
MEMORANDUM

Legislative Fiscal Office
900 Court St. NE, Room H-178
Salem, Oregon 97301
Phone 503-986-1828
FAX 503-373-7807

To: General Government Subcommittee
From: John Borden, Legislative Fiscal Office
(503) 986-1842
Date: May 11, 2015
Subject: Employment Relations Board – SB 5509
Work Session Recommendations

Employment Relations Board

	2011-13 Actuals	2013-15 Legislatively Approved*	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	1,903,465	2,061,040	2,374,084	2,399,463
Other Funds	1,723,240	2,140,264	1,998,164	2,018,105
Total Funds	3,626,705	4,201,304	4,372,248	4,417,568
Positions	13	13	13	13
FTE	13.00	13.00	13.00	13.00

*includes Emergency Board and administrative actions through December 2014.

Attached are the recommendations from the Legislative Fiscal Office for the *Employment Relations Board*. It contains the following:

- Package 801 – LFO Analyst Adjustment (updated beginning balance; technical adjustment)
- Package 101 – Electronic Filing System (\$45,320 total funds)

Adjustments to Current Service Level:

See attached “Work Session Presentation Report” dated 05/08/2015.

Accept the LFO recommendation: Move the LFO recommendations to SB 5509

OR

Change the LFO recommendation: Move the LFO recommendations to SB 5509, with modifications.

Performance Measures

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

Accept the LFO recommendation: Move the LFO recommendation on Key Performance Measures

OR

Change the LFO recommendation: Move the LFO recommendation on Key Performance Measures with modifications.

Budget Note

None

Recommended Changes to Appropriation Bill:

The Legislative Fiscal Office recommends a budget of \$2,399,463 *General Fund* and \$2,018,105 *Other Funds* and 13 positions (13.00 FTE) and that *Senate Bill 5509* be amended accordingly.

Motion: Move adoption of the -2 amendment to SB 5509.

SB 5509 Final Subcommittee Action:

The measure, as amended by the -2, is recommended to be moved to the full Committee on Joint Ways and Means.

Motion: Move SB 5509, as amended, to the Full Committee with a "do pass as amended" recommendation.

Carriers:

Full Committee Carrier: _____

Second Chamber Carrier: _____

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	1,894,849	-	1,901,273	-	-	-	3,796,122	13	13.00
2013-15 Ebds, SS & Admin Act	166,191	-	238,991	-	-	-	405,182	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	2,061,040	-	2,140,264	-	-	-	4,201,304	13	13.00
2013-15 Leg Approved Budget (Base)	2,061,040	-	2,140,264	-	-	-	4,201,304	13	13.00
Summary of Base Adjustments	4,361	-	27,500	-	-	-	31,861	-	-
2015-17 Base Budget	2,065,401	-	2,167,764	-	-	-	4,233,165	13	13.00
010: Non-PICS Pers Svc/Vacancy Factor	6,079	-	18,309	-	-	-	24,388	-	-
020: Phase In / Out Pgm & One-time Cost	(32,009)	-	(20,091)	-	-	-	(52,100)	-	-
030: Inflation & Price List Adjustments	108,222	-	58,573	-	-	-	166,795	-	-
050: Fundshifts and Revenue Reductions	226,391	-	(226,391)	-	-	-	-	-	-
2015-17 Current Service Level	2,374,084	-	1,998,164	-	-	-	4,372,248	13	13.00
Adjusted 2015-17 Current Service Level	2,374,084	-	1,998,164	-	-	-	4,372,248	13	13.00
Total LFO Recommended Packages	25,379	-	19,941	-	-	-	45,320	-	-
2015-17 Legislative Actions	2,399,463	-	2,018,105	-	-	-	4,417,568	13	13.00
Net change from 2013-15 Leg Approved Budget	338,423	-	(122,159)	-	-	-	216,264	-	-
Percent change from 2013-15 Leg Approved Budget	16.4%	0.0%	(5.7%)	0.0%	0.0%	0.0%	5.2%	0.0%	0.0%
Net change from 2015-17 Current Service Level	25,379	-	19,941	-	-	-	45,320	-	-
Percent change from 2015-17 Current Service Level	1.1%	0.0%	1.0%	0.0%	0.0%	0.0%	1.0%	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)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
2015-17 Legislative Actions	-	-	-	-	-	-	-	-	-
Net change from 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
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)
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Package 801 LFO Analyst Adjustments

Package Description An adjustment of \$154,736 is made to update the agency's beginning balance. The agency originally reported a balance of \$390,000, but has increased to \$544,736. Of this amount, \$352,632 is attributable to the state agency assessment and \$192,104 fee revenue.

LFO Recommendation Approve the policy package.

LFO Analyst Notes SB 5509 (2015)

LFO Recommended - - - - -

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	1,170,833	-	712,493	-	-	-	1,883,326	5	5.00
2013-15 Ebds, SS & Admin Act	49,289	-	32,941	-	-	-	82,230	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	1,220,122	-	745,434	-	-	-	1,965,556	5	5.00
2013-15 Leg Approved Budget (Base)	1,220,122	-	745,434	-	-	-	1,965,556	5	5.00
Summary of Base Adjustments	(7,924)	-	(15,840)	-	-	-	(23,764)	-	-
2015-17 Base Budget	1,212,198	-	729,594	-	-	-	1,941,792	5	5.00
010: Non-PICS Pers Svc/Vacancy Factor	1,590	-	1,435	-	-	-	3,025	-	-
030: Inflation & Price List Adjustments	106,916	-	56,398	-	-	-	163,314	-	-
050: Fundshifts and Revenue Reductions	(128,814)	-	128,814	-	-	-	-	-	-
2015-17 Current Service Level	1,191,890	-	916,241	-	-	-	2,108,131	5	5.00
Adjusted 2015-17 Current Service Level	1,191,890	-	916,241	-	-	-	2,108,131	5	5.00
Total LFO Recommended Packages	25,379	-	19,941	-	-	-	45,320	-	-
2015-17 Legislative Actions	1,217,269	-	936,182	-	-	-	2,153,451	5	5.00
Net change from 2013-15 Leg Approved Budget	(2,853)	-	190,748	-	-	-	187,895	-	-
Percent change from 2013-15 Leg Approved Budget	(0.2%)	0.0%	25.6%	0.0%	0.0%	0.0%	9.6%	0.0%	0.0%
Net change from 2015-17 Current Service Level	25,379	-	19,941	-	-	-	45,320	-	-
Percent change from 2015-17 Current Service Level	2.1%	0.0%	2.2%	0.0%	0.0%	0.0%	2.2%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 101 Electronic Filing/Case Management System

Package Description This package requests an electronic case management system be developed by a private vendor. The system would be used manage cases flow, timekeeping, generate letters, and have a reporting capability. The vendor will fund all upfront application development costs as well as ongoing maintenance costs. The agency will be charged an annual licensing and hosting fee of approximately \$45,320, beginning in July of 2016. The project would be managed internally by the agency. The 2017-19 rollup cost is estimated to be \$90,640.

This would be phase-I of a two phase project. The second phase, to begin and be implemented during the 2017-19 biennium, would provide stakeholders with the ability to electronically file documents and make e-payments. The additional licensing cost for phase-II is between \$10,000 and \$15,000 per year.

The package requests \$45,320 in Services and Supplies (Information Technology Expendable property).

The revenue source would be General Fund (56%), state agency assessment (40%), and fees (4%).

LFO Recommendation Approved the policy package.

Budget Instructions

LFO Analyst Notes SB 5509 (2015)

LFO Recommended	25,379	-	19,941	-	-	-	45,320	-	-
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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)
2013-15 Agy. Leg. Adopted	316,766	-	498,991	-	-	-	815,757	4	3.50
2013-15 Ebds, SS & Admin Act	15,799	-	81,782	-	-	-	97,581	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	332,565	-	580,773	-	-	-	913,338	4	3.50
2013-15 Leg Approved Budget (Base)	332,565	-	580,773	-	-	-	913,338	4	3.50
Summary of Base Adjustments	21,893	-	45,009	-	-	-	66,902	-	-
2015-17 Base Budget	354,458	-	625,782	-	-	-	980,240	4	3.50
010: Non-PICS Pers Svc/Vacancy Factor	2,044	-	8,979	-	-	-	11,023	-	-
030: Inflation & Price List Adjustments	268	-	913	-	-	-	1,181	-	-
050: Fundshifts and Revenue Reductions	144,863	-	(144,863)	-	-	-	-	-	-
2015-17 Current Service Level	501,633	-	490,811	-	-	-	992,444	4	3.50
Adjusted 2015-17 Current Service Level	501,633	-	490,811	-	-	-	992,444	4	3.50
Total LFO Recommended Packages	24,953	-	-	-	-	-	24,953	-	-
2015-17 Legislative Actions	526,586	-	490,811	-	-	-	1,017,397	4	3.50
Net change from 2013-15 Leg Approved Budget	194,021	-	(89,962)	-	-	-	104,059	-	-
Percent change from 2013-15 Leg Approved Budget	58.3%	0.0%	(15.5%)	0.0%	0.0%	0.0%	11.4%	0.0%	0.0%
Net change from 2015-17 Current Service Level	24,953	-	-	-	-	-	24,953	-	-
Percent change from 2015-17 Current Service Level	5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.5%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This technical adjustment moves \$24,953 of Instate Travel General Fund from the Hearings to the Mediation program in order to align budgeted expenditures with program activity. The net impact of this adjustment agencywide is zero.

LFO Recommendation Approved the agency's requested technical adjustment.

LFO Analyst Notes SB 5509 (2015)

LFO Recommended	24,953	-	-	-	-	-	24,953	-	-
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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)
2013-15 Agy. Leg. Adopted	344,003	-	682,590	-	-	-	1,026,593	4	4.00
2013-15 Ebds, SS & Admin Act	96,489	-	123,656	-	-	-	220,145	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	440,492	-	806,246	-	-	-	1,246,738	4	4.00
2013-15 Leg Approved Budget (Base)	440,492	-	806,246	-	-	-	1,246,738	4	4.00
Summary of Base Adjustments	51,178	-	5,233	-	-	-	56,411	-	0.50
2015-17 Base Budget	491,670	-	811,479	-	-	-	1,303,149	4	4.50
010: Non-PICS Pers Svc/Vacancy Factor	5,077	-	8,187	-	-	-	13,264	-	-
020: Phase In / Out Pgm & One-time Cost	(32,009)	-	(20,091)	-	-	-	(52,100)	-	-
030: Inflation & Price List Adjustments	1,038	-	1,262	-	-	-	2,300	-	-
050: Fundshifts and Revenue Reductions	210,342	-	(210,342)	-	-	-	-	-	-
060: Technical Adjustments	4,443	-	617	-	-	-	5,060	-	-
2015-17 Current Service Level	680,561	-	591,112	-	-	-	1,271,673	4	4.50
Adjusted 2015-17 Current Service Level	680,561	-	591,112	-	-	-	1,271,673	4	4.50
Total LFO Recommended Packages	(24,953)	-	-	-	-	-	(24,953)	-	-
2015-17 Legislative Actions	655,608	-	591,112	-	-	-	1,246,720	4	4.50
Net change from 2013-15 Leg Approved Budget	215,116	-	(215,134)	-	-	-	(18)	-	0.50
Percent change from 2013-15 Leg Approved Budget	48.8%	0.0%	(26.7%)	0.0%	0.0%	0.0%	0.0%	0.0%	12.5%
Net change from 2015-17 Current Service Level	(24,953)	-	-	-	-	-	(24,953)	-	-
Percent change from 2015-17 Current Service Level	(3.7%)	0.0%	0.0%	0.0%	0.0%	0.0%	(2.0%)	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)
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Package 801 LFO Analyst Adjustments

Package Description - This technical adjustment moves \$24,953 of Instate Travel General Fund from the Hearings to the Mediation program in order to align budgeted expenditures with program activity. The net impact of this adjustment agencywide is zero.

LFO Recommendation Approved the agency's requested technical adjustment.

LFO Analyst Notes SB 5509 (2015)

LFO Recommended	(24,953)	-	-	-	-	-	(24,953)	-	-
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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)
2013-15 Agy. Leg. Adopted	63,247	-	7,199	-	-	-	70,446	-	0.50
2013-15 Ebds, SS & Admin Act	4,614	-	612	-	-	-	5,226	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	67,861	-	7,811	-	-	-	75,672	-	0.50
2013-15 Leg Approved Budget (Base)	67,861	-	7,811	-	-	-	75,672	-	0.50
Summary of Base Adjustments	(60,786)	-	(6,902)	-	-	-	(67,688)	-	(0.50)
2015-17 Base Budget	7,075	-	909	-	-	-	7,984	-	-
010: Non-PICS Pers Svc/Vacancy Factor	(2,632)	-	(292)	-	-	-	(2,924)	-	-
060: Technical Adjustments	(4,443)	-	(617)	-	-	-	(5,060)	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
2015-17 Legislative Actions	-	-	-	-	-	-	-	-	-
Net change from 2013-15 Leg Approved Budget	(67,861)	-	(7,811)	-	-	-	(75,672)	-	(0.50)
Percent change from 2013-15 Leg Approved Budget	(100.0%)	0.0%	(100.0%)	0.0%	0.0%	0.0%	(100.0%)	0.0%	(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%

Legislatively Proposed 2015-2017 Key Performance Measures

Agency: EMPLOYMENT RELATIONS BOARD

Mission: The Mission Of The Employment Relations Board Is To Resolve Disputes Concerning Labor And Employment Relations.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 a - Union representation -- Average number of days to resolve a petition for union representation when a contested case hearing is required.		Proposed Delete KPM	223.00		
2 a - Administrative Law Judge (ALJ) hearings -- Average number of days from the date of filing of a contested case to the first date an ALJ is available to hear the case.		Proposed Delete KPM	70.00		
2 b - Administrative Law Judge (ALJ) hearings -- Average number of days from the date of filing of a contested case to the actual date of the hearing.		Proposed Delete KPM	149.00		
3 - Settling cases -- Percentage of cases assigned to an ALJ that are settled or withdrawn prior to hearing.		Proposed Delete KPM	36.00		
6 - Process complaints in a timely manner -- Average number of days to process a case that involves a hearing, from the date of filing to the date of the final order.		Proposed Delete KPM	428.00		
7 a - Appeals -- Percentage of Board Orders which are appealed.		Proposed Delete KPM	10.00		
9 a - Mediator availability -- Average number of days following a request for mediation assistance in contract negotiations to the date a mediator is available to work with the parties.		Proposed Delete KPM	23.00		
9 b - Mediator availability -- Average number of days following a request for mediation assistance in contract negotiations to the date the first mediation session occurs.		Proposed Delete KPM	47.00		
11 - BEST PRACTICES - Percent of total best practices met by the Commission.		Proposed Delete KPM			
1 b - Union representation -- Average number of days to resolve a petition for union representation when a contested case hearing is not required.		Approved KPM	54.00	79.00	79.00

Agency: EMPLOYMENT RELATIONS BOARD

Mission: The Mission Of The Employment Relations Board Is To Resolve Disputes Concerning Labor And Employment Relations.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
4 - Recommended orders -- Average number of days for an Administrative Law Judge to issue a recommended order after the record in a contested case hearing is closed.		Approved KPM	100.00	110.00	110.00
5 - Final Board orders -- Average number of days from submission of a case to the Board until issuance of a final order.		Approved KPM	49.00	60.00	60.00
7 b - Appeals -- Percentage of Board Orders which are reversed on appeal.		Approved KPM	0.00	10.00	10.00
8 a - Mediation effectiveness -- Percentage of contract negotiations disputes that are resolved by mediation for strike-permitted employees.		Approved KPM	97.00	94.00	94.00
8 b - Mediation effectiveness -- Percentage of contract negotiations disputes that are resolved by mediation for strike-prohibited employees.		Approved KPM	64.00	80.00	80.00
10 - Customer Satisfaction - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.	Accuracy	Approved KPM	81.00	95.00	95.00
10 - Customer Satisfaction - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.	Availability of Information	Approved KPM	96.00	95.00	95.00
10 - Customer Satisfaction - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.	Expertise	Approved KPM	83.00	95.00	95.00
10 - Customer Satisfaction - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.	Helpfulness	Approved KPM	95.00	95.00	95.00
10 - Customer Satisfaction - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.	Overall	Approved KPM	87.00	95.00	95.00

Agency: EMPLOYMENT RELATIONS BOARD

Mission: The Mission Of The Employment Relations Board Is To Resolve Disputes Concerning Labor And Employment Relations.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
10 - Customer Satisfaction - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.	Timeliness	Approved KPM	78.00	95.00	95.00

LFO Recommendation:

The Legislative Fiscal Office recommends approval of the proposed key performance measures and targets.

Sub-Committee Action:

SB 5509-2
(LC 9509)
5/8/15 (TR/ps)

**PROPOSED AMENDMENTS TO
SENATE BILL 5509**

- 1 In line 6 of the printed bill, delete "\$2,407,843" and insert "\$2,399,463".
 - 2 In line 8, delete "\$1,896,008" and insert "\$202,857".
 - 3 In line 12, delete "\$147,477" and insert "\$1,815,248".
 - 4
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