

Legislative Fiscal Office

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To: Agency Directors and Budget Officers

From: Amanda Beitel, Legislative Fiscal Officer

Date: January 3, 2023

Subject: Instructions for Ways and Means Subcommittee Documents, Other Funds Ending Balances, Reduction Options, and Long-Term Vacancies

The information provided below and in the associated attachments establishes the requirements for agency presentations and reference documents provided to Joint Committee on Ways and Means Subcommittees during the 2023 legislative session. Also included are instructions and forms for agencies to provide required information on Other Funds ending balances, reduction options, and long-term vacant positions.

While agency presentations and other required information remain similar to processes followed in previous sessions, a comprehensive reading of these instructions is necessary due to several updates and key deadlines. Please also note the following with respect to 2023 subcommittee processes and Oregon State Capitol building requirements:

- **In-person meetings:** All agency budget presentations during the 2023 session will take place in-person at the Oregon State Capitol. Presenters and agency staff needed to respond to subcommittee questions should attend in-person meetings.
- **Building entrance:** Beginning in January 2023, the only available entrance to the Capitol building for agency staff and members of the public will be through the main State Street entrance.
- **Security checkpoint:** All Capitol visitors and staff must now go through a security checkpoint, which includes a metal detector and X-ray machine for bags at the main State Street entrance. Agency presenters should arrive with sufficient time to go through security. For details on prohibited items, please refer to the [Legislative Administration Committee Policies and Guidelines \(Section XV\)](#).

As in prior biennia, agencies will provide presentations to Ways and Means subcommittees focused on the agency's budget, programs, goals, and proposals for the 2023-25 biennium. Additionally, agencies are required to submit a Ways and Means reference document at the time of the agency's first subcommittee presentation. The reference document is intended to build on the agency's presentation by providing additional details, budget information, and supporting documentation for the subcommittee to review. Refer to Attachments A and B for the specific requirements for these documents.

Agency budget presentations will be scheduled upon release of the 2023-25 Governor's Budget through early April and are considered the first phase of the Ways and Means schedule. Certain agencies will also be selected to participate in a second phase based on specific topics the Legislature wants to consider in more detail. Work sessions on agency budgets, or the third phase, will be conducted after completion of agency hearings and may also include consideration of fee bills or substantive legislation.

In addition to Ways and Means presentation and reference materials, agencies must also submit the following information in the forms separately provided with this communication to your LFO analyst by the close of business on January 20, 2023:

- **Other Funds Ending Balances:** List of estimated Other Funds ending balances for 2021-23 and 2023-25 biennia, as well as balances of American Rescue Plan Act (ARPA) funds estimated to be unspent at the end of the 2021-23 biennium. Agencies may be asked to update this information near the end of session.
- **Reduction Options:** List of reduction options for General Fund, Lottery Funds, and, if applicable, selected Other Funds as determined by your LFO analyst, amounting to a 15% reduction (in 5% increments) from the combined General Fund/Lottery Funds current service level used in the Governor's budget, excluding Debt Service.
- **Long-term Vacancies:** List of all budgeted vacancies of 12 months or more for permanent positions as of the most recent quarterly vacancy report, including the 2023-25 current service level budget associated with each vacancy.

Please contact your LFO analyst with any questions.

Attachment A: Ways and Means PowerPoint Presentation Requirements

The process and content requirements for agency PowerPoint and oral presentations are summarized below. Failure to follow these instructions could result in subcommittee hearings on an agency budget being cancelled or rescheduled for later in the session. If you believe exceptions to these instructions are necessary, please contact your Legislative Fiscal Office (LFO) analyst.

1. Key Deadlines:

- Presentation materials and a list of agency presenters (name and title) are due to your LFO analyst at least seven calendar days prior to the subcommittee hearing.
 - For meetings scheduled within the first two weeks of session or release of the Governor's Budget, please contact your LFO analyst for an adjusted deadline.
- If a written response is required for Subcommittee questions asked on the record, the agency has two working days to provide the response to the LFO analyst. Upon review, the written response will be posted to OLIS.

2. General Process

- Slideshows must be submitted electronically in both PowerPoint and PDF versions.
- The presentations should be provided by the agency director and/or program managers. Presenters should be prepared to "drive" the slideshow from the witness table.
 - If the agency does not bring a copy of the slideshow on a flash drive, the PDF version posted to OLIS can be displayed.
- Presentations should be consistent in content and format. Agencies may be allowed to tailor their presentations beyond these guidelines with LFO approval.
- Large agencies should prepare the required content for the entire agency and each major division/program area; small agencies may cover the entire agency at a summary level.
- Agencies must ensure presentations can be completed within the time allotted, allowing for Subcommittee questions. Subcommittee meetings are expected to be scheduled for 1.5 hours, four days per week
- Agencies are encouraged to meet with Subcommittee members in advance of Subcommittee hearings, if possible.

3. PowerPoint Presentation Content

- Agency mission, goals, and historical context.

- High-level summary of agency programs, services, and organizational structure, including organizational charts, as well as any proposed organizational changes.
- Overview of agency performance and outcome measures, how measures are used by the agency, and progress toward achieving goals.
- Summary of programs, clients, numbers served, and key partners.
- Significant issues that remain unresolved for 2021-23; please use the legislatively approved budget through the December 2022 meeting of the Emergency Board for any 2021-23 budget values.
- Major agency changes, budget drivers, risks, and information technology projects affecting the 2023-25 budget, such as caseloads, fees, revenue changes, cost per case issues, new investments, etc.
- Important changes to the agency's budget and/or operations in the past 6 years, broken down by biennia, with an emphasis on programs initiated in 2021-23.
- Budget issues related to COVID-19, wildfires and/or other natural disasters, and emerging issues not captured in the Governor's Budget, if applicable.
- Legislation necessary to implement the Governor's budget proposals for the agency.
- Summary of 15% reduction options and impact of any reductions included in the Governor's budget.
- Summary of long-term vacancy information requested by LFO, including number of vacancies, related budget by fund source, and length of time vacant.
- Actions the agency is taking or plans to take to create savings, contain costs, improve services, or create other efficiencies without affecting services.
- Summary of the Governor's budget by fund source, policy option package, reductions, and other major changes.
- Requested changes to Key Performance Measures (KPM) or any KPM that the agency is not achieving.

Attachment B: Ways and Means Reference Document

1. Key Deadlines:

- The reference document should be submitted to your LFO analyst with other presentation materials at least seven calendar days prior to the subcommittee hearing.

2. General Process:

- Written reference documents should be combined into one PDF file that includes a summary page identifying the materials provided.

3. Reference Document Content:

- Additional details, documents, and materials to support the following budget information included in the agency's PowerPoint presentation:
 - Agency mission, goals, and historical context.
 - High-level summary of agency programs, services, and organizational structure, including organizational charts, as well as any proposed organizational changes.
 - Overview of agency performance and outcome measures, how measures are used by the agency, and progress toward achieving goals.
 - Summary of programs, clients, numbers served, and key partners.
 - Significant issues that remain unresolved for 2021-23; please use the legislatively approved budget through the December 2022 meeting of the Emergency Board for any 2021-23 budget values.
 - Major agency changes, budget drivers, risks, and information technology projects affecting the 2023-25 budget, such as caseloads, fees, revenue changes, cost per case issues, new investments, etc.
 - Important changes to the agency's budget and/or operations in the past 6 years, broken down by biennia, with an emphasis on programs initiated in 2021-23.
 - Budget issues related to COVID-19, wildfires and/or other natural disasters, and emerging issues not captured in the Governor's Budget, if applicable.
 - Legislation necessary to implement the Governor's budget proposals for the agency.
 - Summary of 15% reduction options and impact of any reductions included in the Governor's budget.

- Summary of long-term vacancy information requested by LFO, including number of vacancies, related budget by fund source, and length of time vacant.
 - Actions the agency is taking or plans to take to create savings, contain costs, improve services, or create other efficiencies without affecting services.
 - Summary of the Governor's budget by fund source, policy option package, reductions, and other major changes.
 - Requested changes to KPMs or any KPM that the agency is not achieving.
- A hyperlink/URL to the agency's Governor's Budget published on its website should also be included in the written reference materials. If the agency's Governor's Budget document is not completed prior to the deadline for submitting materials, the link/URL should be provided to your LFO analyst as soon as available.
 - Results of, and agency responses to, all audits on the agency conducted by the Secretary of State under ORS 297.070 during the current biennium and/or an external audit firm.
 - Description of how recent changes to agency budget and/or management flexibility affected agency operations.
 - Supervisory Span of Control Report from the Department of Administrative Services, Chief Human Resources Office, for agencies with more than 100 employees located at:
<https://www.oregon.gov/das/HR/Pages/Span.aspx>
 - Summary of proposed information technology projects.
 - Summary of proposed capital construction projects.
 - Program prioritization for 2023-25 (form 107BF23).
 - Other Funds and ARPA ending balance forms.