

## Legislative Fiscal Office

Oregon State Capitol  
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## Joint Committee on Ways and Means

Sen. Betsy Johnson, Senate Co-Chair  
Sen. Elizabeth Steiner Hayward, Senate Co-Chair  
Rep. Dan Rayfield, House Co-Chair

Sen. Fred Girod, Senate Co-Vice Chair  
Rep. David Gomberg, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

Laurie Byerly, Interim Legislative Fiscal Officer  
Amanda Beitel, Deputy Legislative Fiscal Officer (Budget)  
Paul Siebert, Deputy Legislative Fiscal Officer (Audit/IT)

**To:** General Government Subcommittee

**From:** Paul Siebert, Legislative Fiscal Office

**Date:** May 26, 2021

**Subject:** SB 5520 – Office of the Governor  
Work Session Recommendations

### Office of the Governor – Agency Totals

|                    | 2017-19<br>Actual   | 2019-21<br>Legislatively<br>Approved | 2021-23<br>Current Service<br>Level | 2021-23<br>LFO<br>Recommended |
|--------------------|---------------------|--------------------------------------|-------------------------------------|-------------------------------|
| General Fund       | 12,948,557          | 16,705,068                           | 17,692,863                          | 18,638,115                    |
| Lottery Funds      | 3,543,111           | 4,106,514                            | 4,632,309                           | 4,625,139                     |
| Other Funds        | 3,012,098           | 6,355,963                            | 4,429,555                           | 4,421,059                     |
| Federal Funds      | 3,030,525           | -                                    | -                                   | -                             |
| <b>Total Funds</b> | <b>\$22,534,291</b> | <b>\$27,167,545</b>                  | <b>\$26,754,727</b>                 | <b>\$27,684,313</b>           |
| Positions          | 61                  | 62                                   | 61                                  | 63                            |
| FTE                | 59.13               | 61.63                                | 61.00                               | 63.00                         |

The 2021-23 budget for the Office of the Governor as recommended by LFO is \$27,684,313 total funds and 63 positions (63.00 FTE), which includes \$18,638,115 General Fund, \$4,632,309 Lottery Funds and \$4,421,059 Other Funds, which is a 1.9% increase over the 2019-21 legislatively approved budget. The recommended budget includes the following significant adjustments:

- \$598,516 General Fund and two positions to support the work of the Governor's Racial Justice Council.
- \$198,125 General Fund to continue mediation between representatives of the forest industry and environmental interests in accordance with a Memorandum of Understanding announced by the Governor on February 10, 2020. \$123,125 of this amount represents money appropriated in 2019-21 that will remain unspent due to delays.
- \$176,680 General Fund to complete Wildfire Council survey work that was not completed in the current biennium. All this amount represents money appropriated in 2019-21 that will remain unspent due to delays.

**Adjustments to Current Service Level**

See attached "Work Session Presentation Report."

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

**Performance Measures**

See attached "Legislatively Proposed 2021-23 Key Performance Measures."

**Recommended Changes**

LFO recommends a budget of \$18,638,115 General Fund, \$4,625,139 Lottery Funds, \$4,421,059 Other Funds, and 63 positions (63.00 FTE), which is reflected in the -1 amendment.

**Final Subcommittee Action**

LFO recommends that SB 5520, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_

|   | General Fund      | Lottery Funds    | Other Funds      | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds       | Positions | Full-Time Equivalent (FTE) |
|---|-------------------|------------------|------------------|---------------|------------------------|--------------------------|-------------------|-----------|----------------------------|
| <b>2019-21 Agy. Leg. Adopted</b>                      | <b>16,491,702</b> | <b>3,932,736</b> | <b>3,910,275</b> | -             | -                      | -                        | <b>24,334,713</b> | <b>62</b> | <b>61.63</b>               |
| 2019-21 Ebds, SS & Admin Act                          | 213,366           | 173,778          | 2,445,688        | -             | -                      | -                        | 2,832,832         | -         | -                          |
| Ways & Means Actions                                  | -                 | -                | -                | -             | -                      | -                        | -                 | -         | -                          |
| <b>2019-21 Leg Approved Budget</b>                    | <b>16,705,068</b> | <b>4,106,514</b> | <b>6,355,963</b> | -             | -                      | -                        | <b>27,167,545</b> | <b>62</b> | <b>61.63</b>               |
| <b>2019-21 Leg Approved Budget (Base)</b>             | <b>16,491,702</b> | <b>3,932,736</b> | <b>3,910,275</b> | -             | -                      | -                        | <b>24,334,713</b> | <b>62</b> | <b>61.63</b>               |
| Summary of Base Adjustments                           | 729,641           | 388,591          | 383,113          | -             | -                      | -                        | 1,501,345         | (1)       | (0.63)                     |
| <b>2021-23 Base Budget</b>                            | <b>17,221,343</b> | <b>4,321,327</b> | <b>4,293,388</b> | -             | -                      | -                        | <b>25,836,058</b> | <b>61</b> | <b>61.00</b>               |
| 010: Non-PICS Pers Svc/Vacancy Factor                 | 403,674           | 111,887          | 18,892           | -             | -                      | -                        | 534,453           | -         | -                          |
| 020: Phase In / Out Pgm & One-time Cost               | (289,037)         | -                | (72,000)         | -             | -                      | -                        | (361,037)         | -         | -                          |
| 030: Inflation & Price List Adjustments               | 356,883           | 199,095          | 189,275          | -             | -                      | -                        | 745,253           | -         | -                          |
| <b>2021-23 Current Service Level</b>                  | <b>17,692,863</b> | <b>4,632,309</b> | <b>4,429,555</b> | -             | -                      | -                        | <b>26,754,727</b> | <b>61</b> | <b>61.00</b>               |
| 080: E-Boards   | 75,000            | -                | -                | -             | -                      | -                        | 75,000            | -         | -                          |
| <b>Adjusted 2021-23 Current Service Level</b>         | <b>17,767,863</b> | <b>4,632,309</b> | <b>4,429,555</b> | -             | -                      | -                        | <b>26,829,727</b> | <b>61</b> | <b>61.00</b>               |
| <b>Total LFO Recommended Packages</b>                 | <b>870,252</b>    | <b>(7,170)</b>   | <b>(8,496)</b>   | -             | -                      | -                        | <b>854,586</b>    | <b>2</b>  | <b>2.00</b>                |
| <b>2021-23 Legislative Actions</b>                    | <b>18,638,115</b> | <b>4,625,139</b> | <b>4,421,059</b> | -             | -                      | -                        | <b>27,684,313</b> | <b>63</b> | <b>63.00</b>               |
| Net change from 2019-21 Leg Approved Budget           | 1,933,047         | 518,625          | (1,934,904)      | -             | -                      | -                        | 516,768           | 1         | 1.37                       |
| Percent change from 2019-21 Leg Approved Budget       | 11.6%             | 12.6%            | (30.4%)          | 0.0%          | 0.0%                   | 0.0%                     | 1.9%              | 1.6%      | 2.2%                       |
| Net change from 2021-23 Adj Current Service Level     | 870,252           | (7,170)          | (8,496)          | -             | -                      | -                        | 854,586           | 2         | 2.00                       |
| Percent change from 2021-23 Adj Current Service Level | 4.9%              | (0.2%)           | (0.2%)           | 0.0%          | 0.0%                   | 0.0%                     | 3.2%              | 3.3%      | 3.3%                       |

LFO102 - Work Session Presentation Report  
2021-23 BienniumVersion: L - 01 - LFO Analyst Recommended  
Cross Reference: 12100-001-00-00-00000  
General Program

|   | General Fund      | Lottery Funds    | Other Funds      | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds       | Positions | Full-Time Equivalent (FTE) |
|---|-------------------|------------------|------------------|---------------|------------------------|--------------------------|-------------------|-----------|----------------------------|
| <b>2019-21 Agy. Leg. Adopted</b>                      | <b>16,491,702</b> | <b>3,932,736</b> | <b>3,910,275</b> | -             | -                      | -                        | <b>24,334,713</b> | <b>62</b> | <b>61.63</b>               |
| 2019-21 Ebds, SS & Admin Act                          | 213,366           | 173,778          | 2,445,688        | -             | -                      | -                        | 2,832,832         | -         | -                          |
| Ways & Means Actions                                  | -                 | -                | -                | -             | -                      | -                        | -                 | -         | -                          |
| <b>2019-21 Leg Approved Budget</b>                    | <b>16,705,068</b> | <b>4,106,514</b> | <b>6,355,963</b> | -             | -                      | -                        | <b>27,167,545</b> | <b>62</b> | <b>61.63</b>               |
| <b>2019-21 Leg Approved Budget (Base)</b>             | <b>16,491,702</b> | <b>3,932,736</b> | <b>3,910,275</b> | -             | -                      | -                        | <b>24,334,713</b> | <b>62</b> | <b>61.63</b>               |
| Summary of Base Adjustments                           | 729,641           | 388,591          | 383,113          | -             | -                      | -                        | 1,501,345         | (1)       | (0.63)                     |
| <b>2021-23 Base Budget</b>                            | <b>17,221,343</b> | <b>4,321,327</b> | <b>4,293,388</b> | -             | -                      | -                        | <b>25,836,058</b> | <b>61</b> | <b>61.00</b>               |
| 010: Non-PICS Pers Svc/Vacancy Factor                 | 403,674           | 111,887          | 18,892           | -             | -                      | -                        | 534,453           | -         | -                          |
| 020: Phase In / Out Pgm & One-time Cost               | (289,037)         | -                | (72,000)         | -             | -                      | -                        | (361,037)         | -         | -                          |
| 030: Inflation & Price List Adjustments               | 356,883           | 199,095          | 189,275          | -             | -                      | -                        | 745,253           | -         | -                          |
| <b>2021-23 Current Service Level</b>                  | <b>17,692,863</b> | <b>4,632,309</b> | <b>4,429,555</b> | -             | -                      | -                        | <b>26,754,727</b> | <b>61</b> | <b>61.00</b>               |
| 080: E-Boards   | 75,000            | -                | -                | -             | -                      | -                        | 75,000            | -         | -                          |
| <b>Adjusted 2021-23 Current Service Level</b>         | <b>17,767,863</b> | <b>4,632,309</b> | <b>4,429,555</b> | -             | -                      | -                        | <b>26,829,727</b> | <b>61</b> | <b>61.00</b>               |
| <b>Total LFO Recommended Packages</b>                 | <b>870,252</b>    | <b>(7,170)</b>   | <b>(8,496)</b>   | -             | -                      | -                        | <b>854,586</b>    | <b>2</b>  | <b>2.00</b>                |
| <b>2021-23 Legislative Actions</b>                    | <b>18,638,115</b> | <b>4,625,139</b> | <b>4,421,059</b> | -             | -                      | -                        | <b>27,684,313</b> | <b>63</b> | <b>63.00</b>               |
| Net change from 2019-21 Leg Approved Budget           | 1,933,047         | 518,625          | (1,934,904)      | -             | -                      | -                        | 516,768           | 1         | 1.37                       |
| Percent change from 2019-21 Leg Approved Budget       | 11.6%             | 12.6%            | (30.4%)          | 0.0%          | 0.0%                   | 0.0%                     | 1.9%              | 1.6%      | 2.2%                       |
| Net change from 2021-23 Adj Current Service Level     | 870,252           | (7,170)          | (8,496)          | -             | -                      | -                        | 854,586           | 2         | 2.00                       |
| Percent change from 2021-23 Adj Current Service Level | 4.9%              | (0.2%)           | (0.2%)           | 0.0%          | 0.0%                   | 0.0%                     | 3.2%              | 3.3%      | 3.3%                       |

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 084 June 2020 Special Session**

Package Description Second biennium funding for the mediation between representatives of the forest industry and environmental interests in accordance with a Memorandum of Understanding announced by the Governor on February 10, 2020. 2021-23 costs were assumed when this was approved initially.

LFO Recommendation Approve

|                 |        |   |   |   |   |   |        |   |   |
|-----------------|--------|---|---|---|---|---|--------|---|---|
| LFO Recommended | 75,000 | - | - | - | - | - | 75,000 | - | - |
|-----------------|--------|---|---|---|---|---|--------|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 090 Analyst Adjustments**

Package Description This package funds two positions to support the Racial Justice Council. The two positions include a Principal Executive Manager G (PEM G) and an Executive Support Specialist 2 (ESS 2). The PEM G position shall serve as the chief policy advisor to the council and the organizational lead in the Governor's Office in charge of developing, implementing and integrating best practices and emerging best practices relating racial justice. The ESS 2 position shall provide administrative support and research to the PEM G position and the council.

LFO Recommendation Approve

|                 |         |   |   |   |   |   |         |   |      |
|-----------------|---------|---|---|---|---|---|---------|---|------|
| LFO Recommended | 598,516 | - | - | - | - | - | 598,516 | 2 | 2.00 |
|-----------------|---------|---|---|---|---|---|---------|---|------|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 099 Microsoft 365 Consolidation**

Package Description Microsoft 365 Consolidation: Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency's budget in an amount equivalent to what agencies should have been paying in the 2019-21 biennium for Microsoft 365 at the E3 level of service.

LFO Recommendation Approve

|                 |          |         |         |   |   |   |          |   |   |
|-----------------|----------|---------|---------|---|---|---|----------|---|---|
| LFO Recommended | (28,069) | (7,170) | (8,496) | - | - | - | (43,735) | - | - |
|-----------------|----------|---------|---------|---|---|---|----------|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 801 LFO Analyst Adjustments**

Package Description Reappropriate unspent General Fund from the current biennium to complete the Wildfire Council survey work (\$176,680) and Forestry Mediation efforts (\$123,125). Work delayed due to prioritization COVID-19 response activities.

LFO Recommendation Approve

|                 |         |   |   |   |   |   |         |   |   |
|-----------------|---------|---|---|---|---|---|---------|---|---|
| LFO Recommended | 299,805 | - | - | - | - | - | 299,805 | - | - |
|-----------------|---------|---|---|---|---|---|---------|---|---|



# Legislatively Proposed 2021 - 2023 Key Performance Measures

Published: 4/21/2021 1:12:26 PM

**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 Proposed KPMs  | Metrics                     | Agency Request | Last Reported Result | Target 2022 | Target 2023 |
|--|-----------------------------|----------------|----------------------|-------------|-------------|
| 1. Customer Satisfaction - Percent of participants (customers) who rate the Regional Solutions process very good to excellent. | Timeliness                  | Approved       | 93%                  | 90%         | 90%         |
|  | Overall                     |                | 89%                  | 90%         | 90%         |
|  | Helpfulness                 |                | 93%                  | 90%         | 90%         |
|  | Availability of Information |                | 90%                  | 90%         | 90%         |
|  | Accuracy                    |                | 90%                  | 90%         | 90%         |
|  | Expertise                   |                | 93%                  | 90%         | 90%         |
| 2. Percentage of State Contract Awards to Business Certified by the Certification Office for Business Inclusion and Diversity  |                             | Approved       | 0.60%                | 10%         | 10%         |
| 3. State Hiring - Number of protected classes being hired, promoted, and retained in state agencies.                           |                             | Approved       | 25.20%               | 25%         | 25%         |

**LFO Recommendation:**

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

**SubCommittee Action:**