

**76<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session  
BUDGET REPORT AND MEASURE SUMMARY**

**MEASURE: SB 5502-A**

**JOINT COMMITTEE ON WAYS AND MEANS**

**Carrier – House: Rep. Garrard  
Carrier – Senate: Sen. Whitsett**

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**Action:** Do Pass as Amended and as Printed A-Engrossed

**Vote:** 22 – 2 – 1

House – Yeas: Beyer, Buckley, Cowan, Freeman, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, G. Smith, Thatcher, Whisnant  
– Nays:  
– Exc: Richardson

Senate – Yeas: Bates, Devlin, Edwards, Johnson, Monroe, Nelson, Verger, Whitsett, Winters  
– Nays: Girod, Thomsen  
– Exc:

**Prepared By:** Blake Johnson, Department of Administrative Services

**Reviewed By:** Laurie Byerly, Legislative Fiscal Office

**Meeting Date:** June 3, 2011

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**Agency**

Department of Administrative Services

**Budget Page**

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**Biennium**

2011-13

## Budget Summary\*

	2009-11	2011-13	2011-13	2011-13	Committee Change from	
	Legislatively Approved Budget (1)	Current Service Level	Governor's Budget	Committee Recommendation	2009-11 Leg Approved \$ Change	% Change
General Fund	\$ 9,437,132	\$ 285,964	\$ 0	\$ 272,059	\$ (9,165,073)	-97.1%
General Fund Debt Service	3,900,391	5,973,175	6,932,367	6,689,734	2,789,343	+71.5%
Lottery Funds	2,845,023	3,706,169	3,706,169	3,576,453	731,430	+25.7%
Lottery Funds Debt Service	7,179,572	8,179,479	8,179,479	7,893,197	713,625	+9.9%
Other Funds	465,511,214	438,492,435	391,183,084	379,400,650	(86,110,564)	-18.5%
Other Funds Debt Service	497,977,655	491,968,395	491,475,289	482,870,596	(15,107,059)	-3.0%
Other Funds Non-Limited	2,569,960,136	2,952,326,580	122,415,320	122,415,320	(2,447,544,816)	-95.2%
Other Funds Debt Service Nonlimited	18,974,032	0	0	0	(18,974,032)	-100.0%
Other Funds Capital Improvement	3,611,608	5,901,812	4,931,401	4,681,401	1,069,793	+29.6%
Federal Funds	47,000	0	0	0	(47,000)	-100.0%
Federal Funds Debt Service Nonlimited	1	1	1	1	0	0.0%
<b>Total Funds</b>	<b>3,579,443,764</b>	<b>3,906,834,010</b>	<b>1,028,823,110</b>	<b>1,007,799,411</b>	<b>-2,571,644,353</b>	<b>-71.8%</b>

## Position Summary

Authorized Positions	866	844	746	774	(92)
Full-time Equivalent (FTE) Positions	852.24	840.42	742.67	770.67	(81.57)

(1) Includes adjustments through March 2011.

\* Excludes Capital Construction expenditures

## Summary of Revenue Changes

The Department of Administrative Services' (DAS) Other Funds operating revenue comes primarily through two sources: fees billed to state agencies for direct services and assessments to state agencies for indirect services. Fees for services are billed to agencies based on usage. Assessments are generally calculated based on budgeted full-time equivalent (FTE) positions and recovered through the State Government Service Charges line item in agency budgets. Examples of services covered by assessments include those provided by the Director's Office, Budget and Management Division, and Human Resources Services Division. In addition, agencies benefiting from appropriation and pension obligation bonds are assessed their share of debt service and debt management costs. DAS will need to reconcile revenue accounts to align with expenditure changes (reductions) in the DAS budget; these are expected to reduce state agency costs through lowering assessments and service charges paid by state agencies.

## **Summary of General Government Subcommittee Action**

DAS provides management oversight and technical and administrative support to state government. As the central administrative arm of state government, DAS has three primary roles: to help the Governor and Legislature make and implement policy and financial decisions; to make state government accountable by creating and maintaining a consistent management framework; and to provide a strong, stable infrastructure by delivering to state agencies those support services that can most effectively and efficiently be provided centrally.

The Subcommittee approved a budget of \$1,007,799,411 total funds and 774 positions (770.67 FTE) for DAS. This is a decrease of \$2.6 billion total funds or 72 percent below the agency's 2009-11 Legislatively Approved Budget. Most of the large decrease from 2009-11 is due to the transfer of the Public Employees Benefits Board (PEBB) and the Oregon Educators Benefits Board (OEBB) and their \$2.4 billion in Other Funds Nonlimited to the Oregon Health Authority.

The Subcommittee's recommended budget includes about \$20 million Other Funds and 27 permanent positions in program reductions, which is equivalent to about 12 percent of the agency's operating budget. "Operating" for this purpose excludes nonlimited, pass-through, and debt service expenditures. Along with reductions, the Subcommittee's recommendation does include approval of certain policy packages targeted at meeting specific customer, agency, and legislative needs.

Across all divisions, the budget includes approval of Package 086 – Eliminate Inflation and Package 087 – Personal Service Adjustments. These are statewide packages initially established in the Governor's budget to remove various inflationary increases and decrease projected personal services costs by 5.5 percent. The Governor's budget also included Package 090 – Analyst Adjustments, which contained a series of actions to suppress agency expenditures. While the Subcommittee approved these as part of the developing the recommended budget, some adjustments to these reductions were made in subsequent packages; those adjustments where relevant in the following division narratives.

### **Office of the Director**

The Director's Office provides leadership and support to state government, internally to DAS divisions and externally to state agencies.

The Subcommittee denied Package 121 – Transfer Prison Population Forecast to CJC which would have transferred the Economist 4 position that produces the juvenile and adult corrections forecast from the Office of Economic Analysis to the Criminal Justice Commission. The Executive Branch had asked that this package be withdrawn. This action results in an increase of \$272,059 General Fund from the Governor's budget.

Also approved were two statewide packages; Package 801 – Targeted Statewide Adjustments, which reduces General Fund Services and Supplies expenditures by 6.5 percent, and Package 819 – Supplemental Statewide Ending Balance, which holds back 3.5 percent of the total General Fund budget per the Co-Chairs' budget plan. The Subcommittee also amended the agency's budget bill to include direction that the agency may expend up to 54 percent of its total biennial General Fund appropriation during the first year of the biennium.

The Subcommittee approved Package 811 – Alternative and/or Additional Reductions, which eliminates one Principal Executive Manager F position (1.00 FTE) in Communications and related Services and Supplies for a total reduction of \$285,303 Other Funds.

The Subcommittee approved the following budget note with the intent that the 10 percent reduction in administrative functions will also result in a 10 percent reduction in costs:

### **Budget Note**

The Department of Administrative Services (DAS) shall develop a plan for reducing 2013-15 administrative functions (information technology, human resources, budgeting, accounting, etc.) across the Executive Branch of state government by 10%. The plan could include centralization of functions, efficiencies in processes, increasing risk tolerance or any other elements considered appropriate. The plan shall be developed with the participation of other state agencies and subject matter experts. The Department will present a progress report to the Joint Committee on Ways and Means during the 2012 Legislative Session. Agency budget requests for 2013-15 shall incorporate the recommendations of this plan.

The Department shall also examine the usage of permanently assigned vehicles owned by the DAS Motor Pool and work with agencies to reduce the number of underutilized vehicles. The Department will set minimum monthly mileage standards for permanently assigned vehicles including exemption criteria to account for low usage vehicles that are required for valid agency business needs. DAS Fleet will reallocate and/or work with agencies to return to the motor pool any cars not meeting those mileage standards. The Department will present the results of the above actions and future plans for controlling underutilized vehicles to the Joint Committee on Ways and Means during the 2012 Legislative Session. The Department will also review the replacement lifecycle for vehicle purchases, as well as the standards for determining which cars to purchase and the equipment packages included in those purchases. Finally, DAS will include data on which agencies each have their own authority for purchasing vehicles and the rationale behind that authority.

### **Budget and Management**

The Budget and Management Division (BAM) establishes and enforces statewide budget standards and monitors agencies to ensure that funds are spent within legal and budgetary constraints. BAM instructs agencies on how to prepare budget requests and works directly with the Governor and agencies to produce the Governor's recommended budget for submission to the Legislature. The Division also helps to coordinate statewide bonded debt programs, including the issuance of Article XI Q Bonds and Lottery Revenue Bonds.

The Subcommittee added Package 811 – Alternative and/or Additional Reductions, which eliminates \$691,344 Other Funds and three Statewide Audit and Budget Reporting Section positions (3.00 FTE). The positions are a Policy and Budget Analyst, an Operations and Policy Analyst 4, and a Fiscal Analyst 2. The package also eliminates all Services and Supplies associated with the positions.

### **State Controller's Division**

The mission of the State Controller's Division (SCD) is to ensure accuracy and accountability in state government financial systems by providing services and controls in the management of statewide accounting, receivables, financial reporting, and payroll functions. The Division also provides budget and financial services in support of a number of small state agencies, including the Governor's Office.

Package 101 – Economic Recovery Team was approved. This package transfers \$1.3 million Other Funds and the Economic Recovery Executive Team (ERET) from the Office of the Governor to DAS. The package includes six limited duration positions and related expenses.

The Subcommittee approved Package 131 – 3% Mandatory Withholding, which adds one Accountant 3 position to comply with the federal Tax Increase Prevention and Reconciliation Act of 2005. The act requires 3% to be withheld from payments for goods and services by all federal, state and local governments beginning January 1, 2012.

The Subcommittee approved Package 811 – Alternative and/or Additional Reductions, which reduces SCD by \$638,719 Other Funds; this amount includes a reduction in Services and Supplies (\$179,528) and the elimination of three positions (3.00 FTE). The eliminated positions include an Accounting Tech 2, an Operations and Policy Analyst 1, and an Operations and Policy Analyst 4.

#### Enterprise Information Strategy and Policy Division

The mission of the Enterprise Strategy and Policy Division (EISPD) is to lead state government in enterprise information technology (IT) management, strategic planning, and policy. The state's Chief Information Officer (CIO) is the Division Administrator.

The Subcommittee approved Package 106 – State Broadband Data/Development Grant, which uses \$1.8 million in one-time federal grant dollars through the Public Utility Commission to obtain consultant services for broadband service area data collection.

Package 141 – E-Government Transition & Capacity, which is a placeholder for three positions for the E-Government program, was denied by the Subcommittee because the program's transition is still in flux and the level of positions/resources needed is indeterminate at this time. The agency may come back to the 2012 Legislative Session or the Emergency Board for additional resources once those requirements are determined.

The Subcommittee approved Package 811 – Alternative and/or Additional Reductions, which eliminates three positions (3.00 FTE) and associated Services and Supplies for a total of \$790,186 Other Funds. The package also reduces Capital Outlay by \$265,646 Other Funds. The positions eliminated are an Information Systems Specialist 8, a Principal Executive Manager D, and an Executive Support Specialist 1.

#### Human Resources Services Division

The Human Resource Services Division (HRSD) supports state government by providing direction and services to promote a stable and qualified work force in Oregon state government. HRSD administers the statewide human resource management system, negotiates and administers collective bargaining agreements, and establishes rules and policies for unrepresented classified, management, and executive service positions.

The Subcommittee approved Package 162 – iLearn Oregon, which provides permanent funding to continue maintaining and expanding online statewide learning services and tools.

Package 163 – HRIS System was denied by the Subcommittee. This package proposes using \$4.5 million in Lottery Bond proceeds to identify and purchase a commercial off-the-shelf system to replace the state's personnel system. It also included three positions (3.00 FTE).

The Subcommittee approved Package 165 – Class/Comp System, which supports a Software As A Service solution to improve the enterprise classification and compensation system. The planned changes will allow the ability to match employee work performed to the most appropriate job family and to locate comparable work in other states, local governments and published surveys for compensation comparisons.

The Subcommittee approved Package 811 – Alternative and/or Additional Reductions which reduces HRSD’s Services and Supplies budget by an additional \$47,233 Other Funds.

#### Facilities Division

The Facilities Division provides and operates state facilities, owning approximately 2.76 million square feet of primary office space or about a fourth of the State’s total occupied square footage. The Division also manages a portfolio of over 600 short-term and long-term leases for over 4.4 million square feet of space, mostly in the form of office space that is privately owned. The facilities are located all over the state. The Division also manages capital construction and improvement funds used to build new and maintain existing facilities.

The Subcommittee approved Package 810 – LFO Analyst Adjustments, which moves the budget for Mill Creek and Go! Oregon debt service from the Facilities budget structure to the Special Government Payments budget. This is a technical adjustment that does not change the agency’s overall budget.

The Subcommittee approved Package 811 – Alternative and/or Additional Reductions, which restores 57 of the 61 custodial positions (57.00 FTE) eliminated in the Governor’s budget in Package 090. The package also eliminates three additional Operations and Maintenance positions (3.00 FTE), and approves the use of \$8 million Other Funds to pre-pay 2011-13 Debt Service during the 2009-11 biennium. The prepayment will reduce 2011-13 uniform rent charges for all agencies from \$1.38 per square foot to \$1.27. Adjustments to other agencies’ rent assessments will be made in an end of session reconciliation bill.

#### State Services Division

The State Services Division (SSD) works to improve government operations by providing central services. Through economies of scale and the use of technology, the Division's goal is to provide services at a lower cost than state agencies can provide for themselves. The program unit administers all Workers’ Compensation, property and liability insurance needs for the State of Oregon through the risk management program, in addition to managing fleet, motor pool, procurement, surplus property, and publishing and distribution activities for the state.

Package 138 – Procurement Systems was approved. This package uses \$3.9 million Other Funds to join a regional contract to replace the Oregon Procurement Information Network (ORPIN). Current system usage has exceeded capacity, which is driving a substantial decrease in system performance and impacting accessibility for agency and vendor users.

The Subcommittee approved Package 811 – Alternative and/or Additional Reductions. This package restores two positions that bid out private sector printing contracts for state agencies and two positions that provide training in procurement activities (4.00 FTE total) that were eliminated in the Governor’s budget in Package 090. In their place, this package eliminates eight other positions (8.00 FTE); one in Risk Management, three in Fleet, and four in Publishing and Distribution. The net reduction is \$1,440,177 Other Funds.

### Operations

The Operations Division supports DAS Divisions by providing those core services that are best managed centrally, including payroll, accounting and financial services. This Division is responsible for managing all internal aspects of the agency's operations.

Package 160 – Performance Management Systems was denied by the Subcommittee. This package proposes using \$2.2 million in Lottery Bond proceeds for the development of a statewide performance management database to provide decision makers the necessary data to determine performance against key measures.

The Subcommittee modified Package 223 – Office of Transformation by eliminating four Policy Analyst 4 positions (4.00 FTE) of the ten proposed in the Governor's budget for the Office of Transformation. With associated Services and Supplies the total reduction to the package is \$838,332 Other Funds.

The Subcommittee modified Package 225 – Entrepreneurial Management, which establishes the Office of Entrepreneurial Management and creates an Entrepreneurial Management Council, by reducing Professional Services by \$350,000 Other Funds.

The Subcommittee approved Package 811 – Alternative and/or Additional Reductions, which reduces Services and Supplies by an additional \$89,186 Other Funds.

### State Data Center

The State Data Center (SDC) was created in 2005 to centralize the state's largest data centers into a single entity. The data centers were housed in the following agencies: Administrative Services, Consumer and Business Services, Corrections, Employment, Forestry, Housing and Community Services, Human Services, Revenue, State Police, Transportation, and Veterans' Affairs; these agencies are now the SDC's primary customers. The SDC also serves other governmental entities that need services in computing, voice communication and data networking.

The Subcommittee approved packages to increase mainframe and storage capacity through shifting from contracted to employee supported services; the overall cost of \$4.1 million Other Funds and 9.00 FTE includes purchasing hardware and other equipment to meet increasing demands on capacity. Also approved was \$2.7 million Other Funds to make sure computing services for critical state programs are recovered within an acceptable timeframe in the event of a disaster.

The Subcommittee approved Package 811 – Alternative and/or Additional Reductions. This package reduces the SDC by \$2,071,658 Other Funds and eliminates three System Specialist 3 positions (3.00 FTE).

### Capital Improvements

The Capital Improvement Program, administered by the Facilities Division, includes remodeling and renovation projects costing less than \$500,000. The funding for the program comes from the Capital Projects Fund, which is primarily sourced by Uniform Rent depreciation.

The Subcommittee approved Package 811 – Alternative and/or Additional Reductions, which eliminates \$250,000 Other Funds Capital Improvement projects associated with sustainability initiatives.

### Capital Construction

The Facilities Division also administers the Capital Construction Program, which includes major remodeling, renovation, and new construction or acquisition projects costing more than \$1 million in the aggregate. Funding for DAS Capital Construction projects typically comes from either bond proceeds or the Capital Projects Fund. The Capital Projects Fund receives revenues from various sources, primarily the depreciation component of the Uniform Rent charge, service agreements, and parking facilities income.

Expenditure limitation for Capital Construction is included in a separate bill that is expected to come before the Capital Construction and Subcommittee. However, the Subcommittee did review the projects in the Governor’s budget and acknowledged support for all but \$3.1 million for carpet replacements.

### Special Government Payments

This program unit records several distributions and payments not directly related to the agency’s mission or programs.

The Subcommittee approved Package 810 – LFO Analyst Adjustments, which moves the budget for Mill Creek and Go! Oregon debt service from Facilities to Special Government Payments. This is the companion package to Package 810 in the Facilities division.

The Subcommittee approved Package 819 – Supplemental Statewide Ending Balance, which holds back 3.5 percent of the total General Fund and Lottery Funds budgets as per the Co-Chairs’ budget plan for a supplemental statewide ending balance.

## **Summary of Performance Measure Action**

See attached Legislatively Adopted 2011-13 Key Performance Measures form.



**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**SB 5502-A**

**Department of Administrative Services**  
**Blake Johnson -- (503) 378-3195**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2009-11 Legislatively Approved Budget at March 2011 *	\$ 13,337,523	\$ 10,024,595	\$ 967,100,477	\$ 2,588,934,168	\$ 47,000	\$ 1	\$ 3,579,443,764	866	852.24
2011-13 ORBITS printed Current Service Level (CSL)*	\$ 6,259,139	\$ 11,885,648	\$ 936,362,642	\$ 2,952,326,580	\$ 0	\$ 1	\$ 3,906,834,010	844	840.42
2011-13 Governor's Recommended Budget*	\$ 6,932,367	\$ 11,885,648	\$ 887,589,774	\$ 122,415,320	\$ 0	\$ 1	\$ 1,028,823,110	746	742.67

SUBCOMMITTEE ADJUSTMENTS (from GRB)

**Director's Office**

Package 121: Transfer Prison Population Forecast to CJC

Personal Services	226,023	0	47,596	0	0	0	273,619	1	1.00
Services and Supplies	59,941	0	(3,034)	0	0	0	56,907	0	0.00

Package 801: Targeted Statewide Adjustments

Services and Supplies	(3,896)	0	0	0	0	0	(3,896)	0	0.00
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Package 811: Alternative and/or Additional Reductions

Personal Services	0	0	(272,621)	0	0	0	(272,621)	(1)	(1.00)
Services and Supplies	0	0	(12,682)	0	0	0	(12,682)	0	0.00

Package 819: Supplemental Statewide Ending Balance

Personal Services	(7,911)	0	0	0	0	0	(7,911)	0	0.00
Services and Supplies	(2,098)	0	0	0	0	0	(2,098)	0	0.00

**Budget and Management**

Package 811: Alternative and/or Additional Reductions

Personal Services	0	0	(619,152)	0	0	0	(619,152)	(3)	(3.00)
Services and Supplies	0	0	(72,192)	0	0	0	(72,192)	0	0.00

**State Controller's Division**

Package 811: Alternative and/or Additional Reductions

Personal Services	0	0	(459,191)	0	0	0	(459,191)	(3)	(3.00)
Services and Supplies	0	0	(179,528)	0	0	0	(179,528)	0	0.00

**Enterprise Information Strategy and Policy Division**

Package 141: E-Government Transition & Capacity

Personal Services	0	0	0	0	0	0	0	(3)	(3.00)
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Package 811: Alternative and/or Additional Reductions

Personal Services	0	0	(586,974)	0	0	0	(586,974)	(3)	(3.00)
Services and Supplies	0	0	(203,212)	0	0	0	(203,212)	0	0.00

\*Excludes Capital Construction Expenditures

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Capital Outlay	0	0	(265,646)	0	0	0	(265,646)	0	0.00
<b>Human Resource Services Division</b>									
Package 163: HRIS System									
Personal Services	0	0	(611,676)	0	0	0	(611,676)	(3)	(3.00)
Services and Supplies	0	0	(3,449,998)	0	0	0	(3,449,998)	0	0.00
Debt Service	0	0	(401,816)	0	0	0	(401,816)	0	0.00
Package 811: Alternative and/or Additional Reductions									
Services and Supplies	0	0	(47,233)	0	0	0	(47,233)	0	0.00
<b>Facilities Division</b>									
Package 810: LFO Analyst Adjustments									
Debt Service	(6,932,367)	0	0	0	0	0	(6,932,367)	0	0.00
Package 811: Alternative and/or Additional Reductions									
Personal Services	0	0	(1,424,502)	0	0	0	(1,424,502)	54	54.00
Services and Supplies	0	0	3,209,907	0	0	0	3,209,907	0	0.00
Debt Service	0	0	(8,000,000)	0	0	0	(8,000,000)	0	0.00
<b>State Services Division</b>									
Package 811: Alternative and/or Additional Reductions									
Personal Services	0	0	(278,487)	0	0	0	(278,487)	(4)	(4.00)
Services and Supplies	0	0	(1,161,690)	0	0	0	(1,161,690)	0	0.00
<b>Operations</b>									
Package 160: Performance Mgt Sys									
Services and Supplies	0	0	(2,042,943)	0	0	0	(2,042,943)	0	0.00
Debt Service	0	0	(202,877)	0	0	0	(202,877)	0	0.00
Package 223: Office of Transformation									
Personal Services	0	0	(794,098)	0	0	0	(794,098)	(4)	(4.00)
Services and Supplies	0	0	(44,234)	0	0	0	(44,234)	0	0.00
Package 225: Entrepreneurial Management									
Services and Supplies	0	0	(350,000)	0	0	0	(350,000)	0	0.00
Package 811: Alternative and/or Additional Reductions									
Services and Supplies	0	0	(89,186)	0	0	0	(89,186)	0	0.00
<b>State Data Center - 025</b>									
Package 811: Alternative and/or Additional Reductions									
Personal Services	0	0	(419,783)	0	0	0	(419,783)	(3)	(3.00)
Services and Supplies	0	0	(1,651,875)	0	0	0	(1,651,875)	0	0.00

\*Excludes Capital Construction Expenditures

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>Capital Improvements</b>									
Package 811: Alternative and/or Additional Reductions									
Capital Outlay	0	0	(250,000)	0	0	0	(250,000)	0	0.00
<b>Special Governmental Payments</b>									
Package 810: LFO Analyst Adjustments									
Debt Service	6,932,367	0	0	0	0	0	6,932,367	0	0.00
Package 819: Supplemental Statewide Ending Balance									
Special Payments	0	(129,716)	0	0	0	0	(129,716)	0	0.00
Debt Service	(242,633)	(286,282)	0	0	0	0	(528,915)	0	0.00
TOTAL ADJUSTMENTS	\$ 29,426	\$ (415,998)	\$ (20,637,127)	\$ 0	\$ 0	\$ 0	\$ (21,023,699)	28	28.00
SUBCOMMITTEE RECOMMENDATION *	\$ 6,961,793	\$ 11,469,650	\$ 866,952,647	\$ 122,415,320	\$ 0	\$ 1	\$ 1,007,799,411	774	770.67
% Change from 2009-11 Leg Approved Budget	-47.8%	14.4%	-10.4%	-95.3%	-100.0%	0.0%	-71.8%	-10.6%	-9.6%
% Change from 2011-13 Current Service Level	11.2%	-3.5%	-7.4%	-95.9%	0.0%	0.0%	-74.2%	-8.3%	-8.3%
% Change from 2011-13 Gov's Recommended Budget	0.4%	-3.5%	-2.3%	0.0%	0.0%	0.0%	-2.0%	3.8%	3.8%

\*Excludes Capital Construction Expenditures

## Legislatively Approved 2011-2013 Key Performance Measures

**Agency:** ADMINISTRATIVE SERVICES, DEPARTMENT of

Mission: Lead the pursuit of excellence in state government.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	63.50	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	55.30	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	66.90	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	66.20	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	59.70	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	62.40	90.00	90.00
2 - FORECAST RELIABILITY - Percent of Advisory Committee and Council Members who rank the reliability of the Office of Economic Analysis' forecasts as good to excellent.		Approved KPM	95.00	90.00	90.00

**Agency: ADMINISTRATIVE SERVICES, DEPARTMENT of**

Mission: Lead the pursuit of excellence in state government.

<b>Legislatively Proposed KPMs</b>	<b>Customer Service Category</b>	<b>Agency Request</b>	<b>Most Current Result</b>	<b>Target 2012</b>	<b>Target 2013</b>
3 - FINANCIAL REPORTING - Number of years out of the last five that State Controller's Division wins GFOA Certificate of Achievement for Excellence in Financial Reporting.		Approved KPM	5.00	5.00	
4 - STATE WORKFORCE TURNOVER - Annual turnover rate for the state workforce.		Approved KPM	3.20	5.50	5.60
5 - STATE WORKFORCE DIVERSITY - Racial/ethnic diversity in the state workforce as a percentage of the total civilian labor force.		Approved KPM	81.00	100.00	100.00
6 - FLEET ADMINISTRATION - Statewide Fleet Administration evaluated as effective by independent party.		Approved KPM	0.00		
7 - RENT COSTS - Uniform rent costs per square foot as a percent of private market rates.		Approved KPM	86.00	90.00	90.00
8 - IT GOVERNANCE - Percent of the state's major IT projects with a budget or schedule variance of plus 5% as reported in the quarterly major IT project portfolio report for which a mitigation plan is submitted in response to a DAS requirement.		Approved KPM	100.00	100.00	100.00
9 - INFORMATION SECURITY - Overall information security maturity rating based on a sample of state agencies. Rating achieved using a compilation and aggregate score based on the ISO 27002 standard and assigning a rating using the Carnegie-Mellon Capability Maturity Model. (3rd party conducting information security business risk assessments)		Approved KPM	2.40	3.00	3.00
12 - PROCUREMENT EFFECTIVENESS - Estimated savings resulting from price agreement pricing compared to prices that would be paid without the benefit of a price agreement.		Approved KPM	5.10	8.50	8.50
13 - RISK MANAGEMENT - Annual number of: a) worker's compensation; b) liability; c) property; and, d) total claims per 100 FTE.		Approved KPM	5.76	6.62	6.62
14 - SUSTAINABILITY - Percentage reduction in greenhouse gas emissions.		Approved KPM	7.69	0.00	0.00
16 - DATA CENTER - Percentage of time systems are available.		Approved KPM	99.67	99.90	99.90

**LFO Recommendation:**

The Legislative Fiscal Office (LFO) recommends retaining the Department's existing performance measures. During the agency's public hearings, there was substantial discussion with the Subcommittee regarding the agency's updated strategic plan, new outcome measures, and emphasis on using data and metrics to gauge performance. However, the Department is just beginning to be able to report on actual data for its outcome measures. In addition, the Department recently underwent a leadership change and while the agency's strategic direction is not expected to change dramatically, that change may affect the complement of performance measures ultimately selected for reporting.

LFO recommends the agency continue tracking its current measures, further develop its new outcome measures, and return to the 2013 Legislature with a proposal for any changes to its performance measures.

**Sub-Committee Action:**

The Subcommittee approved the Legislative Fiscal Office recommendation.