

GOVERNMENTAL OPERATIONS

Agency 110

Office of Administrative Hearings

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2013-15 Expenditure Authority	170.8		38,061	38,061
Total Maintenance Level	170.8		35,826	35,826
Difference			(2,235)	(2,235)
Percent Change from Current Biennium	0.0%		(5.9)%	(5.9)%
Performance Changes				
Mailing of Hearing Notices			164	164
Cap Hourly Rate			(1,866)	(1,866)
CTS Rate Adjustment			(28)	(28)
Legal Services			1	1
CTS Central Services			78	78
DES Central Services			13	13
Core Financial Systems Replacement			9	9
Withdrawal from DES Small Agency Services			460	460
Time, Leave and Attendance System			13	13
Self-Insurance Liability Premium			(5)	(5)
State Public Employee Benefits Rate			208	208
WFSE General Government Master Agreement			210	210
Nonrepresented Job Class Specific Increases			179	179
General Wage Increase for State Employees			1,168	1,168
Subtotal			604	604
Total Proposed Budget	170.8		36,430	36,430
Difference			(1,631)	(1,631)
Percent Change from Current Biennium	0.0%		(4.3)%	(4.3)%
Total Proposed Budget by Activity				
Administrative Hearings	170.8		36,430	36,430
Total Proposed Budget	170.8		36,430	36,430

PERFORMANCE LEVEL CHANGE DESCRIPTIONS

Mailing of Hearing Notices

The Employment Security Department mails appeals hearing notices to unemployment insurance clients. Funding for this activity is shifted to the Office of Administrative Hearings, where the hearings are held. (Administrative Hearings Revolving Account-State)

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Cap Hourly Rate

The hourly rate for the Office of Administrative Hearings is fixed at \$120 per hour. The agency will absorb any costs (such as compensation or central service adjustments) that would cause this rate to increase. (Administrative Hearings Revolving Account-State)

CTS Rate Adjustment

Agency budgets are adjusted to reflect changes in Consolidated Technology Services (CTS) rates. Specific changes include a reduction in metered storage rates and elimination of tailored storage rates, elimination of redundant firewalls, reduction in long distance telephone rates, a general rate reduction to reflect administrative efficiencies within CTS, and enhancements to the identity management service.

Legal Services

Agency budgets are adjusted to update each agency's allocated share of charges and to reflect a reduction in legal service charges. The Attorney General's Office (AGO) will work with client agencies to implement stricter policies and best practices regarding utilization of its services to achieve lower legal bills.

CTS Central Services

Agency budgets are adjusted to update each agency's allocated share of charges from Consolidated Technology Services (CTS) to reflect an increase in business continuity/disaster recovery costs and a new allocated charge for state data network costs.

DES Central Services

Agency budgets are adjusted to update each agency's allocated share of charges and to align with anticipated billing levels from the Department of Enterprise Services (DES) in the 2015-17 biennium, including changes to the enterprise systems fee, personnel services, and small agency financial services.

Core Financial Systems Replacement

Agency budgets are adjusted to align with anticipated billings from the Office of Financial Management in the 2015-17 biennium for core financial systems replacement planning through the One Washington project.

Withdrawal from DES Small Agency Services

The agency is no longer a subscriber of Small Agency Financial Services at the Department of Enterprise Services. Expenditure authority previously allocated through the central services model is returned to the agency's base budget to manage its back office financial functions.

Time, Leave and Attendance System

Agency budgets are adjusted to align with anticipated billings for the Time, Leave and Attendance system, including debt service and project completion costs.

Self-Insurance Liability Premium

Agency budgets are adjusted to reflect updated premium rates and a reduction in billings for the 2015-17 biennium.

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State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. Insurance for employees covered by the health insurance coalition is included in funding for their respective collective bargaining agreements. The insurance funding rate is \$913 per employee per month for Fiscal Year 2016 and \$947 per employee per month for Fiscal Year 2017. (General Fund-State, various other accounts)

WFSE General Government Master Agreement

Funding is provided for a collective bargaining agreement with Washington Federation of State Employees (WFSE), which includes a general wage increase of 3 percent, effective July 1, 2015; a general wage increase of 1.8 percent for all employees who earn \$2,500 a month or more, effective July 1, 2016; a general wage increase of 1 percent plus a \$20 per month increase for all employees who earn less than \$2,500 per month, effective July 1, 2016; salary adjustments for targeted classifications; hazard pay for designated night crews; assignment pay in designated areas; and employee insurance. (General Fund-State, various other accounts)

Nonrepresented Job Class Specific Increases

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State, various other accounts)

General Wage Increase for State Employees

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 3 percent, effective July 1, 2015; a general wage increase of 1.8 percent for employees who earn \$2,500 a month or more, effective July 1, 2016; and a general wage increase of 1 percent plus a \$20 per month increase for employees who earn less than \$2,500 per month, effective July 1, 2016. This item includes both higher education and general government workers. (General Fund-State, various other accounts)

ACTIVITY DESCRIPTIONS

Administrative Hearings

The Office of Administrative Hearings (OAH) resolves administrative disputes between members of the public and most state agencies. Issues that come before OAH include requests for unemployment insurance or public assistance benefits, child and vulnerable adult abuse concerns, child support liability, business and professional licensing (ranging from electrical contractors to nursing homes and daycare facilities), special education, whistleblower cases for local governments, and other disputes in which due process of law requires a hearing. At hearing, the participants present evidence and testimony. At the conclusion of the hearing, an administrative law judge issues a written order containing findings of fact and conclusions of law on all contested issues. The agency's services are funded by payments made by the affected client agency.