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# MEMORANDUM

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**To:** Human Services Subcommittee

**From:** Kim To, Legislative Fiscal Office  
(503) 986-1830

**Date:** May 11, 2015

**Subject:** Senate Bill 5503 – Oregon Commission for the Blind  
Work Session Recommendations

## Oregon Commission for the Blind – Agency Totals

	2011-13 Actual	2013-15 Legislatively Approved	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	1,148,036	1,598,027	1,608,959	2,900,038
Other Funds	2,612,522	2,025,381	1,512,345	993,000
Federal Funds	11,175,815	12,693,894	12,510,659	12,361,939
<b>Total Funds</b>	<b>\$14,936,373</b>	<b>\$16,317,302</b>	<b>\$15,631,963</b>	<b>16,254,977</b>
Positions	48	51	50	56
FTE	44.21	46.98	46.21	52.21

The 2015-17 LFO recommended budget for the Oregon Commission for the Blind is 56 positions (52.21 FTE), and \$16,254,977 Total Funds. Attached are the recommendations from the Legislative Fiscal Office for the Oregon Commission for the Blind. It contains the following:

### Adjustments to Current Service Level:

See attached "Work Session Presentation Report" dated 5/6/2015

- Package 070 – Revenue Shortfall: Reduce (\$519,345) Other Funds; (\$1,854,263) Federal Funds; (10) positions; (11.91) FTE. In the last two biennia, the Commission was directed to draw down its Bequests and Donations Account to achieve this match in lieu of a larger General Fund appropriation. These funds are projected to be depleted by the end of the 2013-15 biennium. As a result, the Commission's current service level budget must be reduced by approximately \$2.4 million [\$0.5 million in matching state funds plus \$1.8 in federal funds] across all agency programs. This policy option package identifies the cuts necessary to balance expenditures to projected revenues, assuming no matching state funds. Positions funded through lost revenue sources would be eliminated. Related

services and supplies savings would also be taken. Likely, two of the Commission's three offices outside of Portland would be closed. The number of individual counselors providing services in areas distant from Portland offices would be reduced. Components of programs would have to be eliminated. The number of clients served could decrease by 15%, and waiting times would increase

- Package 101 – Maintain Services through General Fund Restoration: Restore \$403,382 General Fund; \$1,705,543 Federal Funds; 10 positions; 11.91 FTE. This policy package would allow the Commission to maintain its current service level operations, and prevent the reductions identified to address the revenue shortfall discussed in package 070 above. In addition to the reductions discussed in package 070, without this fund restoration package, the Commission could face Maintenance of Effort (MOE) penalties; the agency would be required to impose an Order of Selection requirement due to insufficient staff and services, eliminating flexibility in service delivery. The \$403,382 General Fund appropriation in this package would result in \$1,705,543 Federal Fund revenue due to available match and avoidance of MOE penalties. This package will also allow the Commission to replenish its Bequests and Donations Account.
  
- Package 102 – Independent Living for Older Blind Population Enhancements: Increase \$453,422 General Fund; 3 positions; 3.00 FTE. This package will provide the Commission with an additional three Rehabilitation Instructor for the Blind positions to serve an anticipated 270 additional clients annually. Currently, six Rehabilitation Instructor for the Blind positions split their time serving all clients in three programs (Independent Living Older Blind, vocational rehabilitation, and Independent living Part B). This package will allow the Commission to dedicate staff time more efficiently to providing independent living evaluations; adaptive technologies; mobility, self-care, cooking, and cleaning training; as well other services to individuals in the Independent Living Older Blind Program. This package will also allow the Commission to do outreach to Oregon's increasing ageing population who are currently underserved. Through performance analysis, the Commission identified that it will need to focus on outreach as well providing services for several reasons, including the fact that census data predicts that the number of individuals in Oregon age 55 and older who are visually impaired or blind will jump 37% between 2015 and 2035 from 58,596 individuals to 122,260.
  
- Package 103 – Improve Business Environment for Blind Entrepreneurs: Increase \$434,275 General Fund; 3 positions; 3.00 FTE. This package will give the Commission staffing resources to improve the efficiency of existing operations, and to expand business opportunities for blind entrepreneurs. The Business Enterprises (BE) program trains, licenses and supports individuals who are legally blind in operating food service and vending in public buildings. The program is operated under the federal Randolph-Shepherd Act. The program contracts with public agencies, sets up the business, and then sub-contracts with licensed blind managers to provide services desired by facilities. Licensed blind managers direct the day-to-day operations, retaining the majority of the profits they generate. Each licensed blind manager pays 11% of their net earnings as a set-aside to support the BE program. The set-aside is used for continuing training of the licensed blind managers, as well as maintenance, repair and purchasing of equipment. Currently, the BE program has 16 individuals operating over 500 food service and

vending machines sites throughout Oregon. The BE program is funded primarily by federal vocational rehabilitation funds that are leveraged by a combination of General Fund and the set-aside. This program is currently understaffed compared to other states, with only two staff members working with federal and state agencies to implement all of the federal and state required mandates. With this package, the Commission aims to increase the average manager's income by 10%-20%, and to license a minimum of four managers per biennium. This package requests the following three additional positions (3.00 FTE) to bolster the viability of the BE program by responding to the increasing need for strategic and technical services requested by program participants in order to grow their businesses to increase sales and income:

- 1.00 FTE Program Analyst 1 – to provide onsite profit improvement training and continuing upward mobility training for licensed managers.
- 1.00 FTE Program Analyst 1 to focus on new location development, contract management, and customer service needs. This position would allow the Commission to expand and employ more blind managers.
- 1.00 Executive Support Specialist to provide administrative support for the BE program director and program analysts. This position would process, track and archive contracts, format documents allow accessibility, provide customer service to blind managers, coordinate training conferences, and document and transcribe all public meetings.

***Motion on the LFO Budget Recommendations:***

*Senator/Representative \_\_\_\_\_ move that the Human Services Subcommittee approve the LFO recommendations to SB 5503.*

**Amendment to Appropriation Bill:**

LFO recommends amending Senate Bill 5503 by the following changes:

Line 6	Delete [\$2,705,186] and insert "\$2,900,038"
Line 8	Delete [\$992,528] and insert "\$993,000"
Line 14	Delete [\$12,347,941] and insert "\$12,361,939"

***Motion on the Amendment:***

*Senator/Representative \_\_\_\_\_ move the dash 1 amendment to SB 5503.*

**Performance Measures**

See attached “Legislatively Proposed 2015-17 Key Performance Measures” form.

***Motion on the LFO Key Performance Measure Recommendations:***

*Senator/Representative \_\_\_\_\_ move that the Human Services Subcommittee approve the LFO Key Performance Measures recommendations.*

**SB 5503 Final Subcommittee Action:**

***Final Motion:***

*Senator/Representative \_\_\_\_\_ move that the Human Services Subcommittee move SB 5503 as amended to the Full Joint Committee on Ways and Means with a “do pass” recommendation.*

***Assignment of Carriers:***

*Full: Senator/Representative \_\_\_\_\_*

*House: Representative \_\_\_\_\_*

*Senate: Senator \_\_\_\_\_*

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2013-15 Agy. Leg. Adopted</b>	<b>1,522,942</b>	-	<b>3,052,021</b>	<b>12,129,790</b>	-	-	<b>16,704,753</b>	<b>51</b>	<b>47.73</b>
2013-15 Ebds, SS & Admin Act	75,085	-	(1,026,640)	564,104	-	-	(387,451)	-	(0.75)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2013-15 Leg Approved Budget</b>	<b>1,598,027</b>	-	<b>2,025,381</b>	<b>12,693,894</b>	-	-	<b>16,317,302</b>	<b>51</b>	<b>46.98</b>
<b>2013-15 Leg Approved Budget (Base)</b>	<b>1,598,027</b>	-	<b>2,025,381</b>	<b>12,321,894</b>	-	-	<b>15,945,302</b>	<b>51</b>	<b>46.98</b>
Summary of Base Adjustments	(13,358)	-	(41,867)	(102,098)	-	-	(157,323)	(1)	(0.77)
<b>2015-17 Base Budget</b>	<b>1,584,669</b>	-	<b>1,983,514</b>	<b>12,219,796</b>	-	-	<b>15,787,979</b>	<b>50</b>	<b>46.21</b>
010: Non-PICS Pers Svc/Vacancy Factor	10,221	-	1,909	60,614	-	-	72,744	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(507,765)	-	-	-	(507,765)	-	-
030: Inflation & Price List Adjustments	14,069	-	34,687	230,249	-	-	279,005	-	-
<b>2015-17 Current Service Level</b>	<b>1,608,959</b>	-	<b>1,512,345</b>	<b>12,510,659</b>	-	-	<b>15,631,963</b>	<b>50</b>	<b>46.21</b>
070: Revenue Reductions/Shortfall	-	-	(519,345)	(1,854,263)	-	-	(2,373,608)	(10)	(11.91)
<b>Adjusted 2015-17 Current Service Level</b>	<b>1,608,959</b>	-	<b>993,000</b>	<b>10,656,396</b>	-	-	<b>13,258,355</b>	<b>40</b>	<b>34.30</b>
<b>Total LFO Recommended Packages</b>	<b>1,291,079</b>	-	<b>-</b>	<b>1,705,543</b>	-	-	<b>2,996,622</b>	<b>16</b>	<b>17.91</b>
<b>2015-17 Legislative Actions</b>	<b>2,900,038</b>	-	<b>993,000</b>	<b>12,361,939</b>	-	-	<b>16,254,977</b>	<b>56</b>	<b>52.21</b>
Net change from 2013-15 Leg Approved Budget	1,302,011	-	(1,032,381)	(331,955)	-	-	(62,325)	5	5.23
Percent change from 2013-15 Leg Approved Budget	81.5%	0.0%	(51.0%)	(2.6%)	0.0%	0.0%	(0.4%)	9.8%	11.1%
Net change from 2015-17 Current Service Level	1,291,079	-	-	1,705,543	-	-	2,996,622	16	17.91
Percent change from 2015-17 Current Service Level	80.2%	0.0%	0.0%	16.0%	0.0%	0.0%	22.6%	40.0%	52.2%

Administrative Services

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2013-15 Agy. Leg. Adopted</b>	<b>257,150</b>	-	<b>80,977</b>	<b>1,452,147</b>	-	-	<b>1,790,274</b>	<b>8</b>	<b>7.50</b>
2013-15 Ebds, SS & Admin Act	5,587	-	1,047	22,918	-	-	29,552	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2013-15 Leg Approved Budget</b>	<b>262,737</b>	-	<b>82,024</b>	<b>1,475,065</b>	-	-	<b>1,819,826</b>	<b>8</b>	<b>7.50</b>
<b>2013-15 Leg Approved Budget (Base)</b>	<b>262,737</b>	-	<b>82,024</b>	<b>1,475,065</b>	-	-	<b>1,819,826</b>	<b>8</b>	<b>7.50</b>
Summary of Base Adjustments	(16,174)	-	7,781	(54,156)	-	-	(62,549)	-	(0.02)
<b>2015-17 Base Budget</b>	<b>246,563</b>	-	<b>89,805</b>	<b>1,420,909</b>	-	-	<b>1,757,277</b>	<b>8</b>	<b>7.48</b>
010: Non-PICS Pers Svc/Vacancy Factor	3,000	-	230	25,873	-	-	29,103	-	-
030: Inflation & Price List Adjustments	1,702	-	1,713	32,555	-	-	35,970	-	-
<b>2015-17 Current Service Level</b>	<b>251,265</b>	-	<b>91,748</b>	<b>1,479,337</b>	-	-	<b>1,822,350</b>	<b>8</b>	<b>7.48</b>
070: Revenue Reductions/Shortfall	-	-	(54,147)	(193,044)	-	-	(247,191)	(2)	(1.48)
<b>Adjusted 2015-17 Current Service Level</b>	<b>251,265</b>	-	<b>37,601</b>	<b>1,286,293</b>	-	-	<b>1,575,159</b>	<b>6</b>	<b>6.00</b>
<b>Total LFO Recommended Packages</b>	<b>54,147</b>	-	-	<b>176,524</b>	-	-	<b>230,671</b>	<b>2</b>	<b>1.48</b>
<b>2015-17 Legislative Actions</b>	<b>305,412</b>	-	<b>37,601</b>	<b>1,462,817</b>	-	-	<b>1,805,830</b>	<b>8</b>	<b>7.48</b>
Net change from 2013-15 Leg Approved Budget	42,675	-	(44,423)	(12,248)	-	-	(13,996)	-	(0.02)
Percent change from 2013-15 Leg Approved Budget	16.2%	0.0%	(54.2%)	(0.8%)	0.0%	0.0%	(0.8%)	0.0%	(0.3%)
Net change from 2015-17 Current Service Level	54,147	-	-	176,524	-	-	230,671	2	1.48
Percent change from 2015-17 Current Service Level	21.6%	0.0%	0.0%	13.7%	0.0%	0.0%	14.6%	33.3%	24.7%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 070 Revenue Shortfalls**

Package Description The amount of revenue available to the Commission is driven by the amount of state funds available to provide the match required to access federal funds. In the last two biennia, the Commission was directed to draw down its Bequests and Donations Account to achieve this match in lieu of a larger General Fund appropriation. These funds are projected to be depleted by the end of the 2013-15 biennium. As a result, the Commission's current service level budget must be reduced by approximately \$2.4 million [\$0.5 million in matching state funds plus \$1.8 in federal funds] across all agency programs. This policy option package identifies the cuts necessary to balance expenditures to projected revenues, assuming no matching state funds. Positions funded through lost revenue sources would be eliminated. Related services and supplies savings would also be taken. Likely, two of the Commission's three offices outside of Portland would be closed. The number of individual counselors providing services in areas distant from Portland offices would be reduced. Components of programs would have to be eliminated. The number of clients served could decrease by 15%, and waiting times would increase.

The Administrative Services Division would lose 2 positions, 1.48 FTE:  
 1.00 FTE Program Executive Manager D  
 0.48 FTE Office Specialist 2

LFO Recommendation

<b>LFO Recommended</b>	-	-	(54,147)	(193,044)	-	-	(247,191)	(2)	(1.48)
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**Administrative Services**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 101 Maintain Services through General Fund Restoration**

Package Description This policy package would allow the Commission to maintain its current service level operations, and prevent the reductions identified to address the revenue shortfall discussed in package 070. In addition to the reductions discussed in package 070, without this fund restoration package, the Commission could face Maintenance of Effort (MOE) penalties; the agency would be required to impose an Order of Selection requirement due to insufficient staff and services, eliminating flexibility in service delivery. The \$403,382 General Fund appropriation in this package would result in \$1,705,543 Federal Fund revenue due to available match and avoidance of MOE penalties.

LFO Recommendation

<b>LFO Recommended</b>	<b>54,147</b>	<b>-</b>	<b>-</b>	<b>176,524</b>	<b>-</b>	<b>-</b>	<b>230,671</b>	<b>2</b>	<b>1.48</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2013-15 Agy. Leg. Adopted</b>	<b>672,012</b>	-	<b>932,661</b>	<b>7,972,167</b>	-	-	<b>9,576,840</b>	<b>27</b>	<b>25.63</b>
2013-15 Ebds, SS & Admin Act	49,437	-	7,687	490,889	-	-	548,013	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2013-15 Leg Approved Budget</b>	<b>721,449</b>	-	<b>940,348</b>	<b>8,463,056</b>	-	-	<b>10,124,853</b>	<b>27</b>	<b>25.63</b>
<b>2013-15 Leg Approved Budget (Base)</b>	<b>721,449</b>	-	<b>940,348</b>	<b>8,091,056</b>	-	-	<b>9,752,853</b>	<b>27</b>	<b>25.63</b>
Summary of Base Adjustments	(11,828)	-	(18,469)	(128,687)	-	-	(158,984)	-	(0.50)
<b>2015-17 Base Budget</b>	<b>709,621</b>	-	<b>921,879</b>	<b>7,962,369</b>	-	-	<b>9,593,869</b>	<b>27</b>	<b>25.13</b>
010: Non-PICS Pers Svc/Vacancy Factor	4,575	-	741	27,119	-	-	32,435	-	-
030: Inflation & Price List Adjustments	4,011	-	21,722	146,613	-	-	172,346	-	-
<b>2015-17 Current Service Level</b>	<b>718,207</b>	-	<b>944,342</b>	<b>8,136,101</b>	-	-	<b>9,798,650</b>	<b>27</b>	<b>25.13</b>
070: Revenue Reductions/Shortfall	-	-	(344,134)	(1,302,832)	-	-	(1,646,966)	(7)	(8.33)
<b>Adjusted 2015-17 Current Service Level</b>	<b>718,207</b>	-	<b>600,208</b>	<b>6,833,269</b>	-	-	<b>8,151,684</b>	<b>20</b>	<b>16.80</b>
<b>Total LFO Recommended Packages</b>	<b>681,613</b>	-	-	<b>1,326,532</b>	-	-	<b>2,008,145</b>	<b>10</b>	<b>11.33</b>
<b>2015-17 Legislative Actions</b>	<b>1,399,820</b>	-	<b>600,208</b>	<b>8,159,801</b>	-	-	<b>10,159,829</b>	<b>30</b>	<b>28.13</b>
Net change from 2013-15 Leg Approved Budget	678,371	-	(340,140)	(303,255)	-	-	34,976	3	2.50
Percent change from 2013-15 Leg Approved Budget	94.0%	0.0%	(36.2%)	(3.6%)	0.0%	0.0%	0.4%	11.1%	9.8%
Net change from 2015-17 Current Service Level	681,613	-	-	1,326,532	-	-	2,008,145	10	11.33
Percent change from 2015-17 Current Service Level	94.9%	0.0%	0.0%	19.4%	0.0%	0.0%	24.6%	50.0%	67.4%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 070 Revenue Shortfalls**

Package Description The amount of revenue available to the Commission is driven by the amount of state funds available to provide the match required to access federal funds. In the last two biennia, the Commission was directed to draw down its Bequests and Donations Account to achieve this match in lieu of a larger General Fund appropriation. These funds are projected to be depleted by the end of the 2013-15 biennium. As a result, the Commission's current service level budget must be reduced by approximately \$2.4 million [\$0.5 million in matching state funds plus \$1.8 in federal funds] across all agency programs. This policy option package identifies the cuts necessary to balance expenditures to projected revenues, assuming no matching state funds. Positions funded through lost revenue sources would be eliminated. Related services and supplies savings would also be taken. Likely, two of the Commission's three offices outside of Portland would be closed. The number of individual counselors providing services in areas distant from Portland offices would be reduced. Components of programs would be eliminated. The number of clients served could decrease by 15%, and waiting times would increase.

The Rehabilitation Services Program Unit would lose 7 positions, 8.33 FTE:

- 5.79 FTE Vocational Rehabilitation Counselors
- 2.00 FTE Rehabilitation Instructors for the Blind
- 0.54 FTE Office Specialist 2

LFO Recommendation

<b>LFO Recommended</b>	-	-	(344,134)	(1,302,832)	-	-	(1,646,966)	(7)	(8.33)
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**Rehabilitative Services**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 101 Maintain Services through General Fund Restoration**

Package Description This policy package would allow the Commission to maintain its current service level operations, and prevent the reductions identified to address the revenue shortfall discussed in package 070. In addition to the reductions discussed in package 070, without this fund restoration package, the Commission could face Maintenance of Effort (MOE) penalties; the agency would be required to impose an Order of Selection requirement due to insufficient staff and services, eliminating flexibility in service delivery. The \$403,382 General Fund appropriation in this package would result in \$1,705,543 Federal Fund revenue due to available match and avoidance of MOE penalties.

LFO Recommendation

<b>LFO Recommended</b>	<b>228,191</b>	<b>-</b>	<b>-</b>	<b>1,326,532</b>	<b>-</b>	<b>-</b>	<b>1,554,723</b>	<b>7</b>	<b>8.33</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 102 Independent Living for Older Blind Population Enhancements**

Package Description This package will provide the Commission with an additional three Rehabilitation Instructor for the Blind positions to serve an anticipated 270 additional clients annually. Currently, six Rehabilitation Instructor for the Blind positions split their time serving all clients in three programs (Independent Living Older Blind, Vocational Rehabilitation, and Independent Living Part B). This package will allow the Commission to dedicate staff time more efficiently to providing independent living evaluations; adaptive technologies; mobility, self-care, cooking, and cleaning training; as well as other services to individuals in the Independent Living Older Blind Program. This package will also allow the Commission to do outreach to Oregon's increasing ageing population who are currently underserved. Through performance analysis, the Commission identified that it will need to focus on outreach as well as providing more services for several reasons, including the fact that census data predicts that the number of individuals in Oregon age 55 and older who are visually impaired or blind will jump 37% between 2015 and 2035 from 58,596 individuals to 122,260.

LFO Recommendation

<b>LFO Recommended</b>	<b>453,422</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>453,422</b>	<b>3</b>	<b>3.00</b>
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2013-15 Agy. Leg. Adopted</b>	<b>51,699</b>	-	<b>239,704</b>	<b>464,461</b>	-	-	<b>755,864</b>	<b>2</b>	<b>2.00</b>
2013-15 Ebds, SS & Admin Act	2,072	-	447	9,299	-	-	11,818	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2013-15 Leg Approved Budget</b>	<b>53,771</b>	-	<b>240,151</b>	<b>473,760</b>	-	-	<b>767,682</b>	<b>2</b>	<b>2.00</b>
<b>2013-15 Leg Approved Budget (Base)</b>	<b>53,771</b>	-	<b>240,151</b>	<b>473,760</b>	-	-	<b>767,682</b>	<b>2</b>	<b>2.00</b>
Summary of Base Adjustments	8,322	-	13,567	66,527	-	-	88,416	-	-
<b>2015-17 Base Budget</b>	<b>62,093</b>	-	<b>253,718</b>	<b>540,287</b>	-	-	<b>856,098</b>	<b>2</b>	<b>2.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	634	-	526	3,964	-	-	5,124	-	-
030: Inflation & Price List Adjustments	1,597	-	7,576	13,510	-	-	22,683	-	-
<b>2015-17 Current Service Level</b>	<b>64,324</b>	-	<b>261,820</b>	<b>557,761</b>	-	-	<b>883,905</b>	<b>2</b>	<b>2.00</b>
070: Revenue Reductions/Shortfall	-	-	(36,760)	(170,479)	-	-	(207,239)	(1)	(1.00)
<b>Adjusted 2015-17 Current Service Level</b>	<b>64,324</b>	-	<b>225,060</b>	<b>387,282</b>	-	-	<b>676,666</b>	<b>1</b>	<b>1.00</b>
<b>Total LFO Recommended Packages</b>	<b>471,034</b>	-	-	<b>135,818</b>	-	-	<b>606,852</b>	<b>4</b>	<b>4.00</b>
<b>2015-17 Legislative Actions</b>	<b>535,358</b>	-	<b>225,060</b>	<b>523,100</b>	-	-	<b>1,283,518</b>	<b>5</b>	<b>5.00</b>
Net change from 2013-15 Leg Approved Budget	481,587	-	(15,091)	49,340	-	-	515,836	3	3.00
Percent change from 2013-15 Leg Approved Budget	895.6%	0.0%	(6.3%)	10.4%	0.0%	0.0%	67.2%	150.0%	150.0%
Net change from 2015-17 Current Service Level	471,034	-	-	135,818	-	-	606,852	4	4.00
Percent change from 2015-17 Current Service Level	732.3%	0.0%	0.0%	35.1%	0.0%	0.0%	89.7%	400.0%	400.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 070 Revenue Shortfalls**

Package Description The amount of revenue available to the Commission is driven by the amount of state funds available to provide the match required to access federal funds. In the last two biennia, the Commission was directed to draw down its Bequests and Donations Account to achieve this match in lieu of a larger General Fund appropriation. These funds are projected to be depleted by the end of the 2013-15 biennium. As a result, the Commission's current service level budget must be reduced by approximately \$2.4 million [\$0.5 million in matching state funds plus \$1.8 in federal funds] across all agency programs. This policy option package identifies the cuts necessary to balance expenditures to projected revenues, assuming no matching state funds. Positions funded through lost revenue sources would be eliminated. Related services and supplies savings would also be taken. Likely, two of the Commission's three offices outside of Portland would be closed. The number of individual counselors providing services in areas distant from Portland offices would be reduced. Components of programs would be eliminated. The number of clients served could decrease by 15%, and waiting times would increase.

The Business Enterprises Unit would lose 1 position, 1.00 FTE:  
1.00 FTE Program Analyst 1

LFO Recommendation

<b>LFO Recommended</b>	-	-	(36,760)	(170,479)	-	-	(207,239)	(1)	(1.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 101 Maintain Services through General Fund Restoration**

Package Description This policy package would allow the Commission to maintain its current service level operations, and prevent the reductions identified to address the revenue shortfall discussed in package 070. In addition to the reductions discussed in package 070, without this fund restoration package, the Commission could face Maintenance of Effort (MOE) penalties; the agency would be required to impose an Order of Selection requirement due to insufficient staff and services, eliminating flexibility in service delivery. The \$403,382 General Fund appropriation in this package would result in \$1,705,543 Federal Fund revenue due to available match and avoidance of MOE penalties.

LFO Recommendation

<b>LFO Recommended</b>	<b>36,759</b>	<b>-</b>	<b>-</b>	<b>135,818</b>	<b>-</b>	<b>-</b>	<b>172,577</b>	<b>1</b>	<b>1.00</b>
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**Business Enterprises**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 103 Improve Business Environment for Blind Entrepreneurs**

Package Description This package will give the Commission staffing resources to improve the efficiency of existing operations, and to expand business opportunities for blind entrepreneurs. The Business Enterprises (BE) program trains, licenses and supports individuals who are legally blind in operating food service and vending in public buildings. The program is operated under the federal Randolph-Shepherd Act. The program contracts with public agencies, sets up the business, and then sub-contracts with licensed blind managers to provide services desired by facilities. Licensed blind managers direct the day-to-day operations, retaining the majority of the profits they generate. Each licensed blind manager pays 11% of their net earnings as a set-aside to support the BE program. The set-aside is used for continuing training of the licensed blind managers, as well as maintenance, repair and purchasing of equipment. Currently, the BE program has 16 individuals operating over 500 food service and vending machines sites throughout Oregon. The BE program is funded primarily by federal vocational rehabilitation funds that are leveraged by a combination of General Fund and the set-aside match. This program is currently understaffed compared to other states, with only two staff members working with federal and state agencies to implement all of the federal and state required mandates. With this package, the Commission aims to increase the average manager's income by 10%-20%, and to license a minimum of four additional managers per biennium. This package requests the following three additional positions (3.00 FTE) to bolster the viability of the BE program by responding to the increasing need for strategic and technical services requested by program participants in order to grow their businesses to increase sales and income:

- 1.00 FTE Program Analyst 1 – to provide onsite profit improvement training and continuing upward mobility training for licensed managers.
- 1.00 FTE Program Analyst to focus on new location development, contract management, and customer service needs. This position would allow the Commission to expand and employ more blind managers.
- 1.00 Executive Support Specialist to provide administrative support for the BE program director and program analysts. This position would process, track and archive contracts, format documents allow accessibility, provide customer service to blind managers, coordinate training conferences, and document and transcribe all public meetings.

LFO Recommendation

<b>LFO Recommended</b>	<b>434,275</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>434,275</b>	<b>3</b>	<b>3.00</b>
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	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2013-15 Agy. Leg. Adopted</b>	-	-	<b>1,593,821</b>	-	-	-	<b>1,593,821</b>	<b>1</b>	<b>1.00</b>
2013-15 Ebds, SS & Admin Act	-	-	(1,038,597)	-	-	-	(1,038,597)	-	(0.75)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2013-15 Leg Approved Budget</b>	-	-	<b>555,224</b>	-	-	-	<b>555,224</b>	<b>1</b>	<b>0.25</b>
<b>2013-15 Leg Approved Budget (Base)</b>	-	-	<b>555,224</b>	-	-	-	<b>555,224</b>	<b>1</b>	<b>0.25</b>
Summary of Base Adjustments	-	-	(47,459)	-	-	-	(47,459)	(1)	(0.25)
<b>2015-17 Base Budget</b>	-	-	<b>507,765</b>	-	-	-	<b>507,765</b>	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(507,765)	-	-	-	(507,765)	-	-
<b>2015-17 Current Service Level</b>	-	-	-	-	-	-	-	-	-
<b>Adjusted 2015-17 Current Service Level</b>	-	-	-	-	-	-	-	-	-
<b>2015-17 Legislative Actions</b>	-	-	-	-	-	-	-	-	-
Net change from 2013-15 Leg Approved Budget	-	-	(555,224)	-	-	-	(555,224)	(1)	(0.25)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%	(100.0%)	(100.0%)	(100.0%)
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2013-15 Agy. Leg. Adopted</b>	<b>542,081</b>	-	<b>204,858</b>	<b>2,241,015</b>	-	-	<b>2,987,954</b>	<b>13</b>	<b>11.60</b>
2013-15 Ebds, SS & Admin Act	17,989	-	2,776	40,998	-	-	61,763	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2013-15 Leg Approved Budget</b>	<b>560,070</b>	-	<b>207,634</b>	<b>2,282,013</b>	-	-	<b>3,049,717</b>	<b>13</b>	<b>11.60</b>
<b>2013-15 Leg Approved Budget (Base)</b>	<b>560,070</b>	-	<b>207,634</b>	<b>2,282,013</b>	-	-	<b>3,049,717</b>	<b>13</b>	<b>11.60</b>
Summary of Base Adjustments	6,322	-	2,713	14,218	-	-	23,253	-	-
<b>2015-17 Base Budget</b>	<b>566,392</b>	-	<b>210,347</b>	<b>2,296,231</b>	-	-	<b>3,072,970</b>	<b>13</b>	<b>11.60</b>
010: Non-PICS Pers Svc/Vacancy Factor	2,012	-	412	3,658	-	-	6,082	-	-
030: Inflation & Price List Adjustments	6,759	-	3,676	37,571	-	-	48,006	-	-
<b>2015-17 Current Service Level</b>	<b>575,163</b>	-	<b>214,435</b>	<b>2,337,460</b>	-	-	<b>3,127,058</b>	<b>13</b>	<b>11.60</b>
070: Revenue Reductions/Shortfall	-	-	(84,304)	(187,908)	-	-	(272,212)	-	(1.10)
<b>Adjusted 2015-17 Current Service Level</b>	<b>575,163</b>	-	<b>130,131</b>	<b>2,149,552</b>	-	-	<b>2,854,846</b>	<b>13</b>	<b>10.50</b>
<b>Total LFO Recommended Packages</b>	<b>84,285</b>	-	-	<b>66,669</b>	-	-	<b>150,954</b>	-	<b>1.10</b>
<b>2015-17 Legislative Actions</b>	<b>659,448</b>	-	<b>130,131</b>	<b>2,216,221</b>	-	-	<b>3,005,800</b>	<b>13</b>	<b>11.60</b>
Net change from 2013-15 Leg Approved Budget	99,378	-	(77,503)	(65,792)	-	-	(43,917)	-	-
Percent change from 2013-15 Leg Approved Budget	17.7%	0.0%	(37.3%)	(2.9%)	0.0%	0.0%	(1.4%)	0.0%	0.0%
Net change from 2015-17 Current Service Level	84,285	-	-	66,669	-	-	150,954	-	1.10
Percent change from 2015-17 Current Service Level	14.7%	0.0%	0.0%	3.1%	0.0%	0.0%	5.3%	0.0%	10.5%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 070 Revenue Shortfalls**

Package Description The amount of revenue available to the Commission is driven by the amount of state funds available to provide the match required to access federal funds. In the last two biennia, the Commission was directed to draw down its Bequests and Donations Account to achieve this match in lieu of a larger General Fund appropriation. These funds are projected to be depleted by the end of the 2013-15 biennium. As a result, the Commission's current service level budget must be reduced by approximately \$2.4 million [\$0.5 million in matching state funds plus \$1.8 in federal funds] across all agency programs. This policy option package identifies the cuts necessary to balance expenditures to projected revenues, assuming no matching state funds. Positions funded through lost revenue sources would be eliminated. Related services and supplies savings would also be taken. Likely, two of the Commission's three offices outside of Portland would be closed. The number of individual counselors providing services in areas distant from Portland offices would be reduced. Components of programs would be eliminated. The number of clients served could decrease by 15%, and waiting times would increase.

The Orientation Center would lose 1.10 FTE:  
1.10 FTE Rehabilitation Instructors for the Blind

LFO Recommendation

<b>LFO Recommended</b>	-	-	(84,304)	(187,908)	-	-	(272,212)	-	(1.10)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 101 Maintain Services through General Fund Restoration**

Package Description This policy package would allow the Commission to maintain its current service level operations, and prevent the reductions identified to address the revenue shortfall discussed in package 070. In addition to the reductions discussed in package 070, without this fund restoration package, the Commission could face Maintenance of Effort (MOE) penalties; the agency would be required to impose an Order of Selection requirement due to insufficient staff and services, eliminating flexibility in service delivery. The \$403,382 General Fund appropriation in this package would result in \$1,705,543 Federal Fund revenue due to available match and avoidance of MOE penalties.

LFO Recommendation

<b>LFO Recommended</b>	<b>84,285</b>	<b>-</b>	<b>-</b>	<b>66,669</b>	<b>-</b>	<b>-</b>	<b>150,954</b>	<b>-</b>	<b>1.10</b>
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## Legislatively Proposed 2015-2017 Key Performance Measures

**Agency: BLIND, COMMISSION for the**

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

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - EMPLOYMENT- Percentage of individuals who enter into individualized plans for employment in the vocational rehabilitation program who are successful in reaching their outcome.		Approved KPM	77.00	68.90	68.90
2 - INDEPENDENT LIVING- Percentage of older individuals who complete independent living services who self assess as having an increase in confidence, skills, and abilities.		Approved KPM	95.00	85.00	85.00
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Accuracy	Approved KPM	84.80	96.50	96.50
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Availability of Information	Approved KPM	87.80	96.50	96.50
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Approved KPM	91.00	96.50	96.50
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Helpfulness	Approved KPM	90.90	96.50	96.50
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Overall	Approved KPM	90.90	96.50	96.50

**Agency: BLIND, COMMISSION for the**

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

<b>Legislatively Proposed KPMs</b>	<b>Customer Service Category</b>	<b>Agency Request</b>	<b>Most Current Result</b>	<b>Target 2016</b>	<b>Target 2017</b>
3 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Timeliness	Approved KPM	84.40	96.50	96.50
4 - BEST PRACTICES - Percent of total best practices met by the Commission.		Approved KPM	100.00	100.00	100.00

**LFO Recommendation:**

Recommend approval of Key Performance Measures and targets as presented.

**Sub-Committee Action:**

# Senate Bill 5503

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Appropriates moneys from General Fund to Commission for the Blind for biennial expenses.  
Limits biennial expenditures from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by commission.  
Limits biennial expenditures by commission from federal funds.  
Declares emergency, effective July 1, 2015.

## A BILL FOR AN ACT

1  
2 Relating to the financial administration of the Commission for the Blind; and declaring an emer-  
3 gency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. There is appropriated to the Commission for the Blind, for the biennium**  
6 **beginning July 1, 2015, out of the General Fund, the amount of \$2,705,186 for operations of**  
7 **the commission.**

8 **SECTION 2. Notwithstanding any other law limiting expenditures, the amount of \$992,528**  
9 **is established for the biennium beginning July 1, 2015, as the maximum limit for payment of**  
10 **expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but ex-**  
11 **cluding lottery funds and federal funds, collected or received by the Commission for the**  
12 **Blind.**

13 **SECTION 3. Notwithstanding any other law limiting expenditures, the amount of**  
14 **\$12,347,941 is established for the biennium beginning July 1, 2015, as the maximum limit for**  
15 **payment of expenses from federal funds collected or received by the Commission for the**  
16 **Blind.**

17 **SECTION 4. This 2015 Act being necessary for the immediate preservation of the public**  
18 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**  
19 **July 1, 2015.**

20

**Note: For budget, see 2015-2017 Biennial Budget**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

SB 5503-1  
(LC 9503)  
5/4/15 (TR/ps)

**PROPOSED AMENDMENTS TO  
SENATE BILL 5503**

- 1 In line 6 of the printed bill, delete "\$2,705,186" and insert "\$2,900,038".
- 2 In line 8, delete "\$992,528" and insert "\$993,000".
- 3 In line 14, delete "\$12,347,941" and insert "\$12,361,939".

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