

**Legislative
Fiscal Office**

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**Joint Committee on
Ways and Means**

Sen. Richard Devlin, Senate Co-Chair
Rep. Nancy Nathanson, House Co-Chair

Sen. Betsy Johnson, Senate Co-Vice Chair
Sen. Jackie Winters, Senate Co-Vice Chair
Rep. Dan Rayfield, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Education Subcommittee

From: Doug Wilson, Legislative Fiscal Office

Date: June 28, 2017

Subject: SB 5524 -- Higher Education Coordinating Commission
Work Session Recommendations

Higher Education Coordinating Commission – Agency Totals

	2013-15 Actual	2015-17 Legislatively Approved	2017-19 Current Service Level	2017-19 LFO Recommended
General Fund	1,428,225,965	1,789,711,145	1,872,512,821	1,936,646,596
Lottery Funds	45,638,739	62,406,155	76,713,302	96,641,057
Other Funds	370,177,018	385,938,901	27,739,047	30,821,373
Federal Funds	107,788,824	111,932,844	114,694,286	114,506,077
Nonlimited Other	42,546,031	436,751,272	209,147,256	213,046,781
Nonlimited Federal	18,968,832	19,598,833	23,556,205	23,556,205
Total Funds	\$2,013,345,409	\$2,806,339,150	\$2,324,362,917	\$2,415,218,089
Positions		143	126	122
FTE		124.30	118.52	115.24

Background Information

The Higher Education Coordinating Commission (HECC) was created in 2011 by SB 242 and further refined in 2012 by SB 1538. The Commission has 15 members appointed by the Governor and confirmed by the Senate. Its primary focus is to be responsible for strategic planning for post-secondary education in the state. Its major areas of responsibilities include:

- Develop goals and maintain accountability measures for the post-secondary system.
- Approve and authorized degrees for the public universities and community colleges.
- Administer and operate the Office of Degree Authorization and the Private Career Schools program.
- Administer workforce development programs as the state agency responsible for the federal workforce development programs.

- Provide financial assistance to post-secondary students through the Oregon Opportunity Grant, Oregon Promise, and other Office of Student Access and Completion.
- Distribute state funding to public universities, community colleges, and the Oregon Health Sciences Universities.
- Manage debt service for state issued general obligation bonds for post-secondary public institutions.

Even though HECC was established in 2011-13, it did not initially have any budget and consequently any staff for that biennium. Beginning in 2013-15, the HECC budget included the core HECC staff and the budgets for the Office of Degree Authorization (transferred from OSAC) and the staff of the Private Career School program transferred from the Oregon Department of Education. In 2015-17, HECC's budget expanded significantly as the budgets for the former Department of Community Colleges and Workforce Development (CCWD), former Oregon Student Access Commission (OSAC), Oregon Health and Science University (OHSU), and the former Oregon University System (now the public universities) were combined in the overall HECC budget.

Adjustments to Current Service Level (CSL):

The CSL for the Commission is \$1,872 billion General Funds, \$76.7 million Lottery Funds, and \$2.324 billion total funds. The LFO recommendation assumes the following major changes:

- The Public University Support Fund is increased by \$43.6 million General Fund or almost 6.3% over the CSL.
- The Community College Support Fund is increased by \$7.4 million General Fund or almost 1.3% over the CSL.
- Funding for the Oregon Opportunity Grant is maintained at the CSL level of \$146.1 total funds.
- The Oregon Promise program in this bill is funded at just under \$35 million General Fund and any required program changes will be addressed later in the Session.
- \$24.0 million Lottery Funds are added to the Extension Service for the first two years of a state funded Outdoor School program.

Funding for debt service relating to OHSU will be included in a different bill later in Session and will be appropriated to the Department of Administrative Services (DAS).

See attached "Work Session Presentation Report".

Note: Statewide adjustments are not included in these recommendations. Any needed adjustments will be made in an omnibus bill at the end of session.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation to SB 5524. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation to SB 5524, with modifications. (VOTE)

Budget Notes

Budget Note #1

The \$736.9 million General Fund appropriated in this budget for the public university support fund is 10.4% greater than the amount proposed in the Governor's Recommended budget which the public universities have based tuition increases on. Five of the seven public universities proposed increases greater than the 5% permitted without the approval of the Higher Education Coordinating Commission (HECC). Data was presented to the Commission which demonstrated the reductions in tuition rates these five public universities planned to implement if additional resources was provided to the Public University Support Fund. Based on this information, the following budget note is recommended.

The following public universities will limit their resident undergraduate tuition increases in the 2017-18 academic year to the following amounts:

- *Oregon Institute of Technology* 5.0%
- *Portland State University* 5.5%
- *Southern Oregon University* 9.0%
- *University of Oregon* 6.56%
- *Western Oregon University* 6.5%

For the second year of the biennium or the 2018-19 academic year, the expectation is that no public university's resident undergraduate tuition growth shall exceed 5% over the tuition rate for 2017-18 academic year.

Budget Note #2

The Oregon Health and Science University, in collaboration with community colleges and health care industry stakeholders, shall report to the Legislative Assembly during the 2019 legislative session with an assessment of the Oregon Consortium for Nursing Education's impact in providing nursing education access to diverse student populations across the state and to meeting the ever-changing health care needs of Oregon's aging and increasingly diverse population.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Budget Notes. (VOTE)

OR

Change LFO Recommendation (any changes must be approved by the co-chairs):

MOTION: I move the LFO recommendation on Budget Notes, with modifications. (VOTE)

Performance Measures

See attached “Legislatively Proposed 2017-19 Key Performance Measures.”

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)

Recommended Changes

LFO recommends a budget listed below, which is reflected in the -3 amendment.

General Fund	\$1,936,646,596
Lottery Funds	\$ 96,641,057
Other Funds	\$ 30,821,373
Federal Funds	\$ 114,506,077
Nonlimited Other Funds	\$ 213,046,781
Nonlimited Federal Funds	\$ 23,556,205
Total Funds	\$ 2,415,218,089

MOTION: I move adoption of the -3 amendment to SB 5524. (VOTE)

Final Subcommittee Action

LFO recommends that SB 5524, as amended by the -3 amendment, to be moved to the Ways and Means Full Committee.

MOTION: I move SB 5524, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

LFO102 - Work Session Presentation Report
2017-19 Biennium

Version: L - 01 - LFO Analyst Recommended
Cross Reference: 52500-000-00-00-00000
Higher Education Coordinating Commission

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	1,768,304,606	62,406,155	344,579,408	111,680,983	275,439,857	18,968,833	2,581,379,842	143	124.30
2015-17 Ebds, SS & Admin Act	16,181,748	-	16,256,078	251,861	179,779,869	-	212,469,556	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	1,784,486,354	62,406,155	360,835,486	111,932,844	455,219,726	18,968,833	2,793,849,398	143	124.30
2015-17 Leg Approved Budget (Base)	1,783,060,304	62,406,155	355,761,286	111,923,269	275,439,857	18,968,833	2,607,559,704	143	124.30
Summary of Base Adjustments	50,692,277	1,305,013	(322,680,215)	(48,490)	(66,292,601)	4,587,372	(332,436,644)	(17)	(5.78)
2017-19 Base Budget	1,833,752,581	63,711,168	33,081,071	111,874,779	209,147,256	23,556,205	2,275,123,060	126	118.52
010: Non-PICS Pers Svc/Vacancy Factor	73,687	-	24,015	13,982	-	-	111,684	-	-
020: Phase In / Out Pgm & One-time Cost	(10,923,402)	4,072,245	(6,405,561)	(1,215,035)	-	-	(14,471,753)	-	-
030: Inflation & Price List Adjustments	85,488,852	437,206	864,458	4,020,560	-	-	90,811,076	-	-
050: Fundshifts and Revenue Reductions	(35,878,897)	8,492,683	175,064	-	-	-	(27,211,150)	-	-
2017-19 Current Service Level	1,872,512,821	76,713,302	27,739,047	114,694,286	209,147,256	23,556,205	2,324,362,917	126	118.52
070: Revenue Reductions/Shortfall	-	-	(20,445)	-	-	-	(20,445)	-	-
Adjusted 2017-19 Current Service Level	1,872,512,821	76,713,302	27,718,602	114,694,286	209,147,256	23,556,205	2,324,342,472	126	118.52
Total LFO Recommended Packages	64,133,775	19,927,755	3,102,771	(188,209)	3,899,525	-	90,875,617	(4)	(3.28)
2017-19 Legislative Actions	1,936,646,596	96,641,057	30,821,373	114,506,077	213,046,781	23,556,205	2,415,218,089	122	115.24
Net change from 2015-17 Leg Approved Budget	152,160,242	34,234,902	(330,014,113)	2,573,233	(242,172,945)	4,587,372	(378,631,309)	(21)	(9.06)
Percent change from 2015-17 Leg Approved Budget	8.5%	54.9%	(91.5%)	2.3%	(53.2%)	24.2%	(13.6%)	(14.7%)	(7.3%)
Net change from 2017-19 Adj Current Service Level	64,133,775	19,927,755	3,102,771	(188,209)	3,899,525	-	90,875,617	(4)	(3.28)
Percent change from 2017-19 Adj Current Service Level	3.4%	26.0%	11.2%	(0.2%)	1.9%	0.0%	3.9%	(3.2%)	(2.8%)

LFO102 - Work Session Presentation Report
2017-19 Biennium

Version: L - 01 - LFO Analyst Recommended
Cross Reference: 52500-101-00-00-00000
HECC Operations

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	33,683,056	-	14,068,811	14,822,866	206,000	-	62,780,733	140	121.30
Summary of Base Adjustments	(9,676,126)	-	(412,479)	(51,169)	-	-	(10,139,774)	(17)	(5.78)
2017-19 Base Budget	24,006,930	-	13,656,332	14,771,697	206,000	-	52,640,959	123	115.52
010: Non-PICS Pers Svc/Vacancy Factor	73,687	-	20,935	13,935	-	-	108,557	-	-
020: Phase In / Out Pgm & One-time Cost	(2,348,803)	-	(5,355,561)	(1,215,035)	-	-	(8,919,399)	-	-
030: Inflation & Price List Adjustments	360,718	-	195,044	442,815	-	-	998,577	-	-
050: Fundshifts and Revenue Reductions	(181,103)	-	181,103	-	-	-	-	-	-
2017-19 Current Service Level	21,911,429	-	8,697,853	14,013,412	206,000	-	44,828,694	123	115.52
Adjusted 2017-19 Current Service Level	21,911,429	-	8,697,853	14,013,412	206,000	-	44,828,694	123	115.52
Total LFO Recommended Packages	(596,051)	-	152,771	(188,209)	-	-	(631,489)	(4)	(3.28)
2017-19 Legislative Actions	21,315,378	-	8,850,624	13,825,203	206,000	-	44,197,205	119	112.24
Net change from 2015-17 Leg Approved Budget	21,315,378	-	8,850,624	13,825,203	206,000	-	44,197,205	119	112.24
Percent change from 2015-17 Leg Approved Budget	100.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%
Net change from 2017-19 Adj Current Service Level	(596,051)	-	152,771	(188,209)	-	-	(631,489)	(4)	(3.28)
Percent change from 2017-19 Adj Current Service Level	(2.7%)	0.0%	1.8%	(1.3%)	0.0%	0.0%	(1.4%)	(3.3%)	(2.8%)

	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 109 Infrastructure Positions

Package Description Reclasses three Administrative Specialist 2 positions to Program Analyst 2 positions subject to Article 81 review. Funding on one of the positions is shifted from General Fund to Other Funds.

LFO Recommendation Approve the package.

LFO Analyst Notes Position numbers 5250075, 520076 and 5250077.

LFO Recommended	(150,010)	-	189,410	-	-	-	39,400	-	-
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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 reduces resources for Personal Services by assuming \$200,000 more in vacancy savings than was included in the development of the Current Service Level. The agency will need to manage their hiring process to meet this reduction and the further reduction in Personal Services costs that might be in the "end of session" bill.

LFO Recommendation Approve the request.

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 802 Program Enhancements

Package Description This \$500,000 General Fund package reflects the transfer of responsibilities of the Talent Council that was in the Oregon Employment Department. These responsibilities are transferred to the new Workforce and Talent Development Board which replaces the former Workforce Development Board in HECC. One position is established (1.05 FTE) as a Program Analyst 3. It is likely that the agency will split some of the responsibilities among existing part-time positions. Services and Supplies includes resources for contracts including for developing a new strategic talent plan. Also, included are resources for transfer to the Oregon Employment Department through an interagency agreement for closeout related costs of the former Talent Council. Funding of \$500,000 General Fund is included in the Workforce area of the budget for grants.

LFO Recommendation Approve the package.

LFO Recommended	500,000	-	-	-	-	-	500,000	1	1.05
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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 812 Vacant Position Elimination

Package Description This package eliminates five positions (4.33 FTE) which have been vacant for an extended period or positions identified by the agency that could be eliminated. The positions include four positions in Workforce programs including an Office Specialist, Administrative Specialist, and two Program Analysts. Also eliminated is an Educational Specialist in the GED program. One of the eliminated positions is part-time while the other positions are full-time. Overall savings are \$746,041 General Fund and \$970,889 total funds.

LFO Recommendation Approve the package.

LFO Analyst Notes Position numbers 5250150, 5250127, 5250152, 5250146, and 5250153.

LFO Recommended	(746,041)	-	(36,639)	(188,209)	-	-	(970,889)	(5)	(4.33)
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	564,365,440	-	45,810	-	-	-	564,411,250	-	-
Summary of Base Adjustments	1,995,001	-	-	-	-	-	1,995,001	-	-
2017-19 Base Budget	566,360,441	-	45,810	-	-	-	566,406,251	-	-
020: Phase In / Out Pgm & One-time Cost	(10,759,800)	-	-	-	-	-	(10,759,800)	-	-
030: Inflation & Price List Adjustments	42,383,496	-	-	-	-	-	42,383,496	-	-
050: Fundshifts and Revenue Reductions	(28,300,000)	-	-	-	-	-	(28,300,000)	-	-
2017-19 Current Service Level	569,684,137	-	45,810	-	-	-	569,729,947	-	-
Adjusted 2017-19 Current Service Level	569,684,137	-	45,810	-	-	-	569,729,947	-	-
Total LFO Recommended Packages	4,256,048	-	-	-	-	-	4,256,048	-	-
2017-19 Legislative Actions	573,940,185	-	45,810	-	-	-	573,985,995	-	-
Net change from 2015-17 Leg Approved Budget	573,940,185	-	45,810	-	-	-	573,985,995	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	4,256,048	-	-	-	-	-	4,256,048	-	-
Percent change from 2017-19 Adj Current Service Level	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	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 Funding for the two Skills Centers are reduced by 10% or by \$62,805 General Fund. These Skills Centers are the Sabin-Schellenberg Professional Technical Center in Milwaukie and the Margaret Carter Skills Center at Portland Community College. Also, reduced in this package is \$2,068,816 General Fund which was added during the 2015 Session for STEM related start-up funding for programs in high-demand fields including health sciences, engineering, high tech manufactures, precision agriculture, and other areas.

LFO Recommendation Approve the package.

LFO Recommended	(2,131,621)	-	-	-	-	-	(2,131,621)	-	-
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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 802 Program Enhancements

Package Description Funding for the general payments to Community Colleges through the Community College Support Fund are increased by \$6,387,670 over the Current Service Level (CSL) bringing total funding to \$570.3 million General Fund. This represents a 1.1% increase over CSL. This is the primary source of state General Fund resources for Community Colleges.

These additional funds paid to Community Colleges are to go to offset increases in tuition for the two school years of the 2017-19 biennium.

LFO Recommendation Approve the package.

LFO Recommended	6,387,669	-	-	-	-	-	6,387,669	-	-
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LFO102 - Work Session Presentation Report
2017-19 Biennium

Version: L - 01 - LFO Analyst Recommended
Cross Reference: 52500-103-00-00-00000
Public University Ops & Student Support

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	667,327,500	-	-	-	-	-	667,327,500	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2017-19 Base Budget	667,327,500	-	-	-	-	-	667,327,500	-	-
020: Phase In / Out Pgm & One-time Cost	(1,757,500)	-	-	-	-	-	(1,757,500)	-	-
030: Inflation & Price List Adjustments	27,750,718	-	-	-	-	-	27,750,718	-	-
2017-19 Current Service Level	693,320,718	-	-	-	-	-	693,320,718	-	-
Adjusted 2017-19 Current Service Level	693,320,718	-	-	-	-	-	693,320,718	-	-
Total LFO Recommended Packages	43,577,865	-	-	-	-	-	43,577,865	-	-
2017-19 Legislative Actions	736,898,583	-	-	-	-	-	736,898,583	-	-
Net change from 2015-17 Leg Approved Budget	736,898,583	-	-	-	-	-	736,898,583	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	43,577,865	-	-	-	-	-	43,577,865	-	-
Percent change from 2017-19 Adj Current Service Level	6.3%	0.0%	0.0%	0.0%	0.0%	0.0%	6.3%	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 Eliminates funding (\$570,000 General Fund) for the Career Advising and Mentorship pilot project which was established by SB 860 (2015). This pilot project was limited to two Public University campuses -- Western Oregon University and Oregon State University. The funding was primarily used for a position to work closely with students, alumni and others to set up career mentoring for students using institutional alumni. This program elimination is due to insufficient General Fund resources and this being a pilot program.

LFO Recommendation Approve the package.

LFO Recommended	(570,000)	-	-	-	-	-	(570,000)	-	-
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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 802 Program Enhancements

Package Description Funding for the general payments to Public Universities for Operations and Student Support is increased by \$44,147,865 over the Current Service Level (CSL) bringing total funding to \$736.9 General Fund. This represents a 6.4% increase over CSL. This is the major source of state General Fund resources for Public Universities.

These additional funds paid to Public Universities are to go to offset increases in tuition for the two school years of the 2017-19 biennium.

LFO Recommendation Approve the package.

Budget Notes The \$736.9 million General Fund appropriated in this budget for the public university support fund is 10.4% greater than the amount proposed in the Governor's Recommended budget which the public universities have based tuition increases on. Five of the seven public universities proposed increases greater than the 5% permitted without the approval of the Higher Education Coordinating Commission (HECC). Data was presented to the Commission which demonstrated the reductions in tuition rates these five public universities planned to implement if additional resources was provided to the Public University Support Fund. Based on this information, the following budget note is recommended.

The following public universities will limit their resident undergraduate tuition increases in the 2017-18 academic year to the following amounts:

- Oregon Institute of Technology 5.0%
- Portland State University 5.5%
- Southern Oregon University 9.0%
- University of Oregon 6.56%
- Western Oregon University 6.5%

For the second year of the biennium or the 2018-19 academic year, the expectation is that no public university's resident undergraduate tuition growth shall exceed 5% over the tuition rate for 2017-18 academic year.

LFO Recommended	44,147,865	-	-	-	-	-	44,147,865	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	39,120,363	-	-	-	-	-	39,120,363	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2017-19 Base Budget	39,120,363	-	-	-	-	-	39,120,363	-	-
020: Phase In / Out Pgm & One-time Cost	(1,134,307)	-	-	-	-	-	(1,134,307)	-	-
030: Inflation & Price List Adjustments	1,545,958	-	-	-	-	-	1,545,958	-	-
2017-19 Current Service Level	39,532,014	-	-	-	-	-	39,532,014	-	-
Adjusted 2017-19 Current Service Level	39,532,014	-	-	-	-	-	39,532,014	-	-
Total LFO Recommended Packages	194,096	-	-	-	-	-	194,096	-	-
2017-19 Legislative Actions	39,726,110	-	-	-	-	-	39,726,110	-	-
Net change from 2015-17 Leg Approved Budget	39,726,110	-	-	-	-	-	39,726,110	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	194,096	-	-	-	-	-	194,096	-	-
Percent change from 2017-19 Adj Current Service Level	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	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 802 Program Enhancements

Package Description Funding for the 13 different state programs located at various Public Universities is increased by \$194,096 over the Current Service Level CSL bringing total funding to \$39.7 million General Fund. Final distribution of funds for 2017-19 are as follows:

- Engineering Technology Sustaining Funds\$25,596,618
- Dispute Resolution\$ 2,634,011
- Oregon Solutions\$ 2,363,195
- OSU Fermentation Science\$ 1,297,665
- Signature Research\$ 1,089,319
- Labor Education Research Center\$ 710,328
- OSU Ocean Vessel\$ 648,833
- Population Research Center\$ 455,705
- Institute of Natural Resources\$ 417,797
- Clinical Legal Education\$ 364,381
- Oregon Climate Change Research Institutes \$ 327,490
- TallWood Design Institute\$ 3,558,605
- PSU Profiling Study\$ 262,162
- Total \$39,726,110

Engineering Technology Sustaining Funds

LFO Recommendation Approve the package.

LFO Recommended	194,096	-	-	-	-	-	194,096	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	63,121,066	-	-	-	-	-	63,121,066	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2017-19 Base Budget	63,121,066	-	-	-	-	-	63,121,066	-	-
030: Inflation & Price List Adjustments	2,644,894	-	-	-	-	-	2,644,894	-	-
2017-19 Current Service Level	65,765,960	-	-	-	-	-	65,765,960	-	-
Adjusted 2017-19 Current Service Level	65,765,960	-	-	-	-	-	65,765,960	-	-
Total LFO Recommended Packages	322,901	-	-	-	-	-	322,901	-	-
2017-19 Legislative Actions	66,088,861	-	-	-	-	-	66,088,861	-	-
Net change from 2015-17 Leg Approved Budget	66,088,861	-	-	-	-	-	66,088,861	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	322,901	-	-	-	-	-	322,901	-	-
Percent change from 2017-19 Adj Current Service Level	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	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 802 Program Enhancements

Package Description State General Fund resources for the Agricultural Experiment Station is increased by \$322,901 over the Current Service Level (CSL) bringing total funding to \$66.1 million General Fund. This represents a 0.5% increase over CSL.

LFO Recommendation Approve the package.

LFO Recommended	322,901	-	-	-	-	-	322,901	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	45,601,540	-	-	-	-	-	45,601,540	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2017-19 Base Budget	45,601,540	-	-	-	-	-	45,601,540	-	-
030: Inflation & Price List Adjustments	1,882,723	-	-	-	-	-	1,882,723	-	-
2017-19 Current Service Level	47,484,263	-	-	-	-	-	47,484,263	-	-
Adjusted 2017-19 Current Service Level	47,484,263	-	-	-	-	-	47,484,263	-	-
Total LFO Recommended Packages	233,140	24,000,000	-	-	-	-	24,233,140	-	-
2017-19 Legislative Actions	47,717,403	24,000,000	-	-	-	-	71,717,403	-	-
Net change from 2015-17 Leg Approved Budget	47,717,403	24,000,000	-	-	-	-	71,717,403	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	233,140	24,000,000	-	-	-	-	24,233,140	-	-
Percent change from 2017-19 Adj Current Service Level	0.5%	100.0%	0.0%	0.0%	0.0%	0.0%	51.0%	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 802 Program Enhancements

Package Description State General Fund resources for the Extension Service is increased by \$233,140 over the Current Service Level (CSL) bringing total funding to \$47.7 million General Fund. This represents a 0.5% increase over CSL.

This package also establishes a \$24.0 million Lottery Funds expenditure limitation for the Outdoor School program established by Ballot Measure 99 (2016). Funding at this level represents approximately 56% of the funding authorized in the language of the Ballot Measure. This lower level of funding will allow the program to be phased-in over its first two years. The Extension Service will provide funding to provide a five day or equivalent program. This amount of funding is estimated to serve roughly 45% of the target population in the first school year and roughly 65% in the second school year of the biennium. Administrative costs may be up to 15% for this first biennium of the program, estimates provided by the Extension Service show they plan to spend less than the limit. The costs include programming, transportation, stipends or additional compensation for the classroom teacher, and the administrative costs.

LFO Recommendation Approve the package.

LFO Recommended	233,140	24,000,000	-	-	-	-	24,233,140	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	9,771,107	-	-	-	-	-	9,771,107	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2017-19 Base Budget	9,771,107	-	-	-	-	-	9,771,107	-	-
030: Inflation & Price List Adjustments	402,981	-	-	-	-	-	402,981	-	-
2017-19 Current Service Level	10,174,088	-	-	-	-	-	10,174,088	-	-
Adjusted 2017-19 Current Service Level	10,174,088	-	-	-	-	-	10,174,088	-	-
Total LFO Recommended Packages	49,953	-	-	-	-	-	49,953	-	-
2017-19 Legislative Actions	10,224,041	-	-	-	-	-	10,224,041	-	-
Net change from 2015-17 Leg Approved Budget	10,224,041	-	-	-	-	-	10,224,041	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	49,953	-	-	-	-	-	49,953	-	-
Percent change from 2017-19 Adj Current Service Level	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	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 802 Program Enhancements

Package Description State General Fund resources for the Extension Service is increased by \$49,953 over the Current Service Level (CSL) bringing total funding to \$10.2 million General Fund. This represents a 0.5% increase over CSL.

LFO Recommendation Approve the package.

LFO Recommended	49,953	-	-	-	-	-	49,953	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	77,332,846	-	-	-	-	-	77,332,846	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2017-19 Base Budget	77,332,846	-	-	-	-	-	77,332,846	-	-
020: Phase In / Out Pgm & One-time Cost	(4,839,089)	-	-	-	-	-	(4,839,089)	-	-
030: Inflation & Price List Adjustments	3,170,646	-	-	-	-	-	3,170,646	-	-
2017-19 Current Service Level	75,664,403	-	-	-	-	-	75,664,403	-	-
Adjusted 2017-19 Current Service Level	75,664,403	-	-	-	-	-	75,664,403	-	-
Total LFO Recommended Packages	1,613,029	-	-	-	-	-	1,613,029	-	-
2017-19 Legislative Actions	77,277,432	-	-	-	-	-	77,277,432	-	-
Net change from 2015-17 Leg Approved Budget	77,277,432	-	-	-	-	-	77,277,432	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	1,613,029	-	-	-	-	-	1,613,029	-	-
Percent change from 2017-19 Adj Current Service Level	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	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 802 Program Enhancements

Package Description This package adds \$1,344,191 General Fund for the Scholars for Healthy Oregon program and \$268,838 General Fund for the Primary Health Care Loan Forgiveness program. HB 3396 (2015) established the Health Care Provider Incentive Fund to consolidate Oregon's Health care provider incentive programs, including these two from OHSU. In the development of the 2017-19 budget, it was assumed that these two OHSU programs would transfer to the Oregon Health Authority (OHA) and the new Fund. The Current Service Level (CSL) for this budget assumes that the transfer would take place January 1, 2018 so only 25% of the funding is included in this CSL budget. Awards are made before the beginning of the academic year (prior to the students commitment) meaning that the awards for the first school year are made prior to the transfer date. OHSU requires a full year of funding for the 2017-18 school year so this package adds \$1.6 million General Fund so half of the budget for these two programs are in the OHSU budget and the other half will be in OHA's budget.

LFO Recommendation Approve the package.

LFO Recommended	1,613,029	-	-	-	-	-	1,613,029	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	138,394,532	11,816,379	15,742,781	-	-	-	165,953,692	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2017-19 Base Budget	138,394,532	11,816,379	15,742,781	-	-	-	165,953,692	-	-
020: Phase In / Out Pgm & One-time Cost	9,916,097	-	(1,050,000)	-	-	-	8,866,097	-	-
030: Inflation & Price List Adjustments	5,120,598	437,206	543,634	-	-	-	6,101,438	-	-
050: Fundshifts and Revenue Reductions	(7,397,794)	8,492,683	(6,039)	-	-	-	1,088,850	-	-
2017-19 Current Service Level	146,033,433	20,746,268	15,230,376	-	-	-	182,010,077	-	-
Adjusted 2017-19 Current Service Level	146,033,433	20,746,268	15,230,376	-	-	-	182,010,077	-	-
Total LFO Recommended Packages	14,832,194	-	-	-	-	-	14,832,194	-	-
2017-19 Legislative Actions	160,865,627	20,746,268	15,230,376	-	-	-	196,842,271	-	-
Net change from 2015-17 Leg Approved Budget	160,865,627	20,746,268	15,230,376	-	-	-	196,842,271	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	14,832,194	-	-	-	-	-	14,832,194	-	-
Percent change from 2017-19 Adj Current Service Level	10.2%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%	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 106 Continue and Expand Oregon Promise

Package Description This package adds \$19,832,194 General Fund for the Oregon Promise Program. This brings the funding for the program to approximately \$39.7 million. The Current Service Level (CSL) has \$19.8 million given the statutory limit of \$10 million annually (difference for program staffing). The \$39.7 million represented the original CSL estimate for serving all three cohorts that will participate in the program during 2017-19. More recent estimates based on the actual number of participants in the first year of the program (2016-17 academic year) are at least \$8 million higher. Further adjustments to this program funding will be made in package 801.

LFO Recommendation Approve the package.

LFO Analyst Notes Potentially use for all of Oregon Promise

LFO Recommended	19,832,194	-	-	-	-	-	19,832,194	-	-
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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 is a \$5 million General Fund reduction in the Oregon Promise program, the amount assumed in the Co-Chairs' Framework budget. Options to meet this reduction include reducing the number of participants based on Earned Family Contribution (EFC), increasing the co-pay, and capping enrollment. This \$5 million reduction reduces the funding for the Oregon Promise program to \$34.7 million. It is expected that this issue will be dealt with later in session. SB 1032 or a similar bill will need to pass removing the annual \$10 million cap on this program for the 2017-19 biennium.

LFO Recommendation Approve the package.

LFO Recommended	(5,000,000)	-	-	-	-	-	(5,000,000)	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	-	-	427,582	95,932,390	-	18,968,831	115,328,803	-	-
Summary of Base Adjustments	8,190,913	-	652,602	-	-	-	8,843,515	-	-
2017-19 Base Budget	8,190,913	-	1,080,184	95,932,390	-	18,968,831	124,172,318	-	-
030: Inflation & Price List Adjustments	303,064	-	59,189	3,537,763	-	-	3,900,016	-	-
2017-19 Current Service Level	8,493,977	-	1,139,373	99,470,153	-	18,968,831	128,072,334	-	-
070: Revenue Reductions/Shortfall	-	-	(20,445)	-	-	-	(20,445)	-	-
Adjusted 2017-19 Current Service Level	8,493,977	-	1,118,928	99,470,153	-	18,968,831	128,051,889	-	-
Total LFO Recommended Packages	(349,400)	-	-	-	-	-	(349,400)	-	-
2017-19 Legislative Actions	8,144,577	-	1,118,928	99,470,153	-	18,968,831	127,702,489	-	-
Net change from 2015-17 Leg Approved Budget	8,144,577	-	1,118,928	99,470,153	-	18,968,831	127,702,489	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	(349,400)	-	-	-	-	-	(349,400)	-	-
Percent change from 2017-19 Adj Current Service Level	(4.1%)	0.0%	0.0%	0.0%	0.0%	0.0%	(0.3%)	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 070 Revenue Shortfalls

Package Description This package recognizes an estimated shortfall in Other Funds revenues for the workforce programs. This shortfall is primarily related to PRISM system operated by the Oregon Employment Department and its interaction with the workforce programs.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(20,445)	-	-	-	(20,445)	-	-
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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 reduces the General Fund workforce investment programs by \$849,400 or 10% that are administered along with the federal workforce investment programs. The reductions will be spread across the following programs:

- Industry Sector Strategies which are partnerships that focus on key strategic industries in each community.
- Local Competitiveness Strategies which are used to incentivize innovative strategies at the local workforce development board level. Particular emphasis is on youth and incumbent workers as well as those experiencing multi-generational poverty issues and living in rural communities.
- Back to Work Oregon which is a hire first On the Job Training (OJT) program run through the nine local workforce development boards. The program has a 1 to 1 federal match for every general funded OJT. Funds are used for wages and training for a short time (generally up to 8 weeks).

LFO Recommendation Approve the package.

LFO Recommended	(849,400)	-	-	-	-	-	(849,400)	-	-
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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 802 Program Enhancements

Package Description This \$500,000 General Fund package reflects the transfer of responsibilities of the Talent Council that was in the Oregon Employment Department. These responsibilities are transferred to the new Workforce and Talent Development Board which replaces the former Workforce Development Board in HECC. These grants are to address urgent talent gaps, prepare students and current workers to be productive in priority occupations, and deliver innovative and cost-effective education and training models. It is anticipated that two to six grants will be made with this amount of funding. A related package is found in the HECC Operations area of the budget for staffing and related costs.

LFO Recommendation Approve the package.

LFO Recommended	500,000	-	-	-	-	-	500,000	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	-	-	2,515,529	1,168,013	-	-	3,683,542	3	3.00
Summary of Base Adjustments	-	-	40,435	2,679	-	-	43,114	-	-
2017-19 Base Budget	-	-	2,555,964	1,170,692	-	-	3,726,656	3	3.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	3,080	47	-	-	3,127	-	-
030: Inflation & Price List Adjustments	-	-	66,591	39,982	-	-	106,573	-	-
2017-19 Current Service Level	-	-	2,625,635	1,210,721	-	-	3,836,356	3	3.00
Adjusted 2017-19 Current Service Level	-	-	2,625,635	1,210,721	-	-	3,836,356	3	3.00
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2017-19 Legislative Actions	-	-	2,625,635	1,210,721	-	-	3,836,356	3	3.00
Net change from 2015-17 Leg Approved Budget	-	-	2,625,635	1,210,721	-	-	3,836,356	3	3.00
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	100.0%
Net change from 2017-19 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Adj 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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	-	8,240,000	-	-	-	-	8,240,000	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2017-19 Base Budget	-	8,240,000	-	-	-	-	8,240,000	-	-
020: Phase In / Out Pgm & One-time Cost	-	4,072,245	-	-	-	-	4,072,245	-	-
2017-19 Current Service Level	-	12,312,245	-	-	-	-	12,312,245	-	-
Adjusted 2017-19 Current Service Level	-	12,312,245	-	-	-	-	12,312,245	-	-
Total LFO Recommended Packages	-	(4,072,245)	-	-	-	-	(4,072,245)	-	-
2017-19 Legislative Actions	-	8,240,000	-	-	-	-	8,240,000	-	-
Net change from 2015-17 Leg Approved Budget	-	8,240,000	-	-	-	-	8,240,000	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	(4,072,245)	-	-	-	-	(4,072,245)	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	(33.1%)	0.0%	0.0%	0.0%	0.0%	(33.1%)	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 The Sports Lottery funding is reduced by \$4,072,245 Lottery Funds which leaves it at the \$8.24 million level it was in 2015-17. The funds are to be distributed among the public universities in the same amounts as distributed in the 2015-17 biennim.

- Eastern Oregon University\$ 913,239
- Oregon Institute of Technology\$ 913,239
- Oregon State University\$1,030,000
- Portland State University\$2,277,567
- Southern Oregon University\$ 913,239
- University of Oregon\$1,030,000
- Western Oregon University\$1,162,716

LFO Recommendation Approve the package.

LFO Recommended	-	(4,072,245)	-	-	-	-	(4,072,245)	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	119,704,939	31,887,710	-	-	224,585,215	1	376,177,865	-	-
Summary of Base Adjustments	42,103,993	33,920	-	-	(15,643,959)	4,587,373	31,081,327	-	-
2017-19 Base Budget	161,808,932	31,921,630	-	-	208,941,256	4,587,374	407,259,192	-	-
030: Inflation & Price List Adjustments	(76,944)	-	-	-	-	-	(76,944)	-	-
2017-19 Current Service Level	161,731,988	31,921,630	-	-	208,941,256	4,587,374	407,182,248	-	-
Adjusted 2017-19 Current Service Level	161,731,988	31,921,630	-	-	208,941,256	4,587,374	407,182,248	-	-
Total LFO Recommended Packages	-	-	900,000	-	3,899,525	-	4,799,525	-	-
2017-19 Legislative Actions	161,731,988	31,921,630	900,000	-	212,840,781	4,587,374	411,981,773	-	-
Net change from 2015-17 Leg Approved Budget	161,731,988	31,921,630	900,000	-	212,840,781	4,587,374	411,981,773	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	900,000	-	3,899,525	-	4,799,525	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	100.0%	0.0%	1.9%	0.0%	1.2%	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 801 LFO Analyst Adjustments

Package Description This package increases the Non-limited Other Funds limitation for the public universities by \$3,889,525 which is the estimated amount of increased payments made on the general obligation Article XI-F bonds. These bonds are sold for the benefit of public universities, but the debt service is paid by the public universities from their own revenues. State resources are only liable if the public university is unable to pay their debt services. Also, included in this package, is the establishment of an Other Funds limitation for debt service of \$900,000. There have been earnings on Article XI-G and XI-Q general obligation bonds proceeds. These earnings are generated as Other Funds, but can be used to offset General Fund debt service. There is a corresponding reduction in General Fund debt service of a similar amount in the "end of session" bill. Other adjustments to debt service may also be made for public universities in the "end of session" bill.

LFO Recommendation Approve the package.

LFO Recommended	-	-	900,000	-	3,899,525	-	4,799,525	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	24,637,915	10,462,066	-	-	-	1	35,099,982	-	-
Summary of Base Adjustments	7,480,096	1,271,093	-	-	-	(1)	8,751,188	-	-
2017-19 Base Budget	32,118,011	11,733,159	-	-	-	-	43,851,170	-	-
2017-19 Current Service Level	32,118,011	11,733,159	-	-	-	-	43,851,170	-	-
Adjusted 2017-19 Current Service Level	32,118,011	11,733,159	-	-	-	-	43,851,170	-	-
Total LFO Recommended Packages	-	-	550,000	-	-	-	550,000	-	-
2017-19 Legislative Actions	32,118,011	11,733,159	550,000	-	-	-	44,401,170	-	-
Net change from 2015-17 Leg Approved Budget	32,118,011	11,733,159	550,000	-	-	-	44,401,170	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	550,000	-	-	-	550,000	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	1.3%	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 package provides for an Other Funds limitation for debt service of \$550,000. There have been earnings on Article XI-G general obligation bond proceeds. These earnings are generated as Other Funds, but can be used to offset General Fund debt service for the community colleges. There is a corresponding reduction in General Fund debt service of a similar amount in the "end of session" bill. Other adjustments to debt service may also be made for community colleges in the "end of session" bill.

LFO Recommendation Approve the package.

LFO Recommended	-	-	550,000	-	-	-	550,000	-	-
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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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	598,400	-	-	-	-	-	598,400	-	-
2017-19 Base Budget	598,400	-	-	-	-	-	598,400	-	-
2017-19 Current Service Level	598,400	-	-	-	-	-	598,400	-	-
Adjusted 2017-19 Current Service Level	598,400	-	-	-	-	-	598,400	-	-
2017-19 Legislative Actions	598,400	-	-	-	-	-	598,400	-	-
Net change from 2015-17 Leg Approved Budget	598,400	-	-	-	-	-	598,400	-	-
Percent change from 2015-17 Leg Approved Budget	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Adj 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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	-	-	321,417,945	-	50,648,642	-	372,066,587	-	-
Summary of Base Adjustments	-	-	(321,417,945)	-	(50,648,642)	-	(372,066,587)	-	-
2017-19 Base Budget	-	-	-	-	-	-	-	-	-
2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2017-19 Legislative Actions	-	-	-	-	-	-	-	-	-
Net change from 2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Adj 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)
2015-17 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget (Base)	-	-	1,542,828	-	-	-	1,542,828	-	-
Summary of Base Adjustments	-	-	(1,542,828)	-	-	-	(1,542,828)	-	-
2017-19 Base Budget	-	-	-	-	-	-	-	-	-
2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	-	-	1,500,000	-	-	-	1,500,000	-	-
2017-19 Legislative Actions	-	-	1,500,000	-	-	-	1,500,000	-	-
Net change from 2015-17 Leg Approved Budget	-	-	1,500,000	-	-	-	1,500,000	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	1,500,000	-	-	-	1,500,000	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	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 803 Technical Adjustments

Package Description This package extends the Other Funds expenditure limitation for a project at Linn Benton Community College (LBCC) approved for Lottery Bonds during the 2015 Session (SB 5507). The project was the construction of the Advanced Transportation Center established to advance statewide transportation energy policy as well as to provide education and training of students at LBCC. The project is to include an automotive technician training center, a heavy transportation/diesel training center, an innovation center, an anaerobic digester for renewable gas production. The bonds were sold in April 2017 and this will extend the limitation to the end of June 2019 which should be sufficient time to complete and closeout the project.

LFO Recommendation Approve the package.

LFO Recommended	-	-	1,500,000	-	-	-	1,500,000	-	-
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