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# MEMORANDUM

Legislative Fiscal Office  
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**To:** *General Government Subcommittee*

**From:** *John Borden, Legislative Fiscal Office*  
*(503) 986-18452*

**Date:** April 20, 2015

**Subject:** *Government Ethics Commission (HB 5020)*  
*Work Session Recommendations*

## Government Ethics Commission

	<b>2011-13 Actuals</b>	<b>2013-15 Legislatively Approved*</b>	<b>2015-17 Current Service Level</b>	<b>2015-17 LFO Recommended</b>
Other Funds	1,518,135	2,110,362	1,956,828	2,283,828
<b>Total Funds</b>	<b>1,518,135</b>	<b>2,110,362</b>	<b>1,956,828</b>	<b>2,283,828</b>
Positions	8	8	8	8
FTE	8.00	7.88	8.00	8.00

\*includes Emergency Board and administrative actions through December 2014.

Attached are the recommendations from the Legislative Fiscal Office for the *Government Ethics Commission*. It contains the following:

- Package 801 – LFO Analyst Adjustments (beginning balance and assessment)
- Package 101 – Electronic Filing System (\$200,000 Other Funds)
- Package 102 – Electronic Subscription Fees (\$127,000 Other Funds)

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

See attached "Work Session Presentation Report" dated *04/20/2015*.

**Accept the LFO recommendation:** Move the LFO recommendations to HB 5020

**OR**

**Change the LFO recommendation:** Move the LFO recommendations to HB 5020, 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**

The following budget note is recommended for inclusion in the HB 5020 budget report:

*The Government Ethics Commission is to report to the Interim Joint Committee on Ways and Means in the Fall of 2015 to document the agency's readiness to proceed with the implementation of the Electronic Filing System by the statutory date of January 1, 2016.*

**Accept the LFO recommendation:** Move the recommended budget note

**OR**

**Change the LFO recommendation:** Move the budget note with modifications.

**Recommended Changes to Appropriation Bill:**

The Legislative Fiscal Office recommends a budget of \$2,283,828 *Other Funds and eight positions (8.00 FTE)* and that *House Bill 5020* be amended accordingly.

Motion: Move adoption of the -1 amendment to HB 5020.

**Final HB 5020 Subcommittee Action:**

The measure, as amended by the -1, is recommended to be moved to the full committee on Joint Ways and Means.

Motion: Move HB 5020, as amended, to the Full Committee with a "do pass as amended" recommendation.

**Carriers:**

**Full Committee Carrier:** \_\_\_\_\_

**Second Chamber Carrier:** \_\_\_\_\_

LFO102 - Work Session Presentation Report  
2015-17 Biennium

Version: L - 01 - LFO Analyst Recommended  
Cross Reference: 19900-000-00-00-00000  
Oregon Government Ethics Commission

	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>	-	-	1,935,994	-	-	-	1,935,994	8	7.88
2013-15 Ebds, SS & Admin Act	-	-	174,368	-	-	-	174,368	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2013-15 Leg Approved Budget</b>	-	-	2,110,362	-	-	-	2,110,362	8	7.88
<b>2013-15 Leg Approved Budget (Base)</b>	-	-	1,976,802	-	-	-	1,976,802	8	7.88
Summary of Base Adjustments	-	-	65,795	-	-	-	65,795	-	0.12
<b>2015-17 Base Budget</b>	-	-	2,042,597	-	-	-	2,042,597	8	8.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	6,114	-	-	-	6,114	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(250,000)	-	-	-	(250,000)	-	-
030: Inflation & Price List Adjustments	-	-	158,117	-	-	-	158,117	-	-
<b>2015-17 Current Service Level</b>	-	-	1,956,828	-	-	-	1,956,828	8	8.00
<b>Adjusted 2015-17 Current Service Level</b>	-	-	1,956,828	-	-	-	1,956,828	8	8.00
<b>Total LFO Recommended Packages</b>	-	-	327,000	-	-	-	327,000	-	-
<b>2015-17 Legislative Actions</b>	-	-	2,283,828	-	-	-	2,283,828	8	8.00
Net change from 2013-15 Leg Approved Budget	-	-	173,466	-	-	-	173,466	-	0.12
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	8.2%	0.0%	1.5%
Net change from 2015-17 Current Service Level	-	-	327,000	-	-	-	327,000	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	16.7%	0.0%	0.0%	0.0%	16.7%	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>	-	-	1,935,994	-	-	-	1,935,994	8	7.88
2013-15 Ebds, SS & Admin Act	-	-	174,368	-	-	-	174,368	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2013-15 Leg Approved Budget</b>	-	-	2,110,362	-	-	-	2,110,362	8	7.88
<b>2013-15 Leg Approved Budget (Base)</b>	-	-	1,976,802	-	-	-	1,976,802	8	7.88
Summary of Base Adjustments	-	-	65,795	-	-	-	65,795	-	0.12
<b>2015-17 Base Budget</b>	-	-	2,042,597	-	-	-	2,042,597	8	8.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	6,114	-	-	-	6,114	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(250,000)	-	-	-	(250,000)	-	-
030: Inflation & Price List Adjustments	-	-	158,117	-	-	-	158,117	-	-
<b>2015-17 Current Service Level</b>	-	-	1,956,828	-	-	-	1,956,828	8	8.00
<b>Adjusted 2015-17 Current Service Level</b>	-	-	1,956,828	-	-	-	1,956,828	8	8.00
<b>Total LFO Recommended Packages</b>	-	-	327,000	-	-	-	327,000	-	-
<b>2015-17 Legislative Actions</b>	-	-	2,283,828	-	-	-	2,283,828	8	8.00
Net change from 2013-15 Leg Approved Budget	-	-	173,466	-	-	-	173,466	-	0.12
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	8.2%	0.0%	1.5%
Net change from 2015-17 Current Service Level	-	-	327,000	-	-	-	327,000	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	16.7%	0.0%	0.0%	0.0%	16.7%	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 System Implementation**

Package Description This package would provide \$200,000 Other Funds expenditure limitation to complete the implementation of the Electronic filing system (EFS) by the statutory due date of January 1, 2016. The Commission will require continued support of a project manager vendor (\$80,000), undertake change management in transitioning to the new system and changing business processes and procedures (\$80,000) and provide training support on the system to SEI filers, lobbyists and the public (\$40,000).

This request is for services and supplies (Information Technology Professional Services). This is a one-time expenses that is not to carry-forward to next biennium.

The revenue source to support this package is equally shared between state agencies and local government entities and comes from the remainder of an \$800,000 assessment approved by the Legislature in 2013.

LFO Recommendation Approve the package.

Budget Notes The Government Ethics Commission is to report to the Interim Joint Committee on Ways and Means during September of 2015 documenting the agency's readiness to proceed with a full implementation of the project.

Budget Instructions The Office of the State Chief Information Office (CIO) and the Department of Administrative Services are directed to continue to provide project oversight, procurement support, and quality assurance for the project.

LFO Analyst Notes HB 5020 (2015)

LFO Recommended	-	-	200,000	-	-	-	200,000	-	-
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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 Electronic Filing System Subscription Fee**

Package Description This package would provide \$127,000 Other Funds expenditure limitation to fund the annual subscription fee (\$63,500 per year) with NIC USA for the Electronic filing system (EFS).

This request is for services and supplies (Information Technology Professional Services). This will be an on-going expense of the agency.

The revenue source to support this package is equally shared between state agencies and local government entities.

LFO Recommendation Approve the package.

LFO Analyst Notes HB 5020 (2015)

LFO Recommended	-	-	127,000	-	-	-	127,000	-	-
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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 801 LFO Analyst Adjustments**

Package Description This package makes two technical adjustments to revenue: (a) the beginning balance is increased by \$70,645, based upon an updated projection by the agency; and (b) the assessment line-item was increased by \$37,098 to meet an overall assessment need of \$1,602,098 for the agency.

LFO Recommendation Approve the package.

LFO Analyst Notes HB 5020 (2015)

LFO Recommended

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## Legislatively Proposed 2015-2017 Key Performance Measures

**Agency: OREGON GOVERNMENT ETHICS COMMISSION**

Mission: The Oregon Government Ethics Commission will impartially and effectively administer and enforce Oregon's government ethics laws for the benefit of Oregon's citizens. The Commission will emphasize education in achieving its mission.

The regulatory jurisdiction of the Oregon Government Ethics Commission covers provisions of ORS Chapter 244, Oregon Government Ethics law; ORS 171.725 to 171.785 and 171.992, Lobby Regulation law; and executive session provisions of Oregon Public Meetings law, ORS 192.660

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - Percentage of statutory time limit used for preliminary reviews, investigations, staff opinions and Commission advisory opinions.		Approved KPM	73.00	85.00	85.00
2 - Quality of investigations completed		Approved KPM	4.95	5.00	5.00
3 - Training Program's Effectiveness		Approved KPM	28.00	60.00	60.00
4 - Minimize Case Disposition Costs - Percentage of contested cases settled before hearing.		Approved KPM	100.00	100.00	100.00
5 - Customer Service - Percentage of customers rating their satisfaction with agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Accuracy	Approved KPM	74.00	85.00	85.00
5 - Customer Service - Percentage of customers rating their satisfaction with agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Availability of Information	Approved KPM	71.00	75.00	75.00
5 - Customer Service - Percentage of customers rating their satisfaction with agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Approved KPM	71.00	90.00	90.00
5 - Customer Service - Percentage of customers rating their satisfaction with agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Helpfulness	Approved KPM	72.00	95.00	95.00
5 - Customer Service - Percentage of customers rating their satisfaction with agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Overall	Approved KPM	67.00	95.00	95.00
5 - Customer Service - Percentage of customers rating their satisfaction with agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Timeliness	Approved KPM	73.00	90.00	90.00



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<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>
6 - Governance Best Practices - Percent of total best practices met by the commission.		Approved KPM	96.00	100.00	100.00

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets.

**Sub-Committee Action:**

HB 5020-1  
(LC 9020)  
4/13/15 (TR/ps)

**PROPOSED AMENDMENTS TO  
HOUSE BILL 5020**

- 1 In line 11 of the printed bill, delete "\$1,950,208" and insert "\$2,083,828".
  - 2 In line 13, delete "\$327,000" and insert "\$200,000".
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# House Bill 5020

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (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.

Limits biennial expenditures from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and other federal funds, collected or received by Oregon Government Ethics Commission.  
Declares emergency, effective July 1, 2015.

## A BILL FOR AN ACT

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Relating to the financial administration of the Oregon Government Ethics Commission; and declaring an emergency.

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

**SECTION 1.** Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2015, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and reimbursements from federal service agreements, but excluding lottery funds and federal funds not described in this section, collected or received by the Oregon Government Ethics Commission, for the following purposes:

- (1) Administration..... \$ 1,950,208
- (2) Electronic reporting system..... \$ 327,000

**SECTION 2.** This 2015 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect July 1, 2015.

**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.