

DATE: August 17, 2015

TO: State Agency Directors

FROM: Ken Rocco, Legislative Fiscal Officer
Legislative Fiscal Office

George Naughton, Chief Financial Officer
Department of Administrative Services, Chief Financial Office

SUBJECT: 2015-17 Emergency Board and Interim Joint Committee on Ways and Means
(Members, Schedule, *Updated* Electronic Request Process, and Guidelines)

Please provide this information to your management team. Ask them to consider every potential request very carefully to make sure the request is necessary and to work closely with their assigned Chief Financial Office (CFO) and Legislative Fiscal Office (LFO) analysts to assure criteria and process timelines are met.

Similar to last biennium, no Emergency Board meetings are currently anticipated until after the 2016 session, but the Interim Joint Committee on Ways and Means will be meeting to review budget issues that will be addressed during the 2016 session.

Current membership lists of the 2015-17 Emergency Board and the 2015-17 Interim Joint Committee on Ways and Means will be provided once appointments are finalized.

As in the past, the Governor will determine which agency requests will be forwarded to the Emergency Board or Interim Joint Committee on Ways and Means. Upon approval by the Governor, CFO will submit requests to LFO for consideration by the Emergency Board or Interim Joint Committee on Ways and Means. The final agenda for each meeting will be determined by the Co-Chairs of the respective Board or Committee.

In addition to requests initiated by agencies, the Co-Chairs of the Emergency Board or Interim Joint Committee on Ways and Means may request reports from various agencies for their planned meetings. The Committee is also authorized, due to a statutory change in the 2007 session, to review and approve federal grant application requests.

If a special request is made by the Emergency Board or the Interim Joint Committee on Ways and Means which does not allow for meeting the submission deadlines outlined on the attached calendars, information must still be provided to your LFO and CFO Analysts as early as possible prior to the scheduled Committee meeting.

- Emergency Board and Interim Joint Committee on Ways and Means request criteria can be found in Attachment A. Please review this information closely and ensure that your request meets the criteria.

- Attachment B outlines the updated electronic process requirements and important tips to remember when submitting requests to the Emergency Board and/or the Interim Joint Committee on Ways and Means during the 2015-17 interim. ***There will be few exceptions to the process and deadlines.*** It is important that each agency implement internal processes to ensure the new electronic submission process for both LFO and CFO is followed. This information should be shared with all staff responsible for request preparation.

NOTE: A Notice of Intent to Submit an Emergency Board or Interim Joint Committee on Ways and Means request is due one week before the date that formal letters are due.

- Attachments C-1, C-2, and C-3 provide calendars for the currently scheduled meetings of the Interim Joint Committee on Ways and Means. Calendars for additional meetings of both the Emergency Board and Interim Joint Committee on Ways and Means will be provided as soon as legislative leadership approves the schedule. At this time, interim meetings of the Interim Joint Committee on Ways and Means are possible during the announced Legislative Days for September 28th through the 30th, November 16th through the 18th, and January 13th through the 15th (2016). The Emergency Board is tentatively scheduled to meet in May, September, and December of 2016, but no specific dates have been set. It is also possible that the Interim Joint Committee on Ways and Means will meet during 2016. Notification will be provided once a final decision is made. A January 2017 meeting of the Emergency Board is not currently planned, and will only be held if needed. Once the schedule is approved, calendars identifying the dates all requests must be received by CFO and LFO to be presented at each specific meeting, will be provided.
- The format for Emergency Board and Interim Joint Committee on Ways and Means requests can be found in Attachments D-1 and D-2.
- Additional direction will be provided to SABR Coordinators for requests that affect positions and/or FTE and allocation or limitation increases.

c: SABR Coordinators
CFO Analysts
LFO Analysts

EMERGENCY BOARD REQUEST CRITERIA

1. Items needing legislative approval that should not wait until the 2017 session to achieve savings in agency budgets.
2. Items needing action to continue or eliminate an approved program (e.g., funds to maintain required caseload and/or workload levels, authority to end a program).
3. Items specifically deferred to the Emergency Board by the Legislature and newly legislated assignments where fiscal impact was shown or the impact is greater than projected and provided for under legislation.
4. Statutory items requiring review and/or approval by the Emergency Board (e.g., agency budget rebalancing actions, limitation for fee increases and grants, or fund shifts) and other reports required by the Legislature.
5. Certain items needing approval to proceed (e.g., major construction projects, repair projects addressing health and safety issues, grant applications). **All requests for federal grant application approval are to be submitted before the grant application is made. Retroactive approval requests will be accepted only if federal timelines precluded timely advance approval. Procedures and LFO/CFO email addresses are identified in Attachment B.**
6. Current or impending shortfalls in agency budgets requiring additional expenditure limitation or Emergency Fund allocations due to circumstances beyond an agency's control. Otherwise, the expectation is to manage within the agency's legislatively adopted budget.
7. Requests to expend Federal Funds, including federal grants.
8. Requests that respond to new federal mandates.
9. Reports or action needed to satisfy a budget note.

Interim Joint Committee on Ways and Means Request Criteria

The Interim Joint Committee on Ways and Means will consider the following items requested by state agencies:

1. Certain items needing approval to proceed (e.g., major construction projects, repair projects addressing health and safety issues, grant applications, information management and technology projects). **All requests for federal grant application approval are to be submitted electronically to LFO and CFO before the grant application is made. Retroactive approval requests will be accepted only if federal timelines precluded timely advance approval. Procedures and LFO/CFO email addresses are identified in Attachment B.**
2. Reports or actions needed to satisfy a budget note or other legislative direction.

3. Items specifically deferred from the 2015 regular session that require financial review in anticipation of being considered for the 2016 session.
4. Current or impending shortfalls in agency budgets requiring additional expenditure limitation or Emergency Fund allocations due to circumstances beyond an agency's control. These items will be reviewed in anticipation of action that may occur during the 2016 session.

In addition to agency requested items, the Co-Chairs of the Interim Joint Committee on Ways and Means may request other specific report items to be included on the agenda. CFO and LFO Analysts will alert agencies on all Co-Chair requested agenda items.

Electronic Process Requirements/Request Submission Detail

General Information

Requests and reports to the Emergency Board and Interim Joint Committee on Ways and Means and requests for additional appropriation or expenditure limitation that will be brought to the Interim Joint Committee on Ways and Means for the 2016 session must be submitted electronically to the Department of Administrative Services, Chief Financial Office (CFO) and the Legislative Fiscal Office (LFO).

PLEASE NOTE: When instructed to electronically submit official request documents to CFO and/or LFO, use the following email addresses and copy your assigned CFO and LFO Analyst, *unless otherwise noted:*

CFO.LegRequests@oregon.gov

LFO.LegRequests@state.or.us

“Placeholders,” replacement letters, late submittals, and day-of-the-meeting handouts are strongly discouraged. We understand timelines are short, but it is critical that the Governor and members of the Legislature receive timely, accurate, and complete information on budget and information management issues during the interim.

Please Understand Your Request May Be Denied Or Delayed If You Fail To Submit Complete, Accurate Information In The Required Format Within The Established Timelines

- Agency staff should begin working with their assigned CFO, LFO, and/or information resource analysts at least two weeks before the date requests are due. This allows analysts time to provide a thorough analysis and recommendation, and provides time for any revisions or preparation of backup material, if necessary. To assist in this process, a Notice of Intent to Submit an Emergency Board or Interim Joint Committee on Ways and Means request is due one week before the date that formal letters are due. Email the Notice of Intent to your CFO and LFO Analysts *only*, listing the requests that you expect to bring forward.
- **All letters are due by noon on the stated date. Requests received after that time may be deferred to the next meeting of the Emergency Board or Interim Joint Committee on Ways and Means.** Agencies are expected to establish adequate internal controls to ensure that all deadlines are met.
- Placeholders and replacement letters will be accepted only under rare circumstances. If an agency desires a placeholder, an exception request must be electronically submitted to LFO and CFO. Changing circumstances or corrections can be reflected in the budget and/or information resource analysts’ analyses and recommendations.
- Supporting documentation and backup material for the Emergency Board and Interim Joint Committee on Ways and Means items must be emailed with the original requests to CFO and

LFO. Additional information may be required at the request of the budget and/or information resource analyst(s). **Material cannot be provided to the committees at the table unless approved by LFO.**

Specifics - Emergency Board and Interim Joint Committee on Ways and Means Requests

- Submit the original request letter with the agency director's electronic signature via email to CFO and LFO with a copy to your assigned CFO/LFO Analysts. Please do not email scanned documents as we are striving for clear, clean copies for the Legislative Committee/Board.
- **Hard copies of the letters are no longer required.**
- Due dates for the first three Interim Joint Committee on Ways and Means request letters are listed in Attachment C; once the schedule for the Emergency Board and any additional meetings for the interim Committee are determined, additional calendars will be provided.
- Use the criteria listed in Attachment A to limit your requests to those that are essential.
- The format for Emergency Board and Interim Joint Committee on Ways and Means request letters can be found in Attachments D-1 and D-2.
- For consistency and ease of tracking by CFO and LFO, when submitting request letters to CFO and LFO, submit one letter per email. **Please Note:** each email "Subject" line should match the name of the request document attached. Please use the following naming convention:
 - Agency Acronym_Brief Topic Description
 - Examples: DAS_Lottery Rev Bonds Rpt.
 - OHA_Generic Drug Contracting
 - ODOT_Public Transit FF Limitation

Replacement Letters: If a letter is being sent as a replacement, please indicate so as instructed below:

- Example: DAS_Lottery Rev Bonds Rpt_Replacement
- OHA_Generic Drug Contracting_Replacement
- ODOT_Public Transit FF Limitation_Replacement

Requests for Retroactive Grant Application Authority (Federal Grants)

These instructions apply to grants that will require retroactive approval from the legislative review body. Federal grant application requests that are timely must follow the normal request deadlines and due dates.

- The date the agency makes the administrative decision to apply for the grant must fall after a scheduled meeting of either the Interim Joint Committee on Ways and Means or the

Emergency Board and the application deadline must fall before the next scheduled meeting of the Committee or Emergency Board.

- The time between the initial announcement of the grant opportunity and the agency's decision to apply must have been insufficient for the agency to obtain Committee or Emergency Board approval prior to submission of the grant application.
- **At least 10 days prior to the date that it intends to submit the grant application to the federal granting authority**, the agency must provide a 10-day notification letter in an email, along with all supporting documentation, to the Legislative Fiscal Officer, Ken Rocco (Ken.G.Rocco@state.or.us), with a copy to the Chief Financial Officer, George Naughton (George.M.Naughton@oregon.gov) and your assigned CFO/LFO Analysts, of its intent to apply for the grant and request retroactive authority at the next scheduled meeting of either the Emergency Board or Interim Joint Committee on Ways and Means. The letter should be addressed to the President of the Senate and Speaker of the House and have your agency director's electronic signature. **No hard copies need to be submitted to either LFO or CFO.**
- Once the 10-day notification letter is received electronically by LFO, copies will be forwarded to the presiding officers and the co-chairs of the Interim Joint Committee on Ways and Means by LFO, *not* by the agency.
- **The grant application may not be submitted until the end of the 10-day notification period.**
- After the 10-day period has expired and the agency submits the federal grant application, **a request letter seeking retroactive approval to apply for the grant must be electronically submitted to CFO and LFO with a copy to your assigned CFO/LFO Analysts, for legislative action at the next scheduled meeting of the legislative review body.** This letter seeking retroactive approval to apply should follow regular deadlines and due dates for the scheduled meeting of the legislative review body.
- Since both the Emergency Board and the Interim Joint Committee on Ways and Means are authorized to review and approve federal grant application requests, LFO will determine which body will review the request for retroactive approval to apply for the federal grant.

In addition to the electronic process guidelines, in order to have consistency in the content of the letters and to ensure the necessary grant application information is available for review, the 10-day notification letter and the letter requesting either retroactive approval or regular approval of a federal grant application **must** include the following information:

- The source of the grant;
- The amount being requested;
- The purpose of the grant;
- The grant application deadline;
- A description of any state match required for the grant (if there is no match required, the letter should explicitly state that no match is required);
- The source of funding for any required state match;

- A description of the impact (if any) the match will have on budgeted services and performance measures;
- An estimate of any additional FTE that the grant will require; and
- A description of how the grant supports the agency mission and goals.

If there are any questions about this process or the content of the letters, please contact your LFO Analyst.

September 2015 Meeting of the Interim Joint Committee on Ways and Means

August 2015				
Monday	Tuesday	Wednesday	Thursday	Friday
8/3	8/4	8/5	8/6	8/7
8/10	8/11	8/12	8/13	8/14
8/17	8/18	8/19	8/20	8/21
8/24 Notice of Intent due to CFO/LFO Analyst	8/25	8/26 Forecast Released	8/27	8/28

September 2015				
Monday	Tuesday	Wednesday	Thursday	Friday
8/31 Ways and Means requests due to CFO by Noon	9/1	9/2	9/3	9/4 LFO receives Final Request Letters by 4 pm
9/7 LABOR DAY	9/8	9/9 LFO Summary for leadership distributed	9/10	9/11
9/14	9/15	9/16	9/17 LFO Analysis due by end-of-day	9/18
9/21	9/22	9/23 LFO Analysis Distributed Meet /Leadership	9/24	9/25
9/28 Ways and Means Subcommittees Meet	9/29 Ways and Means Subcommittees Meet	9/30 Ways and Means Full Committee Meets	10/1 Task Forces Meet	

November 2015 Meeting of the Interim Joint Committee on Ways and Means

October 2015				
Monday	Tuesday	Wednesday	Thursday	Friday
			10/1	10/2
10/5	10/6	10/7	10/8	10/9
10/12 Notice of Intent due to CFO/LFO Analyst	10/13	10/14	10/15	10/16
10/19 Ways and Means requests due to CFO by Noon	10/20	10/21	10/22	10/23 LFO receives Final Request Letters by 4 pm
10/26	10/27 LFO Summary for leadership distributed	10/28	10/29	10/30

November 2015				
Monday	Tuesday	Wednesday	Thursday	Friday
11/2	11/3	11/4	11/5	11/6 LFO Analysis due by end-of-day
11/9	11/10 LFO Analysis Distributed Meet w/Leadership	11/11 VETERANS'DAY	11/12	11/13
11/16 Ways and Means Subcommittees Meet	11/17 Ways and Means Subcommittees Meet	11/18 Ways and Means Full Committee Meets	11/19 Task Forces Meet	11/20
11/23	11/24	11/25	11/26 THANKSGIVING	11/27
11/30	12/1	12/2 Forecast Released	12/3	12/4

January 2016 Meeting of the Interim Joint Committee on Ways and Means

December 2015				
Monday	Tuesday	Wednesday	Thursday	Friday
11/30 Notice of Intent due to CFO/LFO Analyst	12/1	12/2	12/3	12/4
12/7 Ways and Means requests due to CFO by Noon	12/8	12/9	12/10	12/11 LFO receives Final Request Letters by 4 pm
12/14	12/15	12/16	12/17	12/18
12/21	12/22	12/23	12/24	12/25 CHRISTMAS
12/28	12/29 LFO Summary for leadership distributed	12/30	12/31	

January 2016				
Monday	Tuesday	Wednesday	Thursday	Friday
				1/1 NEW YEARS
1/4	1/5	1/6 LFO Analysis due by end-of-day	1/7	1/8 LFO Analysis Distributed Meet w/Leadership
1/11	1/12 Task Forces Meet	1/13 Ways and Means Subcommittees Meet	1/14 Ways and Means Subcommittees Meet	1/15 Ways and Means Full Committee Meets
1/18	1/19	1/20	1/21	1/22
1/25	1/26	1/27	1/28	1/29

Format of Letter to the Emergency Board
(add to agency electronic letterhead)

Date

The Honorable Senator Peter Courtney, Co-Chair
The Honorable Representative Tina Kotek, Co-Chair
State Emergency Board
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

Nature of the [Emergency/Request]

Describe the reason for appearing before the Emergency Board, include a precise statement of the action being requested.

Agency Action

Describe in detail what actions you have taken to prepare for, offset, or mitigate the emergency, or the need for Emergency Board action.

Action Requested

Describe precisely what you want the Emergency Board to do. Include precise expenditure limitation and appropriation dollar amounts and number of positions/full-time equivalency/classification information.

Legislation Affected

Cite the appropriate agency ORS statute, appropriation bill, chapter law, and section to be revised if request is approved.

Format of Letter to the Interim Joint Committee on Ways and Means
(add to agency electronic letterhead)

Date

The Honorable Senator Richard Devlin, Co-Chair
The Honorable Representative Peter Buckley, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

Nature of the [Emergency/Request]

Describe the reason for appearing before the interim Joint Committee on Ways and Means, include a precise statement of the action being requested.

Agency Action

Describe in detail what actions you have taken to prepare for, offset, or mitigate the emergency, or the need for Joint Committee on Ways and Means action.

Action Requested

Describe precisely what you want the interim Joint Committee on Ways and Means to do. Include precise expenditure limitation and appropriation dollar amounts and number of positions/full-time equivalency/classification information.

Legislation Affected

Cite the appropriate agency ORS statute, appropriation bill, chapter law, and section to be revised if request is approved.