

**HB 5003 A BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Sen. Gelser

**Joint Committee On Ways and Means**

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**Action Date:** 05/21/21

**Action:** Do pass the A-Eng bill.

**Senate Vote**

**Yeas:** 11 - Anderson, Frederick, Girod, Golden, Gorsek, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

**Exc:** 1 - Hansell

**House Vote**

**Yeas:** 11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark

**Prepared By:** Drew Cohen, Department of Administrative Services

**Reviewed By:** Kim To, Legislative Fiscal Office

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**Commission for the Blind**

**2021-23**

**Budget Summary\***

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21 Leg.	
	Legislatively Approved Budget <sup>(1)</sup>	Current Service Level	Committee Recommendation	Approved	
				\$ Change	% Change
General Fund	\$ 6,404,462	\$ 5,090,337	\$ 5,692,119	\$ (712,343)	-11.1%
Other Funds Limited	\$ 2,066,393	\$ 1,608,480	\$ 1,090,855	\$ (975,538)	-47.2%
Federal Funds Limited	\$ 18,962,730	\$ 17,172,805	\$ 17,774,408	\$ (1,188,322)	-6.3%
Total	\$ 27,433,585	\$ 23,871,622	\$ 24,557,382	\$ (2,876,203)	-10.5%

**Position Summary**

Authorized Positions	68	67	69	1
Full-time Equivalent (FTE) positions	66.00	65.00	66.42	0.42

<sup>(1)</sup> Includes adjustments through January 2021

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

Federal Funds are the Commission for the Blind’s largest source of funding. These funds are primarily from the U.S. Department of Education and are matched at a rate of 78.7% Federal Funds for basic vocational rehabilitation support and as high as 90% Federal Funds for in-service training and independent living. General Fund and certain Other Funds are used to meet the federal maintenance of effort and matching requirements. Other Funds revenue sources include business enterprise vendor assessments and donations.

The recommended budget included a shift in funding for Pre-Employment Transition Services from Other Funds to General Fund to match the federal vocation rehabilitation award. This shift includes a revenue reduction of \$2,379,958 total funds in Package 070 due to changes with Workforce Innovation and Opportunity Act (WIOA) requirements. The Commission has previously used third-party agreements with school districts and educational service districts as the non-federal portion to match the federal vocational rehabilitation award to offer transitional services to transition aged high school youth. This reduction corresponds with Package 101—Pre-Employment Transition Services, which utilizes General Fund to replace Other Funds from school districts to continue to match all available Federal Funds and maintain current services to Oregonians who are blind. The resulting new revenue is \$506,931 General Fund, which replaces the Other Funded third-party agreements and retains \$1,873,027 Federal Funds to maintain current service levels for an overall \$2,379,958 total funds.

**Summary of Human Services Subcommittee Action**

The Oregon Commission for the Blind (OCB) was established in 1937, as a state agency to provide services to Oregonians who experience vision loss and need specialized training and support to live full and productive lives. The mission of OCB is to empower Oregonians who are blind to

fully engage in life. That mission is fulfilled through the administration of federal and state funded vocational rehabilitation and independent living programs supporting Oregonians who are blind to retain or gain employment opportunities and live independently in their homes and communities.

The Subcommittee recommended a 2021-23 budget of \$24,557,382 total funds with \$5,692,119 General Fund, \$1,090,855 Other Funds expenditure limitation, and \$17,774,408 Federal Funds expenditure limitation and 69 positions (66.42 FTE). This is a 10.5% total funds decrease from the agency's 2019-21 Legislatively Approved Budget.

### **Administrative Services**

The Administrative Services program unit provides leadership, financial management, program monitoring and administrative support for the Agency's programs. It includes the Executive Director's Office, Chief Financial Officer, accounting, budget, payroll and benefits, information technology/data processing activities and administrative support for the direct service staff of both the Vocational Rehabilitation and Independent Living programs. For this unit, the Subcommittee recommended a 2021-23 budget of \$4,979,204 total funds with \$1,460,521 General Fund, \$16,739 Other Funds expenditure limitation, and \$3,501,944 Federal Funds expenditure limitation, and 19 positions (19.00 FTE). The Subcommittee recommended the following packages:

- Package 099: 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 base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.
- Package 102: Operational Alignment. This package increases Personal Services expenditure limitation by \$53,846 total funds for pay equity allocations that varied from budgeted rates. This package also increases Services and Supplies expenditure limitation by \$81,239 total funds to adjust Attorney General and in-state travel to reflect anticipated expenditure rates. This package increases the budget by \$17,288 General Fund and \$117,797 Federal Funds expenditure limitation.
- Package 104: Information Technology Infrastructure. This policy package reclassifies existing positions and extends one limited duration Project Manager position through March 2022, to allow sufficient time to complete the migration and upgrade of the AWARE case management system. This package increases the budget by \$48,755 General Fund and \$175,101 Federal Funds expenditure limitation and adds one limited duration position (1.00 FTE) from the Rehabilitation Services unit.
- Package 801: LFO Analyst Adjustments. This package establishes an Accountant 4 position to serve as a Grant Accountant to plan, coordinate and monitor efforts to ensure complex federal and other fund financial reports are prepared in compliance with statutory,

regulatory and agency requirements as specified in applicable award notices, terms and conditions, interagency agreements and other contracts. This package increases expenditure limitation by \$246,914 Federal Funds and adds one permanent position (1.00 FTE).

### **Rehabilitative Services**

The Vocational Rehabilitation Services program is the Oregon Commission for the Blind's largest program. Its primary function is to develop and support Oregonians with vision loss in order to achieve successful employment outcomes. This program has a dual-customer approach—serving Oregonians who experience vision loss and businesses/employers throughout the state. This program provides a continuum of services for youth experiencing blindness who are transitioning out of the school system to older Oregonians experiencing vision loss who wish to continue living and working independently. For this unit, the Subcommittee recommended a 2021-23 budget of \$12,669,576 total funds with \$2,203,257 General Fund, \$606,317 Other Funds expenditure limitation, and \$9,860,002 Federal Funds expenditure limitation, and 25 positions (25.63 FTE). The Subcommittee recommended the following packages:

- Package 070: Revenue Reduction. This revenue reduction package reduces the Other Fund special payments by (\$506,9310, formerly match provided by school districts and Education Service Districts, for the non-federal share of the Workforce Innovation and Opportunity Act (WIOA). Due to the Other Funds reduction, this package also reduces the Federal Funds special payments award portion (\$1,873,027) of the WIOA requiring match. The WIOA requires the agency to reserve and expend 15% of the federal award for pre-employment transition services for school aged youth. This package corresponds with Package 101 Pre-Employment Transition Services, which increases General Fund in order to match available Federal Funds and maintain the current level of services to Oregonians who are blind.
- Package 099: 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 base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.
- Package 101: Pre-Employment Transition Services. This package continues the current level of services to in-school transition aged youth enrolled in secondary high school programs in Oregon through replacing Other Funds contributions by school districts and Education Service Districts with General Fund. This package increases special payments by \$506,931 General Fund and \$1,873,027 Federal Funds expenditure limitation.
- Package 102: Operational Alignment. This package increases Services and Supplies by \$45,697 total funds to adjust Attorney General and in-state travel to reflect anticipated expenditure rates. This package increases the budget by \$9,733 General Fund and \$35,964 Federal Funds expenditure limitation.

- Package 104: Information Technology Infrastructure. This package reclassifies existing positions and extends one limited duration Project Manager position to allow sufficient time to complete the migration and upgrade of the AWARE case management system. This package transfers the position from Rehabilitative Services to the Administration Services unit by decreasing (\$48,364) General Fund and (\$64,013) Federal Funds expenditure limitation and decreases the unit full time equivalency by (0.62 FTE).

### **Business Enterprises**

The Business Enterprises (BE) program trains, licenses, and supports individuals who are legally blind, in operating food service and vending in public buildings. This program is operated under the federal Randolph-Sheppard Act. The BE program contracts with public agencies and then enters into operating agreements with licensed blind managers to provide services desired by facilities, creating employment opportunities for individuals who are blind. For this unit, the Subcommittee recommended a 2021-23 budget of \$1,790,703 total funds with \$375,040 General Fund, \$465,587 Other Funds expenditure limitation, and \$950,076 Federal Funds expenditure limitation, and five positions (5.00 FTE). The Subcommittee recommended the following packages:

- Package 099: 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 base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.
- Package 102: Operational Alignment. This package increases Services and Supplies by \$126,936 total funds to adjust Attorney General and in-state travel to reflect anticipated expenditure rates. This package increases the budget by \$27,037 General Fund and \$99,899 Federal Funds expenditure limitation.

### **Orientation Center for the Blind**

The Orientation and Career Center for the Blind (OCCB) provides skills training for newly blind adults so they might remain as independent as possible. The OCCB training facility is located in Portland. Individuals are referred to OCCB by Vocational Rehabilitation Counselors. Training for each client is orchestrated around their individualized assessment, which is the plan they have developed with their vocational counselor. For this unit, the Subcommittee recommended a 2021-23 budget of \$3,037,984 total funds with \$708,687 General Fund, \$2,212 Other Funds expenditure limitation, and \$2,327,085 Federal Funds expenditure limitation, and 10 positions (9.04 FTE). The Subcommittee recommended the following packages:

- Package 099: 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 base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

- Package 102: Operational Alignment. This package increases Personal Services by \$8,410 total funds to bring a Vocational Rehabilitation instructor from part-time to full-time. This package decreases General Fund by (\$12) and increases Federal Funds expenditure limitation by \$8,422 and increases full time equivalency by 0.04 FTE.

### **Independent Living Services**

The Independent Living (IL) Services program provides training and resources to individuals who are blind or experiencing significant vision loss so they may live safely and independently and continue to be active in their community. For this unit, the Subcommittee recommended a 2021-23 budget of \$2,079,915 total funds with \$944,614 General Fund, and \$1,135,301 Federal Funds expenditure limitation, and 10 positions (7.75 FTE). The Subcommittee recommended the following packages:

- Package 099: 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 base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.
- Package 102: Operational Alignment. This package increases Services and Supplies by \$59,206 General Fund to adjust Attorney General and in-state travel to reflect anticipated expenditure rates.

### **Summary of Performance Measure Action**

See attached Legislatively Adopted 2019-21 Key Performance Measures form.

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

Oregon Commission for the Blind  
Drew Cohen (971) 707-8779

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2019-21 Legislatively Approved Budget at Jan. 2021*	\$ 6,404,462	\$ -	\$ 2,066,393	\$ -	\$ 18,962,730	\$ -	\$ 27,433,585	68	66.00
2021-23 Current Service Level (CSL)*	\$ 5,090,337	\$ -	\$ 1,608,480	\$ -	\$ 17,172,805	\$ -	\$ 23,871,622	67	65.00
<b><u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u></b>									
<b>SCR 58500-001 - Administrative Services</b>									
Package 099: Microsoft 365 Consolidation									
Services and Supplies	\$ (6,337)	\$ -	\$ -	\$ -	\$ (6,337)	\$ -	\$ (12,674)		
Package 102: Operational Alignment									
Personal Services	\$ (16)	\$ -	\$ -	\$ -	\$ 53,862	\$ -	\$ 53,846	0	0.00
Services and Supplies	\$ 17,304	\$ -	\$ -	\$ -	\$ 63,935	\$ -	\$ 81,239		
Package 104: Information Technology Infrastructure									
Personal Services	\$ 48,755	\$ -	\$ -	\$ -	\$ 175,101	\$ -	\$ 223,856	1	1.00
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 207,378	\$ -	\$ 207,378	1	1.00
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ 39,536	\$ -	\$ 39,536		
<b>SCR 58500-002 - Rehabilitative Services</b>									
Package 070: Revenue Shortfalls									
Special Payments	\$ -	\$ -	\$ (506,931)	\$ -	\$ (1,873,027)	\$ -	\$ (2,379,958)		
Package 099: Microsoft 365 Consolidation									
Services and Supplies	\$ (3,963)	\$ -	\$ (8,256)	\$ -	\$ (4,293)	\$ -	\$ (16,512)		
Package 101: Pre-Employment Transition Services									
Special Payments	\$ 506,931	\$ -	\$ -	\$ -	\$ 1,873,027	\$ -	\$ 2,379,958		
Package 102: Operational Alignment									
Services and Supplies	\$ 9,733	\$ -	\$ -	\$ -	\$ 35,964	\$ -	\$ 45,697		
Package 104: Information Technology Infrastructure									
Personal Services	\$ (48,364)	\$ -	\$ -	\$ -	\$ (64,013)	\$ -	\$ (112,377)	0	-0.62
<b>SCR 58500-003 - Business Enterprises</b>									
Package 099: Microsoft 365 Consolidation									
Services and Supplies	\$ (637)	\$ -	\$ (2,438)	\$ -	\$ (675)	\$ -	\$ (3,750)		
Package 102: Operational Alignment									
Services and Supplies	\$ 27,037	\$ -	\$ -	\$ -	\$ 99,899	\$ -	\$ 126,936		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
<b>SCR 58500-005 - Orientation Cntr for the Blind</b>										
Package 099: Microsoft 365 Consolidation Services and Supplies	\$ (5,013)	\$ -	\$ -	\$ -	\$ -	\$ (4,445)	\$ -	(9,458)		
Package 102: Operational Alignment Personal Services	\$ (12)	\$ -	\$ -	\$ -	\$ -	\$ 8,422	\$ -	8,410	0	0.04
<b>SCR 58500-006 - Independent Living Services</b>										
Package 099: Microsoft 365 Consolidation Services and Supplies	\$ (2,842)	\$ -	\$ -	\$ -	\$ -	\$ (2,731)	\$ -	(5,573)		
Package 102: Operational Alignment Services and Supplies	\$ 59,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	59,206		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 601,782</b>	<b>\$ -</b>	<b>\$ (517,625)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 601,603</b>	<b>\$ -</b>	<b>685,760</b>	<b>2</b>	<b>1.42</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 5,692,119</b>	<b>\$ -</b>	<b>\$ 1,090,855</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,774,408</b>	<b>\$ -</b>	<b>24,557,382</b>	<b>69</b>	<b>66.42</b>
% Change from 2019-21 Leg Approved Budget	-11.1%	0.0%	-47.2%	0.0%	0.0%	-6.3%	0.0%	-10.5%	1.5%	0.6%
% Change from 2021-23 Current Service Level	11.8%	0.0%	-32.2%	0.0%	0.0%	3.5%	0.0%	2.9%	3.0%	2.2%

\*Excludes Capital Construction Expenditures



# Legislatively Approved 2021 - 2023 Key Performance Measures

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**Agency:** Blind Commission

**Mission Statement:**

To empower Oregonians who are blind to fully engage in life.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. EMPLOYMENT - Percentage of Vocational Rehabilitation participants who are employed in unsubsidized, competitive, integrated settings the second quarter after exiting the program.		Approved			
2. INDEPENDENT LIVING - Percentage of eligible individuals closed successfully and unsuccessfully in the Older Blind Independent Living Program who reported feeling that they are in greater control and are more confident in their ability to maintain their current living situation as a result of services received.		Approved	94.15	93	93
3. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Approved	90	96.50	96.50
	Availability of Information		88	96.50	96.50
	Helpfulness		88	96.50	96.50
	Accuracy		85	96.50	96.50
	Overall		92.50	96.50	96.50
	Timeliness		86	96.50	96.50
4. BEST PRACTICES - Percent of total best practices met by the Commission.		Approved	99%	100%	100%

**LFO Recommendation:**

KPM #1 is a newly adopted performance measure as part of the new Workforce Innovation and Opportunity Act (WIOA) requirements, and the target is still yet to be determined by coordinating with state WIOA partners. The Commission is working with state WIOA partners and the federal government to collect and analyze data with the goal of establishing a useful target by the next reporting cycle.

LFO recommends approval of measures and targets as presented.

**SubCommittee Action:**

Approve LFO recommendation.