

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 519 - A

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

Prepared by: Krista McDowell
Reviewed by: Doug Wilson
Date: 3/13/2015

Measure Description:

Directs community college districts to use uniform budget and accounting system for reporting finances.

Government Unit(s) Affected:

Department of Community Colleges and Workforce Development

Summary of Expenditure Impact:

	2015-17 Biennium	2017-19 Biennium
General Fund	\$69,862	
Total Funds	\$69,862	\$0
Positions	1	
FTE	0.25	

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The bill directs community college districts to use the same system for reporting finances. The bill also directs the Department of Community Colleges and Workforce Development (CCWD) to select and provide guidelines for the system. The system must include uniform identification of funds, revenue by source and expenditures by function and classification. The CCWD is directed to place data gathered from the uniform system in a database that includes information that is available to the public through the Internet or other similar technology.

For the purposes of implementing this bill the CCWD plans to reinstate financial data collection in the Oregon Community College Financial Information System (CCFIS). This work is anticipated to be contracted for an estimated cost of \$120 per hour for 250 hours for a total cost of \$30,000 General Fund (GF). In addition, a limited duration Research Analyst 3, is anticipated to be needed full-time for six months (.25 FTE), to work with the colleges to validate the data system and make sure the information is being accurately reported. This position is estimated to cost \$39,862 GF for the 2015-17 biennium.

The fiscal impact to community colleges has not been determined but there are likely additional costs to them as a result of this bill.

Fiscal: Fiscal impact issued

Revenue: No Revenue Impact

Action Date: 03/12/15

Action: Do Pass With Amendments And Requesting Referral To Ways And Means.
(Printed A-Engrossed.)

Meeting Dates: 02/26, 03/03, 03/12

Vote:
Yeas: 7 - Baertschiger Jr, Beyer, Gelsner, Hass, Knopp, Kruse, Roblan

Prepared By: Gretchen Engbring, Committee Administrator

WHAT THE MEASURE DOES:

Requires all community college districts use same system for reporting finances. Requires Department of Community Colleges and Workforce Development to select system, which may be existing system, and provide guidelines for implementation. Specifies what system shall include. Requires department to place data from system on website and ensure timely public access. Takes effect July 1, 2016.

ISSUES DISCUSSED:

- Value of data that is comparable between community college institutions
- Current status of community college system for reporting finances
- Public access to community college finance data
- Broad support for and no testimony in opposition to measure as amended

EFFECT OF COMMITTEE AMENDMENT:

Requires community college districts use same system for reporting finances. Requires Department of Community Colleges and Workforce Development to select a system, which may be an existing system, and provide guidelines for implementation. Alters what system shall include. Requires timely public access to data gathered from the system.

BACKGROUND:

House Bill 3636 (1997) established the Program Budgeting and Accounting Manual, a uniform budget and accounting system for kindergarten through twelfth grade. House Bill 3636 additionally directed the Department of Education to “review, modify, update and improve the existing chart of accounts for school districts and education service districts that will allow for valid comparisons of expenditures among schools and districts.”

Senate Bill 519-A extends uniform financial reporting standards to community college districts by requiring the Department of Community Colleges and Workforce Development (CCWD) to select a system for reporting finances, and requiring community college districts to use the selected system. The bill further requires the CCWD to place data gathered from the system on their website, and to ensure timely public access to the information.