

Analysis

Item 43: Department of Justice

Child Support Enforcement Automated System

Analyst: John Borden

Request: Allocate \$1.34 million from the Emergency Fund, transfer \$553,521 Other Funds expenditure limitation from the Crime Victims' Services program to the Child Support Enforcement Automated System, and transfer \$886,798 Other Funds expenditure limitation from the Division of Child Support program to the Child Support Enforcement Automated System.

Analysis: Since 2010, the Oregon Department of Justice's (DOJ) Division of Child Support has been working on a multi-biennia plan to replace its current COBOL-based mainframe child support case management and financial system with a transfer or hybrid solution with custom development that will use some existing software from three states. The project is entitled: Child Support Enforcement Automated System (CSEAS). DOJ recently re-named the project to "Origin" in order to differentiate the project from the legacy system which is also known as CSEAS; however, the Oregon Law legal reference for the project remains CSEAS.

The project risk can be viewed as high due to technology risk, support and maintenance risk, and the fact that the project touches all Division of Child Support (DCS) and District Attorney offices across the state. DOJ has undertaken reasonable efforts to mitigate project risks, including the hiring of a project management firm (MAXIMUS); an implementation firm or system integrator (Deloitte); and an independent quality assurance vendor (Chicago Systems Group/CSG Government Solutions), all of which have direct experience with child support systems in other states, according to DOJ. In addition, a separate Independent Verification and Validation (IV&V) vendor (SLI Global Solutions) provides oversight on behalf of the federal government. CSEAS must be federally certified after implementation (Summer 2019). The project is scheduled to be concluded in June 2021.

The current Total Cost of Ownership (TCO) for the project, with this request, is estimated to be \$133 million. Federal Funds will provide 66% of eligible program costs under Title IV-D of the federal Social Security Act for development, implementation, and ongoing operations and maintenance costs. State matching funds will come from Article XI-Q bond sales, excluding General Fund debt service, plus discretionary operating funds for non-bondable costs and federal incentive funds received as Other Funds (34%).

Project Status (as of July 2018)

The CSEAS project is adhering to the Stage Gate process. The project is transitioning from development to the implementation phase where it will remain until being fully implemented. The scope, schedule, and budget have changed. Agency status reporting, as of July 2018, categorizes the project as "Yellow" due to schedule and quality issues associated with User Acceptance Testing. The most recent quarterly independent quality assurance vendor report (July 2018) also rates overall project health as "yellow" due to User Acceptance Testing issues. The Department of Administrative Services (DAS) - Office of the State Chief Information Officer (OSCIO) rates project status also as "yellow" due primarily to schedule risk (May 2018). The IV&V vendor, which does not rank project

status, has recently concluded a second semi-annual review (April 2018), but found no urgent or high priority findings.

On May 7th, 2018, in the following announcement by the CSEAS Project Sponsor, a decision was made to delay the pilot rollout from July 1 to September 4, 2018. These reports make little to no mention of the budget issues associated with this Emergency Board request.

This decision is based on the fact that the scope of the work has necessarily increased with respect to forms and reports. It is not because of any functionality problems with Origin, or because we've fallen behind on other planned work. User Acceptance Testing (UAT) is going well and is on schedule to finish by month's end...The change arises from **an increase in scope** – that is, more work that has been added to the project, specifically forms work and also some work with reports.

The actual reason for the delayed pilot roll-out was an increase in scope due to User Acceptance Testing issues. Regardless, the decision to delay the pilot rollout is viewed as a prudent and necessary action by the program.

Legislative Session 2018

The Legislature in 2018, upon its initiative, and with the support of DOJ, approved \$2.8 million Other Funds expenditure limitation for CSEAS, financed with Article XI-Q bonds, as well as \$5.4 million Federal Funds expenditure limitation. The purpose of the additional bond authority was to safeguard the progress of the project should there be a major issues during User Acceptance Testing. User Acceptance Testing was scheduled to start in February 2018 and continue through May 2018. The additional contingency budget authority was unscheduled pending a formal request of the project, but only if unanticipated User Acceptance Testing issues arose. If by September 30, 2018 the additional bonding authority provided for User Acceptance Testing was not needed, so the unused portion is to be released for other statewide purposes. Since the Legislative session in 2018, the User Acceptance Testing continued through September, well past the originally planned May end date due to the increased scope.

Emergency Board Request

The 2017-19 legislatively approved budget for the project totals \$56.9 million, of which \$19.3 million is Other Funds and \$37.5 million is Federal Funds. The project has budgeted 32 positions (27.23 FTE).

For this Emergency Board request, DOJ is requesting an Emergency Board General Fund allocation of \$1.34 million and an increase of \$1.44 million in Other Funds expenditure limitation. The request also includes a transfer of \$553,521 Other Fund savings from the Crime Victims' Services program to the program as well as a transfer of an additional \$886,798 in Other Funds expenditure limitation from the Division of Child Support program to the program. No position or FTE changes were requested.

This request is a complex assemblage of program financing issues that involve General Fund, General Fund Debt Service, Other Funds (bond proceeds), Other Funds (Federal Incentive funds), Other Funds (Division of Child Support operating funds), Federal Funds, and Article XI-Q bonding authority.

Issue #1: Shift from Bond Eligible to Ineligible

Bond funding is available to projects, if what is paid for with bond funds can be capitalized as an asset, in accordance with state and professional accounting rules, and bonding agreements. As agencies request the release of bond funds to pay expenditures, the DAS Capital Finance section verifies such expenditures are capitalizable. In the Spring 2018, as CSEAS transitioned from development into implementation, expenditures were incurred for user training materials, manuals, reports, and associated quality assurance reviews. In all \$5.5 million of such costs were determined to be ineligible for bond funding as they were determined to be non-capitalizable expenses. While the CSEAS budget anticipated some ineligible-bondable expenses, the project did not anticipate that training materials would be deemed ineligible. Such costs had been requested, and approved to be funded with, Article XI-Q bonds. In lieu of bond funding, the CSEAS project was able to use federal incentive funds, received by the agency as Other Funds, to pay for the ineligible bond costs. These expenses have already been incurred and paid.

This change in funding has had several ramifications: (1) federal matching funds were lost as federal incentive funds are ineligible to serve as the state's match to Federal Funds; (2) the amount of Article XI-Q bonds required by the project was reduced; (3) the reduction in Article XI-Q bonds will result in future biennia General Fund Debt Service savings; and (4) the federal incentive funds are now no longer available as a contingency fund for either DCS or the CSEAS project.

Request: \$1.3 million General Fund from the Emergency Fund to replace Article XI-Q bonding authority and transfer \$553,521 Other Funds savings from the Crime Victims' Services program to the CSEAS program as well as a transfer of an additional \$886,798 Other Funds expenditure limitation from the Division of Child Support program to the CSEAS program to fund the use of incentive payments for non-bondable costs and the loss of federal matching funds.

In a separate request (*see Emergency Board Item #40 Department of Justice Federal Grant Funding*), DOJ proposes to transfer \$553,521 Federal Fund savings to the Crime Victims' Services program to fund federal grant activities.

Issue #2: Contract Amendments

The User Acceptance Testing was extended and resulted in the need to amend two of the project's five major contracts: implementation firm or system integrator (Deloitte) and the independent quality assurance vendor (CSG Government Solutions). Finalization of these contract amendments occurred after the legislative session in 2018.

Request: \$513,960 for two contract amendments, of which \$174,746 will be funded with previously approved bond proceeds and \$339,214 will be funded with existing Federal Funds expenditure limitation authority.

Issue #3: Unbudgeted Expenditures

The CSEAS project has unbudgeted expenses for a variety of issues, including a position step variance, office expenses, DAS procurement charges, training costs, information technology security product, payment of partner agency interfaces, and the upgrade of the DCS existing digital imaging system.

Request: \$147,081 for unbudgeted costs, of which \$4,327 will be funded with previously approved bond proceeds, \$128,028 with federal incentive funds, \$3,765 from DCS operating funds, and \$10,961 with existing Federal Funds expenditure limitation authority.

Issue #4: Moving 2019-21 Expenses to the 2017-19 Biennium

The CSEAS request includes advancing the payment of select system integrator (Deloitte) and independent quality assurance vendor (CSG Government Solutions) deliverables from the first quarter 2019-21 to the final eighth quarter of the 2017-19 biennium.

Request: \$273,710, of which \$93,062 will be funded with previously approved bond proceeds and \$180,649 with existing Federal Funds expenditure limitation authority.

Issue #5: Excess Article XI-Q Bond Authority and 2018 Contingency Funding

The use of Other Funds in the form of federal incentive funds reduced the amount of Article XI-Q bonding authority required by \$1.8 million; however, some of that authority is needed to fund Issue #2 Contract Amendments and Issue #3 Unbudgeted Expenditures. The amount above those contract amendments should not be needed by the project (\$1.6 million).

The Article XI-Q bonding authority established by the Legislature in 2018 will need to be partially or fully utilized by the project. Current project estimates, which will be refined, show the UTA requiring \$6 million, of which \$2.1 million would come from Article XI-Q bonding authority. While it is too early to tell, if this estimate holds, the \$588,644 balance of Article XI-Q bonds may not be needed and could be released from the project.

User Acceptance Testing Contingency Funds	Other Funds (Bonding)	Federal Funds	Total
Contingency	\$2.6 million	\$5.2 million	\$7.8 million
Pending request	(2.1 million)	(\$4.0 million)	\$6.0 million
Unneeded balance (est.)	\$588,644	\$1.2 million	\$1.8 million

CSEAS has yet to submit a request to schedule Other and Federal Funds expenditure limitation for the User Acceptance Testing contingency. Such a request is anticipated later this fall.

Issue #6: General Fund Debt Service Savings

The use of Other Funds in the form of federal incentive funds reduced the amount of Article XI-Q bonding resulting in future biennia General Fund Debt Service savings. There may also be additional General Fund Debt Service savings, if the amount of User Acceptance Testing contingency reserve from the 2018 session is not fully utilized. The net amount of savings remains indeterminate until all User Acceptance Testing decisions affecting the use of Article XI-Q bonding authority are made.

Issue #7: Project Governance, Status Reporting, and Quality Assurance Reporting

The Legislative Fiscal Office is increasingly concerned about how projects, independent quality assurance vendors, and DAS-OSCIO are tracking and reporting on project budgets. In summary, the issues are that status reporting is not clearly tracking against Oregon Law budget authority and is predominately retrospective in nature. Therefore, status reports fail to account for projected or anticipated expenditures that have significant budgetary implications to the project and project funding. This Emergency Board request is emblematic of these concerns which essentially have gone

unreported in agency, quality assurance, and OCSIO status reporting for CSEAS. The advisory steering committee for the project also had no notable discussion of this Emergency Board request.

Legislative Fiscal Office Recommendation: Allocate \$1,343,260 million from the Emergency Fund, transfer \$553,521 Other Funds expenditure limitation from the Crime Victims' Services program to the Child Support Enforcement Automated System, and transfer \$886,798 Other Funds expenditure limitation from the Division of Child Support program to the Child Support Enforcement Automated System.

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Request: Allocate \$1,343,260 from the State Emergency Fund for expenses not eligible for bonding, for the Child Support Enforcement Automated System Project. Transfer \$886,798 Other Funds expenditure limitation from the Crime Victims' Services Division and \$553,521 from the Division of Child Support to the Child Support Enforcement Automated System project to cover expenses not eligible for bonding.

Recommendation: Approve the request.

Discussion: The Child Support Enforcement Automated System (CSEAS) project is predominantly funded with XI-Q bond funds. However, some of the deliverables for this project during the 2017-19 biennium were determined to be ineligible for bonding. The Department of Administrative Services Capital Finance and Facilities Planning Section and the State Accounting and Reporting Section made the determination based on the Generally Accepted Accounting Principles (GAAP) established by the Governmental Accounting Standards Board.

The CSEAS project, which will be known as ORIGIN once it goes live, is the responsibility of the Department of Justice (DOJ) Division of Child Support. This new system will replace the existing child support system during the 2019-21 biennium. It is estimated \$5.1 million of project deliverables for the 2017-19 biennium were not eligible for bonding. Some of the non-bondable deliverables were originally scheduled for the 2019-21 biennium, but are being realized in the current biennium.

The Division of Child Support will be using just over \$1.5 million Other Funds from performance incentive awards to defray some of the costs associated with the non-bondable deliverables. The incentive funds are being used as much as possible, based on the guidelines for qualifying expenses. The Division of Child Support does not have enough Other Funds expenditure limitation or General Fund to cover all of the non-bondable expenditures for the 2017-19 biennium. The incentive funds cannot be used as federal match. In order for the Division of Child Support to maximize the 66 percent federal match for the expenses not bondable, an additional \$1,343,260 General Fund and \$1,440,319 Other Funds expenditure limitation is needed. This combination of General Fund and Other Funds will satisfy the federal match requirement and together they will cover the costs of the non-bondable deliverables for the 2017-19 biennium.

This request does not change the overall budget for the project but changes the funding mix to pay for the project costs. The overall project is moving forward as planned, some of the project deliverables are being realized in 2017-19 as opposed to 2019-21 biennium.

The Division of Child Support is working with the various Department of Administrative Services' accounting and finance groups, the Oregon State Chief Information Officer (OSCIO), and DOJ Tax and Finance sections to delineate each future project deliverables to ensure items are bondable and meet GAAP compliance standards for the 2019-21 biennium.

Legal Reference: Allocation of \$1,343,260 from the State Emergency Fund to supplement the appropriation made by chapter 576, section 1(6), Oregon Laws 2017, for the Department of Justice, Division of Child Support to pay expenses for the Child Support Enforcement Automated System project established by chapter 702, section 33, Oregon Laws 2017, for the 2017-19 biennium.

Transfer of \$553,521 Other Funds expenditure limitation made by chapter 576, section 2(5), Oregon Laws 2017, for the 2017-19 biennium to chapter 702, section 33, Oregon Laws 2017, for the Department of Justice for the Child Support Enforcement Automated System, in the Child Support Enforcement Automated program, for the 2017-19 biennium.

Transfer of \$886,798 Other Funds expenditure limitation made by chapter 576, section 2(8), Oregon Laws 2017, to chapter 702, section 33, Oregon Laws 2017, for the Department of Justice, for the Child Support Enforcement Automated System, in the Child Support Enforcement Automated program, for the 2017-19 biennium.



DEPARTMENT OF JUSTICE

August 27, 2018

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

*RE: Request from the Department of Justice
Child Support System Project Funding*

Dear Co-Chairpersons:

Please accept this letter as an agency request for Emergency Board action.

Nature of the Request

The Department of Justice Child Support Enforcement Automated System Project has had a determination from the Department of Administrative Services (DAS) Capital Finance & Planning section resulting in the ineligibility of bond funding for a significant number of expenses related to the Project, which is named Origin. The System Project therefore faces a significant funding shortfall for the remainder of the 2017-19 biennium.

These project expenses, originally identified as payable with Article XI-Q bond funds, have since been determined not to qualify. The Department's Division of Child Support does not have sufficient Other Fund limitation or General Fund appropriation to cover these costs in the operational budget. The System Project needs General Fund of \$1.34 million to meet the federal match requirement.

The Department of Justice also requests the transfer of Other Funds limitation authorized in the Chapter 576 of the 2017-19 budget from other Department divisions to the Child Support Enforcement Automated System project.

The need for this limitation arises from the following impacts.

1. Deliverable shifts

Deliverables anticipated for July 2019 acceptance will be completed more quickly than originally anticipated and are now scheduled for acceptance and approval in May and June of 2019.

While the bond funding associated with these deliverables has already been requested by the Department, the limitation to pay the costs was originally scheduled for 2019-21. The Department needs the limitation for 2017-19 increased to accommodate the transition of these previously scheduled expenses.

2. Unbudgeted Expense

The System Project determined an immediate need for an encrypted IP security tunnel for the transmission of secure system traffic to meet the volume and capacity needs of the developed Origin system.

Due to the immediate nature of this issue and the unscheduled nature of the expense, the Department of Justice used federal incentives (Other Funds), which do not qualify for federal financial match participation, for these unanticipated bond-ineligible project expenses. Use of federal incentives enabled the immediate purchase of these critical elements without increased expense of state funds.

In addition to the IP security tunnel, \$544,000 in unexpected expenses have occurred since the 2017 session. These costs include amendments to both the Implementation and the Quality Assurance vendor contracts, related procurement costs, minimal unanticipated personnel and office expense costs, and Federal Funds pass-through to the Department of Fish and Wildlife for its system changes necessary to capture and report licensing information required for child support enforcement.

3. Transfer from Federal Funds to Other Funds for Incentive Use

Some project expenses, originally identified as payable with Article XI-Q bond funds, have since been determined not to qualify for payment with bond funds. The Department of Justice used federal incentives (Other Funds), which do not qualify for federal financial match participation, for these unanticipated bond-ineligible project expenses.

Use of these funds did not change the project's budgeted costs, but changed the types of limitation necessary. These expenses were initially authorized as 34% Other Funds limitation and 66% Federal Funds. Because 100% Other Funds were used, the associated Other Funds limitation is required.

Limitation Transfer Request Detail DCR 161-01-00-00000	Other Funds	Federal Funds	Total Project Variance
Transfer from Federal Funds to Other Funds for Incentive Use (already budgeted as regular mix) -Various	\$1,132,082	(\$1,132,082)	\$0
Additional Project Expenditures excluding UAT	\$182,838	\$360,993	\$543,831
Deliverable Shifts from 19-21 to 17-19 (Prof Svc)	\$117,654	\$228,386	\$346,040
Fund adjustments -(Prof Svc)	\$7,746	(\$10,818)	(\$3,073)
Total	\$1,440,319	(\$553,521)	\$886,798

The Department's current projected expenditures represent use of both Federal and Other Fund types at levels not anticipated during the 2017 legislative session. As a result, the Other Fund expenditure authorized limitation during the 2017 Legislative Session is not adequate to cover the scheduled expenses for the Child Support System Project during the 2017-19 biennium.

Agency Action

The Department of Justice Division of Child Support is replacing the existing Child Support Enforcement Automated System with a new system known as Origin. This complex project spans three biennia for a current total projected cost of \$132,999,821 and total 2017-19 expenses of \$53,678,839.

Since the beginning of the project, the Department of Justice, in discussions with its assigned DAS and LFO analysts, forecasted the System Project funding needs from the understanding that the majority of the project's state portion of expenses would be payable with Article XI-Q bond funds.

The 2017 Legislative Session provided bond authority, expenditure limitation, and General Fund debt service for the project for the 2017-19 biennium in Oregon Laws 2017, Chapter 702, Sections 33, 34, 35, and 36, based on this understanding.

Deliverable Timing

Deliverables anticipated for July 2019 acceptance will be completed more quickly than originally anticipated and are now scheduled for acceptance and approval in May and June of 2019. While the bond funding associated with these deliverables has already been requested by the Department, the limitation to pay these costs was scheduled for 2019-21. The Department needs the limitation for 2017-19 increased to accommodate the transition into this biennium of these previously scheduled expenses.

Because deliverable timing can shift with each contract amendment, the Department of Justice experienced a similar situation last biennium. When this occurred, the Department chose to wait until the end of the biennium (when all possible impact changes would have occurred) before requesting a shift in limitation. Unfortunately, the Department did not receive notice of the costs until after *sine die* and did not have the limitation required to account for the expenses and provide payment in the biennium. The Department worked with the vendor to postpone portions of the deliverable, completing the work in the 2017-19 biennium when limitation was again available.

Additional Expenses

Throughout this project, the Department of Justice has made every effort to maintain realistic and well-conceived fiscal estimates. This process began with the development of the comprehensive Feasibility Study, conducted from November 2010 to October 2012 by an independent industry-experienced vendor. The federal Office of Child Support Enforcement approved the Department's Feasibility Study only after it completed a comprehensive Independent Verification and Validation (IV&V) review to verify the methodology, accuracy, measurability, and reasonability and to validate the viability of the selected solution.

Similar best practices are used at each step in the budgeting process, and every effort is made to anticipate potential costs and develop thorough budget request. However, as the Department of Justice has articulated throughout each budget process, schedule and budget estimates are adjusted as final business needs are flushed out, state or federal law changes are incorporated, and the components of the project move forward.

Since the 2017-19 legislative budget cycle concluded, amendments to vendor contracts and related procurement costs, unanticipated personnel and office expenses, and the need for federal funding pass-through to the Department of Fish and Wildlife have all occurred.

Article XI-Q Bond-Ineligible Expenses

Since the beginning of the project, the Department of Justice, in discussions with its assigned DAS and LFO Analysts, forecasted the System Project funding needs from the understanding that the majority of the project's state portion of expenses would be payable with Article XI-Q bond funds. The 2017 Legislative Session provided bond authority, expenditure limitation, and General Fund debt service for the project for the 2017-19 biennium in Oregon Laws 2017, Chapter 702, Sections 33, 34, 35, and 36, based on this understanding.

Since the 2017 Legislative Session, the DAS Capital Finance & Planning section has determined that some project deliverables originally identified and budgeted as bond eligible do not qualify as bondable. DAS has interpreted that these deliverables are prohibited from capitalization based on the generally accepted accounting principles (GAAP) established by the Governmental Accounting Standards Board.

These bond-eligible determinations include deliverables in both the 2017-19 biennium and the 2019-21 biennium. The Department of Justice worked directly with DAS Capital Finance & Planning analysts, DOJ's assigned DAS Budget & Management analyst, analysts from the Office of the Chief Information Officer, and a DOJ Tax & Finance AAG to review each future deliverable for capitalization and compliance with GAAP.

In an effort to utilize the tax-exempt Article XI-Q bond funds to the greatest extent possible, the Department worked with the vendors to break the larger deliverables that included both tax-exempt bond eligible and ineligible expenses into smaller deliverables to separate the bond-qualifying expenses. The Department also worked with the vendors to address any ambiguous deliverable language that may bring bond eligibility into question.

Following the Department's efforts to clarify deliverable language and separate eligible and ineligible expenses, a number of additional deliverables, primarily those in 2019-21, have been determined to be bond eligible. Despite the bond eligibility determination for some future deliverables, \$5.1 million in non-eligible training materials expenses remain in this biennium.

Of these, the Department's Division of Child Support will use \$1.5 million in federal performance incentive award to cover expenses that qualify for payment with those funds (which are not available for match with federal funds). The remaining expenses will be paid with a mix of federal and state funds.

The Department of Justice requests \$1,343,260 in General Fund appropriation to pay for the expenditures ineligible for bond funding for the remainder of the 2017-2019 biennium.

The determination of bond eligibility for some 2019-21 deliverables was received after submission of the Agency Requested Budget to DAS. The Department will be submitting revised budget figures to DAS that will increase the requested Article XI-Q bond funds and reduce the requested General Fund to account for the 2019-21 deliverables now determined as bond-eligible.

Use of federal incentive funds and a direct appropriation in place of the originally budgeted Article XI-Q bonds should reduce the Project's General Fund debt service need by \$1.4 million. Additionally, the updated deliverable costs resulting from change requests arising from user acceptance testing also came in at a lower cost, saving an additional \$1.6 million in General Fund debt service. In total, lower than anticipated change request costs and a reduction in bond-eligible expenses are estimated to result in \$3 million in avoided General Fund debt service expenses.

The System Project budget is continually monitored and updated as actual costs are realized and replace projections. This request comprises the most accurate information available to the Department at this time.

Action Requested

1. The Department of Justice requests a transfer of \$1,440,319 in Other Funds expenditure limitation to SCR 161-00-00-00000.

DOJ Transfer Request between Department SCR's- Oregon Laws 2017	SCR	Other Fund Limitation
Chapter 576 (2) (5) Crime Victims' Services Division Other Funds	13700-045-00-00-00000	-\$553,521
Chapter 576 (2) (8) Division of Child Support Other Funds	13700-160-00-00-00000	-\$886,798
Chapter 702 (33) Child Support Automated System Other Funds	13700-161-00-00-00000	\$1,440,319
Total Department Limitation change		\$0

- \$1,132,082 increase of Other Funds limitation resulting from unplanned expenses paid with federal incentive funding
- \$182,838 increase of Other Funds expenditure limitation resulting from user acceptance testing related personnel and supply expenditures
- \$117,654 increase of Other Funds expenditure limitation resulting from the shifting of already budgeted deliverables from the 2019-21 to the 2017-19 biennium.
- \$7,745 increase of Other Funds expenditure limitation resulting from contract amendments.

2. To maintain the System Project schedule through this biennium, the Department of Justice Child Support Enforcement Automated System will need \$1,343,260 in Emergency Fund appropriation.

Funding Request	
DCR 161-01-00-00-00000	EF Request
Emergency Fund	\$1,343,260

The funding issue is occurring during a critical period of this project. The pilot of the new system (Origin) starts September 5, 2018, and rollout continues through April 2019.

Federal certification is on the heels of implementation during 2019. Depleting the workforce at this time will have a significant negative impact on the project, causing development, testing, and deployment delays, and leading to increased costs.

Legislation Affected

- 1) Transfer \$553,521 Other Funds expenditure limitation established by Chapter 576, Section 2(5), Oregon Laws 2017, for the Department of Justice Crime Victims' Services Division to augment the expenditure limitation established by Chapter 702, Section 33, Oregon Laws 2017, for the Department of Justice Child Support Enforcement Automated Program, for project expenditures for the 2017-19 biennium.
- 2) Transfer \$886,798 Other Funds expenditure limitation established by Chapter 576, Section 2(8), Oregon Laws 2017, for the Department of Justice Division of Child Support to augment the expenditure limitation established by Chapter 702, Section 33, Oregon Laws 2017, for the Department of Justice Child Support Enforcement Automated Program, for project expenditures for the 2017-19 biennium.
- 3) Allocate \$1,343,260 Emergency Funds for the Child Support Enforcement Automated System Project.

Sincerely,



FREDERICK M. BOSS
Deputy Attorney General

c: Ellen Rosenblum
Kate Cooper Richardson
Art Ayre
Bob Schiewe