

SB 5502

Department of Administrative Services

SB 5502 is the budget bill for the Department of Administrative Services. The department supports other state agencies by delivering centralized services; which include motor pool, information technology support and oversight, statewide accounting, risk insurance, facilities management, and procurement. The Department also provides management oversight and policy direction to state agencies on operations, finance, human resources and information technology.

The budget for the department totals just over \$1 billion dollars and 815 positions, which is 7% below the 2013-15 legislatively approved budget. The budget makes the following General Fund additions: \$1M for operations of the State Fairgrounds, \$375,000 for the Oregon Historical Society and \$250,000 for Oregon Public Broadcasting. The budget also adds \$216,000 Lottery Funds to increase distributions to county fairs by \$6,000 each.

Other Funds reductions included \$4.8 million due to elimination of 22 vacant positions, \$10 million in Enterprise Technology Services, or ETS, assessments and \$13.3 million in ETS expenditures due to the Oregon Lottery no longer procuring the majority of their IT services from ETS. Other Fund additions include \$3.4 million and 12 positions for the Chief Information Office for more rigorous review and oversight of agency IT projects, \$2 million to continue facility assessments of agency owned assets, and \$2 million for the purchase of new vehicles, which is half of what was requested.

In addition, revenue from rates and assessments was reduced \$10 million to avoid accumulating higher than needed fund balances. Expenditures for associated

assessments and rates in other state agency budgets will be reduced to reflect lower DAS expenditure and revenue levels than were assumed during budget development.

There are three budget notes, including a budget note requiring a report during the 2016 session on the Department's efforts to review services and operations of Enterprise Technology Services.

The General Government Subcommittee recommends SB 5502 be amended by the -1 amendment and be reported out do pass, as amended.