
MEMORANDUM

Legislative Fiscal Office
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To: General Government Subcommittee

From: Daron Hill, Legislative Fiscal Office
(503) 986-1832

Date: May 25, 2015

Subject: Office of the Governor - HB 5021
Work Session Recommendations

Office of the Governor – Agency Totals

Fund-type Positions/FTE	2011-13 Actuals	2013-15 Legislatively Approved*	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	50,737,961	11,401,846	11,493,196	11,493,196
Lottery Funds	1,758,023	3,376,215	2,730,536	2,730,536
Other Funds	15,557,628	2,910,655	3,155,147	3,155,147
Federal Funds	2,744,411	--	--	--
Total Funds	\$70,798,023	\$17,688,716	\$17,378,879	\$17,378,879
Positions	76	57	54	54
FTE	70.47	56.50	53.50	53.50

* Includes Emergency Board and administrative actions through December 2014

Attached are the recommendations from the Legislative Fiscal Office (LFO) for the *Office of the Governor*. The budget contains no adjustments to the Current Service Level.

With the unexpected change in the administration, the Office of the Governor will need some time to figure out how to structure the office and determine the appropriate level of resources. LFO recommends a Current Service Level budget with instructions for the agency to return during the 2016 legislative session with a recommended budget for the remainder of the biennium.

The revised budget should address a number of concerns that have been raised by the Legislature, including a review of positions that are funded by other agencies, as well as vacant positions, and a proposal to reduce, eliminate, or realign those positions.

Adjustments to Current Service Level:

See attached "Work Session Presentation Report" dated 05/25/2015.

Accept the LFO recommendation: Move the LFO recommendations to HB 5021

OR

Change the LFO recommendation: Move the LFO recommendations to HB 5021, 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 5021 budget report:

Given the timing of the change in leadership, the Governor's Office should review the current organizational structure and create a report showing any requested position changes. The report should also look at positions that are funded by other agencies and include the total number of those positions, the total cost of those positions, and a proposal to reduce, eliminate, or realign those positions.

The agency should also review its Key Performance Measures and prepare a report on any proposed changes.

Both of these reports should be presented to the Joint Committee on Ways and Means during the 2016 session.

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 \$11,493,196 *General Fund*, \$2,730,536 *Lottery Funds*, \$3,155,147 *Other Funds*, and 54 positions (53.50 FTE) and that House Bill 5021 be amended accordingly.

In line 5, delete "\$11,577,183" and insert "\$11,443,196".

In line 12, delete "\$3,750,871" and insert "\$2,730,536".

In line 16, delete "\$3,153,939" and insert "\$3,155,147".

Motion: Move adoption of the -1 amendment to HB 5021.

HB 5021 Final Subcommittee Action:

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

Motion: Move HB 5021, as amended, to the Full Committee with a "do pass as amended" recommendation.

Chair to assign carriers:

Full: _____
2nd Chamber: _____

	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	10,007,383	3,261,204	2,809,734	-	-	-	16,078,321	57	56.50
2013-15 Ebds, SS & Admin Act	1,394,463	115,011	100,921	-	-	-	1,610,395	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	11,401,846	3,376,215	2,910,655	-	-	-	17,688,716	57	56.50
2013-15 Leg Approved Budget (Base)	11,401,846	3,376,215	2,910,655	-	-	-	17,688,716	57	56.50
Summary of Base Adjustments	331,991	(722,761)	122,090	-	-	-	(268,680)	(3)	(3.00)
2015-17 Base Budget	11,733,837	2,653,454	3,032,745	-	-	-	17,420,036	54	53.50
010: Non-PICS Pers Svc/Vacancy Factor	(8,567)	(25,200)	11,935	-	-	-	(21,832)	-	-
020: Phase In / Out Pgm & One-time Cost	(1,089,487)	(84,213)	-	-	-	-	(1,173,700)	-	-
030: Inflation & Price List Adjustments	857,413	186,495	110,467	-	-	-	1,154,375	-	-
2015-17 Current Service Level	11,493,196	2,730,536	3,155,147	-	-	-	17,378,879	54	53.50
Adjusted 2015-17 Current Service Level	11,493,196	2,730,536	3,155,147	-	-	-	17,378,879	54	53.50
2015-17 Legislative Actions	11,493,196	2,730,536	3,155,147	-	-	-	17,378,879	54	53.50
Net change from 2013-15 Leg Approved Budget	91,350	(645,679)	244,492	-	-	-	(309,837)	(3)	(3.00)
Percent change from 2013-15 Leg Approved Budget	0.8%	(19.1%)	8.4%	0.0%	0.0%	0.0%	(1.8%)	(5.3%)	(5.3%)
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%

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2013-15 Ebds, SS & Admin Act	1,394,463	115,011	100,921	-	-	-	1,610,395	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	11,401,846	3,376,215	2,910,655	-	-	-	17,688,716	57	56.50
2013-15 Leg Approved Budget (Base)	11,401,846	3,376,215	2,910,655	-	-	-	17,688,716	57	56.50
Summary of Base Adjustments	322,504	(722,761)	122,090	-	-	-	(278,167)	(3)	(3.00)
2015-17 Base Budget	11,724,350	2,653,454	3,032,745	-	-	-	17,410,549	54	53.50
010: Non-PICS Pers Svc/Vacancy Factor	(8,567)	(25,200)	11,935	-	-	-	(21,832)	-	-
020: Phase In / Out Pgm & One-time Cost	(1,080,000)	(84,213)	-	-	-	-	(1,164,213)	-	-
030: Inflation & Price List Adjustments	857,413	186,495	110,467	-	-	-	1,154,375	-	-
2015-17 Current Service Level	11,493,196	2,730,536	3,155,147	-	-	-	17,378,879	54	53.50
Adjusted 2015-17 Current Service Level	11,493,196	2,730,536	3,155,147	-	-	-	17,378,879	54	53.50
2015-17 Legislative Actions	11,493,196	2,730,536	3,155,147	-	-	-	17,378,879	54	53.50
Net change from 2013-15 Leg Approved Budget	91,350	(645,679)	244,492	-	-	-	(309,837)	(3)	(3.00)
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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%

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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	9,487	-	-	-	-	-	9,487	-	-
2015-17 Base Budget	9,487	-	-	-	-	-	9,487	-	-
020: Phase In / Out Pgm & One-time Cost	(9,487)	-	-	-	-	-	(9,487)	-	-
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%

Legislatively Proposed 2015-2017 Key Performance Measures

Agency: GOVERNOR'S OFFICE

Mission: The Governor's Office provides leadership and direction to state agencies that are in the Executive Branch. The Governor's Office includes: Program Area Policy Advisors (e.g., education, workforce, natural resources, jobs and economy, health care, labor and human services, public safety, transportation, and veterans), Executive Appointments, Public Affairs, Diversity and Inclusion, Economic and Business Equity, Extradition Services (for all law enforcement agencies), and Regional Solutions. The focus of the Annual Performance Progress Report is on the last four program areas. These program areas track performance measures, as detailed within this report.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
3 - OREGON FUGITIVES RETURNED - Percent of Oregon fugitives returned to Oregon in the most cost-effective and timely manner, giving priority to the most serious offenders.		Proposed Delete KPM	89.16	90.00	90.00
1 - CUSTOMER SATISFACTION - Percent of participants (customers) who rate the Regional Solutions process very good to excellent.	Accuracy	Approved KPM	88.60	90.00	90.00
1 - CUSTOMER SATISFACTION - Percent of participants (customers) who rate the Regional Solutions process very good to excellent.	Availability of Information	Approved KPM	86.20	90.00	90.00
1 - CUSTOMER SATISFACTION - Percent of participants (customers) who rate the Regional Solutions process very good to excellent.	Expertise	Approved KPM	92.00	90.00	90.00
1 - CUSTOMER SATISFACTION - Percent of participants (customers) who rate the Regional Solutions process very good to excellent.	Helpfulness	Approved KPM	89.10	90.00	90.00
1 - CUSTOMER SATISFACTION - Percent of participants (customers) who rate the Regional Solutions process very good to excellent.	Overall	Approved KPM	87.90	90.00	90.00
1 - CUSTOMER SATISFACTION - Percent of participants (customers) who rate the Regional Solutions process very good to excellent.	Timeliness	Approved KPM	89.70	90.00	90.00
2 - CERTIFIED INDUSTRIAL SITES - Number of new industrial sites / acres certified as "project ready".		Approved KPM	9.00	6.00	69.00
4 - NUMBER OF STATE CONTRACT AWARDS TO CERTIFIED MINORITY, WOMEN AND EMERGING SMALL BUSINESSES (MWESB):		Approved KPM	0.00	10.00	10.00
5 - STATE HIRING - Number of protected classes being hired, promoted, and retained in state agencies.		Approved KPM	17.10	22.00	22.00

LFO Recommendation:

LFO recommends no changes to the KPMs at this time. The agency is currently reviewing its organizational structure. Since the new structure may have an impact on the KPMs, any changes can be adopted when the Governor's Office reports during the 2016 legislative session.

Sub-Committee Action:

HB 5021-1
(LC 9021)
5/26/15 (TR/ps)

**PROPOSED AMENDMENTS TO
HOUSE BILL 5021**

- 1 In line 5 of the printed bill, delete "\$11,577,183" and insert "\$11,443,196".
 - 2 In line 12, delete "\$3,750,871" and insert "\$2,730,536".
 - 3 In line 16, delete "\$3,153,939" and insert "\$3,155,147".
 - 4
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