

HB 5021 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Kate Nass, Department of Administrative Services

Reviewed By: Theresa McHugh, Legislative Fiscal Office

Office of the Governor

2019-21

PRELIMINARY

Budget Summary*

	2017-19 Legislatively Approved Budget ⁽¹⁾	2019-21 Current Service Level	2019-21 Committee Recommendation	Committee Change from 19 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 13,660,135	\$ 15,362,514	\$ 16,453,726	\$ 2,793,591	20.5%
Lottery Funds	\$ 3,723,949	\$ 4,094,546	\$ 3,962,796	\$ 238,847	6.4%
Other Funds Limited	\$ 3,413,769	\$ 3,621,636	\$ 3,924,437	\$ 510,668	15.0%
Federal Funds Limited	\$ 3,585,152	\$ -	\$ -	\$ (3,585,152)	(100.0%)
Total	\$ 24,383,005	\$ 23,078,696	\$ 24,340,959	\$ (42,046)	(0.2%)

Position Summary

Authorized Positions	61	59	62	1
Full-time Equivalent (FTE) positions	59.13	58.50	61.63	2.50

⁽¹⁾ Includes adjustments through December 2018

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Office of the Governor relies on a combination of General Fund, Lottery Funds, and Other Funds. General Fund is the primary funding source for the Office. Lottery Funds support Regional Solutions activities with half the funding coming from general purpose Lottery Funds and the other half from the statutorily dedicated 2.5 percent of video Lottery Funds distributed to counties for economic development. Other Funds are primarily from state agency assessments, which support the Diversity, Equity and Inclusion program and the Business Equity program. Additional Other Fund revenues, which fund the Arrest and Return program, are from restitution from offenders and indirect Federal Funds.

Summary of General Government Subcommittee Action

The Subcommittee recommended a budget of \$24,340,959 total funds and 62 positions (61.63 FTE) for the 2019-21 biennium. This is a 0.2 percent decrease from the 2017-19 Legislatively Approved Budget and a 5.5 percent increase from the 2019-21 Current Service Level budget. The recommended budget provides funding to continue current programs and services and provides additional resources for new positions, realignment and reclassification of positions, increased budget limitation for Small Business Forums, and continued investment in shuttle service for the extradition program. The Subcommittee approved the following Budget Note related to the overall funding source for the Office of the Governor:

Budget Note:

The Office of the Governor, with the assistance of the Department of Administrative Services Chief Financial Office, shall review the various funding sources for its positions and identify alternative funding methodologies, including an assessment-based approach to all permanent positions in the Office. The Office should present a proposed methodology to the Legislature during the 2020 Session so that the new methodology could potentially be used to develop the price list for state agencies for the 2021-23 biennium. It shall be the policy going forward that positions funded in another agency’s budget that are assigned to the Office of the Governor or are otherwise considered “on loan” to the Office of the Governor should be limited to needs related to issues that are temporary in nature.

The recommended budget includes the following adjustments to the current service level budget:

Package 090, Analyst Adjustments. This package increases vacancy savings to five percent of salaries and wages and eliminates inflation on certain Services and Supplies accounts. Additionally, this package adds an Education Policy Advisory and the associated Services and Supplies as a result of the discontinuation of the Chief Education Office and provides funding to re-align position classifications and funding within the Office.

Package 101, Census Coordinator – 2020 Census. This package reauthorizes one limited duration Census Coordinator position to serve as the primary point of contact for the Census Bureau employees for the Oregon Census 2020 activities. The coordinator will work with local and regional census staff, create and staff Oregon’s “Every Vote Counts Committee,” and work with state and university employees who provide data and support to the U.S. Census Bureau.

Package 102, Small Business Forums. This package increases Other Funds expenditure limitation for additional small business forums, particularly in rural Oregon, to assist and educate Oregon’s small businesses. These events are mostly funded by sponsorships with local business and community groups; the funding for this package is supported by increased donations.

Package 103, Diversity and Inclusion Coordinator. The package adds a permanent, full-time Diversity and Inclusion Coordinator, effective October 1, 2019, to analyze current programs, policies, and practices related to statewide affirmative action, diversity and inclusion, and business equity programs.

Package 104, Shuttle Service. This package funds the purchase of two 15 passenger vans to continue operation of the Oregon Northwest Shuttle System, a key component of the Extradition Program. The cost per van is \$36,000 for a total of \$72,000 in one-time costs and is funded with ending balance cash available to the restitution program.

Summary of Performance Measure Action

See attached “Legislatively Approved 2019-2021 Key Performance Measures.”

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Office of the Governor
Kate Nass - 503-378-5442

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2017-19 Legislatively Approved Budget at Dec 2018 *	\$ 13,660,135	\$ 3,723,949	\$ 3,413,769	\$ -	\$ 3,585,152	\$ -	24,383,005	61	59.13
2019-21 Current Service Level (CSL)*	\$ 15,362,514	\$ 4,094,546	\$ 3,621,636	\$ -	\$ -	\$ -	23,078,696	59	58.50
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 001 - General Program									
Package 090: Analyst Adjustments									
Personal Services	\$ 893,065	\$ (119,960)	\$ (125,504)	\$ -	\$ -	\$ -	647,601	1	1.50
Services and Supplies	\$ (37,791)	\$ (11,790)	\$ -	\$ -	\$ -	\$ -	(49,581)		
Package 101: Census Coordinator - 2020 Census									
Personal Services	\$ 196,901	\$ -	\$ -	\$ -	\$ -	\$ -	196,901	1	0.75
Services and Supplies	\$ 39,037	\$ -	\$ -	\$ -	\$ -	\$ -	39,037		
Package 102: Small Business Forums									
Services and Supplies	\$ -	\$ -	\$ 140,000	\$ -	\$ -	\$ -	140,000		
Package 103: Diversity and Inclusion Coordinator									
Personal Services	\$ -	\$ -	\$ 191,529	\$ -	\$ -	\$ -	191,529	1	0.88
Services and Supplies	\$ -	\$ -	\$ 24,776	\$ -	\$ -	\$ -	24,776		
Package 104: Shuttle Service									
Capital Outlay	\$ -	\$ -	\$ 72,000	\$ -	\$ -	\$ -	72,000		
TOTAL ADJUSTMENTS	\$ 1,091,212	\$ (131,750)	\$ 302,801	\$ -	\$ -	\$ -	1,262,263	3	3.13
SUBCOMMITTEE RECOMMENDATION *	\$ 16,453,726	\$ 3,962,796	\$ 3,924,437	\$ -	\$ -	\$ -	24,340,959	62	61.63
% Change from 2017-19 Leg Approved Budget	20.5%	6.4%	15.0%	0.0%	(100.0%)	0.0%	(0.2%)	1.6%	4.2%
% Change from 2019-21 Current Service Level	7.1%	(3.2%)	8.4%	0.0%	0.0%	0.0%	5.5%	5.1%	5.4%

*Excludes Capital Construction Expenditures

PRELIMINARY

Legislatively Approved 2019 - 2021 Key Performance Measures

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Agency: Governor's Office

Mission Statement:

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

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
1. Customer Satisfaction - Percent of participants (customers) who rate the Regional Solutions process very good to excellent.	Timeliness	Approved	91.30%	90%	90%
	Overall		91.80%	90%	90%
	Helpfulness		93.20%	90%	90%
	Availability of Information		88.20%	90%	90%
	Accuracy		87.70%	90%	90%
	Expertise		93.20%	90%	90%
2. Percentage of State Contract Awards to Business Certified by the Certification Office for Business Inclusion and Diversity		Approved	1.60%	10%	10%
3. State Hiring - Number of protected classes being hired, promoted, and retained in state agencies.		Approved	22%	22%	22%

LFO Recommendation:

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

SubCommittee Action:

The Subcommittee approved the LFO recommendation.