OGEC 2025-2027 Reference Document

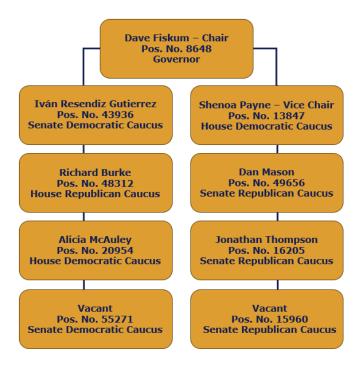
Governor's Budget - \$7,005,742

OGEC 2025-27 Governor's Budget

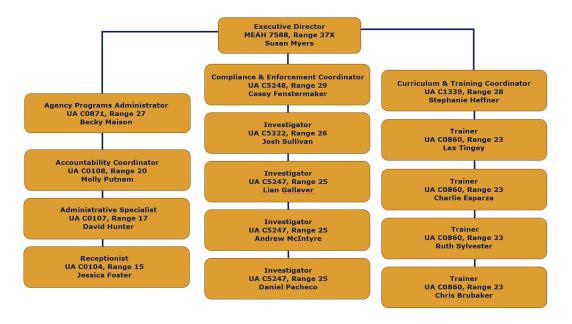
- POP #100
 - Department of Justice Fees
- POP #101
 - Reclassification to Policy, Planning, and Development Manager 2
- POP #102
 - Increased Training Program Costs
- POP #103
 - o Case Management/Electronic Filing System Updates/Replacement

Additional Supporting Materials

- Agency Summary
 - OGEC conducts investigations of complaints of violations within OGEC's jurisdiction and provides training and advice.
- 9-Member Commission



• 15-Member Staff



A summary of the agency's programs, clients, those served, and key partners:

- Training
 - o 2024: 16,920 people trained (12,476 via Workday, 4,444 live)
 - o 2023: 7,768 people trained (4,553 via Workday, 3,215 live)
 - o 2022: 4,162 people trained (2,649 via Workday, 1,513 live)



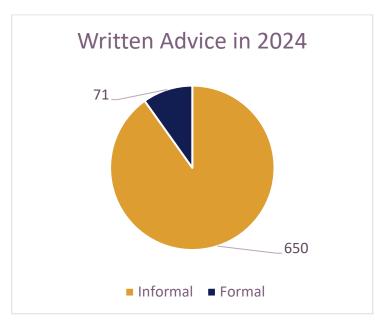


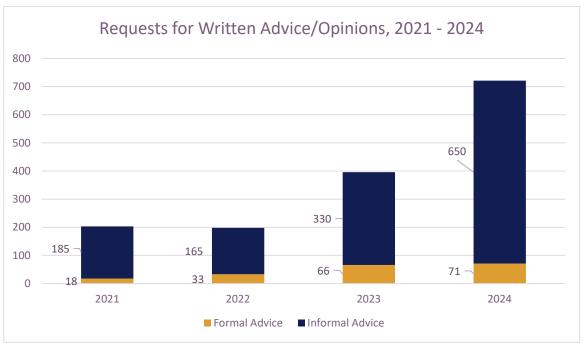
Advice:

o 2024: 721 (650 informal, 71 formal) (82% increase)

o 2023: 396 (330 informal, 66 formal) (100% increase)

o 2022: 198 (165 informal, 33 formal) (-2% increase)





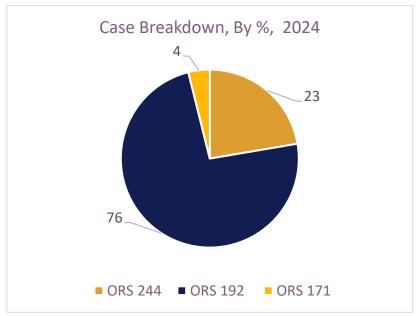
• Compliance:

o 2024: 272 Cases Opened (out of 566 complaints) (31% increase)

2023: 207 Cases Opened (out of 398 complaints) (34% increase)

o 2022: 152 Cases Opened (out of 279 complaints) (50% increase)





Key Performance Measures, 2024

- o Statutory Time Limit: 92.5%
- o Quality of Investigations: 4.95/5
- o Training Program Effectiveness: 40%
- o Case Disposition Costs: 100%
- Customer Service: 85/100
- o Governance Best Practices: 100%
- No changes requested

• OGEC's 2025 Legislative Concepts

- o <u>HB 2923</u>
 - SEI Updates

- o HB 2927
 - Investigation Timeline
- o <u>HB 2928</u>
 - Gift Offer Language
- o HB 2930
 - COI Household Member
- o HB 2932
 - Use of Office Education Exception

Budget Changes Effect on Agency Operations

- 2019 2021
 - \$2,903,298 Budget
 - Ethics Law, Lobby Law, & Executive Session
 - Invested in EFS Updates (<u>HB 3377 (2019)</u>)
- 2021 2023
 - \$3,231,509 Budget
 - o Ethics Law, Lobby Law, & Executive Session
 - No Significant Investments
- 2023 2025
 - \$5,415,403 Budget
 - o Ethics Law, Lobby Law, & Public Meetings Law
 - EFS/CMS System Enhancements, Training & Development Specialist 2, & Public Meetings Law
- 2023-2025 Budget Impacts on Agency Operations
 - Public Meetings Law
 - Expanded jurisdiction
 - Rulemaking & training approval process
 - Training
 - Training & Development Specialist 2
 - Public Meetings Law Curriculum development
 - Training outreach
 - Better manage workforce challenges
 - EFS/CMS Updates
 - HB 2038 (2023) SEI Updates
 - Continued work needed

Workforce Challenges

- Education
 - Significant increase in instructor-led webinars & in-person trainings
 - Public Meetings Law trainings became available Oct 2024
 - Demand was already increasing before these trainings were available
 - o Increases in requests for advice
 - Authority for Public Meetings Law advice became available Apr 2024
 - Demand for advice (Ethics & Lobby Law) was already increasing before Public Meetings Law authority way given



- Compliance
 - o Increase in complaints and cases being opened
 - Authority for Public Meetings Law cases became available September 2023



Public Records

- o Electronic Filing System
- o Case Management System
- Both continually need to be updated to stay up-to-date and handle workload (both behind-the-scenes and public facing)

Program Prioritization for 2025-27

<u>Program Prioritization for 2025-27</u> – linked and included on following page

- 1. Case Management/Electronic Filing System
- 2. Training
- 3. Investigation
- 4. Administration

Program Prioritization for 2025-27

| | | | Governn | nent Ethics Commission | | | | | | | | | | | | | | | | | |
|---------------------------------------|--|--------------------|------------------------------------|--|---|--|----------------|----|-----------|--|----|--------------|----------------|------|--------------|--|--|--|--|---|---|
| 2025-27 Biennium Agency Number: 19900 | | | | | | | | | | | | | | | | | | | | | |
| Progra | Program 1 | | | | | | | | | | | | | | | | | | | | |
| | Program/Division Priorities for 2025-27 Biennium | | | | | | | | | | | | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| (ranke | riority d with highest ority first) | Agency Initials | Program or Activity Initials | Program Unit/Activity Description | Identify Key Performance Measure(s) | Primary Purpose Program- Activity Code | GF | LF | OF | NL- OF | FF | NL-FF | TOTAL FUNDS | Pos. | FTE | New or Enhanced Program (Y/N) | Included as Reduction Option (Y/N) | Legal Req. Code (C, D, FM, FO, S) | Legal Citation | Explain What is Mandatory (for C, FM, and FO Only) | Comments on Proposed Changes to CSL included in Agency Request |
| Agev | Agey Prgm/Div | | | | | | | | | | | | | | | | | | | | |
| 1 | 1 | OGEC | CMS/EFS | Case Management System/Electronic Filing System | 5 | 3 | | | 789,480 | | | | \$ 789,480 | | | Y | N | s | ORS 244.290, ORS 171.745- 171.750, 171.766 | OGEC is required to have a functional Case Management System and Electronic Filing System for Statement of Economic Interest and Quarterly Expenditure Reports. Funds pay the vendor subscription fees for hosting data and system maintenance. | |
| 2 | 2 | OGEC | TRN | Training | 2, 5 | 3 | | | 1,401,635 | | | | \$ 1,401,635 | 5 | 5.00 | N | Y | s | ORS 244.290 ORS 192.700 | | |
| 3 | 3 | OGEC | INV | Investigations | 1,3, & 5 | 3 | | | 1,847,539 | | | | \$ 1,847,539 | 5 | 5.00 | N | Y | S | ORS Chap 244, ORS 171.725-785, ORS 192.685 | | |
| 4 | 4 | OGEC | ADMIN | Administration | 4, 5, & 6 | 3 | | | 2,967,088 | | | | \$ 2,967,088 | 5 | 5.00 | N | Y | s | ORS Chap 244, ORS Chap 171, ORS 192.705 | | |
| | ł | | | | ļ | | · - | | | | | <u> </u> | \$ - | ļ | | | | | | | |
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| | <u> </u> | | | | · | + | - | | | | | ļ | | } | | | | | | | |
| - | <u> </u> | | | | - | | _ | # | 7,005,742 | | - | | \$ 7,005,742 | 17 | 15.00 | | - | - | | | |
| | | | | | l | | - 1 | # | /,005,/42 | | | | φ /,005,/42 | 15 | 15.00 | 1 | | 1 | | | |

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
- 2 Community Development 3 Consumer Protection
- 4 Administrative Function
- 5 Criminal Justice
- 6 Economic Development 7 Education & Skill Development
- 8 Emergency Services
- 9 Environmental Protection
- 10 Public Health
- 11 Recreation, Heritage, or Cultural
- 12 Social Support

19. Legal Requirement Code

- C Constitutional
- D Debt Service
- FM Federal Mandatory
- FO Federal Optional (once you choose to participate, certain requirements exist)
- S Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

OGEC is a small agency that depends on all programs to function properly to complete its mission. The agency has been focusing its efforts on training. Legislative changes to Oregon Ethics Law, Public Meetings Law, and Lobbyist Regulation Law requires OGEC to train public officials, governing bodies, lobbyists and lobbyist clients. The prioritization is designed to reflect OGEC's focus; however, the agency is statutorily required to perform all functions. With only fifteen employees, it is difficult to reduce its functions. CMS/EFS funding is prioritized first as the agency is required by contract to pay the subscription fees for its Case Management System and Electronic Filing System to Tyler Technologies (formerly NIC USA). These systems increase transparency and accessibility for the public. Through these systems, the public can view Statements of Economic Interesting filings, lobbyist expenditure reports, case dispositions, and advice issued by OGEC. The public can report violations online as well.

10 107BF23

10% Reduction Option

<u>Detail of Reductions to 2025-27 Current Service Level Budget</u> – linked and attached on following page.

- 1. Elimination of Administrative Specialist 1 position \$210,000 savings
 - a. Inability to meet increased demand for services
 - b. Slower response to public records request
 - c. Slower report processed
 - d. Decreased customer service
- 2. Elimination of Program Analyst 1/Trainer position \$260,000 savings
 - a. Inability to meet increased demand for trainings
 - b. Slower response to advice requests
 - c. Limited training program development
 - d. Decreased customer service
- 3. Elimination of Compliance Specialist 2/Investigator position \$287,000 savings
 - a. Delays in completing cases on time
 - b. Slower response to advice requests
 - c. Slower response to increased complaint load
 - d. Decreased customer service

Losing any of these positions would leave OGEC unable to meet its mission and the statutory deadlines set before the agency.

Government Ethics Commission

2025-27 Biennium

| 1 | | tions to 20 | 123-27 Current Service Leve | | | etail of Reductions to 2025-27 Current Service Level Budget | | | | | | | | | | | | |
|---|------------|-------------|-----------------------------|---------------------------------------|----|---|---------|-------|----|-------|--------------|------|------|---------------------------------------|---|--|--|--|
| |) | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | | | |
| Priorit (ranked n to leas preferre | nost st | Agency | SCR or Activity Initials | Program Unit/Activity Description | GF | LF | OF | NL-OF | FF | NL-FF | TOTAL FUNDS | Pos. | FTE | Used in Gov. Budget Yes / No | Impact of Reduction on Services and Outcomes | | | |
| | 1 | OGEC | 19900-010-00-00-00000 | Eliminate AS1 Position | | | 210,000 | | | | \$ 210,000 | 1 | 1.00 | | Elimination of position would prevent OGEC from providing a high level of customer service as telephones would go unanswered, mail unopened, and reports not processed in a timely manner. OGEC would find it difficult to process public records requests. | | | |
| | 2 | OGEC | 19900-010-00-00-00000 | Eliminate PA1/Trainer Position | | | 260,000 | | | | \$ 260,000 | 1 | 1.00 | No No | Elimination of position from 4 FTE to 3 FTE would make it more difficult to respond to training requests, respond to advice requests, and provide trainings in a timely manner. | | | |
| | 3 | OGEC | 19900-010-00-00-00000 | Eliminate 1 CS2/Investigator Position | | | 287,000 | | | | \$ 287,000 | 1 | 1.00 | | Elimination of position from 4 FTE to 3 FTE would make it difficult to would make it difficult to respond to advice requests and complete investigations in a timely manner. | | | |
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| | | | | TOTAL | - | - | 757,000 | - | - | - | \$ 757,000 | 3 | 3.00 |) | | | | |

Target (10%)
Difference \$

rence \$ 757,000

Other Funds, Lottery Funds, and ARPA Ending Balance Forms

Other Funds Balance Form – linked and attached on following page.

The Lottery Funds and ARPA Ending Balance Forms do not apply to OGEC.

| Updated Other Fu (a) Other Fund Type | (b) Program Area (SCR) | 2023-25 and 2025-27 Bienna (c) Treasury Fund #/Name | (d) Category/Description | (e) Constitutional and/or statutory reference | (f) 2023-25 Endi | (g) | (h) | (i) | (j) |
|---|-------------------------|---|---------------------------|--|---------------------|------------|--------------|---------|---|
| (a) | (b) | (c) | | Constitutional and/or | | | (h) | (i) | (j) |
| Other Fund Type | Program Area (SCR) | Treasury Fund #/Name | Category/Description | | 2023-25 Endi | | | | |
| | | | | | | ng Balance | 2025-27 Endi | | Comments |
| į | | | | | In LAB | Revised | In CSL | Revised | |
| Limited 199 | 900-010-00-00-00000 | 0401/Other Funds Cash Account | Operations | 2007, CHAP 877, SEC 2/ORS 244.255 & .345 | 254,433 | 713,977 | 1,921,591 | | The difference between column F and G is due to receiving AR owed to the agency. The difference in column H and I is due to ongoing POP's that effect the revenues and may be revised. |
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Objective: Provide updated Other Funds ending balance information for potential use in the development of the 2025-27 legislatively adopted budget.

Instructions

- Column (a): Select one of the following: Limited, Nonlimited, Capital Improvement, Capital Construction, Debt Service, or Debt Service Nonlimited.
- Column (b): Select the appropriate Summary Cross Reference number and name from those included in the 2023-25 legislatively approved budget. If this changed from previous structures, please note the change in Comments (Column (j)).
- Column (c): Select the appropriate, statutorily established Treasury Fund name and account number where fund balance resides. If the official fund or account name is different than the commonly used reference, please include the working title of the fund or account in Column (j).
- Column (d): Select one of the following: Operations, Trust Fund, Grant Fund, Investment Pool, Loan Program, or Other. If "Other", please specify. If "Operations", in Comments (Column (j)), specify the number of months the reserve covers, the methodology used to determine the reserve amount, and the minimum need for cash flow purposes.
- Column (e): List the Constitutional, Federal, or Statutory references that establishes or limits the use of the funds.

Columns (f) and

- (h): Use the appropriate, audited amount from the 2023-25 legislatively approved budget and the 2025-27 current service level at Governor's Budget.
- Columns (g) Provide updated ending balances based on revised expenditure patterns or revenue trends. The revised column (i) should assume 2025-27 current service level expenditures, considering the updated 2023-25 ending balance and any updated 2025-27 revenue projections. <u>Do not include</u> adjustments
- and (i): for reduction options that have been submitted. Provide a description of revisions in Comments (Column (j)).
- Column (i): Please note any reasons for significant changes in balances previously reported during the 2023 session.

Additional

Materials: If the revised ending balances (Columns (g) or (i)) reflect a variance greater than 5% or \$50,000 from the amounts included in the LAB (Columns (f) or (h)), attach supporting memo or spreadsheet to detail the revised forecast.

Non-Applicable Items

The following items do not apply to OGEC:

- 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.
- Supervisory Span of Control Report from the Department of Administrative Services Chief Human Resources Office, for agencies with more than 100 employees.
- Summary of proposed information technology and capital construction projects.
- Summary of long-term vacancy information requested by LFO.