropriation made to the Emergency Board for senior services for older adult mental health and addictions coordinators, and authorized the establishment of one permanent, full-time position (0.38 FTE).
- Increased the Other Funds expenditure limitation for the Oregon Health Authority by \$496,541 and authorized the establishment of three, full-time limited duration positions (0.75 FTE) to support the current workload in the Oregon Medical Marijuana Dispensary Program.
- Acknowledged receipt of a report by the Oregon Health Authority on mental health housing investments.

- Allocated \$267,400 to the Department of Human Services from a special purpose appropriation made to the Emergency Board for senior services to produce Nursing Facility and Community Based Care utilization reports.
- Acknowledged receipt of reports by the Department of Human Services on U.S. Department of Labor rule changes affecting direct care workers who assist older adults and people with disabilities and on development of a new adult abuse data system.
- Acknowledged receipt of a report by the Department of Human Services on recommended Employment Related Day Care program changes, with direction to the agency to postpone any policy changes pending additional discussion during the 2015 legislative session.

#### **Public Safety and Judicial Branch**

- Increased the Other Funds expenditure limitation of the Department of Justice by \$4.7 million and approved the transfer of Other Funds and Federal Funds expenditure limitations between programs to rebalance the agency's 2013-15 legislatively approved budget, with the understanding that the Department of Administrative Services will un-schedule \$1.5 million General Fund, \$12.2 million Other Funds, and \$21.6 million Federal Funds.
- Acknowledged receipt of a report by the Military Department on Next Generation 9-1-1 and directed the agency to report back to the Emergency Board on the status of the project.
- Acknowledged receipt of a report by the Oregon Youth Authority on a 10-year Plan for Close Custody Facilities, with the expectation that the agency will report on facilities planning and the Youth Reformation System during the 2015 legislative session.
- Allocated \$318,019 from a reservation established within the general purpose Emergency Fund to the Board of Parole and Post-Prison Supervision for the replacement of the Parole Board Management Information System.
- Increased the Federal Funds expenditure limitation of the Department of Public Safety Standards and Training by \$123,721 for the expenditure of a grant award from the federal Assistance to Firefighters grant program for the purchase of two Mobile Firefighter Ventilation Training props.

- Acknowledged receipt of a report by the Judicial Department on compensation plan changes for the agency resulting from the advanced date of a scheduled 2% cost of living adjustment by three months.
- Acknowledged receipt of a report by the Commission on Judicial Fitness and Disability on compensation plan changes that increased the Executive Director's salary.

#### **Natural Resources**

- Increased the Other Funds expenditure limitation of the Department of State Lands by \$190,000 to rehabilitate 2014 rangeland fire damage; by \$87,300 to continue a business process mapping, review, and improvement project; and by \$140,000 for a business model study for the Elliott State Forest.
- Transferred \$900,000 of Federal Funds expenditure limitation for the Department of Fish and Wildlife from the Fish Division to the Administration Division to increase hunter education classes and improve awareness of hunting opportunities.
- Approved, retroactively, the submission of two federal grant applications by the Department of Energy to the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy totaling \$442,648 for the 2014 State Energy Program competitive awards.
- Acknowledged receipt of a preliminary report by the Department of Forestry on the 2014 fire season, with the expectation that the agency will report again in December 2014 on the fire season and potentially request allocation of resources to cover forest fire response costs.

#### **Economic and Community Development**

- Allocated \$659,300 from the general purpose Emergency Fund to the Housing and Community Services Department to meet demand for counseling services associated with the Oregon Foreclosure Avoidance Program; the allocation is expected to continue payments to counseling agencies at least through March 2015 when the program needs will be reevaluated.
- Increased the Federal Funds expenditure limitation of the Department of Veterans' Affairs by \$100,000 due to receipt of additional grant funds from the U.S. Department of Veterans' Affairs for transportation of veterans in highly rural areas.

- Approved the submission of a federal grant application by the Employment Department to U.S. Department of Labor in the amount of \$396,437 to improve the Short-Time Compensation Program.
- Acknowledged receipt of a report by the Oregon Business Development Department on proposed replacement Key Performance Measures to measure the effectiveness of the agency's small business assistance programs; and approved the new Key Performance Measures and targets.

**Consumer and Business Services**

- Increased the Other Funds expenditure limitation for the Board of Accountancy by \$200,000 to cover contract investigator and Attorney General costs.
- Increased the Other Funds expenditure limitation of the Board of Chiropractic Examiners by \$120,868 to cover costs associated with increased legal expenses, IT projects, and personal services.
- Increased the Federal Funds expenditure limitation for the Public Utility Commission by \$309,200 in order to spend the remainder of an American Recovery and Reinvestment Act grant.
- Approved, retroactively, the submission of a federal grant application by the Department of Consumer and Business Services for the Cycle IV Health Insurance Review Grant, and increased the Federal Funds expenditure limitation for the agency by \$300,000 for the grant award expected to be spent during the 2013-15 biennium.
- Acknowledged receipt of a report by the Construction Contractors Board on agency operations and directed the agency to report back to the Legislature during the 2015 session.

**Administration**

- Acknowledged receipt of a report by the Office of the Governor on a plan to mitigate the economic impact of the closure of the Blue Mountain Recovery Center in Pendleton.
- Approved, retroactively, the submission of a federal grant application by the Secretary of State to the National Historic Publications and Records Commission in the amount of \$43,696 for two years for funds available through the State and National Archival Partnership Program.
- Acknowledged receipt of a report by the Department of Administrative Services on the implementation of compensation plan changes, primarily due to the advance in date of a

scheduled cost of living adjustment by three months.

- Acknowledged receipt of reports by the Department of Administrative Services on the state's Certificates of Participation debt service savings and Lottery Bond debt service savings as a result of refinancing the debt.
- Acknowledged receipt of a report by the Department of Administrative Services on unanticipated expenditures the Department plans to include in a future Other Funds rebalance request for the Emergency Board in December or Legislature next session.
- Acknowledged receipt of a report by the Government Ethics Commission on its development of an electronic reporting system for statements of economic interest and directed the agency to report again in December 2014.
- Acknowledged receipt of a report by the Department of Revenue on the Core System Replacement project and the agency's readiness to proceed with the project's planned phase-1 implementation in November 2014.
- Acknowledged receipt of a report by the Oregon State Lottery on the feasibility of establishing a dedicated lottery raffle game to support veterans' programs.

**Legislative Branch**

- Established a General Fund appropriation for the Department of Administrative Services, based on a request by the Legislative Fiscal Office, and allocated \$511,996 from the general purpose Emergency Fund to the newly established appropriation for payment as a grant to TrackTown USA for costs associated with public safety at the International Association of Athletics Federations World Junior Championships held in Eugene during the summer of 2014.
- Increased the Other Funds expenditure limitation for the Military Department, Office of Emergency Management by \$212,500, based on a request by the Legislative Fiscal Office, to grant funds from the Oregon Local Disaster Assistance Loan and Grant Account to the Vernonia School District to assist with payments on debt obligations due to the construction of a replacement school facility.
- Increased the Other Funds expenditure limitation for the Military Department, Office of Emergency Management by \$62,500, based on a request by the Legislative Fiscal Office, to grant funds from the Oregon Local Disaster Assistance Loan and



Grant Account to the City of Westfir for deepening of a water intake pipe.

- Allocated \$100,000 from the general purpose Emergency Fund to the Department of Administrative Services for use by Oregon State University's Endophyte Services Laboratory,

based on a request by the Legislative Fiscal Office, for research involving the export of straw for forage to the Middle East, with a recommendation that any future state funding require a minimum dollar for dollar match with non-public funds.

<b>Emergency Fund Balance Summary</b>			<b>Agency</b>	<b>Emergency</b>
			<b>Requests</b>	<b>Board Action</b>
<b>General Purpose Emergency Fund</b>				
	Appropriation (after 2014 Session adjustments)		30,000,000	30,000,000
	Allocations to date		(98,700)	(98,700)
	<b>Unallocated Balance</b>		29,901,300	29,901,300
	Reservations (within General Purpose)		3,850,000	3,850,000
	Reservations allocated to date		0	0
	<b>Unallocated Reservations</b>		3,850,000	3,850,000
#	<b>September 2014 Requests - General Purpose</b>			
29	Board of Parole and Post-Prison Supervision - Parole Board Management Information System (from reservation)		(318,017)	(318,019)
33	Housing and Community Services Department - Oregon Foreclosure Avoidance Program		(1,181,300)	(659,300)
56	Legislative Fiscal Office - TrackTown USA Public Safety funding		(600,000)	(511,996)
59	Legislative Fiscal Office - OSU Agricultural Experiment Station Endophyte research		(100,000)	(100,000)
	Total Requests - General Purpose		(2,199,317)	(1,589,315)
	<b>General Purpose Unallocated Balance (including Reservations) after 9/2014 (if requests approved)</b>		27,701,983	28,311,985
<b>Special Purpose Appropriations - Agency Specific (after 2014 Session actions)</b>				
	Allocations/Transfers to Date		(12,591,574)	(12,591,574)
	<b>Unallocated Balance</b>		36,315,245	36,315,245
#	<b>September 2014 Requests - Special Purpose Appropriations - Agency Specific</b>			
10	Oregon Health Authority - Senior mental health program		(3,110,000)	(3,110,000)
20	Department of Human Services - Senior services		(267,400)	(267,400)
	Total Requests - Special Purpose - Agency Specific		(3,377,400)	(3,377,400)
	<b>Special Purpose - Agency Specific - Unallocated Balance after 9/2014 (if requests approved)</b>		32,937,845	32,937,845

Emergency Board materials for the September 2014 meeting are available at <https://olis.leg.state.or.us/liz/201311/Committees/EB/2014-09-17-08-30/Agenda>

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**Legislative  
Fiscal Office**

900 Court St. NE, Rm. H-178  
Salem, OR 97301  
503-986-1828



**Ken Rocco**  
Legislative Fiscal Officer

**Daron Hill**  
Deputy Legislative Fiscal Officer

## Summary of Emergency Board Action December 2014

The Legislative Emergency Board met on December 10, 2014 and considered an agenda of 33 items. The agenda included three requests for allocations from the general purpose appropriation made to the Emergency Board, including one from a reservation. Two of these requests were approved. There were also three agency requests on the agenda for allocations from special purpose appropriations made to the Emergency Board, totaling \$20.8 million; a total of \$17.6 million was allocated. Additional details on these allocations are described below. After the Emergency Board actions, which included a Legislative Fiscal Office request to transfer the unused special purpose appropriation in the amount of \$15.4 million to the general purpose Emergency Fund citation, the balance in the Emergency Fund is \$28.7 million. This amount can either be used during the 2015 session or, if unused, will revert to the General Fund ending balance at the conclusion of the 2013-15 biennium.

The agenda included 12 items that requested additional 2013-15 biennium authority to spend Other Funds and Federal Funds and one item requesting a transfer of expenditure limitation between programs within an agency. The Emergency Board approved expenditure limitation increases of approximately \$479.9 million Other Funds (including \$370.4 million for the Oregon Health Authority rebalance) and \$913.9 million Federal Funds (including \$865 million for the Oregon Health Authority rebalance). The Emergency Board also authorized the establishment of five permanent positions (1.24 FTE) and eleven limited duration positions (3.83 FTE).

The agenda also included 13 agency reports which the Emergency Board acknowledged receiving. The Emergency Board heard six requests for the submission of federal grant applications (three of which were on consent – from the Oregon Health Authority [2] and the Department of Human Services [1]).

The following is a summary of significant Emergency Board actions taken at the December 2014 meeting:

### Education

- Acknowledged receipt of a report by the Oregon Education Investment Board on the status of the P-20 Education State Longitudinal Data System project and authorized the project to hire or contract for a project director, but delayed the request for additional funds from an Emergency Fund reservation for related costs until the 2015 session.
- Approved, retroactively, the submission of a federal grant application by the Department of Education, Early Learning Division, for a Preschool Development Expansion grant; it was announced at the Emergency Board meeting that the agency did not get selected for a grant award.

### Human Services

- Allocated \$11,737,047 to the Oregon Health Authority from a special purpose appropriation made to the Emergency Board for human services caseload, approved the transfer of other General Fund appropriations, increased the Other Funds expenditure limitation by \$370,364,749, increased the Federal Funds expenditure limitation by \$864,972,885, and authorized the establishment of 7 limited duration positions (2.31 FTE) to rebalance the agency's 2013-15 budget.
- Approved the transfer of General Fund appropriations within the Department of Human Services, increased the Other Funds expenditure

limitation by \$9,775,157, increased the Federal Funds expenditure limitation by \$45,759,930, and authorized the establishment of 4 limited duration positions (1.52 FTE) to rebalance the agency's 2013-15 budget, with the understanding that the Department of Administrative Services will reschedule \$30 million Other Funds expenditure limitation.

- Allocated \$3,420,599 from a special purpose appropriation made to the Emergency Board for senior services to the Department of Human Services (\$1,680,000 for Oregon Project Independence and \$40,000 to increase awareness of resources for people impacted by dementia), to the Oregon Health Authority (\$20,599 to collect and analyze data related to cognitive decline and caregiving), and to the Department of Transportation (\$1,680,000 for special needs transportation). This allocation fully used the \$26 million special purpose appropriation established during the September 2013 special session.
- Approved the submission of federal grant applications for the Oregon Health Authority (Coastal Communities Assessment of Natural Hazards and National State-Based Tobacco Control Programs) and for the Department of Human Services (Improving Employment and Training Program Outcomes).
- Approved the submission of a federal grant application by the Oregon Health Authority to the Substance Abuse and Mental Health Services Administration in the amount of \$10 million to enhance state and community efforts to prevent substance abuse.
- Acknowledged receipt of a report by the Office of the Governor on the Pay for Prevention initiative, which is focused on the foster care system and its associated risk factors, outcomes, and effective interventions.
- Acknowledged receipt of reports by the Oregon Health Authority on new investments in community mental health, on mental health housing investments, and on agency efforts to hire a dental director.
- Acknowledged receipt of reports by the Department of Human Services on nursing facility capacity and on planning for a new adult abuse data and report writing system.
- Increased the Federal Funds expenditure limitation for the Commission for the Blind by \$372,000 to increase the Vocational and Rehabilitation and Independent Living programs.

### **Public Safety and Judicial Branch**

- Increased the Other Funds expenditure limitation of the Judicial Department by \$37,999,999 for the Oregon Courthouse Capital Construction and Improvement Fund to support the Multnomah County and Jefferson County courthouse capital construction projects, with the understanding that the action did not establish or imply any legislative commitment to provide any additional state support to either project.
- Acknowledged receipt of a report by the Judicial Department on capital improvement project changes at the Curry, Gilliam, Malheur, and Wallowa county courthouses.
- Acknowledged receipt of a report by the Public Defense Services Commission on compensation plan changes.
- Increased the Other Funds expenditure limitation of the Department of Corrections by \$3,018,692 for the Inmate Work Program.
- Established a Federal Funds Capital Construction expenditure limitation for the Military Department in the amount of \$2,722,900 for the Roseburg Armory Service Life Extension Project, with the understanding that this expenditure limitation expires on June 30, 2015.
- Increased the Other Funds expenditure limitation of the Military Department by \$337,000 and the Federal Funds expenditure limitation by \$106,000 for the Oregon Youth Challenge Program.
- Increased the Other Funds expenditure limitation of the Military Department by \$600,000 for reimbursement of firefighting expenditures related to the 2014 wildfire season.

### **Natural Resources**

- Allocated \$2,400,000 from a special purpose appropriation made to the Emergency Board for fire severity resources and rate mitigation to the Department of Forestry, allocated \$14,002,407 from the Emergency Fund, and increased the Other Funds expenditure limitation by \$56,647,505 for 2014 fire season large-fire costs, 2013-15 biennium budget shortfalls due to large-fire activities, and for reimbursable activities related to the 2014 wildfire season.
- Approved, retroactively, the submission of a federal grant application by the Department of State Lands to the National Oceanic and Atmospheric Administration for a Bay Watershed Education and Training Program grant for the

South Slough National Estuarine Research Reserve in the amount of \$60,000.

#### **Administration**

- Increased the Other Funds expenditure limitation of the State Treasurer by \$70,424 and authorized the establishment of one permanent, full-time Senior Private Equity Investment Officer position (0.16 FTE) to help manage the growth in value and complexity of the state's investment portfolio, with the expectation that the remainder of the Treasurer's request will be dealt with during the 2015 session after review and approval of the investment project's foundation project management documentation.
- Increased the Other Funds expenditure limitation of the State Treasurer by \$550,000 to contract for bond counsel and financial advisory services related to general obligation bond sales for state universities.
- Established a General Fund appropriation for the Department of Administrative Services and allocated \$1,035,000 from the Emergency Fund to the newly established appropriation to demolish the former Blue Mountain Recovery Center building and eleven buildings on the former Eastern Oregon Training Center campus, with direction to the Department to return during the 2015 session to seek permission to convey the land to the City of Pendleton and to report on actual costs of the demolition.

- Increased the Other Funds expenditure limitation of the Oregon Liquor Control Commission by \$583,000 and authorized the establishment of four positions (1.08 FTE) to provide for staffing, Department of Justice advice, professional services, and outreach efforts associated with planning for the implementation of Ballot Measure 91 that legalized recreational marijuana.
- Acknowledged receipt of a report by the Department of Revenue on the Core System Replacement Project.
- Approved the transfer of Other Funds expenditure limitations within the Department of Administrative Services totaling \$9,807,820 to rebalance the 2013-15 budget, with several instructions related to the approved information management technology expenditures.
- Acknowledged receipt of a report by the Government Ethics Commission on the development of an electronic reporting system for Statements of Economic Interest.

#### **Legislative Branch**

- Approved the transfer of specified unallocated balances from special purpose appropriations made to the Emergency Board to the general purpose Emergency Fund in the amount of \$15,380,199. This action results in a general purpose Emergency Fund ending balance of \$28,654,777.

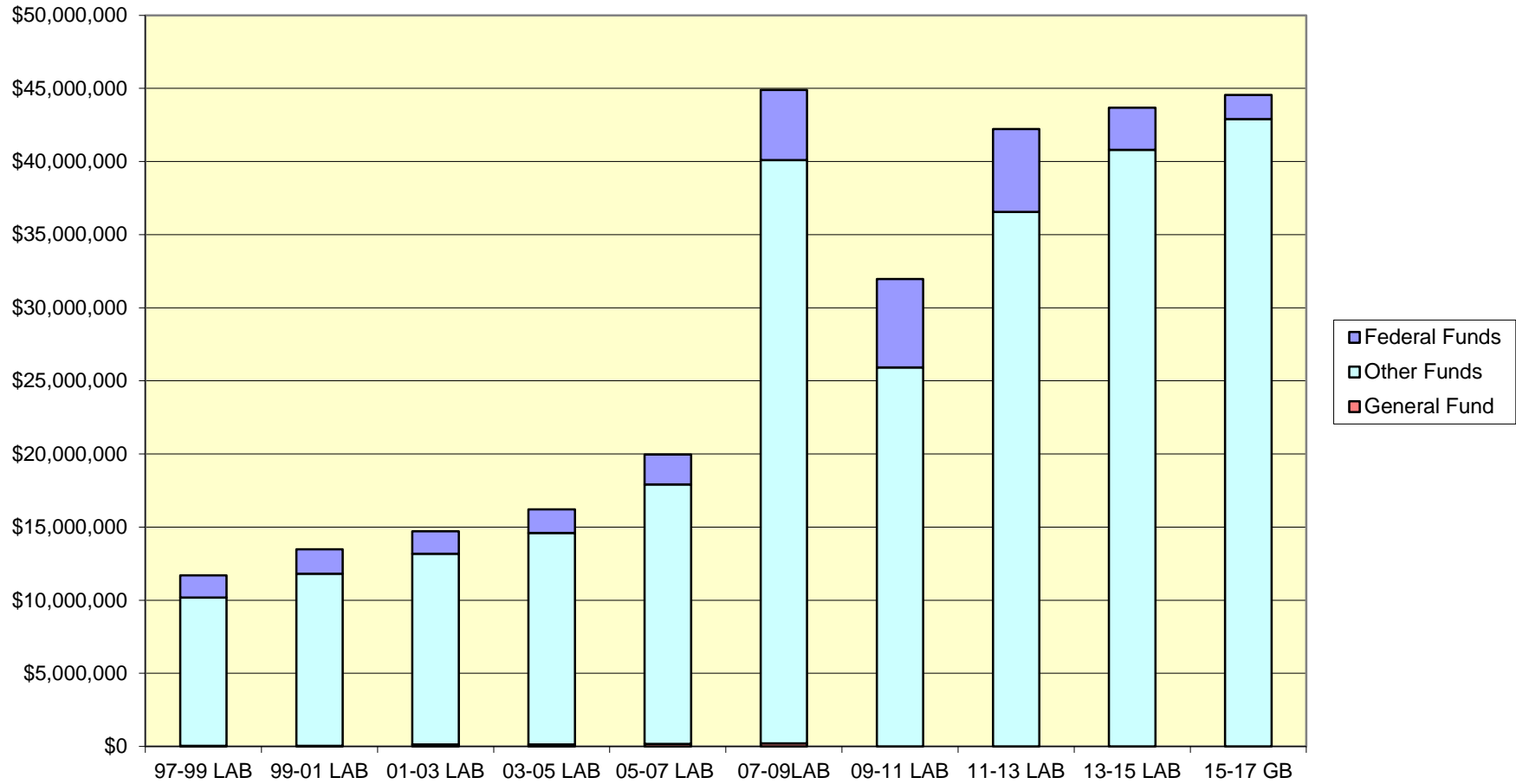
<b>Emergency Fund Balance Summary</b>		
	<b>Agency Requests</b>	<b>Emergency Board Action</b>
<b>General Purpose Emergency Fund</b>		
Appropriation (after 2014 Session adjustments)	30,000,000	30,000,000
Allocations to date	(1,688,015)	(1,688,015)
<b>Unallocated Balance</b>	28,311,985	28,311,985
Reservations (within General Purpose)	3,850,000	3,850,000
Reservations allocated to date	(318,019)	(318,019)
<b>Unallocated Reservations</b>	3,531,981	3,531,981
<b># December 2014 Requests - General Purpose</b>		
8 Oregon Education Investment Board - Statewide Longitudinal Data System	(95,000)	0
27 Department of Forestry - Fire Severity and 2014 Fire Season Costs	(16,503,877)	(14,002,407)
29 Department of Administrative Services - Blue Mountain Recovery Center Demolition Costs	(1,035,000)	(1,035,000)
33 Legislative Fiscal Office - Transfer of Unused Special Purpose Appropriations to General Purpose Citation		15,380,199
Total Requests - General Purpose	(17,633,877)	342,792
<b>General Purpose Unallocated Balance (including Reservations) after 12/2014 (if requests approved)</b>	10,678,108	28,654,777
<b>Special Purpose Appropriations - Agency Specific (after 2014 Session actions)</b>		
Allocations/Transfers to Date	(15,968,974)	(15,968,974)
<b>Unallocated Balance</b>	32,937,845	32,937,845
<b># December 2014 Requests - Special Purpose Appropriations - Agency Specific</b>		
12 Oregon Health Authority - Caseload and Cost Per Case Rebalance	(14,593,198)	(11,737,047)
18 Department of Human Services - Senior Services	(3,184,855)	(3,420,599)
27 Department of Forestry - Fire Severity and 2014 Fire Season Costs	(3,000,000)	(2,400,000)
33 Legislative Fiscal Office - Transfer of Unused Special Purpose Appropriations to General Purpose Citation		(15,380,199)
Total Requests - Special Purpose - Agency Specific	(20,778,053)	(32,937,845)
<b>Special Purpose - Agency Specific - Unallocated Balance after 12/2014 (if requests approved)</b>	12,159,792	0

Emergency Board materials for the December 2014 meeting are available at <https://olis.leg.state.or.us/liz/201311/Committees/EB/2014-12-10-08-30/Agenda>

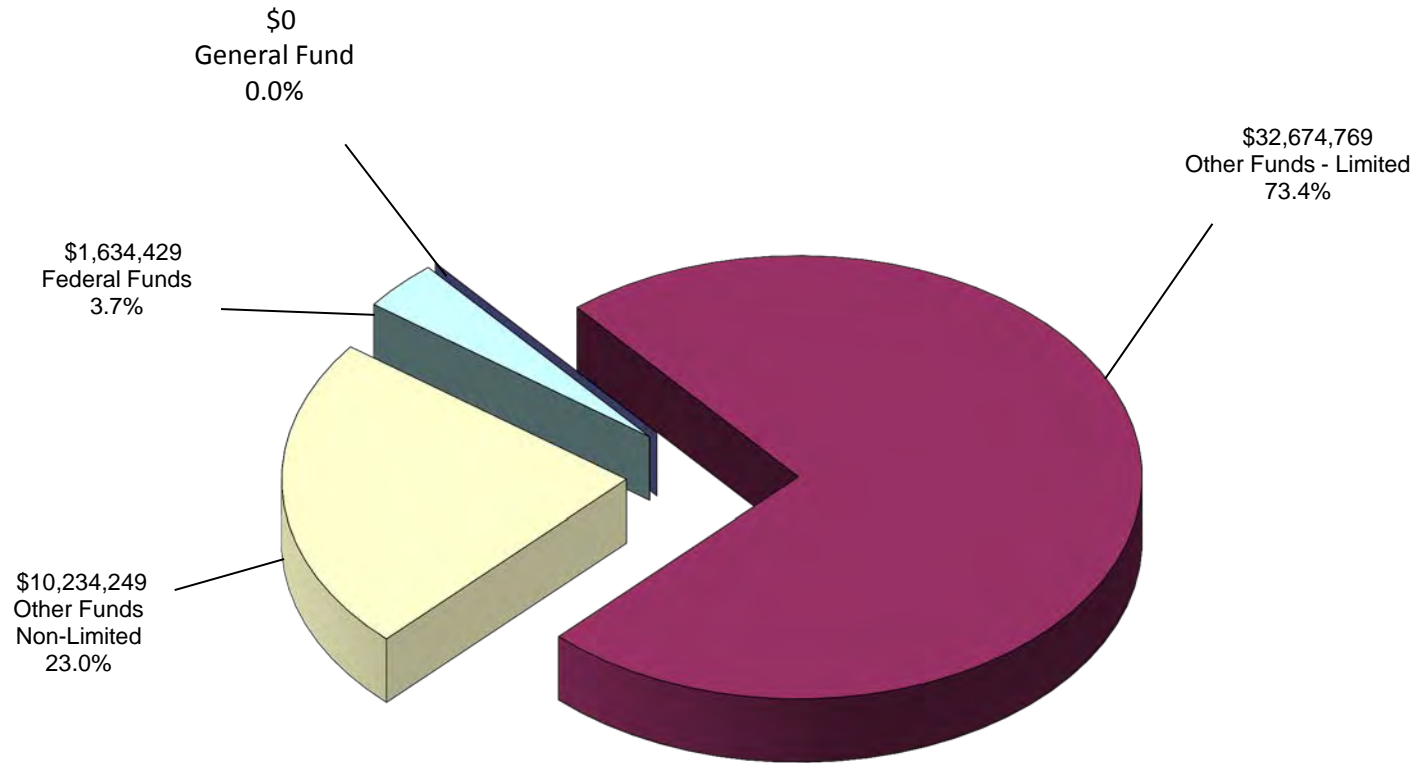
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# AGENCY SUMMARY

### Department of State Lands Budget History -- Agency Wide

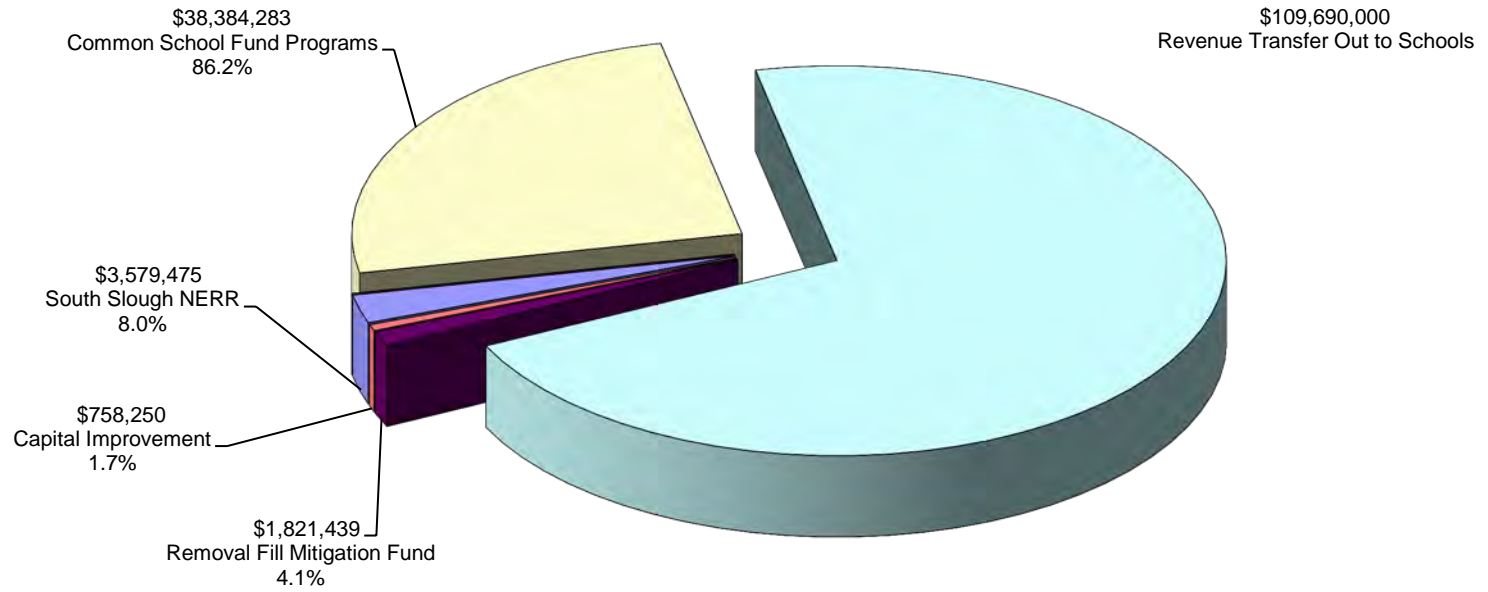


**Department of State Lands  
Expenditures by Fund  
2015-17 Governor's Budget**  
*(including packages)*

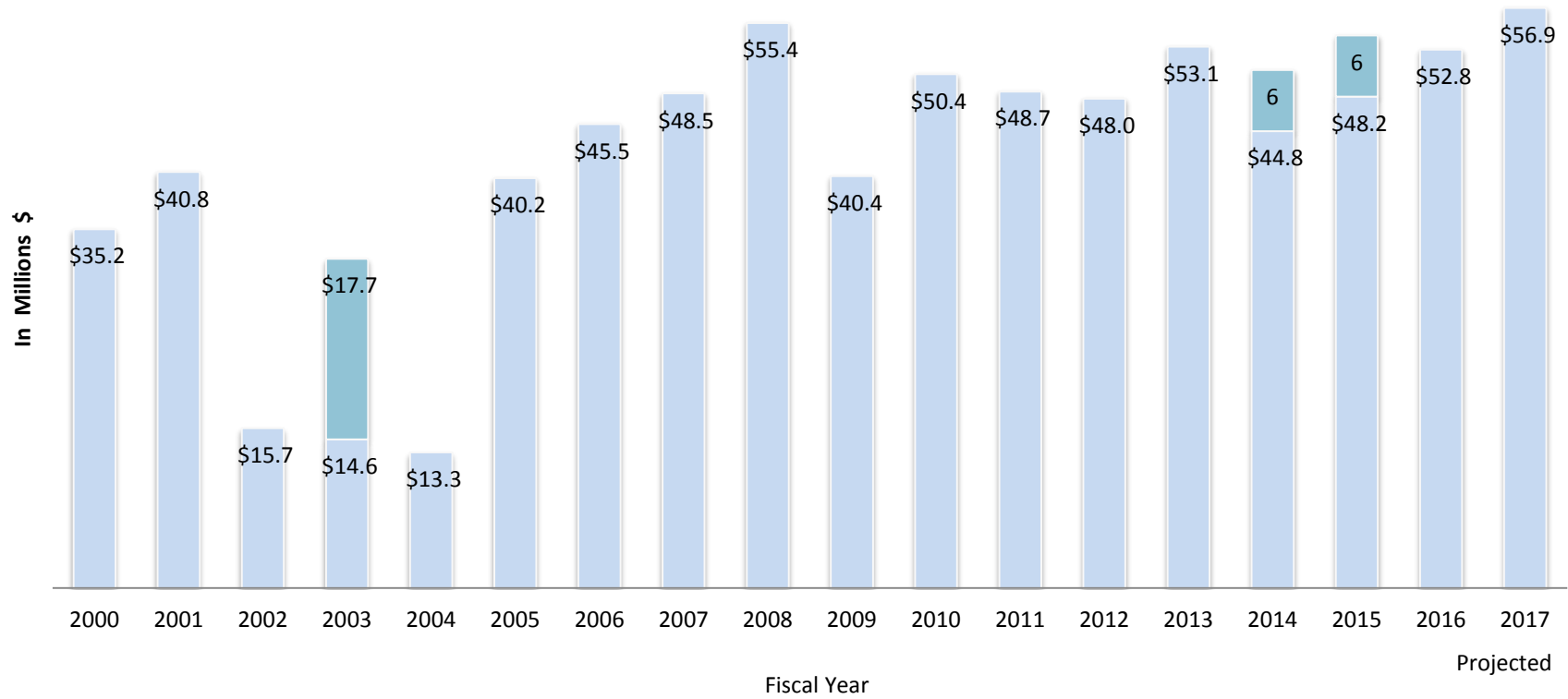




**Department of State Lands  
Expenditures: All Funds  
2015-17 Governor's Budget**  
*(with Packages)*



## Common School Fund Distribution to Schools



\* A special one-time distribution of accumulated statutory revenues

# BUDGET NARRATIVE

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## OREGON DEPARTMENT OF STATE LANDS AGENCY SUMMARY

### **State Land Board**

The Oregon Department of State Lands is the administrative arm of the State Land Board. Established by the Oregon Constitution in 1859, the Land Board has been composed of the Governor, Secretary of State and State Treasurer throughout its history. The Board is responsible for overseeing the state's Common School Fund for the purpose of funding public education. Real property management (state lands granted under the Oregon Admission Act), unclaimed property held in trust, estates escheated to the state, and other activities provide revenue for the Common School Fund, whose earnings are used to distribute funds to public K-12 schools twice a year and to pay the agency's operating expenses.

Over time, the Oregon Legislature assigned various responsibilities to the agency, including administering the state's unclaimed property program (1957); protecting state wetlands and waterways (1967: removal-fill law; 1989: wetland conservation law); and serving as the state partner for the South Slough National Estuarine Research Reserve (1974). The Department also administers the estates of people who die without a will and without known heirs.

### **Agency Mission and Statutory Authority**

The mission of the Department of State Lands (DSL) is to ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund. The agency's authorities include:

### **General/Agency**

Oregon Admission Act (Sections 1, 2 and 4)  
Oregon Constitution (Article VIII, Sections 2, 4, 5 and 7)  
ORS 273.006 – 551; 273.715 – 994: state lands generally  
ORS 541.890 – 935: Oregon Plan for Salmon and Watersheds

### **Common School Fund**

ORS 327.403 – 484

### **Common School Fund Property**

ORS 98: unclaimed property  
ORS 703.401 – 470: truth verification and deception detection; investigators  
ORS 111 – 116: probate law, intestate successions and wills, estate proceedings, estates administration  
ORS 293.490: payment upon death, if estate not in probate  
ORS 270: real property  
ORS 271: use of public lands  
ORS 273.006 – 551; 273.715 – 994: state lands  
ORS 517.420 – 440: mining leases

# BUDGET NARRATIVE

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ORS 530.110: revenues from forestlands  
ORS 530.450 – 520: CSF forestlands  
ORS 758.010: authority to construct lines and facilities  
ORS 777.347: consent for annexations

## Aquatic Resources

ORS 196.795 – 990: removal-fill permits  
ORS 196.600 – 692: wetlands protection  
ORS 215.418: approval of development on wetlands  
ORS 227.350: wetlands development  
ORS 390.835: removals and fills in State Scenic Waterways  
ORS 274: submersible and submerged lands  
ORS 274.400 – 412: navigability of lakes and rivers  
ORS 543: hydroelectric projects

## South Slough National Estuarine Research Reserve

ORS 273.553 – 558

## Oregon Administrative Rules

**Chapter 141** contains the rules that govern the Department  
**Chapter 142** governs the South Slough National Estuarine Research Reserve.

## Agency Plans

The **2012 – 2016 Strategic Plan** includes six goals to guide the work of the Land Board and Department:

- Goal 1:** Manage state Common School Fund real property to benefit public schools, sustain a healthy landscape and meet Trust obligations.
- Goal 2:** Protect Oregon's waters through administering the state's removal-fill law and wetlands conservation planning, and protecting public trust values on state-owned waterways.
- Goal 3:** Administer Oregon's unclaimed property and estates laws while safeguarding assets in the Common School Fund.
- Goal 4:** Maximize distributions to schools through close monitoring of Common School Fund investments, costs and benefits.
- Goal 5:** Deliver efficient, professional service to our customers through improved communications, employee training and administrative systems.
- Goal 6:** Serve as state partner for the South Slough National Estuarine Research Reserve by providing leadership and administrative oversight. *Note: South Slough is a separate program narrative.*

# BUDGET NARRATIVE

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On an annual basis, each of the goals is measured against specific Key Performance Measures approved by the Oregon Legislature and tracked by DSL staff. In addition to the high-level Strategic Plan, the agency develops a detailed Biennial Work Plan that guides the day-to-day work of the staff.

## **Agency Process Improvements**

### ***Agency Reorganization***

In 2014, the agency embarked on a functional reorganization to improve efficiency and effectiveness. The reorganization will better align agency services and programs with DSL's various mandates and responsibilities, and allow the agency to work towards the 1:11 supervisor to staff ratio mandated by HB 4131.

Our programs and types of services have not changed; however, customers will notice a change in how DSL's services are delivered. Under the new agency organization *all* waterway and wetland programs, both regulatory and proprietary, are now housed in one program area: **Aquatic Resource Management**. The ARM is organized around Regional Solutions regions, providing easier access to and better public understanding of all DSL services pertaining to Oregon's waters in their particular geographical area.

The other reconfigured program areas are **Common School Fund Property**, which includes both real property and trust property (unclaimed property and estates administration); and **Business Operations and Support Services** (including HR, fiscal, IT, facilities, and agency clerical support). The **Director's Office** added legislative coordination to its responsibilities, and the **South Slough National Estuarine Research Reserve** reorganized around three core areas: administration, education and science.

### ***Business Process Mapping***

In March 2014 DSL hired a consultant to work with staff and managers on mapping – and eventually streamlining and refining – removal-fill permit, waterway authorization and fiscal processes. The goal was to reduce redundancies and help the agency's staff deliver faster, better service through revamped workflows. This work, along with the reorganization, is anticipated to improve the effectiveness and the efficiency of the agency.

In addition, over recent years the Department has implemented several streamlined processes to save money, improve customer service, and expedite program delivery:

- An electronic filing system (Laserfiche) for invoice approvals, timesheets, employee leave requests and travel expenses. The agency is in the process of scanning and electronically storing files for all programs in Laserfiche.
- Website improvements: unclaimed property claims filing; online wetlands and removal-fill processes; online GIS resources; continued improvements in web-based services.
- Continual refinement of agency Key Performance Measures so they reflect outcomes over which the agency has control.
- Regulatory streamlining, working with state and federal agencies to improve permit and other processes.

# BUDGET NARRATIVE

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## **2015-17 Short-Term Plan**

### ***Agency Programs***

The Department of State Lands includes the following program areas: Director's Office, Common School Fund Property, Aquatic Resource Management, Business Operations and Support Services, and the South Slough National Estuarine Research Reserve. The agency has 104 FTEs (including one limited duration position). The bulk of DSL's funding is Other Funds generated by the agency's program activities. Some Federal Funds support wetlands assessment work and South Slough operations and projects.

Program descriptions below are tied to the agency's Strategic Plan goals. The Director's Office and Business Operations and Support Services (central services) are included at the end.

### **Goal 1 – Manage state Common School Fund lands (Common School Fund Property)**

The Common School Fund Property Program oversees the management of about 1.5 million acres of Trust lands, plus an additional 32,000 acres of various types of statutory lands (uplands)\*.

Forestlands	125,536 acres
Agricultural Lands	5,727 acres
Rangelands	601,369 acres
Industrial/Commercial/Residential	6,803 acres
Mineral and Energy Resources	766,710 acres
Special Stewardship Lands	4,900 acres

*\*From DSL's FY 2013 Annual Report on Land Asset Management*

Common School Fund real property – currently valued at over \$500 million – is leased and managed to generate revenue for the Common School Fund. In FY 2013, gross revenue from state Trust lands totaled \$4,607,488. Forestry revenues were \$2,305,411, but expenses were \$5,142,914. When all Trust land expenses (\$6,828,152) are subtracted from gross revenue, managing these lands actually resulted in a \$2,220,659 *deficit* for the Common School Fund. This is primarily because of severely curtailed harvests on the Elliott State Forest due to litigation over Endangered Species Act protections.

In 2014, the Board approved selling five parcels within the Elliott State Forest, in part to learn more about the market for state forestlands. Three of these parcels were auctioned in spring 2014 and resulted in an additional \$4.2 million in net revenue deposited into the Common School Fund. It is anticipated that the other two parcels will be auctioned in early 2015. Responding to the diminished timber revenues will continue to be a major concern for the agency and Land Board in the 2015-17 biennium and beyond.

As directed by the *Real Estate Asset Management Plan*, the agency aims to rebalance the Common School Fund real property portfolio to “create investment capital through acquiring assets with high performance potential and strategically disposing of selected [lower-

# BUDGET NARRATIVE

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performing] assets.” The intent of this repositioning of real property assets is to generate anticipated returns of income and appreciation that are in excess of the ten-year average returns for the Common School Fund. The plan provides management direction for DSL’s seven land classes, and identifies performance measurement tools to monitor returns on those lands.

In FY 2013, land and mineral sales resulted in net revenues totaling \$3,253,875 deposited into the land revolving account, a sub-account of the Common School Fund.

The Real Property Section of the Common School Fund Property program is comprised of 14 positions (14 FTE) and is managed by an Assistant Director who reports to the Director. Staff carry out all real property management activities related to implementation of the *Real Estate Asset Management Plan*. The Eastern Region Manager oversees 8 of the 14 positions, whose work involves both real property management statewide, and aquatic resources activities east of the Cascades.

Because of reduced forestry revenues, the Real Property Section does not expect to meet the two KPMs listed below:

- 36 percent of revenues used to cover administrative costs
- 3 percent annual increase in revenues from timber harvests

As stated in the *Real Estate Asset Management Plan*, DSL will:

- Create a consistent and growing stream of revenue to increase annual distributions to schools
- Balance revenue enhancement and resource stewardship
- Rebalance the portfolio and create reinvestment capital through acquiring assets with high performance potential and strategically disposing of selected assets
- Ensure that rates for leases and other authorizations are reviewed and set at market values
- Target investment in lands with demonstrated appreciation potential, notably agricultural and ICR lands and energy sites
- Assure that proposed investment in existing real property assets will yield targeted returns on the investment

Additional actions will focus on:

- Improving efficiencies and effectiveness with real property management, and ensuring fair and timely decisions
- Engaging in a technical analysis as well as outreach and education efforts on management options for the Elliott State Forest and other Common School Fund forestlands
- Providing leadership on the future of the Common School Fund lands within the Elliott State Forest
- Improving data collection and reporting on state-owned real property assets

*Funding Source:* Other Funds

# BUDGET NARRATIVE

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## **Goal 2 – Protect Oregon waters and meet public trust obligations on navigable waterways (Aquatic Resource Management)**

The Aquatic Resource Management program is organized around two focus areas: 1) Field Operations and 2) Planning and Policy development and implementation. Field Operations is organized into geographic teams to align with Regional Solutions Team areas. Each regional team includes the following functions: removal-fill permits; aquatic resource planning; and waterway authorizations. The specialist charged with the Department's coordination of the Portland Harbor Superfund cleanup is part of Field Operations. The Planning and Policy unit houses specialists in aquatic resource mitigation, removal-fill policies, aquatic resource planning and proprietary waterway policies.

**Removal-Fill Regulation:** Staff implements Oregon's removal-fill law, balancing wetland and waterway conservation and stewardship with private property rights and economic development. They assist landowners, consultants and others in obtaining permits for removal-fill activities in waterways, wetlands, the Pacific Ocean and other waters of the state, and monitor permits for compliance with permit conditions. Staff enforces the removal-fill law regarding violations of permit conditions and unauthorized activities. Permit fees and enforcement revenue cover about 20 percent of administrative costs for this program; Common School Fund revenues derived from the management of statutory lands provide the remainder.

In FY 2013, DSL processed 2,164 permits, which included 1,834 online permits for placer (gold) mining in streams. In recent years, the number of permits issued has been down due to the economic downturn, though in 2014 this trend has started to reverse, especially in the Multnomah County area.

Over the past several biennia, DSL has made a concerted effort to improve permit application processes and help the public better understand permit decisions and requirements. In 2011, the agency published the online *Removal-Fill Guide*, which provides easy-to-understand guidance on permits in such areas as pre-planning, wetland avoidance, wetland mitigation, working with DSL, and exemptions. The Department is developing new administrative rules to create a voluntary wetland planning tool for communities. Using this tool, communities can make strategic decisions about wetland protection, development and mitigation in advance of individual projects, thereby streamlining future removal-fill permitting. This effort was piloted with the Cascades West Council of Governments for 19 industrial sites in Linn and Benton Counties. DSL is also working to integrate certain regulatory and proprietary applications into one process for customers. This effort is currently being piloted with the small south coast ports to help streamline their permitting needs for maintenance dredging.

**Aquatic Resource Planning:** DSL provides public information about wetlands and helps local governments with wetland inventories and planning. Staff help property owners determine when permits are needed, and provide technical review of wetland delineations (maps) submitted to the agency for concurrence. Educational outreach efforts help Oregon work toward the statewide benchmark of "no net loss of wetlands" and to facilitate early identification and solutions for potential wetland constraints by local governments and development entities. Federal grants have recently supported development and refinement of the Oregon Rapid Wetland Assessment Protocol. In FY 2013, staff processed 389 delineation report reviews, 177 wetland determinations, and 249 wetland land use notices.

**Mitigation Program:** DSL's two mitigation specialists oversee programs that offer mitigation options for permit holders who must replace lost wetland and waterway functions, including the wetland mitigation banking program and state and federal "in-lieu-fee" programs.



# BUDGET NARRATIVE

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A mitigation bank is large-scale wetland and/or stream restoration project that may be used to provide mitigation for multiple development projects. State and federal regulatory and economic development agencies encourage banks because they can provide greater ecological benefits and are more efficient to manage than multiple smaller mitigation projects. Mitigation banks can be a profitable business venture where there is a suitable project site, skilled practitioners, and market demand. Sales of mitigation credits can be a source of funding to restore natural areas to be enjoyed by wildlife as well as nearby landowners.

There are currently 21 mitigation banks operating in Oregon including: 15 private sector banks; 2 banks operated by the City of Eugene; and 4 banks operated by the Oregon Department of Transportation. There are several additional banks in various stages of development. The number and range of mitigation banks has grown continually since the program started in 1995, but there are still many locations in the state that are underserved.

The in-lieu fee program generates revenue for the Oregon Removal-Fill Mitigation Fund to provide funds for wetland and waterways projects where no commercial mitigation bank exists. The federally approved In-Lieu-Fee Program has three active sites, and three more are in process.

One and a half of DSL's mitigation specialist FTEs are supported through removal-fill permit fees, enforcement revenue and Common School Fund statutory monies. The other half FTE is supported from the Removal-Fill Mitigation Fund.

**Waterway Leasing and Authorizations:** At statehood, Oregon was granted title to navigable waterways to preserve “public trust rights” (navigation, fishing, commerce and recreation) along these waterways – about 1.3 million acres total. DSL administers the waterway leasing program which issues leases, easements, registrations and other authorizations for structures on state submerged and submersible lands in navigable and tidally influenced waterways. The statutory revenue from waterways is deposited in the Common School Fund, minus statutory program expenses.

The Aquatic Resource Management program is comprised of 26 positions/26 FTE and is managed by an Assistant Director who reports to the Director. Two managers - Planning and Policy Manager and Field Operations Manager – oversee staff in each program area. The Field Operations Manager is assisted by regional team lead workers.

In 2015-17, the program expects to meet or exceed its Key Performance Measures which include the following targets:

- Average 60 days for permit decisions and wetland delineation reviews
- Resolve 50 percent of removal-fill violations and permit non-compliance issues annually
- Average 22 days for wetland land-use notice responses
- Obligate 100 percent of Mitigation Bank Fund monies within one year

Additional actions will focus on:

- Improving permit processes through implementation of recommendations from the current business process mapping project
- Ensuring fair, timely decisions
- Stepping up outreach and education efforts to increase wetland avoidance

# BUDGET NARRATIVE

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- Meeting the state's no-net-loss-of wetlands standard
- Providing leadership for local governments on wetland planning and conservation
- Increasing permit monitoring and compliance and violation enforcement
- Providing technical assistance for Regional Solutions Teams and the Economic Recovery Review Council
- Providing leadership on statewide initiatives such as in-water gravel extraction and suction dredge permits
- Improving data collection and reporting
- Improving and refining tools for aquatic resource functional assessment and evaluation

*Funding Source:* Other Funds (fees and CSF); Federal Funds (wetland grants)

### **Goal 3 – Administer unclaimed property and estates programs (Common School Fund Property)**

Under Oregon's Unclaimed Property Act, DSL holds in custody abandoned property such as bank accounts, lost securities and uncashed checks. Holders of these funds – such as businesses and financial institutions – must remit them to DSL (generally after three years) if efforts to contact the owners have failed. Tangible personal property, primarily from abandoned safe deposit boxes, is held for a minimum of one year, and then publicly auctioned.

All unclaimed property, including the proceeds from auctions and the sale of stocks and mutual funds, are held in the Common School Fund. Currently nearly \$500 million in the fund is unclaimed property held in trust. Earnings from this portion of the fund are sent to schools twice a year, along with earnings from other DSL program activities. Unclaimed property is held forever for claim by owners and their heirs.

In FY 2013, the Unclaimed Property Section's 10 staff received and recorded \$52.9 million in unclaimed financial assets and processed 15,170 claims totaling \$25.2 million. The agency implemented an improved online claims process in 2011, which has reduced processing time and greatly enhanced customer relations. The program continues to refine its owner search capabilities, including advanced techniques for amounts of \$250 or more, to reunite property with rightful owners more efficiently.

The Department also administers estates for people who die without a will and without known heirs. DSL searches for heirs; inventories and protects estate assets; and processes estates as the personal representative. If no heirs are found after 10 years, the assets permanently escheat to the state and become part of the Common School Fund.

In FY 2013, three full-time estates staff opened just over 185 new cases, an average of 3.5 per week. During the year, \$407,000 was escheated to the Common School Fund from estates being handled by the Department, and \$60,000 was forwarded to heirs that were identified during the probate process. About 15 percent of the program's administrative costs were covered by estate funds received.

Both sections will strive to improve outreach and training for their constituencies and increase compliance with Oregon's unclaimed property and estates laws in 2015-17. Streamlining administrative procedures also will continue to be a primary focus.

*Funding Source:* Other Funds

# BUDGET NARRATIVE

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## **Goal 4 – Maximize CSF distributions and monitor the fund (Common School fund Property; Director’s Office)**

The State Land Board establishes the policy for Common School Fund distributions to schools. The goal is to stabilize and sustain distributions over time. In 2014, distributions to Oregon’s 197 K-12 public school districts will total \$50.8 million.

The State Treasurer, a member of the Land Board, and the Oregon Investment Council oversee the CSF investment portfolio. The fund exceeded its performance target over the three-year period ending in 2013, earning a 9 percent average annual return. The market value of the CSF is now over \$1.4 billion.

## **Goal 5 – Deliver efficient, professional customer service (All programs)**

Over the past several biennia, DSL has focused on improving both external and internal customer relations through a variety of means, including:

- Targeted electronic communications and public outreach;
- Customer service training for staff, and measuring customer satisfaction biennially;
- Improved Web-based tools for staff and customers, including GIS and State Land Inventory resources;
- Public online access to DSL permits and authorizations, as well as Web-based application processes;
- Streamlined accounting procedures, including electronic invoice approvals;
- Business Process Mapping project for removal-fill permit and waterway authorization processes to identify and rectify process gaps and redundancies;
- Placer mining regulation study group (in conjunction with DEQ) to clarify and strengthen the state’s responsibilities and authorities in permitting recreational placer mining; and
- Filled Lands Advisory Group taskforce to improve resolution of ownership claims on historically filled submerged and submersible lands.

Many of these include improved communications systems that have saved the agency money while allowing the public to interact more quickly and efficiently with the agency. DSL expects to offer more online services in the 2015-17 biennium, as well as continue to engage the public in its work.

The agency conducts biennial customer service surveys to measure its customer satisfaction. The KPM target, established by DAS, is 93 percent of DSL customers rating our services as excellent or good. Data from 2014 surveys show that DSL continues to improve overall customer service ratings: 84.6 percent rank the agency’s customer service as good or excellent, up from 72 percent in 2007, the first year of conducting customer surveys.

Starting in 2013, the agency’s management staff participated in *The Speed of Trust* training program, which focuses on managing more effectively through building trust with staff and external customers. The management team also worked with all DSL employees to incorporate trust concepts into all levels of the agency’s work. Internal surveys and other measurement tools have indicated there have been noticeable improvements resulting from this work.

# BUDGET NARRATIVE

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In 2014, the agency invested in a Business Process Mapping project primarily targeting removal-fill and waterways proprietary procedures. The project will identify and rectify gaps and redundancies in these programs' processes. As part of this work, the agency surveyed routine users of these processes (businesses and consultants) to gain insight into how to better partner with stakeholders in the field.

**Goal 6 – Serve as state partner for South Slough National Estuarine Research Reserve (Director's Office; Business Operations and Support Services; South Slough)**

DSL administers the reserve near Coos Bay, which includes about 1,000 acres of open water and tidelands, plus 5,000 acres of uplands. The Reserve was established in 1974 in partnership with the National Oceanic and Atmospheric Administration, and is one of 28 reserves nationwide managed for research, education and interpretation of estuarine ecosystems. The DSL director chairs the South Slough Management Commission. The South Slough staff consists of 16 positions/16 FTE, including a new manager hired in 2014.

*Funding Source:* Federal Funds and Other Funds

**Central Services**

**Director's Office:** Oversees administrative responsibilities for the State Land Board and directs the operation of DSL, under the Land Board's purview. Responsibilities of the Director include making recommendations to the Land Board and Legislature; approving policies, plans and the agency budget; directing the agency's legislative activities; directing the agency's strategic planning process; and supervising the agency's top management. The agency's public information and policy functions are housed in the Director's Office.

The Director serves as chair of the South Slough Management Commission and supervises the South Slough Manager, in addition to the agency's three Assistant Directors, the Executive Assistant/Secretary of the Land Board, the Communications Manager, and two Senior Policy and Legislative Analysts. The internal auditing function is managed by the Director's Office. The Director's Office consists of 5 positions/5 FTE.

*Funding Source:* Other Funds

**Business Operations and Support Services:** Responsible for agency-wide support functions, as well as for oversight of DSL-managed funds and audits. The Assistant Director oversees budget, grants and contracts; the Human Resources program; Fiscal Services; IT functions (including GIS support); administrative support services; agency rulemaking; DSL's business continuity planning; and Key Performance Measures. The BOSS consists of 30 positions/30 FTE.

*Funding Source:* Other Funds

# BUDGET NARRATIVE

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## Environmental Factors

Declining revenues derived from the real property portfolio of the Common School Fund:

- Litigation related to protection of threatened and endangered species within the Elliott State Forest have severely curtailed timber harvests in the forest. Forestry expenses now outpace revenues, a situation that is not expected to change in the 2015-17 biennium and beyond. Listed species (threatened and endangered) may also constrain management decisions and development on other real property, including the potential sage grouse listing on southeast Oregon rangelands.
- The constraints on management of the Elliott State Forest are sufficiently severe to warrant a re-evaluation of the current management approach of this asset, and the development of a range of possible new alternative business models for the future management of this important CSF asset.
- Economic factors affect the value of real property and the department's ability to develop, sell and trade property to make money for the fund.
- The expenses for maintaining real property assets – environmental cleanups, fire suppression, maintaining the headquarters building in Salem, rangeland improvements – all come from CSF revenue; maintaining a sustainable expense-to-revenue ratio is critical and requires continual monitoring, evaluation and adaptive management.
- Unknown costs of the state's liability in the Portland Harbor Superfund Site cleanup could affect the CSF potentially starting in the 2015-17 biennium if Natural Resource Damage claims are identified and settled. The actual cleanup costs are now projected to not be assigned until 2017; however, defense preparation costs continue to be charged to the CSF.
- Selling carbon credits or other ecosystem services as well as continued leases for alternative energy sites on Common School Fund real property are potential future revenue sources.

Common School Fund earnings:

- Stock market conditions affect the investment earnings of the fund, and ultimately distributions to schools.
- Long-term planning for sustaining CSF distributions over time is critical.

Wetlands and waterways protection:

- Economic upturns could generate increased permit applications and wetland delineation requests; without adequate staff, processing timelines and decision-making could be affected.
- Continued involvement in the Economic Recovery Review Council and priority projects for the Regional Solutions Teams will protect Oregon waters while facilitating economic development.

Unclaimed Property and Estates:

- A more mobile population can result in more unclaimed property, as well as challenges in locating owners. However, the Department has been successful in using more sophisticated locating tools to find rightful owners and heirs.

# BUDGET NARRATIVE

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South Slough National Estuarine Research Reserve:

- Unreliable federal funding could decrease the Reserve's operating budget and grants and require increased support from the CSF.
- As with many of the non-CSF programs assigned to DSL, the South Slough users/customers only pay a fraction of the cost of the important services provided at the Reserve.
- The valuable science and educational programs provided at the Reserve may be better housed in an educational institution (e.g. higher education) or an agency more actively involved in informal natural resource educational and research activities.

## **Agency Initiatives**

The Department of State Lands is in the Healthy Environment outcome area in the state's Ten-year Plan. The agency relates most closely with the Governor's 2015-17 budget focus on sustainable growth. The Department's work is also associated with the Education outcome area in the Ten-year Plan due to the Common School Fund contribution to school funding.

Many of the agency's current and future initiatives are focused on Oregon's environment, including:

- Continuing to explore the potential to sell carbon credits and other ecosystem services on Common School Fund lands (*KPM 3: increase in revenues from land management*)
- Seeking opportunities to develop alternative energy on Common School Fund lands (*KPM 3: increase in revenues from land management*)
- Investing in Common School Fund rangelands, including potential development of rangeland for irrigated agriculture where appropriate (*KPM 3: increase in revenues from land management*)
- Protecting wetlands and waterways while streamlining the permit process (*KPM 5: no net loss of wetlands and KPM 17: best practices*)
- Providing leadership for cleanup activities on state-owned waterways in the Portland Harbor (*KPM 17: best practices*)

Other initiatives focus more directly on increasing revenue for the Common School Fund:

- Finalizing the in-lieu lands process with the federal government to provide Oregon all acreage due the state since statehood (*KPM 3: increase in revenues from land management; KPM 17: best practices*)
- Determining a sustainable, long-term management approach for Common School Fund lands within the Elliott State Forest (*KPM 2a: program revenue streams used to cover operational costs of forestlands*)
- Investing in improvements to real property assets and divesting of lower-performing property to increase revenue generation (*KPM 3: increase in revenues from land management*)

# BUDGET NARRATIVE

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The following initiatives will provide better customer service or help reduce paperwork for DSL services:

- Offering electronic reporting for holders of unclaimed property (*KPM 12: increase amount of unclaimed property reported and KPM 13: customer service*)
- Implementing electronic processing for simple waterway registrations (*KPM 3: increase revenues from land management and KPM 13: customer service*)

The Agency Request Budget contains the following legislative proposals for the 2015 Legislative Session:

**1. Fee for defraying costs incurred in processing public utility easements**

Adds language to ORS 758.010 to allow the Department to impose administrative fees to defray costs incurred by the agency for issuing public utility easements, which currently are processed at no cost.

**2. Additional exemptions to leasing requirements**

Fixes unintended language in ORS 274.040 to allow the Department, through rulemaking, to allow previously established exemptions to waterway leasing requirements.

**3. Update property transaction documents to be held by Department**

Amends ORS 273.099 to remove leases from the list of instruments to be held by the Department, and allows Department to retain only electronic copies of transactions for all state agencies.

**4. Establish a Submerged and Submersible Land Enhancement Account**

Allows the Department to direct a portion of waterway authorization fees to be used for removing derelict vessels/structures and making other improvements on state-owned waterways.

**5. Require removal-fill permits and other actions for energy siting projects within territorial sea**

Creates new provisions, amending ORS 196.274 and repealing ORS 543.010 and section 1, chapter 152, Oregon Laws 2011, specific to ocean renewable energy facility siting. The Ocean Energy Regulatory Workgroup recommends that a removal-fill permit be required for all marine renewable energy projects in the territorial sea regardless of the volume of material moved, and recommends additional regulatory actions.

**6. Payments to the Oregon Removal-Fill Mitigation Fund**

Adds language to ORS 196.643 to allow the Department to sell mitigation credits until the state recovers its expenses for mitigation sites in regions that previously did not have a mitigation bank.

# BUDGET NARRATIVE

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## **Agency Criteria for 2015-17 Budget Development**

DSL developed this budget considering the Governor's planning priorities; Land Board policies; the agency's Strategic Plan; the Real Estate Asset Management Plan; Key Performance Measures; workload requirements; and emerging issues identified by staff and constituents.

In addition, we considered the following basic themes related to the agency mission:

- Increase revenue production and receipts into the Common School Fund; protect CSF assets for the long term
- Apply sound natural resource stewardship
- Act as fiduciary in protecting citizens' unclaimed property and administering estates
- Incorporate sustainability practices in all agency actions and day-to-day operations
- Improve customer and public service; streamline service delivery

And finally, we considered the following financial and administrative parameters:

- Most agency functions are funded from the Common School Fund; thus cost containment is a key component of "profitability" and activities that take funds away from schools must be carefully considered.
- There are no major new revenue sources under existing statutory authorities/constraints.
- Electronic file systems and more efficient processes will reduce costs and provide better service to our customers.



**Summary of 2015-17 Biennium Budget**

Lands, Dept of State  
Lands, Dept of State  
2015-17 Biennium

Governor's Budget  
Cross Reference Number: 14100-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	107	106.00	41,806,108	-	-	29,740,188	1,831,671	10,234,249	-
2013-15 Emergency Boards	-	-	1,873,191	-	-	822,951	1,050,240	-	-
<b>2013-15 Leg Approved Budget</b>	<b>107</b>	<b>106.00</b>	<b>43,679,299</b>	<b>-</b>	<b>-</b>	<b>30,563,139</b>	<b>2,881,911</b>	<b>10,234,249</b>	<b>-</b>
<b>2015-17 Base Budget Adjustments</b>									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(2)	(2.00)	(34,828)	-	-	(53,220)	18,392	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
<b>Subtotal 2015-17 Base Budget</b>	<b>105</b>	<b>104.00</b>	<b>43,644,471</b>	<b>-</b>	<b>-</b>	<b>30,509,919</b>	<b>2,900,303</b>	<b>10,234,249</b>	<b>-</b>
<b>Essential Packages</b>									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	168,479	-	-	154,107	14,372	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	49,770	-	-	50,280	(510)	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>218,249</b>	<b>-</b>	<b>-</b>	<b>204,387</b>	<b>13,862</b>	<b>-</b>	<b>-</b>
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(5,832,932)	-	-	(4,544,966)	(1,287,966)	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>(5,832,932)</b>	<b>-</b>	<b>-</b>	<b>(4,544,966)</b>	<b>(1,287,966)</b>	<b>-</b>	<b>-</b>
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	414,545	-	-	406,315	8,230	-	-
State Gov't & Services Charges Increase/(Decrease)			418,722	-	-	418,722	-	-	-

**Summary of 2015-17 Biennium Budget**

Lands, Dept of State  
Lands, Dept of State  
2015-17 Biennium

Governor's Budget  
Cross Reference Number: 14100-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
<b>Subtotal</b>	-	-	833,267	-	-	825,037	8,230	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
<b>Subtotal: 2015-17 Current Service Level</b>	<b>105</b>	<b>104.00</b>	<b>38,863,055</b>	-	-	<b>26,994,377</b>	1,634,429	<b>10,234,249</b>	-

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Lands, Dept of State  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-000-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
<b>Subtotal: 2015-17 Current Service Level</b>	<b>105</b>	<b>104.00</b>	<b>38,863,055</b>	-	-	<b>26,994,377</b>	1,634,429	<b>10,234,249</b>	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
<b>Modified 2015-17 Current Service Level</b>	<b>105</b>	<b>104.00</b>	<b>38,863,055</b>	-	-	<b>26,994,377</b>	1,634,429	<b>10,234,249</b>	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
<b>Subtotal Emergency Board Packages</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
501 - Measure 91 Implementation	-	-	-	-	-	-	-	-	-
101 - Portland Harbor Clean Up	1	1.00	4,746,229	-	-	4,746,229	-	-	-
102 - Improved Internal Controls	1	0.92	274,481	-	-	274,481	-	-	-
103 - Replace and Upgrade Equipment	-	-	204,682	-	-	204,682	-	-	-
104 - Program Alignment	-	-	-	-	-	-	-	-	-
105 - Agriculture Development	-	-	455,000	-	-	455,000	-	-	-
106 - Easement Application Admin Fee	-	-	-	-	-	-	-	-	-
<b>Subtotal Policy Packages</b>	<b>2</b>	<b>1.92</b>	<b>5,680,392</b>	<b>-</b>	<b>-</b>	<b>5,680,392</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total 2015-17 Governor's Budget</b>	<b>107</b>	<b>105.92</b>	<b>44,543,447</b>	<b>-</b>	<b>-</b>	<b>32,674,769</b>	1,634,429	<b>10,234,249</b>	<b>-</b>
Percentage Change From 2013-15 Leg Approved Budget	-	-0.08%	1.98%	-	-	6.91%	-43.29%	-	-
Percentage Change From 2015-17 Current Service Level	1.90%	1.85%	14.62%	-	-	21.04%	-	-	-

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Common School Fund  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-010-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	90	89.00	35,172,972	-	-	24,708,557	230,166	10,234,249	-
2013-15 Emergency Boards	-	-	1,040,579	-	-	1,024,240	16,339	-	-
<b>2013-15 Leg Approved Budget</b>	<b>90</b>	<b>89.00</b>	<b>36,213,551</b>	<b>-</b>	<b>-</b>	<b>25,732,797</b>	<b>246,505</b>	<b>10,234,249</b>	<b>-</b>
<b>2015-17 Base Budget Adjustments</b>									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(1)	(1.50)	11,471	-	-	11,471	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
<b>Subtotal 2015-17 Base Budget</b>	<b>89</b>	<b>87.50</b>	<b>36,225,022</b>	<b>-</b>	<b>-</b>	<b>25,744,268</b>	<b>246,505</b>	<b>10,234,249</b>	<b>-</b>
<b>Essential Packages</b>									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	154,107	-	-	154,107	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	43,982	-	-	43,492	490	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>198,089</b>	<b>-</b>	<b>-</b>	<b>197,599</b>	<b>490</b>	<b>-</b>	<b>-</b>
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(4,016,606)	-	-	(3,786,440)	(230,166)	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>(4,016,606)</b>	<b>-</b>	<b>-</b>	<b>(3,786,440)</b>	<b>(230,166)</b>	<b>-</b>	<b>-</b>
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	333,664	-	-	333,664	-	-	-
State Gov't & Services Charges Increase/(Decrease)			418,722	-	-	418,722	-	-	-

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Common School Fund  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-010-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
<b>Subtotal</b>	-	-	752,386	-	-	752,386	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
<b>Subtotal: 2015-17 Current Service Level</b>	<b>89</b>	<b>87.50</b>	<b>33,158,891</b>	-	-	<b>22,907,813</b>	16,829	<b>10,234,249</b>	-

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Common School Fund  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-010-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
<b>Subtotal: 2015-17 Current Service Level</b>	<b>89</b>	<b>87.50</b>	<b>33,158,891</b>	-	-	<b>22,907,813</b>	16,829	<b>10,234,249</b>	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
<b>Modified 2015-17 Current Service Level</b>	<b>89</b>	<b>87.50</b>	<b>33,158,891</b>	-	-	<b>22,907,813</b>	16,829	<b>10,234,249</b>	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
<b>Subtotal Emergency Board Packages</b>	<b>-</b>	<b>-</b>	<b>-</b>	-	-	<b>-</b>	-	<b>-</b>	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
501 - Measure 91 Implementation	-	-	-	-	-	-	-	-	-
101 - Portland Harbor Clean Up	1	1.00	4,746,229	-	-	4,746,229	-	-	-
102 - Improved Internal Controls	1	0.92	274,481	-	-	274,481	-	-	-
103 - Replace and Upgrade Equipment	-	-	204,682	-	-	204,682	-	-	-
104 - Program Alignment	-	-	-	-	-	-	-	-	-
105 - Agriculture Development	-	-	-	-	-	-	-	-	-
106 - Easement Application Admin Fee	-	-	-	-	-	-	-	-	-
<b>Subtotal Policy Packages</b>	<b>2</b>	<b>1.92</b>	<b>5,225,392</b>	-	-	<b>5,225,392</b>	-	<b>-</b>	-
<b>Total 2015-17 Governor's Budget</b>	<b>91</b>	<b>89.42</b>	<b>38,384,283</b>	-	-	<b>28,133,205</b>	16,829	<b>10,234,249</b>	-

Percentage Change From 2013-15 Leg Approved Budget	1.11%	0.47%	5.99%	-	-	9.33%	-93.17%	-	-
Percentage Change From 2015-17 Current Service Level	2.25%	2.19%	15.76%	-	-	22.81%	-	-	-

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Oregon Wetlands Revolving Fund  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-013-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	1	1.00	1,845,481	-	-	1,845,481	-	-	-
2013-15 Emergency Boards	-	-	9,169	-	-	9,169	-	-	-
<b>2013-15 Leg Approved Budget</b>	<b>1</b>	<b>1.00</b>	<b>1,854,650</b>	<b>-</b>	<b>-</b>	<b>1,854,650</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2015-17 Base Budget Adjustments</b>									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(1)	(0.50)	(80,395)	-	-	(80,395)	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
<b>Subtotal 2015-17 Base Budget</b>	<b>-</b>	<b>0.50</b>	<b>1,774,255</b>	<b>-</b>	<b>-</b>	<b>1,774,255</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Essential Packages</b>									
010 - Non-PICS Pers Svc/Vacancy Factor									
Non-PICS Personal Service Increase/(Decrease)	-	-	(3,130)	-	-	(3,130)	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>(3,130)</b>	<b>-</b>	<b>-</b>	<b>(3,130)</b>	<b>-</b>	<b>-</b>	<b>-</b>
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	50,314	-	-	50,314	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>50,314</b>	<b>-</b>	<b>-</b>	<b>50,314</b>	<b>-</b>	<b>-</b>	<b>-</b>
040 - Mandated Caseload									

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Oregon Wetlands Revolving Fund  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-013-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
<b>Subtotal: 2015-17 Current Service Level</b>	-	<b>0.50</b>	<b>1,821,439</b>	-	-	<b>1,821,439</b>	-	-	-



**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Oregon Wetlands Revolving Fund  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-013-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
<b>Subtotal: 2015-17 Current Service Level</b>	-	<b>0.50</b>	<b>1,821,439</b>	-	-	<b>1,821,439</b>	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
<b>Modified 2015-17 Current Service Level</b>	-	<b>0.50</b>	<b>1,821,439</b>	-	-	<b>1,821,439</b>	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
<b>Subtotal Emergency Board Packages</b>	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
501 - Measure 91 Implementation	-	-	-	-	-	-	-	-	-
101 - Portland Harbor Clean Up	-	-	-	-	-	-	-	-	-
102 - Improved Internal Controls	-	-	-	-	-	-	-	-	-
103 - Replace and Upgrade Equipment	-	-	-	-	-	-	-	-	-
104 - Program Alignment	-	-	-	-	-	-	-	-	-
105 - Agriculture Development	-	-	-	-	-	-	-	-	-
106 - Easement Application Admin Fee	-	-	-	-	-	-	-	-	-
<b>Subtotal Policy Packages</b>	-	-	-	-	-	-	-	-	-
<b>Total 2015-17 Governor's Budget</b>	-	<b>0.50</b>	<b>1,821,439</b>	-	-	<b>1,821,439</b>	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-100.00%	-50.00%	-1.79%	-	-	-1.79%	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Natural Heritage Program  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-020-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	57,800	-	-	-	57,800	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
<b>2013-15 Leg Approved Budget</b>	-	-	<b>57,800</b>	-	-	-	57,800	-	-
<b>2015-17 Base Budget Adjustments</b>									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
<b>Subtotal 2015-17 Base Budget</b>	-	-	<b>57,800</b>	-	-	-	57,800	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(57,800)	-	-	-	(57,800)	-	-
<b>Subtotal</b>	-	-	<b>(57,800)</b>	-	-	-	(57,800)	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
<b>Subtotal: 2015-17 Current Service Level</b>	-	-	-	-	-	-	-	-	-

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Natural Heritage Program  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-020-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
<b>Subtotal: 2015-17 Current Service Level</b>	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
<b>Modified 2015-17 Current Service Level</b>	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
<b>Subtotal Emergency Board Packages</b>	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
501 - Measure 91 Implementation	-	-	-	-	-	-	-	-	-
101 - Portland Harbor Clean Up	-	-	-	-	-	-	-	-	-
102 - Improved Internal Controls	-	-	-	-	-	-	-	-	-
103 - Replace and Upgrade Equipment	-	-	-	-	-	-	-	-	-
104 - Program Alignment	-	-	-	-	-	-	-	-	-
105 - Agriculture Development	-	-	-	-	-	-	-	-	-
106 - Easement Application Admin Fee	-	-	-	-	-	-	-	-	-
<b>Subtotal Policy Packages</b>	-	-	-	-	-	-	-	-	-
<b>Total 2015-17 Governor's Budget</b>	-	-	-	-	-	-	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-100.00%	-	-	-	-100.00%	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
South Slough National Estuarine  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-030-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	16	16.00	3,828,078	-	-	2,284,373	1,543,705	-	-
2013-15 Emergency Boards	-	-	1,130,803	-	-	96,902	1,033,901	-	-
<b>2013-15 Leg Approved Budget</b>	<b>16</b>	<b>16.00</b>	<b>4,958,881</b>	<b>-</b>	<b>-</b>	<b>2,381,275</b>	<b>2,577,606</b>	<b>-</b>	<b>-</b>
<b>2015-17 Base Budget Adjustments</b>									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	34,096	-	-	15,704	18,392	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
<b>Subtotal 2015-17 Base Budget</b>	<b>16</b>	<b>16.00</b>	<b>4,992,977</b>	<b>-</b>	<b>-</b>	<b>2,396,979</b>	<b>2,595,998</b>	<b>-</b>	<b>-</b>
<b>Essential Packages</b>									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	14,372	-	-	-	14,372	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	8,918	-	-	9,918	(1,000)	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>23,290</b>	<b>-</b>	<b>-</b>	<b>9,918</b>	<b>13,372</b>	<b>-</b>	<b>-</b>
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(1,458,526)	-	-	(458,526)	(1,000,000)	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>(1,458,526)</b>	<b>-</b>	<b>-</b>	<b>(458,526)</b>	<b>(1,000,000)</b>	<b>-</b>	<b>-</b>
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	21,734	-	-	13,504	8,230	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>21,734</b>	<b>-</b>	<b>-</b>	<b>13,504</b>	<b>8,230</b>	<b>-</b>	<b>-</b>

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
South Slough National Estuarine  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-030-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
<b>Subtotal: 2015-17 Current Service Level</b>	<b>16</b>	<b>16.00</b>	<b>3,579,475</b>	<b>-</b>	<b>-</b>	<b>1,961,875</b>	<b>1,617,600</b>	<b>-</b>	<b>-</b>

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
South Slough National Estuarine  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-030-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
<b>Subtotal: 2015-17 Current Service Level</b>	<b>16</b>	<b>16.00</b>	<b>3,579,475</b>	-	-	<b>1,961,875</b>	1,617,600	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
<b>Modified 2015-17 Current Service Level</b>	<b>16</b>	<b>16.00</b>	<b>3,579,475</b>	-	-	<b>1,961,875</b>	1,617,600	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
<b>Subtotal Emergency Board Packages</b>	<b>-</b>	<b>-</b>	<b>-</b>	-	-	<b>-</b>	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
501 - Measure 91 Implementation	-	-	-	-	-	-	-	-	-
101 - Portland Harbor Clean Up	-	-	-	-	-	-	-	-	-
102 - Improved Internal Controls	-	-	-	-	-	-	-	-	-
103 - Replace and Upgrade Equipment	-	-	-	-	-	-	-	-	-
104 - Program Alignment	-	-	-	-	-	-	-	-	-
105 - Agriculture Development	-	-	-	-	-	-	-	-	-
106 - Easement Application Admin Fee	-	-	-	-	-	-	-	-	-
<b>Subtotal Policy Packages</b>	<b>-</b>	<b>-</b>	<b>-</b>	-	-	<b>-</b>	-	-	-
<b>Total 2015-17 Governor's Budget</b>	<b>16</b>	<b>16.00</b>	<b>3,579,475</b>	-	-	<b>1,961,875</b>	1,617,600	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	-27.82%	-	-	-17.61%	-37.24%	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Capital Improvements  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-088-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2013-15 Leg Adopted Budget	-	-	901,777	-	-	901,777	-	-	-
2013-15 Emergency Boards	-	-	(307,360)	-	-	(307,360)	-	-	-
<b>2013-15 Leg Approved Budget</b>	-	-	<b>594,417</b>	-	-	<b>594,417</b>	-	-	-
<b>2015-17 Base Budget Adjustments</b>									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
<b>Subtotal 2015-17 Base Budget</b>	-	-	<b>594,417</b>	-	-	<b>594,417</b>	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(300,000)	-	-	(300,000)	-	-	-
<b>Subtotal</b>	-	-	<b>(300,000)</b>	-	-	<b>(300,000)</b>	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	8,833	-	-	8,833	-	-	-
<b>Subtotal</b>	-	-	<b>8,833</b>	-	-	<b>8,833</b>	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

**Summary of 2015-17 Biennium Budget**

Lands, Dept of State  
 Capital Improvements  
 2015-17 Biennium

Governor's Budget  
 Cross Reference Number: 14100-088-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
<b>Subtotal: 2015-17 Current Service Level</b>	-	-	<b>303,250</b>	-	-	<b>303,250</b>	-	-	-



**Summary of 2015-17 Biennium Budget**

**Lands, Dept of State  
Capital Improvements  
2015-17 Biennium**

**Governor's Budget  
Cross Reference Number: 14100-088-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
<b>Subtotal: 2015-17 Current Service Level</b>	-	-	<b>303,250</b>	-	-	<b>303,250</b>	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
<b>Modified 2015-17 Current Service Level</b>	-	-	<b>303,250</b>	-	-	<b>303,250</b>	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
<b>Subtotal Emergency Board Packages</b>	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
501 - Measure 91 Implementation	-	-	-	-	-	-	-	-	-
101 - Portland Harbor Clean Up	-	-	-	-	-	-	-	-	-
102 - Improved Internal Controls	-	-	-	-	-	-	-	-	-
103 - Replace and Upgrade Equipment	-	-	-	-	-	-	-	-	-
104 - Program Alignment	-	-	-	-	-	-	-	-	-
105 - Agriculture Development	-	-	455,000	-	-	455,000	-	-	-
106 - Easement Application Admin Fee	-	-	-	-	-	-	-	-	-
<b>Subtotal Policy Packages</b>	-	-	<b>455,000</b>	-	-	<b>455,000</b>	-	-	-
<b>Total 2015-17 Governor's Budget</b>	-	-	<b>758,250</b>	-	-	<b>758,250</b>	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	27.56%	-	-	27.56%	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	150.04%	-	-	150.04%	-	-	-

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**PROGRAM PRIORITIZATION FOR 2015-17**

Agency Name: DEPARTMENT OF STATE LANDS																			Agency Number: 14100		
2013-15 Biennium																					
Program/Division Priorities for 2015-17 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/Div																				
1	1	DSL	Common School Fund	Umbrella program encompassing real property, escheatable estates, unclaimed property, removal fill permitting and enforcement, and wetlands technical assistance.	14100-1 through, 14100-14, and 14100-17	7	0	28,419,921	10,234,249	16,829		\$ 38,670,999	88	88.50	Y	Y	C	Oregon Admissions Act Sections 1.2 & 4; Oregon Constitution Article VIII, Sections 2.4.5 & 7, ORS 327.403-484			
2	1	DSL	Capital Improvements	Protection of Common School Fund real property assets to optimize return on those assets.	14100-1, 14100-2b, 14100-3, 14100-4	6		758,250				\$ 758,250	0	0.00	N	Y	C	327.403-484			
3	1	DSL	South Slough National Estuarine Research Reserve	SSNERR provides educational, recreational and research opportunities for coastal wetlands and other ocean issues/resources.	14100-13, 14100-15, 14100-16	9		1,962,130		1,617,600		\$ 3,579,730	16	16.00	N	Y	S	ORS 273.553-558			
4	1	DSL	Oregon Removal Fill Mitigation Fund	Provides an avenue for economic development projects to proceed and comply with the mitigation requirements while conserving the functions of wetlands.	14100-5, 14100-11, 14100-13	6		1,821,439				\$ 1,821,439	0	0.50	N	Y	S	ORS 196.600-692			
												\$ -									
												\$ -									
								32,961,740	10,234,249	1,634,429		\$ 44,830,418	104	104.00							

**7. Primary Purpose Program/Activity Exists**

- 1 Civil Justice
- 2 Community Development
- 3 Consumer Protection
- 4 Administrative Function
- 5 Criminal Justice
- 6 Economic Development
- 7 Education & Skill Development
- 8 Emergency Services
- 9 Environmental Protection
- 10 Public Health
- 11 Recreation, Heritage, or Cultural
- 12 Social Support

**19. Legal Requirement Code**

- C Constitutional
- D Debt Service
- FM Federal - Mandatory
- FO Federal - Optional (once you choose to participate, certain requirements exist)
- S Statutory

Prioritize each program activity for the Agency as a whole

**Document criteria used to prioritize activities:**

The Common School Fund Program unit the first priority for the agency as a whole because the activities carried out are mandated by the Oregon Constitution, the Oregon Admissions Act and Oregon Statutes. It directly relates to the generation of money for the Common School Fund, or the protection of assets or resources linked to the generation of that money.

Capital Improvement is the second priority because activities are critical to optimizing the return on the Common School fund Trust land assets. Ongoing maintenance and capital improvements are necessary to maintain and enhance the productivity of CSF real property assets.

The South Slough National Estuarine Research Reserve ranks third because it is an asset of the CSF and provides educational programs, performs research critical to ocean communities, and conducts estuarine restoration. The Reserve provides increased knowledge of estuaries and watersheds. It plays an important role in the success of ocean related businesses and the environment.

The Oregon Wetland Revolving Fund is the fourth priority because the Fund promotes economic development and contributes to the restoration and protection of wetland resources of the state by providing an alternative to on-the-ground mitigation.

The Oregon Natural Heritage Program ranks fifth primarily because it does not directly pertain to the primary mission of the agency. The program provides data and assistance to landowners, developers, and governmental agencies and is very important to planning and implementing projects.

**PROGRAM PRIORITIZATION FOR 2015-17**

Agency Name: DEPARTMENT OF STATE LANDS																					
2013-15 Biennium																			Agency Number: 14100		
Program 1 - Common School Fund																					
Program/Division Priorities for 2015-17 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/Div																				
1	1	DSL	Proprietary Resource Management	Manages CSF land holdings to produce revenue for the Common School Fund. Earnings provide distribution twice annually to Oregon's K-12 Public Schools. In accordance with AG Opinions in 1991, 2002, and 2003 all expenses of managing land are constitutional.	14100-1, 14100-2a & 2b, 14100-3, 14100-4, 14100-13	6		7,568,758	512,000			\$ 8,080,758	17	17.50	N		C	Oregon Admissions Act Sections 1, 2 & 4; Oregon Constitution Article VIII, Sections 2, 4, 5 & 7, ORS 327.403-484, ORS 273, ORS 274, ORS 530	The Oregon Constitution Article VIII, Section 5,(2) requires the Land Board to manage lands under its jurisdiction in such a manner as to obtain the best benefit for the people of the state.		
1	2	DSL	Escheatable Estates	Oversees the estates of people who die without a will and without known heirs. After due diligence is performed, property may escheat to the Common School Fund for the benefit of Oregon K-12 Schools.	14100-1, 14100-2b, 14100-13	3		625,141				\$ 625,141	3	3.30	N		C	Oregon Constitution, Article VIII, ORS 111-116	Escheats are a Common School Fund revenue source specifically identified in the Constitution.		
1	3	DSL	Unclaimed Property	Collects and holds in trust abandoned funds, such as bank accounts, lost securities and uncashed checks. Holders submit funds to DSL after efforts to find the owner fails. The agency seeks to reunite the funds with the proper owner. Interest earned from the holdings become part of the school distribution according to established policy.	14100-1, 14100-2b, 14100-12, 14100-13	3		1,986,143	1,135,209			\$ 3,121,352	10	9.70	N		S	ORS 98.			
1	4	DSL	Regulatory Resource Management	Oversees the fill and removal of material from Oregon streams, lakes, estuaries, and wetlands. Protects waters of the state from uncontrolled alteration.	14100-1, 14100-2b, 14100-5, 14100-6, 14100-7, 14100-8, 14100-13, 14100-14	9		6,588,122				\$ 6,588,122	16	15.50	N		S	ORS 196.600-.692			
1	5	DSL	Wetland Technical Assistance	Provides assistance to property owners, developers, and government agencies in complying with Oregon's wetlands laws. Aides in expediting land development processes. Provides review and concurrence of wetland delineations.	14100-1, 14100-2b, 14100-9, 14100-10, 14100-11, 14100-13	9		2,317,470	16,829			\$ 2,334,299	9	8.50	N		S	ORS 215.418, ORS 227.350			
N/R	N/R	DSL	Centralized Administrative Costs	Administrative Services assisting all agency programs, including the Director's Office, Human Resources, Public Information, Centralized Support Staff Services, Fiscal & Audit, and Information Technology.	N/R	N/R		9,334,287	8,587,040			\$ 17,921,327	34	34.00	N		C	Admissions Act Sections 1, 2 & 4, Oregon Constitution Article VIII, Sections 2, 4, 5 & 7.			
												\$ -									
												\$ -									
								28,419,921	10,234,249	16,829		\$ 38,670,999	89	88.50							

This section is the first priority at the agency level because the activities carried out are mandated by the Oregon Constitution, the Oregon Admissions Act and Oregon Statutes. It relates to the generation of money for the Common School Fund, or the protection of assets or resources linked to the generation of that money.

Trust land management has the highest priority for this Section as it is the core mission of the agency. Managing the Common School Fund land to the benefit of this and future generations of Oregon schoolchildren is constitutionally mandated. All expenses of managing the land, regardless of how the land was obtained, are considered constitutional.

Escheatable Estates is also constitutionally mandated and as such is second in priority.

Unclaimed Property is our third priority as it fulfills both a consumer protection role and interest earnings benefit the Common School Fund, ultimately benefiting Oregon schoolchildren. It is a statutory program with strong association with the Constitutional escheat mandates.

Removal Fill Permitting and Enforcement is the fourth priority as a statutory mandated permitting program with an important environmental protection, economic development, and community development role.

Wetlands Technical Assistance has fifth priority as a statutory mandated program that facilitates economic and community development while providing environmental protection.

- 7. Primary Purpose Program/Activity Exists**
- 1 Civil Justice
  - 2 Community Development
  - 3 Consumer Protection
  - 4 Administrative Function
  - 5 Criminal Justice
  - 6 Economic Development
  - 7 Education & Skill Development
  - 8 Emergency Services
  - 9 Environmental Protection
  - 10 Public Health
  - 11 Recreation, Heritage, or Cultural
  - 12 Social Support

- 19. Legal Requirement Code**
- C Constitutional
  - D Debt Service
  - FM Federal - Mandatory
  - FO Federal - Optional (once you choose to participate, certain requirements exist)
  - S Statutory





**PROGRAM PRIORITIZATION FOR 2015-17**

Agency Name: DEPARTMENT OF STATE LANDS																					
2013-15 Biennium																			Agency Number: 14100		
Program 4 - Removal Fill Mitigation Fund																					
Program/Division Priorities for 2015-17 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/Div																				
4	1	DSL	Oregon Removal Fill Mitigation Fund	Provides an avenue for economic development projects to proceed and comply with the mitigation requirements while conserving the functions of wetlands.	14100-5, 14100-11, 14100-13	6		1,821,439				\$ 1,821,439	0	0.50	N	Y	S	ORS 196.600-692			
												\$ -									
												\$ -									
												\$ -									
												\$ -									
												\$ -									
												\$ -									
								1,821,439				\$ 1,821,439	0	0.50							

**7. Primary Purpose Program/Activity Exists**

- 1 Civil Justice
- 2 Community Development
- 3 Consumer Protection
- 4 Administrative Function
- 5 Criminal Justice
- 6 Economic Development
- 7 Education & Skill Development
- 8 Emergency Services
- 9 Environmental Protection
- 10 Public Health
- 11 Recreation, Heritage, or Cultural
- 12 Social Support

**19. Legal Requirement Code**

- C Constitutional
- D Debt Service
- FM Federal - Mandatory
- FO Federal - Optional (once you choose to participate, certain requirements exist)
- S Statutory

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

**Document criteria used to prioritize activities:**

The Oregon Wetland Revolving Fund is the fourth level priority agency wide because the Fund promotes economic development and contributes to the restoration and protection of wetland resources of the state by providing an alternative to on-the-ground mitigation.

## 10% REDUCTION OPTIONS (ORS 291.216)

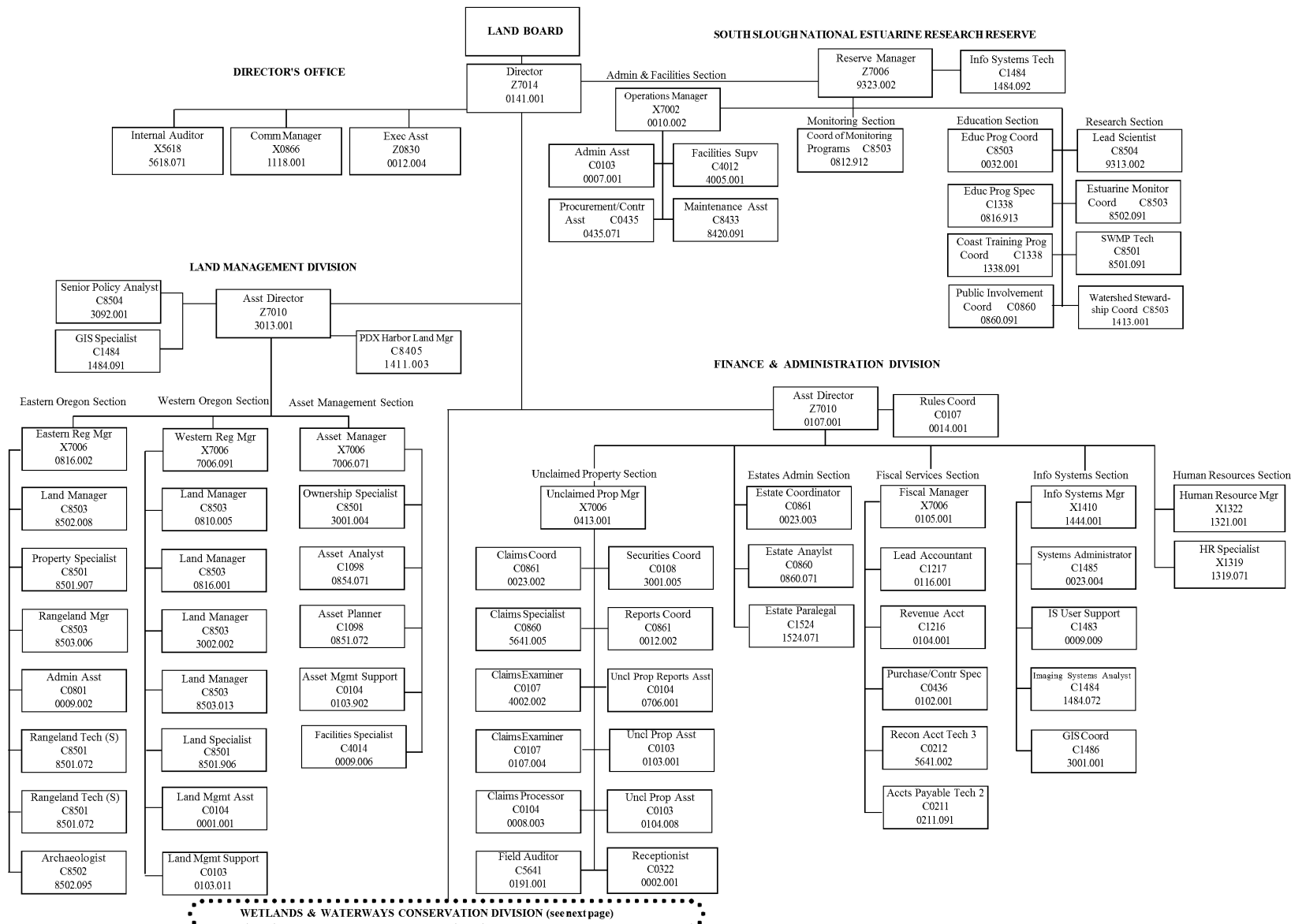
ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
(WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	(DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2015-17 AND 2017-19)	(GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	(RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
1. South Slough Natural Estuarine Research Reserve	<p>THIS PROPOSAL WOULD:</p> <ul style="list-style-type: none"> <li>• LIMIT ABILITY TO APPLY FOR, RECEIVE AND EXPEND FF MONIES THAT SUPPORT THE MISSION OF THE RESERVE</li> <li>• COMPROMISE ABILITY TO MEET PERFORMANCE STANDARDS REQUIRED BY FEDERAL GRANTS. LIKELY TO RESULT IN REDUCING AVAILABLE FEDERAL FUNDS .</li> <li>• LIMITS ABILITY TO APPLY FOR, RECEIVE AND EXPEND GRANT MONIES THAT SUPPORT THE MISSION OF THE RESERVE</li> <li>• REDUCES AVAILABILITY OF OTHER FUND GRANT MONIES USED AS MATCH TO LEVERAGE FEDERAL FUND GRANT AWARDS.</li> </ul>	<p>\$117,570 PROFESSIONAL SERVICES            \$10,000 TELECOMMUNICATIONS            \$26,000 OFFICE EXPENSES            \$15,000 TRAINING            \$25,000 OTHER S&amp;S            \$20,000 TRAVEL            \$9,910 DATA PROCESSING            \$1,000 PUBLICITY/PUBLICATIONS            \$5,737 RECRUITMENT            \$38,230 EXPENDABLE PROPERTY            \$25,000 FAC MAINTENANCE            \$15,000 FUEL &amp; UTILITIES            \$49,526 CAPITAL OUTLAY</p> <p>TOTALS:            \$196,213 OF (DERIVED FROM OTHER FUND GRANTS AND INTRAGENCY TRANSFERS)            \$161,760 FF (DERIVED FROM FEDERAL GRANTS)</p>	RANK 1 – THIS REDUCTION MINIMIZES IMPACTS TO THE AGENCY’S ABILITY TO MEET ITS CONSTITUTIONAL DUTIES, WHILE CONTINUING TO PROVIDE SERVICES AT A REDUCED LEVEL AT SOUTH SLOUGH.
2. Removal Fill Mitigation Fund	<p>THIS PROPOSAL WOULD:</p> <ul style="list-style-type: none"> <li>• LIMIT THE ABILITY TO FUND MITIGATION PROJECTS</li> </ul>	\$182,440 OF – DERIVED FROM THE WETLANDS MITIGATION FUND	RANK 2 – THIS REDUCTION WOULD DELAY OR MINIMIZE THE ABILITY TO FUND REQUIRED MITIGATION PROJECTS.
3. Capital Improvement & Maintenance	<p>THIS REDUCTION WOULD:</p> <ul style="list-style-type: none"> <li>• DELAY BUILDING AND FACILITY REPAIRS &amp; MAINTENANCE THAT WILL RESULT IN LARGER EXPENSES IN THE FUTURE.</li> <li>• LIMIT ABILITY TO FULFILL AGENCY TRUST LAND RESPONSIBILITIES ON OTHER PROPERTIES.</li> </ul>	\$30,325 (OF- DERIVED FROM FEES AND INTEREST EARNINGS)	RANK 3 – THIS REDUCTION IS LIKELY TO RESULT IN HIGHER COSTS IN FUTURE BIENNIA.

## 10% REDUCTION OPTIONS (ORS 291.216)

<p>4. CSF – Eliminate Wetland Technical Assistance program</p>	<p>IMPACT OF THIS CUT WOULD:</p> <ul style="list-style-type: none"> <li>• ABOLISH 9 POSITIONS (8.5 FTE) AND THE ASSOCIATED S&amp;S</li> <li>• ELIMINATE THE REVIEW AND APPROVAL OF WETLAND DELINEATION REPORTS</li> <li>• REMOVE OVERSIGHT OF JURISDICTIONAL DETERMINATIONS AND MONITORING OF REPORTS</li> <li>• COMPROMISE THE ABILITY TO MEASURE THE STATUS OF THE OREGON BENCHMARK OF “NO-NET LOSS OF WETLANDS”</li> <li>• LIMIT THE DEPARTMENT’S ABILITY TO REVIEW AND RESPOND TO WETLAND LAND USE NOTICES FROM LOCAL GOVERNMENTS</li> <li>• HINDER PROGRESS ON ECONOMIC DEVELOPMENT PROJECTS THAT REQUIRE DEPARTMENT PERMITS</li> <li>•</li> </ul>	<p>\$23,620 TRAVEL                  \$8,900 TRAINING                  \$41,575 OFFICE EXPENSES                  \$25,853 TELECOMMUNICATIONS                  \$25,825 PUBLICITY &amp; PUBLICATIONS                  \$71,000 PROFESSIONAL SERVICES                  \$180,057 ATTORNEY GENERAL                  \$3,325 RECRUITMENT                  \$950 DUES/SUBSCRIPTIONS                  \$34,005 EXPENDABLE PROPERTY                  \$4,640 FURNITURE/FIXTURES</p> <p>\$1,894,720 PERSONAL SERVICES</p> <p>\$2,317,470 (OF- DERIVED FROM FEES AND INTEREST EARNINGS)</p>	<p>RANK 4 – THIS REDUCTION WOULD SEVERELY LIMIT THE AGENCY’S ABILITY TO PROVIDE PROFESSIONAL AND TIMELY REVIEW AND MONITORING OF WETLAND DETERMINATION, PROTECTION, AND PLANNING FOR THE STATE OF OREGON.</p>
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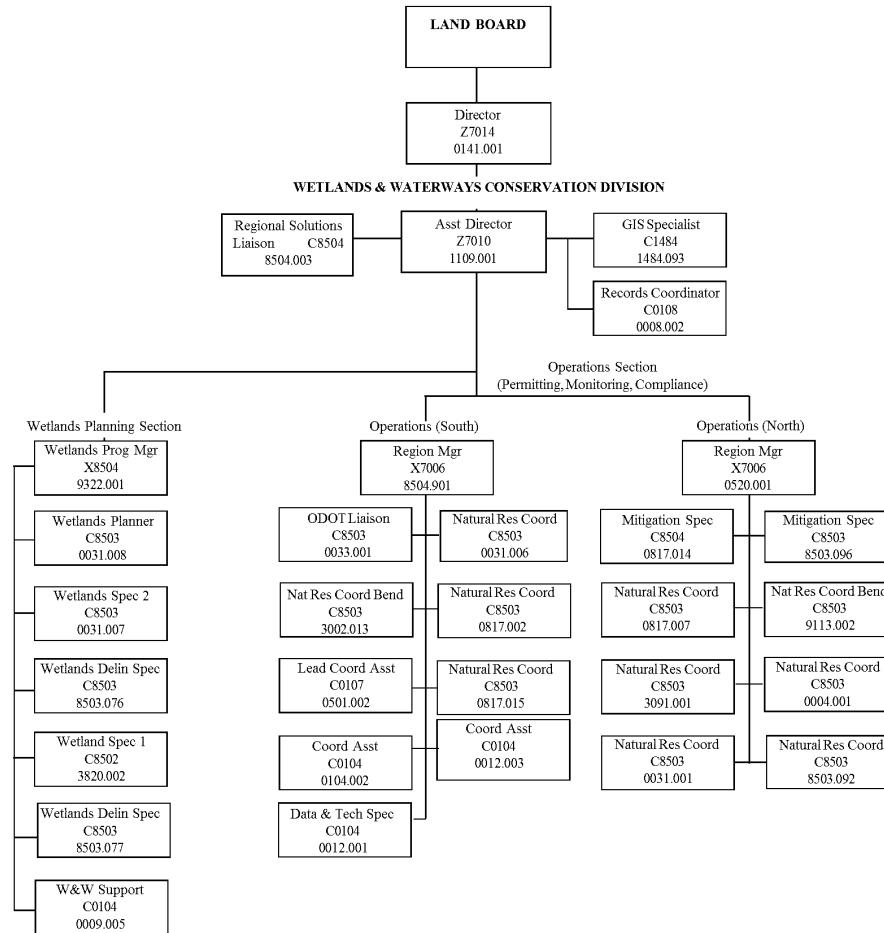


# DEPARTMENT OF STATE LANDS: AGENCY WIDE 2013-2015

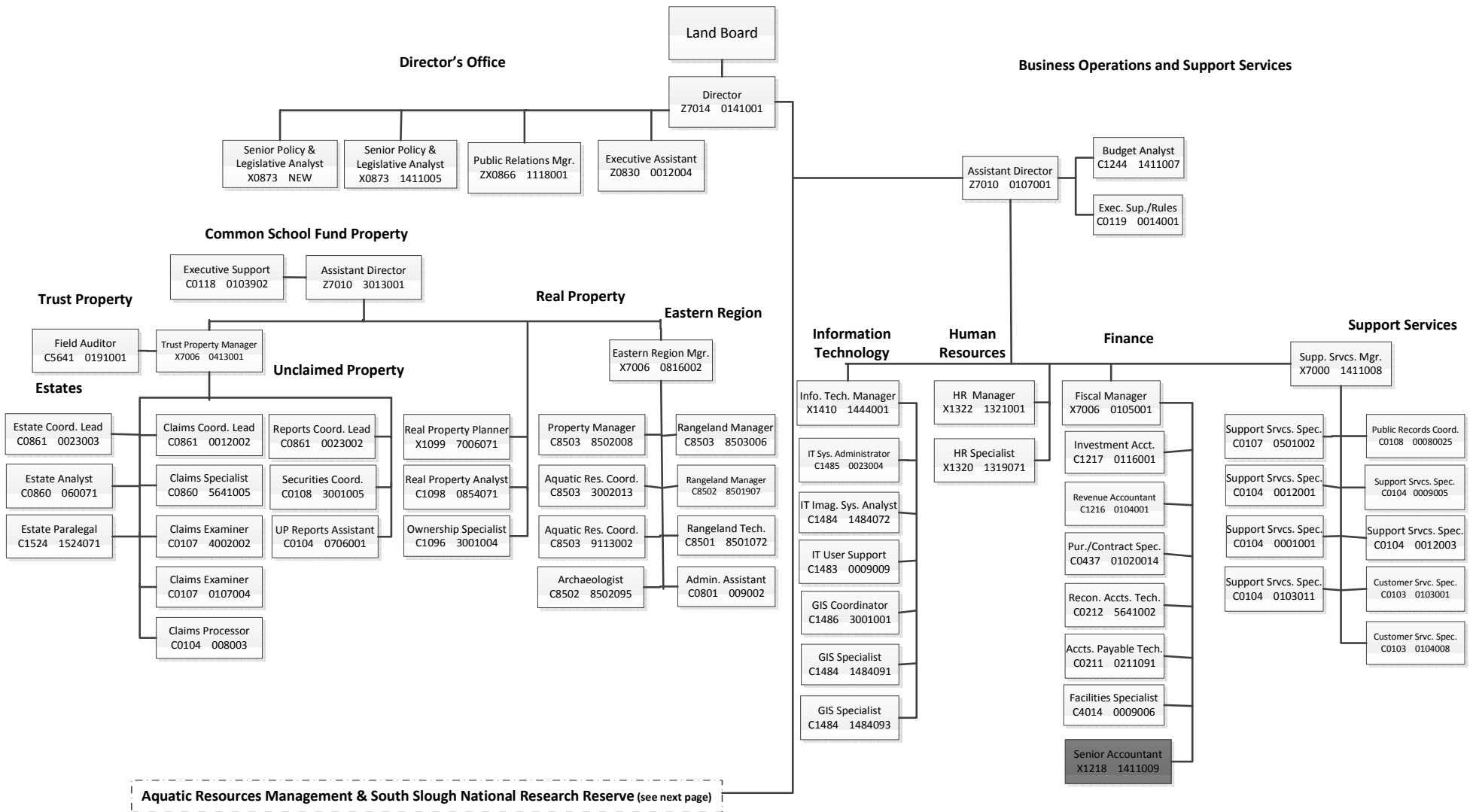


WETLANDS & WATERWAYS CONSERVATION DIVISION (see next page)

## DEPARTMENT OF STATE LANDS: AGENCY WIDE 2013-2015

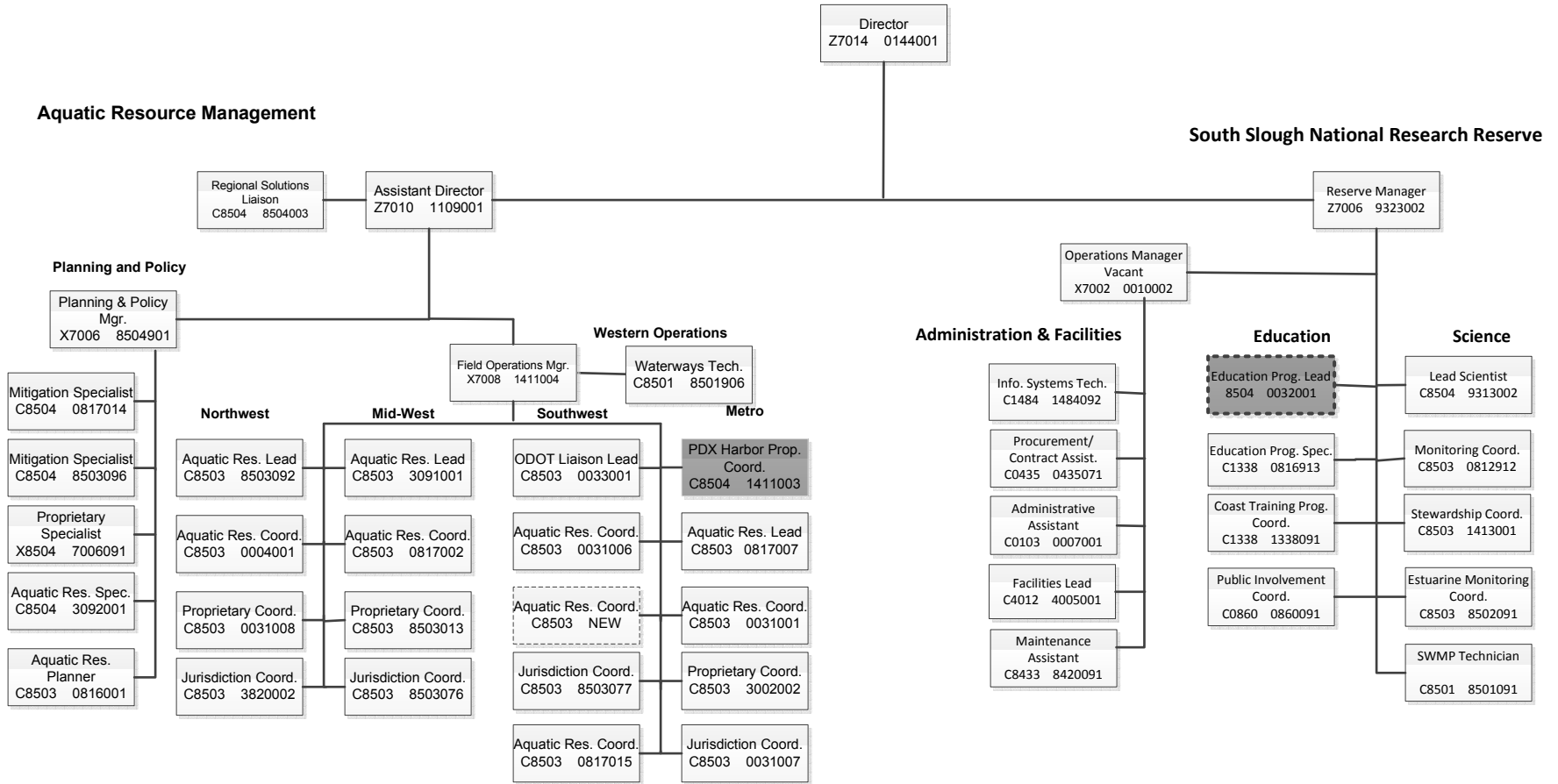


DEPARTMENT OF STATE LANDS: AGENCY WIDE 2015-2017



Aquatic Resources Management & South Slough National Research Reserve (see next page)

DEPARTMENT OF STATE LANDS: AGENCY WIDE 2015-2017



POP 104  
RECLASS

POP 101  
LIMITED  
DURATION

Agencywide Program Unit Summary  
2015-17 Biennium

Version: Y - 01 - Governor's Budget

Summary Cross Reference Number	Cross Reference Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>010-00-00-00000</b>	<b>Common School Fund</b>						
	General Fund	681,266	-	-	-	-	-
	Other Funds	47,245,376	34,942,806	35,967,046	38,654,170	38,367,454	-
	Federal Funds	234,604	230,166	246,505	16,829	16,829	-
	All Funds	48,161,246	35,172,972	36,213,551	38,670,999	38,384,283	-
<b>013-00-00-00000</b>	<b>Oregon Wetlands Revolving Fund</b>						
	Other Funds	618,139	1,845,481	1,854,650	1,821,439	1,821,439	-
<b>020-00-00-00000</b>	<b>Natural Heritage Program</b>						
	Other Funds	6,758	-	-	-	-	-
	Federal Funds	544,113	57,800	57,800	-	-	-
	All Funds	550,871	57,800	57,800	-	-	-
<b>030-00-00-00000</b>	<b>South Slough National Estuarine</b>						
	Other Funds	3,832,855	2,284,373	2,381,275	1,962,130	1,961,875	-
	Federal Funds	3,638,401	1,543,705	2,577,606	1,617,600	1,617,600	-
	All Funds	7,471,256	3,828,078	4,958,881	3,579,730	3,579,475	-
<b>088-00-00-00000</b>	<b>Capital Improvements</b>						
	Other Funds	318,311	901,777	594,417	758,250	758,250	-
<b>TOTAL AGENCY</b>							
	General Fund	681,266	-	-	-	-	-

**Agencywide Program Unit Summary  
2015-17 Biennium**

**Version: Y - 01 - Governor's Budget**

<b>Summary Cross Reference Number</b>	<b>Cross Reference Description</b>	<b>2011-13 Actuals</b>	<b>2013-15 Leg Adopted Budget</b>	<b>2013-15 Leg Approved Budget</b>	<b>2015-17 Agency Request Budget</b>	<b>2015-17 Governor's Budget</b>	<b>2015-17 Leg Adopted Budget</b>
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**TOTAL AGENCY**

Other Funds	52,021,439	39,974,437	40,797,388	43,195,989	42,909,018	-
Federal Funds	4,417,118	1,831,671	2,881,911	1,634,429	1,634,429	-
All Funds	57,119,823	41,806,108	43,679,299	44,830,418	44,543,447	-

# REVENUES

# BUDGET NARRATIVE

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## REVENUE FORECAST NARRATIVE

### 1. Common School Fund Decision Unit

The Common School Fund (CSF) decision unit has traditionally been funded almost entirely by Other Funds generated by activities on state-owned land, regulatory fees, and realized earnings from investments. Recent efforts over the last several biennia have continued to generate diversified revenue for the fund. Federal funding has been provided by the Environmental Protection Agency and other grants. Some Other Fund grants were secured for South Slough projects. Even with the contributions from other sources, the Department remains funded predominantly by Common School Fund Other Funds.

The majority of the Other Funds revenue is a direct result of active management of the CSF corpus. Investments are handled by the Office of the State Treasurer in accordance with policy set by the Oregon Investment Council. Investment income is derived from market appreciation, interest payments and dividends. The investment performance of the CSF corpus is projected to grow steadily for the 2015-17 biennium. Over the past three years ending in 2013, investment returns averaged a 9 percent annual return.

Program activities provide the remainder of the Other Funds revenue. Examples of activities generating revenue are royalties and rents from real property management, periodic property sales, earnings on unclaimed property funds, statutory estate administration fees, building rental income, industrial property development, regulatory fees, and miscellaneous charges for services.

A modest increase in revenue from real property management activities is anticipated during the 2015-17 biennium. Timber harvest revenue, however, is projected to continue its decline, and produce a net deficit of approximately \$300,000. Though forage lease rates are scheduled to increase, rangelands damaged by wildfire and the associated fire suppression costs have the potential to reduce total grazing revenues.

Revenue from leasing and other program activities is forecast to remain stable, as efforts continue to maximize revenues from program activities to produce optimum gains for the CSF. In addition, the Department is divesting of underperforming, isolated and scattered parcels of real property where management costs are high and revenue opportunities are minimal.

Estimates in the Common School Fund flow chart and on fund distribution graphs have been developed using the most recent information available at the time of budget deadlines. DSL will use updated market value and performance information during each phase of the budget process as information becomes available. In general, the distribution estimate is calculated using the current three-year rolling average distribution policy and anticipated Common School Fund values as of December 31 each year.



# BUDGET NARRATIVE

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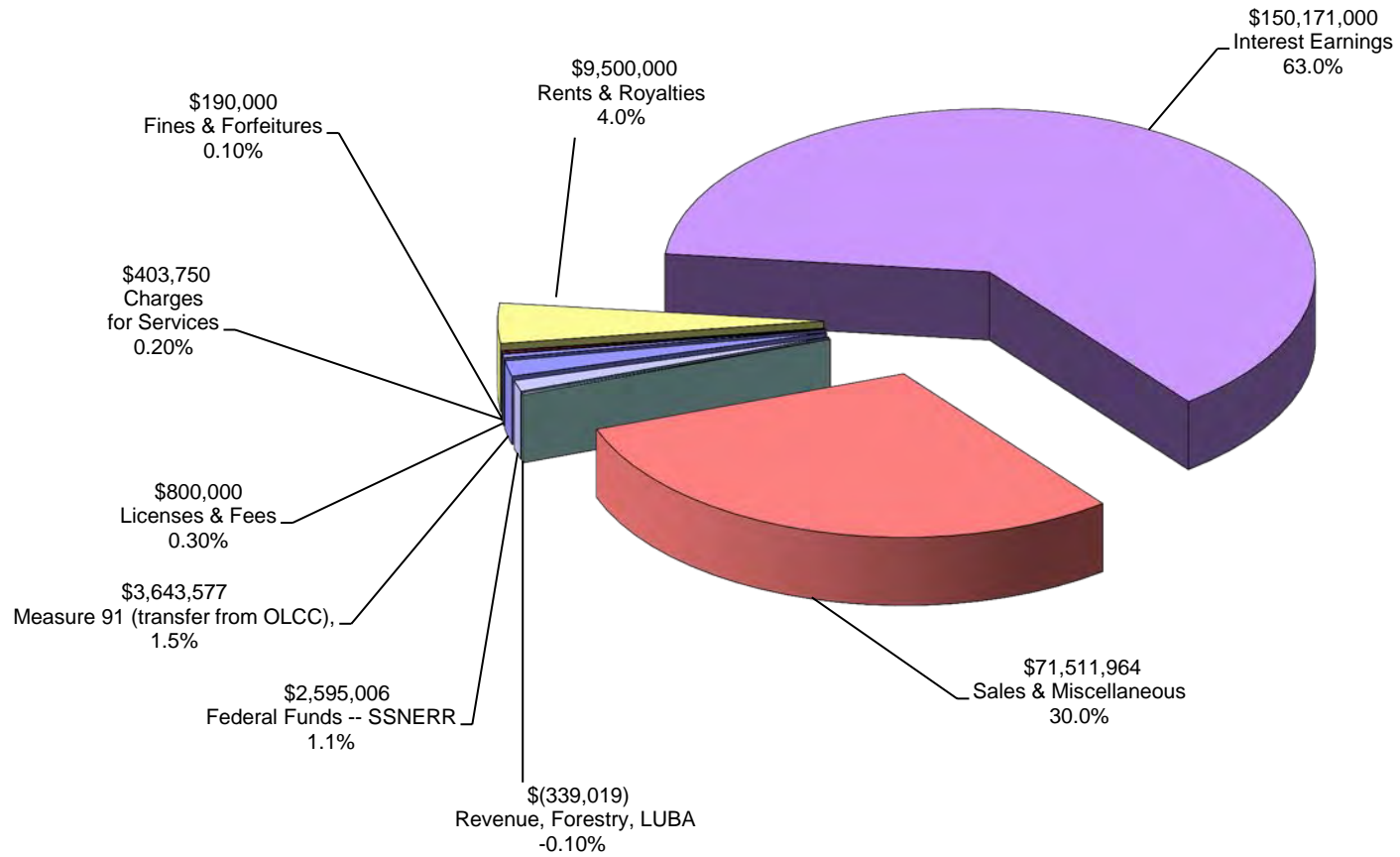
## **2. South Slough National Estuarine Research Reserve Decision Unit**

The South Slough National Estuarine Research Reserve is funded primarily by Federal Funds and Other Fund grants coming from non-federal sources. The match rate for these funds varies from 30 to 50 percent, depending on the individual grants. Some Common School Funds are provided as match.

The South Slough has statutory authority to apply for grants, and regularly submits applications for federal assistance through the Office of Coastal Resource Management-National Oceanic Atmospheric Administration (Department of Commerce), as well as through other public and private sources. Federal funds are subject to congressional authorization and appropriation. Federal Fund revenues for ongoing operations are not expected to continue at present levels.

During the 2013-15 biennium, the South Slough has continued to collect fees for facility use and other activities.

**Department of State Lands  
2015-17 Governor's Budget  
Revenues: All Funds**



# DETAIL OF FEE, LICENSE, OR ASSESSMENT REVENUE INCREASE

## PROPOSED FOR INCREASE/ESTABLISHMENT

Purpose or Type of Fee, License or Assessment	Who Pays	2013-15 Estimated Revenue	2015-17 Agency Request	2015-17 Governor's Budget	2015-17 Legislatively Adopted	Explanation
Easement application fee	Applicants for easement to cross state-owned lands	0	\$23,750			Establishes a fee to cover administrative costs of processing applications for uses that are currently exempted.

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

Source	Fund	ORBITS Revenue Acct	2011-2013 Actual	2013-15 Legislatively Adopted	2013-15 Estimated	2015-17		
						Agency Request	Governor's	Legislatively Adopted
Business Lic & Fees		205	4,750	-				
Non-business Lic & Fees		210	1,453,837	3,162,273	675,000	800,000	800,000	
Charges for Services		410	131,567	849,754	247,200	273,750	273,750	
Admin and Service Chg		415	129,651	450,000	120,000	130,000	130,000	
Fines and Forfeitures		505	188,141	180,000	100,000	190,000	190,000	
Rents and Royalties		510	8,408,365	5,470,000	9,000,000	9,500,000	9,500,000	
Interest Income		605	44,537,398	140,458,855	140,000,000	150,171,000	150,171,000	
Sales Income		705	225,056	103,750	120,000	120,000	120,000	
CSF Land Sales		735	59,752	-				
Donations		905	56,849	12,000		12,000	12,000	
Grants (Non-Fed)		910		142,027	142,027	142,027	142,027	
Loan Repayments		925	19,000,000	240,000				
Other Revenues		975	63,224,723	1,938,937	69,540,000	71,237,937	71,237,937	
Federal Funds revenue		995	4,882,207	1,494,882	230,166	2,595,006	2,595,006	
Transfer From DOR		1150	263,406	237,000	200,000	237,000	237,000	
Transfer from Energy		1330	31,942	-				
Transfer from Forestry		1629	14,969,047	38,494,000	7,047,000	9,586,000	9,586,000	
Transfer from LUBA		1662			26,267	26,267	26,267	
Transfer from OLCC		1845					3,643,577	
Transfer out to Forestry		2629	(11,559,189)	(9,748,862)	(9,749,000)	(9,925,019)		

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

Lands, Dept of State  
2015-17 Biennium

Agency Number: 14100

Cross Reference Number: 14100-000-00-00-00000

<i>Source</i>	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>Other Funds</b>						
Business Lic and Fees	4,750	-	-	-	-	-
Non-business Lic. and Fees	1,453,837	3,162,273	3,162,273	800,000	800,000	-
Federal Revenues	146,976	-	-	-	-	-
Charges for Services	131,567	849,754	849,754	273,750	273,750	-
Admin and Service Charges	129,651	450,000	450,000	130,000	130,000	-
Fines and Forfeitures	188,141	180,000	180,000	190,000	190,000	-
Rents and Royalties	8,408,365	5,470,000	5,470,000	9,500,000	9,500,000	-
Interest Income	800,103	140,458,855	140,458,855	150,171,000	150,171,000	-
Sales Income	225,056	103,750	103,750	120,000	120,000	-
Common School Lands Sales	59,752	-	-	-	-	-
Donations	56,849	12,000	12,000	12,000	12,000	-
Grants (Non-Fed)	-	142,027	142,027	142,027	142,027	-
Loan Repayments	-	240,000	240,000	-	-	-
Other Revenues	1,503,392	1,938,937	1,938,937	1,263,937	1,263,937	-
Transfer In - Intrafund	3,801,278	7,004,512	6,794,054	7,249,054	7,249,054	-
Transfer In - Indirect Cost	7,000	-	-	-	-	-
Tsfr From Revenue, Dept of	263,406	237,000	237,000	237,000	237,000	-
Tsfr From Energy, Dept of	31,942	-	-	-	-	-
Tsfr From Forestry, Dept of	14,969,047	38,494,000	38,494,000	9,586,000	9,586,000	-
Tsfr From Land Use Bd of Appls	-	-	-	26,267	26,267	-
Tsfr From Or Liquor Cntrl Comm	-	-	-	-	3,643,577	-
Transfer Out - Intrafund	(3,801,278)	(137,006,962)	(136,796,504)	(137,251,504)	(137,251,504)	-
Tsfr To Forestry, Dept of	(11,559,189)	(9,748,862)	(9,748,862)	(9,925,019)	(9,925,019)	-
<b>Total Other Funds</b>	<b>\$16,820,645</b>	<b>\$51,987,284</b>	<b>\$51,987,284</b>	<b>\$32,524,512</b>	<b>\$36,168,089</b>	<b>-</b>

\_\_\_\_ Agency Request  
2015-17 Biennium

\_\_\_\_ Governor's Budget  
Page \_\_\_\_\_

\_\_\_\_ Legislatively Adopted  
Detail of LF, OF, and FF Revenues - BPR012

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

Lands, Dept of State  
2015-17 Biennium

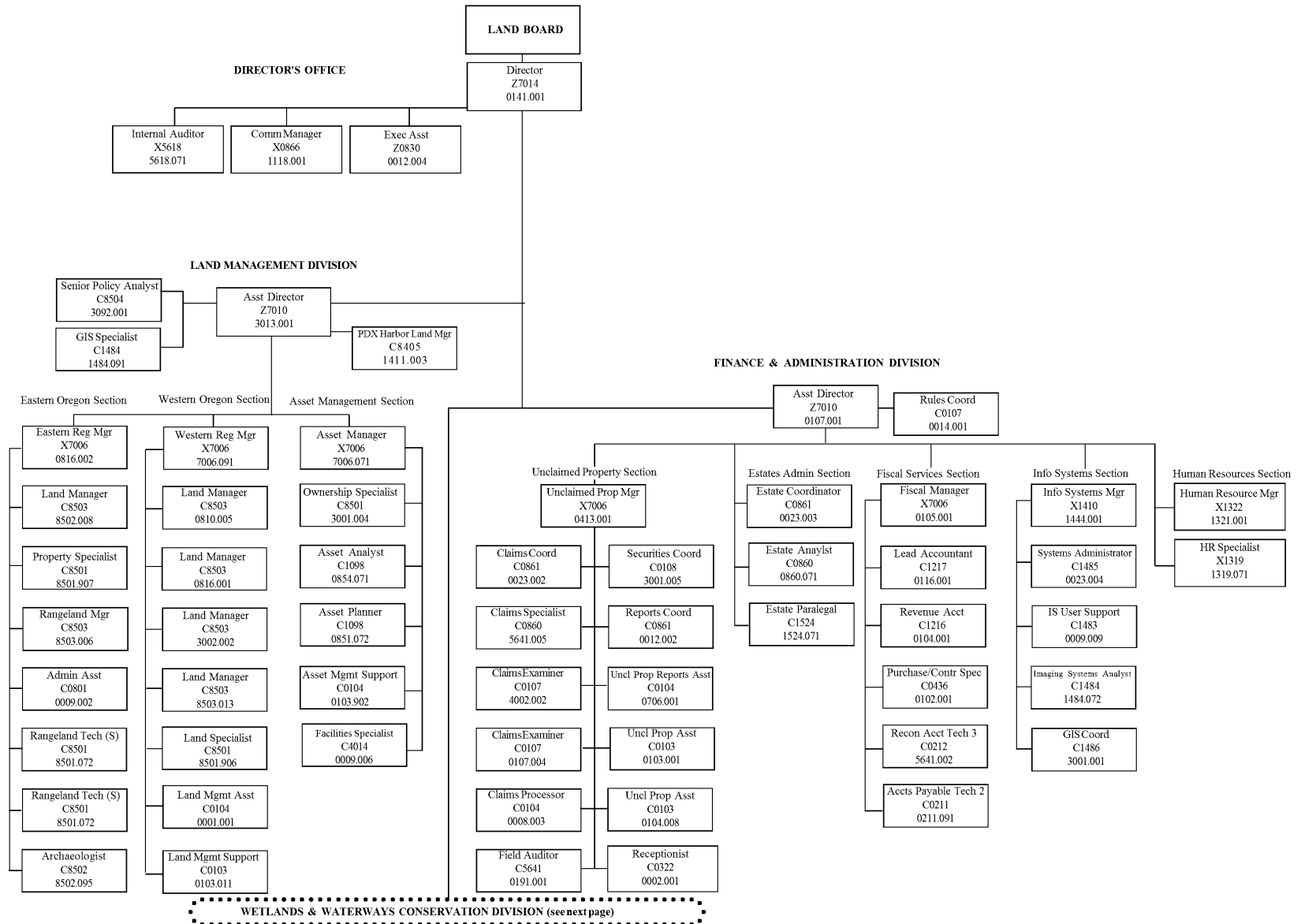
Agency Number: 14100

Cross Reference Number: 14100-000-00-00-00000

<i>Source</i>	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>Federal Funds</b>						
Federal Funds	4,882,207	1,494,882	2,545,122	2,595,006	2,595,006	-
Transfer In - Intrafund	8,190	-	-	-	-	-
Transfer Out - Intrafund	(8,190)	-	-	-	-	-
Transfer Out - Indirect Cost	(7,000)	-	-	-	-	-
Tsfr To Parks and Rec Dept	(438,666)	-	-	-	-	-
<b>Total Federal Funds</b>	<b>\$4,436,541</b>	<b>\$1,494,882</b>	<b>\$2,545,122</b>	<b>\$2,595,006</b>	<b>\$2,595,006</b>	<b>-</b>
<b>Nonlimited Other Funds</b>						
Interest Income	43,737,295	-	-	-	-	-
Loan Repayments	19,000,000	-	-	-	-	-
Other Revenues	61,721,331	-	-	69,974,000	69,974,000	-
Transfer In - Intrafund	-	130,002,450	130,002,450	130,002,450	130,002,450	-
Tsfr To Education, Dept of	(101,086,483)	(91,627,015)	(91,627,015)	(109,690,000)	(109,690,000)	-
<b>Total Nonlimited Other Funds</b>	<b>\$23,372,143</b>	<b>\$38,375,435</b>	<b>\$38,375,435</b>	<b>\$90,286,450</b>	<b>\$90,286,450</b>	<b>-</b>

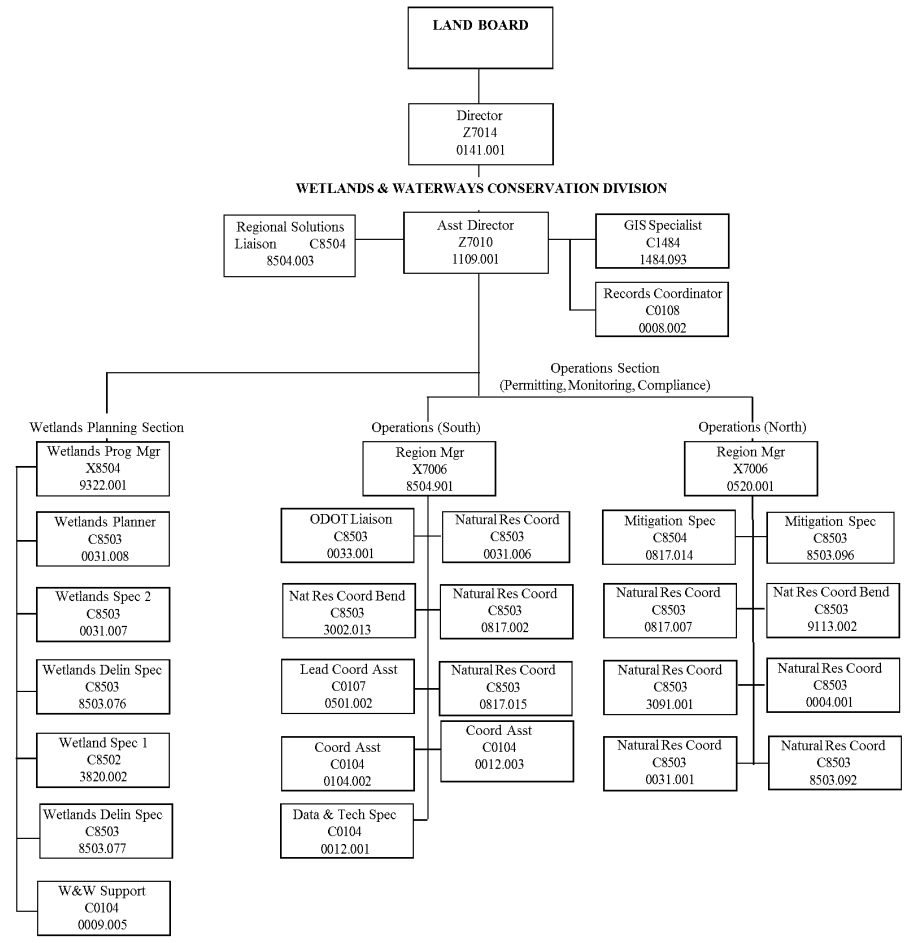
PROGRAM UNIT  
COMMON SCHOOL FUND

# DEPARTMENT OF STATE LANDS: CSF DECISION UNIT 2013-2015

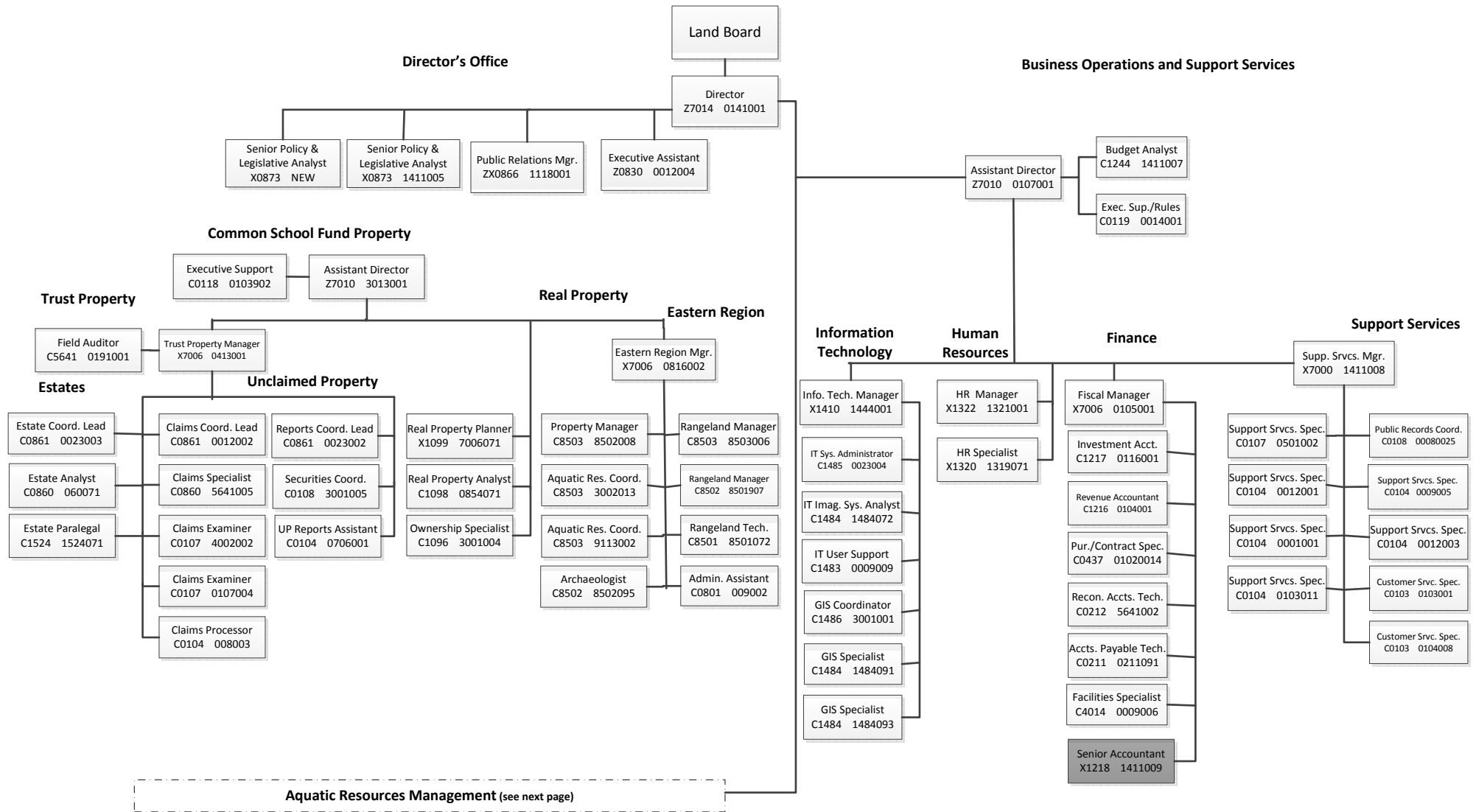




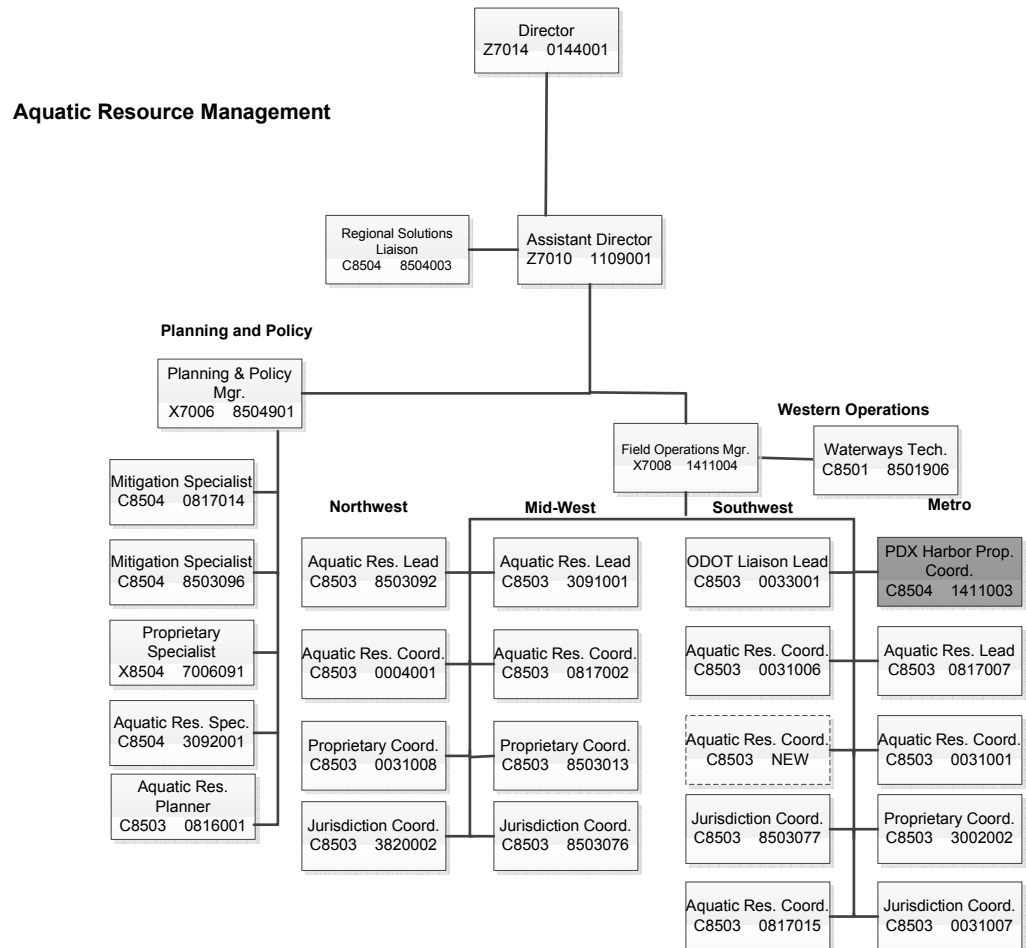
DEPARTMENT OF STATE LANDS: CSF DECISION UNIT 2013-2015



**DEPARTMENT OF STATE LANDS: COMMON SCHOOL FUND UNIT  
2015-2017**



**DEPARTMENT OF STATE LANDS: COMMON SCHOOL FUND UNIT  
2015-2017**



POP 101  
LIMITED  
DURATION

# BUDGET NARRATIVE

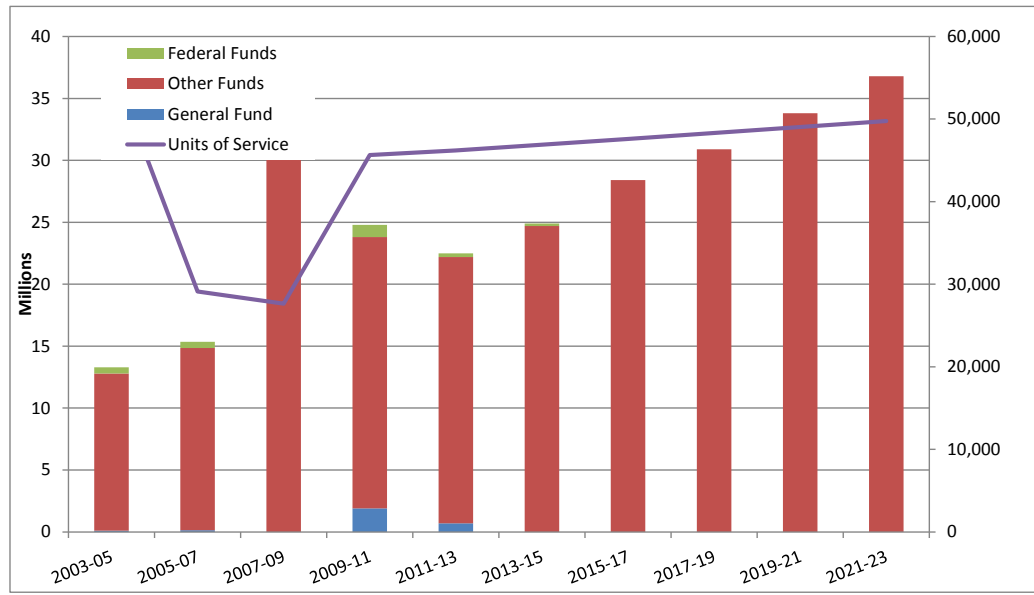
## PROGRAM UNIT 010 – COMMON SCHOOL FUND

### EXECUTIVE SUMMARY

Primary Outcome Area: Healthy Environment  
 Secondary Outcome Area: Education  
 Tertiary Outcome Area: Safety  
 Program Contact: Mary Abrams: 503-986-5224; [mary.m.abrams@state.or.us](mailto:mary.m.abrams@state.or.us)

### Program Overview

This program manages Common School Fund real property, unclaimed property, and escheated estates dedicated to funding K-12 schools for current and future generations. The program also includes protecting wetlands and waterways, and administering agency functions. Revenue from program activities is deposited in the Common School Fund (CSF), overseen by the State Land Board and its administrative arm, the Department of State Lands. The Board is composed of the Governor, Secretary of State and State Treasurer.



*Units of service include agency removal-fill permits, land management authorizations and contracts, unclaimed property claims, and number of estates handled.*

# BUDGET NARRATIVE

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## **Program Funding Request**

This program has an Agency Request Budget of \$38,654,170 (Other Funds) and \$16,829 (Federal Funds). There are 88 positions (including one limited duration) and 90 employees in this program.

## **Program Description**

**Common School Fund Property:** Oregon's Constitution names the Land Board as trustee of the Common School Fund (CSF). Generating revenue from CSF property has been an important component of Oregon's school funding since statehood. In 2014, \$50.8 million was distributed to all K-12 public school districts in the state.

*Real Property*—The Land Board oversees real property management activities such as leasing rangelands, agricultural lands, and commercial properties, as well as harvesting timber to generate money for the fund. Historically, timber sales from forestlands generated the most real property revenue for the fund, but recent litigation has significantly reduced timber receipts. The Land Board's *Real Estate Asset Management Plan* outlines management direction for approximately 780,000 acres of surface land and 770,000 acres of mineral and energy resources.

*Trust Property*—Administering escheated estates is a function given to the Land Board at statehood and the Oregon Legislature passed Oregon's Unclaimed Property Act in 1957 giving the Department this responsibility as well. Both programs provide outreach and training for businesses and consumers to increase public awareness and increase compliance with Oregon's unclaimed property and estates laws. Lost financial assets are held in the Common School Fund while the Department searches for owners and heirs, and the investment earnings from these monies contribute to the fund's distributions to schools. In recent years, Web-based and other streamlining efforts have contributed to quicker processing for the public.

Performance measures focus on maximizing distributions to the Common School Fund through balancing revenue and expenses.

**Aquatic Resource Management:** This program implements Oregon's Removal-Fill and Wetlands Conservation laws and manages the state's navigable waterways for "public trust" uses. Four core functions are carried out by department staff: 1) regulating removal-fill activities in waters of the state; 2) managing mitigation programs, including mitigation banking and payment-in-lieu programs; 3) managing the state's aquatic resource planning program; and 4) implementing the proprietary waterways program. Staff provide public information about conserving wetlands, and help permit applicants understand regulatory standards.

Performance measures focus on no net loss of wetlands, processing efficiencies; resolving enforcement issues; and effectively managing the mitigation fund program (in-lieu-fee program).

This program also houses the **Director's Office**, the primary liaison with the State Land Board, and includes communications and legislative coordination for the agency; and the **Business Operations and Support Services** program which includes all agency central services: IT, fiscal, HR and clerical support.

## **Program Justification and Link to 10-Year Outcome**

Performance of this program will contribute primarily to the **Healthy Environment** Outcome.

# BUDGET NARRATIVE

## Strategy 1: Investing in programs that improve water quality and air quality.

The Aquatic Resource Management program protects the state's waters and their functions for watershed health and species habitat, and to a lesser degree, water quality. In addition, a significant amount of carbon is stored on Common School Fund real property (state forestlands and rangelands), contributing to better air quality.

## Strategy 2: Investing in programs that conserve, protect and restore key watersheds, stabilize populations of fish and wildlife species and improve forest and rangeland health.

DSL's removal-fill permit and wetland planning work contribute to improved watersheds, and help stabilize populations of fish and wildlife. The Department has created streamlined permitting tools for habitat restoration and streambank protection activities that provide increased certainty regarding schedule and budget and reduced costs.

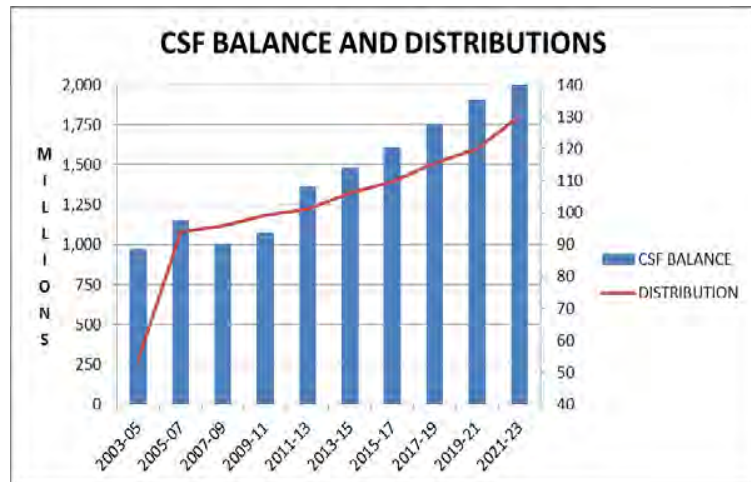
## Strategy 4: Help to build great communities for a growing population.

The Common School Fund Property and Aquatic Resource Management programs serve communities by protecting state real property and financial assets across Oregon, and by generating school revenues and local economic benefits from those efforts.

## Strategy 5: Improve the effectiveness and efficiency of natural resources management in Oregon, and provide a stable base for addressing existing and emerging resource challenges.

Many of the Department's initiatives focus on coordinating service delivery with other natural resource agencies and local governments, especially in the removal-fill permit and aquatic resource planning programs. The agency continues to monitor the carbon credit and environmental service credit markets and the potential ability to generate revenue from real property through the sale of such credits. The agency is a partner in the Integrated Water Strategy, and is the lead agency on the State Lands Inventory. Working with the US Army Corps of Engineers and Environmental Protection Agency, the Department oversees the state's wetland mitigation banking program, which has expanded to 21 active banks, up from 20 in 2010. The Department also has a staff person who serves as an ex officio member of the Environmental Justice Task Force.

## Program Performance



*First customer surveys were done in 2007.*

*State goal = 90% good and excellent ratings.*

*Units of service include agency removal-fill permits, land management authorizations and contracts, unclaimed property claims, and number of estates handled.*

# BUDGET NARRATIVE

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## **Enabling Legislation/Program Authorization**

Oregon Admission Act (Sections 1, 2 and 4); Oregon Constitution (Article VIII, Sections 2, 4, 5 and 7); ORS 98 (unclaimed property); ORS 111 – 116 (probate law); ORS 196 (wetlands, rivers, removal-fill, ocean resource planning); ORS 215, 227 (development on wetlands); ORS 270 (real property); ORS 271-274 (various state lands); ORS 327 (Common School Fund); ORS 390 (scenic waterways); ORS 530 (state forests); ORS 517 (mining); ORS 541 (Oregon Plan for Salmon and Watersheds); ORS 552 (geothermal); ORS 758 (utility rights of way)

## **Funding Streams**

The program is completely self-funded from Other Fund sources: operations and investment income. Operations generate revenue from real property management, unclaimed property held in trust, and escheated estates. Investment income is derived from the interest and capital gains earnings of the fund. Revenues are constitutionally and statutorily dedicated. Some Federal Funds in the form of grants support aquatic resource program improvements. There are no leveraged or matched funds for this program. The 2015-17 Agency Request Budget is 2.7 percent more than the 2013-15 Legislatively Approved Budget.

## **Significant Proposed Program Changes from 2013-15**

Program enhancements include:

POP 101: Portland Harbor Cost Allocation Process (legal and forensic science work) - \$4,746,229OF

POP 102: Improve Internal Controls (Accountant 4 position and contracted auditing services) - \$285,334OF

POP 103: Replace and Upgrade Equipment (replacing and upgrading IT equipment including servers, cellular phones, and satellite phones as well as replacing field vehicle) - \$204,682 OF

POP 106: Easement Application Administrative Fee (companion to Legislative Concept 603) - \$23,750 OF (Revenue)

# BUDGET NARRATIVE

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## **DIRECTOR'S OFFICE**

The Director's Office oversees administrative responsibilities for the State Land Board and directs the operations of the Department, under the jurisdiction of the Board. Responsibilities include providing overall leadership to Department staff, making recommendations to the Land Board and Legislature, and approving policies, plans and the agency budget. The Director serves as chair of the South Slough National Estuarine Research Reserve (SSNERR) Management Commission, and participates as a member of the Regional Solutions Cabinet, Economic Recovery Review Council, Enterprise Leadership Team, and Natural Resources Cabinet.

The SSNERR Manager, Public Relations Manager, Land Board Secretary/Executive Assistant, two Senior Policy Analysts and three Assistant Directors all report to the Director.

The Director's Office consists of 5.0 FTE/5 positions. The costs are supported by Other Funds – Common School Fund (constitutional and statutory receipts).

## **COMMON SCHOOL FUND PROPERTY**

This program includes all agency work that generates funds for the Common School Fund (CSF) from Trust lands, land granted to Oregon at statehood. The unclaimed property and estates functions are also in this program area.

The program is comprised of 27 FTE/27 positions located in the Salem headquarters office and in the Eastern Region office in Bend. Two managers – the Trust Property Manager and the Eastern Region Manager (who also supervises Eastern Region aquatic resources staff) – report to an Assistant Director, who also directly supervises the three real property staff in the program.

**Real Property:** The program is in charge of implementing DSL's *Real Estate Asset Management Plan*, which guides the work of the State Land Board and DSL in managing state real property assets. The plan was first adopted in 1995, updated in 2006, and most recently revised and adopted by the State Land Board in 2012. A key goal of the revised plan is to significantly increase real property revenues to benefit the Common School Fund over the long term.

The program issues leases, easements, rights-of-way, licenses, special uses and other forms of authorizations for use of state-owned uplands (about 780,000 acres + 770,000 acres of subsurface mineral and energy resources). Real property staff is also involved in local property planning efforts, property sales and exchanges, and property records research.

Eastern Region staff performs annual rangeland inventories on 30,000 of the more than 600,000 acres of rangelands to collect data relating to vegetation types, soil types and general rangeland health conditions. This information is used to adjust rangeland management plans to maintain a productive and efficient program for lessees and the health of the rangelands.

Because of recent litigation regarding species protections in the Elliott State Forest, the agency's focus on generating revenue from Common School Fund real property has shifted from forestlands to other real property activities. DSL continues to have an interagency agreement with the Department of Forestry to maintain, manage, control and protect Common School Fund forestlands. However, because forestry receipts have been severely reduced, and managing forestlands is expected to generate a continued net loss to the CSF, Elliott State Forest management will potentially change dramatically by the end of the 2015-17 biennium.

The Land Board has a fiduciary responsibility to manage Trust property to maximize revenues to the Common School Fund over time. This budget provides funding for staffing and activities critical to protecting Common School Fund real property assets (currently valued at



# BUDGET NARRATIVE

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over \$500 million) and for increasing revenues from CSF real property, in order to meet the performance goal of increasing the return on asset value by three to five percent per biennium.

**Trust Property:** The agency is the depository of record for unclaimed and presumed abandoned property and funds. These unclaimed funds and properties include dormant bank accounts, safe deposit box contents, utility deposits and refunds, insurance dividends, matured insurance policies, securities such as stocks and mutual funds, wages, credit balances, etc. Essentially, any intangible and certain tangible property that is due and payable but cannot, for various reasons, be delivered to the rightful owner is unclaimed property.

The three distinct responsibilities of the program are:

- **Holder Reporting:** receiving and maintaining the data associated with the owners and the properties sent to the Department.
- **Claims:** reviewing documentation provided by individuals or businesses to verify and reunite owners with property.
- **Audits and Outreach:** conducting unclaimed property examinations of Oregon businesses to help them comply with the law as well as to provide education about their responsibilities as holders of unclaimed property.

In Fiscal Year 2013, nearly \$53 million in unclaimed property was remitted to DSL; \$25.2 million was returned to owners. Remaining unclaimed funds are held in custody in the Common School Fund. Tangible personal property, primarily from abandoned safe deposit boxes at financial institutions, is held for a minimum of one year, and then publicly auctioned. Securities (stock and mutual funds) are sold through the agency's contracted stockbroker. All unclaimed property (or the proceeds from the sale of the property) is available for claim by the owners or their heirs forever. The investment earnings generated from unclaimed property are part of DSL's semi-annual distribution to schools.

The Department of State Lands is the court-appointed personal representative for the administration of estates of people who die without a will and without known heirs. The process entails identification of the assets in the estate together with the known outstanding debts; filing appropriate actions with the appropriate court; performing a preliminary search for heirs; giving public notice; conducting sales of personal and real property; and coordinating the funeral and burial arrangements. This section of the agency also must work closely with local medical examiners, attorneys, sheriff departments, the Oregon Department of Veterans' Affairs, Department of Human Services Estate Administration Unit and the Department of Revenue. The estates staff receives, secures and sells property resulting from various civil forfeiture statutes. After 10 years, if no will is located and there are no apparent heirs, estates proceeds – totaling just over \$400,000 in FY 2013 – are deposited directly into the Common School Fund.

The costs are supported by Other Funds – Common School Fund (constitutional and statutory receipts).

## **AQUATIC RESOURCE MANAGEMENT**

The ARM's primary function is to conserve and protect waters of the state, including wetlands, through the removal-fill, wetlands planning, and proprietary waterways programs. Waters are protected for their contribution to aquatic life and habitats, fisheries, aquatic-based economies, public recreation, navigation, commerce, water quality, floodwater storage and other natural resource functions and values. This program also houses the waterway leasing function of the agency, which includes issuing authorizations for use of state submerged and submersible lands in navigable waterways while preserving "public trust rights" (navigation, fishing, commerce and recreation) in those waterways.

# BUDGET NARRATIVE

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The program is comprised of 26 FTE/26 positions (one limited duration) and is managed by an Assistant Director who oversees a Field Operations Manager, Planning and Policy Manager, and the agency's Regional Solutions liaison (who also works closely with the Director's Office). Field Operations is organized by geographic region, aligned with the Regional Solutions areas, and provides the following functions: removal-fill permits, aquatic resource planning, waterway leasing and Portland Harbor Superfund planning. The Policy and Planning unit houses specialists in removal-fill policy, aquatic resource mitigation, wetlands delineation, aquatic resource planning, and proprietary waterways.

This program area relies on permit and other fees, as well as funding from the Common School Fund, for its operations and staffing. The program also regularly receives federal grants in support of wetland and waterway program improvements.

The ARM is responsible for four core functions: 1) Regulating removal-fill activities in waters of the state; 2) Managing mitigation programs, including mitigation banking and payment-in-lieu programs; 3) Managing the state's aquatic resource planning program; and 4) Issuing authorizations for use of and overseeing navigable waterways to protect public trust rights.

**Regulating Removal-Fill Activities:** The Department of State Lands protects aquatic resources through administration of Oregon's Removal-Fill Law, enacted in 1967. This law requires most activities affecting more than 50 cubic yards of material in waters of the state to obtain a permit from DSL. "Waters of the state" are defined in statute (ORS 196.800) and include streams, lakes, wetlands, estuaries, the territorial sea and other bodies of water. The law applies to all landowners, including private individuals, corporate entities and public agencies. Regardless of impact size, almost all activities in Oregon Scenic Waterways and streams specifically designated essential anadromous salmon habitat require a permit.

Staff resource coordinators implement the Removal-Fill Law by assisting landowners, developers, consultants and others in minimizing impacts to waters of the state and obtaining permits for removal-fill activities. The permit function is organized around five regions: Northwest, Midwest, Southwest, Metro Portland and Eastern. The permit review process involves coordination with the applicant, adjacent landowners, natural resource agencies and local governments. State law requires DSL to determine whether an application for a removal-fill permit is complete within 30 days of receipt and to issue a decision within 90 days of the completeness determination. In an emergency, DSL can authorize work in advance, including verbally, for emergency circumstances impacting life or property. Resource coordinators also monitor permits for compliance with permit conditions, including permittee-responsible mitigation, and address removal-fill activities occurring without a permit through enforcement actions.

Wetland delineation reports show the boundaries of wetlands and other waters of the state on a property and are often required as part of a removal-fill permit application. Reports are also submitted for approval in advance of a state permit application. Jurisdictional coordinators are tasked with reviewing wetland delineation reports submitted to DSL. They review reports to ensure accuracy, conduct onsite review if needed, and provide a written determination of state jurisdiction over wetlands and other waters of the state. Permit applicants need to have accurate, state-approved wetland delineations completed early in land-use planning or site development planning in order to incorporate aquatic resources into their plans, because state and federal law require wetland impacts be avoided and minimized. DSL currently is well within the statutory 120-day review timeline for wetland delineations, and has eliminated a previous backlog of report reviews.

Jurisdictional coordinators also conduct wetland determinations for the public upon request and as staffing and workload allow. A wetland determination tells a landowner whether wetlands are located on their property but does not map the boundaries of the wetland.

# BUDGET NARRATIVE

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The removal-fill permit function is funded by a combination of permit fees, enforcement revenue and CSF funds. Legislation in 2007 allows permit fees to increase based on the Consumer Price Index, which helps reduce the program's reliance on the CSF as costs or workloads increase. ODOT funds up to one FTE for a resource coordinator serving as a liaison to the Department.

DSL continually works with other public agencies and constituent groups on streamlining the removal-fill permit process, including improving online permitting and creating more applicant-friendly processes. The current emphasis is on Web-based application processes; expediting permits for both restoration projects and recurring types of removal-fill projects; and continuing to work with state and federal agencies to develop coordinated, user-friendly approaches to water-related permitting. DSL is currently developing new administrative rules to create a voluntary wetland planning tool for communities. Using this tool, communities can make strategic decisions about wetland protection, development and mitigation *in advance* of projects, thereby streamlining future removal-fill permitting. This effort was piloted with the Cascades West Council of Governments for 19 industrial sites in Linn and Benton counties.

**Mitigation Program:** Under state law, when impacts to wetlands and waterways occur as part of a removal-fill activity, mitigation to replace the lost functions of the resource is required. Mitigation may be accomplished through permittee-responsible mitigation, purchasing credits from private mitigation banks or, if there are no private bank credits available, purchasing credits from DSL. When mitigation credits are purchased from DSL, the funds are deposited into the Removal-Fill Mitigation Fund (RFMF). DSL then uses these funds to operate a state-sponsored banking program providing payment in-lieu and in-lieu fee mitigation.

DSL has two FTE dedicated to mitigation-related tasks. One mitigation specialist acts as the Department expert on mitigation-related issues and manages and implements the mitigation banking program. There are currently 21 active mitigation banks authorized in Oregon with several others in various stages of development. The position is funded by a combination of removal-fill permit fees, enforcement revenue, and Common School Funds described above. The other mitigation specialist implements the payment in-lieu and in-lieu fee mitigation programs. Funding for that position is split: 50 percent is funded as described for the other position and 50 percent is funded through the Removal-Fill Mitigation Fund (see program narrative for that fund).

**Aquatic Resources Planning:** The Department provides both technical and planning assistance to local governments, who must include protection for "significant" wetlands as required by statewide land-use planning Goals 5 (Natural Resources), 16 (Estuaries) and 17 (Coastal Shorelands). DSL implements a wetland land-use notification process that provides for local-state coordination on proposed projects that may affect a wetland mapped on the State Wetland Inventory (SWI). Wetlands staff also work closely with the Department of Land Conservation and Development on wetland issues related to statewide land-use planning process.

The Department is responsible for developing and maintaining the SWI. The inventory consists of both the National Wetlands Inventory and Local Wetlands Inventories developed by local governments pursuant to rules adopted by DSL. The wetland inventory maps are useful tools for helping to determine if wetlands may be present in an area and are used by local governments for land-use and other planning tasks, and by landowners, developers and others to identify the potential presence of wetlands.

**Waterway Leasing and Authorizations:** The State of Oregon owns the submerged and submersible lands of many rivers, lakes and estuaries in the state. DSL issues leases, registrations, easements and other authorizations for structures on these "s + s" lands. State ownership also includes submerged lands within the Portland Harbor Superfund Cleanup Site. DSL is involved in the remedial investigation/feasibility study for the Portland Harbor site because of the state's proprietary and regulatory interests. DSL must address complex environmental and legal issues with the EPA, DEQ and other entities such as the Lower Willamette Group and natural resource

# BUDGET NARRATIVE

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trustees under the federal Comprehensive Environmental Response, Compensation and Liability Act (CERLCA) as they continue their programs of sediment sampling and eventual cleanup of the contaminated sediments.

## **BUSINESS OPERATIONS AND SUPPORT SERVICES**

This program area is responsible for DSL's agency-wide support functions, and provides accounting, budget, human resources and information technology services for the Land Use Board of Appeals. The BOSS also provides oversight of DSL-managed funds, audits and properties. It includes the following sections: Information Technology, Finance, Human Resources, and Support Services. This area includes 30 FTE/30 positions managed by an Assistant Director who reports to the Director. Four managers – Fiscal, Human Resources, Information Systems and Support Services – report to the Assistant Director. The Assistant Director oversees the agency budget process, rulemaking and Key Performance Measures, and serves as liaison to the South Slough National Estuarine Research Reserve.

**Finance Section:** This section provides budget development and maintenance, general administrative support, accounting, purchasing, legislative budget support, and coordination of all aspects of administrative rulemaking for the agency. These supporting services are also provided to the South Slough National Estuarine Research Reserve. Additionally, assistance is provided to program managers in the administration of federal grants, interagency agreements and procurement/contracting activities. This section handles other agency support functions such as telephones, copiers and vehicles.

**Information Technology Section:** This section is responsible for the maintenance, support and protection of DSL's computer information system including electronic mail and GIS services. The section supports a variety of database systems that provide records for agency programs including unclaimed property, accounting, permits, violations, leases, capital inventory and mailing lists. Section staff supports the Land Administration System (LAS), the agency's corporate database, as well as statelandsonline.com, an in-house website for permits and unclaimed property. For example, nearly 90 percent of all communications with people commenting on applications is carried out electronically. In recent years the agency implemented a document imaging system that has resulted in significant improvements in accounts payable, travel and procurement processing; significant reductions in paperwork and file storage; and increased accessibility of data. Document imaging and Web-based permit activity have significantly reduced costs associated with postage, copying, filing, supplies, and overall file management.

**Human Resources:** The Human Resource Office is responsible for providing direction to the director, assistant directors, management team and other staff members in all areas of human resources, including: Affirmative Action, personnel administration, classification and compensation, recruitment and retention, labor relations, policy and procedures, safety and wellness, and training and career development.

**Support Services:** The Support Services Section is responsible for providing varied program clerical support for all agency programs, including data entry, document preparation and processing, records processing and maintenance, responding to inquiries, filing, mail services, and front desk reception.

# BUDGET NARRATIVE

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## ESSENTIAL PACKAGES – COMMON SCHOOL FUND

**PURPOSE:** The essential packages present budget adjustments needed to bring the base budget to Current Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2015-17 biennium.

### HOW ACHIEVED:

**Package 010:** adjusts for vacancies and non-PICS personal services amounts using the standard adjustment and calculation factors specified in the budget instructions. The vacancy factor adjustment for this Program Unit is an increase of \$154,107 Other Funds. There is an adjustment of \$3,164 Other Funds and \$455 Federal Funds in Salaries and Wages for Temporary Appointments, Overtime Payments, and Shift Differential. Adjustment for the Pension Bond Contribution is \$39,517 Other Funds. Other minor adjustments totaling \$811 Other Funds and a decrease of \$35 Federal Funds were made in Public Employee Retirement Contributions, Mass Transit, Social Security Taxes and Unemployment Assessments.

**Package 022:** represents a cost reversal from the 2013-15 Legislatively Approved Budget for one-time budget package costs. This package phases out \$4,016,606 in All Funds Services and Supplies. Other Funds are reduced by \$3,786,440 for costs associated with Portland Harbor Superfund Cleanup, Agriculture Development, Business Process Mapping and Fire Suppression costs. Other phase-out costs include \$230,166 in Federal Funds Services and Supplies for the phase out of federally funded programs that will not be ongoing.

**Package 031:** adjusts the costs of Goods and Services based on the standard inflation factor of 3.0 percent, the Department of Administrative Services price list and other directions as published in the budget instructions. The resulting Services and Supplies increase in this Program Unit is \$750,392 Other Funds.

**Package 032:** makes an adjustment for additional allowable inflation for Professional Services. The resulting increase is \$1,994 Other funds.

**STAFFING IMPACT:** There was no staffing impact in this budget program relating to essential packages. 2.38 positions were eliminated in the Base Budget as limited duration positions that will not be continued.

**REVENUE SOURCE:** Other Funds and Federal Funds

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Common School Fund  
 Cross Reference Number: 14100-010-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Personal Services</b>							
Temporary Appointments	-	-	669	455	-	-	1,124
Overtime Payments	-	-	2,263	-	-	-	2,263
Shift Differential	-	-	232	-	-	-	232
All Other Differential	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	395	-	-	-	395
Pension Obligation Bond	-	-	39,517	-	-	-	39,517
Social Security Taxes	-	-	241	35	-	-	276
Unemployment Assessments	-	-	175	-	-	-	175
Vacancy Savings	-	-	154,107	-	-	-	154,107
<b>Total Personal Services</b>	-	-	<b>\$197,599</b>	<b>\$490</b>	-	-	<b>\$198,089</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	197,599	490	-	-	198,089
<b>Total Expenditures</b>	-	-	<b>\$197,599</b>	<b>\$490</b>	-	-	<b>\$198,089</b>
<b>Ending Balance</b>							
Ending Balance	-	-	(197,599)	(490)	-	-	(198,089)
<b>Total Ending Balance</b>	-	-	<b>(\$197,599)</b>	<b>(\$490)</b>	-	-	<b>(\$198,089)</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Common School Fund  
Cross Reference Number: 14100-010-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Personal Services</b>							
Temporary Appointments	-	-	-	(139,340)	-	-	(139,340)
Social Security Taxes	-	-	-	(10,660)	-	-	(10,660)
<b>Total Personal Services</b>	-	-	-	<b>(\$150,000)</b>	-	-	<b>(\$150,000)</b>
<b>Services &amp; Supplies</b>							
Professional Services	-	-	(2,771,053)	(80,166)	-	-	(2,851,219)
Attorney General	-	-	(708,027)	-	-	-	(708,027)
<b>Total Services &amp; Supplies</b>	-	-	<b>(\$3,479,080)</b>	<b>(\$80,166)</b>	-	-	<b>(\$3,559,246)</b>
<b>Capital Outlay</b>							
Land and Improvements	-	-	(307,360)	-	-	-	(307,360)
<b>Total Capital Outlay</b>	-	-	<b>(\$307,360)</b>	-	-	-	<b>(\$307,360)</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	(3,786,440)	(230,166)	-	-	(4,016,606)
<b>Total Expenditures</b>	-	-	<b>(\$3,786,440)</b>	<b>(\$230,166)</b>	-	-	<b>(\$4,016,606)</b>
<b>Ending Balance</b>							
Ending Balance	-	-	3,786,440	230,166	-	-	4,016,606
<b>Total Ending Balance</b>	-	-	<b>\$3,786,440</b>	<b>\$230,166</b>	-	-	<b>\$4,016,606</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

**Lands, Dept of State  
Pkg: 031 - Standard Inflation**

**Cross Reference Name: Common School Fund  
Cross Reference Number: 14100-010-00-00-00000**

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Personal Services</b>							
Temporary Appointments	-	-	-	-	-	-	-
Overtime Payments	-	-	-	-	-	-	-
All Other Differential	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	-	-	-	-	-
Social Security Taxes	-	-	-	-	-	-	-
Unemployment Assessments	-	-	-	-	-	-	-
Mass Transit Tax	-	-	-	-	-	-	-
Other OPE	-	-	-	-	-	-	-
<b>Total Personal Services</b>	-	-	-	-	-	-	-
<b>Services &amp; Supplies</b>							
Instate Travel	-	-	10,094	-	-	-	10,094
Out of State Travel	-	-	108	-	-	-	108
Employee Training	-	-	2,324	-	-	-	2,324
Office Expenses	-	-	7,481	-	-	-	7,481
Telecommunications	-	-	4,401	-	-	-	4,401
State Gov. Service Charges	-	-	418,722	-	-	-	418,722
Data Processing	-	-	3,052	-	-	-	3,052
Publicity and Publications	-	-	2,593	-	-	-	2,593
Professional Services	-	-	14,080	-	-	-	14,080
IT Professional Services	-	-	5,860	-	-	-	5,860
Attorney General	-	-	227,525	-	-	-	227,525
Employee Recruitment and Develop	-	-	531	-	-	-	531
Dues and Subscriptions	-	-	189	-	-	-	189
Facilities Rental and Taxes	-	-	14,487	-	-	-	14,487

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Essential and Policy Package Fiscal Impact Summary - BPR013



**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 031 - Standard Inflation

Cross Reference Name: Common School Fund  
Cross Reference Number: 14100-010-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Services &amp; Supplies</b>							
Fuels and Utilities	-	-	6,738	-	-	-	6,738
Facilities Maintenance	-	-	11,024	-	-	-	11,024
Agency Program Related S and S	-	-	25	-	-	-	25
Other Services and Supplies	-	-	14,518	-	-	-	14,518
Expendable Prop 250 - 5000	-	-	572	-	-	-	572
IT Expendable Property	-	-	3,159	-	-	-	3,159
<b>Total Services &amp; Supplies</b>	-	-	<b>\$747,483</b>	-	-	-	<b>\$747,483</b>
<b>Capital Outlay</b>							
Office Furniture and Fixtures	-	-	763	-	-	-	763
Data Processing Software	-	-	2,117	-	-	-	2,117
Data Processing Hardware	-	-	29	-	-	-	29
Land and Improvements	-	-	-	-	-	-	-
<b>Total Capital Outlay</b>	-	-	<b>\$2,909</b>	-	-	-	<b>\$2,909</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	750,392	-	-	-	750,392
<b>Total Expenditures</b>	-	-	<b>\$750,392</b>	-	-	-	<b>\$750,392</b>
<b>Ending Balance</b>							
Ending Balance	-	-	(750,392)	-	-	-	(750,392)
<b>Total Ending Balance</b>	-	-	<b>(\$750,392)</b>	-	-	-	<b>(\$750,392)</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Common School Fund  
Cross Reference Number: 14100-010-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Services &amp; Supplies</b>							
Professional Services	-	-	1,408	-	-	-	1,408
IT Professional Services	-	-	586	-	-	-	586
<b>Total Services &amp; Supplies</b>	-	-	<b>\$1,994</b>	-	-	-	<b>\$1,994</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	1,994	-	-	-	1,994
<b>Total Expenditures</b>	-	-	<b>\$1,994</b>	-	-	-	<b>\$1,994</b>
<b>Ending Balance</b>							
Ending Balance	-	-	(1,994)	-	-	-	(1,994)
<b>Total Ending Balance</b>	-	-	<b>(\$1,994)</b>	-	-	-	<b>(\$1,994)</b>

# BUDGET NARRATIVE

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## **POLICY OPTION PACKAGE 101 PORTLAND HARBOR CLEANUP COMMON SCHOOL FUND/AQUATIC RESOURCE MANAGEMENT**

**PURPOSE:** The Department of State Lands (DSL) anticipates needing continued assistance from the Department of Justice (DOJ) and forensic consultants in the 2015-17 biennium related to the Portland Harbor Superfund Cleanup Site process. DSL is involved in this Superfund site because of the state's proprietary and regulatory activities in the lower Willamette River. We must address complex environmental and legal issues with state and federal environmental agencies and other entities such as the Lower Willamette Group, as cost allocation negotiations and natural resource damage assessment work continues. We are requesting additional resources to cover anticipated legal expenses for defending the state.

**HOW ACHIEVED:** The DOJ will continue to provide oversight for the Portland Harbor cleanup process through its involvement in the cost allocation process and natural resource damage assessment/restoration work. DOJ's involvement in both these efforts will provide a defensible position for the state, with the goal of reducing future cleanup costs and natural resource damage claims to be paid by the state. In addition to DOJ's legal work, the services of outside forensic consultants are critical to the state's defense. DOJ manages the oversight of an expert witness contract to assist in the state's defense.

**ALTERNATIVES CONSIDERED:** No other alternatives were considered. DSL does not have the legal expertise or staffing to provide these services, nor do we currently have any alternative funds that could be used for this purpose. Previously, available statutory funds and insurance reimbursements have been spent on ongoing Portland Harbor legal costs.

**QUANTIFYING RESULTS:** DSL needs assistance from DOJ to limit the liability and cost to the State of Oregon due to the significance of the environmental hazard and likely cleanup costs in Portland Harbor.

**STAFFING IMPACT:** 1.0 Limited Duration FTE

**REVENUE SOURCE:** Other Funds \$4,746,229.

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

**Lands, Dept of State**  
**Pkg: 101 - Portland Harbor Clean Up**

**Cross Reference Name: Common School Fund**  
**Cross Reference Number: 14100-010-00-00-00000**

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Personal Services</b>							
Class/Unclass Sal. and Per Diem	-	-	126,600	-	-	-	126,600
Empl. Rel. Bd. Assessments	-	-	44	-	-	-	44
Public Employees' Retire Cont	-	-	19,990	-	-	-	19,990
Social Security Taxes	-	-	9,685	-	-	-	9,685
Worker's Comp. Assess. (WCD)	-	-	69	-	-	-	69
Flexible Benefits	-	-	30,528	-	-	-	30,528
<b>Total Personal Services</b>	-	-	<b>\$186,916</b>	-	-	-	<b>\$186,916</b>
<b>Services &amp; Supplies</b>							
Instate Travel	-	-	1,500	-	-	-	1,500
Office Expenses	-	-	500	-	-	-	500
Telecommunications	-	-	2,700	-	-	-	2,700
Professional Services	-	-	3,912,000	-	-	-	3,912,000
Attorney General	-	-	639,633	-	-	-	639,633
Facilities Rental and Taxes	-	-	1,480	-	-	-	1,480
IT Expendable Property	-	-	1,500	-	-	-	1,500
<b>Total Services &amp; Supplies</b>	-	-	<b>\$4,559,313</b>	-	-	-	<b>\$4,559,313</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	4,746,229	-	-	-	4,746,229
<b>Total Expenditures</b>	-	-	<b>\$4,746,229</b>	-	-	-	<b>\$4,746,229</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 101 - Portland Harbor Clean Up

Cross Reference Name: Common School Fund  
 Cross Reference Number: 14100-010-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Ending Balance</b>							
Ending Balance	-	-	(4,746,229)	-	-	-	(4,746,229)
<b>Total Ending Balance</b>	-	-	<b>(\$4,746,229)</b>	-	-	-	<b>(\$4,746,229)</b>
<b>Total Positions</b>							
Total Positions							1
<b>Total Positions</b>	-	-	-	-	-	-	<b>1</b>
<b>Total FTE</b>							
Total FTE							1.00
<b>Total FTE</b>	-	-	-	-	-	-	<b>1.00</b>

PACKAGE: 101 - Portland Harbor Clean Up

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1411010 AX	C8504 AA	NATURAL RESOURCE SPECIALIST 4	1	1.00	24.00	04	5,275.00		126,600 60,316			126,600 60,316
TOTAL PICS SALARY									126,600			126,600
TOTAL PICS OPE									60,316			60,316
TOTAL PICS PERSONAL SERVICES =			1	1.00	24.00				186,916			186,916

# BUDGET NARRATIVE

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## **POLICY OPTION PACKAGE 102 IMPROVE INTERNAL CONTROLS COMMON SCHOOL FUND/BUSINESS OPERATIONS AND SUPPORT SERVICES**

**PURPOSE:** As the administrative arm of the State Land Board, the Department of State Lands (DSL) is responsible for appropriately accounting for revenues and expenses, and the production of independently audited financial statements and corresponding notes for the Common School Fund (CSF). The diversified investment portfolio of the CSF requires extensive reconciliations and increasingly complex accounting entries. Fiscal year 2013 was the second year the agency produced its own financial statements and was audited by a third-party audit firm. The audit identified a significant deficiency of internal controls specific to reconciliations of substantial accounts.

The agency administratively established a limited duration accountant position during the 2014 fiscal year to assist in the implementation of the necessary internal controls, provide oversight of year-end accounting entries, and help prepare the financial statements. This package seeks position authority and limitation to establish a permanent Accountant 4 to ensure adequate attention to internal controls and accuracy in accounting and reporting.

The package also includes a request for limitation that will allow the agency to contract internal audit services.

**HOW ACHIEVED:** The Accountant 4 provides professional expertise and assistance to the fiscal manager to ensure the agency complies with Generally Accepted Accounting Principles (GAAP) and meets Governmental Accounting Standards Board (GASB) standards. This support will strengthen internal controls while providing efficient and appropriate accounting entries, all of which will result in clean audits.

**ALTERNATIVES CONSIDERED:** DSL previously used its internal auditor to prepare the financial statements and be the point of contact with the contract auditor. The narrow focus of the task did not address the overall internal controls needed for the workload of the section as pointed out in the audit. Operationally the agency needs a full-time accountant, and can meet its internal audit needs by contracting with a service provider.

**QUANTIFYING RESULTS:** Adequate staffing will result in appropriate accounting entries, accurate and timely reconciliations, and audit reports without findings.

**STAFFING IMPACT:** 0.92 Permanent FTE

**REVENUE SOURCE:** Other Funds (Common School Fund) \$274,481

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

**Lands, Dept of State**  
**Pkg: 102 - Improved Internal Controls**

**Cross Reference Name: Common School Fund**  
**Cross Reference Number: 14100-010-00-00-00000**

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Personal Services</b>							
Class/Unclass Sal. and Per Diem	-	-	153,956	-	-	-	153,956
Empl. Rel. Bd. Assessments	-	-	40	-	-	-	40
Public Employees' Retire Cont	-	-	24,310	-	-	-	24,310
Social Security Taxes	-	-	11,778	-	-	-	11,778
Worker's Comp. Assess. (WCD)	-	-	63	-	-	-	63
Flexible Benefits	-	-	27,984	-	-	-	27,984
<b>Total Personal Services</b>	-	-	<b>\$218,131</b>	-	-	-	<b>\$218,131</b>
<b>Services &amp; Supplies</b>							
Employee Training	-	-	1,000	-	-	-	1,000
Office Expenses	-	-	500	-	-	-	500
Telecommunications	-	-	1,200	-	-	-	1,200
Professional Services	-	-	50,000	-	-	-	50,000
Employee Recruitment and Develop	-	-	500	-	-	-	500
Dues and Subscriptions	-	-	150	-	-	-	150
Other Services and Supplies	-	-	1,500	-	-	-	1,500
IT Expendable Property	-	-	1,500	-	-	-	1,500
<b>Total Services &amp; Supplies</b>	-	-	<b>\$56,350</b>	-	-	-	<b>\$56,350</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	274,481	-	-	-	274,481
<b>Total Expenditures</b>	-	-	<b>\$274,481</b>	-	-	-	<b>\$274,481</b>



**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 102 - Improved Internal Controls

Cross Reference Name: Common School Fund  
 Cross Reference Number: 14100-010-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Ending Balance</b>							
Ending Balance	-	-	(274,481)	-	-	-	(274,481)
<b>Total Ending Balance</b>	-	-	<b>(\$274,481)</b>	-	-	-	<b>(\$274,481)</b>
<b>Total Positions</b>							
Total Positions							1
<b>Total Positions</b>	-	-	-	-	-	-	<b>1</b>
<b>Total FTE</b>							
Total FTE							0.92
<b>Total FTE</b>	-	-	-	-	-	-	<b>0.92</b>

PACKAGE: 102 - Improved Internal Controls

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1411009	MMN X1218 AA	ACCOUNTANT 4	1	.92	22.00	08	6,998.00		153,956 64,175			153,956 64,175
TOTAL PICS SALARY									153,956			153,956
TOTAL PICS OPE									64,175			64,175
TOTAL PICS PERSONAL SERVICES =			1	.92	22.00				218,131			218,131

# BUDGET NARRATIVE

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## **POLICY OPTION PACKAGE 103 REPLACE AND UPGRADE EQUIPMENT COMMON SCHOOL FUND/BUSINESS OPERATIONS AND SUPPORT SERVICES**

**PURPOSE:** The Department relies heavily on technology to provide its employees with the tools necessary to efficiently do their work. The purpose of this package is to replace aging network servers, increase storage capacity, and supply all field staff with smart phones that are compatible with new GIS technology and remote access to the agency network.

The Eastern Oregon region work group travels in remote areas over rough terrain on a regular basis and is presently using a 4-wheel drive truck that needs to be replaced before it becomes unreliable and costly to repair. There is limited or no cell phone coverage in many of the remote areas particularly in large portions of Eastern Oregon and this package includes a request for limitation to provide satellite phones as a safety measure to staff working in such areas.

**HOW ACHIEVED:** The Department's strategic decision to move toward a paperless environment has substantially increased demands on network disk space and server resources. The current servers are nearly 10 years old and have been out of production for some time, making it hard to find replacement parts. Network storage capacity needs are rapidly increasing and will continue to do so as the existing hard files are scanned into the system. This package request includes \$139,150 to purchase two blade server chassis, gigabit switches, server blades, and a storage array with 20TB usable capacity. Replacing and upgrading the servers and storage will provide continued reliability of technology services to the Department's employees, partners, and customers.

Providing staff with technology that increases portability for fieldwork will improve efficiencies and productivity. Smartphones will enable staff to monitor and respond to emails, keep in touch with their team members and the office, use new GIS applications and access their files remotely.

This package request includes \$43,200 for upgrading current cell phones and adding data plans.

Employees working alone in remote and rugged terrain often do not have cell phone coverage and therefore, no reliable way to call for assistance in an emergency situation. The package request includes \$8,100 for the purchase and monthly access plans of three satellite phones.

The Department currently owns a heavy duty pickup truck used exclusively by the Eastern Oregon field office for transporting materials and equipment over unimproved roads to access remote parcels owned by the Department. The truck needs to be replaced in the 2015-17 biennium. The Department has placed a request with fleet services to replace the agency-owned vehicle with a leased vehicle. This package includes \$14,232 for the costs of leasing the replacement vehicle.

**ALTERNATIVES CONSIDERED:** If the department defers investment in the IT infrastructure it can expect to have performance problems as the older equipment struggles to keep up with the increased demands. The agency requested and received an estimate of \$505,000 per biennium from the State Data Center (SDC) to host the Department's network. Purchasing new equipment is the least cost and most appropriate use of state resources.

# BUDGET NARRATIVE

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Alternatives for the other requests in this package were not considered. Providing improved technology, increased safety, and reliable transportation are essential for employee productivity, safety, well-being and efficiency.

**QUANTIFYING RESULTS:** Replacing and modernizing equipment minimizes the potential for lost productivity and promotes efficiencies. These efficiencies will allow for shorter turn-around time on permit and authorization decisions which will increase revenues and provide better customer service.

**STAFFING IMPACT:** No Impact

**REVENUE SOURCE:** Other Funds (Common School Fund) \$204,682.

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 103 - Replace and Upgrade Equipment

Cross Reference Name: Common School Fund  
 Cross Reference Number: 14100-010-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Services &amp; Supplies</b>							
Telecommunications	-	-	47,400	-	-	-	47,400
IT Professional Services	-	-	5,900	-	-	-	5,900
Other Services and Supplies	-	-	14,232	-	-	-	14,232
IT Expendable Property	-	-	3,900	-	-	-	3,900
<b>Total Services &amp; Supplies</b>	-	-	<b>\$71,432</b>	-	-	-	<b>\$71,432</b>
<b>Capital Outlay</b>							
Technical Equipment	-	-	133,250	-	-	-	133,250
<b>Total Capital Outlay</b>	-	-	<b>\$133,250</b>	-	-	-	<b>\$133,250</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	204,682	-	-	-	204,682
<b>Total Expenditures</b>	-	-	<b>\$204,682</b>	-	-	-	<b>\$204,682</b>
<b>Ending Balance</b>							
Ending Balance	-	-	(204,682)	-	-	-	(204,682)
<b>Total Ending Balance</b>	-	-	<b>(\$204,682)</b>	-	-	-	<b>(\$204,682)</b>

# BUDGET NARRATIVE

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## **POLICY OPTION PACKAGE 106 ADMINISTRATIVE FEE FOR PROCESSING UTILITY EASEMENTS COMMON SCHOOL FUND/ AQUATIC RESOURCE MANAGEMENT**

**PURPOSE:** ORS 758.010 (1) allows any person or corporation to construct, maintain and operate its water, gas, electric or communication service lines, fixtures and other facilities across a state-owned waterway free of charge (outside of city limits). ORS 758.010 (1) and (3) state that the lines may not obstruct the state-owned waterway, and that the Department of State Lands (DSL) “may impose reasonable requirements for the location, construction, operation and maintenance of the lines, fixtures and facilities on such land.” A person or corporation applies for an easement on a standard application that is reviewed for completeness and circulated for review and comment. DSL reviews the comments and issues an easement with any applicable reasonable requirements to ensure that public trust uses of the waterway are not obstructed. In accordance with ORS 758.010, DSL issues these easements at no charge. However, the process for administering the easements has an administrative cost to DSL.

DSL has submitted a legislative concept (LC 603) to amend ORS 758.010 to add language that would allow the agency to collect an administrative fee to help defray costs for processing utility easements outside of city limits.

**HOW ACHIEVED:** Upon passage of the bill, the agency will initiate the rulemaking process to establish the administrative fee structure.

**ALTERNATIVES CONSIDERED:** No other alternatives were considered, other than retaining the status quo.

**QUANTIFYING RESULTS:** Though administrative fees would be established through rulemaking, the agency anticipates that about \$23,750 could be generated in the 2015-17 biennium. This is based on a \$750 fee for most utility facilities, and a \$5,000 fee for projects in the territorial sea. These are the current administrative fees in agency rules.

**STAFFING IMPACT:** None

**REVENUE SOURCE:** An application fee to offset the agency’s administrative costs of processing these easements.

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 106 - Easement Application Admin Fee

Cross Reference Name: Common School Fund  
 Cross Reference Number: 14100-010-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
Charges for Services	-	-	23,750	-	-	-	23,750
<b>Total Revenues</b>	-	-	<b>\$23,750</b>	-	-	-	<b>\$23,750</b>
<b>Ending Balance</b>							
Ending Balance	-	-	23,750	-	-	-	23,750
<b>Total Ending Balance</b>	-	-	<b>\$23,750</b>	-	-	-	<b>\$23,750</b>

# BUDGET NARRATIVE

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## **POLICY OPTION PACKAGE 501 MEASURE 91 IMPLEMENTATION**

**PURPOSE:** Measure 91 legalized the sale of marijuana in Oregon and provided the Oregon Liquor Control Commission (OLCC) the statutory authority to establish, regulate and license the retail sales of marijuana. The Common School Fund will receive 40% of the excise tax revenue proceeds from the OLCC.

**HOW ACHIEVED:** The law takes effect in January 2016, after which time the OLCC will effect transfers of funds to the Department.

**STAFFING IMPACT:** None

**REVENUE SOURCE:** Other Funds

**REVENUE:** \$3,643,577



**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 501 - Measure 91 Implementation

Cross Reference Name: Common School Fund  
 Cross Reference Number: 14100-010-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
Tsfr From Or Liquor Cntrl Comm	-	-	3,643,577	-	-	-	3,643,577
<b>Total Revenues</b>	-	-	<b>\$3,643,577</b>	-	-	-	<b>\$3,643,577</b>
<b>Ending Balance</b>							
Ending Balance	-	-	3,643,577	-	-	-	3,643,577
<b>Total Ending Balance</b>	-	-	<b>\$3,643,577</b>	-	-	-	<b>\$3,643,577</b>

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

Lands, Dept of State  
2015-17 Biennium

Agency Number: 14100  
Cross Reference Number: 14100-010-00-00-00000

<i>Source</i>	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>Other Funds</b>						
Business Lic and Fees	4,750	-	-	-	-	-
Non-business Lic. and Fees	1,453,837	3,162,273	3,162,273	800,000	800,000	-
Charges for Services	131,567	849,754	849,754	273,750	273,750	-
Admin and Service Charges	129,651	450,000	450,000	130,000	130,000	-
Fines and Forfeitures	188,141	180,000	180,000	190,000	190,000	-
Rents and Royalties	8,403,560	5,470,000	5,470,000	9,500,000	9,500,000	-
Interest Income	741,847	140,288,855	140,288,855	150,001,000	150,001,000	-
Sales Income	141,118	103,750	103,750	120,000	120,000	-
Common School Lands Sales	59,752	-	-	-	-	-
Donations	56,849	12,000	12,000	12,000	12,000	-
Loan Repayments	-	240,000	240,000	-	-	-
Other Revenues	982,101	701,000	701,000	26,000	26,000	-
Transfer In - Intrafund	29	3,225,793	3,225,793	3,225,793	3,225,793	-
Transfer In - Indirect Cost	7,000	-	-	-	-	-
Tsfr From Revenue, Dept of	263,406	237,000	237,000	237,000	237,000	-
Tsfr From Energy, Dept of	31,942	-	-	-	-	-
Tsfr From Forestry, Dept of	14,969,047	38,494,000	38,494,000	9,586,000	9,586,000	-
Tsfr From Land Use Bd of Appls	-	-	-	26,267	26,267	-
Tsfr From Or Liquor Cntrl Comm	-	-	-	-	3,643,577	-
Transfer Out - Intrafund	(3,801,278)	(136,989,912)	(136,779,454)	(137,234,454)	(137,234,454)	-
Tsfr To Forestry, Dept of	(11,559,189)	(9,748,862)	(9,748,862)	(9,925,019)	(9,925,019)	-
<b>Total Other Funds</b>	<b>\$12,204,130</b>	<b>\$46,675,651</b>	<b>\$46,886,109</b>	<b>\$26,968,337</b>	<b>\$30,611,914</b>	<b>-</b>

**Federal Funds**

Federal Funds	235,612	180,282	196,621	246,505	246,505	-
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\_\_\_\_ Agency Request  
2015-17 Biennium

\_\_\_\_ Governor's Budget  
Page \_\_\_\_\_

\_\_\_\_ Legislatively Adopted  
Detail of LF, OF, and FF Revenues - BPR012

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

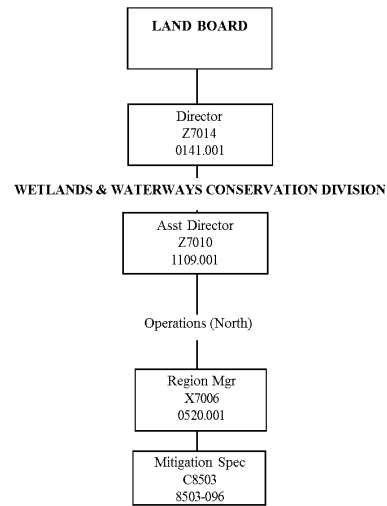
Lands, Dept of State  
2015-17 Biennium

Agency Number: 14100  
Cross Reference Number: 14100-010-00-00-00000

<i>Source</i>	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>Federal Funds</b>						
Transfer In - Intrafund	29	-	-	-	-	-
Transfer Out - Intrafund	(8,190)	-	-	-	-	-
<b>Total Federal Funds</b>	<b>\$227,451</b>	<b>\$180,282</b>	<b>\$196,621</b>	<b>\$246,505</b>	<b>\$246,505</b>	<b>-</b>
<b>Nonlimited Other Funds</b>						
Interest Income	43,737,295	-	-	-	-	-
Loan Repayments	19,000,000	-	-	-	-	-
Other Revenues	61,721,331	-	-	69,974,000	69,974,000	-
Transfer In - Intrafund	-	130,002,450	130,002,450	130,002,450	130,002,450	-
Tsfr To Education, Dept of	(101,086,483)	(91,627,015)	(91,627,015)	(109,690,000)	(109,690,000)	-
<b>Total Nonlimited Other Funds</b>	<b>\$23,372,143</b>	<b>\$38,375,435</b>	<b>\$38,375,435</b>	<b>\$90,286,450</b>	<b>\$90,286,450</b>	<b>-</b>

**PROGRAM UNIT  
REMOVAL-FILL MITIGATION FUND**

DEPARTMENT OF STATE LANDS: Oregon Removal-Fill Mitigation Fund 2013-15



**DEPARTMENT OF STATE LANDS: Oregon Removal-Fill Mitigation Fund 2015-2017**

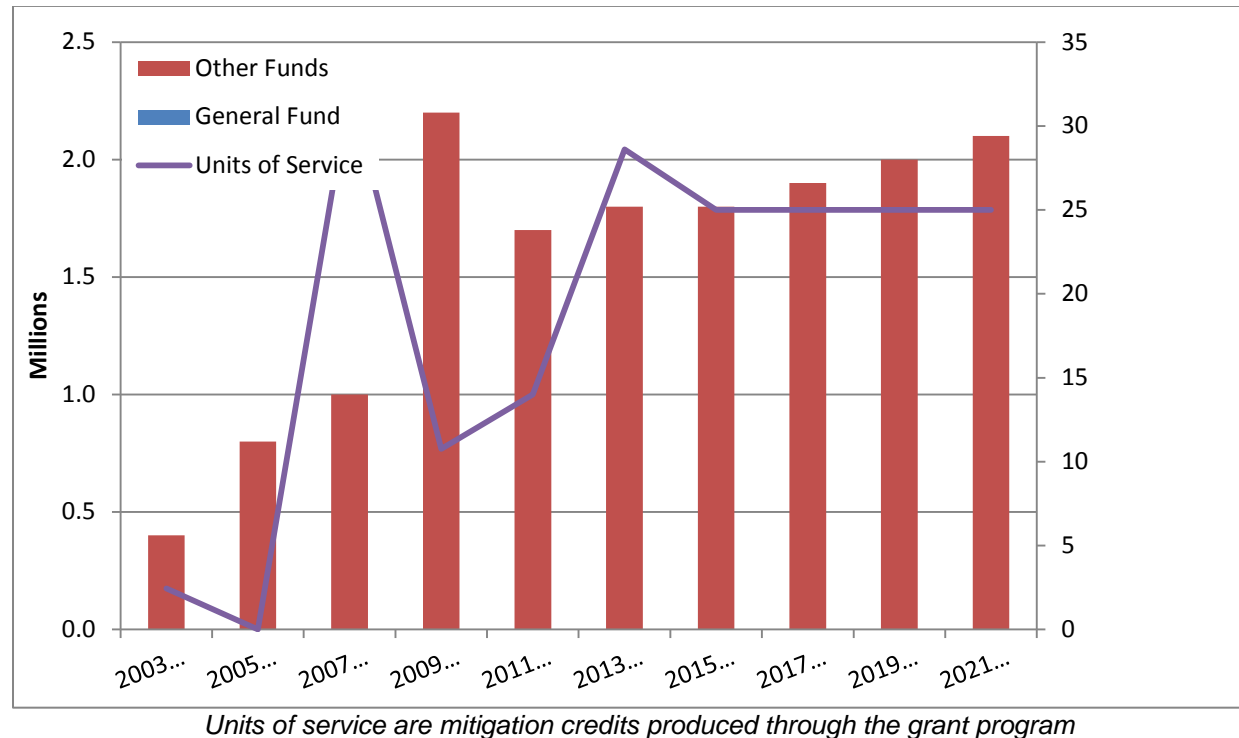


# BUDGET NARRATIVE

## PROGRAM UNIT 013 – OREGON REMOVAL-FILL MITIGATION FUND

### EXECUTIVE SUMMARY

Primary Outcome Area: Healthy Environment  
Program Contact: Bill Ryan, 503-986-5259; [bill.ryan@state.or.us](mailto:bill.ryan@state.or.us)



### Program Overview

The Oregon Removal-Fill Mitigation Fund is used to provide a mitigation option for removal-fill permits for projects that impact wetlands and waterways. Mitigation credits are sold to applicants and the funds are used by DSL to construct mitigation sites through a grant program.

### Program Funding Request

This program has an Agency Request Budget of \$1,821,439. There is 1 position and 1 full-time employee in the program area.

# BUDGET NARRATIVE

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## **Program Description**

Under state law, when impacts to aquatic resources (wetlands and waterways) occur as part of a removal-fill activity, mitigation to replace the lost functions of the resource is required. Mitigation may be accomplished through permittee-responsible mitigation, purchasing credits from private mitigation banks or, if there are no private bank credits available, purchasing credits from DSL. When mitigation credits are purchased from DSL, the funds are deposited into the Removal-Fill Mitigation Fund. DSL then uses these funds to administer a grant program to construct wetland and waterway mitigation projects in the watershed in which the impacts occurred. The credits are referred to as payment in-lieu or in-lieu fee credits. The Department currently has three in-lieu fee sites providing credits and has an additional three sites under development.

The program involves a wide array of partners, including grantees, an interagency team for federally approved projects, and funding partners. A sampling includes the U.S. Forest Service; Clean Water Services in Washington County; nonprofits and land trusts such as the McKenzie River Land Trust and North Coast Land Conservancy; and watershed councils such as the Tualatin Riverkeepers, Salmon-Drift Creek Watershed Council and Clackamas River Basin Council. State agency partners include ODFW, ODOT and DEQ.

## **Program Justification and Link to 10-Year Outcome**

Performance of this program will contribute to the Healthy Environment Outcome by addressing three of the strategies identified in the plan.

### **Strategy 1: Investing in programs that improve water quality and air quality.**

Healthy wetland and waterway habitats improve water quality. Mitigation projects funded through the Removal-Fill Mitigation Fund must demonstrate the ability to provide multiple ecosystem functions including water quality. Projects providing the highest environmental gains are given preference. By applying this grant selection criterion, the program will continue to contribute to improving or stabilizing water quality over the next ten years.

**Strategy 2: Investing in programs that conserve, protect and restore key watersheds, stabilize populations of fish and wildlife species and improve forest and rangeland health.** The Department takes a watershed approach to mitigation project selection. Projects that are funded must be strategically located to meet regional conservation priorities, address limiting factors identified in watershed assessments, provide habitat corridors, or add to the effectiveness of nearby protected natural areas. Mitigation projects that are able to provide multiple functions and functional gains, including improvement of fish and wildlife habitat and support for rare species, are given preference. These grant approval criteria help ensure the Department's grant decisions align with recovery plans and conservation priorities. Funding projects that provide the greatest ecological gains supports fish and wildlife species and their habitats.

### **Strategy 5: Improving the effectiveness and efficiency of natural resources management in Oregon, and provide a stable base for addressing existing and emerging resource challenges.**

By using existing conservation plans in the grant selection process, the program contributes to the effective coordination and implementation of natural resources management plans to sustain the environmental, economic and social well-being of Oregon for future generations. In addition, most approved grant projects involve funding from multiple sources, which has the effect of incorporating conservation priorities from other natural resource funding agencies.

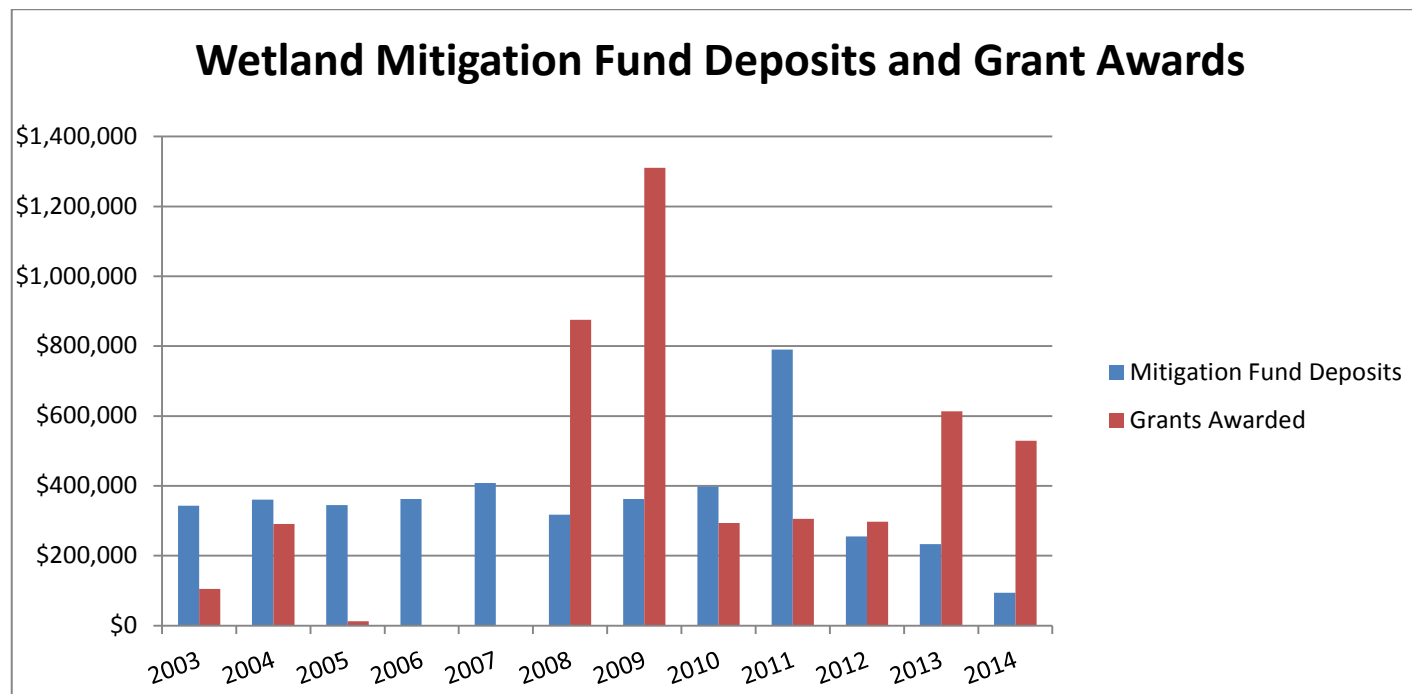


# BUDGET NARRATIVE

The program provides an efficient and effective way to compensate for impacts to wetlands and waterways and to achieve desired environmental outcomes. It saves the applicant time and money because it eliminates the need for individual mitigation site design, construction and monitoring.

The use of DSL credits for mitigation can also provide improved outcomes for aquatic resources compared to small scale individual mitigation sites. By pooling funds from multiple permits and collaborating with restoration partners, the Department is able to construct larger mitigation sites that are more sustainable and higher functioning. Larger mitigation sites are also more cost effective as they benefit from economies of scale relative to smaller mitigation sites. Because DSL approves only those mitigation grant projects that have a high likelihood of success and meet watershed needs for functional replacement, the Department is able to minimize risk of project failure and maximize environmental benefits.

## Program Performance



# BUDGET NARRATIVE

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From 2001 through 2013, DSL was able to accept mitigation payment for over 600 permitted actions. The chart on page 1 shows that prior to 2007 the Department received more mitigation fund deposits than it was able to distribute in grants. In 2007, the Department obtained one FTE to administer the grant program and developed a performance measure (KPM 11) for DSL to commit 100 percent of the funds received through credit sales to mitigation project grants within one year. It has been challenging to commit all funds received each year since the amount of credit sales and the availability of appropriate grant projects are not correlated. The Department is meeting the intent of the KPM as we have committed more funds to mitigation grants than we have received in credit sales since 2008.

The department projects an increase in credits sold in the future, in part because of an expansion of the In-Lieu Fee Mitigation Program in six additional watersheds. Growth should also pick up as the economy recovers from the recent recession. The department estimates a 10 percent increase per biennium.

## **Enabling Legislation/Program Authorization**

The Mitigation Fund is authorized in ORS 196.625-665. Applicants for removal-fill permits are required to provide compensatory mitigation for the adverse effects of their projects. The Mitigation Fund creates an added mitigation payment option for project proponents.

## **Funding Streams**

The program is completely self-funded from Other Funds. DSL accepts funds in lieu of physical mitigation and expends funds for mitigation projects.

## **Significant Proposed Program Changes from 2013-15**

None.

# BUDGET NARRATIVE

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## **ESSENTIAL PACKAGES – OREGON REMOVAL-FILL MITIGATION FUND**

**PURPOSE:** The essential packages present budget adjustments needed to bring the base budget to Current Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2015-17 biennium.

### **HOW ACHIEVED:**

**Package 010:** adjusts for vacancies and non-PICS personal services amounts using the standard adjustment and calculation factors specified in the budget instructions. The adjustment of \$3,130 is for Pension Bond Contribution and Mass Transit Tax.

**Package 031:** adjusts the costs of Goods and Services based on the standard inflation factor of 3.0 percent as published in the budget instructions. The resulting Services and Supplies increase in this Program Unit is \$18,826 Other Funds.

**STAFFING IMPACT:** There was no staffing impact in this budget program relating to Essential Packages.

**REVENUE SOURCE:** Other Funds

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Oregon Wetlands Revolving Fund  
 Cross Reference Number: 14100-013-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Personal Services</b>							
Pension Obligation Bond	-	-	(2,811)	-	-	-	(2,811)
Mass Transit Tax	-	-	(319)	-	-	-	(319)
<b>Total Personal Services</b>	-	-	<b>(\$3,130)</b>	-	-	-	<b>(\$3,130)</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	(3,130)	-	-	-	(3,130)
<b>Total Expenditures</b>	-	-	<b>(\$3,130)</b>	-	-	-	<b>(\$3,130)</b>
<b>Ending Balance</b>							
Ending Balance	-	-	3,130	-	-	-	3,130
<b>Total Ending Balance</b>	-	-	<b>\$3,130</b>	-	-	-	<b>\$3,130</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 031 - Standard Inflation

Cross Reference Name: Oregon Wetlands Revolving Fund  
Cross Reference Number: 14100-013-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Personal Services</b>							
Mass Transit Tax	-	-	-	-	-	-	-
<b>Total Personal Services</b>	-	-	-	-	-	-	-
<b>Services &amp; Supplies</b>							
Instate Travel	-	-	307	-	-	-	307
Out of State Travel	-	-	61	-	-	-	61
Employee Training	-	-	184	-	-	-	184
Office Expenses	-	-	92	-	-	-	92
Telecommunications	-	-	75	-	-	-	75
Data Processing	-	-	46	-	-	-	46
Employee Recruitment and Develop	-	-	15	-	-	-	15
Agency Program Related S and S	-	-	17,369	-	-	-	17,369
Other Services and Supplies	-	-	585	-	-	-	585
Expendable Prop 250 - 5000	-	-	31	-	-	-	31
IT Expendable Property	-	-	61	-	-	-	61
<b>Total Services &amp; Supplies</b>	-	-	<b>\$18,826</b>	-	-	-	<b>\$18,826</b>
<b>Capital Outlay</b>							
Office Furniture and Fixtures	-	-	31	-	-	-	31
<b>Total Capital Outlay</b>	-	-	<b>\$31</b>	-	-	-	<b>\$31</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 031 - Standard Inflation

Cross Reference Name: Oregon Wetlands Revolving Fund  
Cross Reference Number: 14100-013-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Special Payments</b>							
Dist to Non-Gov Units	-	-	31,457	-	-	-	31,457
<b>Total Special Payments</b>	-	-	<b>\$31,457</b>	-	-	-	<b>\$31,457</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	50,314	-	-	-	50,314
<b>Total Expenditures</b>	-	-	<b>\$50,314</b>	-	-	-	<b>\$50,314</b>
<b>Ending Balance</b>							
Ending Balance	-	-	(50,314)	-	-	-	(50,314)
<b>Total Ending Balance</b>	-	-	<b>(\$50,314)</b>	-	-	-	<b>(\$50,314)</b>

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

Lands, Dept of State  
2015-17 Biennium

Agency Number: 14100

Cross Reference Number: 14100-013-00-00-00000

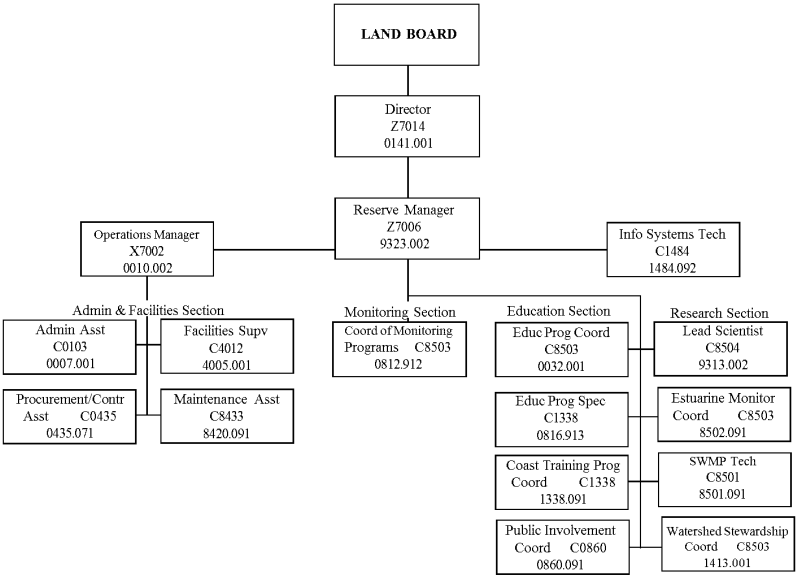
<i>Source</i>	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>Other Funds</b>						
Interest Income	32,870	170,000	170,000	170,000	170,000	-
Other Revenues	434,601	851,596	851,596	851,596	851,596	-
Transfer In - Intrafund	-	1,203,059	1,203,059	1,203,059	1,203,059	-
Transfer Out - Intrafund	-	(17,050)	(17,050)	(17,050)	(17,050)	-
<b>Total Other Funds</b>	<b>\$467,471</b>	<b>\$2,207,605</b>	<b>\$2,207,605</b>	<b>\$2,207,605</b>	<b>\$2,207,605</b>	<b>-</b>

PROGRAM UNIT

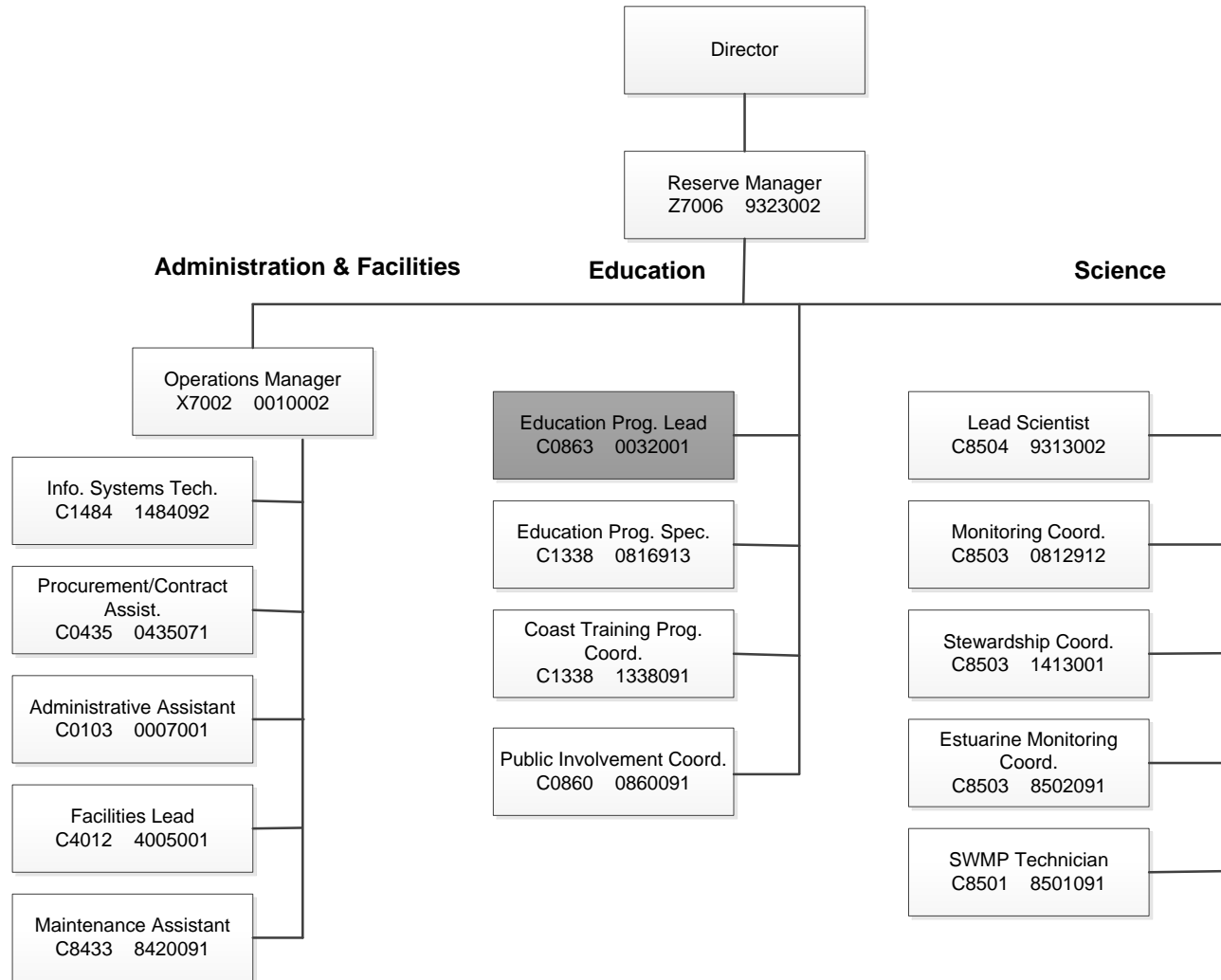
SOUTH SLOUGH NATIONAL  
ESTUARINE RESEARCH RESERVE



SOUTH SLOUGH NATIONAL ESTUARINE RESEARCH RESERVE 2013-2015



**SOUTH SLOUGH NATIONAL ESTUARINE RESEARCH RESERVE 2015-2017**



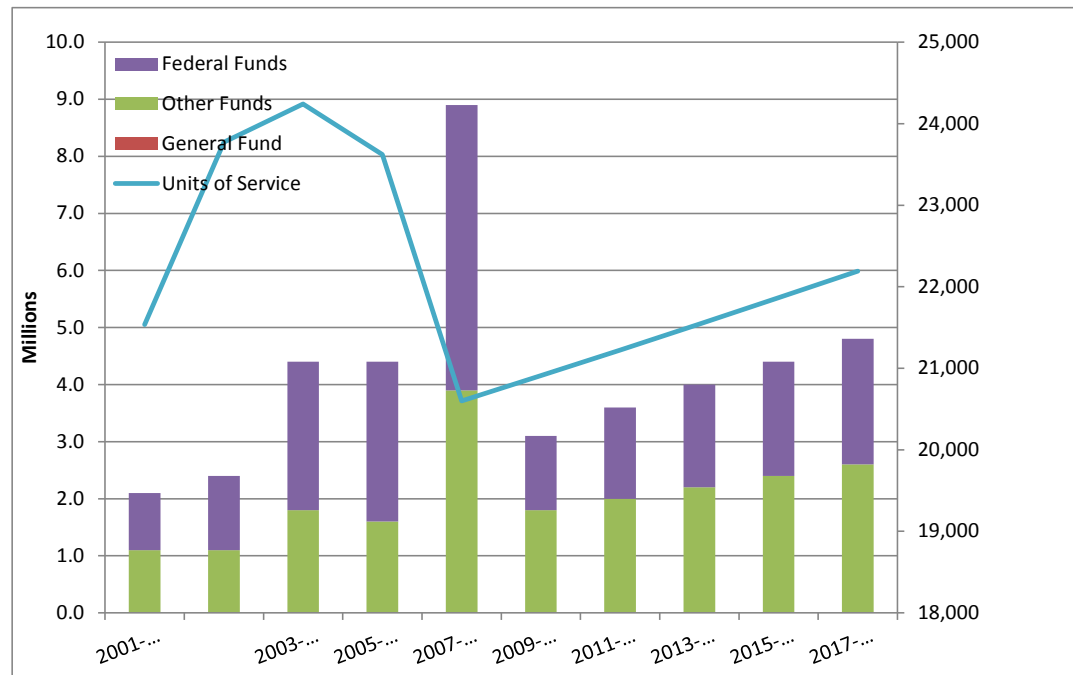
POP 104  
RECLASS

# BUDGET NARRATIVE

## PROGRAM UNIT 030 – SOUTH SLOUGH NATIONAL ESTUARINE RESEARCH RESERVE

### EXECUTIVE SUMMARY

Primary Outcome Area: Healthy Environment  
 Secondary Outcome Area: Education  
 Program Contact: Gary Cooper, 541-888-8270 x 315  
[gary.d.cooper@state.or.us](mailto:gary.d.cooper@state.or.us)



*Units of service are total number of customers served by the South Slough (interpretive center visitors, education contacts, and coastal training program attendees)*

### Program Overview

The South Slough National Estuarine Research Reserve is a 5,000-acre protected area located on the South Slough inlet of the Coos Estuary near Coos Bay. Established in 1974 by the Oregon Legislature, it is a partnership with the National Oceanic and Atmospheric Administration (NOAA) and the Oregon Department of State Lands. The mission of the South Slough Reserve is to improve the understanding and management of estuaries and coastal watersheds in the Pacific Northwest. The South Slough was the first of 28 reserves nationwide, and is the only program of its kind in Oregon.

# BUDGET NARRATIVE

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## **Program Funding Request**

This program has an Agency Request Budget of \$1,962,130 Other Funds Limited and \$1,617,600 Federal Funds which totals \$3,579,730. There are 16 positions and 16 full-time employees in this program area.

## **Program Description**

The Reserve has two core areas of service delivery: Education and Science. The staff of 16 provide classes and training for a wide variety of clients, including schoolchildren, science teachers and professionals involved in managing estuaries and coastal watersheds. The Reserve's interpretive center offers informative displays and a system of hiking trails for tourists and area residents. Scientists provide research data to national and regional organizations. The Reserve is guided by an eight-member, Governor-appointed Management Commission, chaired by the Director of the Department of State Lands, its state partner agency.

**Education:** The Reserve has a robust education program that offers classes, summer camps and interpretive programs for toddlers through adults. The education program also includes topical workshops for coastal decision-makers, a longstanding program for college-level student interns and Vista volunteers, and the Reserve's visitor information services.

**Science:** The Reserve's research staff conducts independent scientific studies that address significant estuarine management issues. Staff also manage and restore habitats and ecosystem processes, and collaborate with local, regional and national organizations to address natural resource management issues affecting estuaries and coastal watersheds. The recently established Partnership for Coastal Watersheds is an effort led by Reserve staff and the Coos Watershed Association.

**Administration and Facilities:** The staff in this area are responsible for the overall administration of the SSNERR, working with the management commission and program staff; and maintenance of the Reserve's indoor and outdoor facilities.

**Program Partners:** The Reserve's large-scale restoration and stewardship projects typically are grant-supported, and involve a variety of partners including regional watershed associations; port authorities; national coastal management organizations; state and regional natural resource organizations; aquaculture, fisheries, wetlands and forestry professionals; regional economic development organizations; and federal and tribal natural and cultural resource management agencies.

The Reserve has invested in volunteer recruitment and training, which has paid off through building community support and supplementing staff work. In 2013, volunteers contributed 5,513 hours of their time and talent to support the mission of the Reserve, a contribution valued at nearly \$122,000.

During the next 10 years, the Reserve will measure stewardship performance effectiveness using a variety of environmental condition metrics selected and defined by diverse stakeholders in the watershed. The metrics will characterize acceptable environmental conditions and will be informed by the experimental work and concepts currently being tested by the Partnership for Coastal Watersheds initiative lead by the Reserve. Other performance measures include reducing the Reserve's reliance on Common School Fund funding and assessing customer needs to design training programs.

# BUDGET NARRATIVE

## Program Justification and Link to 10-Year Outcome

Performance of this program will contribute to the **Healthy Environment** Outcome. Every program, class, workshop, event and research project is geared toward a better understanding of the coastal estuarine environment, and better management of coastal natural resources.

Specific 10-year outcomes that relate directly to the South Slough’s mission include:

**Strategy 1: Investing in programs that improve water quality and air quality:** Science Program

**Strategy 2: Investing in programs that conserve, protect and restore key watersheds, stabilize populations of fish and wildlife species, and improve forest and rangeland health:** Science Program

**Strategy 4: Help to build great communities for a growing population:** Education Program

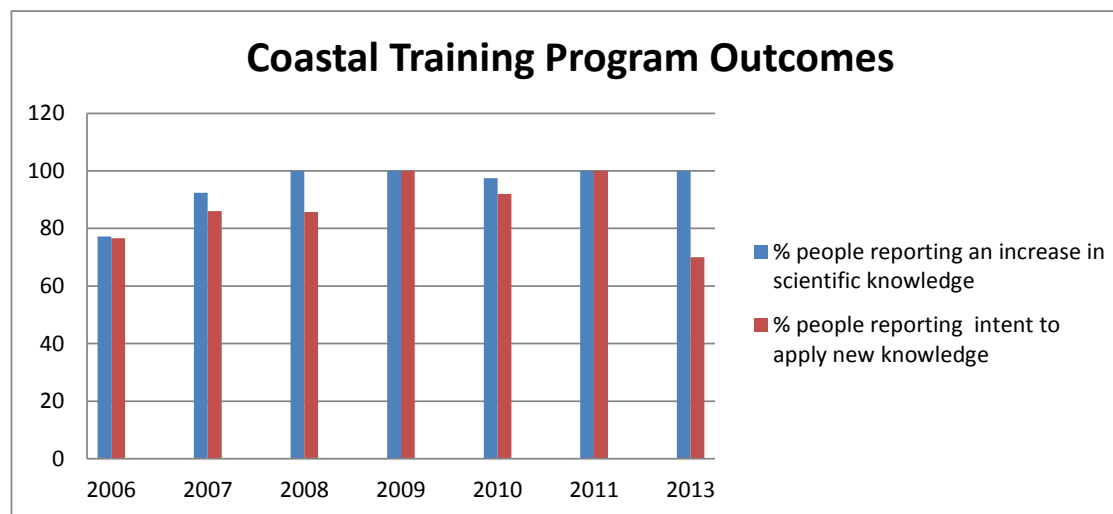
**Strategy 5: Improve the effectiveness and efficiency of natural resources management in Oregon, and provide a stable base for addressing existing and emerging resource challenges:** Science and Education Programs

In addition, the statutory policy of the Reserve to “protect the estuary from uses within and beyond the boundaries that will alter the ecosystem and its natural dynamic processes...” indirectly supports attainment of **Strategy 3: Reduce Oregonians’ exposure to toxics.**

## Enabling Legislation/Program Authorization

The South Slough Reserve was created under the authority of the 1972 Coastal Zone Management Act, Section 315 as amended (16 U.S.C. 1461). The Oregon Legislature established the Reserve in 1974. It is operated with oversight by the Oregon Department of State Lands through ORS 273.553(et seq.) and federal grant-in-aid support (fi 04-4-158-12001, as amended).

## Program Performance



# BUDGET NARRATIVE

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*The South Slough provides training for managers and decision makers whose activities affect the natural resources of Oregon's coastal zone. Trainees typically represent watershed councils, planning agencies, tribes, port districts, natural resource agencies and habitat restoration firms. Program priorities include water quality, habitat restoration, invasive species management, near-shore ocean management, coastal hazards, climate change and energy, and coastal ecosystems.*

## **Funding Streams**

The Reserve is supported by a combination of Other Funds and Federal Funds, in approximately equal proportion that fund personal services and general operations. The Federal Funds come from NOAA through a grant-in-aid agreement (fi 04-4-158-12001, as amended). The state budget comes from Common School Fund revenues.

In 2008, a fee requirement was established under Oregon Administrative Rule 142-015-0000 to 142-015-0050, Statutory Authority ORS 27.554. Fees are in place for certain activities and uses of Reserve resources. To date, fees collected have been minimal due to the nature of the audiences served: K-12 schools, local nonprofits, government agencies.

Reserve staff routinely applies for Other Fund and Federal Fund competitive grants to provide support for special projects and activities. The Reserve has a nonprofit partner organization – Friends of South Slough, Inc. – that assists with fundraising and events.

## **Significant Proposed Program Changes from 2013-15**

POP 105: Position reclassification at South Slough Reserve (reclass education coordinator from NRS 3 to NRS 4 to align it with lead worker duties needed to lead the education team) – costs will be absorbed by existing funds.

Estuaries, where rivers and streams meet the sea, are among the most productive biological communities on earth. The South Slough National Estuarine Research Reserve (SSNERR) is a 5,000-acre research natural area encompassing a portion of the Coos estuary on the Southern Oregon coast. An adjoining 1,000 acres are state-owned lands which are managed for conservation by the Reserve. The South Slough Reserve is one of 28 reserves nationwide, and was established as part of the Coastal Zone Management Act of 1972.

In partnership with cooperating states, the U.S. Department of Commerce's National Oceanic and Atmospheric Administration oversees the 28-site NERR system. Federal cost-sharing awards to participating states help identify, protect and manage outstanding examples of the types and variety of estuaries found in the United States. Oregon's participation in the National Estuarine Research Reserve System was formalized in 1974 by an act of the Oregon Legislative Assembly (ORS 273.553 - 273.558).

The SSNERR's mission is to improve the understanding and stewardship of Pacific Northwest estuaries and coastal watersheds. The Reserve gathers scientific information essential to coastal zone decision-making and heightens awareness of the important role of estuaries by providing reliable information about estuaries to policy makers, students, teachers and the public.

For 40 years, the Reserve's science and education programs have focused on the management of coastal wetlands and watersheds, which contribute directly to the Aquatic Resource Management responsibilities of the Oregon Department of State Lands.

# BUDGET NARRATIVE

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## **ADMINISTRATION AND FACILITIES**

The Reserve's manager reports to a nine-member Management Commission appointed by the Governor and chaired by the director of the Department of State Lands. Administrative support for day-to-day operations is provided by an operations manager, two administrative assistants, the Chief Technologist, and fiscal staff in the Department of State Lands.

The Reserve's staff of 16 is supported by a combination of federal and other funds. Temporary workers and volunteers augment core positions, as do grant-supported employees for specific projects. Grants also fund special projects managed by permanent staff.

The South Slough Reserve serves as a summer work site for youth in programs such as the NW Youth Corps, Americorps, Youth Work Experience and Experience Works. These programs provide training and experience opportunities for at-risk and disadvantaged youth, individuals returning to the workforce after a period of unemployment, and individuals of retirement age who want to continue to contribute to workplaces.

A revision of the SSNERR 1994 Management Plan was completed in 2006, and is again underway, with a completion date of 2015.

The Reserve's land includes six structures, twelve miles of roads and trails, and a variety of vehicles and equipment. The maintenance staff consists of one state supported position, one federally funded position and up to 10 seasonal volunteers. Physical facility developments at the Reserve are guided by a facilities master plan.

## **SCIENCE PROGRAM**

The **research mission** of the South Slough Reserve is accomplished through strategies intended to achieve three goals:

**Conduct and coordinate research.** SNERR staff assist agency researchers and academic investigators with the design of scientific studies, preparation of grant proposals, and coordination of multi-agency efforts. Reserve staff also provide technical and logistical support for visiting scientists. The Reserve maintains a Memorandum of Understanding with the University of Oregon's Institute of Marine Biology to share administrative resources and laboratory facilities. The South Slough Lead Scientist serves as an advisor for graduate thesis committees, and collaborates with faculty members to conduct and direct management-oriented research.

**Assess, monitor and track changes in estuarine habitats and communities.** Active management of the Reserve is supported by monitoring weather, water quality and biological conditions in the South Slough watershed. The monitoring program at South Slough contributes to and is supported by a national system-wide monitoring program.

**Provide technical assistance and advisory services for estuaries in the Lower Columbia biogeographic province.** The research program initiates and supports efforts to improve estuarine water quality and coordinate watershed-wide activities. Information produced by these efforts help port and forest managers, farmers, municipal waste treatment plant operators, county and municipal planning agencies, and the scientific research community. The Reserve staff also provide leadership in research on restoration of tidal salt marshes and other estuarine habitats such as eelgrass.

# BUDGET NARRATIVE

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The South Slough's **stewardship** activities include:

1. Manage and restore habitats and ecosystem processes associated with the South Slough Reserve using an adaptive management approach.
2. Provide for a diversity of high quality estuarine and coastal habitats representative of the Lower Columbia Biogeographic province.
3. Collaborate with local, regional and national organizations to address natural resource management issues affecting estuaries and coastal watersheds.

Ecosystem restoration activities continue to be focused on re-establishing ecological functions to areas within the Reserve that have been impacted by historic human activity. These primarily grant-supported initiatives include in-stream salmon habitat enhancements, upper watershed tree planting, and experimental dike removal to accelerate the recovery of former tidal wetlands.

The SSNERR Management Commission has adopted a watershed conservation strategy and cooperative plan for watershed conservation that reflects coastal Oregon watershed conservation goals at both regional and local scales. The plan was developed and is being carried out in close partnership with a diverse team of planners, community leaders, technical specialists, landowners, and natural resource agency representatives.

The state's acquisition of upland forest acreage to be managed by the Reserve provides an opportunity to implement the Forest Management Plan, which was adopted as the appropriate strategy to manage the upland forestland of the Reserve by its Management Commission.

## **EDUCATION PROGRAMS**

A central goal of the National Estuarine Research Reserve System is to increase understanding of the role estuaries play in the coastal zone. The South Slough's education program focuses on four primary target audiences:

**School-Age Children – The Estuary Study Program.** This four-level curriculum was developed by Reserve staff for students, teachers and parents, and includes a variety of classroom activities that culminate in a field expedition to the South Slough Reserve. The standards-based program is designed to assist students in achieving Oregon and national benchmarks. Other educational activities include participation in *Estuary Live!* and training opportunities for professional educators.

**Public Involvement and Visitor Services.** This program's goal is to foster public awareness and understanding of estuaries through interpretive exhibits, audio/visual shows, public presentations, and natural history programs. Visitor services are a top priority at the Reserve, with a 6,500-square-foot interpretive center as the focal point. New interpretive exhibits highlight aquaria, which house animals that can be found in the water and wetlands on the Reserve. Staff maintain a website that includes seasonal calendars of activities, issue papers, maps, and general information about the Reserve.



# BUDGET NARRATIVE

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**Higher Education Students and Researchers.** Since its establishment, the Reserve has been a research field site for students from many undergraduate, graduate and postgraduate programs. Staff provide orientation and logistical support for students and researchers, and regularly serve as instructors and lecturers at institutions of higher learning. Research and policy papers are presented at professional meetings. Federal support from the National Estuarine Research Reserve System provides financial assistance for graduate research fellowships focused on Oregon estuaries.

**Coastal Decision Makers.** South Slough staff train and advise public- and private-sector organizations, as well as members of the general public involved with decision making pertaining to estuaries and coastal zone management. The South Slough hosts and participates in training programs related to wetlands, coastal management and coastal sciences.

## **RECREATION AT SOUTH SLOUGH**

Because the South Slough Reserve was created to use a portion of a relatively undisturbed estuary for the purpose of scientific research and education, the Reserve's recreation program emphasizes non-consumptive activities such as hiking, canoeing, photography, painting and wildlife observation. Interpretive brochures explain points of interest along the public trails. The Reserve also sponsors guided canoe tours and trail walks to serve the needs of its many visitors.

The program is supported by both Other Funds (constitutional) and Federal Funds, supplied through a cooperative agreement with NOAA.

# BUDGET NARRATIVE

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## **ESSENTIAL PACKAGES – SOUTH SLOUGH NATIONAL ESTUARINE RESEARCH RESERVE**

**PURPOSE:** The essential packages present budget adjustments needed to bring the base budget to Current Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2013- 15 biennium.

### **HOW ACHIEVED:**

**Package 010:** adjusts for vacancies and non-PICS personal services amounts using the standard adjustment and calculation factors specified in the budget instructions. The vacancy factor adjustment is \$14,372 Other Funds. There is an adjustment of \$3,580 All Funds in Temporary Appointments and \$91 Federal Funds for Overtime Payments. Adjustment for the Pension Bond Contribution is \$4,781 All Funds. Other adjustments totaling \$466 All Funds were made in Public Employee Retirement Contributions, Social Security Taxes and Unemployment Assessments.

**Package 022:** represents a cost reversal from the 2013-15 Legislatively Approved Budget for one-time budget package costs. This package phases out \$458,526 in Other Funds and \$1,000,000 in Federal Funds for grants that do not continue to the next biennium.

**Package 031:** adjusts the costs of Goods and Services based on the standard inflation factor of 3.0 percent as published in the budget instructions. The resulting Services and Supplies increase in this Program Unit is \$13,068 Other Funds and \$8,018 in Federal Funds.

**Package 032:** makes an adjustment for additional allowable inflation for Professional Services. The resulting increase is \$436 Other Funds and \$212 Federal Funds.

**STAFFING IMPACT:** There was no staffing impact in this budget program relating to essential packages.

**REVENUE SOURCE:** Other Funds and Federal Funds

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: South Slough National Estuarine  
 Cross Reference Number: 14100-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
Transfer In - Intrafund	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	-	-	-	-	-
<b>Personal Services</b>							
Temporary Appointments	-	-	1,465	2,115	-	-	3,580
Overtime Payments	-	-	-	91	-	-	91
Public Employees' Retire Cont	-	-	-	14	-	-	14
Pension Obligation Bond	-	-	8,170	(3,389)	-	-	4,781
Social Security Taxes	-	-	112	169	-	-	281
Unemployment Assessments	-	-	171	-	-	-	171
Vacancy Savings	-	-	-	14,372	-	-	14,372
<b>Total Personal Services</b>	-	-	<b>\$9,918</b>	<b>\$13,372</b>	-	-	<b>\$23,290</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	9,918	13,372	-	-	23,290
<b>Total Expenditures</b>	-	-	<b>\$9,918</b>	<b>\$13,372</b>	-	-	<b>\$23,290</b>
<b>Ending Balance</b>							
Ending Balance	-	-	(9,918)	(13,372)	-	-	(23,290)
<b>Total Ending Balance</b>	-	-	<b>(\$9,918)</b>	<b>(\$13,372)</b>	-	-	<b>(\$23,290)</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: South Slough National Estuarine  
 Cross Reference Number: 14100-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Personal Services</b>							
Temporary Appointments	-	-	(216,804)	-	-	-	(216,804)
Social Security Taxes	-	-	(16,586)	-	-	-	(16,586)
<b>Total Personal Services</b>	-	-	<b>(\$233,390)</b>	-	-	-	<b>(\$233,390)</b>
<b>Services &amp; Supplies</b>							
Professional Services	-	-	(166,436)	-	-	-	(166,436)
<b>Total Services &amp; Supplies</b>	-	-	<b>(\$166,436)</b>	-	-	-	<b>(\$166,436)</b>
<b>Capital Outlay</b>							
Land and Improvements	-	-	(58,700)	(1,000,000)	-	-	(1,058,700)
<b>Total Capital Outlay</b>	-	-	<b>(\$58,700)</b>	<b>(\$1,000,000)</b>	-	-	<b>(\$1,058,700)</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	(458,526)	(1,000,000)	-	-	(1,458,526)
<b>Total Expenditures</b>	-	-	<b>(\$458,526)</b>	<b>(\$1,000,000)</b>	-	-	<b>(\$1,458,526)</b>
<b>Ending Balance</b>							
Ending Balance	-	-	458,526	1,000,000	-	-	1,458,526
<b>Total Ending Balance</b>	-	-	<b>\$458,526</b>	<b>\$1,000,000</b>	-	-	<b>\$1,458,526</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

**Lands, Dept of State**  
**Pkg: 031 - Standard Inflation**

**Cross Reference Name: South Slough National Estuarine**  
**Cross Reference Number: 14100-030-00-00-00000**

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
Federal Funds	-	-	-	-	-	-	-
Transfer In - Intrafund	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	-	-	-	-	-
<b>Personal Services</b>							
Temporary Appointments	-	-	-	-	-	-	-
Overtime Payments	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	-	-	-	-	-
Social Security Taxes	-	-	-	-	-	-	-
Unemployment Assessments	-	-	-	-	-	-	-
Mass Transit Tax	-	-	-	-	-	-	-
<b>Total Personal Services</b>	-	-	-	-	-	-	-
<b>Services &amp; Supplies</b>							
Instate Travel	-	-	539	514	-	-	1,053
Out of State Travel	-	-	216	380	-	-	596
Employee Training	-	-	253	621	-	-	874
Office Expenses	-	-	654	553	-	-	1,207
Telecommunications	-	-	443	238	-	-	681
Data Processing	-	-	16	297	-	-	313
Publicity and Publications	-	-	15	43	-	-	58
Professional Services	-	-	4,367	2,120	-	-	6,487
Attorney General	-	-	623	-	-	-	623
Employee Recruitment and Develop	-	-	73	172	-	-	245

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

**Lands, Dept of State**  
**Pkg: 031 - Standard Inflation**

**Cross Reference Name: South Slough National Estuarine**  
**Cross Reference Number: 14100-030-00-00-00000**

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Services &amp; Supplies</b>							
Dues and Subscriptions	-	-	-	24	-	-	24
Facilities Rental and Taxes	-	-	1	-	-	-	1
Fuels and Utilities	-	-	232	744	-	-	976
Facilities Maintenance	-	-	809	887	-	-	1,696
Agency Program Related S and S	-	-	-	159	-	-	159
Other Services and Supplies	-	-	1,683	326	-	-	2,009
Expendable Prop 250 - 5000	-	-	102	626	-	-	728
IT Expendable Property	-	-	1,388	43	-	-	1,431
<b>Total Services &amp; Supplies</b>	-	-	<b>\$11,414</b>	<b>\$7,747</b>	-	-	<b>\$19,161</b>
<b>Capital Outlay</b>							
Office Furniture and Fixtures	-	-	-	-	-	-	-
Technical Equipment	-	-	1,166	271	-	-	1,437
Data Processing Hardware	-	-	488	-	-	-	488
Land and Improvements	-	-	-	-	-	-	-
<b>Total Capital Outlay</b>	-	-	<b>\$1,654</b>	<b>\$271</b>	-	-	<b>\$1,925</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	13,068	8,018	-	-	21,086
<b>Total Expenditures</b>	-	-	<b>\$13,068</b>	<b>\$8,018</b>	-	-	<b>\$21,086</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 031 - Standard Inflation

Cross Reference Name: South Slough National Estuarine  
Cross Reference Number: 14100-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Ending Balance</b>							
Ending Balance	-	-	(13,068)	(8,018)	-	-	(21,086)
<b>Total Ending Balance</b>	-	-	<b>(\$13,068)</b>	<b>(\$8,018)</b>	-	-	<b>(\$21,086)</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 032 - Above Standard Inflation

Cross Reference Name: South Slough National Estuarine  
Cross Reference Number: 14100-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Services &amp; Supplies</b>							
Professional Services	-	-	436	212	-	-	648
<b>Total Services &amp; Supplies</b>	-	-	<b>\$436</b>	<b>\$212</b>	-	-	<b>\$648</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	436	212	-	-	648
<b>Total Expenditures</b>	-	-	<b>\$436</b>	<b>\$212</b>	-	-	<b>\$648</b>
<b>Ending Balance</b>							
Ending Balance	-	-	(436)	(212)	-	-	(648)
<b>Total Ending Balance</b>	-	-	<b>(\$436)</b>	<b>(\$212)</b>	-	-	<b>(\$648)</b>



# BUDGET NARRATIVE

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## **POLICY OPTION PACKAGE 104**

### **POSITION ALIGNMENT**

#### **SOUTH SLOUGH NATIONAL ESTUARINE RESEARCH RESERVE**

**PURPOSE:** This package reclassifies one position at the South Slough National Estuarine Research Reserve (SSNERR): the Education Coordinator is reclassified from a Natural Resource Specialist (NRS) 3 position to a Policy Analyst 4. This action completes the re-alignment of the SSNERR into three distinct program focus areas.

**HOW ACHIEVED:** SSNERR recently re-aligned its organizational structure into three distinct groups: Administration and Facilities, Science, and Education. The operations manager oversees the Administration and Facilities group and the lead scientist provides the oversight for the science group. The agency HR manager audited the education lead position and determined it was more appropriately classified as a Policy Analyst 4.

Funding for this package is achieved by moving limitation from services and supplies to personal services for a no net cost to the agency.

**ALTERNATIVES CONSIDERED:** There are no appropriate alternatives to consider. The reclassification has been reviewed and approved by DAS. The staff person currently in the position is paid at a work-out-of-class rate.

**QUANTIFYING RESULTS:** The Education Program lead is responsible for developing and implementing training programs locally, regionally and nationally. The audience for the various programs range from toddlers to teachers. Successful education programs result in improved understanding of estuaries and coastal watersheds.

**STAFFING IMPACT:** None

**REVENUE SOURCE:** Other Funds/Federal Funds: accomplished by moving limitation from Services and Supplies to Personal Services for no net change to limitation

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 104 - Program Alignment

Cross Reference Name: South Slough National Estuarine  
Cross Reference Number: 14100-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Personal Services</b>							
Class/Unclass Sal. and Per Diem	-	-	21,456	-	-	-	21,456
All Other Differential	-	-	8,034	-	-	-	8,034
Public Employees' Retire Cont	-	-	4,656	-	-	-	4,656
Social Security Taxes	-	-	2,256	-	-	-	2,256
<b>Total Personal Services</b>	-	-	<b>\$36,402</b>	-	-	-	<b>\$36,402</b>
<b>Services &amp; Supplies</b>							
Professional Services	-	-	(36,402)	-	-	-	(36,402)
<b>Total Services &amp; Supplies</b>	-	-	<b>(\$36,402)</b>	-	-	-	<b>(\$36,402)</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-	-	-	-
<b>Ending Balance</b>							
Ending Balance	-	-	-	-	-	-	-
<b>Total Ending Balance</b>	-	-	-	-	-	-	-

PACKAGE: 104 - Program Alignment

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
0032001 AX	C0863 AA	PROGRAM ANALYST 4	1	1.00	24.00	08	6,695.00		160,680 68,304			160,680 68,304
0032001 AX	C8503 AA	NATURAL RESOURCE SPECIALIST 3	1-	1.00-	24.00-	09	5,801.00		139,224- 63,276-			139,224- 63,276-
TOTAL PICS SALARY									21,456			21,456
TOTAL PICS OPE									5,028			5,028
TOTAL PICS PERSONAL SERVICES =				.00	.00				26,484			26,484

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

Lands, Dept of State  
2015-17 Biennium

Agency Number: 14100

Cross Reference Number: 14100-030-00-00-00000

<i>Source</i>	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>Other Funds</b>						
Federal Revenues	146,976	-	-	-	-	-
Rents and Royalties	4,805	-	-	-	-	-
Interest Income	25,386	-	-	-	-	-
Sales Income	83,938	-	-	-	-	-
Grants (Non-Fed)	-	142,027	142,027	142,027	142,027	-
Other Revenues	86,690	386,341	386,341	386,341	386,341	-
Transfer In - Intrafund	3,469,284	1,673,883	1,770,785	1,770,785	1,770,785	-
<b>Total Other Funds</b>	<b>\$3,817,079</b>	<b>\$2,202,251</b>	<b>\$2,299,153</b>	<b>\$2,299,153</b>	<b>\$2,299,153</b>	<b>-</b>
<b>Federal Funds</b>						
Federal Funds	3,622,227	1,256,800	2,290,701	2,290,701	2,290,701	-
Transfer In - Intrafund	8,161	-	-	-	-	-
<b>Total Federal Funds</b>	<b>\$3,630,388</b>	<b>\$1,256,800</b>	<b>\$2,290,701</b>	<b>\$2,290,701</b>	<b>\$2,290,701</b>	<b>-</b>

PROGRAM UNIT  
NATURAL HERITAGE PROGRAM

# BUDGET NARRATIVE

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## **ESSENTIAL PACKAGES – NATURAL HERITAGE ADVISORY COUNCIL**

**PURPOSE:** The essential packages present budget adjustments needed to bring the base budget to zero as the last remaining federal grant has expired and the program was transferred to Oregon Parks and Recreation Department during the 2011-13 biennium.

### **HOW ACHIEVED:**

**Package 022:** represents a complete cost reversal from the 2013-15 Legislatively Approved Budget. This package phases out \$58,700 in Federal Funds and results in no budget for the 2015-17 biennium.

**STAFFING IMPACT:** There was no staffing impact in this budget program relating to essential packages.

**REVENUE SOURCE:** Other Funds and Federal Funds

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Natural Heritage Program  
 Cross Reference Number: 14100-020-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
Federal Funds	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special Payments</b>							
Other Special Payments	-	-	-	(57,800)	-	-	(57,800)
<b>Total Special Payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(\$57,800)</b>	<b>-</b>	<b>-</b>	<b>(\$57,800)</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	-	(57,800)	-	-	(57,800)
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(\$57,800)</b>	<b>-</b>	<b>-</b>	<b>(\$57,800)</b>
<b>Ending Balance</b>							
Ending Balance	-	-	-	57,800	-	-	57,800
<b>Total Ending Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$57,800</b>	<b>-</b>	<b>-</b>	<b>\$57,800</b>

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

Lands, Dept of State  
2015-17 Biennium

Agency Number: 14100

Cross Reference Number: 14100-020-00-00-00000

<i>Source</i>	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>Other Funds</b>						
Transfer In - Intrafund	13,654	-	-	-	-	-
<b>Total Other Funds</b>	<b>\$13,654</b>	-	-	-	-	-
<b>Federal Funds</b>						
Federal Funds	1,024,368	57,800	57,800	57,800	57,800	-
Transfer Out - Indirect Cost	(7,000)	-	-	-	-	-
Tsfr To Parks and Rec Dept	(438,666)	-	-	-	-	-
<b>Total Federal Funds</b>	<b>\$578,702</b>	<b>\$57,800</b>	<b>\$57,800</b>	<b>\$57,800</b>	<b>\$57,800</b>	-

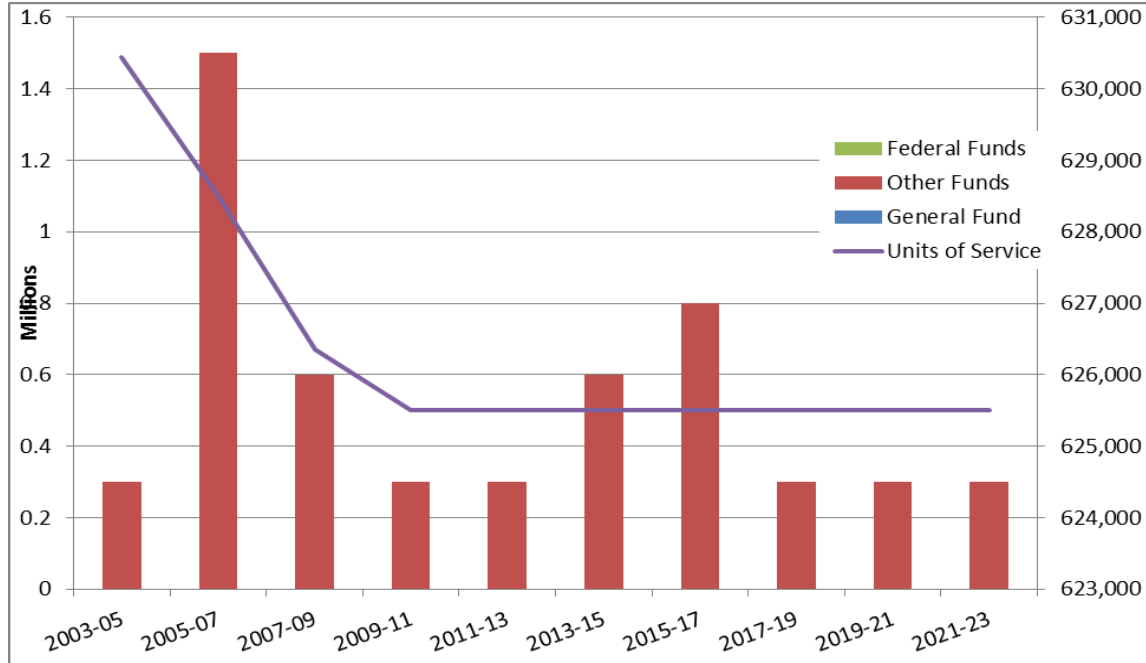


# CAPITAL BUDGETING

# BUDGET NARRATIVE

## PROGRAM UNIT 088 – CAPITAL IMPROVEMENTS AND FACILITIES MAINTENANCE

Primary Outcome Area: Healthy Environment  
 Secondary Outcome Area: Education  
 Program Contact: Jim Paul, 503 986-5279; [jim.paul@state.or.us](mailto:jim.paul@state.or.us)



Units of service are rangeland acres

### **Program Overview**

This program provides funds for maintaining DSL-owned Common School Fund assets on about 770,000 acres of surface trust land throughout the state. The goal is to ensure that state properties maintain their asset value and revenue-generating potential over the long term.

### **Program Funding Request**

This program has an Other Funded Capital Improvement Agency Request Budget of \$758,250. There are no positions or full-time employees in this program area.

# BUDGET NARRATIVE

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## **Program Description**

The Department of State Lands owns and manages a significant number of assets of the Common School Fund. This program provides funds for maintaining a sub-set of this real property: about 740,000 acres of surface Trust lands throughout the state. The goal is to ensure that these state properties maintain their asset value and revenue-generating potential over the long term. These lands, which are under the jurisdiction of the State Land Board, have a wide range of capital improvement needs, and generally fall into two categories:

***Management of large tracts of land.*** Ongoing expenses in this category include costs of fire suppression, noxious weed abatement, rangeland improvement projects, urban upland cleanup, trash removal and other environmental cleanup.

***Capital improvements and long-term repairs for DSL's headquarters building and land assets.*** The headquarters building was constructed in 1991 with Common School Fund monies, and until 2005 the Department of Administrative Services managed the building. When DSL took on these duties, the agency completed all major improvement projects that had been deferred by DAS. In the 2013-2015 biennium the Department invested in a project to upgrade and modernize the HVAC system in the building while doing remodeling to accommodate the reorganization of the agency. General benefits of the upgrade include energy cost savings, decreased maintenance costs, longer equipment life, better temperature control, and a quieter work environment for lessees. In combination, the upgrades are anticipated to both reduce operational costs and make the building space more marketable for future leasing while providing a more efficient work space for staff.

The overall strategic direction that guides capital improvements for DSL has been in place since 1993, when the State Land Board created an asset management planning strategy for all Common School Fund property. The plan was later revised in 2006, and most recently updated in 2012 with the adoption of the *Real Estate Asset Management Plan*. The plan guides state real property management with a broad range of strategies to enhance revenue production; protect and improve resource productivity; and rebalance assets through sale or exchange. Implementation of the REAMP will lead to a number of ongoing property maintenance and improvement needs consistent with good or improved management practices.

## **Link to 10-Year Plan for Oregon**

Healthy, sustainable, revenue-generating lands require regular investments and maintenance, a goal that is in line with the following **Healthy Environment** strategies in the 10-year Plan for Oregon:

### **Strategy 2: Invest in programs that conserve, protect and restore key watersheds, stabilize populations of fish and wildlife species, and improve forest and rangeland health**

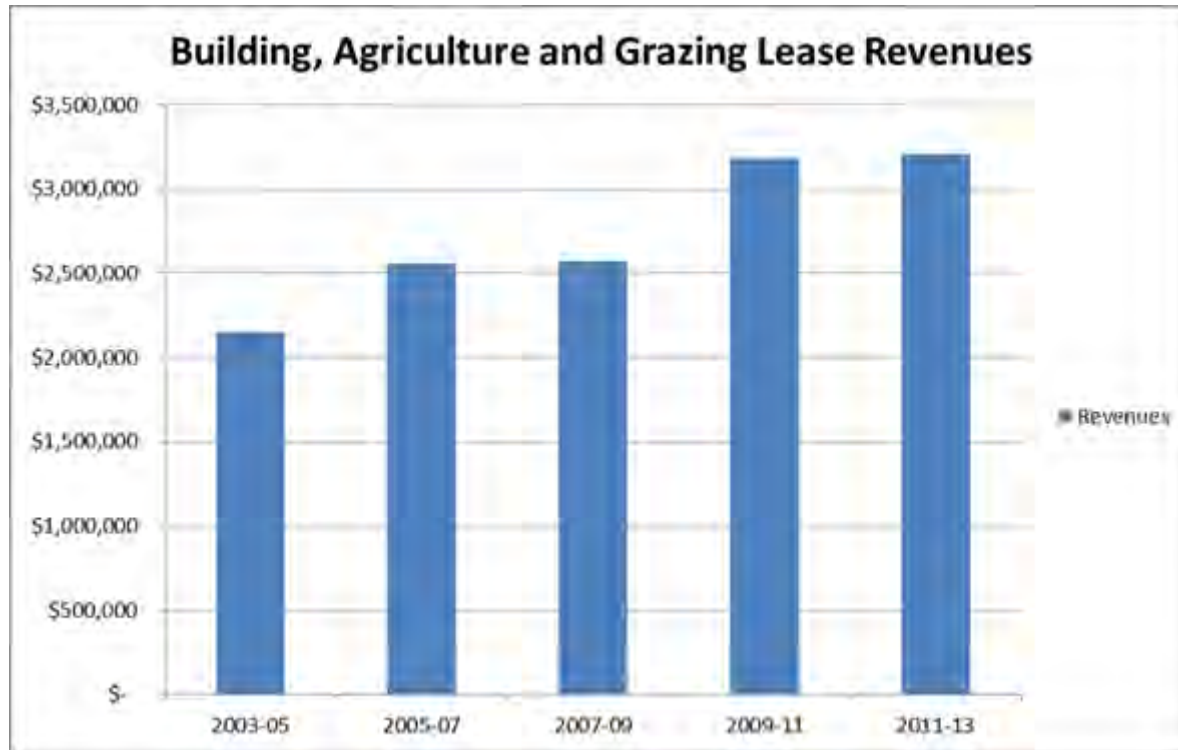
Rangeland improvements such as weed control, juniper thinning and fencing state lands are an important part of the overall maintenance of the 625,510 acres of southeast Oregon rangelands. Each year, DSL earmarks 12.5 percent of rangeland fees for land improvements.

### **Strategy 4: Help to build great communities for a growing population**

Investments in state property assets not only help sustain the market value of revenue-generating lands, but allow DSL to better manage state property. An example is developing rangeland into agricultural land through adding irrigation, which will generate considerably more revenue from the land. Another example is reducing energy consumption at the Salem headquarters building through improved heating and cooling systems.

# BUDGET NARRATIVE

## Program Performance



Common School Fund land assets maintained by this program (state-owned rangelands, agricultural lands, and industrial/commercial/residential property) generate a steady and increasing source of revenue for the Fund. Maintaining the productivity of this real property over time allows for continued revenue generation into the future, enhancing the value of this portion of Common School Fund portfolio.

### Enabling Legislation/Program Authorization

The program derives authority from the Oregon Constitution, Article VII, Sections 2 & 5; and from the following Oregon Revised Statutes:

- ORS Chapters 270 & 271
- ORS 273.006 – 551
- ORS 273.715 – 994
- ORS 327.403 – 484

# BUDGET NARRATIVE

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## **Funding Streams**

The expenses for this program are covered by Other Funds – Common School Fund.

## **Significant Proposed Program Changes from 2011-13**

Program enhancements include:

POP 105: Agricultural Development on Rangelands (fixed infrastructure costs to increase lease revenues) - \$455,000 OF

## BUDGET NARRATIVE

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### **ESSENTIAL PACKAGES – CAPITAL IMPROVEMENTS (COMMON SCHOOL FUND)**

**PURPOSE:** The essential packages present budget adjustments needed to bring the base budget to Current Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2015-17 biennium.

**HOW ACHIEVED:**

**Package 022:** represents a cost reversal from the 2013-15 Legislatively Approved Budget for one-time budget package costs. This package phases out \$300,000 Other Funds that was included in the 2013-15 budget for upgrading the headquarters building heating and cooling system.

**Package 031:** adjusts the costs of Goods and Services based on the standard inflation factor of 3.0 percent as published in the budget instructions. The resulting increase in this Program Unit is \$8,833 in Facilities Maintenance.

**STAFFING IMPACT:** There was no staffing impact in this budget program relating to Essential Packages.

**REVENUE SOURCE:** Other Funds (Common School Fund)

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
 Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Capital Improvements  
 Cross Reference Number: 14100-088-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Capital Outlay</b>							
Land and Improvements	-	-	(300,000)	-	-	-	(300,000)
<b>Total Capital Outlay</b>	-	-	<b>(\$300,000)</b>	-	-	-	<b>(\$300,000)</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	(300,000)	-	-	-	(300,000)
<b>Total Expenditures</b>	-	-	<b>(\$300,000)</b>	-	-	-	<b>(\$300,000)</b>
<b>Ending Balance</b>							
Ending Balance	-	-	300,000	-	-	-	300,000
<b>Total Ending Balance</b>	-	-	<b>\$300,000</b>	-	-	-	<b>\$300,000</b>

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 031 - Standard Inflation

Cross Reference Name: Capital Improvements  
Cross Reference Number: 14100-088-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Services &amp; Supplies</b>							
Facilities Maintenance	-	-	8,833	-	-	-	8,833
<b>Total Services &amp; Supplies</b>	-	-	<b>\$8,833</b>	-	-	-	<b>\$8,833</b>
<b>Capital Outlay</b>							
Land and Improvements	-	-	-	-	-	-	-
<b>Total Capital Outlay</b>	-	-	-	-	-	-	-
<b>Total Expenditures</b>							
Total Expenditures	-	-	8,833	-	-	-	8,833
<b>Total Expenditures</b>	-	-	<b>\$8,833</b>	-	-	-	<b>\$8,833</b>
<b>Ending Balance</b>							
Ending Balance	-	-	(8,833)	-	-	-	(8,833)
<b>Total Ending Balance</b>	-	-	<b>(\$8,833)</b>	-	-	-	<b>(\$8,833)</b>



# BUDGET NARRATIVE

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## **POLICY OPTION PACKAGE 105 AGRICULTURAL DEVELOPMENT ON RANGELANDS CAPITAL IMPROVEMENTS/COMMON SCHOOL FUND PROPERTY**

**PURPOSE:** The Department of State Lands owns about 625,000 acres of open rangelands in southeast Oregon, and an additional 4900 acres of irrigated agricultural land. Leasing these lands brings revenue into the Common School Fund – in FY 2013, \$114,363 in net income from ag lands and \$52,230 from rangelands (note: fire suppression expenses come out of rangeland revenues, decreasing the net income).

The agency's *Real Estate Asset Management Plan* directs DSL to “meet or beat” the current ten-year average Common School Fund returns (currently 6.5 percent). One strategy to accomplish this has been to increase revenue on state-owned rangelands through converting them to irrigated agriculture where appropriate. Developing irrigated lands on rangelands generates higher revenues for the Common School Fund: about \$2/acre on average for grazing leases compared to more than \$50/acre for irrigated agriculture leases.

Beginning in 2011, DSL began partnering with lessees to develop rangelands into center-pivot irrigated agriculture, supporting production of primarily alfalfa hay. By the end of 2015, more than 1,000 rangeland acres will have been developed into irrigated agricultural land. Development costs are shared with the lessee, and generally include DSL paying for the permanent irrigation infrastructure (well drilling and electrical), and the lessee furnishing pumps and irrigation equipment, and paying all costs associated with production.

This package is a request for \$455,000 in limitation that will allow the agency to develop an additional 750 acres of rangeland for agricultural production in the 2015-17 biennium. Over a 20-year lease, this investment is expected to produce a return-on-investment of at least 7 percent, or about \$40,000 per year.

**HOW ACHIEVED:** The due diligence the agency completes on all proposed projects includes determining the estimated costs and expected rate of return (target – at least 7%); clearing environmental concerns such as the presence of wetlands, species habitat and cultural resources; and securing necessary water permits. When the analysis is complete, DSL makes a decision on investing in the proposed agricultural development project. The ultimate goal is a lease in full production, which will generate many times the previous forage fee per acre. Over time, these investments will result in significantly more revenue from state-owned lands.

**ALTERNATIVES CONSIDERED:** The alternative is to keep the land leased for forage (grazing), which will not bring the long-term return to the Common School Fund.

**QUANTIFYING RESULTS:** The costs vs. anticipated rate of return (7%) will be analyzed over time as irrigated agricultural lands are put into production and leases secured.

**STAFFING IMPACT:** None

**REVENUE SOURCE:** Other Funds (Common School Fund) \$455,000

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Lands, Dept of State  
Pkg: 105 - Agriculture Development

Cross Reference Name: Capital Improvements  
Cross Reference Number: 14100-088-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
Transfer In - Intrafund	-	-	455,000	-	-	-	455,000
Transfer In Lottery Proceeds	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	<b>\$455,000</b>	-	-	-	<b>\$455,000</b>
<b>Capital Outlay</b>							
Land and Improvements	-	-	455,000	-	-	-	455,000
<b>Total Capital Outlay</b>	-	-	<b>\$455,000</b>	-	-	-	<b>\$455,000</b>
<b>Total Expenditures</b>							
Total Expenditures	-	-	455,000	-	-	-	455,000
<b>Total Expenditures</b>	-	-	<b>\$455,000</b>	-	-	-	<b>\$455,000</b>
<b>Ending Balance</b>							
Ending Balance	-	-	-	-	-	-	-
<b>Total Ending Balance</b>	-	-	-	-	-	-	-

# FACILITIES MAINTENANCE SUMMARY REPORT

AGENCY: Department of State Lands  
 Agency #: 14100

Value of Buildings and Building Improvements			Facilities Operations and Maintenance (O&M) Budget			
<u>Cost of Buildings</u> <small>(as reported to Risk Management)</small>	<u>6/30/14 Replacement Value</u> <small>(Risk Management)</small>		<u>Personal Services</u>	<u>Services &amp; Supplies</u>	<u>Total</u>	
\$8,688,772	\$25,219,659		\$296,540	\$700,656	\$997,196	
Total sq. ft. of Bldgs: <u>122,898</u> sq. ft.		2015-17 Maintenance Budget (no janitorial or utility)		Utilities Budget: <u>\$407,483</u>		
÷ square feet of building: \$ <u>4.80</u> sq. ft.						
Total Outstanding Deferred Maintenance			Deferred Maintenance Budget 2015-17			
As of 6/30/14 Projected 6/30/15	Categories 1-2	Categories 3-5	Total	Personal Services	Services & Supplies	Capital Outlay
	\$0	\$0				
	\$0	\$0	\$0	\$0	\$0	\$0

Briefly describe the software (or manual process) used to identify routine (including preventative) facility maintenance needs. **Contractors on state contracts with the agency keep the facilities manager apprised of problems or potential problems that may need attention.**

What data elements do you track with software (or manual process) described above? **Request price quotes (cost estimates) on all work that needs to be done before the work is actually completed.**

Briefly describe how the facilities maintenance budget is developed (note whether software (or manual process) described above is used in budget development). **The facilities maintenance budget is developed manually based on known maintenance needs and past costs.**

Briefly describe the system or process used to identify Deferred Maintenance (e.g.; staff makes an annual estimate based on periodic assessments; evaluation of facilities using contract structural engineering firm, etc.) **Evaluation from current contractor on state contracts with the agency and from constant repairs from local vendors.**

Briefly describe the process to provide funding for facilities maintenance. (e.g.; biennial appropriation; assessment to applicable programs to sustain a Capital Maintenance/ Improvement Fund authorized under ORS 276.285(2); etc.). **Funding is biennial appropriation.**

**Statutory references: ORS 276.229(2), ORS 276.227(5)**

# FACILITIES OPERATIONS AND MAINTENANCE REPORT

(Excluding facilities improvements and deferred maintenance)

AGENCY Name: Department of State Lands  
 Agency #: 14100

**Leg Approved**

	2011-13 Actuals	FTE	2013-15	FTE	2013-15 Estimates	FTE	2015-17 Budget	FTE
General Fund								
Personal Serv - Utilities & Janitorial	\$		\$		\$		\$	
Personal Services - Maintenance	\$		\$		\$		\$	
S&S - Utilities & Janitorial	\$		\$		\$		\$	
S&S - Maintenance	\$		\$		\$		\$	
<b>GF Subtotal</b>	\$		\$		\$		\$	
Lottery Funds								
Personal Serv - Utilities & Janitorial	\$		\$		\$		\$	
Personal Services - Maintenance	\$		\$		\$		\$	
S&S - Utilities & Janitorial	\$		\$		\$		\$	
S&S - Maintenance	\$		\$		\$		\$	
<b>LF Subtotal</b>	\$		\$		\$		\$	
Other Funds								
Personal Serv - Utilities & Janitorial	\$		\$		\$		\$	
Personal Services - Maintenance	\$	131,112	\$	152,112	\$	152,112	\$	153,910
S&S - Utilities & Janitorial	\$	183,479	\$	232,331	\$	232,331	\$	239,301
S&S - Maintenance	\$	315,482	\$	688,807	\$	688,807	\$	406,223
<b>OF Subtotal</b>	\$	<u>630,073</u>	\$	<u>1,073,250</u>	\$	<u>1,073,250</u>	\$	<u>799,434</u>
Federal Funds								
Personal Serv - Utilities & Janitorial	\$		\$		\$		\$	
Personal Services - Maintenance	\$	148,303	\$	157,502	\$	157,502	\$	142,630
S&S - Utilities & Janitorial	\$	10,682	\$	24,808	\$	24,808	\$	25,552
S&S - Maintenance	\$	10,627	\$	29,580	\$	29,580	\$	30,467
<b>FF Subtotal</b>	\$	<u>169,612</u>	\$	<u>211,890</u>	\$	<u>211,890</u>	\$	<u>198,649</u>
<b>Total All Funds</b>	<b>\$</b>	<b><u>799,685.00</u></b>	<b>\$</b>	<b><u>1,285,140</u></b>	<b>\$</b>	<b><u>1,285,140</u></b>	<b>\$</b>	<b><u>998,083</u></b>

The Facilities Operations and Maintenance budget includes costs to operate and maintain facilities and keep them in repair including utilities, janitorial and maintenance costs. Maintenance costs are categorized as external building (roof, siding, windows, etc.); interior systems (electrical, mechanical, interior walls, doors, etc.); roads and ground (groundskeeper, parking lots, sidewalks, etc.) and centrally operated systems (electrical, mechanical, etc.). Agencies with significant facilities may include support staff if directly associated with facilities maintenance activities. Do not include other overhead costs such as accounting, central government charges, etc.

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

Lands, Dept of State  
2015-17 Biennium

Agency Number: 14100

Cross Reference Number: 14100-088-00-00-00000

<i>Source</i>	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>Other Funds</b>						
Transfer In - Intrafund	318,311	901,777	594,417	1,049,417	1,049,417	-
<b>Total Other Funds</b>	<b>\$318,311</b>	<b>\$901,777</b>	<b>\$594,417</b>	<b>\$1,049,417</b>	<b>\$1,049,417</b>	<b>-</b>

# SPECIAL REPORTS

**STATE LANDS, DEPARTMENT OF**  
**Annual Performance Progress Report (APPR) for Fiscal Year (2013-2014)**

Original Submission Date: 2014

Finalize Date: 9/30/2014

2013-2014 KPM #	2013-2014 Approved Key Performance Measures (KPMs)
1	Increase in Deposits to the Common School Fund - Percent annual increase in amount of cash generated by agency activities deposited to the Common School Fund.
2 a	Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for forest lands.
2 b	Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for all other activities of the agency.
3	Increase in Revenues from Land Management Activities - Percent increase in revenues generated by all Land Management activities, exclusive of timber harvest receipts.
4	Complete Management Plans or Policies – Percent of DSL lands and waterways with completed area management plans or policies.
5	No Net Loss of Wetlands - Change in wetland acreage due to permit actions.
6	Number of Days for a Permit Decision - Average number of days for an agency permit decision after receipt of a complete application.
7	Annual Resolution of Removal-Fill Permit Non-Compliance - Percent of removal-fill permit non-compliance conditions that have a final resolution in place within 12 months from date non-compliance is determined.
8	Annual Resolution of Removal-Fill Violations Related to Unauthorized Activities-Percent of removal-fill violations that have a final resolution in place within 12 months of receipt of a complaint generating determination of a violation.
9	Agency Response Time to Wetland Delineation Reports - Average number of days for the agency initial review and response to a complete wetland delineation report.
10	Agency Response Time for Wetland Land Use Notices - Average number of days for an agency response to wetland land use notices.
11	Use of Payment to Provide Moneys - Percent payment-to-provide money received in Mitigation Bank Fund obligated and committed within one year.
12	Increase Unclaimed Property Holder Reporting. - Percent annual increase in amount of unclaimed property reported and remitted annually.



2013-2014 KPM #	2013-2014 Approved Key Performance Measures (KPMs)
13	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.
14	Regional Solutions Customer Service - Percent of local participants who rank the Department's involvement in the Regional Solutions process as good to excellent.
15	South Slough National Estuarine Research Reserve Operation Costs Leveraged. - Percent of SSNERR operations funded from sources other than CSF, including leverage from grants, fees, program revenues and gifts.
16	South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.
17	Best Practices - Percent of total best practices met by the Land Board.

<b>New Delete</b>	<b>Proposed Key Performance Measures (KPM's) for Biennium 2015-2017</b>
	<b>Title:</b>  <b>Rationale:</b>

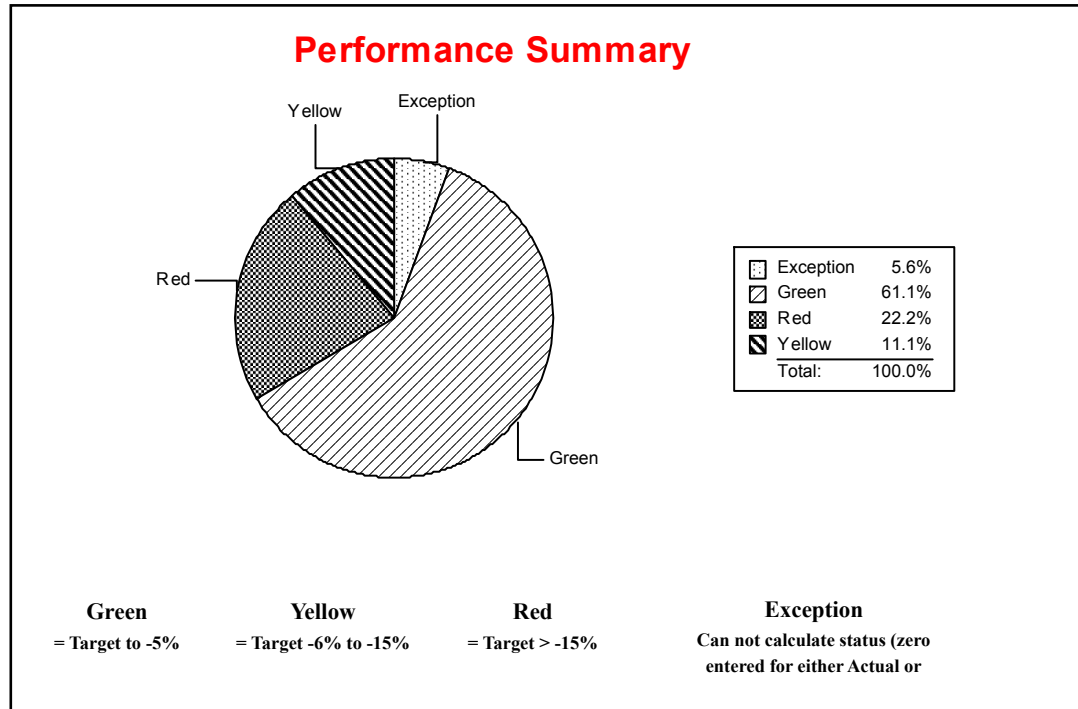
**Agency Mission:** The mission of the Department of State Lands is to ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund.

**Contact:** Cynthia Wickham

**Contact Phone:** 503-986-5227

**Alternate:** Vena McCoy

**Alternate Phone:** 503-986-5217



**1. SCOPE OF REPORT**

This report addresses activities included in all Common School Fund programs of the Department of State Lands (DSL) and activities of the South Slough National Estuarine Research Reserve (SSNERR). The DSL programs addressed by KPMs in this report include land and waterway management, removal-fill permitting, wetlands identification and technical assistance, and unclaimed property. The SSNERR KPMs address education programs and also provide information about how well the SSNERR is able to leverage funds to reduce reliance on the Common School Fund. The report also includes performance measures that evaluate customer satisfaction for the agency as a whole. This report does not address the investment activities of the Oregon Investment Council

related to the Common School Fund, specific capital improvements to Common School Fund assets or internal functions critical to the agency's success, such as accounting and human resources.

## **2. THE OREGON CONTEXT**

The most important activity of the Department of State Lands is to generate revenue for public schools in Oregon through the management of the Oregon trust assets in a manner that assures revenues to schools for current and future generations. The agency also protects waterways and wetlands through implementation of the state removal-fill permitting program and wetland technical assistance. The activities of the SSNERR are of increasing importance to the state as more is learned about the role of oceans and estuaries in global ecological health, and as more activities are taking place in Oregon's Territorial Sea. The research conducted by the SSNERR and the education of children, educators, community members, and key coastal leaders that is provided by SSNERR is invaluable to decision-making related to Oregon's coast.

## **3. PERFORMANCE SUMMARY**

Generally, DSL is moving forward on a positive trajectory, showing progress toward achievement of targets with 17 KPMs. The decline of timber revenues has negatively affected the cash flow and growth of the corpus of the fund.

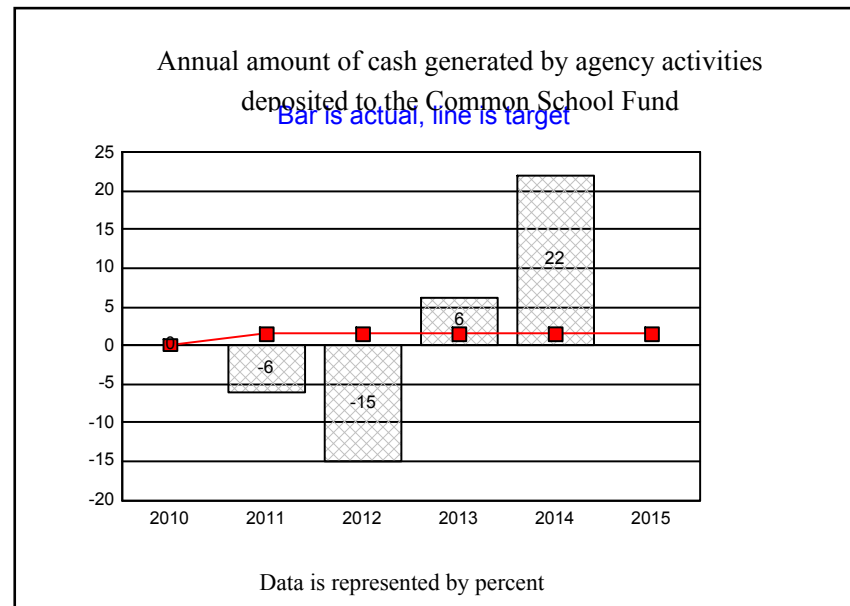
## **4. CHALLENGES**

Timber revenues, traditionally the largest in-flow to the Common School Fund, have steadily declined over the past several years primarily because of constraints related to species protection. The harvest revenue for the 2013-15 biennium is expected to be less than management costs, producing a negative return. The agency anticipates increased revenues from other land assets as the real estate asset management plan matures, however they are not likely to meet the level of timber receipts in previous years.

## **5. RESOURCES AND EFFICIENCY**

The Department derives its revenue from regulatory fees, federal grants, proprietary authorizations, timber sales, and investment income. Expenses are paid from the revenues in accordance with statutes and the Oregon Constitution. The current KPMs were approved by the 2011 Legislature and were aimed at measuring the agency's progress toward achieving goals based on agency activities. The agency is undergoing a significant reorganization during the 2013-15 biennium and anticipates seeking Legislative approval for implementation of revised KPMs.

<b>KPM #1</b>	Increase in Deposits to the Common School Fund - Percent annual increase in amount of cash generated by agency activities deposited to the Common School Fund.	2011
<b>Goal</b>	GOAL 5: Common School Fund To protect and enhance the value of the Common School Fund (both short and long term) through close monitoring of investments to maximize distributions to schools.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	Data is derived by calculating the revenues and receipts resulting from agency operations. A report is generated using a query of the Statewide Financial Management Application (SFMA)	
<b>Owner</b>	Finance and Administration Division, Cynthia Wickham, Assistant Director, (503) 986-5227.	



1. OUR STRATEGY

The agency strives to manage assets to achieve the greatest possible return to the fund. The cash inflows (deposits) to the fund are unclaimed property receipts, timber revenues, leases, authorizations and permits. The Department seeks to increase the receipts and revenues by increasing reporting of unclaimed property, pursuing new activities (e.g. wind, solar and wave energy leases), and moving forward with the Real Estate Management plan to purchase new property or exchange existing property for lands with higher earning potential.

## 2. ABOUT THE TARGETS

The targets represent an annual increase of 1.5%. The targets were established with the goal of maintaining a steady and sustainable growth trend.

## 3. HOW WE ARE DOING

This is the third year for this measure. Data for earlier years is included to provide historical context. Deposits to the fund increased by 21.9% in fiscal year 2014. The majority of the increase can be attributed to a 19.3% increase in unclaimed property receipts. The Department does not expect this rate to continue.

## 4. HOW WE COMPARE

The department's unique and varied sources of cash streams do not match other entities in the public or private sector.

## 5. FACTORS AFFECTING RESULTS

Timber revenues, once the largest cash flow into the CSF, are now minimal and not expected to increase. Unclaimed property receipts have remained relatively steady over the past five years. The sharp rise in unclaimed property receipts in 2014 can be attributed to expanded compliance efforts with life insurance companies and increased securities sales.

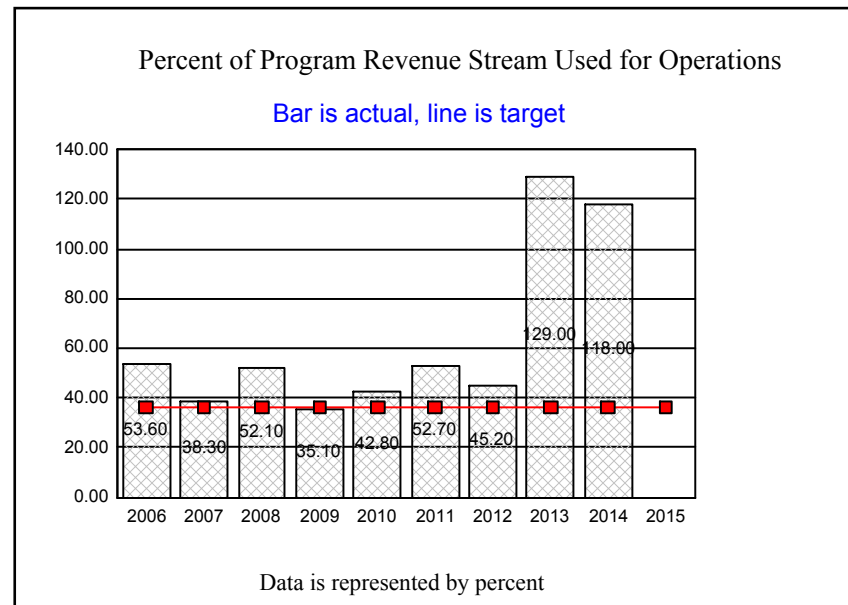
## 6. WHAT NEEDS TO BE DONE

The agency will continue its strategies to increase revenues and receipts. As the Real Estate Asset Management Plan matures, income will increase. Ongoing monitoring and outreach to the regulated entities will result in increased compliance and generate revenues.

## 7. ABOUT THE DATA

This data is based on the Oregon fiscal year. It is derived from the official State Financial Management Application (SFMA) database. Data within this system is reviewed regularly throughout the biennium to ensure accuracy in reporting. Persons wanting additional or disaggregated data may contact the Department of State Lands, Finance and Administration Division at (503) 986 5227.

<b>KPM #2a</b>	Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for forest lands.	2003
<b>Goal</b>	GOAL 5: Common School Fund To protect and enhance the value of the Common School Fund (both short and long term) through close monitoring of investments to maximize distributions to schools.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	The information is derived from SFMA and agency accounting and program records.	
<b>Owner</b>	Land Management Division, James T. Paul, Assistant Director, (503) 986 5279.	



**1. OUR STRATEGY**

Manage real estate assets in accordance with the Land Board's 2012 Real Estate Asset Management Plan.



## 2. ABOUT THE TARGETS

The target is 36% of revenue used to cover administrative and operational costs of program, separating out forest lands from other agency activities. A downward trend is desirable.

## 3. HOW WE ARE DOING

Results for this measure specific to forest lands fluctuate from year to year, and have historically been influenced greatly by the volatility of the timber market (about 59% of the total land management costs were connected to forest land management in FY2014). During the 2014 fiscal year significant adjustments continued to be made to the level of management on these lands in response to Federal Endangered Species Act litigation and associated forestland management changes. For forest lands, revenue was \$3,573,367 and expenses were \$4,208,891, for a net operating income of -\$635,524.

## 4. HOW WE COMPARE

There are no comparable measures. Other western state trust land managers use various metrics to measure program revenue performance. We continue to communicate with other states to try to develop uniform measures for performance comparison.

## 5. FACTORS AFFECTING RESULTS

Data collection; timber prices; timber sales; federally listed endangered species.

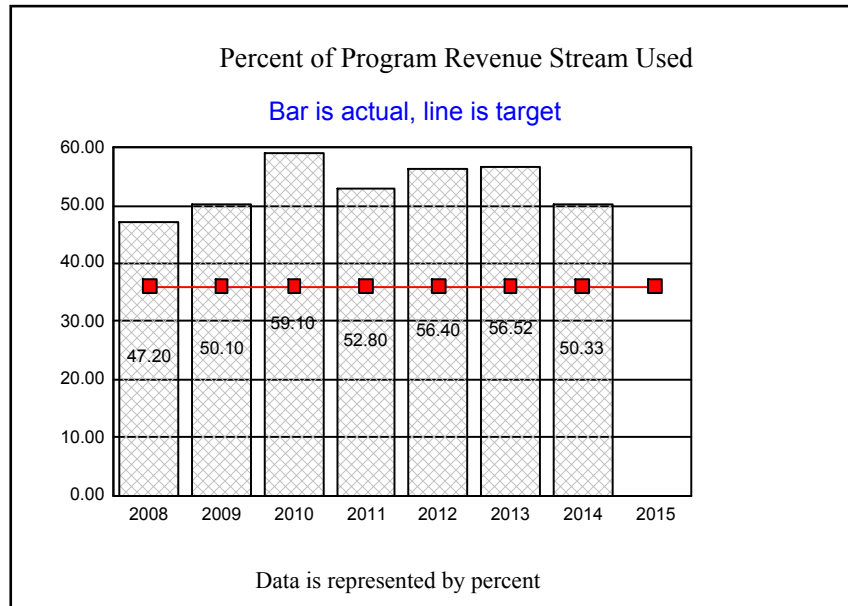
## 6. WHAT NEEDS TO BE DONE

Improving this measure's results requires either increasing revenues, decreasing expenditures, or some combination of both. Management changes in response to recent and ongoing litigation related to species listed under the Endangered Species Act on Common School Lands in the Elliott State Forest has significantly affected revenues. The litigation and resulting management constraints will continue to negatively affect revenues for the foreseeable future. Given the existing management constraints other potential options are currently being explored by DSL to improve the business model for these forestlands.

## 7. ABOUT THE DATA

This data is based on the Oregon fiscal year. It is derived from the official State Financial Management Application (SFMA) data. Data within this system is reviewed regularly throughout the biennium to ensure accuracy in reporting. Persons wanting additional or disaggregated data can contact the Department of State Lands, Finance and Administration Division at (503) 986-5227.

<b>KPM #2b</b>	Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for all other activities of the agency.	2003
<b>Goal</b>	GOAL 5: Common School Fund - To protect and enhance the value of the Common School Fund (both short and long term) through close monitoring of investments to maximize distributions to schools.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	The information is derived from SFMA and agency accounting and program records.	
<b>Owner</b>	Land Management Division, James T. Paul, Assistant Director, (503) 986-5279.	



### 1. OUR STRATEGY

Manage real estate assets in accordance with the Land Board's 2012 Real Estate Asset Management Plan.

## 2. ABOUT THE TARGETS

The target is 36% of revenue used to cover administrative and operational costs of program, separating out forest lands from other agency activities. A downward trend is desirable.

## 3. HOW WE ARE DOING

It should be noted that all costs are direct costs associated with servicing revenue producing activities and do not include: capital improvements (except for forest lands); Common School forestland annual fire patrol assessment; expenses borne by the Land Revolving Fund; Asset Management Section expenses; Portland Harbor Cleanup project funds or indirect costs (i.e. the Division's share of support services such as Information Systems, Communications, Human Resources, Fiscal and the Director's office). Gross revenues for the non-forest Land Management Activities were \$5,771,458 in FY '14, and expenses were \$2,904,792, for an overall net operating income of \$2,866,666.

## 4. HOW WE COMPARE

There are no comparable measures. Other western state trust land managers use various metrics to measure program revenue performance. We continue to communicate with other states to try to develop uniform measures for performance comparison.

## 5. FACTORS AFFECTING RESULTS

Authorizations issued for the use of state-owned lands.

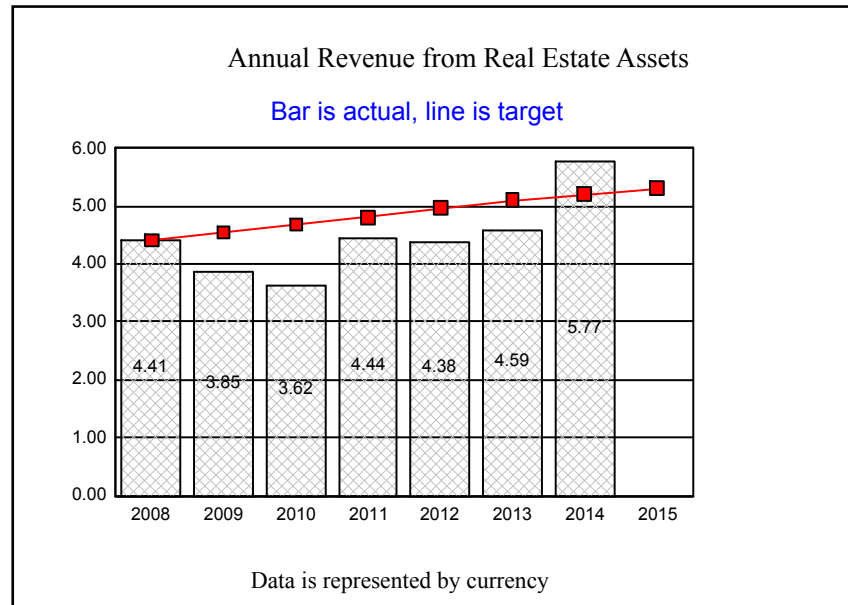
## 6. WHAT NEEDS TO BE DONE

Efforts to designate and market Central Oregon lands for developed urban uses could increase revenue from Industrial/Commercial/Residential lands in the Bend and Redmond areas as the Central Oregon economy recovers. The Land Management Division also continues moving forward with implementation of the 2012 Real Estate Asset Management Plan, which includes divesting of under-performing lands and reinvesting in higher performing assets that will generate greater revenues for the Common School Fund.

## 7. ABOUT THE DATA

This data is based on the Oregon fiscal year. It is derived from the official State Financial Management Application (SFMA) data. Data within this system reviewed regularly throughout the biennium to ensure accuracy in reporting. Persons wanting additional or disaggregated data can contact the Department of State Lands, Finance and Administration Division at (503) 986-5227.

<b>KPM #3</b>	Increase in Revenues from Land Management Activities - Percent increase in revenues generated by all Land Management activities, exclusive of timber harvest receipts.	2006
<b>Goal</b>	GOAL 1: Land and Waterway Management - To manage lands to obtain the greatest benefit for Oregonians consistent with the conservation of the resource while producing revenue for the Common School Fund; and to preserve and protect public trust uses of Oregon's waterways to ensure their continued availability from generation to generation for commerce, recreation, navigation and fisheries.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	SFMA	
<b>Owner</b>	Land Management Division, James T. Paul, Assistant Director, (503) 986-5279.	



**1. OUR STRATEGY**

Manage the waterway and range land authorization program to ensure statewide compliance, maintain efficient land management operations to optimize cost-to-revenue ratios, and ensure the long term health of state lands; and to manage real estate assets in accordance with the Land Board's 2012 Real Estate Asset Management Plan (REAMP).

## 2. ABOUT THE TARGETS

For the waterway authorization program, key strategies include establishing priorities for management actions, and balancing revenue enhancement and resource stewardship. The Land Board in the REAMP has set a goal to increase the value of the real property asset portion of the CSF portfolio and revenue from those assets to the CSF; and to identify lower performing lands for disposal with the intent of acquiring assets with a return that is equal to or better than the traditional returns of the Common School Fund. Collectively, these strategies are expected to result in an increase in revenues over time.

## 3. HOW WE ARE DOING

The percent increase in gross revenues generated by all land management activities in FY 2014, exclusive of timber harvest receipts, was 25.82%. This is an increase of 5.58% over revenues in FY 2013. This measure has fluctuated from year to year, with the greatest decrease occurring in FY 2009 ( 12.7%). The highest gross revenues in recent years – since 2008 – were in FY 2014, in the amount of \$5,771,458.

## 4. HOW WE COMPARE

There are no comparable measures from other states available for FY' 13.

## 5. FACTORS AFFECTING RESULTS

The main factors affecting this measure include unpredictable fluctuations in waterway authorizations related to new, renewed, or expired authorizations as well as changes to other authorizations on trust lands that vary with market conditions.

## 6. WHAT NEEDS TO BE DONE

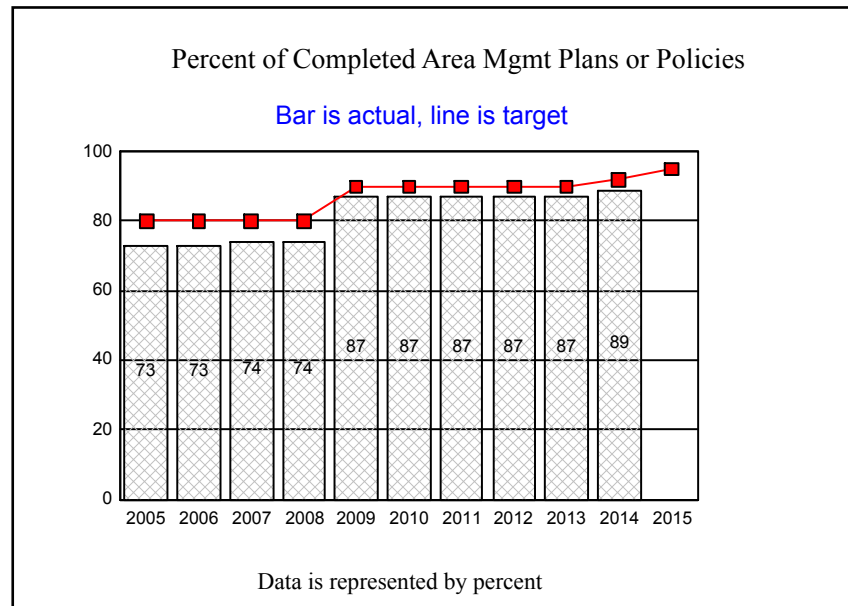
Continue to focus on enhancing those types of waterway authorizations that produce higher revenues, and implement more efficient and effective processes to reduce the level of resources devoted to lower performing authorizations. Use monies in the Land Revolving Fund, which can only be replenished through property sales, to continue to actively seek and acquire higher-performing assets that will 'meet or beat' the Common School Fund returns.

## 7. ABOUT THE DATA

The data to compile this KPM were derived from the current accounting system and the Land Administration System (LAS) housed at DSL. Persons wanting additional or disaggregated data can contact the Department of State Lands, Finance and Administration Division at (503) 986-5227.



<b>KPM #4</b>	Complete Management Plans or Policies – Percent of DSL lands and waterways with completed area management plans or policies.	2003
<b>Goal</b>	GOAL 1: Land and Waterway Management - To manage lands to obtain the greatest benefit for Oregonians consistent with the conservation of the resource while producing revenue for the Common School Fund; and to preserve and protect public trust use of Oregon's waterways to ensure their continued availability from generation to generation for commerce, recreation, navigation and fisheries.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	Number of area management plans completed by Department staff and contractors.	
<b>Owner</b>	Land Management Division, James T. Paul, Assistant Director, (503) 986-5279.	



**1. OUR STRATEGY**

Our strategy is to complete area management plans or policies to ultimately aid in the sound management of the Common School Fund’s real estate portfolio.

**2. ABOUT THE TARGETS**

The targets are based on the total acres of Common School Lands that are included in completed area management plans or policies.

**3. HOW WE ARE DOING**

In FY 2014 there was a slight increase in this measure with the completion and adoption of the John Day Basin Area Management Plan.

**4. HOW WE COMPARE**

There is no comparable public or private industry standard.

**5. FACTORS AFFECTING RESULTS**

Agency work priorities and available staffing are both factors affecting the pace of work relative to this measure.

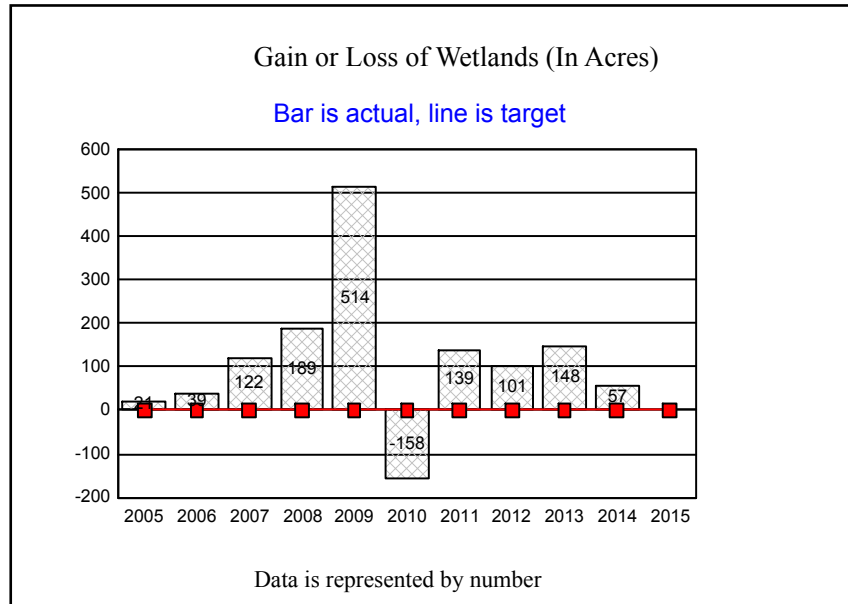
**6. WHAT NEEDS TO BE DONE**

With the completion of the John Day plan in FY 2014, the agency is nearly at the previous target of 90% for this measure. The agency does not have plans to complete any additional management plans or policies at this time.

**7. ABOUT THE DATA**

The data is calculated using the total number of acres included in all area management plans or policies completed through the end of FY 2014.

<b>KPM #5</b>	No Net Loss of Wetlands - Change in wetland acreage due to permit actions.	2003
<b>Goal</b>	GOAL 2: Wetlands and Waterways Conservation - To conserve, restore and protect waters of the state, including wetlands, for their contribution to aquatic life and habitats, fisheries, aquatic-based economies, tourism, public recreation, navigation, water quality, floodwater storage and other natural resource functions and values through the Removal-Fill and Wetlands programs.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	Number of acres based on permit activities and wetland restoration activities monitored by Department staff.	
<b>Owner</b>	Wetlands and Waterway Conservation Division, Bill Ryan, Assistant Director, (503) 986-5259.	



### 1. OUR STRATEGY

Our strategy is to maintain a stable resource base of wetlands through the mitigation of unavoidable losses of wetland resources and to encourage wetland

gains through voluntary restoration projects.

## 2. ABOUT THE TARGETS

The target of zero wetland acres lost due to permit actions (also referred to as “no net loss”) is driven by state policy in ORS 196.672(4). The metric used is acres of wetlands gained or lost. Wetland losses are acres of wetlands converted to a non-wetland condition through a removal or fill activity e.g. filling a wetland to create a building pad or excavating a wetland to create a deep water pond. Wetland gains are acres of wetlands created from historical uplands or the restoration of former wetlands. Gains in overall acreage result from implementation of wetland mitigation bank and voluntary restoration projects. Mitigation banks provide habitat in advance, thereby generating “mitigation credits” for use as mitigation for future projects. The gains for mitigation banks are calculated during the year the bank is constructed. Therefore, when a mitigation bank project is completed, an initial increase in wetland area is counted by this KPM. Those increases will be offset overtime by removal/fill projects that use the mitigation credits. Voluntary restoration projects are not associated with wetland mitigation and therefore provide a beneficial increase in wetland area over and above the target of no loss.

## 3. HOW WE ARE DOING

During the period shown on the graph, DSL has met and exceeded this performance measure showing a net gain of wetlands. There was net a net gain of 56.87 acres of wetlands due to permitted activities in FY 2014. The 2014 net gain is significantly lower than 2013 (148.00 acres) because total wetland acres created and restored are significantly lower (264.21 in 2013), while total acres lost are similar (116.21 acres in 2013).

## 4. HOW WE COMPARE

There is no comparable public or private industry standard.

## 5. FACTORS AFFECTING RESULTS

The agency has been diligent in applying mitigation requirements based upon its regulatory responsibilities. The rules contain policies and standards to achieve compensatory mitigation. The continuing weak economy has likely resulted in less funding for voluntary restoration projects, thus fewer and smaller projects are being built.

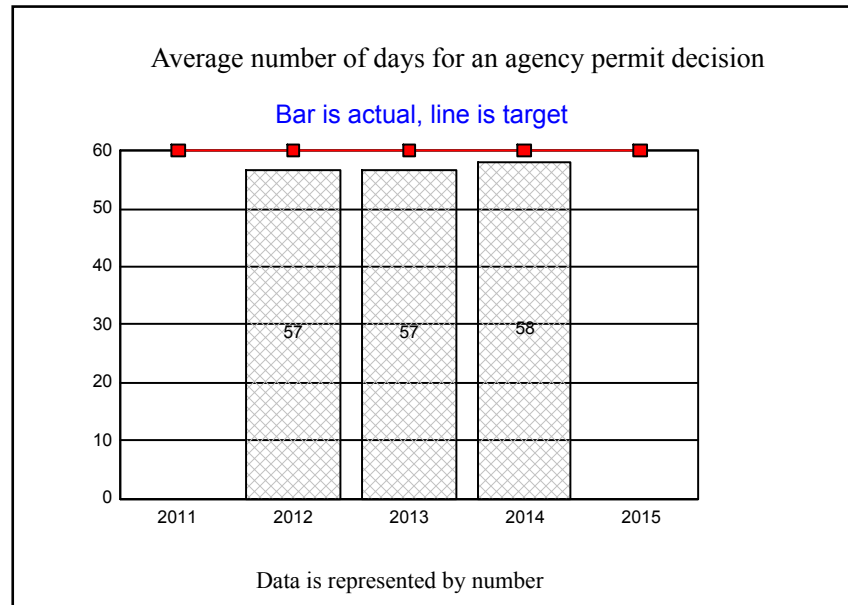
## 6. WHAT NEEDS TO BE DONE

The Department continues to improve its compliance-monitoring program to systematically sample all types of projects, including compensatory wetland mitigation. The monitoring program identifies the most common causes of mitigation project failure and ways to rectify those causes. The Department will also continue to promote restoration and creation of wetlands to continue to maintain the wetland base.

#### **7. ABOUT THE DATA**

The data is obtained originally from permit applicants and stored in the agency land administration system database. The agency lacks sufficient resources to field check and verify all of this information. However, we believe the data is sufficiently accurate for trend-analysis and evaluating goals.

<b>KPM #6</b>	Number of Days for a Permit Decision - Average number of days for an agency permit decision after receipt of a complete application.	2003
<b>Goal</b>	GOAL 2: Wetlands and Waterways Conservation - To conserve, restore and protect waters of the state, including wetlands, for their contribution to aquatic life and habitats, fisheries, aquatic-based economies, tourism, public recreation, navigation, water quality, floodwater storage and other natural resource functions and values through the Removal-Fill and Wetlands programs.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	DSL Land Administration System (LAS) database records.	
<b>Owner</b>	Wetlands and Waterway Conservation Division: Bill Ryan, Assistant Director, (503) 986-5259.	



1. OUR STRATEGY

Making timely permit decisions is one of the department's highest priorities. The department is constantly seeking to improve the Individual Permit process and to provide streamlined permitting alternatives (General Authorizations and General Permits) with simplified review and shortened time frames. The department is also working to develop e-commerce and web-based permitting to improve the application process.

## 2. ABOUT THE TARGETS

This was a new KPM in FY 2012. The target is to have an average permit decision time of 60 days from the time the department receives a complete application. Statute requires the department to make a decision on an application for an Individual Permit within 120 days after receipt of a complete application. Therefore, the department believes half of the maximum is a reasonable initial target for average processing time. Previously the department measured the number of permits meeting the statutory 120-day time frame; however, the average decision time is a more useful metric for managing workload and measuring agency performance.

## 3. HOW WE ARE DOING

The agency averaged 57.9 days to make a permit decision in FY 2014. This meets the agency target of 60 days or less.

## 4. HOW WE COMPARE

There is no comparable public or private industry standard.

## 5. FACTORS AFFECTING RESULTS

In many cases, DSL receives Individual Permit applications that are not completed in accordance with regulatory requirements, and must either be returned to the applicant or put on hold pending completion. This results in processing delays. Individual Permit applications are generally related to large projects with significant impacts. These applications are often detailed and require a significant level of review. The measure reflects the agency's performance in processing the more complex Individual Permit applications. The Department is continuing to work on process improvements including streamlined applications that will result in quicker decision-making by the Department.

## 6. WHAT NEEDS TO BE DONE

The Department is using this performance data to assess the application process and continue to implement changes to improve its performance in this area

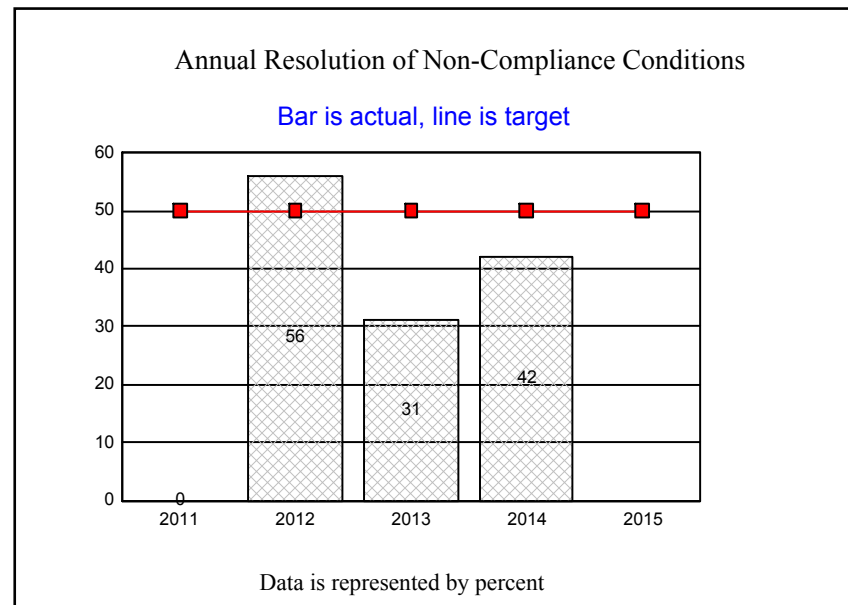
including improvements to the application forms, more pre-application opportunities to discuss project designs and regulatory requirements, and providing more information and resources on the agency web site that will help project proponents prepare better quality applications.

## 7. ABOUT THE DATA

Data were obtained from the department's Land Administration System (LAS) database for permits issued in the period April 1, 2013 through March 31, 2014. Applications received after/after than 90 days prior to the end of the fiscal year, June 30, 2014, were not counted because many applications pending would still be within the decision time limit.



<b>KPM #7</b>	Annual Resolution of Removal-Fill Permit Non-Compliance - Percent of removal-fill permit non-compliance conditions that have a final resolution in place within 12 months from date non-compliance is determined.	2010
<b>Goal</b>	GOAL 2: Wetlands and Waterways Conservation - To conserve, restore and protect waters of the state, including wetlands, for their contribution to aquatic life and habitats, fisheries, aquatic-based economics, tourism, public recreation, navigation, water quality, floodwater storage and other natural resource functions and values through the Removal-Fill and Wetlands programs.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	DSL Land Administration System (LAS) database records.	
<b>Owner</b>	Wetlands and Waterway Conservation Division; Bill Ryan (503) 986-5259.	



**1. OUR STRATEGY**

Violations of permit conditions are identified through permit compliance monitoring and monitoring of compensatory mitigation sites. When permit non-compliance occurs, the Department first tries to resolve the issues informally, without taking enforcement action. When enforcement action is taken, resolution is accomplished through administrative procedures available to the agency. Resolution frequently involves mitigation as required by the permit, or compensation for additional impacts to waters of the state that were not authorized by the permit.

## 2. ABOUT THE TARGETS

Because permit non-compliance issues often take more than one year to resolve, especially if mitigation is involved, it is unlikely that the agency could resolve 100% of the permit non-compliance issues within 12 months. The agency has determined that 50% is a reasonable minimum target.

## 3. HOW WE ARE DOING

The Department did not meet the target of having a resolution in place within 12 months for 50% of the permit non-compliance instances in 2013. The Department recorded a total of 43 permit non-compliance cases, 18 (42%) of which were resolved within 12 months. Approximately 90% of the total cases involved non-compliance with mitigation-related conditions. Nearly all of the non-compliant permits were handled informally, with only four involving formal enforcement action. The number of permit-related non-compliance issues is roughly the same as in 2013, when there were 39 cases. The resolution rate increased from 31% in 2012 to 42% in 2013.

## 4. HOW WE COMPARE

There is no comparable public or private industry standard.

## 5. FACTORS AFFECTING RESULTS

The amount of time it takes to resolve permit non-compliance is highly dependent on the number of pending agency actions that have higher priority: namely processing permit applications and responding to complaints of unauthorized activities. While the Department did not meet the target of 50%, there was an 11% increase in the number of compliance issues resolved within 12 months compared to the previous reporting period when the department was experiencing prolonged periods of staff shortage. Staffing increased for this reporting period, which resulted in a higher percentage resolved within 12 months.

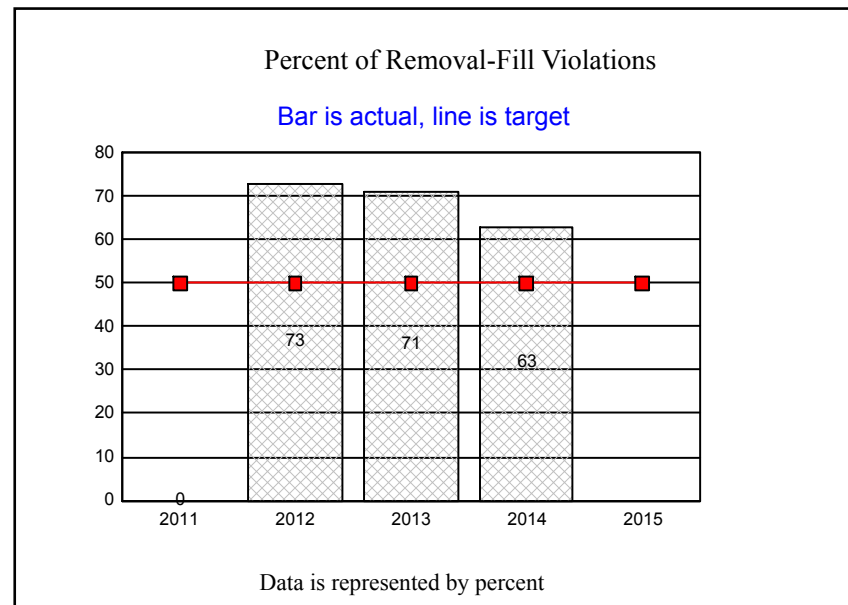
## 6. WHAT NEEDS TO BE DONE

The method for monitoring permits and reporting the results was standardized a few years ago and appears to be functioning well. Refinements to increase staff efficiency will continue.

#### 7. ABOUT THE DATA

The data represent compliance actions initiated between July 1, 2012 and June 30, 2013, either through formal enforcement actions or informal actions resulting from mitigation site monitoring. Each record was examined to determine whether the compliance issue was resolved or corrected within 12 months.

<b>KPM #8</b>	Annual Resolution of Removal-Fill Violations Related to Unauthorized Activities-Percent of removal-fill violations that have a final resolution in place within 12 months of receipt of a complaint generating determination of a violation.	2003
<b>Goal</b>	GOAL 2: Wetlands and Waterways Conservation - To conserve, restore and protect waters of the state, including wetlands, for their contribution to aquatic life and habitats, fisheries, aquatic-based economies, tourism, public recreation, navigation, water quality, floodwater storage and other natural resource functions and values through the Removal-Fill and Wetlands programs.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	DSL Land Administration System (LAS) database records.	
<b>Owner</b>	Wetlands and Waterway Conservation Division: Bill Ryan (503) 986-5259.	



**1. OUR STRATEGY**

Violations that result from unauthorized removal-fill activities are generated through a complaint process. If the department determines a violation of the Removal-Fill Law has occurred, staff work with the alleged violator to resolve the situation through either an agreement or administrative order. Resolution frequently involves rectifying impacts or mitigating for those impacts that cannot be rectified.

## 2. ABOUT THE TARGETS

Because violations may take several weeks to months to confirm and then additional time to develop an agreement or order for resolution, it is unlikely that the agency could resolve 100% of the violations for unauthorized activities within 12 months. The agency has determined that 50% is a reasonable minimum target.

## 3. HOW WE ARE DOING

The Department met the target of having a resolution in place within 12 months for 50% of the violations for unauthorized activity. The Department received 67 complaints of unauthorized activities during the reporting period. Of those, 37 were determined to be violations. Of the 37 violations, 23 (63 %) were resolved within 12 months. During the previous year, there were fewer violations (31) and a slightly higher resolution rate.

## 4. HOW WE COMPARE

There is no comparable public or private industry standard.

## 5. FACTORS AFFECTING RESULTS

The amount of time it takes to resolve a violation of unauthorized activity is highly dependent on current workload with respect to the number of permits (which take priority) and number of complaints received. The percent of violations resolved during the 12-month period was slightly lower, but there were more violations than the previous reporting period.

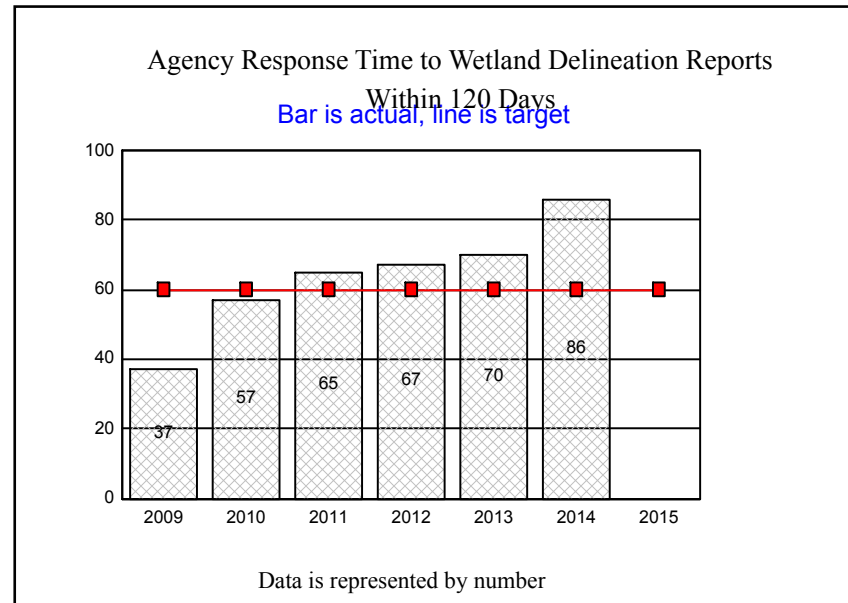
## 6. WHAT NEEDS TO BE DONE

The Department met the performance measure of 50% and the improvements to the data base are effectively tracking this measure.

## 7. ABOUT THE DATA

The data represents complaints that were received between July 1, 2012 and June 30, 2013. Each record was examined to determine whether a violation determination was made, and if so, whether a final resolution (agreement or order) was in place within 12 months.

<b>KPM #9</b>	Agency Response Time to Wetland Delineation Reports - Average number of days for the agency initial review and response to a complete wetland delineation report.	2010
<b>Goal</b>	GOAL 2: Wetlands and Waterways Conservation - To conserve, restore and protect waters of the state, including wetlands, for their contribution to aquatic life and habitats, fisheries, aquatic-based economies, tourism, public recreation, navigation, water quality, floodwater storage and other natural resource functions and values through the Removal-Fill and Wetlands programs.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	Land Administrative System report Wetlands/Wetlands Reports/Initial Review Timelines	
<b>Owner</b>	Wetlands and Waterways Conservation Division: Bill Ryan (503)986-5259, Kathy Verble (503)986-5321	



**1. OUR STRATEGY**

DSL is committed to providing timely and predictable review times for wetland delineation reports. The agency is required by ORS 196.818 to complete an initial review of a wetland delineation report submittal within 120 days. This requirement was included in legislation authorizing a fee for delineation report reviews effective January 1, 2008.

## 2. ABOUT THE TARGETS

This was a new performance measure established in FY2012. This measure facilitates workload management and helps the agency determine needs for enhanced processes or efficiencies to meet statutory requirements and provide excellent customer service.

## 3. HOW WE ARE DOING

DSL began tracking initial review timelines when the 120-day statutory requirement took effect on January 1, 2008. The average agency response time for FY2014 is 86 days, which is higher than our 60-day target and higher than the three previous years. However, DSL has met the statutory requirement of 120 days for initial review since FY 2009.

## 4. HOW WE COMPARE

There is no comparable public or private industry standard.

## 5. FACTORS AFFECTING RESULTS

The number of delineation reports submitted for review is heavily influenced by the economy. At the height of economic activity in FY 2006, 490 delineations were submitted for review compared to the 218 that were submitted in FY 2014. Major personnel changes occurred during FY2014 that affected review timelines. Work had to be reallocated due to training and staff shortage.

## 6. WHAT NEEDS TO BE DONE

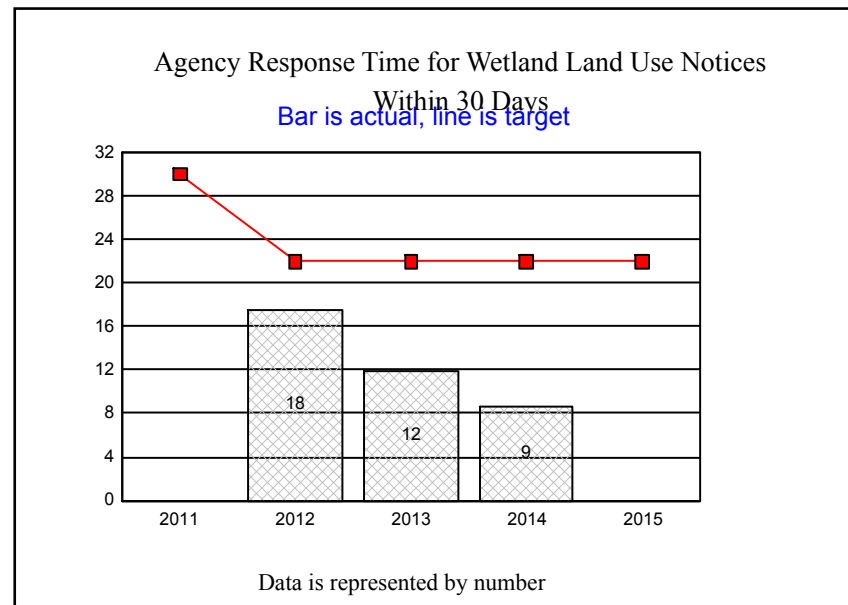
The goal is to be fully staffed within the next few months. DSL will continue to make an effort to meet the 60-day review timeline target by a re-examination of work priorities and identifying opportunities for review efficiencies.

## 7. ABOUT THE DATA



These data are generated from the Land Administrative System (LAS) titled: "Wetlands/Wetlands Reports/Initial Review Timelines" for the date range 7/01/2013 through 6/30/2014.

<b>KPM #10</b>	Agency Response Time for Wetland Land Use Notices - Average number of days for an agency response to wetland land use notices.	2010
<b>Goal</b>	GOAL 2: Wetlands and Waterways Conservation - To conserve, restore and protect waters of the state, including wetlands, for their contribution to aquatic life and habitats, fisheries, aquatic-based economies, tourism, public recreation, navigation, water quality, floodwater storage and other natural resource functions and values through the Removal-Fill and Wetlands programs.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	Land Administrative System report Wetlands/Wetlands Reports/Wetland Land Use Notice Summary by County	
<b>Owner</b>	Wetlands and Waterways Conservation Division: Bill Ryan/Kathy Verble, (503)986-5259, (503)986-5321.	



**1. OUR STRATEGY**

DSL is required by statute (ORS196.676) to respond to wetland development notices received from local governments within 30 days of receipt. The DSL response advises the local applicant and city or county whether a wetland delineation or a removal-fill permit is likely to be needed. This is an important state coordination mechanism that helps prevent conflict between local approvals and state permit requirements, and likely helps prevent illegal fills.

## 2. ABOUT THE TARGETS

This was a new performance measure in fiscal year 2012. This measure will facilitate workload management and help the agency determine needs for enhanced processes or efficiencies to meet the statutory requirements and provide excellent customer service.

## 3. HOW WE ARE DOING

During FY 2014, the average agency response time was 8.7 days, which is about 13 days faster than the 22-day target. This review time is 3 days shorter than the previous fiscal year and is the lowest average measured.

## 4. HOW WE COMPARE

There is no comparable public or private industry standard.

## 5. FACTORS AFFECTING RESULTS

The number of land use notices submitted during FY 2014 was 267, 18 more than received in FY2013. The number of wetland land use notices submitted for review appears to be heavily influenced by the economy and, to a lesser degree, by the availability of wetland information (i.e. new local wetland inventories) and DSL outreach efforts to local governments regarding the requirement. At the height of economic activity in FY2006, 519 wetland land use notices were submitted for review and the review time was 14.8 days. The number of notices steadily dropped to a low of 173 in FY2011 but has increased again as economic activity has increased.

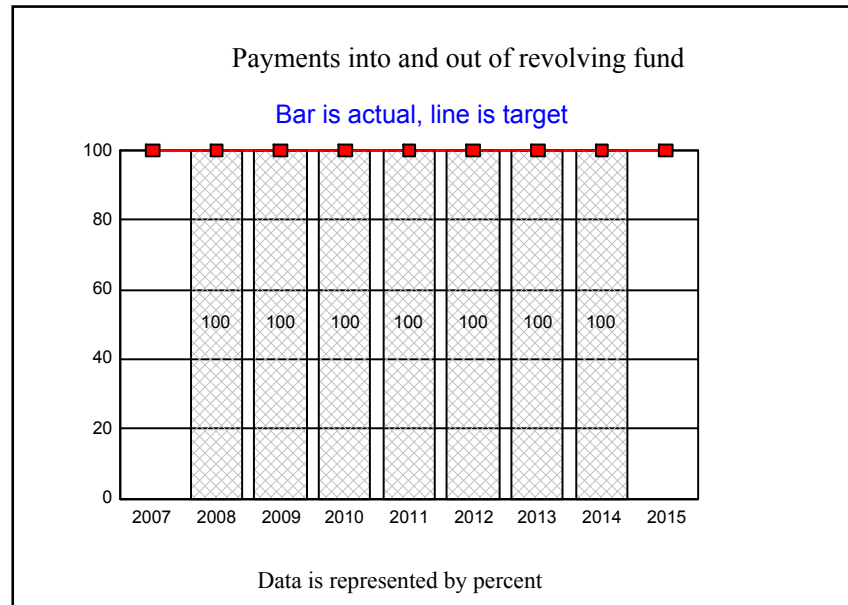
## 6. WHAT NEEDS TO BE DONE

DSL will continue efforts to meet the 22-day target response time. As the economy recovers, the department will need to work with staff to prioritize increased workloads.

**7. ABOUT THE DATA**

These data are generated from a query in DSL's Land Administration System (LAS) titled "Wetlands/Wetlands Reports/Land Use Notice Summary by County" for the dates: 7/01/2013 -- 6/30/2014.

<b>KPM #11</b>	Use of Payment to Provide Moneys - Percent payment-to-provide money received in Mitigation Bank Fund obligated and committed within one year.	2003
<b>Goal</b>	GOAL 2: Wetlands and Waterways Conservation - To conserve, restore and protect waters of the state, including wetlands, for their contribution to aquatic life and habitats, fisheries, aquatic-based economies, tourism, public recreation, navigation, water quality, floodwater storage and other natural resource functions and values through the Removal-Fill and Wetlands programs.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	Agency records indicating restoration projects funded and moneys received into the Wetland Mitigation Bank Revolving Fund.	
<b>Owner</b>	Wetlands and Waterway Conservation Division, Bill Ryan, Assistant Director, (503) 986-5259.	



**1. OUR STRATEGY**

To provide funding for qualified projects designed to mitigate for permitted actions impacting waters of the state, including wetlands, and to encourage the commitment of payment-in-lieu of mitigation funds within one year after such payments are made into the Oregon Removal-Fill Fund.

## 2. ABOUT THE TARGETS

The target is 100% for fiscal year 2014. It is reasonable to expect the agency to expend moneys coming into the fund within one year for qualified projects.

## 3. HOW WE ARE DOING

The agency met the target in FY 2014 as it has in all previous years.

## 4. HOW WE COMPARE

There is no comparable public or private industry standard.

## 5. FACTORS AFFECTING RESULTS

Deposits to the Oregon Removal-Fill Fund were lower in 2013 than in recent years. This is partly due to agency approval of two private mitigation banks in the Tualatin watershed (Washington County) in the last two years. Historically, the Tualatin watershed has the highest payment to the Fund compared to all other watersheds in the state, but under current state law, the department cannot accept payments for mitigation if private mitigation credits are available. In 2014, the Department funded two projects. Additional funds were provided for maintenance and adaptive management for a project established in 2010, and a new tidal wetland restoration project was funded in the Wilson-Trask Nestucca watershed (Tillamook County).

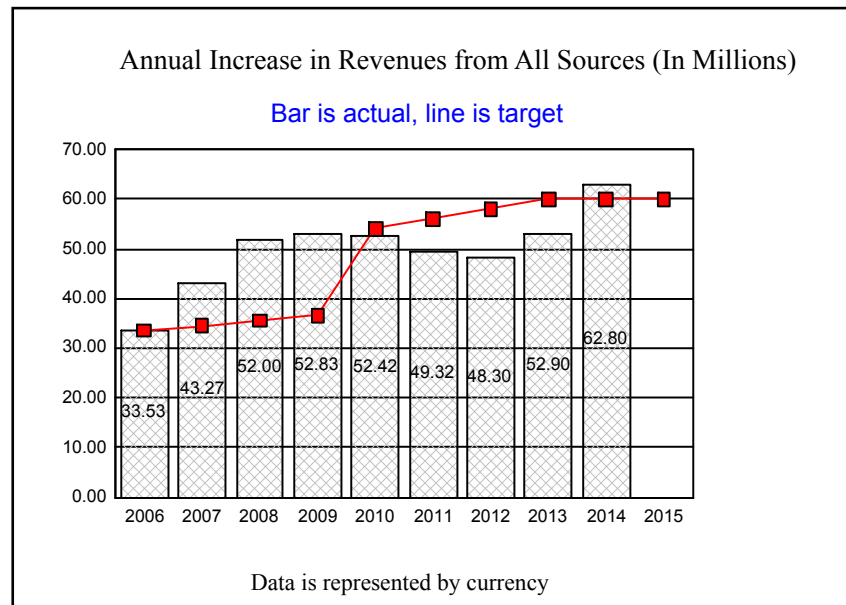
## 6. WHAT NEEDS TO BE DONE

Continue to professionally manage the Oregon Removal-Fill Mitigation Fund, and conduct outreach to encourage quality project applications.

## 7. ABOUT THE DATA

The data is obtained from the Statewide Financial Management Application (SFMA) and is based on the Oregon fiscal year. Persons wanting additional data can contact the owner of the data, Bill Ryan at 503.986.5259.

<b>KPM #12</b>	Increase Unclaimed Property Holder Reporting. - Percent annual increase in amount of unclaimed property reported and remitted annually.	2001
<b>Goal</b>	GOAL 3: Unclaimed Property - To enhance public service and outreach, improve unclaimed property processing efficiencies, increase compliance with reporting laws, and increase receipts to the Common School Fund.	
<b>Oregon Context</b>	This measure is linked to the agency mission.	
<b>Data Source</b>	Total amount of unclaimed property received annually by the Department of State Lands.	
<b>Owner</b>	Unclaimed Property Section, Patrick Tate, Unclaimed Property Manager, (503) 986-5248.	



**1. OUR STRATEGY**

The unclaimed property program is the leading source of receipts deposited into the Common School Fund. Increasing receipts to the corpus of the Common

School Fund results in higher investment income and a larger distribution to the public schools.

## 2. ABOUT THE TARGETS

The target is intended to demonstrate continued progress in increasing compliance with unclaimed property reporting and remitting requirements. Increased receipts generally demonstrate increased compliance, though a spike in receipts can result from other factors.

## 3. HOW WE ARE DOING

2014 receipts increased \$9.9 million from 2013 receipts. State and local government reporting grew by \$1.8 million compared to FY 2013, and most industry sectors had similar or increased receipts compared to the previous year.

## 4. HOW WE COMPARE

Each state has a single unclaimed property program. Receipts are dependent upon a variety of factors including, but not limited to, population, predominant industry types, and date of statutory implementation. Tennessee's unclaimed property program may be the most comparable to Oregon's with the same number of employees and similar receipts and claim values since FY 2004. Tennessee's receipts were significantly higher than Oregon's in FY 2013 and were attributed to vendor audit recoveries from out-of-state companies.

## 5. FACTORS AFFECTING RESULTS

Completed audits of out-of-state companies by our contracted audit vendors have been the most important factor increasing our receipts. In addition to our in-state audits and consultation visits with non-reporters, twelve free holder workshops were conducted this year around the state and over 200 business professionals attended.

## 6. WHAT NEEDS TO BE DONE

By the next reporting cycle we plan to implement an online application to allow holders to file or create their report online. A second phase will provide holders the option to remit online. Simplifying the report process will eliminate a basic compliance barrier. While non-reporting remains our largest concern, we are also taking steps to correct incorrect and under-reporting by developing a report examiner. The examiner will allow us to check reporting errors early and instruct reporters on proper compliance. The agency will continue our holder outreach efforts statewide to educate the holders of unclaimed property of their reporting

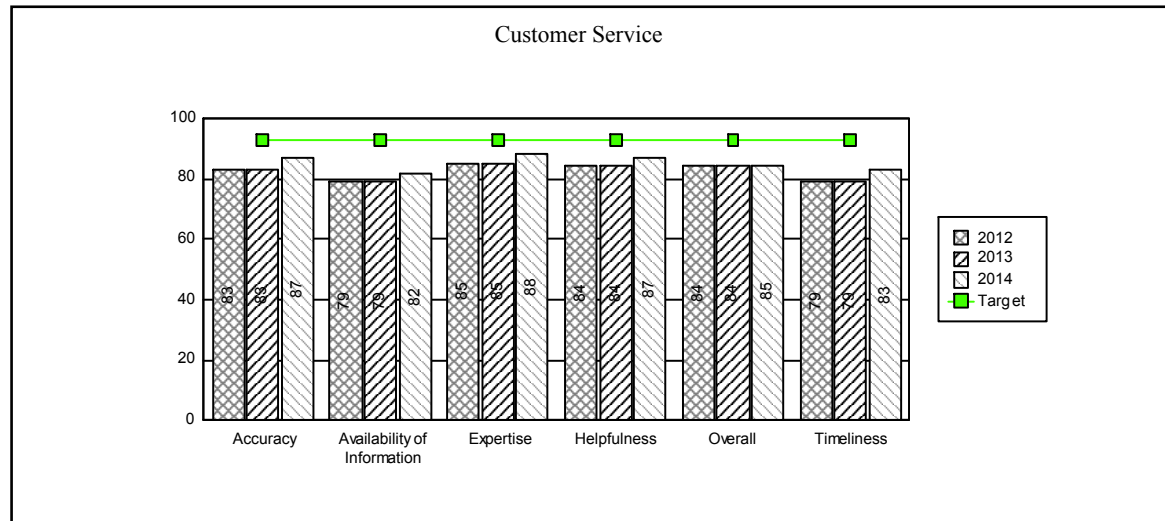


responsibilities. We are exploring additional measures, such as coordinating with other agencies to identify and educate non-compliant companies, and providing compliance training on demand, via online training or guided questionnaires. We will continue to participate with the national unclaimed property organizations, the National Association of Unclaimed Property Administrators (NAUPA) and Unclaimed Property Professionals Organization (UPPO) to develop and maintain awareness of reporting responsibilities and continued compliance. In FY 2015, we plan to expand the number of unclaimed property auditing companies to perform out-of-state audits.

## 7. ABOUT THE DATA

The data is calculated by comparing the actual cash receipts according to the Statewide Financial Management Application and reporting the change as a percentage.

<b>KPM #13</b>	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.	2006
<b>Goal</b>	Strategic Plan Goal 5: Deliver efficient, professional service to our customers.	
<b>Oregon Context</b>	Agency Mission; statewide focus on improved customer service.	
<b>Data Source</b>	Data collected from surveys of DSL customers in all program areas.	
<b>Owner</b>	Agency-wide, Mary Abrams, Director, (503) 986-5224 or Julie Curtis, Communications Manager, (503) 986-5298.	



**1. OUR STRATEGY**

This KPM is linked to Goal 5 in the DSL 2012-2016 Strategic Plan: Deliver efficient, professional service to our customers through improved communications, employee training and administrative systems. The agency conducts biennial customer surveys to gauge customer satisfaction and to continually improve service delivery. The last customer survey was done in 2012.

## 2. ABOUT THE TARGETS

93 percent of customers rating agency service as excellent or good. This target is established by the Department of Administrative Services.

## 3. HOW WE ARE DOING

As an agency with regulatory responsibilities, DSL realizes the DAS standard of 93 percent of our customers rating our service as good or excellent is very difficult to achieve. Despite this, we've made progress over the years in improving in all areas. The relatively high customer ratings in 2014 exceeded those reported in 2007, the first year of surveying.

## 4. HOW WE COMPARE

DSL ranks in the higher range compared to other natural resource agencies. 2012 comparisons: Water Resources: 62%; Land Conservation and Development: 70%; Environmental Quality: 72%; Fish and Wildlife: 87%.

## 5. FACTORS AFFECTING RESULTS

Approximately 4,000 customers who interacted with DSL in 2013 were emailed a link to the online survey (done via Survey Monkey). About 17 percent of the recipients started the survey, which was slightly less than our goal of a 20 percent response rate. Previous years' response rates have varied from 16 to 29 percent.

## 6. WHAT NEEDS TO BE DONE

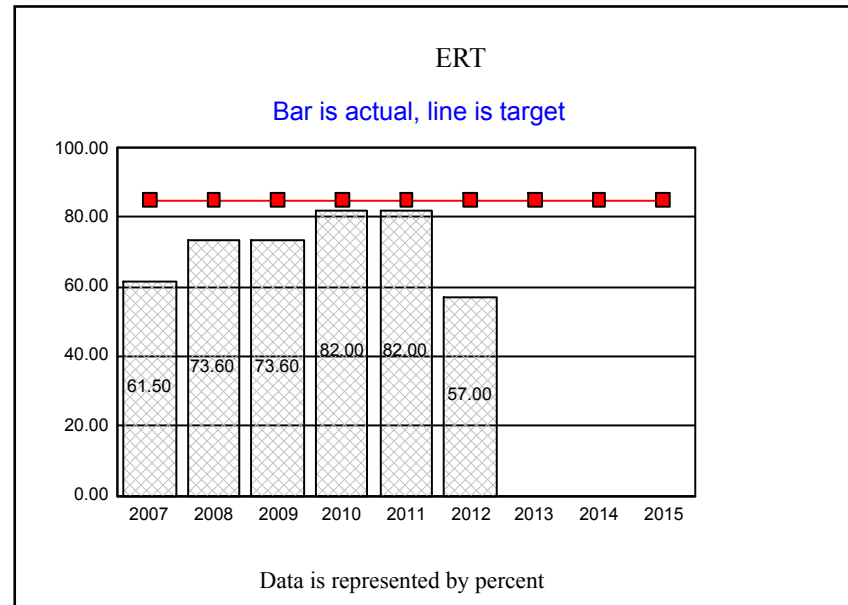
Our goal is to see consistent improvement in all survey categories over time. DSL is focusing on improving removal-fill permit, unclaimed property, state land registration and other agency processes, especially online services. Customer service remains an important overall goal of the agency, and management will continue to provide training and feedback to all staff to improve customer interactions.

## 7. ABOUT THE DATA

Approximately 4,000 surveys were sent via e-mail to four customer groups. The samples were drawn from the agency's Land Administration System

database; the Unclaimed Property Section's claims database; the wetland consultant e-mail list; the agency's Removal-Fill Technical Advisory Committee; and South Slough's e-newsletter list. The unclaimed property survey recipients were the only randomly sampled group because of the large number of customers. For all other groups, all customers were surveyed. Our goal was to get a 20 percent response rate from each group. The customer groups included: Unclaimed Property: 2059 names; 397 respondents (19 percent response rate) Wetlands and Waterways: 918 names; 130 respondents (14 percent response rate) Land Management: 554 names; 104 respondents (19 percent response rate) South Slough Reserve: 367 names; 54 respondents (15 percent response rate) All surveys included the six DAS-mandated questions, and also included an open-ended comments section.

<b>KPM #14</b>	Regional Solutions Customer Service - Percent of local participants who rank the Department's involvement in the Regional Solutions process as good to excellent.	2006
<b>Goal</b>	Strategic Plan Goal 5: Deliver efficient, professional service to our customers.	
<b>Oregon Context</b>	EO 03-01 and EO 03-02.	
<b>Data Source</b>	In the past, the Governor's Office conducted surveys for Oregon Solutions customer. A survey for 2013 was not conducted.	
<b>Owner</b>	Governor's Office; DSL Wetlands and Waterways Conservation Division: Bill Ryan, (503) 986-5259, bill.ryan@dsl.state.or.us	



**1. OUR STRATEGY**

When this KPM was originated, DSL participated statewide as a member of each regional team. The structure and operation of the Regional Solutions program has evolved over time such that DSL no longer has a member serving on each Regional Solutions Team. The department's support of the program is

focused on specific projects and initiatives in certain portions of the state as identified by each Regional Solutions Team. Statewide data regarding DSL's customer service are no longer relevant, so these data were not collected. This KPM has been deleted from the FY 2013-2015 budget.

## 2. ABOUT THE TARGETS

## 3. HOW WE ARE DOING

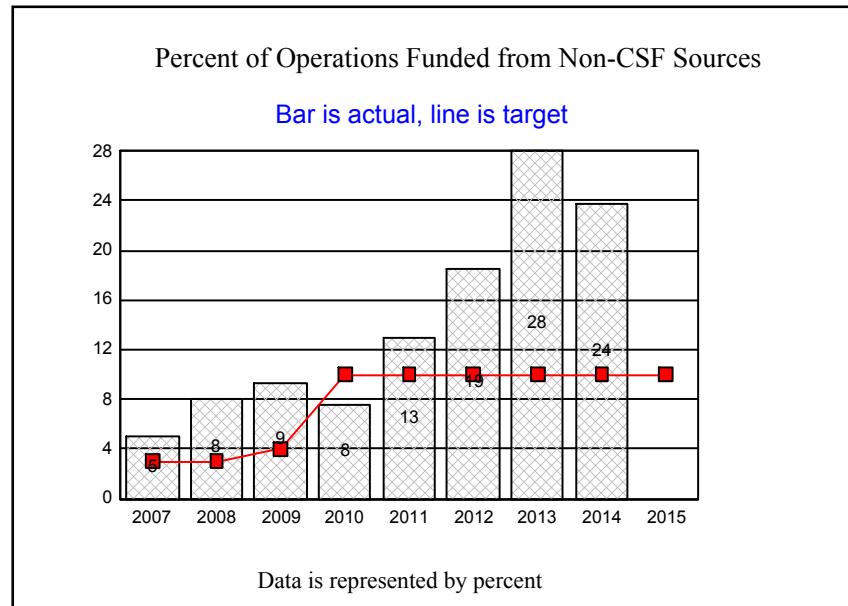
## 4. HOW WE COMPARE

## 5. FACTORS AFFECTING RESULTS

## 6. WHAT NEEDS TO BE DONE

## 7. ABOUT THE DATA

<b>KPM #15</b>	South Slough National Estuarine Research Reserve Operation Costs Leveraged. - Percent of SSNERR operations funded from sources other than CSF, including leverage from grants, fees, program revenues and gifts.	2006
<b>Goal</b>	GOAL 7: South Slough National Estuarine Research Reserve - To implement the South Slough Management Plan which supports the mission of the reserve to improve the understanding and stewardship of Pacific Northwest estuaries and coastal watersheds.	
<b>Oregon Context</b>	South Slough Mission Tri-annual reports to South Slough Reserve Management Commission, annual reports to National Oceanic and Atmospheric Administration. SSNERR records of research, education and stewardship projects that provide educational opportunities.	
<b>Data Source</b>	SFMA; Annual reports to National Oceanic and Atmospheric Administration.	
<b>Owner</b>	South Slough Reserve, Pam Wilson, Operations Manager, (541) 888-5558, ext. 34.	



**1. OUR STRATEGY**

To decrease the Reserve's dependency on the Common School Fund, staff seeks grant opportunities and other funding to augment its budget. Grants, in particular, leverage additional funding through match requirements. Fees collected from services and facilities can potentially reduce CSF dependency. The Reserve continues to use this strategy to augment its budget.

## 2. ABOUT THE TARGETS

The targets remain conservative due to the uncertainties of the economy and fluctuation in amounts of available funding through grant applications.

## 3. HOW WE ARE DOING

Staff continually seek grant and other funding opportunities to support Reserve operations and projects. Opportunities over the past year and successful applications for grants and awards allowed the Reserve to leverage funding using state budget funds as match. The fee rule adopted in 2008 has provided the Reserve with the opportunity to charge fees for building use. In this reporting period, \$3,000 has been collected.

## 4. HOW WE COMPARE

There are no comparable measures.

## 5. FACTORS AFFECTING RESULTS

Grant and award opportunities are highly unpredictable. The Reserve was fortunate to maintain level funding within its Federal Fund operations budget vs. receiving a budget cut. A successful Other Funds award with significant value has raised the percentage of funds leveraged. That award will continue through the next reporting period. The amount of fees to be collected is also difficult to predict, and local organizations will generally use space that is available for no fee. Additionally, the Reserve's public space is located a distance from the communities that typically use gathering places for events and meetings. When individuals or organizations do choose to use the Reserve's resources, availability is dependent upon prioritizing the needs of the Reserve to support its programs. Gifts, donations and bequests are another source of funding and resources that cannot be planned upon.

## 6. WHAT NEEDS TO BE DONE

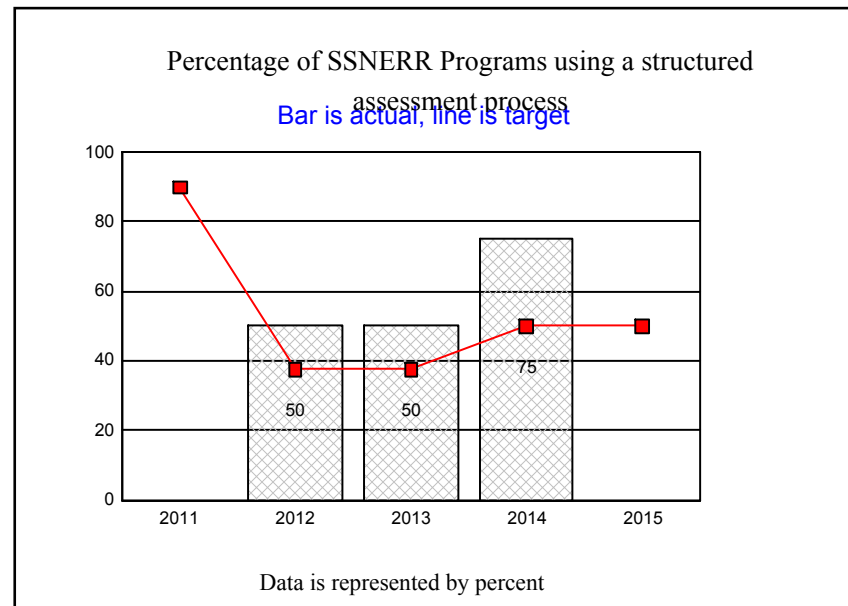
Staff will continue to pursue outside funding sources to support its operations and special projects.



**7. ABOUT THE DATA**

Many grant periods do not align with the state fiscal year and/or are for more than one year. Other grant projects may have time extensions, which will cause funding to be spent over a longer period of time; however, the impact is slight. Reporting is for the state fiscal year.

<b>KPM #16</b>	South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.	2008
<b>Goal</b>	GOAL 7: South Slough National Estuarine Research Reserve - To implement the South Slough Management Plan, which supports the mission of the Reserve to improve the understanding and stewardship of Pacific Northwest estuaries and coastal watersheds.	
<b>Oregon Context</b>	South Slough Mission	
<b>Data Source</b>	Tri-annual reports to South Slough Reserve Management Commission, annual reports to National Oceanic and Atmospheric Administration. SSNERR records of research, education and stewardship projects that provide educational opportunities.	
<b>Owner</b>	South Slough Reserve, Pam Wilson, Operations Manager, (541) 888-5558, ext. 34.	



**1. OUR STRATEGY**

The mission and management plan of the Reserve are used to identify activities and strategies to address needs for informing and improving management of Oregon's estuaries. Educating diverse audiences to better understand Pacific Northwest estuaries and coastal watersheds uses the data and results of various Reserve program areas and provides opportunities for education and outreach activities for targeted audiences. These audiences are identified through market analyses and needs assessments (MA/NA) and the expertise of program staff. Audiences ranging from Oregon school children to coastal decision makers learn about the results of research, implement strategies and recommendations from those results. This supports more informed decisions concerning the coast, estuaries and watersheds. The wide range of audiences and information needs constitute the eight program areas that use the MA/NA structure to develop outreach activities – they are: 1. Research 2. Outreach/Public Involvement 3. Free Choice Learning/Interpretive Programs 4. K-12 Education Audiences 5. Monitoring 6. Stewardship 7. Restoration 8. Coastal Training Program/Adult Professionals (CTP)

## 2. ABOUT THE TARGETS

The goal is for these eight program areas to use a structured process of needs assessment and market analysis information to identify audiences and their expressed needs for information, programs, and products. The target is to increase the number of program areas using this process by two programs each year until all eight program areas consistently employ the data generated by this process.

## 3. HOW WE ARE DOING

The process of conducting a formal market analysis has occurred within the K-12 education and CTP program areas. Six of the eight identified program areas currently use some form of needs assessment to identify audience-driven program development, information and services. Specifically, the K-12 Education Program area uses the results of a Market Analysis and Needs Assessment study to inform teacher training and direct service programs. Information from this study combined with more frequently collected evaluation results are used for future program development. The Outreach and Public Involvement areas are informed through data collected through an internship program and volunteer training activities. Free Choice Learning/Interpretive Programs are using a periodic program evaluation method and an on-line needs assessment survey instrument to provide a better understanding of user interests and program success. The Coastal Training Program, by design, employs needs assessments as a means of establishing program content, activities, and information services. A large grant-funded project generated a structured needs assessment to inform the activities of the Monitoring and Stewardship programs, the results of which are currently being used to identify project priorities for these two programs.

## 4. HOW WE COMPARE

There are no comparable measures.

**5. FACTORS AFFECTING RESULTS**

Grant funding for projects is competitive and unpredictable, although Reserve staff continually seeks grant opportunities. Evaluation techniques are incorporated in project and grant application development, though adequate resources for surveying are not always received. Without specifically identified resources, existing staff are tasked with collecting necessary data and this occurs in the most efficient way feasible to assess and address audience needs.

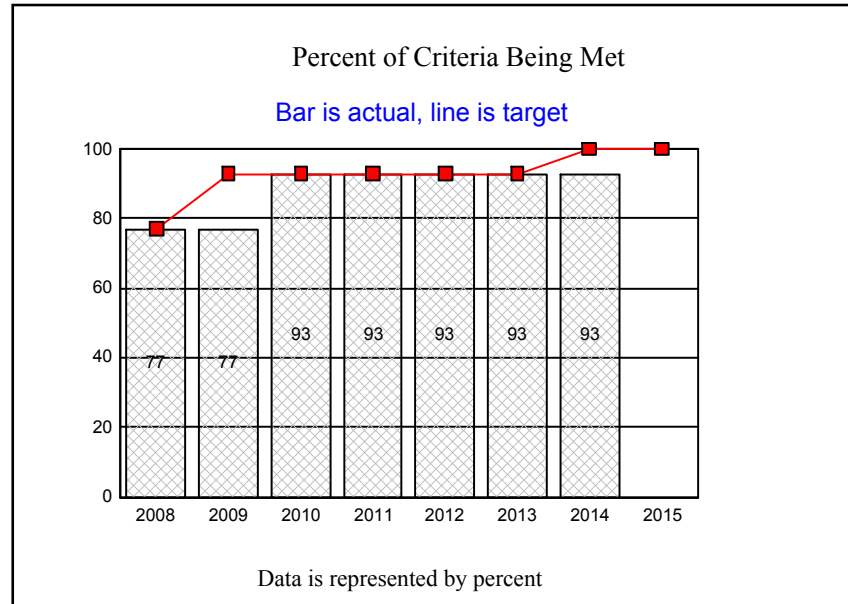
**6. WHAT NEEDS TO BE DONE**

Reserve staff will continue to develop and deliver outreach opportunities to educate and inform students, coastal decision-makers and the general public. Market analyses and needs assessments are incorporated into these opportunities to provide the most relevant information to target audiences. The revision of the Reserve management plan presents a significant opportunity to address the overall process of needs assessment within the eight program areas.

**7. ABOUT THE DATA**

Using a structured process to develop programs and identify appropriate audiences has resulted in continued success in providing information as well as making successful grant applications.

<b>KPM #17</b>	Best Practices - Percent of total best practices met by the Land Board.	2008
<b>Goal</b>	Goal 5: Common School Fund - To protect and enhance the value of the Common School Fund (both short- and long-term) through close monitoring of investments to maximize distributions to schools.	
<b>Oregon Context</b>	2007 Legislative Direction	
<b>Data Source</b>	Internal review and assessment	
<b>Owner</b>	Agency Wide, Mary Abrams, Director, (503) 986-5224 or Cynthia Wickham, Assistant Director, (503) 986-5227.	



**1. OUR STRATEGY**

Complete an annual review of the assessment criteria and review the results with the Board.

**2. ABOUT THE TARGETS**

The targets reflect the percentage of criteria that are being met.

**3. HOW WE ARE DOING**

There is not enough data to determine a trend, however the agency is confident that the Board will consistently achieve high scores in the assessment process.

**4. HOW WE COMPARE**

The performance measure and the data are too new to make comparisons with other state of Oregon boards or commissions.

**5. FACTORS AFFECTING RESULTS**

Factors will be identifiable as the data is collected and reported.

**6. WHAT NEEDS TO BE DONE**

Continued review of existing criteria to determine applicability to the Board and its duties will help verify pertinence of the current criteria and could identify other criteria that may generate data that better reflect the duties and responsibilities of the Board.

**7. ABOUT THE DATA**

The reporting cycle is the Oregon fiscal year. The data consists of a percentage of yes answers to a short series of questions. The only weakness in the data is that the questions are somewhat subjective in nature and the answers could vary widely depending upon the personal opinion of the individuals answering the questions.

<b>STATE LANDS, DEPARTMENT OF</b>	<b>III. USING PERFORMANCE DATA</b>
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**Agency Mission:** The mission of the Department of State Lands is to ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund.

<b>Contact:</b> Cynthia Wickham	<b>Contact Phone:</b> 503-986-5227
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<b>Alternate:</b> Vena McCoy	<b>Alternate Phone:</b> 503-986-5217
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**The following questions indicate how performance measures and data are used for management and accountability purposes.**

<b>1. INCLUSIVITY</b>	<p>* <b>Staff:</b> Staff have been involved in the development, review and proposed changes or modification of the KPMs, as well as in the collection and collating of data. The agency management team is using the KPMs in making management decisions and establishing priorities for staff work.</p> <p>* <b>Elected Officials:</b> The Legislative Assembly has been highly involved in the development of DSL's performance measures. The members of the State Land Board review and approve the agency performance measures in conjunction with the agency strategic plan and budget.</p> <p>* <b>Stakeholders:</b> Stakeholders reviewed the KPMs in conjunction with the amendment of the agency strategic plan in 2008 and have been kept informed of the agency performance through newsletters and the agency Web site.</p> <p>* <b>Citizens:</b> The annual report has been continuously posted on the agency Web site.</p>
<b>2 MANAGING FOR RESULTS</b>	Performance measures have been routinely used since 2003 in the development and execution of DSL's budget. They have also been incorporated into the agency strategic plan and revision of the strategic plan. Managers consider the KPMs in allocating staff and resources to projects and programs. There were some minor adjustments to targets during the 2013 Legislative session.
<b>3 STAFF TRAINING</b>	Staff generally has not had specific training; some key staff have attended performance measure roundtables or discussions with staff in other states related to region-wide performance measure reporting and development. Training continues to be a problem as affordable training for managers in the use of performance measures is very hard to find.
<b>4 COMMUNICATING RESULTS</b>	<p>* <b>Staff:</b> Internal staff meetings and posting of annual report on agency Web site.</p> <p>* <b>Elected Officials:</b> Reports to Land Board or Land Board assistants; inclusion of annual report in agency budget; appearances before the Joint Legislative Audit Committee.</p>

	<p>* <b>Stakeholders:</b> Posting of annual report on Web site; discussion in newsletters and in outreach visits.</p> <p>* <b>Citizens:</b> Posting of annual report on Web site.</p>
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State of Oregon Department of State Lands  
Common School Fund

Annual Financial Statements  
For the Fiscal Year Ended June 30, 2012

State of Oregon Department of State Lands  
Common School Fund  
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June 30, 2012

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# FINANCIAL SECTION

**INDEPENDENT AUDITOR'S REPORT**

State Land Board  
Department of State Lands  
Salem, Oregon

We have audited the accompanying Balance Sheet of the Common School Fund, a major governmental fund of the State of Oregon as of June 30, 2012, and the related Statement of Revenues, Expenditures, and Changes in Fund Balance for the year then ended. These financial statements are the responsibility of Common School Fund's management. Our responsibility is to express opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the Common School Fund and are not intended to present fairly the financial position of the State of Oregon or the Department of State Lands and the results of their operations in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Fund as of June 30, 2012, and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2012, on our consideration of Common School Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on

compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

A handwritten signature in black ink that reads "Merina & Company". The signature is written in a cursive, flowing style.

Merina & Company, LLP  
West Linn, Oregon  
December 3, 2012

## BASIC FINANCIAL STATEMENTS

**State of Oregon Department of State Lands  
Common School Fund  
Balance Sheet  
June 30, 2012**

**ASSETS**

Cash and Cash Equivalents	\$	52,417,361
Investments		1,018,351,985
Custodial Assets		7,247,589
Securities Lending Collateral		8,723,960
Accounts and interest receivable, net		7,179,862
Due from Other Funds		136,404
Inventories		2,613
Contracts, Notes, and Other Receivables		703,317
Advances to other funds		19,300,000
		19,300,000

**Total Assets** \$ 1,114,063,091

**LIABILITIES AND FUND BALANCES**

**Liabilities**

Accounts Payable	\$	23,855,557
Obligations Under Securities Lending		8,723,960
Due to Other Funds or Agencies		786,052
Deferred income (non-curr receivables)		752,317
Custodial Liabilities		180,545,165
		180,545,165

**Total Liabilities** 214,663,051

**Fund Balances**

Nonspendable		
Reserve for inventories		2,613
Restricted by:		
Oregon Constitution		645,696,862
Enabling Legislation		252,540,233
Donors and Other External Parties		1,160,332
		1,160,332

**Total Fund Balances** 899,400,040

**Total Liabilities and Fund Balances** \$ 1,114,063,091

**State of Oregon Department of State Lands  
Common School Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Fiscal Year Ended June 30, 2012**

**Revenues:**

Licenses and fees	\$ 993,732
Services Provided	154,644
Fines and Forfeitures	126,000
Rents and Royalties	4,093,508
Net (loss) from Investments	(8,292,097)
Sales	327,173
Donations	431
Unclaimed property revenue	15,307,842
Other Revenues	106,762
<b>Total Revenues</b>	<u>12,817,995</u>

**Expenditures:**

Personal Services	6,461,657
Services and Supplies	3,850,946
Capital Outlay	180,110
Other Distributions	253,886
Investment Expenses	3,620,443
<b>Total Expenditures</b>	<u>14,367,042</u>

**Excess (Deficiency) of Revenues over  
(Under) Expenditures**

(1,549,047)

**Other Financing Sources:**

Transfers From Other Funds	11,200,734
Transfers to Other Funds or Other State Agencies	(54,968,546)
Insurance Recoveries	333,334

**Total Other Financing Sources**

(43,434,478)

**Net Change in Fund Balance**

(44,983,525)

**Fund Balances - Beginning**

945,288,858

Prior period adjustments

(905,000)

**Fund Balance - Beginning - As Restated**

944,383,858

Changes in inventories

(293)

**Fund Balances - Ending**

\$899,400,040



State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the Oregon Department of State Lands' Common School Fund have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), and the American Institute of Certified Public Accountants (AICPA).

***A – THE REPORTING ENTITY***

The Department of State Lands (Department) is the administrative agency of the State Land Board handling the day-to-day work of the board in managing the land and other resources dedicated to the Common School Fund. The State Land Board, which consists of the Governor, the Secretary of State and the State Treasurer, is the trustee of the fund as outlined in the Oregon Constitution.

The Common School Fund, a governmental fund, was established at statehood and is intended to generate earnings to distribute to public schools. The Common School Fund accounts for programs that manage state-owned land, including a leasing program that generates annual revenues, for the benefit of the public school system. Estate funds that become the property of the state, unclaimed property, and income derived from unclaimed property are also accounted for in this fund. Statutory and constitutional provisions stipulate that the assets of the fund, including investment income, must be used for common school purposes. The primary funding sources for these programs include investment income, leasing revenues, forest management, unclaimed property receipts, and transfers from other funds.

***B – FUND FINANCIAL STATEMENTS***

The governmental fund financial statements are a balance sheet and a statement of revenues, expenditures and changes in fund balances.

Governmental fund balance sheets are presented in an Assets = Liabilities and Fund Balance format. Further information for receivables not expected to be collected within one year of the date of the financial statements and payables reported in the financial statements is discussed in Note 4.

The governmental fund statement of revenues, expenditures, and changes in fund balances reports revenues by type and expenditures by function. Other financing sources, uses and transfers are reported in the last section of the statement.

***C - MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION***

The Common School Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current year. Expenditures are recognized when a liability is incurred, as under accrual accounting.

***D – DEPOSITS AND INVESTMENTS***

DEPOSITS

Cash deposits not held in a cash management or investment pool are classified as cash and cash equivalents. Cash deposits that are held in a cash management or investment pool are classified as cash and cash equivalents when the pool has the general characteristics of a demand deposit account. Cash and cash equivalents include: Cash on hand, cash and investments held by the Office of the State Treasurer in the Oregon Short-term Fund (OSTF), cash deposits held in demand deposit accounts with custodial banks, and cash deposits of debt proceeds in investment funds held by a trustee.

INVESTMENTS

Investments are reported at fair market value with the following exceptions, which are reported using cost-based measures:

- Investments in private equities are reported at cost.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

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- Investments in the OSTF with remaining maturities of up to 90 days are carried at amortized cost, which approximates fair value. The Department reports these investments as cash and cash equivalents on the balance sheet, but as investments in Note 2.

Changes in the fair market value of investments are recognized as investment income (loss) in the current year.

**DERIVATIVES**

In accordance with State investment policies, the Office of the State Treasurer participates in contracts that have derivative characteristics. The fair value of all derivative instruments within the Common School Fund are reported on the governmental funds balance sheet as investments, accounts and interest receivable, and accounts and interest payable. The change in fair value for all Common School Fund derivative instruments is reported with investment income on the governmental funds statement of revenues, expenditures, and changes in fund balances.

**SECURITIES LENDING**

Securities lending amounts are reported at the value of the cash collateral received. The security lending liability is reported at the cash amount received as collateral.

**E – RECEIVABLES AND PAYABLES**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “advances to other funds.”

Receivables consist of revenues earned or accrued in the current period and are shown net of estimated uncollectible amounts.

Payables consist of amounts owed to vendors for operational expense, other state agencies for services received and investment liabilities outstanding.

**F – INTERFUND TRANSACTIONS**

Interfund transactions are transactions between the Common School Fund and other funds included in the Oregon Comprehensive Annual Financial Report. Interfund balances (due to/from other funds and advances to/from other funds) result from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures/expenses occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Advances to/from other funds are not expected to be repaid within one year. See Note 7 for more on interfund balances.

**G – INVENTORIES**

Inventories, which consist primarily of operating supplies, are stated at cost utilizing the first-in, first-out cost valuation method. In governmental funds, inventories are recorded as expenditures when purchased. Reported inventories in governmental funds are offset by nonspendable fund balance since the fund balance associated with inventory is not a spendable form.

**H – RESTRICTED ASSETS**

Custodial assets are non-cash assets held in trust for third parties in the Unclaimed Property Program.

**I – FUND EQUITY**

The difference between assets and liabilities is labeled as “Fund Balance” on governmental fund financial statements.

In governmental funds, fund balance is reported in five components: (1) nonspendable, (2) restricted, (3) committed, (4) assigned, and (5) unassigned.

*Nonspendable fund balances* include amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

*Restricted fund balances* result from constraints imposed on net assets by law through constitutional provisions or enabling legislation or by parties outside the State, such as creditors, grantors, contributors, or laws or regulations of other governments. Common School Fund Balances are either nonspendable or restricted.

For fund balance classification purposes, the Department determines the appropriate classification of each of their detail-level funds based on the resources accounted for in those funds and the constraints on spending those resources and expends resources from the appropriate fund based on each fund's specific spending constraints.

The restricted fund balance category has been further broken down on the Balance Sheet to indicate the various sources of those constraints.

**J - CHANGES IN ACCOUNTING PRINCIPLE**

A change in accounting principle was adopted beginning in fiscal year 2012. The Department did an analysis of accounts receivable and determine an amount that can reasonably expect to be uncollectable. An allowance for uncollectable receivables was established. See Note 12 for additional information.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

Common School Fund Investment Portfolio held at Treasury

Investments of the Common School Fund held by the Treasurer require the exercise of prudent and reasonable care in the context of a fund's investment portfolio and as part of an overall investment strategy. The Treasurer is required to diversify investments unless it is not prudent to do so. In addition, the Treasurer must exercise reasonable care to incorporate risk and return objectives suitable to the particular investment fund. The Treasurer has a policy and procedure that addresses objectives and strategies for investments of the Common School Fund.

The Common School Fund's investment policies are governed by statute and the Oregon Investment Council (Council). The State Treasurer (Treasurer) is the investment officer for the Council. The Treasurer works with the State Land Board to ensure implementation of the asset allocation policy that meets the business needs of the Fund. The Council does not make asset allocation changes without considering input from the State Land Board. In accordance with Oregon statutes, the investment funds are invested, and the investments of those funds managed, as a prudent investor would do, exercising reasonable care, skill and caution. The Treasurer is authorized to use demand deposit accounts, fixed income investments, and direct equity investment transactions, although the majority of equity investments are directed by external investment managers under contract with the Council. Investments are managed around a 70% equity/30% fixed income target with a range of +/- 5%, as detailed below. The Common School Fund's actual asset allocation is monitored monthly relative to established asset allocation policy targets and ranges. A deviation outside of any of the ranges triggers a review and rebalancing back toward the target asset allocation with due consideration given to the liquidity of the investments and transaction costs. Whenever possible, cash flows into and out of the fund are used to rebalance between asset classes. Cash is held only for business operating purposes.

Asset Class	Benchmark	Target Allocation	Range
Domestic Equities	Russell 3000 Index	30%	25% - 35%
International Equities	MSCI ACWI ex-US	30%	25% - 35%
Private Equity	Russell 3000 + 300 bps	10%	0% -12%
	Total Equities	70%	65% - 75%
US Fixed Income	Barclays Capital Universal Bond Index	30%	25% - 35%
Cash		0%	0% - 3%
Policy Mix	Weighted aggregate of indexes listed above at target allocation	100%	

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

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Common School Fund participation in the Oregon Short Term Fund held at Treasury

The Treasurer maintains the OSTF, a cash and investment pool that is available for use by the Common School Fund. Because the pool operates as a demand deposit account, the Common School Fund portion of the OSTF is classified on the financial statements as cash and cash equivalents. A separate financial report for the OSTF is prepared by the Treasurer. Copies of the report may be obtained from the Office of the State Treasurer, Finance Division, 350 Winter Street NE, Suite 100 Salem, Oregon 97301-3896.

Common School Fund Investments held Outside Treasury

Statutes govern the placement of investments of the Common School Fund held outside the treasury as part of trust agreements or mandatory asset holdings by regulatory agencies. The investment portfolio of the common School fund held outside the treasury included \$7,247,589 identified in the balance sheet as custodial assets.

A real estate investment portfolio held by the Department of State lands included one parcel valued at \$1,100,974, included in investments on the balance sheet.

**A – DEPOSITS**

Custodial Credit Risk for Deposits

The custodial credit risk for deposits is the risk that, in the event of a bank failure, the Department will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Department does not have a formal policy regarding custodial credit risk for deposits. However, banking regulations and Oregon law establish the insurance and collateral requirements for deposit in the OSTF.

Oregon Revised Statutes (ORS) Chapter 295 governs the collateralization of public funds. Bank depositories are required to pledge collateral against any public fund deposits in excess of the deposit insurance amounts. This requirement provides additional protection for public funds in the event of a bank loss. ORS Chapter 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable.

ORS Chapter 295 provides the statutory authority for the Public Funds Collateralization Program (PFCP). The PFCP is an application created by the Treasury to facilitate bank depository, custodian, and public official compliance with the ORS Chapter 295. Under the PFCP, banks are required to report quarterly to the Treasury, providing quarter-end public fund balances in excess of Federal Deposit Insurance Corporation (FDIC) limits. Banks are also required to report their net worth and FDIC Capitalization information. The FDIC assigns each bank a capitalization category quarterly; well capitalized, adequately capitalized or undercapitalized. Based on this information, the bank's minimum collateral required to be pledged with the custodian and the maximum liability in the pool of all banks is calculated for the next quarter. The maximum liability is reported to the bank, the Treasury and the custodian.

Barring any exceptions, a bank depository is required to pledge collateral valued at 10 percent or more of the bank's quarter-end public fund deposits if the bank is well capitalized and 110 percent if the bank is adequately capitalized, undercapitalized, or assigned to pledge 110 percent by Treasury.

There are three exceptions to this calculation, and any exceptions are required to be collateralized at 100 percent.

1. A bank may not accept public fund deposits from one depositor in excess of the bank's net worth. If the bank has a drop in net worth that takes it out of compliance, the bank is required to post 100 percent collateral on any amount the depositor has in excess of the bank's net worth while working to eliminate that excess.
2. A bank may not hold aggregate public funds in excess of a percentage of the bank's net worth based on its capitalization category (100 percent for undercapitalized, 150 percent for

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

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adequately capitalized, 200 percent for well capitalized) unless approved for a period of 90 days or less by the Treasury.

3. A bank may hold in excess of 30 percent of all aggregate public funds reported by all banks holding Oregon public funds, only if the excess is collateralized at 100 percent.

All deposits in the OSTF at June 30, 2012, were with financial institutions participating in the FDIC's Transaction Account Guarantee Program. Under that program, all non-interest-bearing transaction accounts are fully guaranteed by the FDIC for the entire amount in the account. Coverage under the Transaction Account Guarantee Program is in addition to and separate from the coverage available under the FDIC's general deposit insurance rules. Consequently, the entire bank balance of un-invested OSTF deposits was fully insured.

As of June 30, 2012 \$16,707 in other bank balances of the Common School Fund was held by an investment firm, not covered by the FDIC rules. However the firm is a member of the Securities Investor Protection Corporation which provides protection up to \$500,000, of which \$250,000 applies to cash credit balances. Consequently the entire bank balance of un-invested Common School Fund deposits was fully insured.

***B – INVESTMENTS***

Custodial Credit Risk

Custodial credit risk for investments of the Common School Fund is the risk that, in the event of the failure of the counter party to a transaction, the State will not be able to recover the value of an investment or collateral securities in the possession of an outside party. The Council has no formal policy regarding the holding of securities by a custodian or counter party. For the year ended June 30, 2012, no investment holdings of the Common School Fund held at Treasury were exposed to custodial credit risk.

At June 30, 2012 the Common School Fund held \$7,247,589 in investments outside the treasury. These investments were held with Wedbush, an investment firm. The firm is a member of the Securities Investor Protection Corporation (SIPC) which provides protection up to \$500,000 of which a maximum of \$250,000 applies to cash credit balances. In addition to the coverage provide by the SIPC, the Firm has purchased from Lloyd's of London an excess SIPC bond that provides additional coverage for up to \$25,000,000 in cash and securities for each client, subject to an aggregate loss limit of \$100,000,000. The excess SIPC bond, together with SIPC coverage, provides for cash credit balances to each client to a maximum of \$1,000,000. This protection will replace clients cash and/or securities that are otherwise unrecoverable. It does not cover clients from losses resulting from the decline in the market value of securities in their accounts. No investment holdings of the Common School Fund held outside the Treasury were exposed to custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk (variable in value) borne by an interest bearing asset such as a loan or a bond, due to variability of interest rates. Approximately 30 percent of the Common School Fund's investment portfolio is invested in fixed income securities. Investment policy for fixed income investments of the Common School Fund is to maintain a well-diversified bond portfolio, managed to maximize total return, that reflects the overall characteristics of the Barclays Capital Universal Index Benchmark and to invest opportunistically, using innovative investment approaches within a controlled and defined portfolio allocation.

Credit Risk and Concentration of Credit Risk

Credit risk refers to the risk that a borrower will default on any type of debt by failing to make payments which it is obligated to make. Treasury investment policies for fixed income investments of the Common School Fund maintain an overall portfolio quality of at least "A" or higher; maintain an average bond duration level of +/-20% of the Barclays Capital Universal Index. No more than 30% of the total fixed income portfolio at market value, may be maintained in securities rated less than Baa3. No more than 10% of the total fixed income portfolio, at market value, may be maintained in Rule 144A securities. Not

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

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more than 25% of the fixed income allocation shall be invested in a single industry, or Government Agency. Use of leverage in any fixed income securities is not allowed, (excluding use of securities in a securities lending program).

Highly Sensitive Investments

The Common School Fund held approximately \$53.5 million in debt instruments backed by pooled mortgages, TBAs (to-be-announced federal agency-issued mortgage pools), CMOs, or fixed-rate mortgages. These securities represent a stream of principal and interest payments from underlying mortgages and consequently, the value of these securities can be volatile as interest rates fluctuate. Assets with these characteristics may also be susceptible to prepayment by the mortgage holders which may result in a decrease in total interest realized. Additionally, the risk of default exits and collateral held may potentially be insufficient to cover the principal due. The Common School Fund also held approximately \$4.9 million of asset-backed securities backed primarily by student loan and manufactured housing loan receivables.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

<i>The credit rating and average effective duration for the Common School Fund's investments, held at Treasury, at June 30, 2012.</i>						
Investment Type	Credit Rating	<1 Year	1-5 Years	6-10 Years	More than 10 Years	Total Market Value
U.S. Treasury Obligations	AA	\$10,023	\$1,306,448	\$1,764,087	\$6,103,799	\$9,184,357
U.S. Treasury Strips	AA			206,285		206,285
U.S. Treasury Tips	AA				1,244,028	1,244,028
U.S. Federal Agency Debt	AA	2,262,613			169,222	2,431,835
U.S. Federal Agency Mortgages	AA	1,892,612			35,855,054	37,747,666
U.S. Federal Agency Mortgages	Not rated				1,241,782	1,241,782
Municipal Bonds	AAA	185,806				185,806
Corporate Bonds	AA	82,046	116,648			198,694
Corporate Bonds	A	3,047,872	3,969,840	5,450,758	2,697,380	15,165,850
Corporate Bonds	BBB	1,225,118	5,323,919	6,576,049	5,124,084	18,249,170
Corporate Bonds	BB		71,750	1,055,275	667,781	1,794,806
Corporate Bonds	B	58,189	280,324	555,025	189,250	1,082,788
Corporate Bonds	Not rated	20		41		61
International Debt Securities	AA		658,928			658,928
International Debt Securities	A		528,347	2,736,610		3,264,957
International Debt Securities	BBB	415,584	1,461,068	3,049,214	1,128,108	6,053,974
International Debt Securities	BB	83,452	531,689			615,141
International Debt Securities	B	66,500		59,900		126,400
International Debt Securities	Not rated		11			11
Asset-backed securities	AAA	656,346				656,346
Asset-backed securities	AA	1,556,672				1,556,672
Asset-backed securities	A	475,778			85,765	561,543
Asset-backed securities	BBB	104,327		27,963		132,290
Asset-backed securities	B	298,517				298,517
Asset-backed securities	CCC	875,989				875,989
Asset-backed securities	C	714,581				714,581
Asset-backed securities	D	80,926				80,926
Collateralized Mortgage Obligations	AAA	1,302,775			292,249	1,595,024
Collateralized Mortgage Obligations	AA	32,334				32,334
Collateralized Mortgage Obligations	A	209,651			29,047	238,698
Collateralized Mortgage Obligations	BBB	478,048			489,274	967,322
Collateralized Mortgage Obligations	BB	1,016,080				1,016,080
Collateralized Mortgage Obligations	B	2,255,439				2,255,439
Collateralized Mortgage Obligations	CCC	2,564,246				2,564,246
Collateralized Mortgage Obligations	C	566,203				566,203
Collateralized Mortgage Obligations	D	446,856				446,856
Collateralized Mortgage Obligations	Not rated	1,276,231		370,273	3,167,779	4,814,283
Mutual Funds, Domestic Fixed Income	Not rated		176,496,173			176,496,173
Mutual Funds, Int'l Fixed Income	Not rated			7,008,570		7,008,570
<b>Total Debt Investments</b>		<b>24,240,834</b>	<b>190,745,145</b>	<b>28,860,050</b>	<b>58,484,602</b>	<b>302,330,631</b>
Equity						265,356,845
Equity International						190,195,382
Equity Mutual Funds – Domestic						105,504,646
Equity Mutual Funds International						59,183,756
Real estate						961,490
Real estate – International						2,887,142
Rights & Warrants – International						13,626
Lehman Receivables						12,427
Private Equities (at cost)						90,873,383
Interest Receivable on Advance Other Funds						(68,317)
<b>Grand Total At Treasury</b>						<b>1,017,251,011</b>
Investments Not Held At Treasury – Real Estate						1,100,974 <sup>1</sup>
<b>Grand Total Investments</b>						<b>\$1,018,351,985</b>

<sup>1</sup>See Investments Held Outside of Treasury note disclosure

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

*Notes on investments held at Treasury:*

Fixed income securities are classified using final maturity date or next rate reset date, whichever is sooner. Fixed income mutual funds are classified by effective duration, the measurement used by the fund manager.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. State agencies are required to deposit moneys in state-qualified depositories under Oregon law. Exceptions due to foreign field offices and related circumstances are approved by the Treasurer. International debt securities denominated in U.S. dollars are not subject to currency risk if the investment's obligations will be paid in U.S. dollars. Investment policies for fixed income investments under the management of the Treasurer provides for investments of the Common School Fund in non-dollar denominated securities within a target allocation range of 25 to 35 percent of their portfolio. For investments not under the management of the Treasurer there are no formal policies on foreign currency risk.

**Deposits and Investments (U.S. Dollars)**

Foreign Currency Denominations	Deposits	International Equity Securities	Fixed Income	Total
Australian Dollar	\$ 97,316	\$ 14,632,763	\$	\$ 14,730,079
Canadian Dollar	68,820	12,020,028		12,088,848
Swiss Franc	65,705	11,380,527		11,446,232
Danish Krone	424	5,410,545		5,410,969
Euro	79,433	54,939,168		55,018,601
British Pound	61,786	30,618,459		30,680,245
Hong Kong Dollar	37,717	3,395,032		3,432,749
Israeli Shekel	2,763	424,617		427,380
Japanese Yen	338,076	33,367,866		33,705,942
Mexican Peso	78,762		1,616,521	1,695,283
Norwegian Krone	51,758	1,619,427		1,671,185
New Zealand Dollar	17,115	563,338		580,453
Swedish Krona	12,829	5,566,254		5,579,083
Singapore Dollar	45,496	1,151,922		1,197,418
<b>Total</b>	<b>\$ 958,000</b>	<b>\$ 175,089,946</b>	<b>\$ 1,616,521</b>	<b>\$ 177,664,467</b>



State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

Investments Held Outside of the Treasury

In addition to investments held at Treasury the Common School Fund investment portfolio includes real estate valued at \$1,100,974.

*The credit rating and average effective duration for the Common School Fund's investments, held outside the treasury at June 30, 2012.*

Investment Type	Credit Rating	Rating Agency	< 1 Year	1-5 Years	6-10 Years	More than 10 Years	Total Market Value
U.S. Agency Securities	AAA	S&P			14		14
U.S. Treasury Strips	AAA	S&P		1,977	3,639		5,616
U.S. Agency Strips	AAA	S&P	5,977				5,977
Domestic Equity Securities	n/a	n/a	n/a	n/a	n/a	n/a	4,995,098
International Equity Securities	n/a	n/a	n/a	n/a	n/a	n/a	
Corporate Bonds	VAR			2308		17,592	19,900
Municipal Bonds	AAA		19,984	9,647	4,241	764	34,636
Mutual Funds – Fixed Income Only	n/a		1,983,707				1,983,707
Real Estate & Real Estate Mortgages	n/a	n/a	n/a	n/a	n/a	n/a	85,934
Total			2,009,668	13,932	7,894	18,356	7,130,882

Some custodial assets held outside of the Treasury are not investments.

**C – SECURITIES LENDING**

In accordance with the State of Oregon investment policies, state agencies may participate in securities lending. The office of the State Treasurer has authorized its custodian to act as its agent in the lending of the State's securities pursuant to a form of loan agreement. There were no significant violations of the provisions of securities lending agreements during the fiscal year.

During the fiscal year 2012 the State's securities lending agent lent short-term and fixed income securities from the OSTF and received as collateral U.S. dollar-denominated cash and cash equivalents. On June 30, 2012, the state and the Common School Fund had no credit risk exposure to borrowers related to securities on loan.

The Common School Fund's allocated portion of the OSTF securities on loan at June 30, 2012 is presented in the following schedule:

Collateral received, securities on loan, and investments of cash collateral of the Oregon Short Term Fund as of June 30, 2012:		
	Total OSTF	CSF
Cash collateral received for securities on loan	\$911,017,404	\$1,181,277
Fair value of all securities on loan	\$891,434,590	\$1,155,884
Fair value of all investments made with cash collateral received for securities on loan	\$911,189,896	\$1,181,500
The securities on loan from the OSTF in total included:		
U.S. Agency securities	85.97%	
Domestic fixed income securities	14.03	
Total	100.00%	

**NOTE 3 – DERIVATIVES**

Derivatives are financial instruments whose value is derived from underlying assets, reference rates, or indexes. They generally take the form of contracts in which two parties agree to make payments at a later date based on the value of the underlying assets, reference rates, or indexes. The main types of derivatives are futures, forwards, options and swaps.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

In the Common School Fund portfolio, forward currency exchange contracts may be used to gain exposure or hedge against the effects of fluctuations in foreign currency exchange rates. A foreign currency exchange contract is a forward contract that is a commitment to purchase or sell a foreign currency at the future date at a negotiated forward rate. Foreign currency forward contracts are privately negotiated contracts with customized terms and are transacted in over-the-counter markets. Risk associated with such contracts includes movement in the value of foreign currencies and the failure of the counter party to perform.

<i>The foreign currency exchange contracts within the Common School Fund as of June 30, 2012:</i>						
Description	Delivery Dates	Notional Value	Unrealized Gain/Loss	Change in Unrealized Gains/Losses	Prior Year Unrealized Gains/Losses	Realized Gain/Loss
<b>Foreign currency exchange contracts purchased:</b>						
Australian Dollar	9/19/2012	10,282	375	(337,312)	99,544	(238,143)
Canadian Dollar	9/19/2012	6,712,318	65,878	(476,483)	30,798	(511,563)
Danish Krone	-	-	-	(206,920)	1,696	(205,224)
Eurodollar	-	-	-	(488,950)	54,251	(434,699)
Hong Kong Dollar	9/19/2012	2,604,317	350	243	1,579	1,472
Israeli Shekel	-	-	-	26	(26)	-
Japanese Yen	9/19/2012	3,205,145	(17,785)	(326,148)	(37,126)	(345,489)
New Zealand Dollar	9/19/2012	11,801	213	14,016	-	13,803
Norwegian Krone	9/19/2012	763,390	14,336	(176,866)	(1,812)	(193,014)
Pound Sterling	9/19/2012	2,628,641	23,967	(203,183)	(50,609)	(277,759)
Singapore Dollar	9/19/2012	1,339,251	18,426	(155,438)	9,251	(164,613)
Swedish Krona	9/19/2012	442,445	7,526	(46,734)	10,587	(43,673)
Swiss Franc	9/19/2012	6,629,241	119,319	(1,295,082)	4,366	(1,410,035)
		24,346,831	232,605	(3,698,831)	122,499	(3,808,937)
<b>Foreign currency exchange contracts sold:</b>						
Australian Dollar	9/19/2012	899,651	(20,941)	(106,672)	(10,165)	(95,896)
Canadian Dollar	9/19/2012	76,687	(319)	103,462	(30,291)	73,490
Danish Krone	9/19/2012	1	-	198,919	(4,386)	194,533
Eurodollar	9/19/2012	8,551,769	(146,301)	1,357,291	(76,195)	1,427,397
Hong Kong Dollar	9/19/2012	1,138,405	(327)	2,827	(1,236)	1,918
Israeli Shekel	-	-	-	2,540	-	2,540
Japanese Yen	9/19/2012	2,903,732	12,084	186,817	39,441	214,174
New Zealand Dollar	9/19/2012	294,579	(10,039)	(27,840)	-	(17,801)
Norwegian Krone	9/19/2012	763,654	(14,073)	142,346	(45,550)	110,869
Pound Sterling	9/19/2012	2,629,870	(22,738)	(32,132)	75,113	65,719
Singapore Dollar	9/19/2012	14,389	(108)	63,708	(2,334)	61,482
Swedish Krona	9/19/2012	437,121	(12,850)	97,743	(29,838)	80,755
Swiss Franc	9/19/2012	6,629,405	(119,154)	1,656,804	(2,686)	1,773,272
		24,339,263	(334,766)	3,645,813	(88,127)	3,892,452
Total		48,686,094	(102,161)	(53,018)	34,372	83,515

In the Common School Fund portfolio, rights and warrants are often obtained and held due to existing investments. Rights are the right, but not the obligation, to purchase newly issued equity shares, often in proportion to the number of shares currently owned, in a specified company, at a pre-established price on or within a predetermined date. A warrant provides the holder the right, but not the obligation, to purchase securities from the issuing entity at a specific price and within a certain period. Rights and warrants are privately transacted in over-the-counter markets. Both are subject to general market risk and liquidity risk.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

<i>The fair value of rights and warrants within the Common School Fund portfolio as of June 30, 2012:</i>							
Type	Expiration Date	Related Number of Shares	Market Value	Unrealized Gain/Loss	Change in Unrealized Gain/Loss	Prior Year unrealized Gain/Loss	Realized Gain/Loss
Rights	7/12/2012-7/19/2012	17,140	13,626	13,626	61,807	4,902	53,083
Warrants		-	-	-	-	-	-
Total Rights & Warrants		17,140	13,626	13,626	61,807	4,902	53,083

The fair value of all derivative instruments within the Common School Fund are reported on the governmental funds balance sheet as investments, accounts and interest receivable, and accounts and interest payable. The change in fair value for all Common School Fund derivative instruments is reported with investment income on the governmental funds statement of revenues, expenditures and changes in fund balance.

**NOTE 4 – RECEIVABLES AND PAYABLES**

**A – RECEIVABLES**

The following tables disaggregate accounts and interest receivable (net), and contracts, notes and other receivables balances in the financial statements. Contracts, notes, and other receivables are not expected to be collected within one year of the date of the financial statements.

<i>Receivables reported at 6/30/2012:</i>		<b>Amount</b>
<b>Governmental Activities</b>		
General accounts		\$75,189
Due from federal government		132,000
Interest receivable		68,317
Broker receivable		6,851,420
Contracts		106,153
Land sale contracts		596,936
Estate Recoveries		106,328
	Gross receivables	7,936,343
	Allowance for un-collectibles	(53,164)
	Total receivables, net	\$7,883,179

<b>Receivables reported on the Balance Sheet as:</b>		<b>Amount</b>
Accounts and interest receivable, net		\$7,179,862
Contracts, Notes, and Other Receivables		703,317
	Total receivables, net	\$7,883,179

**B – PAYABLES**

The following tables disaggregate accounts payable reported in the financial statements.

<i>Payables reported at 6/30/2012:</i>		<b>Amount</b>
<b>Governmental activities</b>		
General accounts		\$365,020
Broker payable		23,490,537
	Total payables	\$23,855,557

**C – CUSTODIAL LIABILITIES**

Custodial liabilities consist of unclaimed property held in custody by the Department into perpetuity for the rightful owner as required by ORS 98.302-98.436 and 98.991-98.992.

The unclaimed property liability is reported at 40% of the total unclaimed property being held. An annual adjustment is made to this account to reduce the amount reported to the amount actually expected to be paid out based on a history of the account. The total legal liability for the unclaimed property program as of June 30, 2012 was \$433,085,413. The accumulated annual adjustment as of June 30, 2012 was \$252,540,248.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

**NOTE 5 – LEASES**

**OPERATING LEASES**

The Department has entered into various non-cancelable rental agreements that are accounted for as operating leases because the agreements do not meet the criteria to be classified as capital leases. Operating lease payments are chargeable as rent and reported in services and supplies. Rental costs for operating leases for the year ended June 30, 2012, were \$112,332.

<i>Future minimum rental payments for operating leases in effect as of June 30, 2012:</i>	
Year ending June 30	Payments
2013	\$119,214
2014	120,093
2015	110,281
2016	53,262
<b>Total future minimum rents:</b>	<b>\$402,850</b>

**NOTE 6 – POLLUTION REMEDIATION OBLIGATION**

Pollution remediation obligations address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities, including pre-cleanup activities, government oversight and enforcement-related activities, and post remediation monitoring. Excluded from pollution remediation obligations are obligations for pollution prevention and control activities, fines and penalties, landfill closure and post closure care, and other future remediation activities required upon retirement of an asset.

The Common School Fund recognizes a pollution remediation obligation when it can reasonably estimate the range of expected cash outlays. As of June 30, 2012 the Department of State Lands is involved in negotiations related to a confidential, non-judicial mediation process that will result in an allocation of costs associated with the investigation and cleanup of contamination in the Portland Harbor Superfund site. There are over 200 parties, private and public, that may eventually bear a share of the costs. It is too early in the Environmental Protection Agency's remedial action process to estimate the total cleanup costs that may be shared by the liable parties and what portion of that, if any, will be assessed against the Common School Fund. The Portland Harbor Superfund site is discussed in greater detail in Note 15.

**NOTE 7 – INTERFUND TRANSACTIONS**

Intrfund balances reported in the fund financial statements as of June 30, 2012.

<i>Due to other funds:</i>	
Environmental Management Fund	\$786,052
<i>Total due to other funds</i>	<u>\$786,052</u>
<i>Advances to other funds :</i>	
Environmental Management Fund	\$300,000
Residential Assistance Fund	19,000,000
<i>Total advances to other funds</i>	<u>\$19,300,000</u>
<i>Due from other funds:</i>	
General Fund	\$24,045
Environmental Management Fund	112,359
<i>Total due from other funds:</i>	<u>\$136,404</u>

**NOTE 8 – EMPLOYEE RETIREMENT PLANS**

The Oregon Public Employees Retirement System (PERS) provides retirement plans for Department employees. PERS is administered by the Public Employees Retirement Board (Board), as required by Oregon Revised Statutes (ORS) chapters 238 and 238A. Copies of the Oregon Public Employees Retirement System annual financial reports may be obtained at:

[www.oregon.gov/PERS/section/financial\\_reports/financials.shtml](http://www.oregon.gov/PERS/section/financial_reports/financials.shtml).

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

**OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)**

The Department's employees who were plan members before August 29, 2003, participate in the Oregon Public Employees Retirement System (PERS), a cost-sharing multiple-employer defined benefit pension plan. The PERS has two tiers of benefits. Employees hired before January 1, 1996 are in Tier One. Tier One employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefit options as established by ORS chapter 23. Options include survivorship benefits and lump sum distributions. The PERS also provides death and disability benefits.

**OREGON PUBLIC SERVICE RETIREMENT PLAN (OPSRP)**

The 2003 Oregon Legislature created the Oregon Public Service Retirement Plan (OPSRP), a cost-sharing multiple-employer plan. OPSRP is a hybrid pension plan with two components: the Pension Program (defined benefit) and the Individual Account Program (defined contribution). Department employees hired after August 28, 2003 participate in OPSRP after completing six months of service. The OPSRP Pension Program provides a monthly pension payable for life as well as death and disability benefits as established by ORS chapter 238A.

Beginning January 1, 2004, PERS members became members of the Individual Account Program (IAP) portion of OPSRP. PERS members retain their existing PERS accounts, but member contributions are now deposited in the IAP account rather than into the member's PERS account. All covered employees are required by state statute to contribute a percentage of their salary to the IAP. Current law permits employers to pay the employee contribution, which the Department does.

**PLAN RATES**

For the PERS Pension and the OPSRP Pension, the Department must contribute actuarially computed amounts as determined by the Board. The funding policies provide for monthly employer contributions. Rates are subject to change as a result of subsequent actuarial valuations.

The required contribution rates as a percentage of subject salary are:

<u>Year ended June 30</u>	<u>PERS</u>	<u>OPSRP</u>	<u>IAP</u>
2012	8.80%	7.44%	6.00%
2011	1.69%	2.63%	6.00%
2010	1.69%	2.63%	6.00%

For subject salary paid after June 30, 2012, the PERS Pension and the OPSRP Pension rates will be 8.80% and 7.44%.

**ANNUAL PENSION COST**

The annual pension cost is the actual contribution to PERS (which equals the required contribution) plus the 6% employee contribution which the Department has agreed to pay. The annual cost for the year ended June 30, 2012 and the two preceding years are:

<u>Year ended June 30</u>	<u>PERS</u>	<u>OPSRP</u>	<u>IAP</u>
2012	\$1,637,918	\$1,384,785	\$1,116,763
2011	\$130,510	\$203,101	\$463,347
2010	\$436,503	\$679,293	\$1,549,717

**NOTE 9 – DEFERRED COMPENSATION PLANS**

The Oregon Savings Growth Plan (OSGP) is a deferred compensation plan available to eligible state employees. Employee contributions are deposited into the Deferred Compensation Fund established by Oregon Revised Statute 243.411. To participate, an employee enters into an individual agreement with the State to defer current earnings to be paid at a future date. The PERS administers the plan. As a trustee of the assets, PERS contracts with ING to maintain OSGP participant records. The Office of the State Treasurer, as custodian of the assets, contracts with State Street Bank and Trust Company to provide financial services. PERS may assess a charge to participants not to exceed 2 percent on

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

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amounts deferred, both contributions and investment earnings, to cover costs incurred for administering the program.

Participants direct the selection of investment options and also bear any market risk. Although the State has no liability for losses under the OSGP, the State does have the prudent investor responsibility of due care. Activity of the OSGP is reported in the Oregon Comprehensive Annual Financial Report under the Deferred Compensation Plan in the fiduciary funds combining financial statements.

**NOTE 10 – RISK FINANCING**

The State of Oregon administers property and casualty programs covering State government through its Insurance Fund. The Insurance Fund services claims for: direct physical loss or damage to state property; tort liability claims brought against the State, its officers, employees or agents; workers' compensation; employee dishonesty; and faithful performance coverage for certain positions by law to be covered and other key positions.

As a state agency, the Department participates in the Insurance Fund. The cost of servicing insurance claims and payments is covered by charging an assessment to each entity based on its share of services provided in a prior period. The total statewide coverage assessment is based on independent biennial actuarial forecasts and administrative expenses, less carry-forward or equity in the Insurance fund.

For the Common School Fund the amount of claim settlements did not exceed insurance coverage for each of the past three years.

**NOTE 11 – PRIOR PERIOD ADJUSTMENT**

A prior period adjustment was recorded in Fiscal Year 2012 related to three long term contracts receivable recorded in prior fiscal years, a land sale contract and a negotiated payment plan resulting from an audit finding for aggregate removal royalties recorded in fiscal year 2011, and a restitution settlement related to an estate recorded prior to fiscal year 2011. Revenue from these contracts was recognized for all future payments on these contracts in the year they were recorded. The beginning fund balance has been restated for the non-current portion of these contracts as of June 30, 2011 in the amount of \$905,000. Revenue will be recognized in fiscal years 2012 and after as payments are received. In fiscal year 2012, payments in the amount of \$167,962 were received and recognized as revenue.

**NOTE 12 – CHANGE IN ACCOUNTING PRINCIPLE**

A change in accounting principle was adopted beginning with fiscal year 2012. Prior to fiscal year 2012, losses on uncollectible receivables were recognized using the specific write-off method. Under this method losses were only recognized as specific accounts were determined to be uncollectible. For fiscal year 2012, an allowance for bad debts was established for accounting for the losses on uncollectible accounts. Applying this method recognizes the losses on an estimated basis during the accounting period that the revenue, or deferred revenue where applicable, is recognized. The receivables are presented on the balance sheet at the net amount that is expected to be collected. For fiscal year 2012, an allowance for bad debts was established in the amount of \$53,164. This amount is not reported as a prior period adjustment since it is not considered to be material to the fair presentation of the financial statements.

**NOTE 13 - COMMITMENTS**

Commitments are defined as existing arrangements to enter into future transactions or events, such as contractual obligations with vendors for future purchases or services at specified prices and sometimes at specified quantities. Commitments may also include agreements to make grants and loans.

The Oregon Investment Council has entered into agreements that commit the investment managers for the Common School Fund (CSF), upon request, to additional investment purchases up to a predetermined amount. As of June 30, 2012 the Common School Fund had \$90.9 million in

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2012

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commitments to purchase private equity investments. These amounts are unfunded and are not recorded in the financial statements.

**NOTE 14 – RELATED PARTY DISCLOSURES**

The Oregon State Treasurer is a constitutional officer within the executive branch of the state of Oregon, elected by statewide vote. As chief financial officer for the state, the Treasurer heads the Oregon State Treasury. The Oregon State Treasury acts as the central bank for all state agencies and is the largest financial institution in the state. The Treasury manages the portfolio of investments for the state's funds, including the Common School Fund.

The State Land Board, which consists of the Governor, the Secretary of State and the State Treasurer, is the trustee of the Common School Fund as outlined in the Oregon Constitution. The Common School Fund's investment policies are governed by statute and the Oregon Investment Council. The State Treasurer is the investment officer for the Investment Council. During the year ended June 30, 2012 the Common School Fund paid the Oregon State Treasury \$6,744,429 in fees for the management of the Common School Fund investment portfolio.

**NOTE 15– CONTINGENCIES**

***A – PORTLAND HARBOR SUPERFUND SITE***

The Department of State Lands is involved in negotiations related to a confidential, non-judicial mediation process that will result in an allocation of costs associated with the investigation and cleanup of sediment contamination in the Portland Harbor, a ten-mile stretch of the lower Willamette River area that the U.S. Environmental Protection Agency (EPA) has listed as a Superfund site under the federal Superfund law (CERCLA). The Department of State lands is one of over 200 parties, private companies, and public entities that may eventually be found liable for a share of the costs related to investigation and cleanup of the site.

***B – ALLOCATION OF INVESTMENT INCOME TO COMMON SCHOOL FUND BALANCE***

The State Land Board, during the February 14, 2012 Land Board meeting directed the Department of State Lands to make two transfers, totaling \$75.7 million from the distributable income account of the Common School Fund to the non-distributable corpus of the Common School Fund. This was done in response to recommendations coming from a Secretary of State performance audit of the Common School Fund.

On June 30, 2012 a transfer \$37,850,000 in investment income of the distributable income account was transferred to the non-distributable corpus of the Common School Fund. Another transfer of the same amount is scheduled to be made in July, 2013.

## OTHER REPORTS



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS***

State Land Board  
Department of State Lands  
Salem, Oregon

We have audited the balance sheet of the Common School Fund, a major governmental fund of the State of Oregon, as of June 30, 2012, and the related Statement of Revenues, Expenditures, and Changes in Fund Balance for the year then ended June 30, 2012, and have issued our report thereon dated December 3, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

The financial statements present only the Fund and are not intended to present fairly the financial position of the State of Oregon or the Department of State Lands and the results of their operations in conformity with accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

Management of the Common School Fund is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Common School Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Common School Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Common School Fund's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Common School Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the State Land Board, the Governor of the State of Oregon, and the Oregon Legislative Assembly, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Merina & Company, LLP  
West Linn, Oregon  
December 3, 2012

State of Oregon Department of State Lands  
Common School Fund

Annual Financial Statements  
For the Fiscal Year Ended June 30, 2013

State of Oregon Department of State Lands  
Common School Fund  
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June 30, 2013

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## FINANCIAL SECTION

**INDEPENDENT AUDITOR'S REPORT**

State Land Board  
Department of State Lands  
Salem, Oregon

We have audited the accompanying financial statements of the Common School Fund, a major governmental fund of the State of Oregon as of and for the year ended June 30, 2013, and the related notes to the financial statements, as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

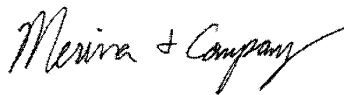
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of June 30, 2013, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 1, the financial statements present only the Common School Fund and do not purport to, and do not, present fairly the financial position of the State of Oregon or the Department of State Lands, as of June 30, 2013, the changes in their financial position, or where applicable, their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2013, on our consideration of Common School Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Common School Fund's internal control over financial reporting and compliance.



Merina & Company, LLP  
West Linn, Oregon  
October 24, 2013



## BASIC FINANCIAL STATEMENTS

**State of Oregon Department of State Lands  
Common School Fund  
Balance Sheet  
as of June 30, 2013**

**ASSETS**

Cash and Cash Equivalents	\$	41,550,526
Investments		1,159,082,634
Custodial Assets		15,054,961
Securities Lending Collateral		24,962,488
Accounts and interest receivable, net		15,096,410
Due from Other Funds		431,605
Inventories		2,577
Advances to other funds		300,000
Contracts, Notes, and Other Receivables		1,084,010

**Total Assets**

\$ 1,257,565,211

**LIABILITIES AND FUND BALANCES**

**Liabilities**

Accounts and Interest Payable	\$	34,121,517
Obligations Under Securities Lending		24,962,488
Due to Other Funds		2,683,563
Deferred Revenue		1,084,010
Custodial Liabilities		195,979,411

**Total Liabilities**

258,830,989

**Fund Balances**

Nonspendable	
Reserve for inventories	2,577
Restricted by:	
Oregon Constitution	724,614,204
Enabling Legislation	274,058,834
Donors and Other External Parties	58,607

**Total Fund Balances**

998,734,222

**Total Liabilities and Fund Balances**

\$ 1,257,565,211

The accompanying notes are an integral part of the basic financial statements.

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**State of Oregon Department of State Lands**  
**Common School Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2013**

<b>Revenues:</b>	
Licenses and fees	\$ 846,533
Services Provided	106,944
Fines and Forfeitures	63,194
Rents and Royalties	4,532,381
Net (loss) from Investments	143,289,900
Sales	645,479
Donations	854
Unclaimed property revenue	21,523,182
Other Revenues	3,038,978
<b>Total Revenues</b>	<u>174,047,445</u>
<b>Expenditures:</b>	
Personal Services	6,775,140
Services and Supplies	5,017,999
Capital Outlay	2,994,651
Investment Expenses	3,994,410
<b>Total Expenditures</b>	<u>18,782,200</u>
<b>Excess (Deficiency) of Revenues over (Under) Expenditures</b>	<u>155,265,245</u>
<b>Other Financing Sources:</b>	
Transfers From Other Funds	2,377,393
Transfers to Other Funds or Other State Agencies	(60,106,829)
Insurance Recoveries	1,850,856
<b>Total Other Financing Sources</b>	<u>(55,878,580)</u>
<b>Net Change in Fund Balance</b>	<u>99,386,665</u>
<b>Fund Balances - Beginning</b>	899,400,041
Prior period adjustments	(52,449)
<b>Fund Balance - Beginning - As Restated</b>	<u>899,347,592</u>
Changes in inventories	<u>(36)</u>
<b>Fund Balances - Ending</b>	<u><u>\$998,734,222</u></u>

The accompanying notes are an integral part of the basic financial statements.

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State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the Oregon Department of State Lands' Common School Fund have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), and the American Institute of Certified Public Accountants (AICPA).

***A – THE REPORTING ENTITY***

The Department of State Lands (Department) is the administrative agency of the State Land Board handling the day-to-day work of the board in managing the land and other resources dedicated to the Common School Fund. The State Land Board, which consists of the Governor, the Secretary of State and the State Treasurer, is the trustee of the fund as outlined in the Oregon Constitution.

The Common School Fund, a governmental fund, was established at statehood and is intended to generate earnings to distribute to public schools. The Common School Fund accounts for programs that manage state-owned land, including a leasing program that generates annual revenues, for the benefit of the public school system. Estate funds that become the property of the state, unclaimed property, and income derived from unclaimed property are also accounted for in this fund. Statutory and constitutional provisions stipulate that the assets of the fund, including investment income, must be used for common school purposes. The primary funding sources for these programs include investment income, leasing revenues, forest management, unclaimed property receipts, and transfers from other funds.

***B – FUND FINANCIAL STATEMENTS***

The governmental fund financial statements are a balance sheet and a statement of revenues, expenditures and changes in fund balances.

Governmental fund balance sheets are presented in an Assets = Liabilities and Fund Balance format. Further information for receivables not expected to be collected within one year of the date of the financial statements and payables reported in the financial statements is discussed in Note 4.

The governmental fund statement of revenues, expenditures, and changes in fund balances reports revenues by type and expenditures by function. Other financing sources, uses and transfers are reported in the last section of the statement.

***C - MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION***

The Common School Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current year. Expenditures are recognized when a liability is incurred, as under accrual accounting.

***D – DEPOSITS AND INVESTMENTS***

DEPOSITS

Cash deposits not held in a cash management or investment pool are classified as cash and cash equivalents. Cash deposits that are held in a cash management or investment pool are classified as cash and cash equivalents when the pool has the general characteristics of a demand deposit account. Cash and cash equivalents include: Cash on hand, cash and investments held by the Office of the State Treasurer in the Oregon Short-term Fund (OSTF), cash deposits held in demand deposit accounts with custodial banks, and cash deposits of debt proceeds in investment funds held by a trustee.

INVESTMENTS

Investments are reported at fair market value with the following exceptions, which are reported using cost-based measures:

- Investments in private equities are reported at cost.

State of Oregon Department of State Lands  
Common School Fund  
Notes to the Financial Statements as of June 30, 2013

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- Investments in the OSTF with remaining maturities of up to 90 days are carried at amortized cost, which approximates fair value. The Department reports these investments as cash and cash equivalents on the balance sheet, but as investments in Note 2.

Changes in the fair market value of investments are recognized as investment income (loss) in the current year.

**DERIVATIVES**

In accordance with State investment policies, the Office of the State Treasurer participates in contracts that have derivative characteristics. The fair value of all derivative instruments within the Common School Fund are reported on the governmental funds balance sheet as investments, accounts and interest receivable, and accounts and interest payable. The change in fair value for all Common School Fund derivative instruments is reported with investment income on the governmental funds statement of revenues, expenditures, and changes in fund balances.

**SECURITIES LENDING**

Securities lending amounts are reported at the value of the cash collateral received. The security lending liability is reported at the cash amount received as collateral.

***E – RECEIVABLES AND PAYABLES***

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “advances to other funds.”

Receivables consist of revenues earned or accrued in the current period and are shown net of estimated uncollectible amounts.

Payables consist of amounts owed to vendors for operational expense, other state agencies for services received and investment liabilities outstanding.

***F – INTERFUND TRANSACTIONS***

Interfund transactions are transactions between the Common School Fund and other funds included in the Oregon Comprehensive Annual Financial Report. Interfund balances (due to/from other funds and advances to/from other funds) result from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures/expenses occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Advances to/from other funds are not expected to be repaid within one year. See Note 7 for more on inter-fund balances.

***G – INVENTORIES***

Inventories, which consist primarily of operating supplies, are stated at cost utilizing the first-in, first-out cost valuation method. In governmental funds, inventories are recorded as expenditures when purchased. Reported inventories in governmental funds are offset by nonspendable fund balance since the fund balance associated with inventory is not a spendable form.

***H – RESTRICTED ASSETS***

Custodial assets are non-cash assets held in trust for third parties in the Unclaimed Property Program.

***I – FUND EQUITY***

The difference between assets and liabilities is labeled as “Fund Balance” on governmental fund financial statements.

In governmental funds, fund balance is reported in five components: (1) nonspendable, (2) restricted, (3) committed, (4) assigned, and (5) unassigned.

*Nonspendable fund balances* include amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

*Restricted fund balances* result from constraints imposed on net assets by law through constitutional provisions or enabling legislation or by parties outside the State, such as creditors, grantors, contributors, or laws or regulations of other governments. Common School Fund Balances are either nonspendable or restricted.

For fund balance classification purposes, the Department determines the appropriate classification of each of their detail-level funds based on the resources accounted for in those funds and the constraints on spending those resources. The Department expends resources from the appropriate fund based on each fund's specific spending constraints.

The restricted fund balance category has been further broken down on the Balance Sheet to indicate the various sources of those constraints.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

Common School Fund Investment Portfolio held at Treasury

Investments of the Common School Fund held by the Treasurer require the exercise of prudent and reasonable care in the context of the fund's investment portfolio and as part of an overall investment strategy. The Treasurer is required to diversify investments unless it is not prudent to do so. In addition, the Treasurer must exercise reasonable care to incorporate risk and return objectives suitable to the particular investment fund. The Treasurer has a policy and procedure that addresses objectives and strategies for investments of the Common School Fund.

The Common School Fund's investment policies are governed by statute and the Oregon Investment Council (Council). The State Treasurer (Treasurer) is the investment officer for the Council. The Treasurer works with the State Land Board to ensure implementation of the asset allocation policy that meets the business needs of the Fund. The Council does not make asset allocation changes without considering input from the State Land Board. In accordance with Oregon statutes, the investment funds are invested, and the investments of those funds managed, as a prudent investor would do, exercising reasonable care, skill and caution. The Treasurer is authorized to use demand deposit accounts, fixed income investments, and direct equity investment transactions, although the majority of equity investments are directed by external investment managers under contract with the Council. Investments are managed around a 70% equity/30% fixed income target with a range of +/- 5%, as detailed below. The Common School Fund's actual asset allocation is monitored monthly relative to established asset allocation policy targets and ranges. A deviation outside of any of the ranges triggers a review and rebalancing back toward the target asset allocation with due consideration given to the liquidity of the investments and transaction costs. Whenever possible, cash flows into and out of the fund are used to rebalance between asset classes. Cash is held only for business operating purposes.

<b>Asset Class</b>	<b>Benchmark</b>	<b>Target Allocation</b>	<b>Range</b>
Domestic Equities	Russell 3000 Index	30%	25% - 35%
International Equities	MSCI ACWI ex-US	30%	25% - 35%
Private Equity	Russell 3000 + 300 bps	10%	0% - 12%
	Total Equities	70%	65% - 75%
US Fixed Income	Barclays Capital Universal Bond Index	30%	25% - 35%
Cash		0%	0% - 3%
Policy Mix	Weighted aggregate of indexes listed above at target allocation	100%	

Common School Fund participation in the Oregon Short Term Fund held at Treasury

The Treasurer maintains the OSTF, a cash and investment pool that is available for use by the Common School Fund. Because the pool operates as a demand deposit account, the Common School Fund portion of the OSTF is classified on the financial statements as cash and cash equivalents. A separate financial report for the OSTF is prepared by the Treasurer. Copies of the report may be obtained from the



State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

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Office of the State Treasurer, Finance Division, 350 Winter Street NE, Suite 100 Salem, Oregon 97301-3896.

Common School Fund Investments held Outside Treasury

Statutes govern the placement of investments of the Common School Fund held outside the Treasury as part of trust agreements or mandatory asset holdings by regulatory agencies. The Common School Fund investment portfolio includes \$14,879,962 held outside the Treasury and included in the \$15,054,961 identified as custodial assets on the balance sheet.

A real estate investment portfolio held by the Department of State lands includes one parcel valued at \$1,100,974 and included in investments on the balance sheet.

**A – DEPOSITS**

Custodial Credit Risk for Deposits

The custodial credit risk for deposits is the risk that, in the event of a bank failure, the Department will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Department does not have a formal policy regarding custodial credit risk for deposits. However, banking regulations and Oregon law establish the insurance and collateral requirements for deposit in the OSTF.

Oregon Revised Statutes (ORS) Chapter 295 governs the collateralization of public funds. Bank depositories are required to pledge collateral against any public fund deposits in excess of the deposit insurance amounts. This requirement provides additional protection for public funds in the event of a bank loss. ORS Chapter 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable.

ORS Chapter 295 provides the statutory authority for the Public Funds Collateralization Program (PFCP). The PFCP is an application created by the Treasury to facilitate bank depository, custodian, and public official compliance with the ORS Chapter 295. Under the PFCP, banks are required to report quarterly to the Treasury, providing quarter-end public fund balances in excess of Federal Deposit Insurance Corporation (FDIC) limits. Banks are also required to report their net worth and FDIC Capitalization information. The FDIC assigns each bank a capitalization category quarterly; well capitalized, adequately capitalized or undercapitalized. Based on this information, the bank's minimum collateral required to be pledged with the custodian and the maximum liability in the pool of all banks is calculated for the next quarter. The maximum liability is reported to the bank, the Treasury and the custodian.

Barring any exceptions, a bank depository is required to pledge collateral valued at 10 percent or more of the bank's quarter-end public fund deposits if the bank is well capitalized and 110 percent if the bank is adequately capitalized, undercapitalized, or assigned to pledge 110 percent by Treasury.

There are three exceptions to this calculation, and any exceptions are required to be collateralized at 100 percent.

1. A bank may not accept public fund deposits from one depositor in excess of the bank's net worth. If the bank has a drop in net worth that takes it out of compliance, the bank is required to post 100 percent collateral on any amount the depositor has in excess of the bank's net worth while working to eliminate that excess.
2. A bank may not hold aggregate public funds in excess of a percentage of the bank's net worth based on its capitalization category (100 percent for undercapitalized, 150 percent for adequately capitalized, 200 percent for well capitalized) unless approved for a period of 90 days or less by the Treasury.
3. A bank may hold in excess of 30 percent of all aggregate public funds reported by all banks holding Oregon public funds, only if the excess is collateralized at 100 percent.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

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All deposits in the OSTF at June 30, 2013, were with financial institutions participating in the FDIC's Transaction Account Guarantee Program. Under that program, all non-interest-bearing transaction accounts are fully guaranteed by the FDIC for the entire amount in the account. Coverage under the Transaction Account Guarantee Program is in addition to and separate from the coverage available under the FDIC's general deposit insurance rules. Consequently, the entire bank balance of un-invested OSTF deposits was fully insured.

As of June 30, 2013 \$118,029 in other bank balances of the Common School Fund was held by an investment firm, not covered by the FDIC rules. However the firm is a member of the Securities Investor Protection Corporation which provides protection up to \$500,000, of which \$250,000 applies to cash credit balances. Consequently the entire bank balance of un-invested Common School Fund deposits was fully insured.

***B – INVESTMENTS***

**Custodial Credit Risk**

Custodial credit risk for investments of the Common School Fund is the risk that, in the event of the failure of the counter party to a transaction, the State will not be able to recover the value of an investment or collateral securities in the possession of an outside party. The Council has no formal policy regarding the holding of securities by a custodian or counter party. For the year ended June 30, 2013, no investment holdings of the Common School Fund held at Treasury were exposed to custodial credit risk.

At June 30, 2013 the Common School Fund held \$14,761,932 in investments outside the treasury. These investments were held with Wedbush, an investment firm. The firm is a member of the Securities Investor Protection Corporation (SIPC) which provides protection up to \$500,000 of which a maximum of \$250,000 applies to cash credit balances. In addition to the coverage provide by the SIPC, the Firm has purchased from Lloyd's of London an excess SIPC bond that provides additional coverage for up to \$25,000,000 in cash and securities for each client, subject to an aggregate loss limit of \$100,000,000. The excess SIPC bond, together with SIPC coverage, provides for cash credit balances to each client to a maximum of \$1,000,000. This protection will replace client's cash and/or securities that are otherwise unrecoverable. It does not cover clients from losses resulting from the decline in the market value of securities in their accounts. No investment holdings of the Common School Fund held outside the Treasury were exposed to custodial credit risk.

**Interest Rate Risk**

Interest rate risk is the risk (variable in value) borne by an interest bearing asset such as a loan or a bond, due to variability of interest rates. Approximately 30 percent of the Common School Fund's investment portfolio is invested in fixed income securities. Investment policy for fixed income investments of the Common School Fund is to maintain a well-diversified bond portfolio, managed to maximize total return, that reflects the overall characteristics of the Barclays Capital Universal Index Benchmark and to invest opportunistically, using innovative investment approaches within a controlled and defined portfolio allocation.

**Credit Risk and Concentration of Credit Risk**

Credit risk refers to the risk that a borrower will default on any type of debt by failing to make payments which it is obligated to make. Treasury investment policies for fixed income investments of the Common School Fund maintain an overall portfolio quality of at least "A" or higher; maintain an average bond duration level of +/-20% of the Barclays Capital Universal Index. No more than 30% of the total fixed income portfolio at market value, may be maintained in securities rated less than Baa3. No more than 10% of the total fixed income portfolio, at market value, may be maintained in Rule 144A securities. Not more than 25% of the fixed income allocation shall be invested in a single industry, or Government Agency. Use of leverage in any fixed income securities is not allowed (excluding use of securities in a securities lending program).

State of Oregon Department of State Lands  
Common School Fund  
Notes to the Financial Statements as of June 30, 2013

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Highly Sensitive Investments

The Common School Fund held approximately \$44.4 million in debt instruments backed by pooled mortgages, TBAs (to-be-announced federal agency-issued mortgage pools), CMOs, or fixed-rate mortgages. These securities represent a stream of principal and interest payments from underlying mortgages and consequently, the value of these securities can be volatile as interest rates fluctuate. Assets with these characteristics may also be susceptible to prepayment by the mortgage holders which may result in a decrease in total interest realized. Additionally, the risk of default exists and collateral held may potentially be insufficient to cover the principal due. The Common School Fund also held approximately \$5.1 million of asset-backed securities backed primarily by student loan and manufactured housing loan receivables.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

<i>The credit rating and average effective duration for the Common School Fund's investments, held at Treasury, at June 30, 2013.</i>						
Investment Type	Credit Rating	<1 Year	1-5 Years	6-10 Years	More than 10 Years	Total Market Value
U.S. Treasury Obligations	Not rated	20,141	3,830,418	5,590,610	9,826,688	19,267,856
U.S. Treasury Strips	Not rated	4,049,489		197,952		4,247,441
U.S. Treasury Tips	Not rated				1,812,951	1,812,951
U.S. Federal Agency Debt	AA	2,422,449			145,526	2,567,976
U.S. Federal Agency Debt	Not rated	10,148,086				10,148,086
U.S. Federal Agency Mortgages	AAA	19,643				19,643
U.S. Federal Agency Mortgages	AA	178,403			28,913,692	29,092,096
U.S. Federal Agency Mortgages	Not rated	2,848,951		230,501	3,322,751	6,402,202
Corporate Bonds	AA		748,863	448,822		1,197,685
Corporate Bonds	A	1,332,610	7,382,136	3,656,178	2,592,350	14,963,273
Corporate Bonds	BBB	1,540,486	4,370,381	5,508,913	4,979,206	16,398,986
Corporate Bonds	BB		310,468	1,287,353	635,545	2,233,365
Corporate Bonds	B	36,720	63,341	230,125	306,205	636,391
Non-US Government Debt	BBB		2,235	2,287,918	685,730	2,975,883
International Debt Securities	AA		210,161	19,991		230,161
International Debt Securities	A		792,304	2,206,869		2,999,173
International Debt Securities	BBB	403,588	1,076,575	2,406,861	700,378	4,587,402
International Debt Securities	BB		173,220	152,445	27,450	353,114
International Debt Securities	B	89,500	11	16,740		106,251
Asset-backed securities	AAA	589,702			205,882	795,584
Asset-backed securities	AA	977,281				977,281
Asset-backed securities	A	501,864			63,500	565,364
Asset-backed securities	BBB	430,096		11,644		441,740
Asset-backed securities	B	340,255				340,255
Asset-backed securities	CCC	285,365				285,365
Asset-backed securities	CC	1,702,268				1,702,268
Collateralized Mortgage Obligations	AAA	213			450,496	450,709
Collateralized Mortgage Obligations	AA	62,673			110,169	172,842
Collateralized Mortgage Obligations	A	500,098			231,822	731,919
Collateralized Mortgage Obligations	BBB	1,333,573			85,238	1,418,812
Collateralized Mortgage Obligations	BB	947,820			74,032	1,021,852
Collateralized Mortgage Obligations	B	2,134,500				2,134,500
Collateralized Mortgage Obligations	CCC	2,361,175				2,361,175
Collateralized Mortgage Obligations	CC	615,198				615,198
Collateralized Mortgage Obligations	Not rated	25,331				25,331
Mutual Funds, Domestic Fixed Income	AA		156,762,120			156,762,120
Mutual Funds, Domestic Fixed Income	B		16,358,715			16,358,715
Mutual Funds, International Fixed Income	AA			3,328,081		3,328,081
Mutual Funds, International Fixed Income	BB		3,121,804			3,121,804
<b>Total Debt Investments</b>		<b>35,897,479</b>	<b>195,202,750</b>	<b>27,581,002</b>	<b>55,169,611</b>	<b>313,850,843</b>
Equity – Domestic						300,325,023
Equity International						251,869,751
Equity Mutual Funds – Domestic						189,942,379
Private Equity – Domestic						97,174,085
Real Estate – Domestic						842,481
Real Estate – International						3,923,677
Rights & Warrants – International						35,195
Lehman Receivable						18,226
<b>Grand Total Held at Treasury</b>						<b>1,157,981,660</b>
Investments Not Held At Treasury – Real Estate						1,100,974 <sup>1</sup>
<b>Grand Total Investments</b>						<b>\$1,159,082,634</b>

<sup>1</sup>See Investments Held Outside of Treasury note disclosure

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

*Notes on investments held at Treasury:*

Fixed income securities are classified using final maturity date or next rate reset date, whichever is sooner. Fixed income mutual funds are classified by effective duration, the measurement used by the fund manager.

**Foreign Currency Risk**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. State agencies are required to deposit moneys in state-qualified depositories under Oregon law. Exceptions due to foreign field offices and related circumstances are approved by the Treasurer. International debt securities denominated in U.S. dollars are not subject to currency risk if the investment's obligations will be paid in U.S. dollars. Investment policies for fixed income investments under the management of the Treasurer provides for investments of the Common School Fund in non-dollar denominated securities within a target allocation range of 25 to 35 percent of their portfolio. For investments not under the management of the Treasurer there are no formal policies on foreign currency risk.

**Deposits and Investments (U.S. Dollars)**

Foreign Currency Denominations	Deposits	International Equity Securities	Non-US Government Debt	Real Estate	Rights and Warrants	Grand Total
Australian Dollar	\$ 150,150	\$ 12,934,450	\$	\$ 923,617	\$	\$ 14,008,217
Canadian Dollar	106,561	11,471,779				11578,341
Swiss Franc	53,680	15,577,346				15,631,026
Danish Krone	32,745	2,266,965				2,299,710
Euro	163,732	64,627,894		1,228,961	35,195	66,055,782
British Pound	60,978	34,511,108		182,196		34,754,282
Hong Kong Dollar	82,719	3,747,409		1,062,331		4,892,458
Israeli Shekel	24,835	215,447		135,235		375,517
Japanese Yen	468,776	57,750,815		162,148		58,381,739
Mexican Peso	75,657		2,287,918			2,363,575
Norwegian Krone	100,033	2,466,893				2,566,926
New Zealand Dollar	8,423	694,389				702,812
Swedish Krona	34,562	6,715,251				6,749,813
Singapore Dollar	51,978	2,050,463		229,189		2,331,629
<b>Total</b>	<b>\$ 1,414,827</b>	<b>\$ 215,030,209</b>	<b>\$ 2,287,918</b>	<b>\$ 3,923,677</b>	<b>\$ 35,195</b>	<b>\$ 222,691,827</b>

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

Investments Held Outside of the Treasury

In addition to investments held at Treasury the Common School Fund investment portfolio includes real estate valued at \$1,100,974.

<i>The credit rating and average effective duration for the Common School Fund's investments, held outside the treasury at June 30, 2013.:</i>							
<b>Investment Type</b>	<b>Credit Rating</b>	<b>Rating Agency</b>	<b>&lt; 1 Year</b>	<b>1-5 Years</b>	<b>6-10 Years</b>	<b>More than 10 Years</b>	<b>Total Market Value</b>
U.S. Agency Securities	AAA	S&P		2,850	4,150	13,801	20,801
U.S. Treasury Strips	AAA	S&P	1,989		4,427		6,416
GNMA	AAA	S&P		3			3
Domestic Equity Securities	n/a	n/a	n/a	n/a	n/a	n/a	12,047,861
Municipal Bonds	AAA		4,996	9,471	4,196	19,738	38,401
Mutual Funds – Fixed Income Only	n/a		2,611,609				2,611,609
Alternative Equities	n/a	n/a	n/a	n/a	n/a	n/a	10,521
Real Estate & Real Estate Mortgages	n/a	n/a	n/a	n/a	n/a	n/a	26,319
<b>Total</b>			<b>2,618,594</b>	<b>12,324</b>	<b>12,773</b>	<b>33,539</b>	<b>14,761,931</b>

Some custodial assets held outside of the Treasury are not investments.

**C – SECURITIES LENDING**

In accordance with the State of Oregon investment policies, state agencies may participate in securities lending. The office of the State Treasurer has authorized its custodian to act as its agent in the lending of the State's securities pursuant to a form of loan agreement. There were no significant violations of the provisions of securities lending agreements during the fiscal year.

During the fiscal year 2013 the State's securities lending agent lent short-term and fixed income securities from both the Common School Fund and the Oregon Short Term Fund and received as collateral U.S. dollar-denominated cash and cash equivalents totaling \$24,962,488 (24,169,446 + 793,042). On June 30, 2013, the State and the Common School Fund had no credit risk exposure to borrowers related to securities on loan.

State of Oregon Department of State Lands  
Common School Fund  
Notes to the Financial Statements as of June 30, 2013

Common School Fund Securities on loan at June 30, 2013 is presented in the following schedule:

<b>Collateral received, securities on loan, and investments of cash collateral of the Common School Fund as of June 30, 2013:</b>	
Cash collateral received for securities on loan:	
Domestic equity	4,273,364
Domestic fixed income	417,825
International equity	<u>19,478,257</u>
Total cash collateral received for securities on loan	24,169,446
Non-cash collateral for securities on loan:	
International equity	340,150
Total collateral received for all securities on loan:	<u>\$24,509,596</u>
Fair value of securities on loan:	
Domestic equity	4,126,452
Domestic fixed income	409,146
International equity	<u>18,546,677</u>
Total Fair value of all securities on loan	<u>\$23,082,275</u>
Fair value of investments made with cash collateral received for securities on loan:	
Domestic equity	4,273,364
Domestic fixed income	417,825
International equity	<u>19,478,257</u>
Total fair value of all investments made with cash collateral received for securities on loan	<u>\$24,169,446</u>

The Common School Fund's allocated portion of the OSTF securities on loan at June 30, 2013 is presented in the following schedule:

Collateral received, securities on loan, and investments of cash collateral of the Oregon Short Term Fund as of June 30, 2013:		
	<b>Total OSTF</b>	<b>CSF</b>
Cash collateral received for securities on loan	\$850,185,218	\$793,042
Fair value of all securities on loan	\$833,166,939	\$1,108,041
Fair value of all investments made with cash collateral received for securities on loan	\$596,311,410	\$793,042
The securities on loan from the OSTF in total included:		
U.S. Treasury securities	81.06%	
U.S. Agency securities	4.08%	
Domestic fixed income securities	<u>14.86%</u>	
Total	100.00%	

**NOTE 3 – DERIVATIVES**

Derivatives are financial instruments whose value is derived from underlying assets, reference rates, or indexes. They generally take the form of contracts in which two parties agree to make payments at a later date based on the value of the underlying assets, reference rates, or indexes. The main types of derivatives are futures, forwards, options and swaps.

In the Common School Fund portfolio, forward currency exchange contracts may be used to gain exposure or hedge against the effects of fluctuations in foreign currency exchange rates. A foreign currency exchange contract is a forward contract that is a commitment to purchase or sell a foreign currency at the future date at a negotiated forward rate. Foreign currency forward contracts are privately negotiated contracts with customized terms and are transacted in over-the-counter markets. Risk associated with such contracts includes movement in the value of foreign currencies and the failure of the counter party to perform.

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

<i>The foreign currency exchange contracts within the Common School Fund as of June 30, 2013:</i>						
Description	Delivery Dates	Notional Value	Unrealized Gain(Loss)	Change in Unrealized Gain(Loss)	Prior Year Unrealized Gains(Loss)	Realized Gain(Loss)
<i>Foreign currency exchange contracts purchased:</i>						
Australian Dollar	9/18/2013	1,195,304	(40,777)	(263,869)	375	(222,717)
Canadian Dollar	9/18/2013	13,176,439	(413,848)	(755,487)	65,878	(275,761)
Danish Krone	9/18/2013	6,461,387	(113,407)	181,000	-	294,407
Eurodollar	9/18/2013	2,460,346	(52,778)	785,009	-	837,787
Hong Kong Dollar	9/18/2013	13,351,069	8,176	(980)	351	(8,806)
Israeli Shekel	9/18/2013	-	-	45,298	-	45,298
Japanese Yen	9/18/2013	-	-	(262,448)	(17,785)	(280,233)
New Zealand Dollar	9/18/2013	8,463,607	(211,601)	(210,691)	213	1,123
Norwegian Krone	9/18/2013	90,266	(2,229)	(29,819)	14,336	(13,254)
Pound Sterling	9/18/2013	1,072,183	(25,596)	(14,177)	23,967	35,386
Singapore Dollar	9/18/2013	1,451,049	4,281	(724)	18,426	13,422
Swedish Krona	9/18/2013	-	-	152,126	7,526	159,651
Swiss Franc	9/18/2013	1,947,173	(36,513)	393,131	119,319	548,963
Total		49,668,824	(884,292)	18,368	232,604	1,135,265
<i>Foreign currency exchange contracts sold:</i>						
Australian Dollar	9/18/2013	6,226,161	179,857	154,998	(20,941)	(45,800)
Canadian Dollar	9/18/2013	-	-	(62,326)	(317)	(62,643)
Danish Krone	9/18/2013	552,134	16,549	(279,451)	-	(296,001)
Eurodollar	9/18/2013	23,544,876	398,521	(994,974)	(146,301)	(1,539,796)
Hong Kong Dollar	9/18/2013	860,576	(386)	(5,732)	(327)	(5,673)
Israeli Shekel	9/18/2013	380,496	2,722	(110,165)	-	(112,886)
Japanese Yen	9/18/2013	9,283,186	183,196	949,650	12,084	778,539
New Zealand Dollar	9/18/2013	-	-	(126,763)	(10,039)	(136,802)
Norwegian Krone	9/18/2013	1,539,327	83,490	30,941	(14,073)	(66,622)
Pound Sterling	9/18/2013	599,965	18,861	(401,740)	(22,738)	(443,339)
Singapore Dollar	9/18/2013	5,775	106	(3,893)	(108)	(4,106)
Swedish Krona	9/18/2013	1,698,673	42,482	(203,811)	(12,850)	(259,143)
Swiss Franc	9/18/2013	4,665,762	55,740	(345,641)	(119,154)	(520,536)
Total		49,356,928	981,136	(1,398,907)	(334,765)	(2,714,807)
Total		99,025,752	96,843	(1,380,538)	(102,161)	(1,579,542)

In the Common School Fund portfolio, rights and warrants are often obtained and held due to existing investments. Rights are the right, but not the obligation, to purchase newly issued equity shares, often in proportion to the number of shares currently owned, in a specified company, at a pre-established price on or within a predetermined date. A warrant provides the holder the right, but not the obligation, to purchase securities from the issuing entity at a specific price and within a certain period. Rights and warrants are privately transacted in over-the-counter markets. Both are subject to general market risk and liquidity risk.

<i>The fair value of rights and warrants within the Common School Fund portfolio as of June 30, 2013:</i>							
Type	Expiration Date	Related Number of Shares	Market Value	Unrealized Gain/Loss	Change in Unrealized Gain/Loss	Prior Year unrealized Gain/Loss	Realized Gain/Loss
Rights	7/4/2013-8/28/2013	54,431	35,195	4,578	756	13,626	9,803
Total Rights & Warrants			35,195	4,578	756	13,626	9,803

The fair value of all derivative instruments within the Common School Fund are reported on the governmental funds balance sheet as investments, accounts and interest receivable, and accounts and interest payable. The change in fair value for all Common School Fund derivative instruments is reported with investment income on the governmental funds statement of revenues, expenditures and changes in fund balance.



State of Oregon Department of State Lands  
Common School Fund  
Notes to the Financial Statements as of June 30, 2013

**NOTE 4 – RECEIVABLES AND PAYABLES**

**A – RECEIVABLES**

The following tables disaggregate accounts and interest receivable (net), and contracts, notes and other receivables balances in the financial statements. Contracts, notes, and other receivables are not expected to be collected within one year of the date of the financial statements.

<i>Receivables reported at 6/30/2013:</i>	
<b>Governmental Activities</b>	<b>Amount</b>
General accounts	\$144,371
Due from federal government	352,232
Interest receivable	1,511,364
Broker receivable	13,088,599
Contracts	1,137,018
	Gross receivables 16,233,584
	Allowance for un-collectibles (53,164)
	Total receivables, net \$16,180,420

<b>Receivables reported on the Balance Sheet as:</b>	
	<b>Amount</b>
Accounts and interest receivable, net	\$15,096,410
Contracts, notes, and other receivables, net	1,084,010
	Total receivables, net \$16,180,420

**B – PAYABLES**

The following tables disaggregate accounts payable reported in the financial statements.

<i>Payables reported at 6/30/2013:</i>	
<b>Governmental activities</b>	<b>Amount</b>
General accounts payable	\$1,369,052
Broker payable	32,752,465
	Total payables \$34,121,517

**C – CUSTODIAL LIABILITIES**

Custodial liabilities consist of unclaimed property held in custody by the Department in perpetuity for the rightful owner as required by ORS 98.302-98.436 and 98.991-98.992.

The unclaimed property liability is reported at 39% of the total unclaimed property being held. An annual adjustment is made to this account to reduce the amount reported to the amount actually expected to be paid out based on a history of the account. The total legal liability for the unclaimed property program as of June 30, 2013 was \$470,042,840. The accumulated annual adjustment as of June 30, 2013 was \$274,063,430.

**NOTE 5 – LEASES**

**OPERATING LEASES**

The Department has entered into various non-cancelable rental agreements that are accounted for as operating leases because the agreements do not meet the criteria to be classified as capital leases. Operating lease payments are chargeable as rent and reported in services and supplies. Rental costs for operating leases for the year ended June 30, 2013, were \$119,214.

<i>Future minimum rental payments for operating leases in effect as of June 30, 2013:</i>		
	<b>Year ending June 30</b>	<b>Payments</b>
	2014	\$122,651
	2015	122,839
	2016	55,820
	Total future minimum rents:	\$301,310

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

**NOTE 6 – POLLUTION REMEDIATION OBLIGATION**

Pollution remediation obligations address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities, including pre-cleanup activities, government oversight and enforcement-related activities, and post remediation monitoring. Excluded from pollution remediation obligations are obligations for pollution prevention and control activities, fines and penalties, landfill closure and post closure care, and other future remediation activities required upon retirement of an asset.

The Common School Fund recognizes a pollution remediation obligation when it can reasonably estimate the range of expected cash outlays. As of June 30, 2013 the Department of State Lands is involved in negotiations related to a confidential, non-judicial mediation process that will result in an allocation of costs associated with the investigation and cleanup of contamination in the Portland Harbor Superfund site. There are over 200 parties, private and public, that may eventually bear a share of the costs. It is too early in the Environmental Protection Agency's remedial action process to estimate the total cleanup costs that may be shared by the liable parties and what portion of that, if any, will be assessed against the Common School Fund. The Portland Harbor Superfund site is discussed in greater detail in Note 15.

**NOTE 7 – INTER-FUND TRANSACTIONS**

Inter-fund balances reported in the fund financial statements as of June 30, 2013.

<i>Due to other funds:</i>	
Environmental Management Fund	\$2,683,431
Capital Projects Fund	132
<i>Total due to other funds</i>	<u>\$2,683,563</u>
<i>Advances to other funds :</i>	
Environmental Management Fund	\$300,000
<i>Total advances to other funds</i>	<u>\$300,000</u>
<i>Due from other funds:</i>	
General Fund	\$11,337
Environmental Management Fund	376,377
Public Transportation Fund	43,891
<i>Total due from other funds:</i>	<u>\$431,605</u>

**NOTE 8 – EMPLOYEE RETIREMENT PLANS**

The Oregon Public Employees Retirement System (PERS) provides retirement plans for Department employees. PERS is administered by the Public Employees Retirement Board (Board), as required by Oregon Revised Statutes (ORS) chapters 238 and 238A. Copies of the Oregon Public Employees Retirement System annual financial reports may be obtained at:

[www.oregon.gov/PERS/section/financial\\_reports/financials.shtml](http://www.oregon.gov/PERS/section/financial_reports/financials.shtml).

**OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)**

The Department's employees who were plan members before August 29, 2003, participate in the Oregon Public Employees Retirement System (PERS), a cost-sharing multiple-employer defined benefit pension plan. The PERS has two tiers of benefits. Employees hired before January 1, 1996 are in Tier One. Tier One employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefit options as established by ORS chapter 23. Options include survivorship benefits and lump sum distributions. The PERS also provides death and disability benefits.

**OREGON PUBLIC SERVICE RETIREMENT PLAN (OPSRP)**

The 2003 Oregon Legislature created the Oregon Public Service Retirement Plan (OPSRP), a cost-sharing multiple-employer plan. OPSRP is a hybrid pension plan with two components: the Pension Program (defined benefit) and the Individual Account Program (defined contribution). Department

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

employees hired after August 28, 2003 participate in OPSRP after completing six months of service. The OPSRP Pension Program provides a monthly pension payable for life as well as death and disability benefits as established by ORS chapter 238A

Beginning January 1, 2004, PERS members became members of the Individual Account Program (IAP) portion of OPSRP. PERS members retain their existing PERS accounts, but member contributions are now deposited in the IAP account rather than into the member's PERS account. All covered employees are required by state statute to contribute a percentage of their salary to the IAP. Current law permits employers to pay the employee contribution, which the Department does.

**PLAN RATES**

For the PERS Pension and the OPSRP Pension, the Department must contribute actuarially computed amounts as determined by the Board. The funding policies provide for monthly employer contributions. Rates are subject to change as a result of subsequent actuarial valuations.

The required contribution rates as a percentage of subject salary are:

<u>Year ended June 30</u>	<u>PERS</u>	<u>OPSRP</u>	<u>IAP</u>
2013	8.80%	7.44%	6.00%
2012	8.80%	7.44%	6.00%
2011	1.69%	2.63%	6.00%

For subject salary paid after June 30, 2013, the PERS Pension and the OPSRP Pension rates will be 9.86% and 8.14%.

**ANNUAL PENSION COST**

The annual pension cost is the actual contribution to PERS (which equals the required contribution) plus the 6% employee contribution which the Department has agreed to pay. The annual cost for the year ended June 30, 2013 and the two preceding years are:

<u>Year ended June 30</u>	<u>PERS</u>	<u>OPSRP</u>	<u>IAP</u>
2013	\$300,441	\$157,068	\$305,696
2012	\$301,245	\$153,967	\$303,643
2011	\$130,510	\$203,101	\$463,347

**NOTE 9 – DEFERRED COMPENSATION PLANS**

The Oregon Savings Growth Plan (OSGP) is a deferred compensation plan available to eligible state employees. Employee contributions are deposited into the Deferred Compensation Fund established by Oregon Revised Statute 243.411. To participate, an employee enters into an individual agreement with the State to defer current earnings to be paid at a future date. The PERS administers the plan. As a trustee of the assets, PERS contracts with ING to maintain OSGP participant records. The Office of the State Treasurer, as custodian of the assets, contracts with State Street Bank and Trust Company to provide financial services. PERS may assess a charge to participants not to exceed 2 percent on amounts deferred, both contributions and investment earnings, to cover costs incurred for administering the program.

Participants direct the selection of investment options and also bear any market risk. Although the State has no liability for losses under the OSGP, the State does have the prudent investor responsibility of due care. Activity of the OSGP is reported in the Oregon Comprehensive Annual Financial Report under the Deferred Compensation Plan in the fiduciary funds combining financial statements.

**NOTE 10 – RISK FINANCING**

The State of Oregon administers property and casualty programs covering State government through its Insurance Fund. The Insurance Fund services claims for: direct physical loss or damage to state property; tort liability claims brought against the State, its officers, employees or agents; workers'

State of Oregon Department of State Lands  
Common School Fund

Notes to the Financial Statements as of June 30, 2013

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compensation; employee dishonesty; and faithful performance coverage for certain positions by law to be covered and other key positions.

As a state agency, the Department participates in the Insurance Fund. The cost of servicing insurance claims and payments is covered by charging an assessment to each entity based on its share of services provided in a prior period. The total statewide coverage assessment is based on independent biennial actuarial forecasts and administrative expenses, less carry-forward or equity in the Insurance fund.

For the Common School Fund the amount of claim settlements did not exceed insurance coverage for each of the past three years.

**NOTE 11 – PRIOR PERIOD ADJUSTMENT**

A prior period adjustment of \$52,449 was recorded in Fiscal Year 2013 due to the determination that a portion of a restitution settlement established prior to 2011 is not expected to be collected.

**NOTE 12 - COMMITMENTS**

Commitments are defined as existing arrangements to enter into future transactions or events, such as contractual obligations with vendors for future purchases or services at specified prices and sometimes at specified quantities. Commitments may also include agreements to make grants and loans.

The Oregon Investment Council has entered into agreements that commit the investment managers for the Common School Fund (CSF), upon request, to additional investment purchases up to a predetermined amount. As of June 30, 2013 the Common School Fund had \$121.8 million in commitments to purchase private equity investments. These amounts are unfunded and are not recorded in the financial statements.

**NOTE 13 – RELATED PARTY DISCLOSURES**

The Oregon State Treasurer is a constitutional officer within the executive branch of the state of Oregon, elected by statewide vote. As chief financial officer for the state, the Treasurer heads the Oregon State Treasury. The Oregon State Treasury acts as the central bank for all state agencies and is the largest financial institution in the state. The Treasury manages the portfolio of investments for the state's funds, including the Common School Fund.

The State Land Board, which consists of the Governor, the Secretary of State and the State Treasurer, is the trustee of the Common School Fund as outlined in the Oregon Constitution. The Common School Fund's investment policies are governed by statute and the Oregon Investment Council. The State Treasurer is the investment officer for the Investment Council. During the year ended June 30, 2013 the Common School Fund paid the Oregon State Treasury \$283,927 in fees for the management of the Common School Fund investment portfolio.

**NOTE 14-- CONTINGENCIES**

***A – PORTLAND HARBOR SUPERFUND SITE***

The Department of State Lands is involved in negotiations related to a confidential, non-judicial mediation process that will result in an allocation of costs associated with the investigation and cleanup of sediment contamination in the Portland Harbor, a ten-mile stretch of the lower Willamette River area that the U.S. Environmental Protection Agency (EPA) has listed as a Superfund site under the federal Superfund law (CERCLA). The Department of State lands is one of over 200 parties, private companies, and public entities that may eventually be found liable for a share of the costs related to investigation and cleanup of the site.

***B – ALLOCATION OF INVESTMENT INCOME TO COMMON SCHOOL FUND BALANCE***

The State Land Board, during the February 14, 2012 Land Board meeting directed the Department of State Lands to make two transfers, totaling \$75.7 million from the distributable income account of the Common School Fund to the non-distributable corpus of the Common School Fund. This was done in

State of Oregon Department of State Lands  
Common School Fund  
Notes to the Financial Statements as of June 30, 2013

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response to recommendations coming from a Secretary of State performance audit of the Common School Fund.

On June 30, 2012 a transfer \$37,850,000 in investment income of the distributable income account was transferred to the non-distributable corpus of the Common School Fund. Another transfer of the same amount was made June 30, 2013.

*GOVERNMENTAL AUDITING STANDARDS*  
COMPLIANCE

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

State Land Board  
Department of State Lands  
Salem, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the Balance Sheet and the related Statement of Revenues, Expenditures, and Changes in Fund Balance of the Common School Fund, a major governmental fund of the State of Oregon, as of and for the year ended June 30, 2013, and the related notes to the financial statements, and have issued our report thereon dated October 24, 2013.

The financial statements present only the Fund are not intended to present fairly the financial position of the State of Oregon or the Department of State Lands and the results of their operations in conformity with accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Common School Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Common School Funds' internal control. Accordingly, we do not express an opinion on the effectiveness of the Common School Funds' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2013-1 that we consider to be a significant deficiency.

### **Compliance and Other Matters**

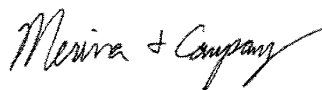
As part of obtaining reasonable assurance about whether the Common School Funds' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Common School Funds' Response to Findings**

Common School Fund's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. Common School Fund's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Merina & Company, LLP  
West Linn, Oregon  
October 24, 2013



State of Oregon Department of State Lands  
Common School Fund  
Schedule of Findings and Responses  
June 30, 2013

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**Internal Control over Financial Reporting:**

**2013-1**

Condition: The Agency failed to perform reconciliation of significant accounts in a timely or accurate manner.

Criteria: Internal controls should be in place to ensure that reconciliation of significant accounts is completed in a timely and accurate manner.

Cause: The procedures that were in place did not ensure that significant accounts were reconciled in a timely or accurate manner.

Effect: Because of the failure to perform reconciliation of significant accounts in a timely manner or accurate manner, significant accounts did not have correct balances.

Recommendation: Procedures should be implemented to ensure significant accounts are reconciled in a timely or accurate manner and reviewed by a supervisor.

Managements Response: Agency management agrees with the finding and is taking appropriate action to address the situation.

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## OREGON DEPARTMENT OF STATE LANDS AFFIRMATIVE ACTION REPORT FOR THE 2015-2017 BIENNIUM

The Department of State Lands (DSL) understands our most important resource is our staff. They provide the link to the people we serve. DSL recognizes the need for, and benefits to be derived from diversity within the Department. For that reason, DSL is committed to establishing and maintaining a diverse workforce, reflective of the diverse population within the state of Oregon.

### Composition as of June 30, 2014:

(Total current employees - 103)

Category	Number of Employees	Percentage of total Employees*	Number under-represented*
Women	65	63%	2
People of Color	11	11%	2
African American	1	1%	1
Hispanic	7	7%	0
Asian/Pacific Islander	1	1%	2
Native American	3	3%	0
People with Disabilities	1	1%	4

### Analysis:

**Agency:** The number of current employees increased by 7 since the June 30, 2012 Affirmative Action Progress Report.

**Women:** The number of women increased by 9. The agency's affirmative action parity goal is 67%.

**People of Color:** The number of POC increased by 1. The agency's affirmative action parity goal is 13%.

**African American:** The number of African Americans remained unchanged. The agency's parity goal is 2%.

**Hispanic:** The number of Hispanics increased by 4. The agency's affirmative action parity goal is met.

**Asian/Pacific Islands:** The number of Asian/Pacific Islands employees decreased by 1. The agency's parity goal is 3%.

**Native American:** The number of American Indians decreased by 1. The agency's affirmative action parity goal is met.

**People with Disabilities:** The number of Disabled employees remained unchanged. The agency's parity goal is 5%.

*\* Note: areas identified as less than 1% were rounded down to the nearest whole number.*

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**Barriers:**

The barriers in achieving parity are historically low turnover of staff and the shortage of people with disabilities and people of color in the natural resource applicant pools.

**Progress:**

To overcome the barriers and attract diverse applicants, DSL continues to participate in programs to help students and applicants develop an interest in natural resource careers. Some of these activities are:

- Community Outreach, Natural Resource/Cultural Cluster meetings, and multiple coastal community events throughout the year;
- Partner with Environmental Justice;
- Hatfield Resident Fellow Program on behalf of Mark O. Hatfield School of Government at Portland State University;
- Internship Program with Willamette University students; and
- Volunteer Programs at the South Slough National Estuarine Research Reserve, Bend and Salem.

The agency opened **28** recruitments since July 1, 2013, and hired **24**.

- Two **(2)** hires were veterans
- Fifteen **(15)** hires were women
- Four **(4)** hires were people of color
- Eight **(8)** hires were over 50 years of age
- Thirteen **(13)** job rotation opportunities were provided (6 staff over 50 years of age; 2 of color and 11 women)

The Multicultural Awareness Committee has taken an active role to enhance an appreciation for cultural diversity and inclusion in our agency. They have:

- Recommended outreach opportunities to improve DSL applicant pools;
- Encouraged awareness by sharing educational information on the Governor's monthly proclamations with staff;
- Sought out and encouraged opportunities to educate students about our programs through career events and presentations;
- Planned and oversaw DSL's agency-wide biennial training on multicultural awareness; and
- Regularly used monthly agency all staff meetings to share information related to diversity and inclusion.

**Steps toward future improvement:**

During the 2015-2017 biennium the agency will continue to focus on the following three goals:

- Provide training, job rotation opportunities and education to managers and employees to increase diversity and inclusion awareness.
- Reinforce management's involvement to support DSL's goal to encourage and increase a diverse and inclusive workforce.
- Continue recruitment efforts to market DSL as an agency that represents a work environment that is welcoming to a diverse applicant pool and promotes a respectful environment of all employee differences.

## SPECIAL REPORTS

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The following plans are available on the Department of State Lands' web site:

[Strategic Plan 2012-2016](#)

[Real Estate Asset Management Plan](#)

[Sustainability Plan 2009-2015](#)

**Lands, Dept of State**

**Summary Cross Reference Listing and Packages  
2015-17 Biennium**

**Agency Number: 14100  
BAM Analyst: Pearson, Lisa  
Budget Coordinator: Wickham, Cynthia - (503)986-5227**

<b>Cross Reference Number</b>	<b>Cross Reference Description</b>	<b>Package Number</b>	<b>Priority</b>	<b>Package Description</b>	<b>Package Group</b>
010-00-00-00000	Common School Fund	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
010-00-00-00000	Common School Fund	021	0	Phase-in	Essential Packages
010-00-00-00000	Common School Fund	022	0	Phase-out Pgm & One-time Costs	Essential Packages
010-00-00-00000	Common School Fund	031	0	Standard Inflation	Essential Packages
010-00-00-00000	Common School Fund	032	0	Above Standard Inflation	Essential Packages
010-00-00-00000	Common School Fund	033	0	Exceptional Inflation	Essential Packages
010-00-00-00000	Common School Fund	081	0	September 2014 E-Board	Policy Packages
010-00-00-00000	Common School Fund	090	0	Analyst Adjustments	Policy Packages
010-00-00-00000	Common School Fund	501	0	Measure 91 Implementation	Policy Packages
010-00-00-00000	Common School Fund	101	0	Portland Harbor Clean Up	Policy Packages
010-00-00-00000	Common School Fund	102	0	Improved Internal Controls	Policy Packages
010-00-00-00000	Common School Fund	103	0	Replace and Upgrade Equipment	Policy Packages
010-00-00-00000	Common School Fund	106	0	Easement Application Admin Fee	Policy Packages
013-00-00-00000	Oregon Wetlands Revolving Fund	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
013-00-00-00000	Oregon Wetlands Revolving Fund	021	0	Phase-in	Essential Packages
013-00-00-00000	Oregon Wetlands Revolving Fund	022	0	Phase-out Pgm & One-time Costs	Essential Packages
013-00-00-00000	Oregon Wetlands Revolving Fund	031	0	Standard Inflation	Essential Packages
013-00-00-00000	Oregon Wetlands Revolving Fund	032	0	Above Standard Inflation	Essential Packages
013-00-00-00000	Oregon Wetlands Revolving Fund	033	0	Exceptional Inflation	Essential Packages
013-00-00-00000	Oregon Wetlands Revolving Fund	081	0	September 2014 E-Board	Policy Packages
013-00-00-00000	Oregon Wetlands Revolving Fund	090	0	Analyst Adjustments	Policy Packages
013-00-00-00000	Oregon Wetlands Revolving Fund	501	0	Measure 91 Implementation	Policy Packages

**Lands, Dept of State**

**Summary Cross Reference Listing and Packages  
2015-17 Biennium**

**Agency Number: 14100  
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<b>Cross Reference Number</b>	<b>Cross Reference Description</b>	<b>Package Number</b>	<b>Priority</b>	<b>Package Description</b>	<b>Package Group</b>
020-00-00-00000	Natural Heritage Program	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
020-00-00-00000	Natural Heritage Program	021	0	Phase-in	Essential Packages
020-00-00-00000	Natural Heritage Program	022	0	Phase-out Pgm & One-time Costs	Essential Packages
020-00-00-00000	Natural Heritage Program	031	0	Standard Inflation	Essential Packages
020-00-00-00000	Natural Heritage Program	032	0	Above Standard Inflation	Essential Packages
020-00-00-00000	Natural Heritage Program	033	0	Exceptional Inflation	Essential Packages
020-00-00-00000	Natural Heritage Program	081	0	September 2014 E-Board	Policy Packages
020-00-00-00000	Natural Heritage Program	090	0	Analyst Adjustments	Policy Packages
020-00-00-00000	Natural Heritage Program	501	0	Measure 91 Implementation	Policy Packages
030-00-00-00000	South Slough National Estuarine	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
030-00-00-00000	South Slough National Estuarine	021	0	Phase-in	Essential Packages
030-00-00-00000	South Slough National Estuarine	022	0	Phase-out Pgm & One-time Costs	Essential Packages
030-00-00-00000	South Slough National Estuarine	031	0	Standard Inflation	Essential Packages
030-00-00-00000	South Slough National Estuarine	032	0	Above Standard Inflation	Essential Packages
030-00-00-00000	South Slough National Estuarine	033	0	Exceptional Inflation	Essential Packages
030-00-00-00000	South Slough National Estuarine	081	0	September 2014 E-Board	Policy Packages
030-00-00-00000	South Slough National Estuarine	090	0	Analyst Adjustments	Policy Packages
030-00-00-00000	South Slough National Estuarine	501	0	Measure 91 Implementation	Policy Packages
030-00-00-00000	South Slough National Estuarine	104	0	Program Alignment	Policy Packages
088-00-00-00000	Capital Improvements	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
088-00-00-00000	Capital Improvements	021	0	Phase-in	Essential Packages
088-00-00-00000	Capital Improvements	022	0	Phase-out Pgm & One-time Costs	Essential Packages

**Lands, Dept of State**

**Summary Cross Reference Listing and Packages  
2015-17 Biennium**

**Agency Number: 14100  
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<b>Cross Reference Number</b>	<b>Cross Reference Description</b>	<b>Package Number</b>	<b>Priority</b>	<b>Package Description</b>	<b>Package Group</b>
088-00-00-00000	Capital Improvements	031	0	Standard Inflation	Essential Packages
088-00-00-00000	Capital Improvements	032	0	Above Standard Inflation	Essential Packages
088-00-00-00000	Capital Improvements	033	0	Exceptional Inflation	Essential Packages
088-00-00-00000	Capital Improvements	081	0	September 2014 E-Board	Policy Packages
088-00-00-00000	Capital Improvements	090	0	Analyst Adjustments	Policy Packages
088-00-00-00000	Capital Improvements	501	0	Measure 91 Implementation	Policy Packages
088-00-00-00000	Capital Improvements	105	0	Agriculture Development	Policy Packages
089-00-00-00000	Capital Construction	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
089-00-00-00000	Capital Construction	021	0	Phase-in	Essential Packages
089-00-00-00000	Capital Construction	022	0	Phase-out Pgm & One-time Costs	Essential Packages
089-00-00-00000	Capital Construction	031	0	Standard Inflation	Essential Packages
089-00-00-00000	Capital Construction	032	0	Above Standard Inflation	Essential Packages
089-00-00-00000	Capital Construction	033	0	Exceptional Inflation	Essential Packages
089-00-00-00000	Capital Construction	081	0	September 2014 E-Board	Policy Packages
089-00-00-00000	Capital Construction	090	0	Analyst Adjustments	Policy Packages
089-00-00-00000	Capital Construction	501	0	Measure 91 Implementation	Policy Packages



**Lands, Dept of State**

**Policy Package List by Priority  
2015-17 Biennium**

**Agency Number: 14100**

**BAM Analyst: Pearson, Lisa**

**Budget Coordinator: Wickham, Cynthia - (503)986-5227**

<i>Priority</i>	<i>Policy Pkg Number</i>	<i>Policy Pkg Description</i>	<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>		
0	081	September 2014 E-Board	010-00-00-00000	Common School Fund		
			013-00-00-00000	Oregon Wetlands Revolving Fund		
			020-00-00-00000	Natural Heritage Program		
			030-00-00-00000	South Slough National Estuarine		
			088-00-00-00000	Capital Improvements		
			089-00-00-00000	Capital Construction		
	090	Analyst Adjustments	010-00-00-00000	Common School Fund		
			013-00-00-00000	Oregon Wetlands Revolving Fund		
			020-00-00-00000	Natural Heritage Program		
			030-00-00-00000	South Slough National Estuarine		
	101	Portland Harbor Clean Up	088-00-00-00000	Capital Improvements		
			089-00-00-00000	Capital Construction		
			010-00-00-00000	Common School Fund		
			102	Improved Internal Controls	010-00-00-00000	Common School Fund
			103	Replace and Upgrade Equipment	010-00-00-00000	Common School Fund
			104	Program Alignment	030-00-00-00000	South Slough National Estuarine
			105	Agriculture Development	088-00-00-00000	Capital Improvements
			106	Easement Application Admin Fee	010-00-00-00000	Common School Fund
			501	Measure 91 Implementation	010-00-00-00000	Common School Fund
					013-00-00-00000	Oregon Wetlands Revolving Fund
020-00-00-00000	Natural Heritage Program					
030-00-00-00000	South Slough National Estuarine					
			088-00-00-00000	Capital Improvements		

**Lands, Dept of State**

**Policy Package List by Priority  
2015-17 Biennium**

**Agency Number: 14100**

**BAM Analyst: Pearson, Lisa**

**Budget Coordinator: Wickham, Cynthia - (503)986-5227**

<b>Priority</b>	<b>Policy Pkg Number</b>	<b>Policy Pkg Description</b>	<b>Summary Cross Reference Number</b>	<b>Cross Reference Description</b>
0	501	Measure 91 Implementation	089-00-00-00000	Capital Construction

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>BEGINNING BALANCE</b>						
<b>0025 Beginning Balance</b>						
3200 Other Funds Non-Ltd	986,870,087	4,845,313	4,845,313	-	-	-
3400 Other Funds Ltd	37,653,635	1,144,548,528	1,144,548,528	1,362,190,000	1,362,190,000	-
6400 Federal Funds Ltd	270,748	2,319,509	2,319,509	1,404,281	1,404,281	-
All Funds	1,024,794,470	1,151,713,350	1,151,713,350	1,363,594,281	1,363,594,281	-
<b>0030 Beginning Balance Adjustment</b>						
3400 Other Funds Ltd	-	(10)	(10)	-	-	-
6400 Federal Funds Ltd	-	(24)	(24)	-	-	-
All Funds	-	(34)	(34)	-	-	-
<b>BEGINNING BALANCE</b>						
3200 Other Funds Non-Ltd	986,870,087	4,845,313	4,845,313	-	-	-
3400 Other Funds Ltd	37,653,635	1,144,548,518	1,144,548,518	1,362,190,000	1,362,190,000	-
6400 Federal Funds Ltd	270,748	2,319,485	2,319,485	1,404,281	1,404,281	-
<b>TOTAL BEGINNING BALANCE</b>	<b>\$1,024,794,470</b>	<b>\$1,151,713,316</b>	<b>\$1,151,713,316</b>	<b>\$1,363,594,281</b>	<b>\$1,363,594,281</b>	<b>-</b>
<b>REVENUE CATEGORIES</b>						
<b>GENERAL FUND APPROPRIATION</b>						
<b>0050 General Fund Appropriation</b>						
8000 General Fund	681,266	-	-	-	-	-
<b>LICENSES AND FEES</b>						
<b>0205 Business Lic and Fees</b>						
3400 Other Funds Ltd	4,750	-	-	-	-	-
<b>0210 Non-business Lic. and Fees</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	1,453,837	3,162,273	3,162,273	800,000	800,000	-
<b>LICENSES AND FEES</b>						
3400 Other Funds Ltd	1,458,587	3,162,273	3,162,273	800,000	800,000	-
<b>TOTAL LICENSES AND FEES</b>	<b>\$1,458,587</b>	<b>\$3,162,273</b>	<b>\$3,162,273</b>	<b>\$800,000</b>	<b>\$800,000</b>	-
<b>FEDERAL FUNDS AS OTHER FUNDS</b>						
<b>0355 Federal Revenues</b>						
3400 Other Funds Ltd	146,976	-	-	-	-	-
<b>CHARGES FOR SERVICES</b>						
<b>0410 Charges for Services</b>						
3400 Other Funds Ltd	131,567	849,754	849,754	273,750	273,750	-
<b>0415 Admin and Service Charges</b>						
3400 Other Funds Ltd	129,651	450,000	450,000	130,000	130,000	-
<b>CHARGES FOR SERVICES</b>						
3400 Other Funds Ltd	261,218	1,299,754	1,299,754	403,750	403,750	-
<b>TOTAL CHARGES FOR SERVICES</b>	<b>\$261,218</b>	<b>\$1,299,754</b>	<b>\$1,299,754</b>	<b>\$403,750</b>	<b>\$403,750</b>	-
<b>FINES, RENTS AND ROYALTIES</b>						
<b>0505 Fines and Forfeitures</b>						
3400 Other Funds Ltd	188,141	180,000	180,000	190,000	190,000	-
<b>0510 Rents and Royalties</b>						
3400 Other Funds Ltd	8,408,365	5,470,000	5,470,000	9,500,000	9,500,000	-
<b>FINES, RENTS AND ROYALTIES</b>						
3400 Other Funds Ltd	8,596,506	5,650,000	5,650,000	9,690,000	9,690,000	-
<b>TOTAL FINES, RENTS AND ROYALTIES</b>	<b>\$8,596,506</b>	<b>\$5,650,000</b>	<b>\$5,650,000</b>	<b>\$9,690,000</b>	<b>\$9,690,000</b>	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>INTEREST EARNINGS</b>						
<b>0605 Interest Income</b>						
3200 Other Funds Non-Ltd	43,737,295	-	-	-	-	-
3400 Other Funds Ltd	800,103	140,458,855	140,458,855	150,171,000	150,171,000	-
All Funds	44,537,398	140,458,855	140,458,855	150,171,000	150,171,000	-
<b>SALES INCOME</b>						
<b>0705 Sales Income</b>						
3400 Other Funds Ltd	225,056	103,750	103,750	120,000	120,000	-
<b>0735 Common School Lands Sales</b>						
3400 Other Funds Ltd	59,752	-	-	-	-	-
<b>SALES INCOME</b>						
3400 Other Funds Ltd	284,808	103,750	103,750	120,000	120,000	-
<b>TOTAL SALES INCOME</b>	<b>\$284,808</b>	<b>\$103,750</b>	<b>\$103,750</b>	<b>\$120,000</b>	<b>\$120,000</b>	<b>-</b>
<b>DONATIONS AND CONTRIBUTIONS</b>						
<b>0905 Donations</b>						
3400 Other Funds Ltd	56,849	12,000	12,000	12,000	12,000	-
<b>0910 Grants (Non-Fed)</b>						
3400 Other Funds Ltd	-	142,027	142,027	142,027	142,027	-
<b>DONATIONS AND CONTRIBUTIONS</b>						
3400 Other Funds Ltd	56,849	154,027	154,027	154,027	154,027	-
<b>TOTAL DONATIONS AND CONTRIBUTIONS</b>	<b>\$56,849</b>	<b>\$154,027</b>	<b>\$154,027</b>	<b>\$154,027</b>	<b>\$154,027</b>	<b>-</b>
<b>LOAN REPAYMENT</b>						
<b>0925 Loan Repayments</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3200 Other Funds Non-Ltd	19,000,000	-	-	-	-	-
3400 Other Funds Ltd	-	240,000	240,000	-	-	-
All Funds	19,000,000	240,000	240,000	-	-	-
<b>OTHER</b>						
<b>0975 Other Revenues</b>						
3200 Other Funds Non-Ltd	61,721,331	-	-	69,974,000	69,974,000	-
3400 Other Funds Ltd	1,503,392	1,938,937	1,938,937	1,263,937	1,263,937	-
All Funds	63,224,723	1,938,937	1,938,937	71,237,937	71,237,937	-
<b>FEDERAL FUNDS REVENUE</b>						
<b>0995 Federal Funds</b>						
6400 Federal Funds Ltd	4,882,207	1,494,882	2,545,122	2,595,006	2,595,006	-
<b>TRANSFERS IN</b>						
<b>1010 Transfer In - Intrafund</b>						
3010 Other Funds Cap Improvement	318,311	901,777	594,417	1,049,417	1,049,417	-
3200 Other Funds Non-Ltd	-	130,002,450	130,002,450	130,002,450	130,002,450	-
3400 Other Funds Ltd	3,482,967	6,102,735	6,199,637	6,199,637	6,199,637	-
6400 Federal Funds Ltd	8,190	-	-	-	-	-
All Funds	3,809,468	137,006,962	136,796,504	137,251,504	137,251,504	-
<b>1020 Transfer In - Indirect Cost</b>						
3400 Other Funds Ltd	7,000	-	-	-	-	-
<b>1150 Tsfr From Revenue, Dept of</b>						
3400 Other Funds Ltd	263,406	237,000	237,000	237,000	237,000	-
<b>1330 Tsfr From Energy, Dept of</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	31,942	-	-	-	-	-
<b>1629 Tsfr From Forestry, Dept of</b>						
3400 Other Funds Ltd	14,969,047	38,494,000	38,494,000	9,586,000	9,586,000	-
<b>1662 Tsfr From Land Use Bd of Appls</b>						
3400 Other Funds Ltd	-	-	-	26,267	26,267	-
<b>1845 Tsfr From Or Liquor Cntrl Comm</b>						
3400 Other Funds Ltd	-	-	-	-	3,643,577	-
<b>TRANSFERS IN</b>						
3010 Other Funds Cap Improvement	318,311	901,777	594,417	1,049,417	1,049,417	-
3200 Other Funds Non-Ltd	-	130,002,450	130,002,450	130,002,450	130,002,450	-
3400 Other Funds Ltd	18,754,362	44,833,735	44,930,637	16,048,904	19,692,481	-
6400 Federal Funds Ltd	8,190	-	-	-	-	-
<b>TOTAL TRANSFERS IN</b>	<b>\$19,080,863</b>	<b>\$175,737,962</b>	<b>\$175,527,504</b>	<b>\$147,100,771</b>	<b>\$150,744,348</b>	<b>-</b>
<b>REVENUE CATEGORIES</b>						
8000 General Fund	681,266	-	-	-	-	-
3010 Other Funds Cap Improvement	318,311	901,777	594,417	1,049,417	1,049,417	-
3200 Other Funds Non-Ltd	124,458,626	130,002,450	130,002,450	199,976,450	199,976,450	-
3400 Other Funds Ltd	31,862,801	197,841,331	197,938,233	178,651,618	182,295,195	-
6400 Federal Funds Ltd	4,890,397	1,494,882	2,545,122	2,595,006	2,595,006	-
<b>TOTAL REVENUE CATEGORIES</b>	<b>\$162,211,401</b>	<b>\$330,240,440</b>	<b>\$331,080,222</b>	<b>\$382,272,491</b>	<b>\$385,916,068</b>	<b>-</b>
<b>TRANSFERS OUT</b>						
<b>2010 Transfer Out - Intrafund</b>						
3400 Other Funds Ltd	(3,801,278)	(137,006,962)	(136,796,504)	(137,251,504)	(137,251,504)	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
6400 Federal Funds Ltd	(8,190)	-	-	-	-	-
All Funds	(3,809,468)	(137,006,962)	(136,796,504)	(137,251,504)	(137,251,504)	-
<b>2020 Transfer Out - Indirect Cost</b>						
6400 Federal Funds Ltd	(7,000)	-	-	-	-	-
<b>2581 Tsfr To Education, Dept of</b>						
3200 Other Funds Non-Ltd	(101,086,483)	(91,627,015)	(91,627,015)	(109,690,000)	(109,690,000)	-
<b>2629 Tsfr To Forestry, Dept of</b>						
3400 Other Funds Ltd	(11,559,189)	(9,748,862)	(9,748,862)	(9,925,019)	(9,925,019)	-
<b>2634 Tsfr To Parks and Rec Dept</b>						
6400 Federal Funds Ltd	(438,666)	-	-	-	-	-
<b>TRANSFERS OUT</b>						
3200 Other Funds Non-Ltd	(101,086,483)	(91,627,015)	(91,627,015)	(109,690,000)	(109,690,000)	-
3400 Other Funds Ltd	(15,360,467)	(146,755,824)	(146,545,366)	(147,176,523)	(147,176,523)	-
6400 Federal Funds Ltd	(453,856)	-	-	-	-	-
<b>TOTAL TRANSFERS OUT</b>	<b>(\$116,900,806)</b>	<b>(\$238,382,839)</b>	<b>(\$238,172,381)</b>	<b>(\$256,866,523)</b>	<b>(\$256,866,523)</b>	-
<b>AVAILABLE REVENUES</b>						
8000 General Fund	681,266	-	-	-	-	-
3010 Other Funds Cap Improvement	318,311	901,777	594,417	1,049,417	1,049,417	-
3200 Other Funds Non-Ltd	1,010,242,230	43,220,748	43,220,748	90,286,450	90,286,450	-
3400 Other Funds Ltd	54,155,969	1,195,634,025	1,195,941,385	1,393,665,095	1,397,308,672	-
6400 Federal Funds Ltd	4,707,289	3,814,367	4,864,607	3,999,287	3,999,287	-
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$1,070,105,065</b>	<b>\$1,243,570,917</b>	<b>\$1,244,621,157</b>	<b>\$1,489,000,249</b>	<b>\$1,492,643,826</b>	-

EXPENDITURES



Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>PERSONAL SERVICES</b>						
<b>SALARIES &amp; WAGES</b>						
<b>3110 Class/Unclass Sal. and Per Diem</b>						
3400 Other Funds Ltd	9,495,976	11,016,763	11,529,365	11,811,737	11,797,741	-
6400 Federal Funds Ltd	729,384	750,608	778,382	786,103	786,103	-
All Funds	10,225,360	11,767,371	12,307,747	12,597,840	12,583,844	-
<b>3160 Temporary Appointments</b>						
3400 Other Funds Ltd	103,634	287,955	287,955	73,285	73,285	-
6400 Federal Funds Ltd	44,218	209,831	225,009	88,239	88,239	-
All Funds	147,852	497,786	512,964	161,524	161,524	-
<b>3170 Overtime Payments</b>						
3400 Other Funds Ltd	412	75,398	75,398	77,661	77,661	-
6400 Federal Funds Ltd	-	3,035	3,035	3,126	3,126	-
All Funds	412	78,433	78,433	80,787	80,787	-
<b>3180 Shift Differential</b>						
3400 Other Funds Ltd	71	7,741	7,741	7,973	7,973	-
6400 Federal Funds Ltd	9	8	8	8	8	-
All Funds	80	7,749	7,749	7,981	7,981	-
<b>3190 All Other Differential</b>						
3400 Other Funds Ltd	35,544	-	-	8,034	8,034	-
6400 Federal Funds Ltd	2,616	-	-	-	-	-
All Funds	38,160	-	-	8,034	8,034	-
<b>SALARIES &amp; WAGES</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	9,635,637	11,387,857	11,900,459	11,978,690	11,964,694	-
6400 Federal Funds Ltd	776,227	963,482	1,006,434	877,476	877,476	-
<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$10,411,864</b>	<b>\$12,351,339</b>	<b>\$12,906,893</b>	<b>\$12,856,166</b>	<b>\$12,842,170</b>	-
<b>OTHER PAYROLL EXPENSES</b>						
<b>3210 Empl. Rel. Bd. Assessments</b>						
3400 Other Funds Ltd	3,473	3,923	3,923	4,318	4,314	-
6400 Federal Funds Ltd	330	314	314	346	346	-
All Funds	3,803	4,237	4,237	4,664	4,660	-
<b>3220 Public Employees' Retire Cont</b>						
3400 Other Funds Ltd	1,393,695	1,628,356	1,702,223	1,879,871	1,877,661	-
6400 Federal Funds Ltd	131,802	110,559	114,561	124,619	124,619	-
All Funds	1,525,497	1,738,915	1,816,784	2,004,490	2,002,280	-
<b>3221 Pension Obligation Bond</b>						
3400 Other Funds Ltd	589,064	670,388	670,388	715,264	715,264	-
6400 Federal Funds Ltd	48,244	52,235	52,235	48,846	48,846	-
All Funds	637,308	722,623	722,623	764,110	764,110	-
<b>3230 Social Security Taxes</b>						
3400 Other Funds Ltd	725,148	867,400	906,610	913,334	912,264	-
6400 Federal Funds Ltd	58,077	73,705	76,991	67,127	67,127	-
All Funds	783,225	941,105	983,601	980,461	979,391	-
<b>3240 Unemployment Assessments</b>						
3400 Other Funds Ltd	25,434	11,507	11,507	11,853	11,853	-
<b>3250 Worker's Comp. Assess. (WCD)</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	4,452	5,785	5,785	6,769	6,763	-
6400 Federal Funds Ltd	441	463	463	542	542	-
All Funds	4,893	6,248	6,248	7,311	7,305	-
<b>3260 Mass Transit Tax</b>						
3400 Other Funds Ltd	48,921	65,661	68,549	68,230	68,230	-
<b>3270 Flexible Benefits</b>						
3400 Other Funds Ltd	2,592,220	2,995,990	2,995,990	2,996,018	2,993,474	-
6400 Federal Funds Ltd	244,812	239,950	239,950	239,950	239,950	-
All Funds	2,837,032	3,235,940	3,235,940	3,235,968	3,233,424	-
<b>OTHER PAYROLL EXPENSES</b>						
3400 Other Funds Ltd	5,382,407	6,249,010	6,364,975	6,595,657	6,589,823	-
6400 Federal Funds Ltd	483,706	477,226	484,514	481,430	481,430	-
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$5,866,113</b>	<b>\$6,726,236</b>	<b>\$6,849,489</b>	<b>\$7,077,087</b>	<b>\$7,071,253</b>	-
<b>P.S. BUDGET ADJUSTMENTS</b>						
<b>3455 Vacancy Savings</b>						
3400 Other Funds Ltd	-	(71,842)	(169,095)	(14,988)	(14,988)	-
6400 Federal Funds Ltd	-	(14,372)	(14,372)	-	-	-
All Funds	-	(86,214)	(183,467)	(14,988)	(14,988)	-
<b>3465 Reconciliation Adjustment</b>						
3400 Other Funds Ltd	-	461,386	461,386	-	-	-
6400 Federal Funds Ltd	-	27,102	27,102	-	-	-
All Funds	-	488,488	488,488	-	-	-
<b>3470 Undistributed (P.S.)</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	-	(97,253)	-	-	-	-
<b>3991 PERS Policy Adjustment</b>						
3400 Other Funds Ltd	-	(377,422)	(377,422)	-	-	-
6400 Federal Funds Ltd	-	(27,026)	(27,026)	-	-	-
All Funds	-	(404,448)	(404,448)	-	-	-
<b>P.S. BUDGET ADJUSTMENTS</b>						
3400 Other Funds Ltd	-	(85,131)	(85,131)	(14,988)	(14,988)	-
6400 Federal Funds Ltd	-	(14,296)	(14,296)	-	-	-
<b>TOTAL P.S. BUDGET ADJUSTMENTS</b>	-	<b>(\$99,427)</b>	<b>(\$99,427)</b>	<b>(\$14,988)</b>	<b>(\$14,988)</b>	-
<b>PERSONAL SERVICES</b>						
3400 Other Funds Ltd	15,018,044	17,551,736	18,180,303	18,559,359	18,539,529	-
6400 Federal Funds Ltd	1,259,933	1,426,412	1,476,652	1,358,906	1,358,906	-
<b>TOTAL PERSONAL SERVICES</b>	<b>\$16,277,977</b>	<b>\$18,978,148</b>	<b>\$19,656,955</b>	<b>\$19,918,265</b>	<b>\$19,898,435</b>	-
<b>SERVICES &amp; SUPPLIES</b>						
<b>4100 Instate Travel</b>						
3400 Other Funds Ltd	306,125	364,676	364,676	377,116	377,116	-
6400 Federal Funds Ltd	13,213	17,124	17,124	17,638	17,638	-
All Funds	319,338	381,800	381,800	394,754	394,754	-
<b>4125 Out of State Travel</b>						
3400 Other Funds Ltd	6,256	12,841	12,841	13,226	13,226	-
6400 Federal Funds Ltd	6,926	12,675	12,675	13,055	13,055	-
All Funds	13,182	25,516	25,516	26,281	26,281	-
<b>4150 Employee Training</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	99,478	88,091	88,091	95,823	95,823	-
6400 Federal Funds Ltd	19,802	20,709	20,709	21,330	21,330	-
All Funds	119,280	108,800	108,800	117,153	117,153	-
<b>4175 Office Expenses</b>						
3400 Other Funds Ltd	174,960	262,778	262,778	283,446	283,446	-
6400 Federal Funds Ltd	7,775	18,431	18,431	18,984	18,984	-
All Funds	182,735	281,209	281,209	302,430	302,430	-
<b>4200 Telecommunications</b>						
3400 Other Funds Ltd	155,415	163,952	163,952	220,171	220,171	-
6400 Federal Funds Ltd	7,860	7,928	7,928	8,166	8,166	-
All Funds	163,275	171,880	171,880	228,337	228,337	-
<b>4225 State Gov. Service Charges</b>						
3400 Other Funds Ltd	595,244	626,796	626,796	1,129,702	956,208	-
<b>4250 Data Processing</b>						
3400 Other Funds Ltd	61,039	103,779	103,779	106,893	106,893	-
6400 Federal Funds Ltd	-	9,910	9,910	10,207	10,207	-
All Funds	61,039	113,689	113,689	117,100	117,100	-
<b>4275 Publicity and Publications</b>						
3400 Other Funds Ltd	29,604	86,889	86,889	89,497	89,497	-
6400 Federal Funds Ltd	31	1,449	1,449	1,492	1,492	-
All Funds	29,635	88,338	88,338	90,989	90,989	-
<b>4300 Professional Services</b>						
8000 General Fund	430,550	-	-	-	-	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3010 Other Funds Cap Improvement	11,187	-	-	-	-	-
3200 Other Funds Non-Ltd	1,188,103	927,900	927,900	927,900	927,900	-
3400 Other Funds Ltd	1,810,390	3,416,682	3,552,366	4,560,766	4,560,766	-
6400 Federal Funds Ltd	64,068	150,818	150,818	72,984	72,984	-
All Funds	3,504,298	4,495,400	4,631,084	5,561,650	5,561,650	-
<b>4315 IT Professional Services</b>						
3400 Other Funds Ltd	174,945	195,320	195,320	207,666	207,666	-
<b>4325 Attorney General</b>						
8000 General Fund	250,716	-	-	-	-	-
3200 Other Funds Non-Ltd	3,899	-	-	-	-	-
3400 Other Funds Ltd	1,032,586	2,384,042	2,384,042	2,637,443	2,543,796	-
6400 Federal Funds Ltd	686	-	-	-	-	-
All Funds	1,287,887	2,384,042	2,384,042	2,637,443	2,543,796	-
<b>4375 Employee Recruitment and Develop</b>						
3400 Other Funds Ltd	5,074	20,280	20,280	21,789	21,789	-
6400 Federal Funds Ltd	-	5,737	5,737	5,909	5,909	-
All Funds	5,074	26,017	26,017	27,698	27,698	-
<b>4400 Dues and Subscriptions</b>						
3400 Other Funds Ltd	11,083	6,298	6,298	6,637	6,637	-
6400 Federal Funds Ltd	-	810	810	834	834	-
All Funds	11,083	7,108	7,108	7,471	7,471	-
<b>4425 Facilities Rental and Taxes</b>						
3400 Other Funds Ltd	388,403	482,911	482,911	498,879	498,879	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>4450 Fuels and Utilities</b>						
3200 Other Funds Non-Ltd	-	180,000	180,000	180,000	180,000	-
3400 Other Funds Ltd	183,479	232,331	232,331	239,301	239,301	-
6400 Federal Funds Ltd	10,682	24,808	24,808	25,552	25,552	-
All Funds	194,161	437,139	437,139	444,853	444,853	-
<b>4475 Facilities Maintenance</b>						
3010 Other Funds Cap Improvement	21,770	294,417	294,417	303,250	303,250	-
3400 Other Funds Ltd	315,482	394,390	394,390	406,223	406,223	-
6400 Federal Funds Ltd	10,627	29,580	29,580	30,467	30,467	-
All Funds	347,879	718,387	718,387	739,940	739,940	-
<b>4575 Agency Program Related S and S</b>						
3010 Other Funds Cap Improvement	115,378	-	-	-	-	-
3200 Other Funds Non-Ltd	7,511,185	8,407,040	8,407,040	8,407,040	8,407,040	-
3400 Other Funds Ltd	52,558	579,811	579,811	597,205	597,205	-
6400 Federal Funds Ltd	-	5,303	5,303	5,462	5,462	-
All Funds	7,679,121	8,992,154	8,992,154	9,009,707	9,009,707	-
<b>4650 Other Services and Supplies</b>						
3200 Other Funds Non-Ltd	-	207,309	207,309	207,309	207,309	-
3400 Other Funds Ltd	185,192	579,379	486,040	592,066	592,066	-
6400 Federal Funds Ltd	111,873	10,851	10,851	11,177	11,177	-
All Funds	297,065	797,539	704,200	810,552	810,552	-
<b>4675 Undistributed (S.S.)</b>						
3400 Other Funds Ltd	-	(93,339)	-	-	-	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>4700 Expendable Prop 250 - 5000</b>						
3400 Other Funds Ltd	36,989	23,428	23,428	24,133	24,133	-
6400 Federal Funds Ltd	1,989	20,863	20,863	21,489	21,489	-
All Funds	38,978	44,291	44,291	45,622	45,622	-
<b>4715 IT Expendable Property</b>						
3400 Other Funds Ltd	137,585	153,619	153,619	165,127	165,127	-
6400 Federal Funds Ltd	1,843	1,421	1,421	1,464	1,464	-
All Funds	139,428	155,040	155,040	166,591	166,591	-
<b>SERVICES &amp; SUPPLIES</b>						
8000 General Fund	681,266	-	-	-	-	-
3010 Other Funds Cap Improvement	148,335	294,417	294,417	303,250	303,250	-
3200 Other Funds Non-Ltd	8,703,187	9,722,249	9,722,249	9,722,249	9,722,249	-
3400 Other Funds Ltd	5,761,887	10,084,954	10,220,638	12,273,109	12,005,968	-
6400 Federal Funds Ltd	257,375	338,417	338,417	266,210	266,210	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$15,552,050</b>	<b>\$20,440,037</b>	<b>\$20,575,721</b>	<b>\$22,564,818</b>	<b>\$22,297,677</b>	-
<b>CAPITAL OUTLAY</b>						
<b>5100 Office Furniture and Fixtures</b>						
3400 Other Funds Ltd	83	26,502	26,502	27,296	27,296	-
<b>5200 Technical Equipment</b>						
3400 Other Funds Ltd	47,210	38,868	38,868	173,284	173,284	-
6400 Federal Funds Ltd	22,087	9,042	9,042	9,313	9,313	-
All Funds	69,297	47,910	47,910	182,597	182,597	-
<b>5550 Data Processing Software</b>						



Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

Cross Reference Number: 14100-000-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	30,256	74,282	70,562	72,679	72,679	-
<b>5600 Data Processing Hardware</b>						
3400 Other Funds Ltd	22,743	17,213	17,213	17,730	17,730	-
<b>5650 Land and Improvements</b>						
3010 Other Funds Cap Improvement	138,216	607,360	300,000	455,000	455,000	-
3200 Other Funds Non-Ltd	-	512,000	512,000	512,000	512,000	-
3400 Other Funds Ltd	19,478	-	366,060	-	-	-
6400 Federal Funds Ltd	-	-	1,000,000	-	-	-
All Funds	157,694	1,119,360	2,178,060	967,000	967,000	-
<b>5700 Building Structures</b>						
3010 Other Funds Cap Improvement	26,982	-	-	-	-	-
3400 Other Funds Ltd	28,691	-	-	-	-	-
6400 Federal Funds Ltd	33,009	-	-	-	-	-
All Funds	88,682	-	-	-	-	-
<b>5900 Other Capital Outlay</b>						
3010 Other Funds Cap Improvement	4,778	-	-	-	-	-
3400 Other Funds Ltd	2,332,116	-	-	-	-	-
6400 Federal Funds Ltd	2,208,743	-	-	-	-	-
All Funds	4,545,637	-	-	-	-	-
<b>5950 Undistributed (C.O.)</b>						
3400 Other Funds Ltd	-	(3,720)	-	-	-	-
<b>CAPITAL OUTLAY</b>						
3010 Other Funds Cap Improvement	169,976	607,360	300,000	455,000	455,000	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3200 Other Funds Non-Ltd	-	512,000	512,000	512,000	512,000	-
3400 Other Funds Ltd	2,480,577	153,145	519,205	290,989	290,989	-
6400 Federal Funds Ltd	2,263,839	9,042	1,009,042	9,313	9,313	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$4,914,392</b>	<b>\$1,281,547</b>	<b>\$2,340,247</b>	<b>\$1,267,302</b>	<b>\$1,267,302</b>	<b>-</b>
<b>SPECIAL PAYMENTS</b>						
<b>6025 Dist to Other Gov Unit</b>						
3400 Other Funds Ltd	75	-	-	-	-	-
6400 Federal Funds Ltd	91,858	-	-	-	-	-
All Funds	91,933	-	-	-	-	-
<b>6030 Dist to Non-Gov Units</b>						
3400 Other Funds Ltd	485,472	1,048,576	1,048,576	1,080,033	1,080,033	-
6400 Federal Funds Ltd	1,836	-	-	-	-	-
All Funds	487,308	1,048,576	1,048,576	1,080,033	1,080,033	-
<b>6050 Dist to Non-Profit Organizations</b>						
6400 Federal Funds Ltd	534,308	-	-	-	-	-
<b>6070 Loans Made To State Agencies</b>						
3200 Other Funds Non-Ltd	19,000,000	-	-	-	-	-
<b>6085 Other Special Payments</b>						
3400 Other Funds Ltd	253,886	-	-	-	-	-
6400 Federal Funds Ltd	7,969	57,800	57,800	-	-	-
All Funds	261,855	57,800	57,800	-	-	-
<b>SPECIAL PAYMENTS</b>						
3200 Other Funds Non-Ltd	19,000,000	-	-	-	-	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Lands, Dept of State

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	739,433	1,048,576	1,048,576	1,080,033	1,080,033	-
6400 Federal Funds Ltd	635,971	57,800	57,800	-	-	-
<b>TOTAL SPECIAL PAYMENTS</b>	<b>\$20,375,404</b>	<b>\$1,106,376</b>	<b>\$1,106,376</b>	<b>\$1,080,033</b>	<b>\$1,080,033</b>	<b>-</b>
<b>EXPENDITURES</b>						
8000 General Fund	681,266	-	-	-	-	-
3010 Other Funds Cap Improvement	318,311	901,777	594,417	758,250	758,250	-
3200 Other Funds Non-Ltd	27,703,187	10,234,249	10,234,249	10,234,249	10,234,249	-
3400 Other Funds Ltd	23,999,941	28,838,411	29,968,722	32,203,490	31,916,519	-
6400 Federal Funds Ltd	4,417,118	1,831,671	2,881,911	1,634,429	1,634,429	-
<b>TOTAL EXPENDITURES</b>	<b>\$57,119,823</b>	<b>\$41,806,108</b>	<b>\$43,679,299</b>	<b>\$44,830,418</b>	<b>\$44,543,447</b>	<b>-</b>
<b>ENDING BALANCE</b>						
3010 Other Funds Cap Improvement	-	-	-	291,167	291,167	-
3200 Other Funds Non-Ltd	982,539,043	32,986,499	32,986,499	80,052,201	80,052,201	-
3400 Other Funds Ltd	30,156,028	1,166,795,614	1,165,972,663	1,361,461,605	1,365,392,153	-
6400 Federal Funds Ltd	290,171	1,982,696	1,982,696	2,364,858	2,364,858	-
<b>TOTAL ENDING BALANCE</b>	<b>\$1,012,985,242</b>	<b>\$1,201,764,809</b>	<b>\$1,200,941,858</b>	<b>\$1,444,169,831</b>	<b>\$1,448,100,379</b>	<b>-</b>
<b>AUTHORIZED POSITIONS</b>						
8150 Class/Unclass Positions	107	107	107	107	107	-
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>107</b>	<b>107</b>	<b>107</b>	<b>107</b>	<b>107</b>	<b>-</b>
<b>AUTHORIZED FTE</b>						
8250 Class/Unclass FTE Positions	105.42	106.00	106.00	106.00	105.92	-
<b>TOTAL AUTHORIZED FTE</b>	<b>105.42</b>	<b>106.00</b>	<b>106.00</b>	<b>106.00</b>	<b>105.92</b>	<b>-</b>

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Common School Fund

Cross Reference Number: 14100-010-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>BEGINNING BALANCE</b>						
<b>0025 Beginning Balance</b>						
3200 Other Funds Non-Ltd	986,870,087	4,845,313	4,845,313	-	-	-
3400 Other Funds Ltd	36,383,183	1,141,328,357	1,141,328,357	1,361,056,304	1,361,056,304	-
6400 Federal Funds Ltd	115,019	628,323	628,323	-	-	-
All Funds	1,023,368,289	1,146,801,993	1,146,801,993	1,361,056,304	1,361,056,304	-
<b>0030 Beginning Balance Adjustment</b>						
6400 Federal Funds Ltd	-	(24)	(24)	-	-	-
<b>BEGINNING BALANCE</b>						
3200 Other Funds Non-Ltd	986,870,087	4,845,313	4,845,313	-	-	-
3400 Other Funds Ltd	36,383,183	1,141,328,357	1,141,328,357	1,361,056,304	1,361,056,304	-
6400 Federal Funds Ltd	115,019	628,299	628,299	-	-	-
<b>TOTAL BEGINNING BALANCE</b>	<b>\$1,023,368,289</b>	<b>\$1,146,801,969</b>	<b>\$1,146,801,969</b>	<b>\$1,361,056,304</b>	<b>\$1,361,056,304</b>	<b>-</b>

REVENUE CATEGORIES

GENERAL FUND APPROPRIATION

0050 General Fund Appropriation

8000 General Fund	681,266	-	-	-	-	-
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LICENSES AND FEES

0205 Business Lic and Fees

3400 Other Funds Ltd	4,750	-	-	-	-	-
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0210 Non-business Lic. and Fees

3400 Other Funds Ltd	1,453,837	3,162,273	3,162,273	800,000	800,000	-
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LICENSES AND FEES

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Common School Fund

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	1,458,587	3,162,273	3,162,273	800,000	800,000	-
<b>TOTAL LICENSES AND FEES</b>	<b>\$1,458,587</b>	<b>\$3,162,273</b>	<b>\$3,162,273</b>	<b>\$800,000</b>	<b>\$800,000</b>	-
<b>CHARGES FOR SERVICES</b>						
<b>0410 Charges for Services</b>						
3400 Other Funds Ltd	131,567	849,754	849,754	273,750	273,750	-
<b>0415 Admin and Service Charges</b>						
3400 Other Funds Ltd	129,651	450,000	450,000	130,000	130,000	-
<b>CHARGES FOR SERVICES</b>						
3400 Other Funds Ltd	261,218	1,299,754	1,299,754	403,750	403,750	-
<b>TOTAL CHARGES FOR SERVICES</b>	<b>\$261,218</b>	<b>\$1,299,754</b>	<b>\$1,299,754</b>	<b>\$403,750</b>	<b>\$403,750</b>	-
<b>FINES, RENTS AND ROYALTIES</b>						
<b>0505 Fines and Forfeitures</b>						
3400 Other Funds Ltd	188,141	180,000	180,000	190,000	190,000	-
<b>0510 Rents and Royalties</b>						
3400 Other Funds Ltd	8,403,560	5,470,000	5,470,000	9,500,000	9,500,000	-
<b>FINES, RENTS AND ROYALTIES</b>						
3400 Other Funds Ltd	8,591,701	5,650,000	5,650,000	9,690,000	9,690,000	-
<b>TOTAL FINES, RENTS AND ROYALTIES</b>	<b>\$8,591,701</b>	<b>\$5,650,000</b>	<b>\$5,650,000</b>	<b>\$9,690,000</b>	<b>\$9,690,000</b>	-
<b>INTEREST EARNINGS</b>						
<b>0605 Interest Income</b>						
3200 Other Funds Non-Ltd	43,737,295	-	-	-	-	-
3400 Other Funds Ltd	741,847	140,288,855	140,288,855	150,001,000	150,001,000	-
All Funds	44,479,142	140,288,855	140,288,855	150,001,000	150,001,000	-

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>SALES INCOME</b>						
<b>0705 Sales Income</b>						
3400 Other Funds Ltd	141,118	103,750	103,750	120,000	120,000	-
<b>0735 Common School Lands Sales</b>						
3400 Other Funds Ltd	59,752	-	-	-	-	-
<b>SALES INCOME</b>						
3400 Other Funds Ltd	200,870	103,750	103,750	120,000	120,000	-
<b>TOTAL SALES INCOME</b>	<b>\$200,870</b>	<b>\$103,750</b>	<b>\$103,750</b>	<b>\$120,000</b>	<b>\$120,000</b>	<b>-</b>
<b>DONATIONS AND CONTRIBUTIONS</b>						
<b>0905 Donations</b>						
3400 Other Funds Ltd	56,849	12,000	12,000	12,000	12,000	-
<b>LOAN REPAYMENT</b>						
<b>0925 Loan Repayments</b>						
3200 Other Funds Non-Ltd	19,000,000	-	-	-	-	-
3400 Other Funds Ltd	-	240,000	240,000	-	-	-
All Funds	19,000,000	240,000	240,000	-	-	-
<b>OTHER</b>						
<b>0975 Other Revenues</b>						
3200 Other Funds Non-Ltd	61,721,331	-	-	69,974,000	69,974,000	-
3400 Other Funds Ltd	982,101	701,000	701,000	26,000	26,000	-
All Funds	62,703,432	701,000	701,000	70,000,000	70,000,000	-
<b>FEDERAL FUNDS REVENUE</b>						
<b>0995 Federal Funds</b>						

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6400 Federal Funds Ltd	235,612	180,282	196,621	246,505	246,505	-
<b>TRANSFERS IN</b>						
<b>1010 Transfer In - Intrafund</b>						
3200 Other Funds Non-Ltd	-	130,002,450	130,002,450	130,002,450	130,002,450	-
3400 Other Funds Ltd	29	3,225,793	3,225,793	3,225,793	3,225,793	-
6400 Federal Funds Ltd	29	-	-	-	-	-
All Funds	58	133,228,243	133,228,243	133,228,243	133,228,243	-
<b>1020 Transfer In - Indirect Cost</b>						
3400 Other Funds Ltd	7,000	-	-	-	-	-
<b>1150 Tsfr From Revenue, Dept of</b>						
3400 Other Funds Ltd	263,406	237,000	237,000	237,000	237,000	-
<b>1330 Tsfr From Energy, Dept of</b>						
3400 Other Funds Ltd	31,942	-	-	-	-	-
<b>1629 Tsfr From Forestry, Dept of</b>						
3400 Other Funds Ltd	14,969,047	38,494,000	38,494,000	9,586,000	9,586,000	-
<b>1662 Tsfr From Land Use Bd of Appls</b>						
3400 Other Funds Ltd	-	-	-	26,267	26,267	-
<b>1845 Tsfr From Or Liquor Cntrl Comm</b>						
3400 Other Funds Ltd	-	-	-	-	3,643,577	-
<b>TRANSFERS IN</b>						
3200 Other Funds Non-Ltd	-	130,002,450	130,002,450	130,002,450	130,002,450	-
3400 Other Funds Ltd	15,271,424	41,956,793	41,956,793	13,075,060	16,718,637	-
6400 Federal Funds Ltd	29	-	-	-	-	-

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>TOTAL TRANSFERS IN</b>	<b>\$15,271,453</b>	<b>\$171,959,243</b>	<b>\$171,959,243</b>	<b>\$143,077,510</b>	<b>\$146,721,087</b>	-
<b>REVENUE CATEGORIES</b>						
8000 General Fund	681,266	-	-	-	-	-
3200 Other Funds Non-Ltd	124,458,626	130,002,450	130,002,450	199,976,450	199,976,450	-
3400 Other Funds Ltd	27,564,597	193,414,425	193,414,425	174,127,810	177,771,387	-
6400 Federal Funds Ltd	235,641	180,282	196,621	246,505	246,505	-
<b>TOTAL REVENUE CATEGORIES</b>	<b>\$152,940,130</b>	<b>\$323,597,157</b>	<b>\$323,613,496</b>	<b>\$374,350,765</b>	<b>\$377,994,342</b>	-
<b>TRANSFERS OUT</b>						
<b>2010 Transfer Out - Intrafund</b>						
3400 Other Funds Ltd	(3,801,278)	(136,989,912)	(136,779,454)	(137,234,454)	(137,234,454)	-
6400 Federal Funds Ltd	(8,190)	-	-	-	-	-
All Funds	(3,809,468)	(136,989,912)	(136,779,454)	(137,234,454)	(137,234,454)	-
<b>2581 Tsfr To Education, Dept of</b>						
3200 Other Funds Non-Ltd	(101,086,483)	(91,627,015)	(91,627,015)	(109,690,000)	(109,690,000)	-
<b>2629 Tsfr To Forestry, Dept of</b>						
3400 Other Funds Ltd	(11,559,189)	(9,748,862)	(9,748,862)	(9,925,019)	(9,925,019)	-
<b>TRANSFERS OUT</b>						
3200 Other Funds Non-Ltd	(101,086,483)	(91,627,015)	(91,627,015)	(109,690,000)	(109,690,000)	-
3400 Other Funds Ltd	(15,360,467)	(146,738,774)	(146,528,316)	(147,159,473)	(147,159,473)	-
6400 Federal Funds Ltd	(8,190)	-	-	-	-	-
<b>TOTAL TRANSFERS OUT</b>	<b>(\$116,455,140)</b>	<b>(\$238,365,789)</b>	<b>(\$238,155,331)</b>	<b>(\$256,849,473)</b>	<b>(\$256,849,473)</b>	-
<b>AVAILABLE REVENUES</b>						
8000 General Fund	681,266	-	-	-	-	-



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3200 Other Funds Non-Ltd	1,010,242,230	43,220,748	43,220,748	90,286,450	90,286,450	-
3400 Other Funds Ltd	48,587,313	1,188,004,008	1,188,214,466	1,388,024,641	1,391,668,218	-
6400 Federal Funds Ltd	342,470	808,581	824,920	246,505	246,505	-
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$1,059,853,279</b>	<b>\$1,232,033,337</b>	<b>\$1,232,260,134</b>	<b>\$1,478,557,596</b>	<b>\$1,482,201,173</b>	<b>-</b>

**EXPENDITURES**

**PERSONAL SERVICES**

**SALARIES & WAGES**

**3110 Class/Unclass Sal. and Per Diem**

3400 Other Funds Ltd	8,731,493	10,010,427	10,484,256	10,791,372	10,777,376	-
6400 Federal Funds Ltd	54,406	-	-	-	-	-
All Funds	8,785,899	10,010,427	10,484,256	10,791,372	10,777,376	-

**3160 Temporary Appointments**

3400 Other Funds Ltd	87,709	22,334	22,334	23,003	23,003	-
6400 Federal Funds Ltd	12,648	139,340	154,518	15,633	15,633	-
All Funds	100,357	161,674	176,852	38,636	38,636	-

**3170 Overtime Payments**

3400 Other Funds Ltd	381	75,398	75,398	77,661	77,661	-
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**3180 Shift Differential**

3400 Other Funds Ltd	34	7,741	7,741	7,973	7,973	-
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**3190 All Other Differential**

3400 Other Funds Ltd	26,469	-	-	-	-	-
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**SALARIES & WAGES**

3400 Other Funds Ltd	8,846,086	10,115,900	10,589,729	10,900,009	10,886,013	-
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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
6400 Federal Funds Ltd	67,054	139,340	154,518	15,633	15,633	-
<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$8,913,140</b>	<b>\$10,255,240</b>	<b>\$10,744,247</b>	<b>\$10,915,642</b>	<b>\$10,901,646</b>	-
<b>OTHER PAYROLL EXPENSES</b>						
<b>3210 Empl. Rel. Bd. Assessments</b>						
3400 Other Funds Ltd	3,196	3,557	3,557	3,938	3,934	-
6400 Federal Funds Ltd	20	-	-	-	-	-
All Funds	3,216	3,557	3,557	3,938	3,934	-
<b>3220 Public Employees' Retire Cont</b>						
3400 Other Funds Ltd	1,298,499	1,480,726	1,549,006	1,717,487	1,715,277	-
6400 Federal Funds Ltd	8,188	-	-	-	-	-
All Funds	1,306,687	1,480,726	1,549,006	1,717,487	1,715,277	-
<b>3221 Pension Obligation Bond</b>						
3400 Other Funds Ltd	542,620	615,426	615,426	654,943	654,943	-
6400 Federal Funds Ltd	3,383	-	-	-	-	-
All Funds	546,003	615,426	615,426	654,943	654,943	-
<b>3230 Social Security Taxes</b>						
3400 Other Funds Ltd	665,476	770,094	806,338	830,812	829,742	-
6400 Federal Funds Ltd	5,047	10,660	11,821	1,196	1,196	-
All Funds	670,523	780,754	818,159	832,008	830,938	-
<b>3240 Unemployment Assessments</b>						
3400 Other Funds Ltd	18,994	5,822	5,822	5,997	5,997	-
<b>3250 Worker's Comp. Assess. (WCD)</b>						
3400 Other Funds Ltd	4,084	5,245	5,245	6,173	6,167	-

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6400 Federal Funds Ltd	38	-	-	-	-	-
All Funds	4,122	5,245	5,245	6,173	6,167	-
<b>3260 Mass Transit Tax</b>						
3400 Other Funds Ltd	48,448	60,029	62,872	62,872	62,872	-
<b>3270 Flexible Benefits</b>						
3400 Other Funds Ltd	2,348,813	2,716,964	2,716,964	2,732,256	2,729,712	-
6400 Federal Funds Ltd	16,491	-	-	-	-	-
All Funds	2,365,304	2,716,964	2,716,964	2,732,256	2,729,712	-
<b>OTHER PAYROLL EXPENSES</b>						
3400 Other Funds Ltd	4,930,130	5,657,863	5,765,230	6,014,478	6,008,644	-
6400 Federal Funds Ltd	33,167	10,660	11,821	1,196	1,196	-
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$4,963,297</b>	<b>\$5,668,523</b>	<b>\$5,777,051</b>	<b>\$6,015,674</b>	<b>\$6,009,840</b>	<b>-</b>
<b>P.S. BUDGET ADJUSTMENTS</b>						
<b>3455 Vacancy Savings</b>						
3400 Other Funds Ltd	-	(71,250)	(168,503)	(14,396)	(14,396)	-
<b>3465 Reconciliation Adjustment</b>						
3400 Other Funds Ltd	-	420,755	420,755	-	-	-
<b>3470 Undistributed (P.S.)</b>						
3400 Other Funds Ltd	-	(97,253)	-	-	-	-
<b>3991 PERS Policy Adjustment</b>						
3400 Other Funds Ltd	-	(341,067)	(341,067)	-	-	-
<b>P.S. BUDGET ADJUSTMENTS</b>						
3400 Other Funds Ltd	-	(88,815)	(88,815)	(14,396)	(14,396)	-

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<b>TOTAL P.S. BUDGET ADJUSTMENTS</b>	-	(\$88,815)	(\$88,815)	(\$14,396)	(\$14,396)	-
<b>PERSONAL SERVICES</b>						
3400 Other Funds Ltd	13,776,216	15,684,948	16,266,144	16,900,091	16,880,261	-
6400 Federal Funds Ltd	100,221	150,000	166,339	16,829	16,829	-
<b>TOTAL PERSONAL SERVICES</b>	<b>\$13,876,437</b>	<b>\$15,834,948</b>	<b>\$16,432,483</b>	<b>\$16,916,920</b>	<b>\$16,897,090</b>	-
<b>SERVICES &amp; SUPPLIES</b>						
<b>4100 Instate Travel</b>						
3400 Other Funds Ltd	278,485	336,458	336,458	348,052	348,052	-
6400 Federal Funds Ltd	2,343	-	-	-	-	-
All Funds	280,828	336,458	336,458	348,052	348,052	-
<b>4125 Out of State Travel</b>						
3400 Other Funds Ltd	4,317	3,600	3,600	3,708	3,708	-
<b>4150 Employee Training</b>						
3400 Other Funds Ltd	87,650	73,500	73,500	80,795	80,795	-
<b>4175 Office Expenses</b>						
3400 Other Funds Ltd	165,621	237,906	237,906	257,828	257,828	-
<b>4200 Telecommunications</b>						
3400 Other Funds Ltd	145,793	146,678	146,678	202,379	202,379	-
6400 Federal Funds Ltd	229	-	-	-	-	-
All Funds	146,022	146,678	146,678	202,379	202,379	-
<b>4225 State Gov. Service Charges</b>						
3400 Other Funds Ltd	595,244	626,796	626,796	1,129,702	956,208	-
<b>4250 Data Processing</b>						

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3400 Other Funds Ltd	61,039	101,717	101,717	104,769	104,769	-
<b>4275 Publicity and Publications</b>						
3400 Other Funds Ltd	29,105	86,401	86,401	88,994	88,994	-
<b>4300 Professional Services</b>						
8000 General Fund	430,550	-	-	-	-	-
3200 Other Funds Non-Ltd	1,188,103	927,900	927,900	927,900	927,900	-
3400 Other Funds Ltd	1,680,940	3,104,696	3,240,380	4,446,815	4,446,815	-
6400 Federal Funds Ltd	39,733	80,166	80,166	-	-	-
All Funds	3,339,326	4,112,762	4,248,446	5,374,715	5,374,715	-
<b>4315 IT Professional Services</b>						
3400 Other Funds Ltd	174,945	195,320	195,320	207,666	207,666	-
<b>4325 Attorney General</b>						
8000 General Fund	250,716	-	-	-	-	-
3200 Other Funds Non-Ltd	3,899	-	-	-	-	-
3400 Other Funds Ltd	1,020,435	2,379,470	2,379,470	2,631,993	2,538,601	-
All Funds	1,275,050	2,379,470	2,379,470	2,631,993	2,538,601	-
<b>4375 Employee Recruitment and Develop</b>						
3400 Other Funds Ltd	5,074	17,333	17,333	18,754	18,754	-
<b>4400 Dues and Subscriptions</b>						
3400 Other Funds Ltd	10,754	6,286	6,286	6,625	6,625	-
<b>4425 Facilities Rental and Taxes</b>						
3400 Other Funds Ltd	387,993	482,866	482,866	498,833	498,833	-
<b>4450 Fuels and Utilities</b>						

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3200 Other Funds Non-Ltd	-	180,000	180,000	180,000	180,000	-
3400 Other Funds Ltd	175,673	224,591	224,591	231,329	231,329	-
All Funds	175,673	404,591	404,591	411,329	411,329	-
<b>4475 Facilities Maintenance</b>						
3400 Other Funds Ltd	306,161	367,439	367,439	378,463	378,463	-
<b>4575 Agency Program Related S and S</b>						
3200 Other Funds Non-Ltd	7,511,185	8,407,040	8,407,040	8,407,040	8,407,040	-
3400 Other Funds Ltd	52,558	841	841	866	866	-
All Funds	7,563,743	8,407,881	8,407,881	8,407,906	8,407,906	-
<b>4650 Other Services and Supplies</b>						
3200 Other Funds Non-Ltd	-	207,309	207,309	207,309	207,309	-
3400 Other Funds Ltd	125,267	503,757	410,418	514,176	514,176	-
6400 Federal Funds Ltd	220	-	-	-	-	-
All Funds	125,487	711,066	617,727	721,485	721,485	-
<b>4675 Undistributed (S.S.)</b>						
3400 Other Funds Ltd	-	(93,339)	-	-	-	-
<b>4700 Expendable Prop 250 - 5000</b>						
3400 Other Funds Ltd	4,153	19,020	19,020	19,592	19,592	-
<b>4715 IT Expendable Property</b>						
3400 Other Funds Ltd	99,474	105,298	105,298	115,357	115,357	-
<b>SERVICES &amp; SUPPLIES</b>						
8000 General Fund	681,266	-	-	-	-	-
3200 Other Funds Non-Ltd	8,703,187	9,722,249	9,722,249	9,722,249	9,722,249	-

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3400 Other Funds Ltd	5,410,681	8,926,634	9,062,318	11,286,696	11,019,810	-
6400 Federal Funds Ltd	42,525	80,166	80,166	-	-	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$14,837,659</b>	<b>\$18,729,049</b>	<b>\$18,864,733</b>	<b>\$21,008,945</b>	<b>\$20,742,059</b>	-
<b>CAPITAL OUTLAY</b>						
<b>5100 Office Furniture and Fixtures</b>						
3400 Other Funds Ltd	83	25,453	25,453	26,216	26,216	-
<b>5200 Technical Equipment</b>						
3400 Other Funds Ltd	221	-	-	133,250	133,250	-
<b>5550 Data Processing Software</b>						
3400 Other Funds Ltd	30,256	74,282	70,562	72,679	72,679	-
<b>5600 Data Processing Hardware</b>						
3400 Other Funds Ltd	22,743	960	960	989	989	-
<b>5650 Land and Improvements</b>						
3200 Other Funds Non-Ltd	-	512,000	512,000	512,000	512,000	-
3400 Other Funds Ltd	19,478	-	307,360	-	-	-
All Funds	19,478	512,000	819,360	512,000	512,000	-
<b>5700 Building Structures</b>						
3400 Other Funds Ltd	21,285	-	-	-	-	-
<b>5900 Other Capital Outlay</b>						
3400 Other Funds Ltd	7,100	-	-	-	-	-
<b>5950 Undistributed (C.O.)</b>						
3400 Other Funds Ltd	-	(3,720)	-	-	-	-
<b>CAPITAL OUTLAY</b>						

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 Common School Fund

Cross Reference Number: 14100-010-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3200 Other Funds Non-Ltd	-	512,000	512,000	512,000	512,000	-
3400 Other Funds Ltd	101,166	96,975	404,335	233,134	233,134	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$101,166</b>	<b>\$608,975</b>	<b>\$916,335</b>	<b>\$745,134</b>	<b>\$745,134</b>	<b>-</b>
<b>SPECIAL PAYMENTS</b>						
<b>6025 Dist to Other Gov Unit</b>						
3400 Other Funds Ltd	75	-	-	-	-	-
6400 Federal Funds Ltd	91,858	-	-	-	-	-
All Funds	91,933	-	-	-	-	-
<b>6030 Dist to Non-Gov Units</b>						
3400 Other Funds Ltd	165	-	-	-	-	-
<b>6070 Loans Made To State Agencies</b>						
3200 Other Funds Non-Ltd	19,000,000	-	-	-	-	-
<b>6085 Other Special Payments</b>						
3400 Other Funds Ltd	253,886	-	-	-	-	-
<b>SPECIAL PAYMENTS</b>						
3200 Other Funds Non-Ltd	19,000,000	-	-	-	-	-
3400 Other Funds Ltd	254,126	-	-	-	-	-
6400 Federal Funds Ltd	91,858	-	-	-	-	-
<b>TOTAL SPECIAL PAYMENTS</b>	<b>\$19,345,984</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
8000 General Fund	681,266	-	-	-	-	-
3200 Other Funds Non-Ltd	27,703,187	10,234,249	10,234,249	10,234,249	10,234,249	-
3400 Other Funds Ltd	19,542,189	24,708,557	25,732,797	28,419,921	28,133,205	-



Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Common School Fund

Cross Reference Number: 14100-010-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
6400 Federal Funds Ltd	234,604	230,166	246,505	16,829	16,829	-
<b>TOTAL EXPENDITURES</b>	<b>\$48,161,246</b>	<b>\$35,172,972</b>	<b>\$36,213,551</b>	<b>\$38,670,999</b>	<b>\$38,384,283</b>	<b>-</b>
<b>ENDING BALANCE</b>						
3200 Other Funds Non-Ltd	982,539,043	32,986,499	32,986,499	80,052,201	80,052,201	-
3400 Other Funds Ltd	29,045,124	1,163,295,451	1,162,481,669	1,359,604,720	1,363,535,013	-
6400 Federal Funds Ltd	107,866	578,415	578,415	229,676	229,676	-
<b>TOTAL ENDING BALANCE</b>	<b>\$1,011,692,033</b>	<b>\$1,196,860,365</b>	<b>\$1,196,046,583</b>	<b>\$1,439,886,597</b>	<b>\$1,443,816,890</b>	<b>-</b>
<b>AUTHORIZED POSITIONS</b>						
8150 Class/Unclass Positions	90	90	90	91	91	-
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>91</b>	<b>91</b>	<b>-</b>
<b>AUTHORIZED FTE</b>						
8250 Class/Unclass FTE Positions	88.42	89.00	89.00	89.50	89.42	-
<b>TOTAL AUTHORIZED FTE</b>	<b>88.42</b>	<b>89.00</b>	<b>89.00</b>	<b>89.50</b>	<b>89.42</b>	<b>-</b>

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Oregon Wetlands Revolving Fund

Cross Reference Number: 14100-013-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>BEGINNING BALANCE</b>						
0025 Beginning Balance						
3400 Other Funds Ltd	1,174,125	2,004,343	2,004,343	-	-	-
<b>REVENUE CATEGORIES</b>						
<b>INTEREST EARNINGS</b>						
0605 Interest Income						
3400 Other Funds Ltd	32,870	170,000	170,000	170,000	170,000	-
<b>OTHER</b>						
0975 Other Revenues						
3400 Other Funds Ltd	434,601	851,596	851,596	851,596	851,596	-
<b>TRANSFERS IN</b>						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	-	1,203,059	1,203,059	1,203,059	1,203,059	-
<b>REVENUE CATEGORIES</b>						
3400 Other Funds Ltd	467,471	2,224,655	2,224,655	2,224,655	2,224,655	-
<b>TOTAL REVENUE CATEGORIES</b>	<b>\$467,471</b>	<b>\$2,224,655</b>	<b>\$2,224,655</b>	<b>\$2,224,655</b>	<b>\$2,224,655</b>	<b>-</b>
<b>TRANSFERS OUT</b>						
2010 Transfer Out - Intrafund						
3400 Other Funds Ltd	-	(17,050)	(17,050)	(17,050)	(17,050)	-
<b>AVAILABLE REVENUES</b>						
3400 Other Funds Ltd	1,641,596	4,211,948	4,211,948	2,207,605	2,207,605	-
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$1,641,596</b>	<b>\$4,211,948</b>	<b>\$4,211,948</b>	<b>\$2,207,605</b>	<b>\$2,207,605</b>	<b>-</b>

**EXPENDITURES**

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Oregon Wetlands Revolving Fund

Cross Reference Number: 14100-013-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>PERSONAL SERVICES</b>						
<b>SALARIES &amp; WAGES</b>						
<b>3110 Class/Unclass Sal. and Per Diem</b>						
3400 Other Funds Ltd	78,570	105,936	113,411	60,324	60,324	-
<b>3190 All Other Differential</b>						
3400 Other Funds Ltd	66	-	-	-	-	-
<b>SALARIES &amp; WAGES</b>						
3400 Other Funds Ltd	78,636	105,936	113,411	60,324	60,324	-
<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$78,636</b>	<b>\$105,936</b>	<b>\$113,411</b>	<b>\$60,324</b>	<b>\$60,324</b>	<b>-</b>
<b>OTHER PAYROLL EXPENSES</b>						
<b>3210 Empl. Rel. Bd. Assessments</b>						
3400 Other Funds Ltd	32	40	40	22	22	-
<b>3220 Public Employees' Retire Cont</b>						
3400 Other Funds Ltd	11,174	15,541	16,618	9,525	9,525	-
<b>3221 Pension Obligation Bond</b>						
3400 Other Funds Ltd	4,925	6,544	6,544	3,733	3,733	-
<b>3230 Social Security Taxes</b>						
3400 Other Funds Ltd	5,951	8,104	8,676	4,615	4,615	-
<b>3250 Worker's Comp. Assess. (WCD)</b>						
3400 Other Funds Ltd	42	59	59	34	34	-
<b>3260 Mass Transit Tax</b>						
3400 Other Funds Ltd	473	636	681	362	362	-
<b>3270 Flexible Benefits</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Oregon Wetlands Revolving Fund

Cross Reference Number: 14100-013-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	26,236	30,528	30,528	15,264	15,264	-
<b>OTHER PAYROLL EXPENSES</b>						
3400 Other Funds Ltd	48,833	61,452	63,146	33,555	33,555	-
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$48,833</b>	<b>\$61,452</b>	<b>\$63,146</b>	<b>\$33,555</b>	<b>\$33,555</b>	<b>-</b>
<b>P.S. BUDGET ADJUSTMENTS</b>						
<b>3465 Reconciliation Adjustment</b>						
3400 Other Funds Ltd	-	4,661	4,661	-	-	-
<b>3991 PERS Policy Adjustment</b>						
3400 Other Funds Ltd	-	(3,814)	(3,814)	-	-	-
<b>P.S. BUDGET ADJUSTMENTS</b>						
3400 Other Funds Ltd	-	847	847	-	-	-
<b>TOTAL P.S. BUDGET ADJUSTMENTS</b>	<b>-</b>	<b>\$847</b>	<b>\$847</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PERSONAL SERVICES</b>						
3400 Other Funds Ltd	127,469	168,235	177,404	93,879	93,879	-
<b>TOTAL PERSONAL SERVICES</b>	<b>\$127,469</b>	<b>\$168,235</b>	<b>\$177,404</b>	<b>\$93,879</b>	<b>\$93,879</b>	<b>-</b>
<b>SERVICES &amp; SUPPLIES</b>						
<b>4100 Instate Travel</b>						
3400 Other Funds Ltd	2,005	10,240	10,240	10,547	10,547	-
<b>4125 Out of State Travel</b>						
3400 Other Funds Ltd	-	2,048	2,048	2,109	2,109	-
<b>4150 Employee Training</b>						
3400 Other Funds Ltd	2,232	6,144	6,144	6,328	6,328	-
<b>4175 Office Expenses</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Oregon Wetlands Revolving Fund

Cross Reference Number: 14100-013-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	301	3,072	3,072	3,164	3,164	-
<b>4200 Telecommunications</b>						
3400 Other Funds Ltd	825	2,515	2,515	2,590	2,590	-
<b>4250 Data Processing</b>						
3400 Other Funds Ltd	-	1,536	1,536	1,582	1,582	-
<b>4375 Employee Recruitment and Develop</b>						
3400 Other Funds Ltd	-	512	512	527	527	-
<b>4575 Agency Program Related S and S</b>						
3400 Other Funds Ltd	-	578,970	578,970	596,339	596,339	-
<b>4650 Other Services and Supplies</b>						
3400 Other Funds Ltd	-	19,512	19,512	20,097	20,097	-
<b>4700 Expendable Prop 250 - 5000</b>						
3400 Other Funds Ltd	-	1,024	1,024	1,055	1,055	-
<b>4715 IT Expendable Property</b>						
3400 Other Funds Ltd	-	2,048	2,048	2,109	2,109	-
<b>SERVICES &amp; SUPPLIES</b>						
3400 Other Funds Ltd	5,363	627,621	627,621	646,447	646,447	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$5,363</b>	<b>\$627,621</b>	<b>\$627,621</b>	<b>\$646,447</b>	<b>\$646,447</b>	<b>-</b>
<b>CAPITAL OUTLAY</b>						
<b>5100 Office Furniture and Fixtures</b>						
3400 Other Funds Ltd	-	1,049	1,049	1,080	1,080	-
<b>SPECIAL PAYMENTS</b>						
<b>6030 Dist to Non-Gov Units</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Oregon Wetlands Revolving Fund

Cross Reference Number: 14100-013-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	485,307	1,048,576	1,048,576	1,080,033	1,080,033	-
<b>EXPENDITURES</b>						
3400 Other Funds Ltd	618,139	1,845,481	1,854,650	1,821,439	1,821,439	-
<b>TOTAL EXPENDITURES</b>	<b>\$618,139</b>	<b>\$1,845,481</b>	<b>\$1,854,650</b>	<b>\$1,821,439</b>	<b>\$1,821,439</b>	<b>-</b>
<b>ENDING BALANCE</b>						
3400 Other Funds Ltd	1,023,457	2,366,467	2,357,298	386,166	386,166	-
<b>TOTAL ENDING BALANCE</b>	<b>\$1,023,457</b>	<b>\$2,366,467</b>	<b>\$2,357,298</b>	<b>\$386,166</b>	<b>\$386,166</b>	<b>-</b>
<b>AUTHORIZED POSITIONS</b>						
8150 Class/Unclass Positions	1	1	1	-	-	-
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AUTHORIZED FTE</b>						
8250 Class/Unclass FTE Positions	1.00	1.00	1.00	0.50	0.50	-
<b>TOTAL AUTHORIZED FTE</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.50</b>	<b>0.50</b>	<b>-</b>

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Natural Heritage Program

Cross Reference Number: 14100-020-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>BEGINNING BALANCE</b>						
0025 Beginning Balance						
3400 Other Funds Ltd	-	10	10	-	-	-
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	(10)	(10)	-	-	-
<b>BEGINNING BALANCE</b>						
3400 Other Funds Ltd	-	-	-	-	-	-
<b>TOTAL BEGINNING BALANCE</b>						
	-	-	-	-	-	-
<b>REVENUE CATEGORIES</b>						
<b>FEDERAL FUNDS REVENUE</b>						
0995 Federal Funds						
6400 Federal Funds Ltd	1,024,368	57,800	57,800	57,800	57,800	-
<b>TRANSFERS IN</b>						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	13,654	-	-	-	-	-
<b>REVENUE CATEGORIES</b>						
3400 Other Funds Ltd	13,654	-	-	-	-	-
6400 Federal Funds Ltd	1,024,368	57,800	57,800	57,800	57,800	-
<b>TOTAL REVENUE CATEGORIES</b>						
	<b>\$1,038,022</b>	<b>\$57,800</b>	<b>\$57,800</b>	<b>\$57,800</b>	<b>\$57,800</b>	-
<b>TRANSFERS OUT</b>						
2020 Transfer Out - Indirect Cost						
6400 Federal Funds Ltd	(7,000)	-	-	-	-	-
2634 Tsfr To Parks and Rec Dept						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Natural Heritage Program

Cross Reference Number: 14100-020-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
6400 Federal Funds Ltd	(438,666)	-	-	-	-	-
<b>TRANSFERS OUT</b>						
6400 Federal Funds Ltd	(445,666)	-	-	-	-	-
<b>TOTAL TRANSFERS OUT</b>	<b>(\$445,666)</b>	-	-	-	-	-
<b>AVAILABLE REVENUES</b>						
3400 Other Funds Ltd	13,654	-	-	-	-	-
6400 Federal Funds Ltd	578,702	57,800	57,800	57,800	57,800	-
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$592,356</b>	<b>\$57,800</b>	<b>\$57,800</b>	<b>\$57,800</b>	<b>\$57,800</b>	-
<b>EXPENDITURES</b>						
<b>SERVICES &amp; SUPPLIES</b>						
<b>4300 Professional Services</b>						
3400 Other Funds Ltd	6,758	-	-	-	-	-
<b>SPECIAL PAYMENTS</b>						
<b>6030 Dist to Non-Gov Units</b>						
6400 Federal Funds Ltd	1,836	-	-	-	-	-
<b>6050 Dist to Non-Profit Organizations</b>						
6400 Federal Funds Ltd	534,308	-	-	-	-	-
<b>6085 Other Special Payments</b>						
6400 Federal Funds Ltd	7,969	57,800	57,800	-	-	-
<b>SPECIAL PAYMENTS</b>						
6400 Federal Funds Ltd	544,113	57,800	57,800	-	-	-
<b>TOTAL SPECIAL PAYMENTS</b>	<b>\$544,113</b>	<b>\$57,800</b>	<b>\$57,800</b>	-	-	-

EXPENDITURES



Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Natural Heritage Program

Cross Reference Number: 14100-020-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	6,758	-	-	-	-	-
6400 Federal Funds Ltd	544,113	57,800	57,800	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$550,871</b>	<b>\$57,800</b>	<b>\$57,800</b>	-	-	-
<b>ENDING BALANCE</b>						
3400 Other Funds Ltd	6,896	-	-	-	-	-
6400 Federal Funds Ltd	34,589	-	-	57,800	57,800	-
<b>TOTAL ENDING BALANCE</b>	<b>\$41,485</b>	-	-	<b>\$57,800</b>	<b>\$57,800</b>	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>BEGINNING BALANCE</b>						
<b>0025 Beginning Balance</b>						
3400 Other Funds Ltd	96,327	1,215,818	1,215,818	1,133,696	1,133,696	-
6400 Federal Funds Ltd	155,729	1,691,186	1,691,186	1,404,281	1,404,281	-
All Funds	252,056	2,907,004	2,907,004	2,537,977	2,537,977	-
<b>REVENUE CATEGORIES</b>						
<b>FEDERAL FUNDS AS OTHER FUNDS</b>						
<b>0355 Federal Revenues</b>						
3400 Other Funds Ltd	146,976	-	-	-	-	-
<b>FINES, RENTS AND ROYALTIES</b>						
<b>0510 Rents and Royalties</b>						
3400 Other Funds Ltd	4,805	-	-	-	-	-
<b>INTEREST EARNINGS</b>						
<b>0605 Interest Income</b>						
3400 Other Funds Ltd	25,386	-	-	-	-	-
<b>SALES INCOME</b>						
<b>0705 Sales Income</b>						
3400 Other Funds Ltd	83,938	-	-	-	-	-
<b>DONATIONS AND CONTRIBUTIONS</b>						
<b>0910 Grants (Non-Fed)</b>						
3400 Other Funds Ltd	-	142,027	142,027	142,027	142,027	-
<b>OTHER</b>						
<b>0975 Other Revenues</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	86,690	386,341	386,341	386,341	386,341	-
<b>FEDERAL FUNDS REVENUE</b>						
<b>0995 Federal Funds</b>						
6400 Federal Funds Ltd	3,622,227	1,256,800	2,290,701	2,290,701	2,290,701	-
<b>TRANSFERS IN</b>						
<b>1010 Transfer In - Intrafund</b>						
3400 Other Funds Ltd	3,469,284	1,673,883	1,770,785	1,770,785	1,770,785	-
6400 Federal Funds Ltd	8,161	-	-	-	-	-
All Funds	3,477,445	1,673,883	1,770,785	1,770,785	1,770,785	-
<b>REVENUE CATEGORIES</b>						
3400 Other Funds Ltd	3,817,079	2,202,251	2,299,153	2,299,153	2,299,153	-
6400 Federal Funds Ltd	3,630,388	1,256,800	2,290,701	2,290,701	2,290,701	-
<b>TOTAL REVENUE CATEGORIES</b>	<b>\$7,447,467</b>	<b>\$3,459,051</b>	<b>\$4,589,854</b>	<b>\$4,589,854</b>	<b>\$4,589,854</b>	<b>-</b>
<b>AVAILABLE REVENUES</b>						
3400 Other Funds Ltd	3,913,406	3,418,069	3,514,971	3,432,849	3,432,849	-
6400 Federal Funds Ltd	3,786,117	2,947,986	3,981,887	3,694,982	3,694,982	-
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$7,699,523</b>	<b>\$6,366,055</b>	<b>\$7,496,858</b>	<b>\$7,127,831</b>	<b>\$7,127,831</b>	<b>-</b>
<b>EXPENDITURES</b>						
<b>PERSONAL SERVICES</b>						
<b>SALARIES &amp; WAGES</b>						
<b>3110 Class/Unclass Sal. and Per Diem</b>						
3400 Other Funds Ltd	685,913	900,400	931,698	960,041	960,041	-
6400 Federal Funds Ltd	674,978	750,608	778,382	786,103	786,103	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	1,360,891	1,651,008	1,710,080	1,746,144	1,746,144	-
<b>3160 Temporary Appointments</b>						
3400 Other Funds Ltd	15,925	265,621	265,621	50,282	50,282	-
6400 Federal Funds Ltd	31,570	70,491	70,491	72,606	72,606	-
All Funds	47,495	336,112	336,112	122,888	122,888	-
<b>3170 Overtime Payments</b>						
3400 Other Funds Ltd	31	-	-	-	-	-
6400 Federal Funds Ltd	-	3,035	3,035	3,126	3,126	-
All Funds	31	3,035	3,035	3,126	3,126	-
<b>3180 Shift Differential</b>						
3400 Other Funds Ltd	37	-	-	-	-	-
6400 Federal Funds Ltd	9	8	8	8	8	-
All Funds	46	8	8	8	8	-
<b>3190 All Other Differential</b>						
3400 Other Funds Ltd	9,009	-	-	8,034	8,034	-
6400 Federal Funds Ltd	2,616	-	-	-	-	-
All Funds	11,625	-	-	8,034	8,034	-
<b>SALARIES &amp; WAGES</b>						
3400 Other Funds Ltd	710,915	1,166,021	1,197,319	1,018,357	1,018,357	-
6400 Federal Funds Ltd	709,173	824,142	851,916	861,843	861,843	-
<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$1,420,088</b>	<b>\$1,990,163</b>	<b>\$2,049,235</b>	<b>\$1,880,200</b>	<b>\$1,880,200</b>	<b>-</b>
<b>OTHER PAYROLL EXPENSES</b>						
<b>3210 Empl. Rel. Bd. Assessments</b>						

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	245	326	326	358	358	-
6400 Federal Funds Ltd	310	314	314	346	346	-
All Funds	555	640	640	704	704	-
<b>3220 Public Employees' Retire Cont</b>						
3400 Other Funds Ltd	84,022	132,089	136,599	152,859	152,859	-
6400 Federal Funds Ltd	123,614	110,559	114,561	124,619	124,619	-
All Funds	207,636	242,648	251,160	277,478	277,478	-
<b>3221 Pension Obligation Bond</b>						
3400 Other Funds Ltd	41,519	48,418	48,418	56,588	56,588	-
6400 Federal Funds Ltd	44,861	52,235	52,235	48,846	48,846	-
All Funds	86,380	100,653	100,653	105,434	105,434	-
<b>3230 Social Security Taxes</b>						
3400 Other Funds Ltd	53,721	89,202	91,596	77,907	77,907	-
6400 Federal Funds Ltd	53,030	63,045	65,170	65,931	65,931	-
All Funds	106,751	152,247	156,766	143,838	143,838	-
<b>3240 Unemployment Assessments</b>						
3400 Other Funds Ltd	6,440	5,685	5,685	5,856	5,856	-
<b>3250 Worker's Comp. Assess. (WCD)</b>						
3400 Other Funds Ltd	326	481	481	562	562	-
6400 Federal Funds Ltd	403	463	463	542	542	-
All Funds	729	944	944	1,104	1,104	-
<b>3260 Mass Transit Tax</b>						
3400 Other Funds Ltd	-	4,996	4,996	4,996	4,996	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>3270 Flexible Benefits</b>						
3400 Other Funds Ltd	217,171	248,498	248,498	248,498	248,498	-
6400 Federal Funds Ltd	228,321	239,950	239,950	239,950	239,950	-
All Funds	445,492	488,448	488,448	488,448	488,448	-
<b>OTHER PAYROLL EXPENSES</b>						
3400 Other Funds Ltd	403,444	529,695	536,599	547,624	547,624	-
6400 Federal Funds Ltd	450,539	466,566	472,693	480,234	480,234	-
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$853,983</b>	<b>\$996,261</b>	<b>\$1,009,292</b>	<b>\$1,027,858</b>	<b>\$1,027,858</b>	-
<b>P.S. BUDGET ADJUSTMENTS</b>						
<b>3455 Vacancy Savings</b>						
3400 Other Funds Ltd	-	(592)	(592)	(592)	(592)	-
6400 Federal Funds Ltd	-	(14,372)	(14,372)	-	-	-
All Funds	-	(14,964)	(14,964)	(592)	(592)	-
<b>3465 Reconciliation Adjustment</b>						
3400 Other Funds Ltd	-	35,970	35,970	-	-	-
6400 Federal Funds Ltd	-	27,102	27,102	-	-	-
All Funds	-	63,072	63,072	-	-	-
<b>3991 PERS Policy Adjustment</b>						
3400 Other Funds Ltd	-	(32,541)	(32,541)	-	-	-
6400 Federal Funds Ltd	-	(27,026)	(27,026)	-	-	-
All Funds	-	(59,567)	(59,567)	-	-	-
<b>P.S. BUDGET ADJUSTMENTS</b>						
3400 Other Funds Ltd	-	2,837	2,837	(592)	(592)	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
6400 Federal Funds Ltd	-	(14,296)	(14,296)	-	-	-
<b>TOTAL P.S. BUDGET ADJUSTMENTS</b>	-	<b>(\$11,459)</b>	<b>(\$11,459)</b>	<b>(\$592)</b>	<b>(\$592)</b>	-
<b>PERSONAL SERVICES</b>						
3400 Other Funds Ltd	1,114,359	1,698,553	1,736,755	1,565,389	1,565,389	-
6400 Federal Funds Ltd	1,159,712	1,276,412	1,310,313	1,342,077	1,342,077	-
<b>TOTAL PERSONAL SERVICES</b>	<b>\$2,274,071</b>	<b>\$2,974,965</b>	<b>\$3,047,068</b>	<b>\$2,907,466</b>	<b>\$2,907,466</b>	-
<b>SERVICES &amp; SUPPLIES</b>						
<b>4100 Instate Travel</b>						
3400 Other Funds Ltd	25,635	17,978	17,978	18,517	18,517	-
6400 Federal Funds Ltd	10,870	17,124	17,124	17,638	17,638	-
All Funds	36,505	35,102	35,102	36,155	36,155	-
<b>4125 Out of State Travel</b>						
3400 Other Funds Ltd	1,939	7,193	7,193	7,409	7,409	-
6400 Federal Funds Ltd	6,926	12,675	12,675	13,055	13,055	-
All Funds	8,865	19,868	19,868	20,464	20,464	-
<b>4150 Employee Training</b>						
3400 Other Funds Ltd	9,596	8,447	8,447	8,700	8,700	-
6400 Federal Funds Ltd	19,802	20,709	20,709	21,330	21,330	-
All Funds	29,398	29,156	29,156	30,030	30,030	-
<b>4175 Office Expenses</b>						
3400 Other Funds Ltd	9,038	21,800	21,800	22,454	22,454	-
6400 Federal Funds Ltd	7,775	18,431	18,431	18,984	18,984	-
All Funds	16,813	40,231	40,231	41,438	41,438	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>4200 Telecommunications</b>						
3400 Other Funds Ltd	8,797	14,759	14,759	15,202	15,202	-
6400 Federal Funds Ltd	7,631	7,928	7,928	8,166	8,166	-
All Funds	16,428	22,687	22,687	23,368	23,368	-
<b>4250 Data Processing</b>						
3400 Other Funds Ltd	-	526	526	542	542	-
6400 Federal Funds Ltd	-	9,910	9,910	10,207	10,207	-
All Funds	-	10,436	10,436	10,749	10,749	-
<b>4275 Publicity and Publications</b>						
3400 Other Funds Ltd	499	488	488	503	503	-
6400 Federal Funds Ltd	31	1,449	1,449	1,492	1,492	-
All Funds	530	1,937	1,937	1,995	1,995	-
<b>4300 Professional Services</b>						
3400 Other Funds Ltd	122,692	311,986	311,986	113,951	113,951	-
6400 Federal Funds Ltd	24,335	70,652	70,652	72,984	72,984	-
All Funds	147,027	382,638	382,638	186,935	186,935	-
<b>4325 Attorney General</b>						
3400 Other Funds Ltd	12,151	4,572	4,572	5,450	5,195	-
6400 Federal Funds Ltd	686	-	-	-	-	-
All Funds	12,837	4,572	4,572	5,450	5,195	-
<b>4375 Employee Recruitment and Develop</b>						
3400 Other Funds Ltd	-	2,435	2,435	2,508	2,508	-
6400 Federal Funds Ltd	-	5,737	5,737	5,909	5,909	-



Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	-	8,172	8,172	8,417	8,417	-
<b>4400 Dues and Subscriptions</b>						
3400 Other Funds Ltd	329	12	12	12	12	-
6400 Federal Funds Ltd	-	810	810	834	834	-
All Funds	329	822	822	846	846	-
<b>4425 Facilities Rental and Taxes</b>						
3400 Other Funds Ltd	410	45	45	46	46	-
<b>4450 Fuels and Utilities</b>						
3400 Other Funds Ltd	7,806	7,740	7,740	7,972	7,972	-
6400 Federal Funds Ltd	10,682	24,808	24,808	25,552	25,552	-
All Funds	18,488	32,548	32,548	33,524	33,524	-
<b>4475 Facilities Maintenance</b>						
3400 Other Funds Ltd	9,321	26,951	26,951	27,760	27,760	-
6400 Federal Funds Ltd	10,627	29,580	29,580	30,467	30,467	-
All Funds	19,948	56,531	56,531	58,227	58,227	-
<b>4575 Agency Program Related S and S</b>						
6400 Federal Funds Ltd	-	5,303	5,303	5,462	5,462	-
<b>4650 Other Services and Supplies</b>						
3400 Other Funds Ltd	59,925	56,110	56,110	57,793	57,793	-
6400 Federal Funds Ltd	111,653	10,851	10,851	11,177	11,177	-
All Funds	171,578	66,961	66,961	68,970	68,970	-
<b>4700 Expendable Prop 250 - 5000</b>						
3400 Other Funds Ltd	32,836	3,384	3,384	3,486	3,486	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
6400 Federal Funds Ltd	1,989	20,863	20,863	21,489	21,489	-
All Funds	34,825	24,247	24,247	24,975	24,975	-
<b>4715 IT Expendable Property</b>						
3400 Other Funds Ltd	38,111	46,273	46,273	47,661	47,661	-
6400 Federal Funds Ltd	1,843	1,421	1,421	1,464	1,464	-
All Funds	39,954	47,694	47,694	49,125	49,125	-
<b>SERVICES &amp; SUPPLIES</b>						
3400 Other Funds Ltd	339,085	530,699	530,699	339,966	339,711	-
6400 Federal Funds Ltd	214,850	258,251	258,251	266,210	266,210	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$553,935</b>	<b>\$788,950</b>	<b>\$788,950</b>	<b>\$606,176</b>	<b>\$605,921</b>	<b>-</b>
<b>CAPITAL OUTLAY</b>						
<b>5200 Technical Equipment</b>						
3400 Other Funds Ltd	46,989	38,868	38,868	40,034	40,034	-
6400 Federal Funds Ltd	22,087	9,042	9,042	9,313	9,313	-
All Funds	69,076	47,910	47,910	49,347	49,347	-
<b>5600 Data Processing Hardware</b>						
3400 Other Funds Ltd	-	16,253	16,253	16,741	16,741	-
<b>5650 Land and Improvements</b>						
3400 Other Funds Ltd	-	-	58,700	-	-	-
6400 Federal Funds Ltd	-	-	1,000,000	-	-	-
All Funds	-	-	1,058,700	-	-	-
<b>5700 Building Structures</b>						
3400 Other Funds Ltd	7,406	-	-	-	-	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
6400 Federal Funds Ltd	33,009	-	-	-	-	-
All Funds	40,415	-	-	-	-	-
<b>5900 Other Capital Outlay</b>						
3400 Other Funds Ltd	2,325,016	-	-	-	-	-
6400 Federal Funds Ltd	2,208,743	-	-	-	-	-
All Funds	4,533,759	-	-	-	-	-
<b>CAPITAL OUTLAY</b>						
3400 Other Funds Ltd	2,379,411	55,121	113,821	56,775	56,775	-
6400 Federal Funds Ltd	2,263,839	9,042	1,009,042	9,313	9,313	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$4,643,250</b>	<b>\$64,163</b>	<b>\$1,122,863</b>	<b>\$66,088</b>	<b>\$66,088</b>	-
<b>EXPENDITURES</b>						
3400 Other Funds Ltd	3,832,855	2,284,373	2,381,275	1,962,130	1,961,875	-
6400 Federal Funds Ltd	3,638,401	1,543,705	2,577,606	1,617,600	1,617,600	-
<b>TOTAL EXPENDITURES</b>	<b>\$7,471,256</b>	<b>\$3,828,078</b>	<b>\$4,958,881</b>	<b>\$3,579,730</b>	<b>\$3,579,475</b>	-
<b>ENDING BALANCE</b>						
3400 Other Funds Ltd	80,551	1,133,696	1,133,696	1,470,719	1,470,974	-
6400 Federal Funds Ltd	147,716	1,404,281	1,404,281	2,077,382	2,077,382	-
<b>TOTAL ENDING BALANCE</b>	<b>\$228,267</b>	<b>\$2,537,977</b>	<b>\$2,537,977</b>	<b>\$3,548,101</b>	<b>\$3,548,356</b>	-
<b>AUTHORIZED POSITIONS</b>						
8150 Class/Unclass Positions	16	16	16	16	16	-
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	-
<b>AUTHORIZED FTE</b>						
8250 Class/Unclass FTE Positions	16.00	16.00	16.00	16.00	16.00	-

**Budget Support - Detail Revenues and Expenditures  
2015-17 Biennium  
South Slough National Estuarine**

**Cross Reference Number: 14100-030-00-00-00000**

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
<b>TOTAL AUTHORIZED FTE</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>	<b>-</b>

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Capital Improvements

Cross Reference Number: 14100-088-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>REVENUE CATEGORIES</b>						
<b>TRANSFERS IN</b>						
<b>1010 Transfer In - Intrafund</b>						
3010 Other Funds Cap Improvement	318,311	901,777	594,417	1,049,417	1,049,417	-
<b>AVAILABLE REVENUES</b>						
3010 Other Funds Cap Improvement	318,311	901,777	594,417	1,049,417	1,049,417	-
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$318,311</b>	<b>\$901,777</b>	<b>\$594,417</b>	<b>\$1,049,417</b>	<b>\$1,049,417</b>	<b>-</b>
<b>EXPENDITURES</b>						
<b>SERVICES &amp; SUPPLIES</b>						
<b>4300 Professional Services</b>						
3010 Other Funds Cap Improvement	11,187	-	-	-	-	-
<b>4475 Facilities Maintenance</b>						
3010 Other Funds Cap Improvement	21,770	294,417	294,417	303,250	303,250	-
<b>4575 Agency Program Related S and S</b>						
3010 Other Funds Cap Improvement	115,378	-	-	-	-	-
<b>SERVICES &amp; SUPPLIES</b>						
3010 Other Funds Cap Improvement	148,335	294,417	294,417	303,250	303,250	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$148,335</b>	<b>\$294,417</b>	<b>\$294,417</b>	<b>\$303,250</b>	<b>\$303,250</b>	<b>-</b>
<b>CAPITAL OUTLAY</b>						
<b>5650 Land and Improvements</b>						
3010 Other Funds Cap Improvement	138,216	607,360	300,000	455,000	455,000	-
<b>5700 Building Structures</b>						
3010 Other Funds Cap Improvement	26,982	-	-	-	-	-

Budget Support - Detail Revenues and Expenditures  
 2015-17 Biennium  
 Capital Improvements

Cross Reference Number: 14100-088-00-00-00000

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
<b>5900 Other Capital Outlay</b>						
3010 Other Funds Cap Improvement	4,778	-	-	-	-	-
<b>CAPITAL OUTLAY</b>						
3010 Other Funds Cap Improvement	169,976	607,360	300,000	455,000	455,000	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$169,976</b>	<b>\$607,360</b>	<b>\$300,000</b>	<b>\$455,000</b>	<b>\$455,000</b>	-
<b>EXPENDITURES</b>						
3010 Other Funds Cap Improvement	318,311	901,777	594,417	758,250	758,250	-
<b>TOTAL EXPENDITURES</b>	<b>\$318,311</b>	<b>\$901,777</b>	<b>\$594,417</b>	<b>\$758,250</b>	<b>\$758,250</b>	-
<b>ENDING BALANCE</b>						
3010 Other Funds Cap Improvement	-	-	-	291,167	291,167	-
<b>TOTAL ENDING BALANCE</b>	-	-	-	<b>\$291,167</b>	<b>\$291,167</b>	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>BEGINNING BALANCE</b>				
<b>0025 Beginning Balance</b>				
3400 Other Funds Ltd	1,361,056,304	1,361,056,304	0	-
<b>REVENUE CATEGORIES</b>				
<b>LICENSES AND FEES</b>				
<b>0210 Non-business Lic. and Fees</b>				
3400 Other Funds Ltd	800,000	800,000	0	-
<b>CHARGES FOR SERVICES</b>				
<b>0410 Charges for Services</b>				
3400 Other Funds Ltd	250,000	250,000	0	-
<b>0415 Admin and Service Charges</b>				
3400 Other Funds Ltd	130,000	130,000	0	-
<b>TOTAL CHARGES FOR SERVICES</b>				
3400 Other Funds Ltd	380,000	380,000	0	-
<b>FINES, RENTS AND ROYALTIES</b>				
<b>0505 Fines and Forfeitures</b>				
3400 Other Funds Ltd	190,000	190,000	0	-
<b>0510 Rents and Royalties</b>				
3400 Other Funds Ltd	9,500,000	9,500,000	0	-
<b>TOTAL FINES, RENTS AND ROYALTIES</b>				
3400 Other Funds Ltd	9,690,000	9,690,000	0	-
<b>INTEREST EARNINGS</b>				
<b>0605 Interest Income</b>				
3400 Other Funds Ltd	150,001,000	150,001,000	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>SALES INCOME</b>				
<b>0705 Sales Income</b>				
3400 Other Funds Ltd	120,000	120,000	0	-
<b>DONATIONS AND CONTRIBUTIONS</b>				
<b>0905 Donations</b>				
3400 Other Funds Ltd	12,000	12,000	0	-
<b>OTHER</b>				
<b>0975 Other Revenues</b>				
3200 Other Funds Non-Ltd	69,974,000	69,974,000	0	-
3400 Other Funds Ltd	26,000	26,000	0	-
All Funds	70,000,000	70,000,000	0	-
<b>FEDERAL FUNDS REVENUE</b>				
<b>0995 Federal Funds</b>				
6400 Federal Funds Ltd	246,505	246,505	0	-
<b>TRANSFERS IN</b>				
<b>1010 Transfer In - Intrafund</b>				
3200 Other Funds Non-Ltd	130,002,450	130,002,450	0	-
3400 Other Funds Ltd	3,225,793	3,225,793	0	-
All Funds	133,228,243	133,228,243	0	-
<b>1150 Tsfr From Revenue, Dept of</b>				
3400 Other Funds Ltd	237,000	237,000	0	-
<b>1629 Tsfr From Forestry, Dept of</b>				
3400 Other Funds Ltd	9,586,000	9,586,000	0	-
<b>1662 Tsfr From Land Use Bd of Appls</b>				



Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	26,267	26,267	0	-
<b>TOTAL TRANSFERS IN</b>				
3200 Other Funds Non-Ltd	130,002,450	130,002,450	0	-
3400 Other Funds Ltd	13,075,060	13,075,060	0	-
<b>TOTAL TRANSFERS IN</b>	<b>\$143,077,510</b>	<b>\$143,077,510</b>	<b>0</b>	<b>-</b>
<b>TOTAL REVENUES</b>				
3200 Other Funds Non-Ltd	199,976,450	199,976,450	0	-
3400 Other Funds Ltd	174,104,060	174,104,060	0	-
6400 Federal Funds Ltd	246,505	246,505	0	-
<b>TOTAL REVENUES</b>	<b>\$374,327,015</b>	<b>\$374,327,015</b>	<b>0</b>	<b>-</b>
<b>TRANSFERS OUT</b>				
<b>2010 Transfer Out - Intrafund</b>				
3400 Other Funds Ltd	(137,234,454)	(137,234,454)	0	-
<b>2581 Tsfr To Education, Dept of</b>				
3200 Other Funds Non-Ltd	(109,690,000)	(109,690,000)	0	-
<b>2629 Tsfr To Forestry, Dept of</b>				
3400 Other Funds Ltd	(9,925,019)	(9,925,019)	0	-
<b>TOTAL TRANSFERS OUT</b>				
3200 Other Funds Non-Ltd	(109,690,000)	(109,690,000)	0	-
3400 Other Funds Ltd	(147,159,473)	(147,159,473)	0	-
<b>TOTAL TRANSFERS OUT</b>	<b>(\$256,849,473)</b>	<b>(\$256,849,473)</b>	<b>0</b>	<b>-</b>
<b>AVAILABLE REVENUES</b>				
3200 Other Funds Non-Ltd	90,286,450	90,286,450	0	-
3400 Other Funds Ltd	1,388,000,891	1,388,000,891	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
6400 Federal Funds Ltd	246,505	246,505	0	-
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$1,478,533,846</b>	<b>\$1,478,533,846</b>	<b>0</b>	<b>-</b>
<b>EXPENDITURES</b>				
<b>PERSONAL SERVICES</b>				
<b>SALARIES &amp; WAGES</b>				
<b>3110 Class/Unclass Sal. and Per Diem</b>				
3400 Other Funds Ltd	10,496,820	10,496,820	0	-
<b>3160 Temporary Appointments</b>				
3400 Other Funds Ltd	22,334	22,334	0	-
6400 Federal Funds Ltd	154,518	154,518	0	-
All Funds	176,852	176,852	0	-
<b>3170 Overtime Payments</b>				
3400 Other Funds Ltd	75,398	75,398	0	-
<b>3180 Shift Differential</b>				
3400 Other Funds Ltd	7,741	7,741	0	-
<b>TOTAL SALARIES &amp; WAGES</b>				
3400 Other Funds Ltd	10,602,293	10,602,293	0	-
6400 Federal Funds Ltd	154,518	154,518	0	-
<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$10,756,811</b>	<b>\$10,756,811</b>	<b>0</b>	<b>-</b>
<b>OTHER PAYROLL EXPENSES</b>				
<b>3210 Empl. Rel. Bd. Assessments</b>				
3400 Other Funds Ltd	3,850	3,850	0	-
<b>3220 Public Employees' Retire Cont</b>				
3400 Other Funds Ltd	1,670,582	1,670,582	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>3221 Pension Obligation Bond</b>				
3400 Other Funds Ltd	615,426	615,426	0	-
<b>3230 Social Security Taxes</b>				
3400 Other Funds Ltd	808,038	808,038	0	-
6400 Federal Funds Ltd	11,821	11,821	0	-
All Funds	819,859	819,859	0	-
<b>3240 Unemployment Assessments</b>				
3400 Other Funds Ltd	5,822	5,822	0	-
<b>3250 Worker's Comp. Assess. (WCD)</b>				
3400 Other Funds Ltd	6,035	6,035	0	-
<b>3260 Mass Transit Tax</b>				
3400 Other Funds Ltd	62,872	62,872	0	-
<b>3270 Flexible Benefits</b>				
3400 Other Funds Ltd	2,671,200	2,671,200	0	-
<b>TOTAL OTHER PAYROLL EXPENSES</b>				
3400 Other Funds Ltd	5,843,825	5,843,825	0	-
6400 Federal Funds Ltd	11,821	11,821	0	-
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$5,855,646</b>	<b>\$5,855,646</b>	<b>0</b>	<b>-</b>
<b>P.S. BUDGET ADJUSTMENTS</b>				
<b>3455 Vacancy Savings</b>				
3400 Other Funds Ltd	(168,503)	(168,503)	0	-
<b>TOTAL PERSONAL SERVICES</b>				
3400 Other Funds Ltd	16,277,615	16,277,615	0	-
6400 Federal Funds Ltd	166,339	166,339	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>TOTAL PERSONAL SERVICES</b>	<b>\$16,443,954</b>	<b>\$16,443,954</b>	<b>0</b>	<b>-</b>
<b>SERVICES &amp; SUPPLIES</b>				
<b>4100 Instate Travel</b>				
3400 Other Funds Ltd	336,458	336,458	0	-
<b>4125 Out of State Travel</b>				
3400 Other Funds Ltd	3,600	3,600	0	-
<b>4150 Employee Training</b>				
3400 Other Funds Ltd	77,471	77,471	0	-
<b>4175 Office Expenses</b>				
3400 Other Funds Ltd	249,347	249,347	0	-
<b>4200 Telecommunications</b>				
3400 Other Funds Ltd	146,678	146,678	0	-
<b>4225 State Gov. Service Charges</b>				
3400 Other Funds Ltd	537,486	537,486	0	-
<b>4250 Data Processing</b>				
3400 Other Funds Ltd	101,717	101,717	0	-
<b>4275 Publicity and Publications</b>				
3400 Other Funds Ltd	86,401	86,401	0	-
<b>4300 Professional Services</b>				
3200 Other Funds Non-Ltd	927,900	927,900	0	-
3400 Other Funds Ltd	3,240,380	3,240,380	0	-
6400 Federal Funds Ltd	80,166	80,166	0	-
All Funds	4,248,446	4,248,446	0	-
<b>4315 IT Professional Services</b>				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	195,320	195,320	0	-
<b>4325 Attorney General</b>				
3400 Other Funds Ltd	2,379,470	2,379,470	0	-
<b>4375 Employee Recruitment and Develop</b>				
3400 Other Funds Ltd	17,723	17,723	0	-
<b>4400 Dues and Subscriptions</b>				
3400 Other Funds Ltd	6,286	6,286	0	-
<b>4425 Facilities Rental and Taxes</b>				
3400 Other Funds Ltd	482,866	482,866	0	-
<b>4450 Fuels and Utilities</b>				
3200 Other Funds Non-Ltd	180,000	180,000	0	-
3400 Other Funds Ltd	224,591	224,591	0	-
All Funds	404,591	404,591	0	-
<b>4475 Facilities Maintenance</b>				
3400 Other Funds Ltd	367,439	367,439	0	-
<b>4575 Agency Program Related S and S</b>				
3200 Other Funds Non-Ltd	8,407,040	8,407,040	0	-
3400 Other Funds Ltd	841	841	0	-
All Funds	8,407,881	8,407,881	0	-
<b>4650 Other Services and Supplies</b>				
3200 Other Funds Non-Ltd	207,309	207,309	0	-
3400 Other Funds Ltd	483,926	483,926	0	-
All Funds	691,235	691,235	0	-
<b>4700 Expendable Prop 250 - 5000</b>				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	19,020	19,020	0	-
<b>4715 IT Expendable Property</b>				
3400 Other Funds Ltd	105,298	105,298	0	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>				
3200 Other Funds Non-Ltd	9,722,249	9,722,249	0	-
3400 Other Funds Ltd	9,062,318	9,062,318	0	-
6400 Federal Funds Ltd	80,166	80,166	0	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$18,864,733</b>	<b>\$18,864,733</b>	<b>0</b>	<b>-</b>
<b>CAPITAL OUTLAY</b>				
<b>5100 Office Furniture and Fixtures</b>				
3400 Other Funds Ltd	25,453	25,453	0	-
<b>5550 Data Processing Software</b>				
3400 Other Funds Ltd	70,562	70,562	0	-
<b>5600 Data Processing Hardware</b>				
3400 Other Funds Ltd	960	960	0	-
<b>5650 Land and Improvements</b>				
3200 Other Funds Non-Ltd	512,000	512,000	0	-
3400 Other Funds Ltd	307,360	307,360	0	-
All Funds	819,360	819,360	0	-
<b>TOTAL CAPITAL OUTLAY</b>				
3200 Other Funds Non-Ltd	512,000	512,000	0	-
3400 Other Funds Ltd	404,335	404,335	0	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$916,335</b>	<b>\$916,335</b>	<b>0</b>	<b>-</b>

**TOTAL EXPENDITURES**

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3200 Other Funds Non-Ltd	10,234,249	10,234,249	0	-
3400 Other Funds Ltd	25,744,268	25,744,268	0	-
6400 Federal Funds Ltd	246,505	246,505	0	-
<b>TOTAL EXPENDITURES</b>	<b>\$36,225,022</b>	<b>\$36,225,022</b>	<b>0</b>	<b>-</b>
<b>ENDING BALANCE</b>				
3200 Other Funds Non-Ltd	80,052,201	80,052,201	0	-
3400 Other Funds Ltd	1,362,256,623	1,362,256,623	0	-
<b>TOTAL ENDING BALANCE</b>	<b>\$1,442,308,824</b>	<b>\$1,442,308,824</b>	<b>0</b>	<b>-</b>
<b>AUTHORIZED POSITIONS</b>				
8150 Class/Unclass Positions	89	89	0	-
<b>AUTHORIZED FTE</b>				
8250 Class/Unclass FTE Positions	87.50	87.50	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>REVENUE CATEGORIES</b>				
<b>INTEREST EARNINGS</b>				
<b>0605 Interest Income</b>				
3400 Other Funds Ltd	170,000	170,000	0	-
<b>OTHER</b>				
<b>0975 Other Revenues</b>				
3400 Other Funds Ltd	851,596	851,596	0	-
<b>TRANSFERS IN</b>				
<b>1010 Transfer In - Intrafund</b>				
3400 Other Funds Ltd	1,203,059	1,203,059	0	-
<b>TOTAL REVENUES</b>				
3400 Other Funds Ltd	2,224,655	2,224,655	0	-
<b>TRANSFERS OUT</b>				
<b>2010 Transfer Out - Intrafund</b>				
3400 Other Funds Ltd	(17,050)	(17,050)	0	-
<b>AVAILABLE REVENUES</b>				
3400 Other Funds Ltd	2,207,605	2,207,605	0	-
<b>EXPENDITURES</b>				
<b>PERSONAL SERVICES</b>				
<b>SALARIES &amp; WAGES</b>				
<b>3110 Class/Unclass Sal. and Per Diem</b>				
3400 Other Funds Ltd	60,324	60,324	0	-
<b>OTHER PAYROLL EXPENSES</b>				
<b>3210 Empl. Rel. Bd. Assessments</b>				



Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	22	22	0	-
<b>3220 Public Employees' Retire Cont</b>				
3400 Other Funds Ltd	9,525	9,525	0	-
<b>3221 Pension Obligation Bond</b>				
3400 Other Funds Ltd	6,544	6,544	0	-
<b>3230 Social Security Taxes</b>				
3400 Other Funds Ltd	4,615	4,615	0	-
<b>3250 Worker's Comp. Assess. (WCD)</b>				
3400 Other Funds Ltd	34	34	0	-
<b>3260 Mass Transit Tax</b>				
3400 Other Funds Ltd	681	681	0	-
<b>3270 Flexible Benefits</b>				
3400 Other Funds Ltd	15,264	15,264	0	-
<b>TOTAL OTHER PAYROLL EXPENSES</b>				
3400 Other Funds Ltd	36,685	36,685	0	-
<b>TOTAL PERSONAL SERVICES</b>				
3400 Other Funds Ltd	97,009	97,009	0	-
<b>SERVICES &amp; SUPPLIES</b>				
<b>4100 Instate Travel</b>				
3400 Other Funds Ltd	10,240	10,240	0	-
<b>4125 Out of State Travel</b>				
3400 Other Funds Ltd	2,048	2,048	0	-
<b>4150 Employee Training</b>				
3400 Other Funds Ltd	6,144	6,144	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>4175 Office Expenses</b>				
3400 Other Funds Ltd	3,072	3,072	0	-
<b>4200 Telecommunications</b>				
3400 Other Funds Ltd	2,515	2,515	0	-
<b>4250 Data Processing</b>				
3400 Other Funds Ltd	1,536	1,536	0	-
<b>4375 Employee Recruitment and Develop</b>				
3400 Other Funds Ltd	512	512	0	-
<b>4575 Agency Program Related S and S</b>				
3400 Other Funds Ltd	578,970	578,970	0	-
<b>4650 Other Services and Supplies</b>				
3400 Other Funds Ltd	19,512	19,512	0	-
<b>4700 Expendable Prop 250 - 5000</b>				
3400 Other Funds Ltd	1,024	1,024	0	-
<b>4715 IT Expendable Property</b>				
3400 Other Funds Ltd	2,048	2,048	0	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	627,621	627,621	0	-
<b>CAPITAL OUTLAY</b>				
<b>5100 Office Furniture and Fixtures</b>				
3400 Other Funds Ltd	1,049	1,049	0	-
<b>SPECIAL PAYMENTS</b>				
<b>6030 Dist to Non-Gov Units</b>				
3400 Other Funds Ltd	1,048,576	1,048,576	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>TOTAL EXPENDITURES</b>				
3400 Other Funds Ltd	1,774,255	1,774,255	0	-
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	433,350	433,350	0	-
<b>AUTHORIZED FTE</b>				
8250 Class/Unclass FTE Positions	0.50	0.50	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>REVENUE CATEGORIES</b>				
<b>FEDERAL FUNDS REVENUE</b>				
<b>0995 Federal Funds</b>				
6400 Federal Funds Ltd	57,800	57,800	0	-
<b>AVAILABLE REVENUES</b>				
6400 Federal Funds Ltd	57,800	57,800	0	-
<b>EXPENDITURES</b>				
<b>SPECIAL PAYMENTS</b>				
<b>6085 Other Special Payments</b>				
6400 Federal Funds Ltd	57,800	57,800	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>BEGINNING BALANCE</b>				
<b>0025 Beginning Balance</b>				
3400 Other Funds Ltd	1,133,696	1,133,696	0	-
6400 Federal Funds Ltd	1,404,281	1,404,281	0	-
All Funds	2,537,977	2,537,977	0	-
<b>REVENUE CATEGORIES</b>				
<b>DONATIONS AND CONTRIBUTIONS</b>				
<b>0910 Grants (Non-Fed)</b>				
3400 Other Funds Ltd	142,027	142,027	0	-
<b>OTHER</b>				
<b>0975 Other Revenues</b>				
3400 Other Funds Ltd	386,341	386,341	0	-
<b>FEDERAL FUNDS REVENUE</b>				
<b>0995 Federal Funds</b>				
6400 Federal Funds Ltd	2,290,701	2,290,701	0	-
<b>TRANSFERS IN</b>				
<b>1010 Transfer In - Intrafund</b>				
3400 Other Funds Ltd	1,770,785	1,770,785	0	-
<b>TOTAL REVENUES</b>				
3400 Other Funds Ltd	2,299,153	2,299,153	0	-
6400 Federal Funds Ltd	2,290,701	2,290,701	0	-
<b>TOTAL REVENUES</b>	<b>\$4,589,854</b>	<b>\$4,589,854</b>	<b>0</b>	<b>-</b>
<b>AVAILABLE REVENUES</b>				
3400 Other Funds Ltd	3,432,849	3,432,849	0	-

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Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
6400 Federal Funds Ltd	3,694,982	3,694,982	0	-
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$7,127,831</b>	<b>\$7,127,831</b>	<b>0</b>	<b>-</b>
<b>EXPENDITURES</b>				
<b>PERSONAL SERVICES</b>				
<b>SALARIES &amp; WAGES</b>				
<b>3110 Class/Unclass Sal. and Per Diem</b>				
3400 Other Funds Ltd	938,585	938,585	0	-
6400 Federal Funds Ltd	786,103	786,103	0	-
All Funds	1,724,688	1,724,688	0	-
<b>3160 Temporary Appointments</b>				
3400 Other Funds Ltd	265,621	265,621	0	-
6400 Federal Funds Ltd	70,491	70,491	0	-
All Funds	336,112	336,112	0	-
<b>3170 Overtime Payments</b>				
6400 Federal Funds Ltd	3,035	3,035	0	-
<b>3180 Shift Differential</b>				
6400 Federal Funds Ltd	8	8	0	-
<b>TOTAL SALARIES &amp; WAGES</b>				
3400 Other Funds Ltd	1,204,206	1,204,206	0	-
6400 Federal Funds Ltd	859,637	859,637	0	-
<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$2,063,843</b>	<b>\$2,063,843</b>	<b>0</b>	<b>-</b>
<b>OTHER PAYROLL EXPENSES</b>				
<b>3210 Empl. Rel. Bd. Assessments</b>				
3400 Other Funds Ltd	358	358	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
6400 Federal Funds Ltd	346	346	0	-
All Funds	704	704	0	-
<b>3220 Public Employees' Retire Cont</b>				
3400 Other Funds Ltd	148,203	148,203	0	-
6400 Federal Funds Ltd	124,605	124,605	0	-
All Funds	272,808	272,808	0	-
<b>3221 Pension Obligation Bond</b>				
3400 Other Funds Ltd	48,418	48,418	0	-
6400 Federal Funds Ltd	52,235	52,235	0	-
All Funds	100,653	100,653	0	-
<b>3230 Social Security Taxes</b>				
3400 Other Funds Ltd	92,125	92,125	0	-
6400 Federal Funds Ltd	65,762	65,762	0	-
All Funds	157,887	157,887	0	-
<b>3240 Unemployment Assessments</b>				
3400 Other Funds Ltd	5,685	5,685	0	-
<b>3250 Worker's Comp. Assess. (WCD)</b>				
3400 Other Funds Ltd	562	562	0	-
6400 Federal Funds Ltd	542	542	0	-
All Funds	1,104	1,104	0	-
<b>3260 Mass Transit Tax</b>				
3400 Other Funds Ltd	4,996	4,996	0	-
<b>3270 Flexible Benefits</b>				
3400 Other Funds Ltd	248,498	248,498	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
6400 Federal Funds Ltd	239,950	239,950	0	-
All Funds	488,448	488,448	0	-
<b>TOTAL OTHER PAYROLL EXPENSES</b>				
3400 Other Funds Ltd	548,845	548,845	0	-
6400 Federal Funds Ltd	483,440	483,440	0	-
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$1,032,285</b>	<b>\$1,032,285</b>	<b>0</b>	<b>-</b>
<b>P.S. BUDGET ADJUSTMENTS</b>				
<b>3455 Vacancy Savings</b>				
3400 Other Funds Ltd	(592)	(592)	0	-
6400 Federal Funds Ltd	(14,372)	(14,372)	0	-
All Funds	(14,964)	(14,964)	0	-
<b>TOTAL PERSONAL SERVICES</b>				
3400 Other Funds Ltd	1,752,459	1,752,459	0	-
6400 Federal Funds Ltd	1,328,705	1,328,705	0	-
<b>TOTAL PERSONAL SERVICES</b>	<b>\$3,081,164</b>	<b>\$3,081,164</b>	<b>0</b>	<b>-</b>
<b>SERVICES &amp; SUPPLIES</b>				
<b>4100 Instate Travel</b>				
3400 Other Funds Ltd	17,978	17,978	0	-
6400 Federal Funds Ltd	17,124	17,124	0	-
All Funds	35,102	35,102	0	-
<b>4125 Out of State Travel</b>				
3400 Other Funds Ltd	7,193	7,193	0	-
6400 Federal Funds Ltd	12,675	12,675	0	-
All Funds	19,868	19,868	0	-



Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>4150 Employee Training</b>				
3400 Other Funds Ltd	8,447	8,447	0	-
6400 Federal Funds Ltd	20,709	20,709	0	-
All Funds	29,156	29,156	0	-
<b>4175 Office Expenses</b>				
3400 Other Funds Ltd	21,800	21,800	0	-
6400 Federal Funds Ltd	18,431	18,431	0	-
All Funds	40,231	40,231	0	-
<b>4200 Telecommunications</b>				
3400 Other Funds Ltd	14,759	14,759	0	-
6400 Federal Funds Ltd	7,928	7,928	0	-
All Funds	22,687	22,687	0	-
<b>4250 Data Processing</b>				
3400 Other Funds Ltd	526	526	0	-
6400 Federal Funds Ltd	9,910	9,910	0	-
All Funds	10,436	10,436	0	-
<b>4275 Publicity and Publications</b>				
3400 Other Funds Ltd	488	488	0	-
6400 Federal Funds Ltd	1,449	1,449	0	-
All Funds	1,937	1,937	0	-
<b>4300 Professional Services</b>				
3400 Other Funds Ltd	311,986	311,986	0	-
6400 Federal Funds Ltd	70,652	70,652	0	-
All Funds	382,638	382,638	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>4325 Attorney General</b>				
3400 Other Funds Ltd	4,572	4,572	0	-
<b>4375 Employee Recruitment and Develop</b>				
3400 Other Funds Ltd	2,435	2,435	0	-
6400 Federal Funds Ltd	5,737	5,737	0	-
All Funds	8,172	8,172	0	-
<b>4400 Dues and Subscriptions</b>				
3400 Other Funds Ltd	12	12	0	-
6400 Federal Funds Ltd	810	810	0	-
All Funds	822	822	0	-
<b>4425 Facilities Rental and Taxes</b>				
3400 Other Funds Ltd	45	45	0	-
<b>4450 Fuels and Utilities</b>				
3400 Other Funds Ltd	7,740	7,740	0	-
6400 Federal Funds Ltd	24,808	24,808	0	-
All Funds	32,548	32,548	0	-
<b>4475 Facilities Maintenance</b>				
3400 Other Funds Ltd	26,951	26,951	0	-
6400 Federal Funds Ltd	29,580	29,580	0	-
All Funds	56,531	56,531	0	-
<b>4575 Agency Program Related S and S</b>				
6400 Federal Funds Ltd	5,303	5,303	0	-
<b>4650 Other Services and Supplies</b>				
3400 Other Funds Ltd	56,110	56,110	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
6400 Federal Funds Ltd	10,851	10,851	0	-
All Funds	66,961	66,961	0	-
<b>4700 Expendable Prop 250 - 5000</b>				
3400 Other Funds Ltd	3,384	3,384	0	-
6400 Federal Funds Ltd	20,863	20,863	0	-
All Funds	24,247	24,247	0	-
<b>4715 IT Expendable Property</b>				
3400 Other Funds Ltd	46,273	46,273	0	-
6400 Federal Funds Ltd	1,421	1,421	0	-
All Funds	47,694	47,694	0	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	530,699	530,699	0	-
6400 Federal Funds Ltd	258,251	258,251	0	-
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$788,950</b>	<b>\$788,950</b>	<b>0</b>	<b>-</b>
<b>CAPITAL OUTLAY</b>				
<b>5200 Technical Equipment</b>				
3400 Other Funds Ltd	38,868	38,868	0	-
6400 Federal Funds Ltd	9,042	9,042	0	-
All Funds	47,910	47,910	0	-
<b>5600 Data Processing Hardware</b>				
3400 Other Funds Ltd	16,253	16,253	0	-
<b>5650 Land and Improvements</b>				
3400 Other Funds Ltd	58,700	58,700	0	-
6400 Federal Funds Ltd	1,000,000	1,000,000	0	-

Version / Column Comparison Report - Detail  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number:14100-030-00-00-00000

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	1,058,700	1,058,700	0	-
<b>TOTAL CAPITAL OUTLAY</b>				
3400 Other Funds Ltd	113,821	113,821	0	-
6400 Federal Funds Ltd	1,009,042	1,009,042	0	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$1,122,863</b>	<b>\$1,122,863</b>	<b>0</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>				
3400 Other Funds Ltd	2,396,979	2,396,979	0	-
6400 Federal Funds Ltd	2,595,998	2,595,998	0	-
<b>TOTAL EXPENDITURES</b>	<b>\$4,992,977</b>	<b>\$4,992,977</b>	<b>0</b>	<b>-</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	1,035,870	1,035,870	0	-
6400 Federal Funds Ltd	1,098,984	1,098,984	0	-
<b>TOTAL ENDING BALANCE</b>	<b>\$2,134,854</b>	<b>\$2,134,854</b>	<b>0</b>	<b>-</b>
<b>AUTHORIZED POSITIONS</b>				
8150 Class/Unclass Positions	16	16	0	-
<b>AUTHORIZED FTE</b>				
8250 Class/Unclass FTE Positions	16.00	16.00	0	-

Version / Column Comparison Report - Detail  
 2015-17 Biennium  
 Capital Improvements

Cross Reference Number:14100-088-00-00-00000

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>REVENUE CATEGORIES</b>				
<b>TRANSFERS IN</b>				
<b>1010 Transfer In - Intrafund</b>				
3010 Other Funds Cap Improvement	594,417	594,417	0	-
<b>AVAILABLE REVENUES</b>				
3010 Other Funds Cap Improvement	594,417	594,417	0	-
<b>EXPENDITURES</b>				
<b>SERVICES &amp; SUPPLIES</b>				
<b>4475 Facilities Maintenance</b>				
3010 Other Funds Cap Improvement	294,417	294,417	0	-
<b>CAPITAL OUTLAY</b>				
<b>5650 Land and Improvements</b>				
3010 Other Funds Cap Improvement	300,000	300,000	0	-
<b>TOTAL EXPENDITURES</b>				
3010 Other Funds Cap Improvement	594,417	594,417	0	-

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

EXPENDITURES

PERSONAL SERVICES

SALARIES & WAGES

3160 Temporary Appointments

3400 Other Funds Ltd	669	669	0	0.00%
6400 Federal Funds Ltd	455	455	0	0.00%
All Funds	1,124	1,124	0	0.00%

3170 Overtime Payments

3400 Other Funds Ltd	2,263	2,263	0	0.00%
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3180 Shift Differential

3400 Other Funds Ltd	232	232	0	0.00%
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SALARIES & WAGES

3400 Other Funds Ltd	3,164	3,164	0	0.00%
6400 Federal Funds Ltd	455	455	0	0.00%

<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$3,619</b>	<b>\$3,619</b>	<b>\$0</b>	<b>0.00%</b>
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OTHER PAYROLL EXPENSES

3220 Public Employees Retire Cont

3400 Other Funds Ltd	395	395	0	0.00%
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3221 Pension Obligation Bond

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	39,517	39,517	0	0.00%
<b>3230 Social Security Taxes</b>				
3400 Other Funds Ltd	241	241	0	0.00%
6400 Federal Funds Ltd	35	35	0	0.00%
All Funds	276	276	0	0.00%
<b>3240 Unemployment Assessments</b>				
3400 Other Funds Ltd	175	175	0	0.00%
<b>OTHER PAYROLL EXPENSES</b>				
3400 Other Funds Ltd	40,328	40,328	0	0.00%
6400 Federal Funds Ltd	35	35	0	0.00%
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$40,363</b>	<b>\$40,363</b>	<b>\$0</b>	<b>0.00%</b>
<b>P.S. BUDGET ADJUSTMENTS</b>				
<b>3455 Vacancy Savings</b>				
3400 Other Funds Ltd	154,107	154,107	0	0.00%
<b>PERSONAL SERVICES</b>				
3400 Other Funds Ltd	197,599	197,599	0	0.00%
6400 Federal Funds Ltd	490	490	0	0.00%
<b>TOTAL PERSONAL SERVICES</b>	<b>\$198,089</b>	<b>\$198,089</b>	<b>\$0</b>	<b>0.00%</b>

EXPENDITURES

Package Comparison Report - Detail  
 2015-17 Biennium  
 Common School Fund

Cross Reference Number: 14100-010-00-00-00000  
 Package: Non-PICS Psnl Svc / Vacancy Factor  
 Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	197,599	197,599	0	0.00%
6400 Federal Funds Ltd	490	490	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$198,089</b>	<b>\$198,089</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(197,599)	(197,599)	0	0.00%
6400 Federal Funds Ltd	(490)	(490)	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>(\$198,089)</b>	<b>(\$198,089)</b>	<b>\$0</b>	<b>0.00%</b>



Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>PERSONAL SERVICES</b>				
<b>SALARIES &amp; WAGES</b>				
<b>3160 Temporary Appointments</b>				
6400 Federal Funds Ltd	(139,340)	(139,340)	0	0.00%
<b>SALARIES &amp; WAGES</b>				
6400 Federal Funds Ltd	(139,340)	(139,340)	0	0.00%
<b>TOTAL SALARIES &amp; WAGES</b>	<b>(\$139,340)</b>	<b>(\$139,340)</b>	<b>\$0</b>	<b>0.00%</b>
<b>OTHER PAYROLL EXPENSES</b>				
<b>3230 Social Security Taxes</b>				
6400 Federal Funds Ltd	(10,660)	(10,660)	0	0.00%
<b>OTHER PAYROLL EXPENSES</b>				
6400 Federal Funds Ltd	(10,660)	(10,660)	0	0.00%
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>(\$10,660)</b>	<b>(\$10,660)</b>	<b>\$0</b>	<b>0.00%</b>
<b>PERSONAL SERVICES</b>				
6400 Federal Funds Ltd	(150,000)	(150,000)	0	0.00%
<b>TOTAL PERSONAL SERVICES</b>	<b>(\$150,000)</b>	<b>(\$150,000)</b>	<b>\$0</b>	<b>0.00%</b>
<b>SERVICES &amp; SUPPLIES</b>				
<b>4300 Professional Services</b>				

Package Comparison Report - Detail  
 2015-17 Biennium  
 Common School Fund

Cross Reference Number: 14100-010-00-00-00000  
 Package: Phase-out Pgm & One-time Costs  
 Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(2,771,053)	(2,771,053)	0	0.00%
6400 Federal Funds Ltd	(80,166)	(80,166)	0	0.00%
All Funds	(2,851,219)	(2,851,219)	0	0.00%
<b>4325 Attorney General</b>				
3400 Other Funds Ltd	(708,027)	(708,027)	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	(3,479,080)	(3,479,080)	0	0.00%
6400 Federal Funds Ltd	(80,166)	(80,166)	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>(\$3,559,246)</b>	<b>(\$3,559,246)</b>	<b>\$0</b>	<b>0.00%</b>
<b>CAPITAL OUTLAY</b>				
<b>5650 Land and Improvements</b>				
3400 Other Funds Ltd	(307,360)	(307,360)	0	0.00%
<b>CAPITAL OUTLAY</b>				
3400 Other Funds Ltd	(307,360)	(307,360)	0	0.00%
<b>TOTAL CAPITAL OUTLAY</b>	<b>(\$307,360)</b>	<b>(\$307,360)</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	(3,786,440)	(3,786,440)	0	0.00%
6400 Federal Funds Ltd	(230,166)	(230,166)	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>(\$4,016,606)</b>	<b>(\$4,016,606)</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	3,786,440	3,786,440	0	0.00%
6400 Federal Funds Ltd	230,166	230,166	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>\$4,016,606</b>	<b>\$4,016,606</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

EXPENDITURES

SERVICES & SUPPLIES

4100 Instate Travel

3400 Other Funds Ltd 10,094 10,094 0 0.00%

4125 Out of State Travel

3400 Other Funds Ltd 108 108 0 0.00%

4150 Employee Training

3400 Other Funds Ltd 2,324 2,324 0 0.00%

4175 Office Expenses

3400 Other Funds Ltd 7,481 7,481 0 0.00%

4200 Telecommunications

3400 Other Funds Ltd 4,401 4,401 0 0.00%

4225 State Gov. Service Charges

3400 Other Funds Ltd 592,216 418,722 (173,494) (29.30%)

4250 Data Processing

3400 Other Funds Ltd 3,052 3,052 0 0.00%

4275 Publicity and Publications

3400 Other Funds Ltd 2,593 2,593 0 0.00%

4300 Professional Services

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	14,080	14,080	0	0.00%
<b>4315 IT Professional Services</b>				
3400 Other Funds Ltd	5,860	5,860	0	0.00%
<b>4325 Attorney General</b>				
3400 Other Funds Ltd	320,917	227,525	(93,392)	(29.10%)
<b>4375 Employee Recruitment and Develop</b>				
3400 Other Funds Ltd	531	531	0	0.00%
<b>4400 Dues and Subscriptions</b>				
3400 Other Funds Ltd	189	189	0	0.00%
<b>4425 Facilities Rental and Taxes</b>				
3400 Other Funds Ltd	14,487	14,487	0	0.00%
<b>4450 Fuels and Utilities</b>				
3400 Other Funds Ltd	6,738	6,738	0	0.00%
<b>4475 Facilities Maintenance</b>				
3400 Other Funds Ltd	11,024	11,024	0	0.00%
<b>4575 Agency Program Related S and S</b>				
3400 Other Funds Ltd	25	25	0	0.00%
<b>4650 Other Services and Supplies</b>				
3400 Other Funds Ltd	14,518	14,518	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>4700 Expendable Prop 250 - 5000</b>				
3400 Other Funds Ltd	572	572	0	0.00%
<b>4715 IT Expendable Property</b>				
3400 Other Funds Ltd	3,159	3,159	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	1,014,369	747,483	(266,886)	(26.31%)
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$1,014,369</b>	<b>\$747,483</b>	<b>(\$266,886)</b>	<b>(26.31%)</b>
<b>CAPITAL OUTLAY</b>				
<b>5100 Office Furniture and Fixtures</b>				
3400 Other Funds Ltd	763	763	0	0.00%
<b>5550 Data Processing Software</b>				
3400 Other Funds Ltd	2,117	2,117	0	0.00%
<b>5600 Data Processing Hardware</b>				
3400 Other Funds Ltd	29	29	0	0.00%
<b>CAPITAL OUTLAY</b>				
3400 Other Funds Ltd	2,909	2,909	0	0.00%
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$2,909</b>	<b>\$2,909</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	1,017,278	750,392	(266,886)	(26.24%)

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>TOTAL EXPENDITURES</b>	<b>\$1,017,278</b>	<b>\$750,392</b>	<b>(\$266,886)</b>	<b>(26.24%)</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(1,017,278)	(750,392)	266,886	26.24%
<b>TOTAL ENDING BALANCE</b>	<b>(\$1,017,278)</b>	<b>(\$750,392)</b>	<b>\$266,886</b>	<b>26.24%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>SERVICES &amp; SUPPLIES</b>				
<b>4300 Professional Services</b>				
3400 Other Funds Ltd	1,408	1,408	0	0.00%
<b>4315 IT Professional Services</b>				
3400 Other Funds Ltd	586	586	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	1,994	1,994	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$1,994</b>	<b>\$1,994</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	1,994	1,994	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$1,994</b>	<b>\$1,994</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(1,994)	(1,994)	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>(\$1,994)</b>	<b>(\$1,994)</b>	<b>\$0</b>	<b>0.00%</b>



Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>PERSONAL SERVICES</b>				
<b>SALARIES &amp; WAGES</b>				
<b>3110 Class/Unclass Sal. and Per Diem</b>				
3400 Other Funds Ltd	126,600	126,600	0	0.00%
<b>SALARIES &amp; WAGES</b>				
3400 Other Funds Ltd	126,600	126,600	0	0.00%
<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$126,600</b>	<b>\$126,600</b>	<b>\$0</b>	<b>0.00%</b>

<b>OTHER PAYROLL EXPENSES</b>				
<b>3210 Empl. Rel. Bd. Assessments</b>				
3400 Other Funds Ltd	44	44	0	0.00%
<b>3220 Public Employees Retire Cont</b>				
3400 Other Funds Ltd	19,990	19,990	0	0.00%
<b>3230 Social Security Taxes</b>				
3400 Other Funds Ltd	9,685	9,685	0	0.00%
<b>3250 Workers Comp. Assess. (WCD)</b>				
3400 Other Funds Ltd	69	69	0	0.00%
<b>3270 Flexible Benefits</b>				
3400 Other Funds Ltd	30,528	30,528	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>OTHER PAYROLL EXPENSES</b>				
3400 Other Funds Ltd	60,316	60,316	0	0.00%
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$60,316</b>	<b>\$60,316</b>	<b>\$0</b>	<b>0.00%</b>
<b>PERSONAL SERVICES</b>				
3400 Other Funds Ltd	186,916	186,916	0	0.00%
<b>TOTAL PERSONAL SERVICES</b>	<b>\$186,916</b>	<b>\$186,916</b>	<b>\$0</b>	<b>0.00%</b>
<b>SERVICES &amp; SUPPLIES</b>				
<b>4100 Instate Travel</b>				
3400 Other Funds Ltd	1,500	1,500	0	0.00%
<b>4175 Office Expenses</b>				
3400 Other Funds Ltd	500	500	0	0.00%
<b>4200 Telecommunications</b>				
3400 Other Funds Ltd	2,700	2,700	0	0.00%
<b>4300 Professional Services</b>				
3400 Other Funds Ltd	3,912,000	3,912,000	0	0.00%
<b>4325 Attorney General</b>				
3400 Other Funds Ltd	639,633	639,633	0	0.00%
<b>4425 Facilities Rental and Taxes</b>				
3400 Other Funds Ltd	1,480	1,480	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>4715 IT Expendable Property</b>				
3400 Other Funds Ltd	1,500	1,500	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	4,559,313	4,559,313	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$4,559,313</b>	<b>\$4,559,313</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	4,746,229	4,746,229	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$4,746,229</b>	<b>\$4,746,229</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(4,746,229)	(4,746,229)	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>(\$4,746,229)</b>	<b>(\$4,746,229)</b>	<b>\$0</b>	<b>0.00%</b>
<b>AUTHORIZED POSITIONS</b>				
8150 Class/Unclass Positions	1	1	0	0.00%
<b>AUTHORIZED FTE</b>				
8250 Class/Unclass FTE Positions	1.00	1.00	0.00	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>PERSONAL SERVICES</b>				
<b>SALARIES &amp; WAGES</b>				
<b>3110 Class/Unclass Sal. and Per Diem</b>				
3400 Other Funds Ltd	167,952	153,956	(13,996)	(8.33%)
<b>SALARIES &amp; WAGES</b>				
3400 Other Funds Ltd	167,952	153,956	(13,996)	(8.33%)
<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$167,952</b>	<b>\$153,956</b>	<b>(\$13,996)</b>	<b>(8.33%)</b>
<b>OTHER PAYROLL EXPENSES</b>				
<b>3210 Empl. Rel. Bd. Assessments</b>				
3400 Other Funds Ltd	44	40	(4)	(9.09%)
<b>3220 Public Employees Retire Cont</b>				
3400 Other Funds Ltd	26,520	24,310	(2,210)	(8.33%)
<b>3230 Social Security Taxes</b>				
3400 Other Funds Ltd	12,848	11,778	(1,070)	(8.33%)
<b>3250 Workers Comp. Assess. (WCD)</b>				
3400 Other Funds Ltd	69	63	(6)	(8.70%)
<b>3270 Flexible Benefits</b>				
3400 Other Funds Ltd	30,528	27,984	(2,544)	(8.33%)

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>OTHER PAYROLL EXPENSES</b>				
3400 Other Funds Ltd	70,009	64,175	(5,834)	(8.33%)
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$70,009</b>	<b>\$64,175</b>	<b>(\$5,834)</b>	<b>(8.33%)</b>
<b>PERSONAL SERVICES</b>				
3400 Other Funds Ltd	237,961	218,131	(19,830)	(8.33%)
<b>TOTAL PERSONAL SERVICES</b>	<b>\$237,961</b>	<b>\$218,131</b>	<b>(\$19,830)</b>	<b>(8.33%)</b>
<b>SERVICES &amp; SUPPLIES</b>				
<b>4150 Employee Training</b>				
3400 Other Funds Ltd	1,000	1,000	0	0.00%
<b>4175 Office Expenses</b>				
3400 Other Funds Ltd	500	500	0	0.00%
<b>4200 Telecommunications</b>				
3400 Other Funds Ltd	1,200	1,200	0	0.00%
<b>4300 Professional Services</b>				
3400 Other Funds Ltd	50,000	50,000	0	0.00%
<b>4375 Employee Recruitment and Develop</b>				
3400 Other Funds Ltd	500	500	0	0.00%
<b>4400 Dues and Subscriptions</b>				
3400 Other Funds Ltd	150	150	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>4650 Other Services and Supplies</b>				
3400 Other Funds Ltd	1,500	1,500	0	0.00%
<b>4715 IT Expendable Property</b>				
3400 Other Funds Ltd	1,500	1,500	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	56,350	56,350	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$56,350</b>	<b>\$56,350</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	294,311	274,481	(19,830)	(6.74%)
<b>TOTAL EXPENDITURES</b>	<b>\$294,311</b>	<b>\$274,481</b>	<b>(\$19,830)</b>	<b>(6.74%)</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(294,311)	(274,481)	19,830	6.74%
<b>TOTAL ENDING BALANCE</b>	<b>(\$294,311)</b>	<b>(\$274,481)</b>	<b>\$19,830</b>	<b>6.74%</b>
<b>AUTHORIZED POSITIONS</b>				
8150 Class/Unclass Positions	1	1	0	0.00%
<b>AUTHORIZED FTE</b>				
8250 Class/Unclass FTE Positions	1.00	0.92	(0.08)	(8.00%)

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>SERVICES &amp; SUPPLIES</b>				
<b>4200 Telecommunications</b>				
3400 Other Funds Ltd	47,400	47,400	0	0.00%
<b>4315 IT Professional Services</b>				
3400 Other Funds Ltd	5,900	5,900	0	0.00%
<b>4650 Other Services and Supplies</b>				
3400 Other Funds Ltd	14,232	14,232	0	0.00%
<b>4715 IT Expendable Property</b>				
3400 Other Funds Ltd	3,900	3,900	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	71,432	71,432	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$71,432</b>	<b>\$71,432</b>	<b>\$0</b>	<b>0.00%</b>
<b>CAPITAL OUTLAY</b>				
<b>5200 Technical Equipment</b>				
3400 Other Funds Ltd	133,250	133,250	0	0.00%
<b>CAPITAL OUTLAY</b>				
3400 Other Funds Ltd	133,250	133,250	0	0.00%
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$133,250</b>	<b>\$133,250</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	204,682	204,682	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$204,682</b>	<b>\$204,682</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(204,682)	(204,682)	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>(\$204,682)</b>	<b>(\$204,682)</b>	<b>\$0</b>	<b>0.00%</b>



Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>REVENUE CATEGORIES</b>				
<b>CHARGES FOR SERVICES</b>				
<b>0410 Charges for Services</b>				
3400 Other Funds Ltd	23,750	23,750	0	0.00%
<b>REVENUE CATEGORIES</b>				
3400 Other Funds Ltd	23,750	23,750	0	0.00%
<b>TOTAL REVENUE CATEGORIES</b>	<b>\$23,750</b>	<b>\$23,750</b>	<b>\$0</b>	<b>0.00%</b>
<b>AVAILABLE REVENUES</b>				
3400 Other Funds Ltd	23,750	23,750	0	0.00%
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$23,750</b>	<b>\$23,750</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	23,750	23,750	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>\$23,750</b>	<b>\$23,750</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>REVENUE CATEGORIES</b>				
<b>TRANSFERS IN</b>				
<b>1845 Tsfr From Or Liquor Cntrl Comm</b>				
3400 Other Funds Ltd	-	3,643,577	3,643,577	100.00%
<b>REVENUE CATEGORIES</b>				
3400 Other Funds Ltd	-	3,643,577	3,643,577	100.00%
<b>TOTAL REVENUE CATEGORIES</b>	-	<b>\$3,643,577</b>	<b>\$3,643,577</b>	<b>100.00%</b>
<b>AVAILABLE REVENUES</b>				
3400 Other Funds Ltd	-	3,643,577	3,643,577	100.00%
<b>TOTAL AVAILABLE REVENUES</b>	-	<b>\$3,643,577</b>	<b>\$3,643,577</b>	<b>100.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	-	3,643,577	3,643,577	100.00%
<b>TOTAL ENDING BALANCE</b>	-	<b>\$3,643,577</b>	<b>\$3,643,577</b>	<b>100.00%</b>

Package Comparison Report - Detail  
 2015-17 Biennium  
 Oregon Wetlands Revolving Fund

Cross Reference Number: 14100-013-00-00-00000  
 Package: Non-PICS Psnl Svc / Vacancy Factor  
 Pkg Group: ESS Pkg Type: 010 Pkg Number: 010

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>PERSONAL SERVICES</b>				
<b>OTHER PAYROLL EXPENSES</b>				
<b>3221 Pension Obligation Bond</b>				
3400 Other Funds Ltd	(2,811)	(2,811)	0	0.00%
<b>3260 Mass Transit Tax</b>				
3400 Other Funds Ltd	(319)	(319)	0	0.00%
<b>OTHER PAYROLL EXPENSES</b>				
3400 Other Funds Ltd	(3,130)	(3,130)	0	0.00%
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>(\$3,130)</b>	<b>(\$3,130)</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	(3,130)	(3,130)	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>(\$3,130)</b>	<b>(\$3,130)</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	3,130	3,130	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>\$3,130</b>	<b>\$3,130</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

EXPENDITURES

SERVICES & SUPPLIES

4100 Instate Travel

3400 Other Funds Ltd	307	307	0	0.00%
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4125 Out of State Travel

3400 Other Funds Ltd	61	61	0	0.00%
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4150 Employee Training

3400 Other Funds Ltd	184	184	0	0.00%
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4175 Office Expenses

3400 Other Funds Ltd	92	92	0	0.00%
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4200 Telecommunications

3400 Other Funds Ltd	75	75	0	0.00%
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4250 Data Processing

3400 Other Funds Ltd	46	46	0	0.00%
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4375 Employee Recruitment and Develop

3400 Other Funds Ltd	15	15	0	0.00%
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4575 Agency Program Related S and S

3400 Other Funds Ltd	17,369	17,369	0	0.00%
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4650 Other Services and Supplies

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	585	585	0	0.00%
<b>4700 Expendable Prop 250 - 5000</b>				
3400 Other Funds Ltd	31	31	0	0.00%
<b>4715 IT Expendable Property</b>				
3400 Other Funds Ltd	61	61	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	18,826	18,826	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$18,826</b>	<b>\$18,826</b>	<b>\$0</b>	<b>0.00%</b>
<b>CAPITAL OUTLAY</b>				
<b>5100 Office Furniture and Fixtures</b>				
3400 Other Funds Ltd	31	31	0	0.00%
<b>SPECIAL PAYMENTS</b>				
<b>6030 Dist to Non-Gov Units</b>				
3400 Other Funds Ltd	31,457	31,457	0	0.00%
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	50,314	50,314	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$50,314</b>	<b>\$50,314</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(50,314)	(50,314)	0	0.00%

**Package Comparison Report - Detail  
2015-17 Biennium  
Oregon Wetlands Revolving Fund**

**Cross Reference Number: 14100-013-00-00-00000**

**Package: Standard Inflation**

**Pkg Group: ESS Pkg Type: 030 Pkg Number: 031**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>TOTAL ENDING BALANCE</b>	<b>(\$50,314)</b>	<b>(\$50,314)</b>	<b>\$0</b>	<b>0.00%</b>

Package Comparison Report - Detail  
 2015-17 Biennium  
 Natural Heritage Program

Cross Reference Number: 14100-020-00-00-00000  
 Package: Phase-out Pgm & One-time Costs  
 Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>SPECIAL PAYMENTS</b>				
<b>6085 Other Special Payments</b>				
6400 Federal Funds Ltd	(57,800)	(57,800)	0	0.00%
<b>ENDING BALANCE</b>				
6400 Federal Funds Ltd	57,800	57,800	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>\$57,800</b>	<b>\$57,800</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>PERSONAL SERVICES</b>				
<b>SALARIES &amp; WAGES</b>				
<b>3160 Temporary Appointments</b>				
3400 Other Funds Ltd	1,465	1,465	0	0.00%
6400 Federal Funds Ltd	2,115	2,115	0	0.00%
All Funds	3,580	3,580	0	0.00%
<b>3170 Overtime Payments</b>				
6400 Federal Funds Ltd	91	91	0	0.00%
<b>SALARIES &amp; WAGES</b>				
3400 Other Funds Ltd	1,465	1,465	0	0.00%
6400 Federal Funds Ltd	2,206	2,206	0	0.00%
<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$3,671</b>	<b>\$3,671</b>	<b>\$0</b>	<b>0.00%</b>
<b>OTHER PAYROLL EXPENSES</b>				
<b>3220 Public Employees Retire Cont</b>				
6400 Federal Funds Ltd	14	14	0	0.00%
<b>3221 Pension Obligation Bond</b>				
3400 Other Funds Ltd	8,170	8,170	0	0.00%
6400 Federal Funds Ltd	(3,389)	(3,389)	0	0.00%



Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	4,781	4,781	0	0.00%
<b>3230 Social Security Taxes</b>				
3400 Other Funds Ltd	112	112	0	0.00%
6400 Federal Funds Ltd	169	169	0	0.00%
All Funds	281	281	0	0.00%
<b>3240 Unemployment Assessments</b>				
3400 Other Funds Ltd	171	171	0	0.00%
<b>OTHER PAYROLL EXPENSES</b>				
3400 Other Funds Ltd	8,453	8,453	0	0.00%
6400 Federal Funds Ltd	(3,206)	(3,206)	0	0.00%
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$5,247</b>	<b>\$5,247</b>	<b>\$0</b>	<b>0.00%</b>
<b>P.S. BUDGET ADJUSTMENTS</b>				
<b>3455 Vacancy Savings</b>				
6400 Federal Funds Ltd	14,372	14,372	0	0.00%
<b>PERSONAL SERVICES</b>				
3400 Other Funds Ltd	9,918	9,918	0	0.00%
6400 Federal Funds Ltd	13,372	13,372	0	0.00%
<b>TOTAL PERSONAL SERVICES</b>	<b>\$23,290</b>	<b>\$23,290</b>	<b>\$0</b>	<b>0.00%</b>

EXPENDITURES

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	9,918	9,918	0	0.00%
6400 Federal Funds Ltd	13,372	13,372	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$23,290</b>	<b>\$23,290</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(9,918)	(9,918)	0	0.00%
6400 Federal Funds Ltd	(13,372)	(13,372)	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>(\$23,290)</b>	<b>(\$23,290)</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>PERSONAL SERVICES</b>				
<b>SALARIES &amp; WAGES</b>				
<b>3160 Temporary Appointments</b>				
3400 Other Funds Ltd	(216,804)	(216,804)	0	0.00%
<b>SALARIES &amp; WAGES</b>				
3400 Other Funds Ltd	(216,804)	(216,804)	0	0.00%
<b>TOTAL SALARIES &amp; WAGES</b>	<b>(\$216,804)</b>	<b>(\$216,804)</b>	<b>\$0</b>	<b>0.00%</b>
<b>OTHER PAYROLL EXPENSES</b>				
<b>3230 Social Security Taxes</b>				
3400 Other Funds Ltd	(16,586)	(16,586)	0	0.00%
<b>OTHER PAYROLL EXPENSES</b>				
3400 Other Funds Ltd	(16,586)	(16,586)	0	0.00%
<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>(\$16,586)</b>	<b>(\$16,586)</b>	<b>\$0</b>	<b>0.00%</b>
<b>PERSONAL SERVICES</b>				
3400 Other Funds Ltd	(233,390)	(233,390)	0	0.00%
<b>TOTAL PERSONAL SERVICES</b>	<b>(\$233,390)</b>	<b>(\$233,390)</b>	<b>\$0</b>	<b>0.00%</b>
<b>SERVICES &amp; SUPPLIES</b>				
<b>4300 Professional Services</b>				

Package Comparison Report - Detail  
 2015-17 Biennium  
 South Slough National Estuarine

Cross Reference Number: 14100-030-00-00-00000  
 Package: Phase-out Pgm & One-time Costs  
 Pkg Group: ESS Pkg Type: 020 Pkg Number: 022

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(166,436)	(166,436)	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	(166,436)	(166,436)	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>(\$166,436)</b>	<b>(\$166,436)</b>	<b>\$0</b>	<b>0.00%</b>
<b>CAPITAL OUTLAY</b>				
<b>5650 Land and Improvements</b>				
3400 Other Funds Ltd	(58,700)	(58,700)	0	0.00%
6400 Federal Funds Ltd	(1,000,000)	(1,000,000)	0	0.00%
All Funds	(1,058,700)	(1,058,700)	0	0.00%
<b>CAPITAL OUTLAY</b>				
3400 Other Funds Ltd	(58,700)	(58,700)	0	0.00%
6400 Federal Funds Ltd	(1,000,000)	(1,000,000)	0	0.00%
<b>TOTAL CAPITAL OUTLAY</b>	<b>(\$1,058,700)</b>	<b>(\$1,058,700)</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	(458,526)	(458,526)	0	0.00%
6400 Federal Funds Ltd	(1,000,000)	(1,000,000)	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>(\$1,458,526)</b>	<b>(\$1,458,526)</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	458,526	458,526	0	0.00%

**Package Comparison Report - Detail  
2015-17 Biennium  
South Slough National Estuarine**

**Cross Reference Number: 14100-030-00-00-00000  
Package: Phase-out Pgm & One-time Costs  
Pkg Group: ESS Pkg Type: 020 Pkg Number: 022**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
6400 Federal Funds Ltd	1,000,000	1,000,000	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>\$1,458,526</b>	<b>\$1,458,526</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

EXPENDITURES

SERVICES & SUPPLIES

4100 Instate Travel

3400 Other Funds Ltd	539	539	0	0.00%
6400 Federal Funds Ltd	514	514	0	0.00%
All Funds	1,053	1,053	0	0.00%

4125 Out of State Travel

3400 Other Funds Ltd	216	216	0	0.00%
6400 Federal Funds Ltd	380	380	0	0.00%
All Funds	596	596	0	0.00%

4150 Employee Training

3400 Other Funds Ltd	253	253	0	0.00%
6400 Federal Funds Ltd	621	621	0	0.00%
All Funds	874	874	0	0.00%

4175 Office Expenses

3400 Other Funds Ltd	654	654	0	0.00%
6400 Federal Funds Ltd	553	553	0	0.00%
All Funds	1,207	1,207	0	0.00%

4200 Telecommunications

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	443	443	0	0.00%
6400 Federal Funds Ltd	238	238	0	0.00%
All Funds	681	681	0	0.00%
<b>4250 Data Processing</b>				
3400 Other Funds Ltd	16	16	0	0.00%
6400 Federal Funds Ltd	297	297	0	0.00%
All Funds	313	313	0	0.00%
<b>4275 Publicity and Publications</b>				
3400 Other Funds Ltd	15	15	0	0.00%
6400 Federal Funds Ltd	43	43	0	0.00%
All Funds	58	58	0	0.00%
<b>4300 Professional Services</b>				
3400 Other Funds Ltd	4,367	4,367	0	0.00%
6400 Federal Funds Ltd	2,120	2,120	0	0.00%
All Funds	6,487	6,487	0	0.00%
<b>4325 Attorney General</b>				
3400 Other Funds Ltd	878	623	(255)	(29.04%)
<b>4375 Employee Recruitment and Develop</b>				
3400 Other Funds Ltd	73	73	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
6400 Federal Funds Ltd	172	172	0	0.00%
All Funds	245	245	0	0.00%
<b>4400 Dues and Subscriptions</b>				
6400 Federal Funds Ltd	24	24	0	0.00%
<b>4425 Facilities Rental and Taxes</b>				
3400 Other Funds Ltd	1	1	0	0.00%
<b>4450 Fuels and Utilities</b>				
3400 Other Funds Ltd	232	232	0	0.00%
6400 Federal Funds Ltd	744	744	0	0.00%
All Funds	976	976	0	0.00%
<b>4475 Facilities Maintenance</b>				
3400 Other Funds Ltd	809	809	0	0.00%
6400 Federal Funds Ltd	887	887	0	0.00%
All Funds	1,696	1,696	0	0.00%
<b>4575 Agency Program Related S and S</b>				
6400 Federal Funds Ltd	159	159	0	0.00%
<b>4650 Other Services and Supplies</b>				
3400 Other Funds Ltd	1,683	1,683	0	0.00%
6400 Federal Funds Ltd	326	326	0	0.00%



Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	2,009	2,009	0	0.00%
<b>4700 Expendable Prop 250 - 5000</b>				
3400 Other Funds Ltd	102	102	0	0.00%
6400 Federal Funds Ltd	626	626	0	0.00%
All Funds	728	728	0	0.00%
<b>4715 IT Expendable Property</b>				
3400 Other Funds Ltd	1,388	1,388	0	0.00%
6400 Federal Funds Ltd	43	43	0	0.00%
All Funds	1,431	1,431	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	11,669	11,414	(255)	(2.19%)
6400 Federal Funds Ltd	7,747	7,747	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$19,416</b>	<b>\$19,161</b>	<b>(\$255)</b>	<b>(1.31%)</b>
<b>CAPITAL OUTLAY</b>				
<b>5200 Technical Equipment</b>				
3400 Other Funds Ltd	1,166	1,166	0	0.00%
6400 Federal Funds Ltd	271	271	0	0.00%
All Funds	1,437	1,437	0	0.00%
<b>5600 Data Processing Hardware</b>				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	488	488	0	0.00%
<b>CAPITAL OUTLAY</b>				
3400 Other Funds Ltd	1,654	1,654	0	0.00%
6400 Federal Funds Ltd	271	271	0	0.00%
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$1,925</b>	<b>\$1,925</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	13,323	13,068	(255)	(1.91%)
6400 Federal Funds Ltd	8,018	8,018	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$21,341</b>	<b>\$21,086</b>	<b>(\$255)</b>	<b>(1.19%)</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(13,323)	(13,068)	255	1.91%
6400 Federal Funds Ltd	(8,018)	(8,018)	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>(\$21,341)</b>	<b>(\$21,086)</b>	<b>\$255</b>	<b>1.19%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>SERVICES &amp; SUPPLIES</b>				
<b>4300 Professional Services</b>				
3400 Other Funds Ltd	436	436	0	0.00%
6400 Federal Funds Ltd	212	212	0	0.00%
All Funds	648	648	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	436	436	0	0.00%
6400 Federal Funds Ltd	212	212	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$648</b>	<b>\$648</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	436	436	0	0.00%
6400 Federal Funds Ltd	212	212	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$648</b>	<b>\$648</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	(436)	(436)	0	0.00%
6400 Federal Funds Ltd	(212)	(212)	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>(\$648)</b>	<b>(\$648)</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		

EXPENDITURES

PERSONAL SERVICES

SALARIES & WAGES

3110 Class/Unclass Sal. and Per Diem

3400 Other Funds Ltd	21,456	21,456	0	0.00%
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3190 All Other Differential

3400 Other Funds Ltd	8,034	8,034	0	0.00%
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SALARIES & WAGES

3400 Other Funds Ltd	29,490	29,490	0	0.00%
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<b>TOTAL SALARIES &amp; WAGES</b>	<b>\$29,490</b>	<b>\$29,490</b>	<b>\$0</b>	<b>0.00%</b>
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OTHER PAYROLL EXPENSES

3220 Public Employees Retire Cont

3400 Other Funds Ltd	4,656	4,656	0	0.00%
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3230 Social Security Taxes

3400 Other Funds Ltd	2,256	2,256	0	0.00%
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OTHER PAYROLL EXPENSES

3400 Other Funds Ltd	6,912	6,912	0	0.00%
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<b>TOTAL OTHER PAYROLL EXPENSES</b>	<b>\$6,912</b>	<b>\$6,912</b>	<b>\$0</b>	<b>0.00%</b>
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PERSONAL SERVICES

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	36,402	36,402	0	0.00%
<b>TOTAL PERSONAL SERVICES</b>	<b>\$36,402</b>	<b>\$36,402</b>	<b>\$0</b>	<b>0.00%</b>
<b>SERVICES &amp; SUPPLIES</b>				
<b>4300 Professional Services</b>				
3400 Other Funds Ltd	(36,402)	(36,402)	0	0.00%
<b>SERVICES &amp; SUPPLIES</b>				
3400 Other Funds Ltd	(36,402)	(36,402)	0	0.00%
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>(\$36,402)</b>	<b>(\$36,402)</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
3400 Other Funds Ltd	-	-	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3400 Other Funds Ltd	-	-	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>CAPITAL OUTLAY</b>				
<b>5650 Land and Improvements</b>				
3010 Other Funds Cap Improvement	(300,000)	(300,000)	0	0.00%
<b>EXPENDITURES</b>				
3010 Other Funds Cap Improvement	(300,000)	(300,000)	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>(\$300,000)</b>	<b>(\$300,000)</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3010 Other Funds Cap Improvement	300,000	300,000	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$0</b>	<b>0.00%</b>

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>EXPENDITURES</b>				
<b>SERVICES &amp; SUPPLIES</b>				
<b>4475 Facilities Maintenance</b>				
3010 Other Funds Cap Improvement	8,833	8,833	0	0.00%
<b>EXPENDITURES</b>				
3010 Other Funds Cap Improvement	8,833	8,833	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$8,833</b>	<b>\$8,833</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3010 Other Funds Cap Improvement	(8,833)	(8,833)	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>(\$8,833)</b>	<b>(\$8,833)</b>	<b>\$0</b>	<b>0.00%</b>

Package Comparison Report - Detail  
 2015-17 Biennium  
 Capital Improvements

Cross Reference Number: 14100-088-00-00-00000  
 Package: Agriculture Development  
 Pkg Group: POL Pkg Type: POL Pkg Number: 105

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
<b>REVENUE CATEGORIES</b>				
<b>TRANSFERS IN</b>				
<b>1010 Transfer In - Intrafund</b>				
3010 Other Funds Cap Improvement	455,000	455,000	0	0.00%
<b>AVAILABLE REVENUES</b>				
3010 Other Funds Cap Improvement	455,000	455,000	0	0.00%
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$455,000</b>	<b>\$455,000</b>	<b>\$0</b>	<b>0.00%</b>
<b>EXPENDITURES</b>				
<b>CAPITAL OUTLAY</b>				
<b>5650 Land and Improvements</b>				
3010 Other Funds Cap Improvement	455,000	455,000	0	0.00%
<b>EXPENDITURES</b>				
3010 Other Funds Cap Improvement	455,000	455,000	0	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$455,000</b>	<b>\$455,000</b>	<b>\$0</b>	<b>0.00%</b>
<b>ENDING BALANCE</b>				
3010 Other Funds Cap Improvement	-	-	0	0.00%
<b>TOTAL ENDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>\$0</b>	<b>0.00%</b>



PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AX	C0103	AA OFFICE SPECIALIST 1	2	2.00	48.00	2,874.00		137,952			137,952
000	AX	C0104	AA OFFICE SPECIALIST 2	8	8.00	192.00	2,709.50		520,224			520,224
000	AX	C0107	AA ADMINISTRATIVE SPECIALIST 1	4	4.00	96.00	3,259.00		312,864			312,864
000	AX	C0108	AA ADMINISTRATIVE SPECIALIST 2	2	2.00	48.00	3,485.00		167,280			167,280
000	AX	C0118	AA EXECUTIVE SUPPORT SPECIALIST 1	1	1.00	24.00	2,874.00		68,976			68,976
000	AX	C0211	AA ACCOUNTING TECHNICIAN 2	1	1.00	24.00	2,634.00		63,216			63,216
000	AX	C0212	AA ACCOUNTING TECHNICIAN 3	1	1.00	24.00	3,290.00		78,960			78,960
000	AX	C0322	AA PUBLIC SERVICE REP 2	1	1.00	24.00	2,267.00		54,408			54,408
000	AX	C0436	AA PROCUREMENT & CONTRACT SPEC 1	1	1.00	24.00	4,791.00		114,984			114,984
000	AX	C0801	AA OFFICE COORDINATOR	1	1.00	24.00	3,290.00		78,960			78,960
000	AX	C0860	AA PROGRAM ANALYST 1	2	2.00	48.00	4,165.00		199,920			199,920
000	AX	C0861	AA PROGRAM ANALYST 2	3	3.00	72.00	5,543.00		399,096			399,096
000	AX	C1096	AA PLANNER 1	1	1.00	24.00	3,609.00		86,616			86,616
000	AX	C1098	AA PLANNER 3	1	1.00	24.00	6,080.00		145,920			145,920
000	AX	C1216	AA ACCOUNTANT 2	1	1.00	24.00	3,609.00		86,616			86,616
000	AX	C1217	AA ACCOUNTANT 3	1	1.00	24.00	5,801.00		139,224			139,224
000	AX	C1483	IA INFO SYSTEMS SPECIALIST 3	1	1.00	24.00	3,637.00		87,288			87,288
000	AX	C1484	IA INFO SYSTEMS SPECIALIST 4	3	3.00	72.00	4,396.66		316,560			316,560
000	AX	C1485	IA INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	5,803.00		139,272			139,272
000	AX	C1486	IA INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	6,497.00		155,928			155,928
000	AX	C1524	AA PARALEGAL	1	1.00	24.00	4,791.00		114,984			114,984
000	AX	C4014	AA FACILITY OPERATIONS SPEC 1	1	1.00	24.00	4,161.00		99,864			99,864
000	AX	C5641	AA FISCAL AUDITOR 1	1	1.00	24.00	4,791.00		114,984			114,984
000	AX	C8501	AA NATURAL RESOURCE SPECIALIST 1	3	2.00	48.00	3,241.33		158,064			158,064
000	AX	C8502	AA NATURAL RESOURCE SPECIALIST 2	3	3.00	72.00	4,388.66		315,984			315,984

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AX	C8503	AA NATURAL RESOURCE SPECIALIST 3	21	20.50	492.00	5,288.85		2,605,260			2,605,260
000	AX	C8504	AA NATURAL RESOURCE SPECIALIST 4	3	3.00	72.00	6,060.33		436,344			436,344
000	MEAHZ7014	HA	PRINCIPAL EXECUTIVE/MANAGER H	1	1.00	24.00	12,109.00		290,616			290,616
000	MENNZ0830	AA	EXECUTIVE ASSISTANT	1	1.00	24.00	5,492.00		131,808			131,808
000	MESNZ7010	AA	PRINCIPAL EXECUTIVE/MANAGER F	3	3.00	72.00	8,776.66		631,920			631,920
000	MMN	X0866	AA PUBLIC AFFAIRS SPECIALIST 3	1	1.00	24.00	7,343.00		176,232			176,232
000	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	6,046.00		145,104			145,104
000	MMN	X1099	AA PLANNER 4	1	1.00	24.00	7,343.00		176,232			176,232
000	MMN	X1319	AA HUMAN RESOURCE ASSISTANT	1	1.00	24.00	3,915.00		93,960			93,960
000	MMN	X1322	AA HUMAN RESOURCE ANALYST 3	1	1.00	24.00	6,663.00		159,912			159,912
000	MMN	X5618	AA INTERNAL AUDITOR 3	1	1.00	24.00	5,492.00		131,808			131,808
000	MMN	X8504	AA NATURAL RESOURCE SPECIALIST 4	1	1.00	24.00	6,998.00		167,952			167,952
000	MMS	X1410	IA SYSTEMS & PROGRAMMING SUPV 1	1	1.00	24.00	7,343.00		176,232			176,232
000	MMS	X7006	AA PRINCIPAL EXECUTIVE/MANAGER D	5	5.00	120.00	6,920.60		830,472			830,472
000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	7,701.00		184,824			184,824
000				89	87.50	2100.00	4,958.98		10,496,820			10,496,820

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
101	AX	C8504 AA	NATURAL RESOURCE SPECIALIST 4	1	1.00	24.00	5,275.00		126,600			126,600
101				1	1.00	24.00	5,275.00		126,600			126,600

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
102	MMN	X1218	AA ACCOUNTANT 4	1	.92	22.00	6,998.00		153,956			153,956
102				1	.92	22.00	6,998.00		153,956			153,956
				91	89.42	2146.00	4,984.58		10,777,376			10,777,376

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AX	C8503	AA NATURAL RESOURCE SPECIALIST 3		.50	12.00	5,027.00		60,324			60,324
000					.50	12.00	5,027.00		60,324			60,324
					.50	12.00	5,027.00		60,324			60,324

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AX	C0103	AA OFFICE SPECIALIST 1	1	1.00	24.00	2,874.00		68,976			68,976
000	AX	C0435	AA PROCUREMENT AND CONTRACT ASST	1	1.00	24.00	3,971.00		47,652	47,652		95,304
000	AX	C0860	AA PROGRAM ANALYST 1	1	1.00	24.00	4,161.00			99,864		99,864
000	AX	C1338	AA TRAINING & DEVELOPMENT SPEC 1	2	2.00	48.00	4,575.00		33,477	186,123		219,600
000	AX	C1484	IA INFO SYSTEMS SPECIALIST 4	1	1.00	24.00	3,944.00			94,656		94,656
000	AX	C4012	AA FACILITY MAINTENANCE SPEC	1	1.00	24.00	3,780.00		90,720			90,720
000	AX	C8433	AA PARK RANGER ASSISTANT	1	1.00	24.00	2,634.00			63,216		63,216
000	AX	C8501	AA NATURAL RESOURCE SPECIALIST 1	1	1.00	24.00	3,971.00			95,304		95,304
000	AX	C8503	AA NATURAL RESOURCE SPECIALIST 3	4	4.00	96.00	5,030.50		283,640	199,288		482,928
000	AX	C8504	AA NATURAL RESOURCE SPECIALIST 4	1	1.00	24.00	5,801.00		139,224			139,224
000	MESNZ	7006	AA PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	7,343.00		176,232			176,232
000	MMS	X7002	AA PRINCIPAL EXECUTIVE/MANAGER B	1	1.00	24.00	4,111.00		98,664			98,664
000				16	16.00	384.00	4,491.37		938,585	786,103		1,724,688

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
104	AX	C0863	AA PROGRAM ANALYST 4	1	1.00	24.00	6,695.00		160,680			160,680
104	AX	C8503	AA NATURAL RESOURCE SPECIALIST 3	1-	1.00-	24.00-	5,801.00		139,224-			139,224-
104					.00	.00	6,248.00		21,456			21,456
				16	16.00	384.00	4,686.55		960,041	786,103		1,746,144
				107	105.92	2542.00	4,936.63		11,797,741	786,103		12,583,844

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
				107	105.92	2542.00	4,936.63		11,797,741	786,103		12,583,844



PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AX	C0103	AA OFFICE SPECIALIST 1	3	3.00	72.00	2,874.00		206,928			206,928
000	AX	C0104	AA OFFICE SPECIALIST 2	8	8.00	192.00	2,709.50		520,224			520,224
000	AX	C0107	AA ADMINISTRATIVE SPECIALIST 1	4	4.00	96.00	3,259.00		312,864			312,864
000	AX	C0108	AA ADMINISTRATIVE SPECIALIST 2	2	2.00	48.00	3,485.00		167,280			167,280
000	AX	C0118	AA EXECUTIVE SUPPORT SPECIALIST 1	1	1.00	24.00	2,874.00		68,976			68,976
000	AX	C0211	AA ACCOUNTING TECHNICIAN 2	1	1.00	24.00	2,634.00		63,216			63,216
000	AX	C0212	AA ACCOUNTING TECHNICIAN 3	1	1.00	24.00	3,290.00		78,960			78,960
000	AX	C0322	AA PUBLIC SERVICE REP 2	1	1.00	24.00	2,267.00		54,408			54,408
000	AX	C0435	AA PROCUREMENT AND CONTRACT ASST	1	1.00	24.00	3,971.00		47,652	47,652		95,304
000	AX	C0436	AA PROCUREMENT & CONTRACT SPEC 1	1	1.00	24.00	4,791.00		114,984			114,984
000	AX	C0801	AA OFFICE COORDINATOR	1	1.00	24.00	3,290.00		78,960			78,960
000	AX	C0860	AA PROGRAM ANALYST 1	3	3.00	72.00	4,163.66		199,920	99,864		299,784
000	AX	C0861	AA PROGRAM ANALYST 2	3	3.00	72.00	5,543.00		399,096			399,096
104	AX	C0863	AA PROGRAM ANALYST 4	1	1.00	24.00	6,695.00		160,680			160,680
000	AX	C1096	AA PLANNER 1	1	1.00	24.00	3,609.00		86,616			86,616
000	AX	C1098	AA PLANNER 3	1	1.00	24.00	6,080.00		145,920			145,920
000	AX	C1216	AA ACCOUNTANT 2	1	1.00	24.00	3,609.00		86,616			86,616
000	AX	C1217	AA ACCOUNTANT 3	1	1.00	24.00	5,801.00		139,224			139,224
000	AX	C1338	AA TRAINING & DEVELOPMENT SPEC 1	2	2.00	48.00	4,575.00		33,477	186,123		219,600
000	AX	C1483	IA INFO SYSTEMS SPECIALIST 3	1	1.00	24.00	3,637.00		87,288			87,288
000	AX	C1484	IA INFO SYSTEMS SPECIALIST 4	4	4.00	96.00	4,283.50		316,560	94,656		411,216
000	AX	C1485	IA INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	5,803.00		139,272			139,272
000	AX	C1486	IA INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	6,497.00		155,928			155,928
000	AX	C1524	AA PARALEGAL	1	1.00	24.00	4,791.00		114,984			114,984
000	AX	C4012	AA FACILITY MAINTENANCE SPEC	1	1.00	24.00	3,780.00		90,720			90,720

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	AX	C4014	AA FACILITY OPERATIONS SPEC 1	1	1.00	24.00	4,161.00		99,864			99,864
000	AX	C5641	AA FISCAL AUDITOR 1	1	1.00	24.00	4,791.00		114,984			114,984
000	AX	C8433	AA PARK RANGER ASSISTANT	1	1.00	24.00	2,634.00			63,216		63,216
000	AX	C8501	AA NATURAL RESOURCE SPECIALIST 1	4	3.00	72.00	3,423.75		158,064	95,304		253,368
000	AX	C8502	AA NATURAL RESOURCE SPECIALIST 2	3	3.00	72.00	4,388.66		315,984			315,984
000	AX	C8503	AA NATURAL RESOURCE SPECIALIST 3	24	24.00	576.00	5,259.85		2,810,000	199,288		3,009,288
101	AX	C8504	AA NATURAL RESOURCE SPECIALIST 4	5	5.00	120.00	5,851.40		702,168			702,168
000	MEAHZ	7014	HA PRINCIPAL EXECUTIVE/MANAGER H	1	1.00	24.00	12,109.00		290,616			290,616
000	MENNZ	0830	AA EXECUTIVE ASSISTANT	1	1.00	24.00	5,492.00		131,808			131,808
000	MESNZ	7006	AA PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	7,343.00		176,232			176,232
000	MESNZ	7010	AA PRINCIPAL EXECUTIVE/MANAGER F	3	3.00	72.00	8,776.66		631,920			631,920
000	MMN	X0866	AA PUBLIC AFFAIRS SPECIALIST 3	1	1.00	24.00	7,343.00		176,232			176,232
000	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	6,046.00		145,104			145,104
000	MMN	X1099	AA PLANNER 4	1	1.00	24.00	7,343.00		176,232			176,232
102	MMN	X1218	AA ACCOUNTANT 4	1	.92	22.00	6,998.00		153,956			153,956
000	MMN	X1319	AA HUMAN RESOURCE ASSISTANT	1	1.00	24.00	3,915.00		93,960			93,960
000	MMN	X1322	AA HUMAN RESOURCE ANALYST 3	1	1.00	24.00	6,663.00		159,912			159,912
000	MMN	X5618	AA INTERNAL AUDITOR 3	1	1.00	24.00	5,492.00		131,808			131,808
000	MMN	X8504	AA NATURAL RESOURCE SPECIALIST 4	1	1.00	24.00	6,998.00		167,952			167,952
000	MMS	X1410	IA SYSTEMS & PROGRAMMING SUPV 1	1	1.00	24.00	7,343.00		176,232			176,232
000	MMS	X7002	AA PRINCIPAL EXECUTIVE/MANAGER B	1	1.00	24.00	4,111.00		98,664			98,664
000	MMS	X7006	AA PRINCIPAL EXECUTIVE/MANAGER D	5	5.00	120.00	6,920.60		830,472			830,472
000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	7,701.00		184,824			184,824
				107	105.92	2542.00	4,936.63		11,797,741	786,103		12,583,844

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
				107	105.92	2542.00	4,936.63		11,797,741	786,103		12,583,844

POSITION NUMBER	AUTH NO	ORG STRUC	F POS	Y TYP	CLASS	COMP	RNG	S T P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K	
1411010	001227720	010-12-21-00000	101 0	LF	AX	C8504 AA	30	04	1	1.00	5,275.00	24.00		126,600				
EST DATE: 2015/07/01			EXP DATE: 2017/06/30															
			101						1	1.00		24.00		126,600				

POSITION NUMBER	AUTH NO	ORG STRUC	F POS	CLASS	COMP	RNG	S T P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
1411009	001227710	010-14-00-00000	102 0 PF	MMN X1218	AA	30	08	1	.92	6,998.00	22.00		153,956			
			EST DATE: 2015/09/01		EXP DATE: 9999/01/01											
			102					1	.92		22.00		153,956			
								2	1.92		46.00		280,556			

POSITION NUMBER	AUTH NO	ORG STRUC	F POS	PKG Y TYP	CLASS COMP	RNG P	S T POS	CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
0032001	000020930	030-01-00-00000	104 0 PF	AX	C8503 AA	27 09	1-	1	1.00-	5,801.00	24.00-		139,224-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																
0032001	000020930	030-01-00-00000	104 0 PF	AX	C0863 AA	31 08	1	1	1.00	6,695.00	24.00		160,680			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																
									104	.00	.00		21,456			
										.00	.00		21,456			
										2	1.92	46.00	302,012			

POSITION NUMBER	AUTH NO	ORG STRUC	F POS	CLASS	COMP	RNG	PT	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
								2	1.92		46.00		302,012			

PACKAGE: 101 - Portland Harbor Clean Up

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1411010 AX	C8504 AA	NATURAL RESOURCE SPECIALIST 4	1	1.00	24.00	04	5,275.00		126,600 60,316			126,600 60,316
TOTAL PICS SALARY									126,600			126,600
TOTAL PICS OPE									60,316			60,316
TOTAL PICS PERSONAL SERVICES =			1	1.00	24.00				186,916			186,916



PACKAGE: 102 - Improved Internal Controls

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1411009	MMN X1218 AA	ACCOUNTANT 4	1	.92	22.00	08	6,998.00		153,956 64,175			153,956 64,175
TOTAL PICS SALARY									153,956			153,956
TOTAL PICS OPE									64,175			64,175
TOTAL PICS PERSONAL SERVICES =			1	.92	22.00				218,131			218,131

PACKAGE: 104 - Program Alignment

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
0032001 AX	C0863 AA	PROGRAM ANALYST 4	1	1.00	24.00	08	6,695.00		160,680 68,304			160,680 68,304
0032001 AX	C8503 AA	NATURAL RESOURCE SPECIALIST 3	1-	1.00-	24.00-	09	5,801.00		139,224- 63,276-			139,224- 63,276-
TOTAL PICS SALARY									21,456			21,456
TOTAL PICS OPE									5,028			5,028
TOTAL PICS PERSONAL SERVICES =				.00	.00				26,484			26,484