

Financial Planning recommendations are subject to revision based on new information that becomes available during the budget process, either from the budget forums, meetings with Commissioners, or the Council budget work sessions.

## FINANCIAL PLANNING DIVISION ANALYSIS FY 2012-13 Budget

### Office of Equity and Human Rights

Analysis by: Kezia Wanner

#### I. Overview

Budget Summary	Revised FY 2010-11	Revised FY 2011-12	Request Base FY 2012-13	Request Total FY 2012-13	Percent Change
<b>Resources</b>					
General Fund Discretionary	0	0	1,306,498	1,201,978	NA
General Fund Overhead	0	0	0	0	NA
<b>Total Resources</b>	<b>0</b>	<b>0</b>	<b>1,306,498</b>	<b>1,201,978</b>	<b>NA</b>
<b>Expenditures</b>					
Personnel Services	0	0	922,180	922,180	NA
External Materials and Services	0	0	301,121	196,601	NA
Internal Materials and Services	0	0	83,197	83,197	NA
<b>Total Requirements</b>	<b>0</b>	<b>0</b>	<b>1,306,498</b>	<b>1,201,978</b>	<b>NA</b>
<b>Total Bureau FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>6.00</b>	<b>6.00</b>	<b>NA</b>

Percent Change is the change from FY 2011-12 Revised Budget to FY 2012-13 Total Requested Budget.

#### II. Key Issues

##### New Office

The Office of Equity and Human Rights (Office of Equity) was formed by ordinance #184880, approved by Council on September 21, 2011. The Ordinance established the new office and laid out the preliminary work plan for the office. A subsequent ordinance, #185041, approved by Council December 7, 2011, further defined the office's basic structure and objectives, including authorizing the new director position, transferring existing budget and staff from ONI and Office of Human Relations to the Office of Equity, and transferring budget from a Special Appropriation to the Office of Equity. A national recruitment was launched in November 2011 for an Office of Equity Director, and the hire of the new director was announced on February 16, 2012. The director is scheduled to be working mid-March. In the absence of a director, Commissioner Fritz's Office, with guidance from the Office of Equity Budget Advisory Committee (comprised of members from the Equity Creation Committee, The Human Rights Commission, Disability program, and the commissioner's office), developed the Office of Equity's FY 2012-13 Requested Budget. This budget does not contain any program detail but will serve as the foundation for the new director and staff to work from in creating the appropriate budget for FY 2012-13.

FPD recommends that the director and designated staff work hand-in-hand with FPD and the Office of Management and Finance (OMF) Bureau of Internal Business Services to ensure that the FY 2012-13 budget is adjusted to reflect the operational objectives, as well as the mission, vision, and goals, of the new office.

##### Co-location with Portland Housing Bureau

The Office of Equity is currently entering into an agreement to sub-lease space at the Portland Housing Bureau's (PHB) office in the Commonwealth Building, located at 421 SW 6<sup>th</sup> Avenue. The

location is advantageous to the Office of Equity in that it is downtown and is easily accessible to the public as it is located on major transportation lines. Additionally, the arrangement is mutually beneficial in that PHB will receive approximately \$40K in Interagency Agreement (IA) revenues from Office of Equity for sub-lease of the space. The Housing Bureau had reduced its staff from 75 to 55 FTE in FY 2009-10, which created vacant office space, and since that time PHB has been actively seeking a tenant to sub-lease the vacant space.

FPD recommends that soon after the new director starts working, a meeting is convened with representatives from the Office of Equity, PHB, FPD, and Commissioner Fritz's Office to finalize the terms of the co-location arrangement and agreement for additional services that PHB may provide Office of Equity via IA (see more discussion below).

### **Administrative and Financial Needs**

The Office of Equity does not have any dedicated administrative or financial staff among the current authorized positions. The office, like the Office of Human Relations before it, has an outstanding need for a position dedicated to perform its payroll, procurement, budgeting, scheduling and logistical arrangements, and communications/liaison with OMF internal services. The Office of Equity requested budget includes a personnel services budget of \$922,180, of which \$576,559 is allocated to authorized positions. \$345,621 is currently unallocated to authorized positions.

FPD's recommendation contains two options: 1) as the office plans for additional positions, they include, at a minimum, a .50 FTE position that will function as in administrative/financial capacity or, 2) the office contract via an IA with another bureau to provide these services. Currently both PHB and OMF Business Operations have expressed a willingness to enter into an IA to provide these services for the Office of Equity. The option of an IA between PHB and Office and Equity has a slight advantage due to the co-location of the two offices. If the Office of Equity ultimately elects to create a position to perform these functions, they should make it priority to be self-sufficient in these areas and to avoid tapping PHR resources without appropriate compensation.

### **Plan for Future Staff Positions**

Currently there are six Council-authorized positions in the Office of Equity which include the Equity Director, two Program Specialists, an Office Support Specialist II, a Program Coordinator, and a Community Outreach and Information Representative. The Office has approximately \$346K in personnel services budget unallocated in the Requested Budget. A few additional positions have been preliminarily identified as strategic positions the new office; the intention is for the new Director to identify the appropriate new positions and make requests at part of the FY 2012-13 budget process.

FPD recommends that no new positions are requested until the Office of Equity program structure is defined, and thereby the need for the positions and their responsibilities and functions are clearly determined.

### **Current Citywide Equity Programs/Efforts**

There are several existing equity-related programs and efforts occurring, including but not limited to, the following:

- ADA Title II & Civil Rights Title VI Coordination
- HR Affirmative Action and Diversity efforts
- Purchasing MWESB contracts
- Equity Council

- Bureau programs that provide outreach and services specifically to minority and underrepresented communities
- Portland Plan equity initiatives and framework
- Equity success measures
- The translation contract for the City, used by bureaus citywide
- Bureau equity inventory/baseline project

Specifically the issue of the translation/interpretation services contract for the City is of timely importance, as it is presently managed by the Auditor's Office who have stated that they no longer have the capacity to continue managing it for all of the City. On July 1, 2012 there will need to be another entity who takes over the contract administration. Currently OMF Facilities is convening a stakeholder meeting to look at the option to take over contract management as part of their work order process, but in the event that that is not the selected option an appropriate alternative will need to be found. Another solution might be to have the Office of Equity take over the responsibilities.

The relationship between these efforts and programs and the Office of Equity is yet to be defined. It would make sense for the purpose of efficiency and effectiveness to involve the Office of Equity in an advisory role or, where appropriate, integrate current equity efforts into the new Office of Equity.

FPD recommends that the new Office of Equity, in partnership with the Commissioner's Office, conduct an assessment of the Equity work currently being done throughout the City in order to 1) obtain a baseline of efforts, 2) ensure that when the Office of Equity develops programs they do not duplicate efforts already going on, and 3) evaluate programs/efforts that are more appropriate to be shifted to the Office of Equity.

**City of Portland**  
Decision Package Recommendations  
(Includes Contingency and Ending Balance)

	Bureau Priority	Bureau Requested					FPD Analyst Recommendations				
		FTE	Gen Fund Ongoing	Gen Fund 1-Time	Other Revenues	Total Expenses	FTE	Gen Fund Ongoing	Gen Fund 1-Time	Other Revenues	Total Expenses
<b>Office of Equity &amp; Human Rights</b>											
<i>Reductions</i>											
OE_01 - Office of Equity - 4% reduction package	01	0.00	(52,260)	0	0	(52,260)	0.00	(52,260)	0	0	(52,260)
OE_02 - Office of Equity - 6% reduction package	02	0.00	(26,130)	0	0	(26,130)	0.00	(26,130)	0	0	(26,130)
OE_03 - Office of Equity - 8% reduction package	03	0.00	(26,130)	0	0	(26,130)	0.00	0	0	0	0
<i>Total Reductions</i>		<i>0.00</i>	<i>(104,520)</i>	<i>0</i>	<i>0</i>	<i>(104,520)</i>	<i>0.00</i>	<i>(78,390)</i>	<i>0</i>	<i>0</i>	<i>(78,390)</i>
<b>Total Office of Equity &amp; Human Rights</b>		<b>0.00</b>	<b>(104,520)</b>	<b>0</b>	<b>0</b>	<b>(104,520)</b>	<b>0.00</b>	<b>(78,390)</b>	<b>0</b>	<b>0</b>	<b>(78,390)</b>
<hr/>											
<b>Summary by Decision Package Type</b>											
<i>Total Reductions</i>		<i>0.00</i>	<i>(104,520)</i>	<i>0</i>	<i>0</i>	<i>(104,520)</i>	<i>0.00</i>	<i>(78,390)</i>	<i>0</i>	<i>0</i>	<i>(78,390)</i>
<i>Total Unfunded Ongoing</i>		<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Total Bureau Adds</i>		<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Total Realignments</i>		<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Grand Total</b>		<b>0.00</b>	<b>(104,520)</b>	<b>0</b>	<b>0</b>	<b>(104,520)</b>	<b>0.00</b>	<b>(78,390)</b>	<b>0</b>	<b>0</b>	<b>(78,390)</b>

### III. Decision Package Analysis & Recommendations

#### Reduction Packages

##### ***4% Reduction Package/OE\_01, (\$52,260), Bureau Priority #1***

The Office of Equity is proposing to reduce their professional services budget by \$34,415, their internal education budget by \$6,010, and their miscellaneous external materials & services budget by \$11,235, and the Diverse and Empowered Employee Program (DEEP) by \$600. The reductions would translate to a reduction of 28% of their base budget for outside professional and technical assistance, 30% reduction of their base budget for education and development of staff, and a 12% reduction to the base miscellaneous external materials and services (EM&S). The operational effects would likely mean reduced contracting opportunities, fewer opportunities to train and develop staff to create a baseline of knowledge and skills for the new office programs, and reduced level of contingency (miscellaneous external materials and service) funds for the bureau operations. FPD recommends this and the reductions in the 4% and 8% packages because, at this point, it appears unlikely that it will have operational impacts.

*FPD Recommendation: (\$52,260)*

##### ***6% Reduction Package/OE\_02, (\$26,130), Bureau Priority #2***

Reductions at the 6% cut level include an additional \$6,010 for the office's training budget, which added to the 4% reduction of \$6,010, together reduce the office's education and training budget by 60%. Additionally the package reduces out-of-town travel by 50% to \$5,000; and reduces miscellaneous external materials and services by an additional \$15,120, or 15%. The miscellaneous external materials and services reduction includes a \$300 reduction to the DEEP program budget. The projected effects of the reductions include decreased opportunities for staff education and development, and a smaller contingency available for unforeseen materials and services expenditures.

*FPD Recommendation: (\$26,130)*

##### ***8% Reduction Package/OE\_03, (\$26,130), Bureau Priority #3***

At the 8% cut level, the Office is proposing to cut another 8% from their professional services budget in the amount of \$10,330, \$5,500 from miscellaneous EM&S which was earmarked for an IA with Fleet, and another \$300 reduction to the DEEP program budget. Projected impacts of the reductions include a diminished capacity for contracting with outside services, and a decreased contingency available for unforeseen materials and services expenditures.

FPD does not recommend this reduction to avoid curtailing the organization's capacity before the bureau is fully operational.

*FPD Recommendation: \$0*

### V. Performance and Accountability

#### **Performance Measures**

Performance measures were implemented for the former Office of Human Relations and these measures will still be relevant for the Office of Equity and Human Rights to track data related to

programs which have moved over to the Office of Equity; these programs include the Human Rights Commission, Education and Peace Building, DEEP, Inter-group Dialogues, and New Portlander Programs. It is the short-term plan to continue the performance measures for the existing programs, until the new Equity Director can review and amend the existing set of measures if needed.

Below is a table which shows the performance measures related to the Human Rights Commission, Education and Peace Building, Inter-group Dialogues, DEEP, and the New Portlander Programs.

Measure Title	Program	FY 2010-	FY 2011-	FY 2012-
		11	12	13
		Actuals	target	targets w dps
HN_0001 # of Education Actions for Human Rights	HRC	9	9	10
HN_0002 # of hours contributed to advocacy/ policy development	HRC	1974	2000	2000
HN_0003 Value of volunteer time of the HRC	HRC	41,158	41,000	41,000
HN_0004 # of education presentations	New Portlander		40	
HN_0005 # of participants reached annually	New Portlander		3000	
HN_0006 # of hours contributed to equity and policy consultations annually	HRC		200	
HN_0007 # of partnerships annually	New Portlander		10	
HN_0008 # of human rights educational events annually	Education	16	20	10
HN_0009 # of Human Rights education program participants reached annually	Education	388	500	200
HN_0010 % of Education program participants reported increased learning	Education	98%	90%	95%
HN_0011 # of Intergroup Dialogues conducted on race/racism annually	Intergroup Dialogues	5	10	8
HN_0012 # of Intergroup Dialogue program participants annually	Intergroup Dialogues	70	120	112
HN_0013 Hours contributed by volunteer facilitators	Intergroup Dialogues	1000	640	1600
HN_0014 # of volunteer time annually	Intergroup Dialogues	1000	30024	1600
HN_0015 # of DEEP affinity groups	DEEP	9	10	10
HN_0016 Number of DEEP educational events annually	DEEP	15	15	15
HN_0017 Number of DEEP participants annually	DEEP	500	500	1000

### Program Structure

No program structure has been created for the Office of Equity, although operationally the new office is assuming five programs from the Office of Human Relations: DEEP, Intergroup Dialogues, Education and Peace Building, the Human Rights Commission, and the New Portlander program. During the FY 2012-13 budget process, FPD will work with the Equity Director and staff to establish the bureau program structure in the City's financial system, SAP.