

Analysis

Item 49: Parks and Recreation Department

Federal Funds Technical Adjustment

Analyst: Matt Stayner

Request: Increase the Federal Funds expenditure limitation by \$29,214 to correct a technical error in the allocation of expenditure limitation for personal services under SB 5701 (2016).

Recommendation: Approve the request.

Analysis: SB 5701 from the 2016 session included adjustments to agency budgets for anticipated personal services expenditure changes due to collective bargaining agreements. The bill generally amended existing agency budget bills to accommodate these changes. The bill erroneously amended two sub-sections of the Oregon Parks and Recreation Department budget bill; providing two programs with excess Federal Funds limitation and one program short by \$29,214. This correction will allow for the expenditure of funding in the correct program.

The Legislative Fiscal Office recommends approval of the request.

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Oregon Parks and Recreation Department
Pearson

Request: Increase Federal Funds expenditure limitation of \$29,214 to correct adjustments made for employee compensation in the 2016 Legislative Session.

Recommendation: Approve the request with the following modification: transfer \$9,023 Federal Funds expenditure limitation in the Park Development Program and \$20,191 Federal Funds expenditure limitation in the Direct Services program to the Community Support and Grants program.

Discussion: The Oregon Parks and Recreation Department (OPRD) is requesting a \$29,214 Federal Funds expenditure limitation increase in its Community Support and Grants program to correct the distribution of compensation changes approved by the Legislature in 2016.

The adjustments approved by the Legislature overstated the Federal Funds need by \$9,023 in the Park Development Program and by \$20,214 in the Direct Services program. The changes understated the need by \$29,214 Federal Funds in the Community Support and Grants program.

This request corrects the problem in the Community Support and Grants program by adding \$29,214 Federal Funds expenditure limitation. Although the amount is small, the issue affects the Heritage Programs, which has \$1.5 million of expenditure limitation allotted to it. The full amount will be spent and OPRD does not want to borrow from the Heritage Grant expenditure limitation. It wishes to establish clear bright lines between revenues and expenditures to ensure full compliance with Legislative intentions.

Rather than increasing the federal funds expenditure limitation in the Community Support and Grants program and leaving the unneeded expenditure limitation in the Park Development and Direct Services programs, the Department of Administrative Services Chief Financial Office recommends transferring the limitations to the program where they are needed.

Legal Reference: Transfer of \$29,214 Federal Funds expenditure limitation made by chapter 303 section 4, Oregon Laws 2015, for the Oregon Parks and Recreation Department for the 2015-17 biennium as follows:

<u>Subsection</u>	<u>Amount</u>
(1) Park Development	-\$9,023
(2) Direct Services	-\$20,191
(3) Community Support and Grants	+\$29,214



Oregon

Kate Brown, Governor

Parks and Recreation Department

725 Summer St. NE, Suite C

Salem, OR 97301-1271

(503) 986-0980

Fax (503) 986-0794

www.oregonstateparks.org



April 25, 2016

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 Request:

The Oregon Parks and Recreation Department (OPRD) requests an increase in Federal Fund limitation of \$29,214 to correct Senate Bill 5701 (February 2016 Session).

Agency Action:

During the February 2016 session, limitation was granted to agencies to cover increases in salary and wages for employees. While the amount granted to OPRD was correct in total, it was not correct by appropriation for Federal Funds. The amount that should have been included for Direct Services was placed in Park Development; the amount that should have been included for Community Support and Grants was placed in Direct Services. This resulted in overstating the limitation in Park Development and Direct Services while understating the limitation in Community Support and Grants.

The attached spreadsheet shows the limitation as granted to the Department, how it should have been granted to the Department and the resulting difference.

Action Requested:

OPRD respectfully requests an increase in Federal Fund limitation in the amount of \$29,214.

Legislation Affected:

Chapter 303, Section 4, Subsection 3 \$29,214.

Sincerely,

Lisa Sumption
Director