



DEPARTMENT OF ADMINISTRATIVE SERVICES

Joint Committee on Ways and Means
2019 Legislative Session

Historical Context

■ Prior to 1991-93:

- Policy oversight function was coordinated through the Executive Department and funded through a General Fund appropriation.
- Direct services to agencies were provided by the Department of General Services and funded through charges for services.

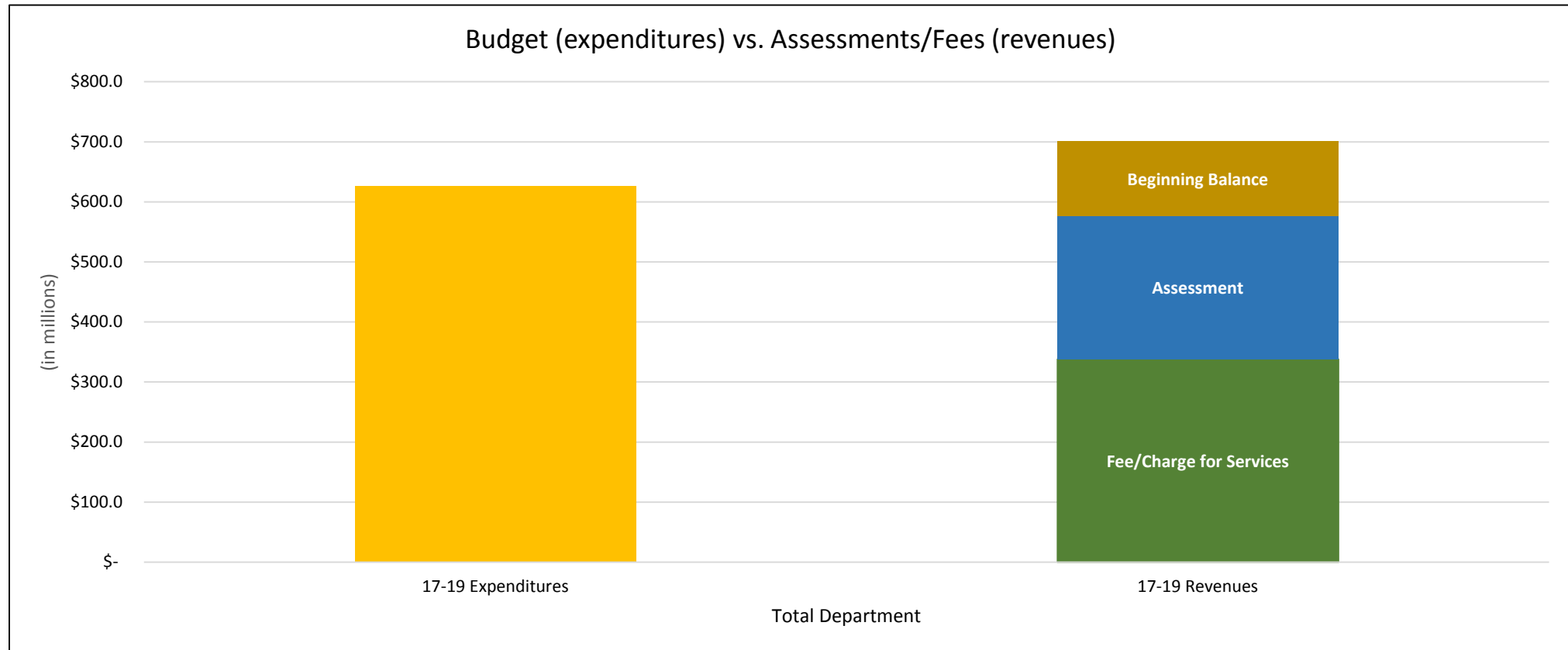
■ 1993:

- The two departments were abolished and merged into the Department of Administrative Services (DAS).
- Policy makers decided to ease the GF burden and moved to an assessment for all agencies to cover the policy oversight functions.

■ Present:

- DAS' budget maintains assessment funding for the policy offices and a mix of assessment and charge for services for the service enterprises.

Budget vs Revenues

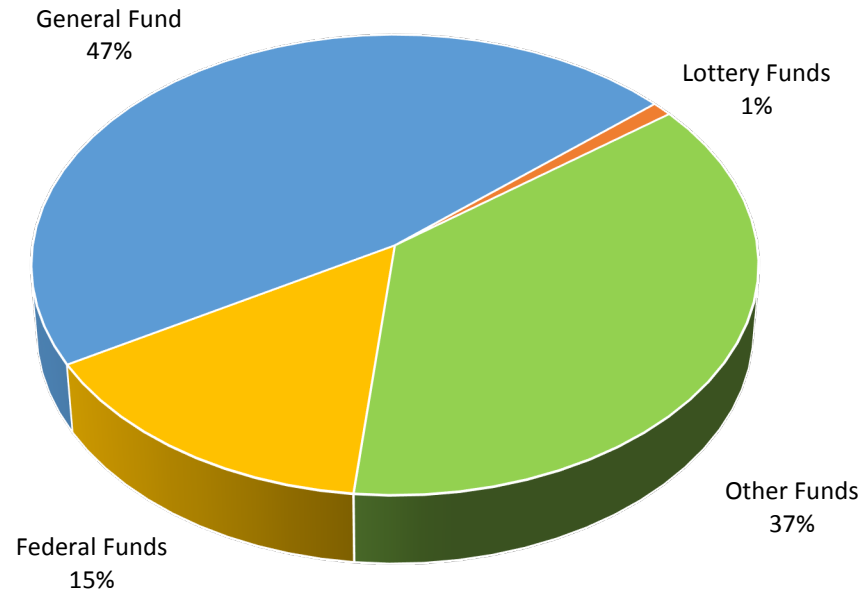


All Assessments – Not Just DAS

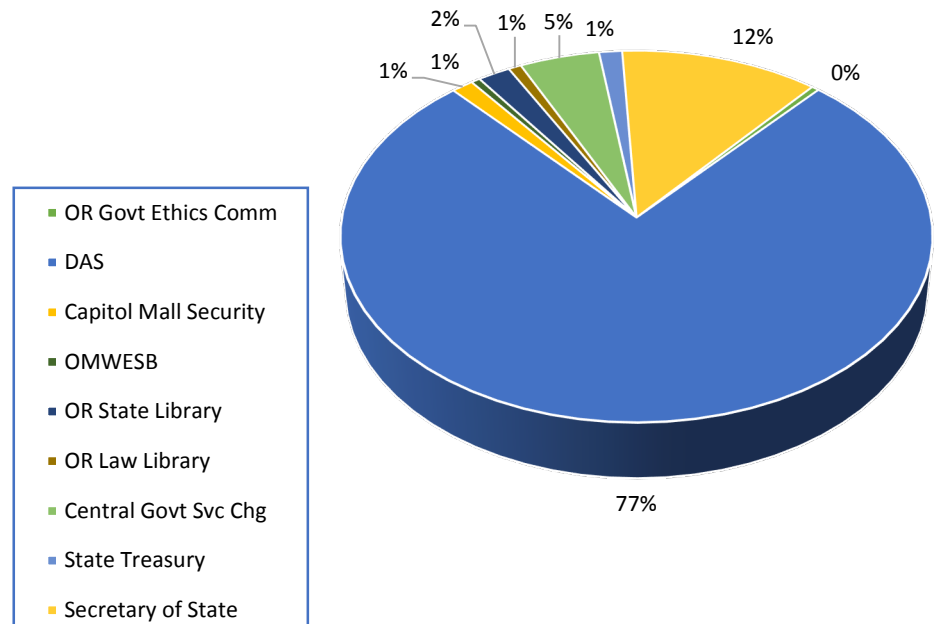
- Assessments are paid through various fund types from agencies and budgeted in State Government Service Charges.
- Besides DAS, includes the following:
 - Government Ethics Commission
 - Capitol Mall Security (Oregon State Police)
 - State Library
 - Law Library (Judicial Branch)
 - Certification Office for Business Inclusion & Diversity (formerly Office of Minority, Women, and Emerging Small Businesses)
 - Secretary of State (Audits & Archives)
 - State Treasury (Debt management)
 - Central Government Service Charge (various Legislative costs)

All Assessments – Not Just DAS

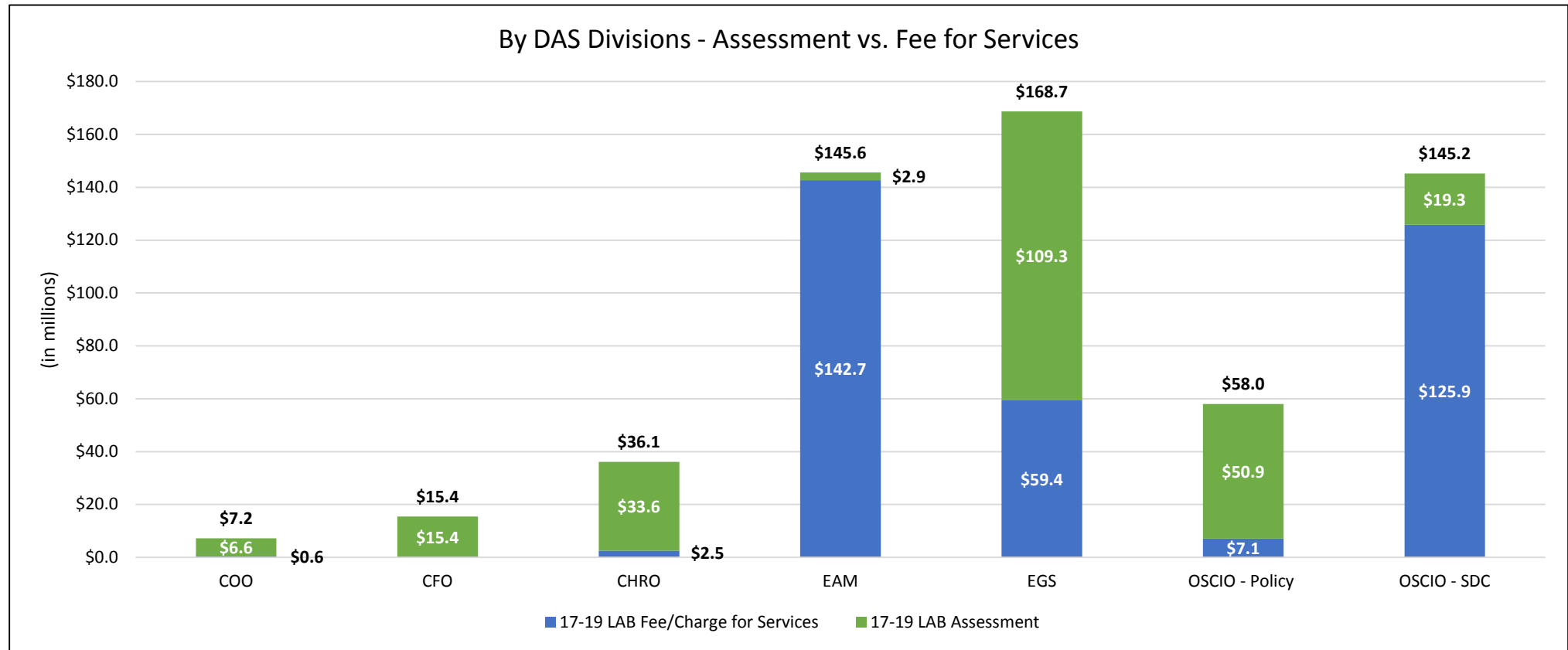
17-19 Leg Approved Budget: Assessment by Fund Type



17-19 Leg Approved Budget: Assessment Allocation by Agency



DAS: Assessment vs. Fee for Services



DAS Cost Recovery

- Main vehicle is the Price List of Goods and Services (document)
- Purpose of Price List is to recover DAS Costs fairly and consistently over time
- Begins a few months after LAB is finalized
- Three Different Price Lists
 - *Agency Request Budget (ARB) Price List – Final March of Even Numbered Year*
 - *Governor Request Budget (GRB) Price List – Final December of Even Numbered Year*
 - *Legislatively Adopted Budget (LAB) Price List – Final by July 1 of Odd Numbered Year*

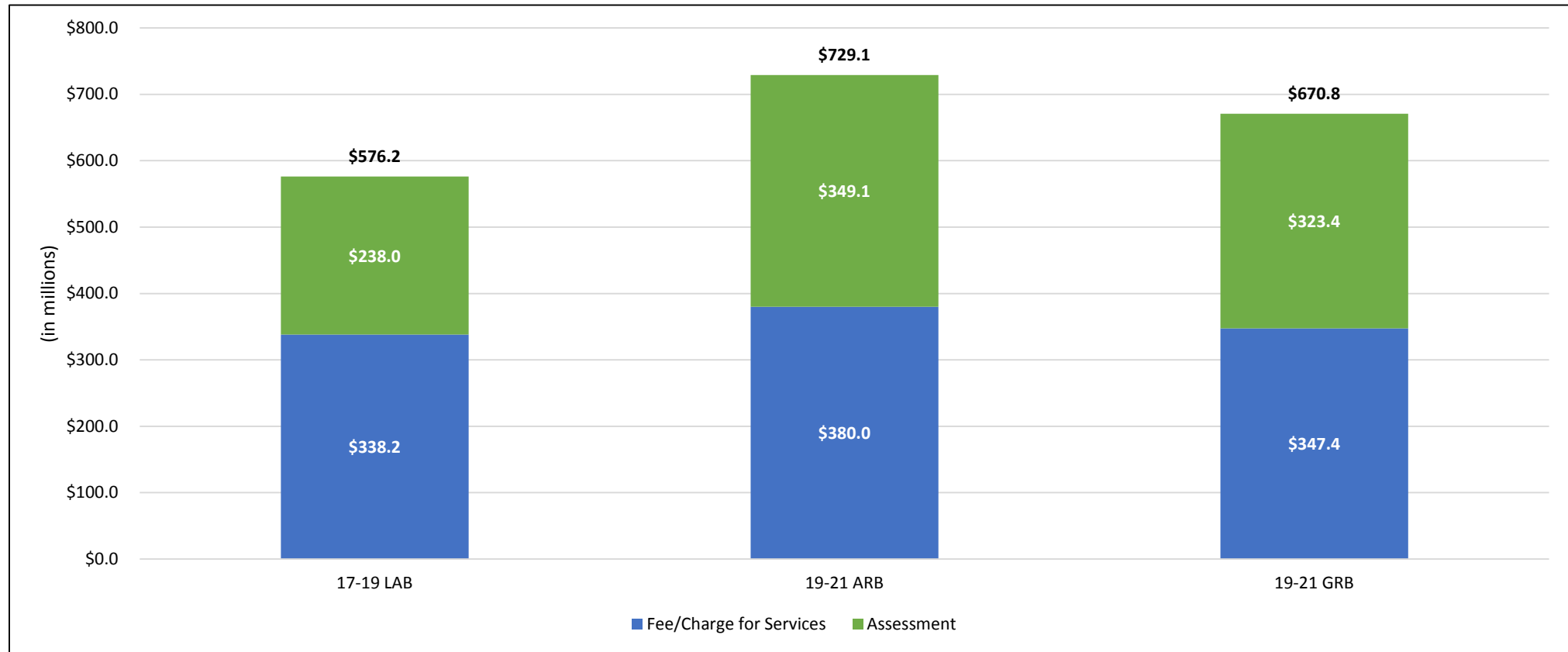
DAS Price List Process – 19-21 ARB

Estimated Current Service Level for Each DAS Division
+ DAS Policy Option Packages
+ DAS Overhead (DAS Business Services/DAS IT)
+ 60 Days of Working Capital
- 17-19 Projected Ending Cash Balance
Total Cost to Recover for Division
÷ Assessments
÷ Cost of Fee for Services
Final 19-21 ARB Price List for Division

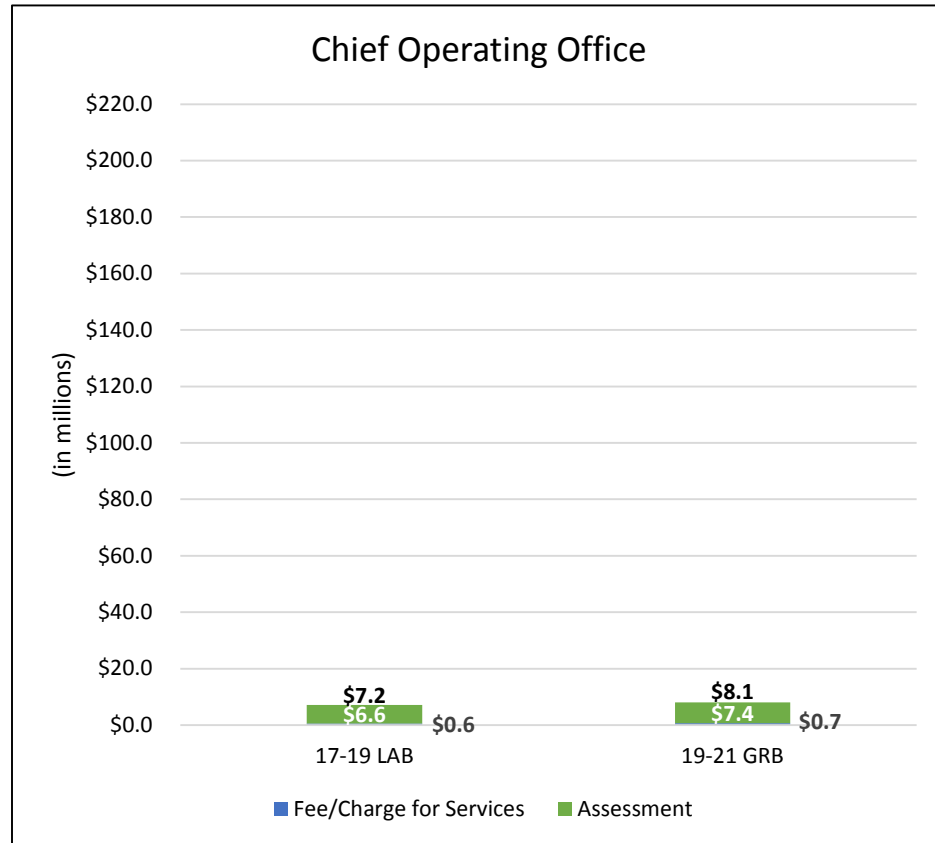
DAS Price List Process – 19-21 GRB

ARB Current Service Level for Each DAS Division
+ DAS Policy Option Packages
- Policy Option Packages not in Governor's Budget
- Reductions Taken in Governor's Budget
+ DAS Overhead (DAS Business Services/DAS IT)
+ 30 Days of Working Capital
- 17-19 Projected Ending Cash Balance
Total Cost to Recover for Division
÷ Assessments
÷ Cost of Fee for Services
Final 19-21 GRB Price List for Division

DAS: Assessment vs. Fee for Services



Chief Operating Office



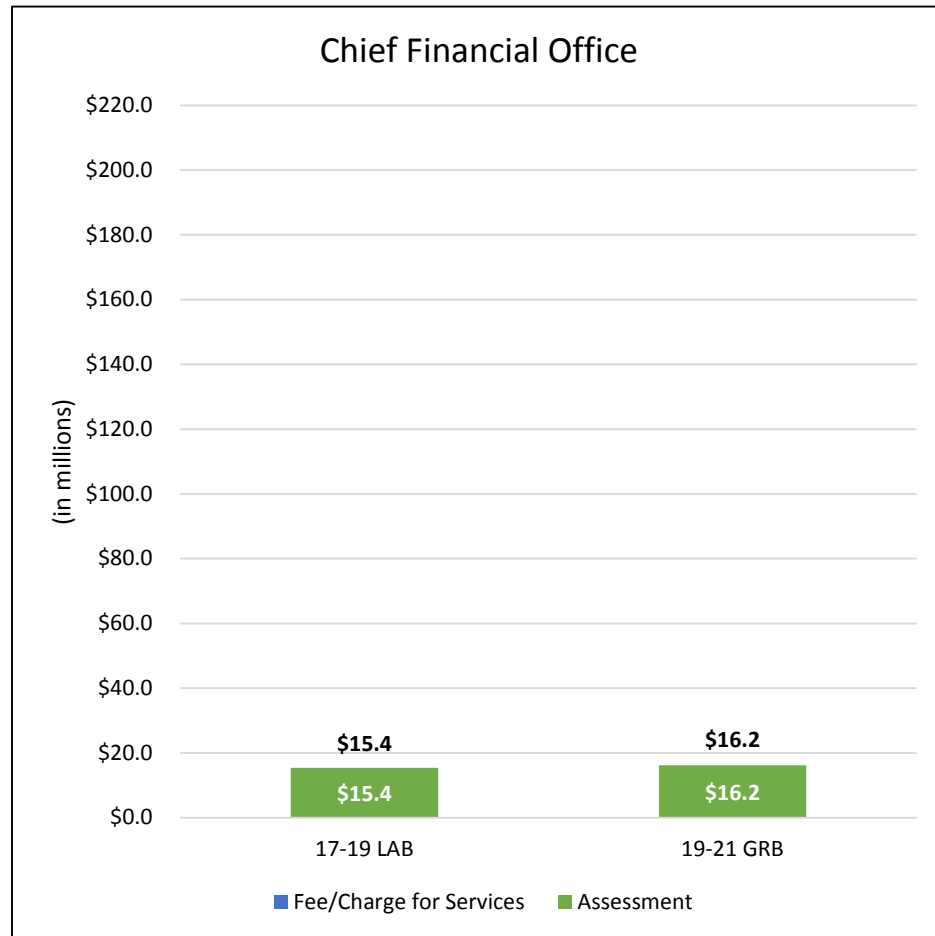
■ Assessment Methodology:

- Costs allocated to state agencies based on 2017-19 Leg Adopted Budget Full-time Equivalent (FTE) authority.

■ Fee for Services Methodology:

- Examples of billable units
 - *Per month per position for technology support*

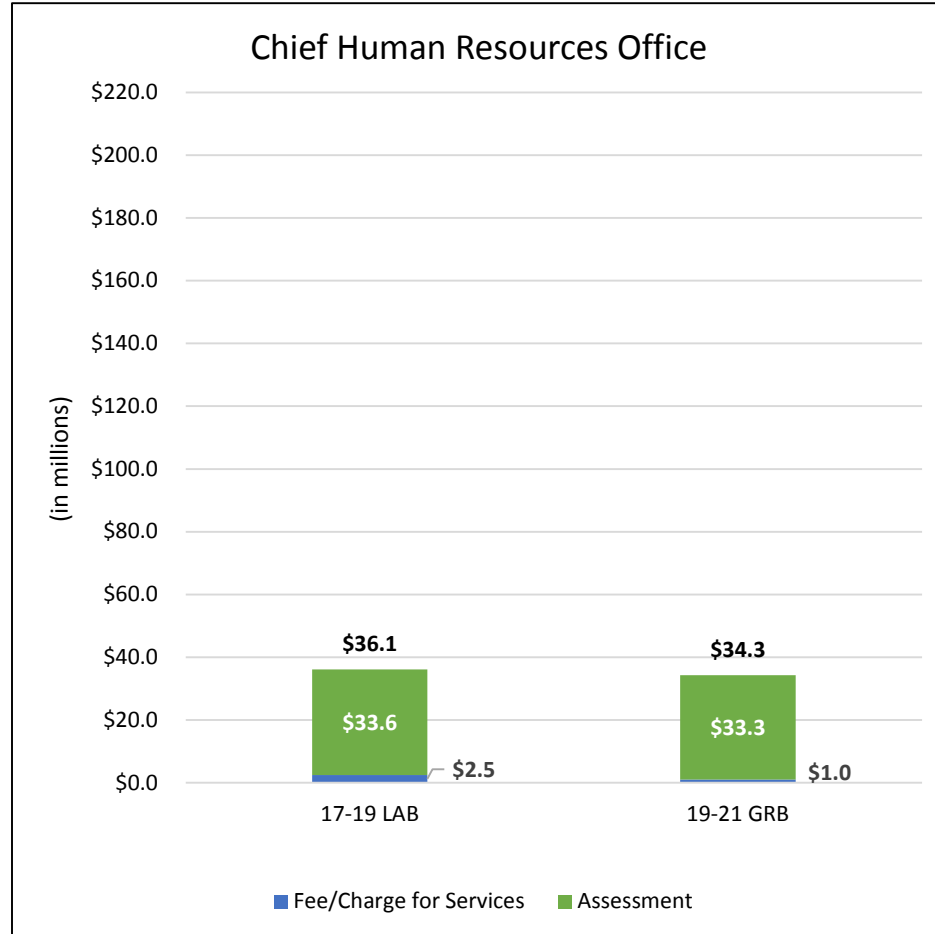
Chief Financial Office



■ Assessment Methodology:

- A 50 percent split between:
 - *2017-19 Leg Adopted Budget (LAB) Full-time Equivalent (FTE) authority.*
 - Minimum Charges
 - \$2,500 – agencies with 2.00 or less FTE
 - \$5,000 – agencies with 2.01 to 30.00 FTE
 - *Size of the agency's 2017-19 total funds LAB.*

Chief Human Resources Office



■ Assessment Methodology:

- Costs allocated to state agencies based on 2017-19 Leg Adopted Budget Full-time Equivalent (FTE) authority.

■ Fee for Services Methodology:

- Examples of billable units
 - *Per training course*

■ Phase Out Workday Development Costs

Enterprise Asset Management



■ Assessment Methodology:

• Real Estate Services:

- *1/3 based on 2017-19 LAB Equivalent (FTE) authority.*
- *1/3 based on size of the agency's 2017-19 total funds LAB.*
- *1/3 based on value of land the agency owns.*

• State Surplus Property:

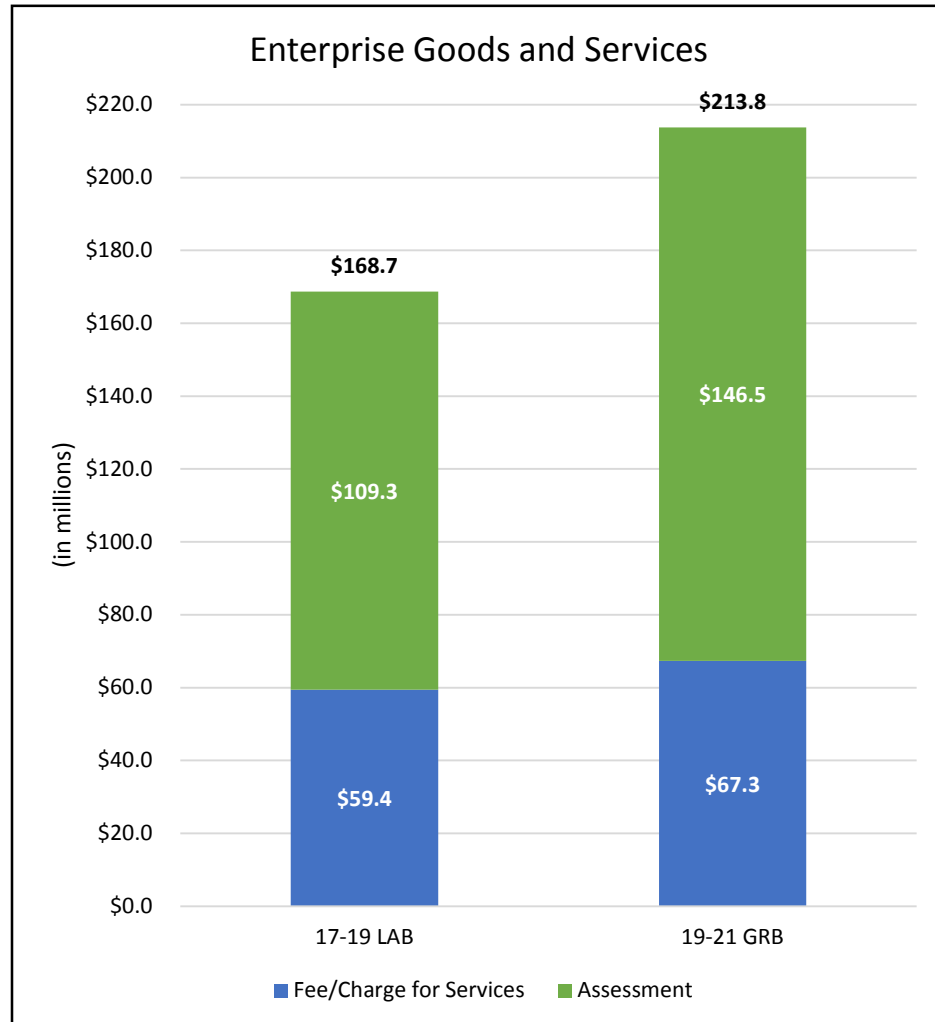
- *20 percent based on 2017-19 LAB Full-time Equivalent (FTE) authority.*
- *80 percent based on historical property transactions.*

■ Fee for Services Methodology:

• Examples of billable units

- *Per square foot*
- *Per vehicle rental*

Enterprise Goods and Services



■ Assessment Methodology:

- Procurement Services:

- *Costs allocated to state agencies based on 2017-19 LAB Full-time Equivalent (FTE) authority.*

- Risk (Liability, Property & Workers' Comp):

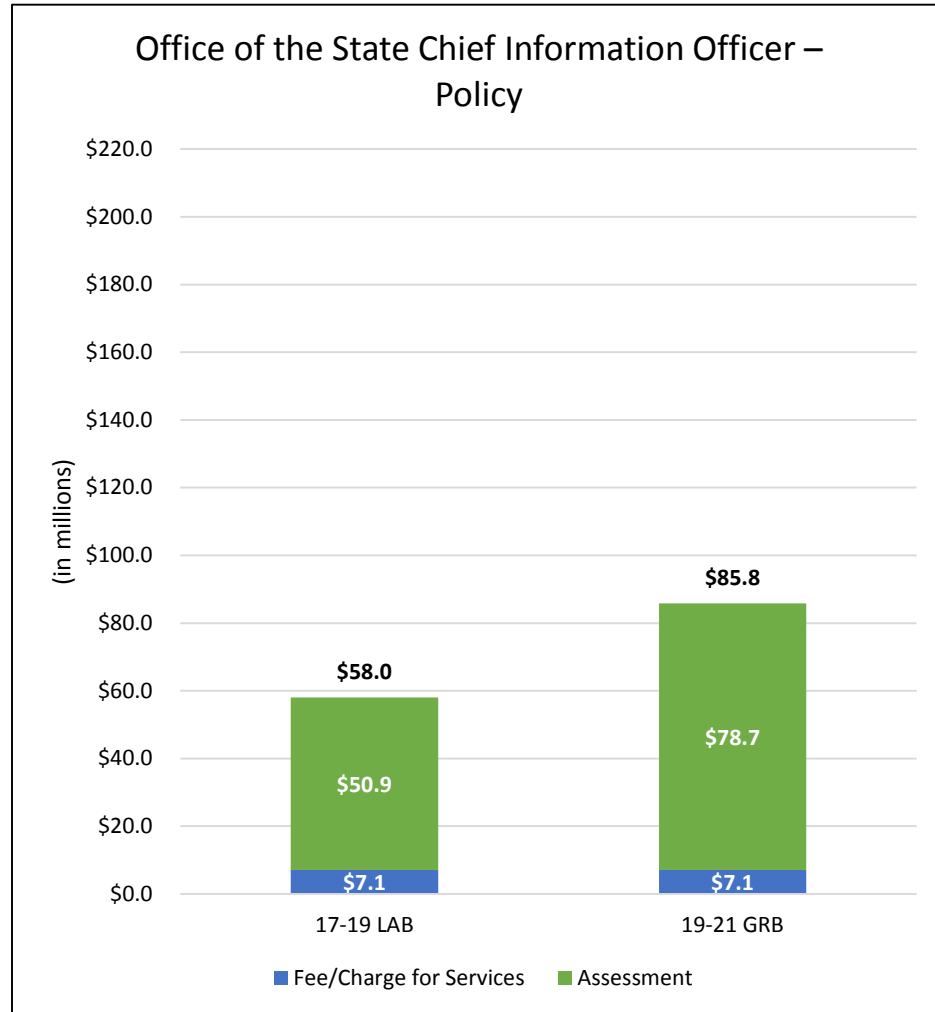
- *Costs to state agencies based on actuarial data, insurance costs, and risk administration.*

■ Fee for Services Methodology:

- Examples of billable units

- *Per accounting record*
- *Per printing impression*
- *Per hourly rate*

OSCIO – Policy



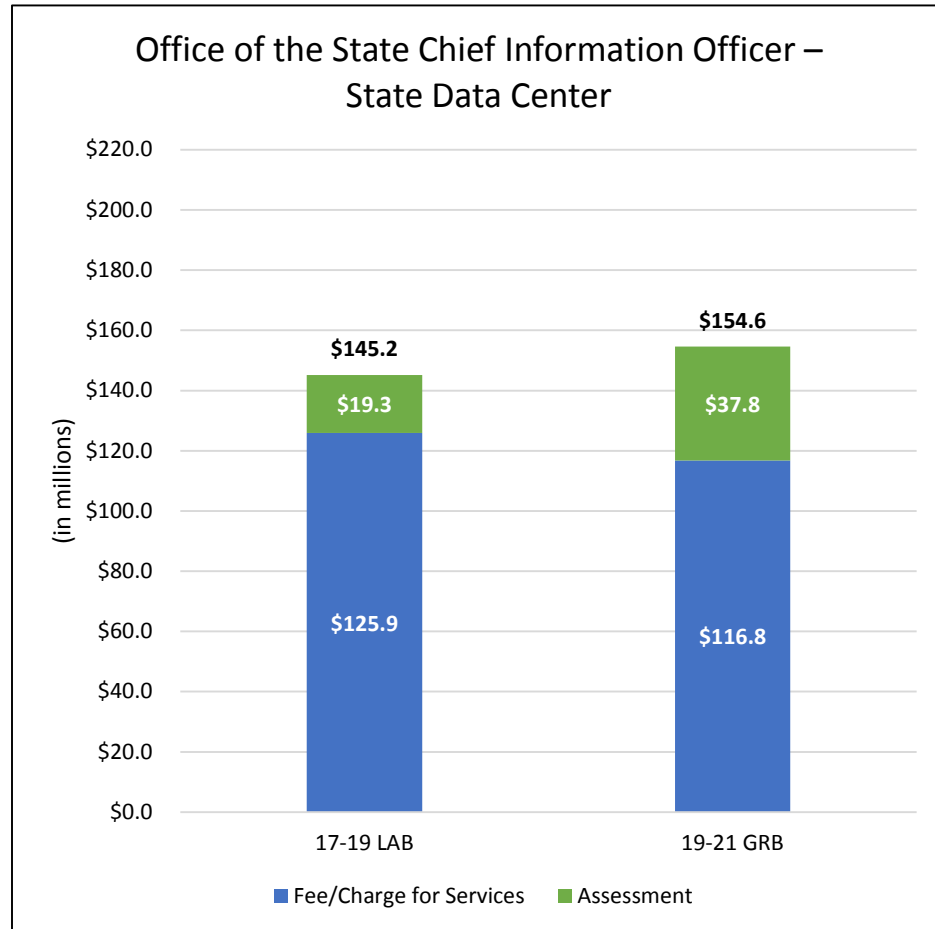
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■ Fee for Services Methodology:

- Examples of billable units
 - *Per month per line fee for new IBM telephone system*

OSCIO – State Data Center



■ Assessment Methodology:

- Costs allocated to state agencies based on 2017-19 LAB Full-time Equivalent (FTE) authority.

■ Fee for Services Methodology:

- Examples of billable units
 - *Per server instance*
 - *Per CPU minute*
 - *Per port, switch*
 - *Per strand*

DAS: Assessment vs. Fee for Services

