

**Review of
Semi-Independent Agency
Reports**



**Legislative Fiscal Office
December 2016**

TABLE OF CONTENTS

SUMMARY.....	1
BACKGROUND.....	2
AUTHORITY	2
REVIEW PROCESS.....	2
REQUIRED CONTENT.....	3
FINDINGS	3
RECOMMENDATIONS FOR FUTURE REPORTING.....	7
Appendix A: Operations Summary for 2013-15 Biennium	A-1
Appendix B: Budget to Actual Summary.....	B-1
Appendix C: Sample of Licensing and Enforcement Activity Spreadsheet.....	C-1
Appendix D: Updated Reporting Guidelines.....	D-1

SUMMARY

This review fulfills the Legislative Fiscal Office's (LFO) requirement to provide the Joint Legislative Audit Committee and the Joint Committee on Ways and Means with a statement of findings and conclusions related to the semi-independent agency reports submitted pursuant to ORS 182.472.

The review covers agency performance for the 2013-15 biennium and the adopted budget for the 2015-17 biennium. For this review cycle, LFO corresponded via email and telephone, and met in person with agencies as needed to verify report content and discuss each agency's response to financial review recommendations. During this process, LFO asked for additional data and explanatory information to close information gaps and resolve issues identified, so that all affected agencies would be in compliance with ORS 182.472. Before the deadline for submitting the report, LFO also attended the Semi-Independent Boards and Agencies (SIBA) meetings in order to provide training and guidance in preparing the report. Throughout the review process, agencies were very cooperative and open to improving the quality and consistency of future reports.

- 1) For future reports, LFO recommends that all 12 agencies:
 - Continue to follow the updated reporting guidelines prepared by LFO (Appendix D).
 - Submit the required financial statements as final documents to both the agency conducting the financial review and to LFO, in order to ensure that the agency report and financial review figures match.
 - Include a periodic review of third party contracts as part of the agency financial review's Agreed Upon Procedures, if the agency relies on third party vendors to carry out work.
 - Include an organizational chart and a description of any personnel or FTE changes during the reporting period.
 - Fine-tune and document a formal procedure for licensing and enforcement data collection, in order to ensure data integrity.
 - Work with the Department of Administrative Services' Office of the State Chief Information Officer (OSCIO) to undergo periodic review and risk assessment of the agency's information technology system.
- 2) For the Oregon Wine Board, LFO recommends that the Board include in its biennial report to the Legislative Fiscal Officer: a) an inventory review, and b) written documentation from the Oregon Liquor Control Commission to support the Board's revenue deposits.
- 3) LFO recommends that the Joint Legislative Audit Committee consider a review to: a) identify all statutorily-established entities that receive support from the General Fund, Lottery Funds, state-levied tax revenues, or court fees, but whose budgets currently are not subject to Legislative review, and b) determine whether any of those entities should be included in this report, or whether alternative criteria for those entities to provide financial reporting to the Legislature are appropriate.

BACKGROUND

ORS 182.454 requires the following twelve semi-independent agencies to submit a biennial report to the Governor, the President of the Senate, the Speaker of the House, and the Legislative Fiscal Officer by April 1 of each even-numbered year:

- Oregon Board of Architect Examiners
- Appraiser Certification and Licensure Board
- Oregon State Board of Examiners for Engineering and Land Surveying
- Board of Geologist Examiners
- State Landscape Architect Board
- State Landscape Contractors Board
- Oregon Board of Massage Therapists
- Oregon Board of Optometry
- Physical Therapist Licensing Board
- Oregon Patient Safety Commission
- Oregon Wine Board
- Citizens' Initiative Review Commission

Appendix A provides a summary profile for each of these semi-independent agencies.

AUTHORITY

ORS 182.472 requires the Legislative Fiscal Office to review the reports and issue a statement of findings and conclusions to the Joint Legislative Audit Committee and the Joint Committee on Ways and Means. This report fulfills the requirement.

REVIEW PROCESS

The review is focused on the provisions of ORS 182.472 and covers reports submitted for the April 1, 2016 deadline. Reports were reviewed for completeness and compliance with statutory requirements. This review should not be considered an audit, as findings and conclusions are limited to the information provided by agencies in response to ORS 182.472.

As part of this review, LFO corresponded via email and telephone, and met in person with agencies as needed to collect missing information, provide feedback on report content, and to discuss proposed recommendations for future reports. In all cases, agencies were responsive to requests for information and appreciative of LFO's efforts at providing more specific structure and guidance to improve the quality of future reports. In addition, as needed, LFO contacted Powers, CPA, LLC to clarify financial review information, and also communicated with the Secretary of State Audits Division to ensure that agencies were in compliance with financial review and auditing requirements.

REQUIRED CONTENT

The required content of agency reports is detailed in ORS 182.472:

Not later than April 1 of each even-numbered year, each board subject to ORS 182.456 to 182.472 shall submit a report to the Governor, the President of the Senate, the Speaker of the House of Representatives and the Legislative Fiscal Officer. The Legislative Fiscal Officer shall review the reports and shall prepare and submit a statement of findings and conclusions to the Joint Legislative Audit Committee and the Joint Committee on Ways and Means. The report must include the following:

- (1) A copy of the most recent audit or financial review of the board.*
- (2) A copy of the actual budget for the prior biennium and a copy of the board's adopted budget for the biennium in which the report is made. The budget documents must show:
 - (a) The beginning balance and ending balance for each of the two biennia.*
 - (b) A description of material changes between the two biennia.*
 - (c) A description of the public hearing process used to establish the budget adopted for the current biennium.*
 - (d) A description of current fees and proposed changes to fees, along with information supporting the amounts of the current fees and any proposed changes to the fees.**
- (3) A description of all temporary and permanent rules adopted by the board during the prior biennium.*
- (4) A description of board actions promoting consumer protection that were taken during the prior biennium.*
- (5) If the board issues licenses, a description of the board's licensing activities performed during the prior biennium that is adequate to allow evaluation of the board's performance of its licensing responsibilities, including:
 - (a) The number of license applications.*
 - (b) The number of licenses issued.*
 - (c) The number of examinations conducted.*
 - (d) The average time between application for and issuance of licenses.*
 - (e) The number and types of complaints received about persons holding licenses.*
 - (f) The number and types of investigations conducted.*
 - (g) The number and types of resolutions of complaints.*
 - (h) The number and type of sanctions imposed.*
 - (i) The number of days between beginning an investigation and reaching a resolution.**
- (6) A description of all other actions taken during the prior biennium in the performance of the board's statutory responsibilities that is adequate to allow evaluation of the board's performance.*

FINDINGS

The Legislative Fiscal Office review identified the following key findings:

General Reporting

All twelve agencies submitted reports that generally complied with the content requirements specified in ORS 182.472.

Summary of Financial Audits/Reviews

The statute requires that “the most recent audit or financial review of the board” be submitted. Ten of the twelve agencies submitted a Powers, CPA, LLC financial review for the biennium ended June 30, 2015. The Board of Examiners for Engineering and Land Surveying, submitted an independent auditor’s report from Boldt Carlisle and Smith for the biennium ending June 30, 2015. The Citizens’ Initiative Review Commission was not established as a semi-independent agency until August 14, 2013. The Commission contracted with the Policy Consensus Initiative (PCI) for administrative and financial support on March 17, 2014. PCI submitted the Commission’s financial statement from March 17, 2014 to June 30, 2015 for external accountant review and verification. The Secretary of State Audits Division is currently working with the Citizens’ Initiative Review Commission in order to help the agency comply with the financial review audit requirement for future reporting.

All financial reviews included an examination of: 1) internal controls related to financial, accounting, and licensing processes, 2) cash controls, 3) revenue and expense verification, including budget to actual comparison, and 4) follow-up on prior financial review findings and recommendations. The evaluations of these agreed upon procedures found that, generally, adequate controls were in place, but also identified opportunities for improvement. All agencies submitted responses to the review findings with plans for strengthening internal controls.

The Board of Examiners for Engineering and Land Surveying received an opinion that the agency appropriately followed accounting rules and that the financial reports are an accurate representation of the agency's financial condition. There were no instances of noncompliance.

In accordance with OMB Circular A-133, organizations that expend \$750,000 or more in federal awards must undergo an audit, not a financial review. Although for this review period the Oregon Patient Safety Commission’s federal funding is well under this threshold, the agency does receive a number of grants that might benefit from an audit. LFO recommends that the agency contact the Secretary of State Audit Division to discuss whether or not the agency should move from a financial review to an audit.

In its 2012 and 2014 Reports, LFO suggested, as a cost-saving option, that agencies may choose to work with the Department of Administrative Services’ Office of the State Chief Information Officer (OSCIO) for a review and risk assessment of the agency’s information technology system, instead of including it in the financial review contract. So far, five agencies (Board of Architect Examiners, Appraiser Board, Board of Geologist Examiners, Landscape Architect Board, and Landscape Contractors Board) have opted to perform a security assessment of their Operations and Information Technology Infrastructure.

In order to mitigate security risks associated with maintaining a separate information and data system, three agencies (the Appraiser Board, Board of Examiners for Engineering and Land Surveying, Board of Optometry) have opted to contract with the Department of Administrative Services’ Office of the State Chief Information Officer (OSCIO) for desktop and client support. In addition, four semi-independent agencies (Board of Architect Examiners, Appraiser Board, Board of Massage Therapists, Board of Optometry) are in the process of working with OSCIO to utilize the eLITE database licensing system.

Budget and Fund Analysis

All agencies provided: 1) a balance sheet for the 2013-15 biennium, 2) a comparison of budgeted to actual revenues and expenditures for the 2013-15 biennia, 3) a projected/adopted budget for the 2015-17 biennium, and 4) a forecasted balance sheet for the 2015-17 biennium. In general, agencies clearly identified beginning and ending balances, and variances between reported and audited numbers were adequately explained.

2013-15 Budget

Overall, these agencies operated within their budgets for the 2013-15 biennium. Where there were variances, the agencies provided reasonable explanations.

The 2013-15 budgets for Semi-Independent Agencies ranged from \$95,000 for the Citizens' Initiative Review Commission to around \$3.5 million for the Oregon Wine Board. All twelve agencies performed under budget for the biennium.

Additionally, for the 2013-15 biennium, revenues exceeded budgeted projections for four of the twelve agencies. These revenue increases were most often the result of an increase in the number of applications, exams, or license registrations. Of the eight agencies with lower than projected revenues, a few were driven by the economic downturn, including the Landscape Architects, Landscape Contractors, and the Appraiser Board. In addition to the slower housing economy for much of 2013-15, new federal legislation regulating Appraisal Management Companies resulted in a significant decrease in licensing revenue for the Appraiser Board. The Board of Geologist Examiners revenue decrease was the result of a 60% increase in registrants reaching 70 years of age, which comes with a reduced registration fee.

2015-17 Budget

Nine of the twelve agencies had budget increases between 2013-15 and 2015-17. Changes above the inflationary increases to agency budgets most often included rising costs of employee salary and benefits. A few of the agencies had budget increases in order to transition to an online licensing database and renewal system. Other reasons for budget increases included compensating for rising legal fees for Attorney General hourly rates, and higher rates for rent or lease agreements.

See Appendix B for a summary of budgeted and actual fund balance, revenue, and expenditure numbers for the 2013-15 and 2015-17 biennia, as well as a brief budget analysis for each of the twelve agencies.

Public Hearing Process

Each agency provided a description of the public hearing process used to establish the adopted 2015-17 budget, including dates and descriptions of actions taken.

Permanent Rules

All agencies provided a "description of all temporary and permanent rules adopted by the board," and process dates in their descriptions of board rules. Agencies are generally complying with public hearing requirements and rule making processes.

Fees

During the 2013-15 biennium, there were no fee increases for any of the twelve agencies.

For the 2015-17 biennium, four agencies implemented fee changes: 1) the Board of Massage Therapists increased the Active Biennial License Fee from \$150 to \$155, and increased the Inactive Biennial License Fee from \$50 to \$75 to cover the costs of collecting statutorily required workforce demographic information, 2) the Board of Optometry instituted a \$5 National Background Check fee, 3) the Physical Therapist Licensing Board established three new fees for new services, increased the National Background Check fee from \$12 to \$42.75 to cover the full cost of implementing an FBI fingerprint background check as opposed to using a national database search, decreased renewal fees by going from a one-year renewal cycle to a two-year, and 4) the Landscape Contractors Board had three fee increases - business renewal fee (\$260 to \$275) and a \$5 increase (\$95 to \$100) for both a new individual license and license renewal. Where applicable, agencies included sufficient information on the board deliberations and evaluation processes that resulted in the need for a new fee or fee increase. Fee increases ensured the continued solvency of the board, and new fees were implemented to offer new, optional, value-added services.

It should be noted, that the Board of Geologist Examiners and the Landscape Architect Board have prioritized incrementally spending down cash reserves rather than increase fees. When these two Boards have reached a cash reserve of approximately 6-9 months of operating costs, they will then most likely need to look at increasing fees. This is currently projected to occur in the 2017-19 biennia.

Additional Board Actions Promoting Consumer Protection

Typically, agencies provided consumer information and outreach using websites, newsletters, email alerts, training, speaking engagements, and attendance at conferences. Agencies also collected survey data in order to identify ways to better serve their licensees and customers. In addition, agencies developed partnerships with other organizations, educators, and practitioners to foster ethical behavior and professional conduct.

Licensing and Enforcement Activities

In general, agencies are answering complaints and conducting investigations in a timely manner. LFO continues to recommend each agency better document its data collection process, and include this documentation in its reporting. In addition, agencies should improve the quality of reporting by providing explanations for the collected data.

Other Performance Indicators

The Oregon Wine Board, the Oregon Patient Safety Commission, and the Citizens' Initiative Review Commission do not provide licensing services. The Wine Board and the Citizens' Initiative Review Commission do not have professional licensing as part of their mission. In accordance with LFO recommendations, these agencies provided information that enabled LFO to review agency performance in line with the expectations of ORS 182.472. The Oregon Wine Board submitted its 2013-14 and 2014-15 Annual Reports. The Oregon Patient Safety Commission uses sound metrics developed from national benchmarks to track its performance. One of the metrics includes an accounting of the number of hospitals, ambulatory surgery centers, nursing homes, retail pharmacies, and renal dialysis centers participating in the Commission's fee-based voluntary reporting program.

With future semi-independent reporting, LFO recommends that when the Commission is reviewed by the Public Health Officer or similar entities, the Commission will provide a copy of the findings to LFO.

Other Semi-Independent Agencies

The Oregon Travel Information Council (OTIC) is required by ORS 377.838 to file an annual report of the activities and operations of the council with the Governor, the Legislative Assembly, and the Legislative Fiscal Officer. Similarly, the Oregon Film and Video Office is required by ORS 284.335 to file with the Governor, the Legislative Assembly, and the Legislative Fiscal Officer a biennial report of the activities and operations of the office. In addition, ORS 284.126 requires the Oregon Tourism Commission (Travel Oregon) to file copies of the agency's adopted or modified budget, and financial statements, with the Legislative Fiscal Officer not later than five days after these documents are prepared or adopted. These agencies submitted the required documents. Because these agencies are required to present their budget and agency operations information to a legislative committee or through the state budget process, this report does not include a detailed review.

RECOMMENDATIONS FOR FUTURE REPORTING

The findings of this review point to the following key conclusions (*identified by italic text*) and related recommendations (**identified by bold text**):

1. *This is the sixth time the agencies used the reporting guidelines created by LFO. The guidelines have served as a useful tool for ensuring complete and uniform reporting. LFO has revised the reporting guidelines for 2018 (See Appendix D).* **LFO recommends that agencies continue to follow the updated guidelines for the 2018 reporting cycle.**
2. *The financial review should confirm that agencies are developing budgets as required by OAR 619-001-006 and ORS 576.768(2)(c) which include the requirement that board minutes approving the budget, as well as amendments to the budget, include the specific dollar value of total approved budgeted revenues and expenses.* **LFO recommends that the financial statements that are to be submitted by agencies to both the financial reviewer and to LFO be included as final documents as part of the financial review. By requiring them as final documents, this will ensure that the numbers provided by the financial review match with what is included in the agency report to LFO.**
3. *Most of these twelve agencies contract with third party vendors for products and services, including functions like technology or bookkeeping.* **LFO recommends that for agencies that rely on third parties to carry out work, the agency financial review include a periodic review of contracts to ensure compliance.**
4. *ORS 182.472(6) directs agencies to provide a description of all other actions taken during the prior biennium in the performance of the board's statutory responsibilities that is adequate to allow evaluation of the board's performance.* **LFO recommends that agencies include an organizational chart and a description of any personnel or FTE changes during the reporting period.**
5. *Improvements can be made to the information regarding licensing and enforcement activities. Staff turnover contributes significantly to inconsistent data collection and reporting. In addition,*

this variance appears to be the result of inconsistent data collection, including shifting definitions of licensure, processing time, complaints, investigations, resolutions, and sanctions for each reporting period. Given these issues, LFO has created worksheet templates (See Appendix C) to assist agencies in the reporting of data. LFO recommends that each agency continue to improve data integrity by documenting a formal procedure for its data collection process. Agencies should update and include this document with their biennial report. The establishment of consistent definitions and parameters will allow for more complete, accurate, and reliable data collection, as well as maintain continuity in the event of agency staff turnover. As a result, more meaningful insights and trends will be gleaned from the data provided.

6. *Most of these twelve agencies have access to (and often store) licensees' personal information, such as social security numbers and credit card information. It is important that agencies identify and mitigate any threats to, or vulnerabilities in, their information technology systems and infrastructures. LFO recommends that agencies work with the Department of Administrative Services' Office of the State Chief Information Officer (OSCIO) for a review and risk assessment of the agency's information technology system.*
7. *The Oregon Wine Board maintains an inventory of marketing paraphernalia. In addition, the bulk of the Oregon Wine Board's revenues come from taxes collected by the Oregon Liquor Control Commission (OLCC) as a pass through payment. LFO recommends that the Oregon Wine Board include in its biennial report to the Legislative Fiscal Officer: 1) an inventory review, and 2) written documentation from the Oregon Liquor Control Commission (OLCC) to support the Board's revenue deposits.*
8. *The Legislature allows certain state regulatory entities exemption from the state's budgeting process when these agencies meet certain provisions, top of which is the requirement that the entity is self-funding and does not receive support from state funds. Currently, there also exist other statutorily-established entities, however, that are not subject to Legislative budget review even though they receive moneys from the state General Fund, Lottery Funds, state-levied tax revenues, or court fees. Inconsistent oversight and exemption from the state's budget process has potential risks to the state. LFO recommends that the Joint Legislative Audit Committee consider a review to: 1) identify all statutorily-established entities that receive support from the General Fund, Lottery Funds, state-levied tax revenues, or court fees, but whose budgets are not currently subject to Legislative review, and 2) determine whether any of those entities should be included in this report, or whether alternative criteria for those entities to provide financial reporting to the Legislature are appropriate.*

APPENDIX A

Semi-Independent Agencies: Operations Summary for 2013-15 Biennium

	Pos.	FTE	Board Members			2013-2015 Board Meetings	Approximate # Licensees		Board Stipend	Director Monthly Salary on 6/30/2015	2013-2015 Actual Expenditures	2015-2017 Budgeted Expenditures
			Industry	Public	Individuals		Firms/Business					
Oregon Board of Architect Examiners	5	3.65	5	2	13	3,491	780	\$60/day	\$6,444	\$937,367	\$1,156,384	
Appraiser Certification and Licensure Board	7	6.25	7	1	16	1,184	150	\$0/day	\$6,160	\$1,334,780	\$1,763,229	
Oregon State Board of Examiners for Engineering and Land Surveyors	15	13.00	9	2	26	26,700	-	\$30/day	\$8,619	\$2,899,148	\$3,250,000	
Oregon Board of Geologist Examiners	2	2.00	4*	1	8	1,194	-	\$100/day	\$7,333	\$505,928	\$613,625	
State Landscape Architect Board	u	u	4	3	11	495	193	\$50/day	u	\$316,953	\$428,103	
State Landscape Contractors Board	5	4.50	5	2	13 in person 4 phone	1,347	1,167	\$30/day	\$7,101	\$1,191,432	\$1,217,545	
Oregon Board of Massage Therapists	5	5.00	4	3	12	7,570	137	\$100/month-members \$375/month - Chair	\$9,506	\$1,703,762	\$1,865,000	
Oregon Board of Optometry	3	2.20	4	1	10	1,253	-	\$100/day	\$7,827	\$625,473	\$719,897	
Physical Therapist Licensing Board	3	2.80	6	2	17	5,236	-	\$150/day	\$8,917	\$984,137	\$1,022,000	
Oregon Patient Safety Commission	12	12.00	13	0	13	0	0	None Paid	\$9,450	\$3,585,973	\$4,434,280	
Oregon Wine Board	7	7.00	9	0	16	0	0	None Paid	\$11,667	\$3,444,653	\$4,705,918	
Citizens' Initiative Review Commission	*	*	-	8	8	0	0	None Paid	*	\$95,389	\$202,150	

+ Plus one *ex officio* member (State Geologist)

u Contracted services from Oregon State Board of Geologist Examiners

o Not a licensing agency

* CIRCC currently has no staff. The agency addresses its administrative and program needs on a contract basis.

APPENDIX B

Semi-Independent Agencies: Budget to Actual Summary

	2013-2015		2013-2015		2013-2015		2013-2015		2013-2015		2013-2015		2015-2017		2015-2017	
	Actual Beginning Fund Balance	Approved Budgeted Revenues	Actual Revenues	Approved Budgeted Expenditures	Actual Expenditures	Budgeted Ending Fund Balance	Actual Ending Fund Balance	Adopted Budgeted Revenues	Adopted Budgeted Expenditures	Adopted Budgeted Revenues	Adopted Budgeted Expenditures	Actual Ending Fund Balance	Budgeted Ending Fund Balance	Adopted Budgeted Revenues	Adopted Budgeted Expenditures	Budgeted Ending Fund Balance
Oregon Board of Architect Examiners	\$1,200,208	\$789,080	\$808,308	\$1,144,449	\$937,367	\$825,985	\$1,071,149	\$1,002,505	\$1,156,384	\$1,002,505	\$1,156,384	\$1,071,149	\$917,270	\$1,002,505	\$1,156,384	\$917,270
Appraiser Certification and Licensure Board	\$876,013	\$1,603,990	\$1,517,630	\$1,603,227	\$1,334,780	\$876,776	\$1,058,863	\$1,763,229	\$1,763,229	\$1,763,229	\$1,763,229	\$1,058,863	\$1,058,863	\$1,763,229	\$1,763,229	\$1,058,863
Oregon State Board of Examiners for Engineering and Land Surveyors	\$1,755,064	\$2,649,425	\$2,754,758	\$3,000,000	\$2,899,148	\$1,404,489	\$1,610,674	\$2,786,600	\$3,250,000	\$2,786,600	\$3,250,000	\$1,610,674	\$1,147,274	\$2,786,600	\$3,250,000	\$1,147,274
Oregon Board of Geologist Examiners	\$385,603	\$556,334	\$491,392	\$557,160	\$505,928	\$329,512	\$371,067	\$536,050	\$613,625	\$536,050	\$613,625	\$371,067	\$293,492	\$536,050	\$613,625	\$293,492
State Landscape Architect Board	\$248,508	\$388,663	\$304,084	\$388,635	\$316,953	\$247,307	\$235,639	\$323,500	\$428,103	\$323,500	\$428,103	\$235,639	\$131,036	\$323,500	\$428,103	\$131,036
State Landscape Contractors Board	\$267,703	\$1,208,050	\$1,214,903	\$1,266,185	\$1,191,432	\$260,855	\$291,174	\$1,241,618	\$1,217,545	\$1,241,618	\$1,217,545	\$291,174	\$315,247	\$1,241,618	\$1,217,545	\$315,247
Oregon Board of Massage Therapists *	\$328,196	\$1,738,574	\$1,726,013	\$1,746,000	\$1,703,762	\$320,770	\$350,447	\$1,782,205	\$1,865,000	\$1,782,205	\$1,865,000	\$350,447	\$267,652	\$1,782,205	\$1,865,000	\$267,652
Oregon Board of Optometry	\$352,749	\$698,511	\$650,068	\$698,511	\$625,473	\$352,749	\$377,344	\$618,600	\$719,891	\$618,600	\$719,891	\$377,344	\$276,053	\$618,600	\$719,891	\$276,053
Physical Therapist Licensing Board	\$745,397	\$975,600	\$1,177,816	\$1,000,000	\$984,137	\$720,997	\$939,076	\$1,022,000	\$1,022,000	\$1,022,000	\$1,022,000	\$939,076	\$939,076	\$1,022,000	\$1,022,000	\$939,076
Oregon Patient Safety Commission	\$74,588	\$3,734,138	\$3,732,840	\$3,730,629	\$3,585,973	\$78,097	\$221,455	\$4,568,612	\$4,434,280	\$4,568,612	\$4,434,280	\$221,455	\$355,787	\$4,568,612	\$4,434,280	\$355,787
Oregon Wine Board	\$465,916	\$3,905,843	\$3,820,202	\$3,516,904	\$3,448,315	\$854,855	\$837,803	\$4,426,682	\$4,705,918	\$4,426,682	\$4,705,918	\$837,803	\$558,567	\$4,426,682	\$4,705,918	\$558,567
Citizens' Initiative Review Commission	\$3,519	\$190,000	\$97,520	\$190,000	\$95,389	\$2,130	\$5,649	\$203,130	\$202,150	\$203,130	\$202,150	\$5,649	\$6,629	\$203,130	\$202,150	\$6,629

Oregon Board of Architect Examiners

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$951,000	\$915,053	\$1,144,449	\$937,367	\$1,156,384
Positions	5	5	5	5	5
FTE	3.65	3.65	3.65	3.65	3.65

Agency Overview

The mission of the Board of Architect Examiners is to protect the public through licensing and regulating the practice of architecture in Oregon. The Board administers the examinations and licenses individual architects and firms. The Board is responsible for investigating complaints, renewing licenses, and monitoring the continued education of its licensees. The seven-member board is composed of five professionals and two public members.

Revenue Sources

The Board is funded by revenue generated from application, examination, and license fees. Other miscellaneous sources include civil penalties, late fees, and interest income. The Board has not had a fee increase in 14 years and does not anticipate implementing a fee increase in 2015-17. The Board receives roughly 75% of its overall revenue from renewals, which are consistently above 90% for both firms and individual licensees over the past seven years.

Budget Environment / Licensing and Enforcement Activities

The Board currently regulates over 3,800 active licensees between individuals and firms. This is up approximately 200 registrants from the previous biennium. The number of applications for registration from individuals more than doubled from 156 in 2011-13 to 336 in 2013-15. The Board anticipates the base of licensees to continue to increase as the housing and construction markets continue to experience growth. The number of active licensees (both individuals and firms combined) was up 5% from 2011-13 to 2013-15.

The number of complaints received and investigated has continued to decrease, dropping by 75% from 91 to 23 for 2013-15. The Board reports that the total average number of days to investigate complaints and reach a resolution has decreased over that same time period, from 261 days to 93.

2013-15 Budget to Actual

The Board's 2013-15 actual revenue was \$808,308, a 2.4% increase from budgeted revenue. This is a result of the aforementioned increase in the overall number of applications and high renewal rates. The Board's 2013-15 actual expenditures were \$937,367, 18.1% less than budgeted. This is primarily the result of five months of vacancy savings from the prior Administrator's resignation in 2014. Additionally, the Board's Attorney General costs were lower than anticipated as there was a decline in cases and investigations.

2015-17 Budget

The 2015-17 Board adopted budget of \$1,156,384 represents a 1% increase from the 2013-15 Board adopted budget. Included in the 2015-17 budget is a continuation of the Board funding online transaction fees for applicants and registrants, however, the Board is in the process of switching providers which will substantially lower processing fees. The Board, along with other semi-

independent licensing boards, has procured a shared online licensing database through the Department of Administrative Services that will be implemented in the 2015-17 biennium.

Revenue in 2015-17 is projected to be \$1,002,505, which is 27% more than 2013-15 actual revenue. This increase is largely due to an anticipated 38% increase in registration renewals for individuals. The projected ending cash balance of \$917,270 equals approximately 19 months of operating costs.

Appraiser Certification and Licensure Board

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$1,725,041	\$1,646,408	\$1,603,227	\$1,334,780	\$1,763,229
Positions	7	7	7	7	6
FTE	6.50	6.25	6.25	6.25	6.00

Agency Overview

The mission of the Appraiser Certification and Licensure Board is to protect the public through licensing and regulating the practice of real estate appraisal in Oregon. The Board is responsible for administering examinations, issuing licenses, investigating complaints, discipline, renewing licenses, and monitoring the continuing education of its licensees. Additionally, the Board is responsible for the regulation of appraisal management companies conducting business in Oregon, a program previously regulated by the Department of Consumer and Business Services and transferred to the Board by HB 2499 (2011). The eight-member board is composed of five certified or licensed appraisers, one representative of a financial institution, one representative of appraisal management companies, and one public member.

Revenue Sources

The Board is funded by revenue generated from application, licensure registration, and renewal fees for individuals and appraisal management companies. Other miscellaneous sources include civil penalties, late fees, education course application fees, and interest income. Actual revenue in 2013-15 was 5.4% less than budgeted. This decline was primarily due to the economy and new federal regulations put in place resulting in a subsequent reduction in appraisal license renewals. However, the Federal Appraisal Qualification Board allowed for open reciprocity in all states, which increased new numbers from 22 to 99 for out-of-state credential holders. This increase is helping offset continued reductions in individual license applications and renewals which continue to decline for both individuals and Appraisal Management Companies (AMC).

Budget Environment / Licensing and Enforcement Activities

The Board currently regulates approximately 1,184 individuals, including permanent, temporary non-resident, and appraiser assistant license holders. The number of individual appraisal licenses issued has continued to decrease from its peak of 2,334 in 2007-09 to the current 1,184 licenses issued in 2013-15. However, overall license applications have continued to grow during that time from out-of-state or temporary non-resident applicants. The Board anticipates the licensing numbers to remain relatively flat for new applicants, new licensees, and renewals given the current economic climate and the decline in the appraiser assistant registration base. The number of AMCs has dropped significantly, from 159 registrants the prior biennium to only 29 in 2013-15.

The number of complaints and investigations conducted has continued to decline, with complaints down 24% and investigations down 33% from the previous biennium. About 65% of cases result in a sanction being imposed, with most being either additional education requirements or civil penalties. The Board's time period from beginning an investigation to resolution is within the Federal Appraisal Subcommittee's requirement to resolve complaints within one year of filing date.

2013-15 Budget to Actual

The Board's 2013-15 actual revenue was \$1,517,630, a 5.4% decrease from budgeted revenues. The Board's 2013-15 actual expenditures were \$1,334,780, which is 16.7% less than budget. A majority of the savings are a result of reduced personnel services expenses, including downward reclassification of some positions after retirements of senior level staff.

2015-17 Budget

The 2015-17 Board adopted budget of \$1,763,229 represents a 10% increase from the 2013-15 Board adopted budget. Included in the adopted budget is the implementation of a new database in partnership with other semi-independent agencies through the Department of Administrative Services. The projected ending cash balance of \$1,058,863 equals approximately 14 months of operating costs.

Oregon State Board of Examiners for Engineering and Land Surveying

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$2,679,585	\$2,513,866	\$3,000,000	\$2,899,148	\$3,250,000
Positions	13	13	15	15	15
FTE	12.00	12.00	13.00	13.00	13.00

Agency Overview

The mission of the Board of Examiners for Engineering and Land Surveying is to protect the public through licensing and regulating the practice of engineering and land surveying in Oregon. The Board is responsible for administering examinations, issuing licenses, investigating complaints, and renewing licenses. The eleven-member board is composed of nine professionals and two public members.

Revenue Sources

The Board is funded by revenue generated from application and annual registration fees for individuals. Other miscellaneous sources include civil penalties, late fees, and interest income. The Board reduced the biennial renewal fees for registrations and certifications in the 2011-13 biennium. Despite this reduction, revenue in 2013-15 was \$2,754,758, which is a 4% increase from the 2013-15 budget projection. This increase is largely a result of increased revenue from Professional Engineer exam and application fees. The Board adopted 2015-17 budget includes a revenue estimate of \$2,786,600, a 5% increase from the 2013-15 budget.

Budget Environment / Licensing and Enforcement Activities

In total, the Board currently regulates approximately 46,000 individuals in the fields of Professional Engineer, Land Surveyor, Photogrammetrist, and Water Right Examiner. The number of applications for professional licensure registrations and certifications has continued to decline from 2009-11. Of the registration or certification categories, registered Professional Engineers experienced an increase in 2013-15 from the previous biennium.

The Board has had the highest number of complaints received and investigations conducted since 2005. The majority of the investigations stem from the Board's audits of continuing education compliance of registrants, as well as professional conduct violations and engineering without a license. In 2013-15, there were 26 professional conduct violation cases investigated by the Board, as opposed to only one in each of the previous two biennia. The overall increase in complaints and investigations has resulted in an increase in the civil penalties issued by the Board. Of 125 cases closed with disciplinary action in 2013-15, 86 had a civil penalty.

The Board had implemented rules requiring more specific documentation of continuing education compliance by registrants at the time they renew their licenses, which would streamline the audit process and simplify recordkeeping requirements for registrants. However, the expected result of having fewer continuing education investigations and civil penalties issued has not materialized. The Board anticipates that by providing additional training on continuing education compliance, these numbers will be reduced in 2015-17.

2013-15 Budget to Actual

The Board's 2013-15 actual expenditures were \$2,899,148, which was 3% less than budgeted. A majority of the savings resulted from reduced travel and office expenses. The Board notes that in January 2014 telecommunications and network and computer services were moved to the Department of Administrative Services.

2015-17 Budget

The 2015-17 Board adopted budget of \$3,250,000 represents an 8% increase from the 2013-15 Board adopted budget. This is due largely to increased personal services costs for salaries and wages and benefits, as well as increases for lease payments of office space. The 2015-17 budget has a projected ending cash balance of \$1,147,274, which equals approximately 8.5 months of operating costs.

Oregon State Board of Geologist Examiners

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$484,100	\$447,523	\$557,160	\$505,928	\$613,625
Positions	2	2	2	2	2
FTE	2.00	2.00	2.00	2.00	2.00

Agency Overview

The mission of the Board of Geologist Examiners is to protect the public through licensing and regulating the practice of geology in Oregon. The Board is responsible for administering examinations, issuing licenses, investigating complaints, and renewing licenses. The six-member board is composed of five professionals and one public member.

Revenue Sources

The Board is funded by revenue generated from annual renewal fees for registrants, initial registration fees, and application review fees. Other miscellaneous sources include civil penalties, late fees, interest income, an interagency agreement with the State Landscape Architect Board for shared administration activities, and reserve funds. The Board anticipates overall registration numbers to remain relatively flat going forward. The Board has noted that monitoring the age of registrants will need to be a priority going forward, as registrants 70 years of age and older pay a greatly reduced fee for annual renewal and the Board may need to adjust revenue projections. New revenue in 2015-17 is projected to be \$536,050, which is a 4.4% increase from 2013-15 budgeted new revenue and an 8.8% increase over 2013-15 actual new revenues. The projected ending cash balance of \$293,492 equals approximately 11.5 months of operating costs.

Budget Environment / Licensing and Enforcement Activities

As of the 2013-15 biennium, the Board regulated approximately 1,300 registrants renewing annually. Total renewal registrations are relatively flat at this time, declining by less than 0.5% in 2013-15 compared to 2011-13. Applications and new licenses issued have increased over that same time period by about 10-15 licensees. The Board has not had a fee increase since 2007. While fee revenue is relatively flat, expenses, mainly personal services costs, continue to increase. Rather than look at any potential fee increase, the Board has prioritized incrementally spending down the cash reserves to reach a level equivalent to 6-9 months of operating costs.

The number of complaints received and investigations conducted has continued to be very low from 2011-13 to 2013-15. The Board opened four cases in 2013-15 with none of the cases resulting in any sanctions. The Board emphasizes guidance and education to reach compliance and has rarely had to issue civil penalties.

2013-15 Budget to Actual

The Board's 2013-15 actual new revenue was \$491,312, a 4.1% decrease from budgeted new revenue. As noted above, registration renewals are relatively flat, however, in 2013-15 there was a 60% increase in registrants reaching 70 years of age, which results in less registration revenue. The Board did not issue any fee increases in 2013-15 and does not foresee a fee increase being necessary through 2015-17.

The Board's 2013-15 actual expenditures were \$505,928, which is 9.2% less than the adopted budget. The majority of the budget savings occurred in personal services, travel, and legal fee categories as expenses did not reach anticipated levels. These savings resulted in less use of reserve funds as revenue than was budgeted.

2015-17 Budget

The 2015-17 Board adopted budget of \$613,625 represents a 10% increase from the 2013-15 Board adopted budget. The majority of the increase is due to increased personal services costs related to salary step increases and cost of living adjustments, as well as increased PERS costs. Some additional increases to the budget are related to higher legal costs, tied to hourly rate increases from the Attorney General, and anticipated expenses related to moving to an online renewal system, which will include merchant and vendor services costs and associated computer contractor services.

Oregon State Landscape Architect Board

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$340,524	\$282,478	\$388,635	\$316,953	\$428,103
Positions	0	0	0	0	0
FTE	0.00	0.00	0.00	0.00	0.00

Agency Overview

The mission of the Landscape Architect Board is to protect the public through licensing and regulating the practice of landscape architecture in Oregon. The Board is responsible for approving candidates for examinations, issuing licenses, investigating complaints, renewing licenses, and monitoring the continuing education of its licensees. The Board does not retain full-time regular staff, but contracts for administrative services with the Board of Geologist Examiners. The seven-member board is composed of four professionals and three public members.

Revenue Sources

The Board is funded by revenue generated from application and annual registration fees for individuals and businesses. The Board no longer administers national examinations, as those exams have been moved to a computerized format. Other miscellaneous revenue sources include civil penalties, late fees, interest income, and reserve funds. New revenue in 2015-17 is projected to be \$323,500, which is a 5.6% increase from the actual new revenue for the 2013-15 biennium budget. The projected ending cash balance of \$131,036 equals approximately 7.3 months of operating costs.

Budget Environment / Licensing and Enforcement Activities

The number of new applicants for individual registrations increased 40% from 2011-13 to 2013-15, however, business registration applications declined, so overall application numbers remained flat. The total number of licenses issued has increased 5% over that same time period as renewals continue to increase slightly. This is the continued result of very slow growth in the registrant pool and better renewal rates among both individual and business registrations and individual registrations by reciprocity as the economy has improved. As of the close of the 2013-15 biennium, the Board regulated 495 individuals and almost 200 businesses.

The number of complaints and investigations conducted has remained relatively static for the past two biennia. Most cases involve improper advertising of landscape architect services and are quickly resolved through education and proper registration. Very few cases result in formal disciplinary actions and only three resulted in civil penalties where there were violations. The Board did enter into a contract with the State Board of Architect Examiners to share an investigator position to help reduce the average number of days to resolve cases.

2013-15 Budget to Actual

The Board's 2013-15 actual new revenue was \$304,084, a 5.76% decrease from budgeted new revenue. The Board had projected more growth in individual and business registrations based on multi-year averages that did not come to fruition. However, the Board did not need to increase fees but instead prioritized spending down cash reserves to reach a level equivalent to 6 to 9 months of operating costs. But 2013-15 actual revenue from reserve funds was only \$11,640, which was significantly less than the budgeted \$66,000 reserve fund use. This was due to the Board's 2013-15

actual expenditures being \$316,953, which is 18% less than budgeted. The Board experienced budget savings in professional services, investigator services, audit services, travel, training, and records management.

2015-17 Budget

The 2015-17 Board adopted budget of \$428,103 represents a 10% increase from the 2013-15 Board adopted budget. The budget includes standard increases to personal services costs related to salary step increases and costs of living adjustments, as well as increased PERS costs consistent with the Department of Administrative Services compensation package. Additionally, the budget includes increases for new vendor and merchant fees, as well as associated computer contractor services as the Board transitions to online renewal and payment systems.

Oregon State Landscape Contractors Board

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$1,332,644	\$1,239,860	\$1,266,185	\$1,191,432	\$1,217,545
Positions	5	5	5	5	5
FTE	5.00	5.00	4.50	4.50	4.50

Agency Overview

The Landscape Contractors Board regulates the landscape industry in Oregon in order to protect the public by promoting a fair and competitive business environment through education, licensing, dispute resolution, and enforcement. The Board is responsible for administering examinations, issuing licenses, investigating complaints, renewing licenses, and monitoring the continuing education of its licensees. The seven-member board is composed of five professionals and two public members.

Revenue Sources

The Board is funded by revenue generated from application and annual licensure fees for individuals and businesses. Other miscellaneous sources include civil penalties, late fees, and interest income. Revenue in 2015-17 is projected to be \$1,241,618, which is a 2.8% increase from the 2013-15 budget. The Board's projected ending cash balance of \$315,247 equals approximately 6.2 months of operating costs.

Budget Environment / Licensing and Enforcement Activities

The Board currently regulates approximately 1,347 individuals and 1,167 businesses. Individual applications were up 142% in 2013-15 compared to 2011-13 as a result of a new Planting Only license offered by the Board as an additional entryway to being licensed. While applications have increased, that does not always translate into subsequent increases to licensure, as an applicant can take up to 2 years to complete the exams necessary for licensure. During that same time period, business licenses applications were down 35%, dropping to below 2009-11 levels, while business licenses issued increased 18%. Taken together, the overall number of licenses issued was only down 3% from the prior biennia.

During the 2013-15 biennium, the number of consumer complaints against licensed landscape contracting businesses dropped approximately 9% from 127 to 116. A large majority of these cases are resolved through onsite mediation, or the two parties solve the case independently. Enforcement actions in total for licensed and unlicensed activities had a combined increase of approximately 3%. Most common enforcement violations for licensees include operating without a license, failure to employ a landscape construction professional, and failure to maintain bond. Most common violations for unlicensed operators are advertising and operating without a license.

2013-15 Budget to Actual

The Board's 2013-15 actual revenue was \$1,214,903, which is half a percent less than budgeted revenue. The Board's 2013-15 actual expenditures were \$1,191,432, which is 5.9% less than budgeted. The Board did experience a cost increase for exam materials with the increase in applications and demand for exam materials.

2015-17 Budget

The 2015-17 Board adopted budget of \$1,217,545 represents a 3.8% reduction from the 2013-15 Board adopted budget. The Board has three fee increases in the 2015-17 budget including an increase in the business renewal fee from \$260 to \$275, and a \$5 increase to the new and renewal of individual licenses. The Board has also started work with the Department of Administrative Services on the development of an online renewal payment option for licensees that is included in the 2015-17 budget. The Board adopted a modified 2015-17 budget in August 2016 projecting revenue of \$1,224,507.

Oregon Board of Massage Therapists

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$1,601,478	\$1,487,611	\$1,746,000	\$1,703,762	\$1,865,000
Positions	5	5	5	5	5
FTE	5.00	5.00	5.00	5.00	5.00

Agency Overview

The Oregon Board of Massage Therapists balances public safety and the needs of licensed massage therapists by developing, implementing, and maintaining the standards of professional conduct and practice. The Board prescribes qualifications, standards for the examination of applicants for licensure, continuing education requirements and, professional standards for practice. The Board issues licenses to those who qualify, and has the authority to revoke licenses and assess civil penalties against unregistered individuals practicing professional massage therapy without authority, as well as against those licensed professionals practicing improperly. The Board consists of seven members appointed by the Governor for four-year terms. Four members are licensed massage therapists, and three members are public citizens.

Revenue Sources

The agency is funded by revenue generated from application, examination, and license fees. Other sources include civil penalties, late fees, and the sale of mailing lists. Revenue in 2015-17 is projected to be \$1,782,205, which is 3.26% above 2013-15 estimates, and the projected ending cash balance of \$267,652 equals approximately 3.44 months of operating costs. During the 2013-15 biennium, the Legislature passed a bill allowing the Board to license facilities resulting in a \$6,800 increase in revenue. The Board implemented two fee increases during the 2015-17 biennium: 1) Increasing the Active Biennial License from \$150 to \$155, and 2) Increasing the Inactive Biennial License from \$50 to \$75. The Board also reduced the maximum late fee from \$250 to \$100.

Budget Environment / Licensing and Enforcement Activities

The total number of licenses issued increased by 5.18% from June 2013 to June 2015. The Board currently regulates approximately 7,570 active licensees. The number of complaints received decreased from the 2011-13 to the 2013-15 biennium. The Board attributes this decrease to better informed consumers and Board outreach to the massage therapist community regarding ethics, laws, as well as regular questions and answers sessions. The number of investigations conducted decreased slightly from 214 to 208.

2013-15 Budget to Actual

The Board's 2013-15 actual revenue was \$1,726,013, a 0.73% decrease from budgeted revenue of \$1,738,574. Fee changes during the 2013-15 biennium included a \$5 increase in the Active Biennial License Fee and a \$25 increase in the Inactive Biennial License Fee to cover the costs of collecting statutorily required workforce demographic information. The Board decreased the Late Fee maximum from \$250 to \$100.

The Board's 2013-15 actual expenditure was \$1,703,762, which is 2.42% under the budgeted \$1,746,000.

2015-17 Budget

The 2015-17 Board adopted budget of \$1,865,000 represents a 6.82% increase from the 2013-15 Board adopted budget, due mostly to updating the agency's licensing database and rent-related expenses. In order to automate several of the licensing processes and ensure data security, the Board is currently working with the Department of Administrative Services (DAS) to migrate to a new database that is utilized by other licensing boards.

Oregon Board of Optometry

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$658,809	\$608,658	\$698,511	\$625,473	\$762,019
Positions	3	3	3	3	3
FTE	2.20	2.20	2.20	2.20	2.20

Agency Overview

The Oregon Board of Optometry is responsible for the licensure of doctors of optometry (optometrists/optometric physicians), and the enforcement of statutes and administrative rules governing the practice of optometry in Oregon. The Board prescribes qualifications for the practice of optometry, standards for the examination of applicants for licensure and certification, and continuing education requirements. The Board has the authority to issue licenses to those who qualify, and to revoke licenses and assess civil penalties against unlicensed individuals practicing optometry without authority, as well as those licensed professionals practicing improperly. The Board consists of five members appointed by the Governor for three-year terms. Four members are licensed doctors of optometry, and the fifth member is a public citizen representing health consumers.

Revenue Sources

The Board is funded by revenue generated from application, examination, and license fees. Other sources include civil penalties, late fees, and interest income. Revenue in 2015-17 is projected to be \$626,700, which is 2.00% less than 2013-15 estimates. The Board anticipates no fee increases.

Budget Environment / Licensing and Enforcement Activities

The total number of new licenses issued decreased significantly reflecting the elimination of the requirement to obtain separate licenses for additional and multiple practice locations. As of June 30, 2013, the Board regulated approximately 1,253 licensees (800 holding active, and 453 holding inactive license status). The number of licensees practicing optometry in the state has remained fairly consistent. However, the number of inactive licensees continues to decline. The main reason for this downward trend is due to the fact that optometry boards in all 50 states now use all or most parts of the standardized tests of the National Board of Examiners in Optometry (NBEO). This standardized test greatly facilitates the mobility of optometric physicians, eliminating the need to maintain licenses in more than one state. The Board experienced a low number of complaints filed for violations of Board laws and rules. The majority of cases closed with no action or with simply an educational letter. The primary risk to consumers continues to be the sale and use of cosmetic contact lenses which are sold without a prescription, proper fitting, or education about maintenance and use. The Board continues to investigate these sales throughout Oregon.

2013-15 Budget to Actual

The Board's 2013-15 actual revenue was \$625,473, which is 1.51% less than budgeted revenue of \$635,031. The Board's 2013-15 actual expenditures were \$625,473, which is 5.10% less than budgeted expenditures of \$659,083, mostly due to personal services savings resulting from the new Executive Director's agreement to work part-time in her prior position with the Landscape Contractor's Board until a new Administrator was hired.

2015-17 Budget

The 2015-17 Board adopted budget of \$762,019 represents a 15.60% increase from the 2013-15 Board adopted budget. The 2015-17 adopted budget allows the Board to maintain its current operating level through the biennium with no fee increase but using excess reserves. The increased budget reflects the startup and operational costs of a new online licensing system to track applicants, license renewals, and complaints.

Physical Therapist Licensing Board

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$988,900	\$912,564	\$1,000,000	\$984,137	\$1,022,000
Positions	3	3	3	3	3
FTE	2.80	2.80	2.80	2.80	2.80

Agency Overview

The Physical Therapist Licensing Board regulates the practice of physical therapy in Oregon. The Board protects the public by establishing professional standards of practice which assure that physical therapists and physical therapist assistants are properly educated, hold valid/current licenses, practice within their scope of practice, and continue to receive ongoing training throughout their careers. Physical therapy practice is governed by state statutes and rules. The Board issues licenses, promulgates rules, monitors continuing competency, investigates complaints, issues civil penalties for violations, and may revoke, suspend, or impose probation on a licensee or limit practice. The Board is comprised of eight volunteer members: five physical therapists, one physical therapist assistant, and two public members. Each member is appointed by the Governor, confirmed by the Senate, and may serve a four-year term, with a maximum of two terms. The Executive Director has been with the agency since 2003.

Revenue Sources

The Board is funded by revenue generated from application, examination and license fees. Other sources include civil penalties and interest income. To address its high ending balance, effective 2016, the Board will reduce renewal fees by 15% for licensees by moving from a one-year renewal cycle to a two-year renewal cycle. For the 2015-17 biennium, the Board anticipates instituting three new fees for new services: 1) Privilege to Practice Fee of \$50 charged to individuals licensed by another state wishing to practice in Oregon under the Physical Therapist Interstate Compact, 2) Online Jurisprudence Assessment Module (JAM) fee of \$48 for an exam to ensure that therapists new to Oregon are educated on the rules that govern physical therapy practice in the state, and 3) Early Eligibility Fee of \$25 for students wishing to sit for the national examination up to 90 days prior to graduation. The Board had experienced an increase in income in recent years due to the growth in licensees. The Board has taken action to lower reserves including implementing fee reductions, as well as absorbing certain costs, including the Oregon Healthcare Workforce survey, instead of passing the costs on to licensees.

Budget Environment / Licensing and Enforcement Activities

The total number of licensees increased by 6.06%, from 3,861 in 2014 to just over 4,095, in 2015. The Board experienced this unusual increase in licensing and examination activity because out of state recruiting companies took advantage of filing short-term demands or temporary assignments for therapists in Oregon, and because of a policy change allowing candidates to take the national examination prior to graduation. The Board expects this level of activity to level off in future years.

2013-15 Budget to Actual

The Board's 2013-15 actual revenue was \$1,177,816, a 20.73% increase from budgeted revenue, reflecting an increase in licensees resulting from a change in policy allowing candidates to take the

national exam prior to graduation. The Board's 2013-15 actual expenditures were \$984,137, which is 1.59% less than budgeted due to over-budgeting of medical premiums and cost of living increases.

2015-17 Budget

The 2015-17 Board adopted budget of \$1,022,000 represents a 4.76% increase from the 2013-15 Board adopted budget, reflecting the rising cost of salaries and benefits.

Oregon Patient Safety Commission

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$2,245,271	\$2,201,142	\$3,730,629	\$3,585,973	\$4,434,280
Positions	10	10	12	12	14
FTE	10.00	10.00	12.00	12.00	14.00

Agency Overview

The mission of the Oregon Patient Safety Commission (OPSC) is to improve patient safety by reducing the risk of serious adverse events occurring in Oregon’s healthcare system and by encouraging a culture of patient safety in Oregon. OPSC is charged with: 1) managing a confidential, voluntary serious adverse event reporting system in Oregon, 2) promoting quality improvement techniques to reduce system errors, 3) sharing evidence-based prevention practices to improve patient outcomes, and 4) administering Early Discussion and Resolution to support transparent communication following serious adverse events. OPSC is not a regulatory body and has no authority to review licenses, permits, certifications or registrations. The OPSC Board of Directors is comprised of 17 members appointed by the Governor for four-year terms. The Board represents a cross-section of diverse healthcare interests in the state.

Revenue Sources

OPSC is funded by annual fees assessed on Oregon healthcare facilities, state General Fund, and grants supporting mission-driven work. The annual fees are used to operate the Patient Safety Reporting Program (PSRP) and provide additional opportunities for patient safety education and quality improvement statewide. Although the PSRP is voluntary, annual fees are mandatory; this allows the costs of patient safety activities to be shared equitably and removes a potential barrier to participation in the reporting program. State General Fund come to OPSC as pass-through funding from the Oregon Health Authority to administer the Early Discussion and Resolution (EDR) program established by Oregon Laws 2013, Chapter 5. If a patient unexpectedly experiences serious physical injury or death as a result of medical care, EDR offers support and legal protections for patients and healthcare providers to have an open conversation. OPSC’s grant funding is variable, based on available grant opportunities that enable OPSC to support patient safety efforts in Oregon’s healthcare system.

Budget Environment / Licensing and Enforcement Activities

The Legislature authorized the assessment of fees on healthcare organizations—including hospitals, long-term care facilities, pharmacies, ambulatory surgical centers, outpatient renal dialysis facilities, freestanding birthing centers, and independent professional healthcare societies or associations—to fund the operating costs of Oregon’s voluntary Patient Safety Reporting Program. Since their inception, these fees remained unchanged until an administrative rule revision in June, 2015, which included an annual fee adjustment based on the annual average Consumer Price Index. OPSC continues to pursue mission-appropriate grants, primarily in the area of infection prevention, to fund various quality improvement initiatives throughout the Oregon. OPSC anticipates continued pass-through funds from the Oregon Health Authority to support Early Discussion and Resolution.

2013-15 Budget to Actual

The Commission's 2013-15 actual revenue of \$3,732,840 was 0.03% less than the budgeted revenue of \$3,734,138. The Commission's 2013-15 actual expenditures were \$3,585,973, which is 3.88% less than budgeted expenditures of \$3,730,629.

2015-17 Budget

The 2015-17 adopted expenditures of \$4,434,280 represents an 18.86% increase above the 2013-15 approved expenditures. The variance between biennia is largely due to fluctuations in grant funding. The 2015-17 biennium budget reflects \$966,502 in anticipated grant funding to support two key infection prevention initiatives: the first is a continuation of an initiative to strengthen Oregon's infrastructure for responding to outbreaks, and the second is an initiative to align infection prevention efforts used in hospitals and long-term care facilities in select regions across the state. A corresponding increase in grant expenses is seen in Clinical Consultation, Professional Services, Conference and Meeting expenses, and travel costs.

Oregon Wine Board

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	\$3,530,239	\$3,444,653	\$3,448,315	\$3,448,315	\$4,705,918
Positions	7	7	7	7	7
FTE	6.50	6.50	7.00	7.00	7.00

Agency Overview

The Oregon Wine Board (OWB) was established to support and advance enological, viticultural, and economic research to develop sustainable business practices for wine grape growing and wine making in Oregon. The Board supports marketing, research, and education on behalf of all Oregon wineries and independent growers throughout the state's diverse winegrowing regions. The Board is comprised of nine members appointed by the Governor with staggered three-year terms for each member. Among other qualifications, Board members must be actively engaged in wine grape growing or wine making and have a demonstrated interest in the positive development of the Oregon Wine industry.

Revenue Sources

The agency is funded primarily by revenue generated from two assessment fees: 1) an assessment of \$25 per ton imposed on grapes crushed, and 2) an assessment of \$0.021 per gallon imposed on wine made from other agricultural products. In addition, a privilege tax of \$0.67 per gallon (\$0.77 per gallon for wines containing more than 14% alcohol by volume) is imposed on manufacturers and distributors of wines. Of this tax, \$0.02 per gallon is paid into the account established by the Oregon Wine Board. The Board also charges a fee (from \$155 to \$900 per winery depending on the country and event) to wineries participating in the export program. All assessment fees are collected by the Oregon Liquor Control Commission (OLCC) and passed onto the Oregon Wine Board. Currently, OLCC does not supply OWB with any supporting documentation for the taxes collected. This lack of supporting documentation makes it difficult for OWB to project future revenues for budgeting purposes and leaves no audit trail for reviewing deposits.

Other revenue sources include program fees and grants, including the United States Department of Agriculture's (USDA) Market Access Program (MAP) export grants, Value-Added Producer Grants (VAPG) and Rural Development Rural Business Enterprise Grants (RBEG). During the 2011-13 biennium, the Board charged a \$250 inspection fee for every winery participating in the Oregon Certified Sustainable Wine® (OCSW) program. In addition, a \$0.01 bottling fee was charged for each qualifying bottle. In March of 2013, the Board of Directors voted to discontinue this program.

Budget Environment / Licensing and Enforcement Activities

The Board is required to adopt budgets on an annual basis. The Board may adopt or modify a budget only after holding a public hearing and must give notice of budget hearings to all constituents. In addition, the Board circulates a draft budget and strategic plan to the industry to obtain public comment. The Board is required to submit its annual plans and budget to the Director of the Oregon Business Development Department for review. In reviewing the annual plans and budget, the Director may consult with and receive coordinated support from the Oregon State Department of Agriculture, the Oregon Tourism Commission, the Department of Higher Education, the Higher

Education Coordinating Commission's Department of Community Colleges and Workforce Development, and the Oregon Liquor Control Commission.

2013-15 Budget to Actual

The 2013-15 actual revenue of \$3,820,202 was 2.19% lower than budgeted revenues of \$3,905,845 because the Board over-estimated the grape assessment revenue. The 2013-15 actual expenditures of \$3,448,315 was 1.95% lower than budgeted reflecting underspending in marketing activities.

2015-17 Budget

The 2015-17 Board adopted budget of \$4,705,918 represents a 33.81% increase from the 2013-15 Board adopted budget. The marketing budget was increased to accommodate the expansion of existing programs, with a significant portion going towards the promotion of Oregon Wine Month in markets outside of Oregon.

Citizens' Initiative Review Commission

	2011-13 Budget	2011-13 Actual	2013-15 Budget	2013-15 Actual	2015-17 Budget
Total Funds	0	0	\$190,000	\$95,389	\$202,150
Positions	0	0	0	0	0
FTE	0.00	0.00	0.00	0.00	0.00

Agency Overview

The Commission currently has no staff. The agency addresses its administrative and program needs on a contract basis. The Commission contracts with the Policy Consensus Initiative (a nonpartisan nonprofit organization that helps state leaders develop collaborative systems of governance) to provide administrative support. It has contracted with Healthy Democracy (a nonpartisan nonprofit organization committed to fostering public engagement in the democratic process) to run the reviews.

Established in 2011, the eleven-member (currently ten members with one vacancy) Citizens' Initiative Review Commission (CIRC) became a semi-independent state agency in 2013. The Commission provides oversight for the Citizens' Initiative Review program, which has as its mission to publicly evaluate ballot measures in order to provide voters with easy access to clear, useful, and trustworthy information at election time. The Commission selects measures for review and brings volunteer panels of Oregonians from across the state to evaluate ballot measures. The Commission is made up of former panelists, former moderators, and appointees from the Governor and bipartisan Senate leadership.

Revenue Sources

The Commission is funded entirely by charitable foundations and donations from individuals. The Commission may not receive moneys or assistance from political committees, for-profit corporate treasuries, or union treasuries. The Commission documents on its website any contributions from any individual in aggregate total of \$100 in a calendar year. The entirety of the Commission's 2013-15 actual revenue, in the form of a \$94,000 donation, has come from Healthy Democracy, which in turn has received contributions from the following sources: Meyer Memorial Trust, Ford Family Foundation, Samuel S. Johnson Foundation, Nobel and Lorraine Hancock Family Foundation, The Carol and Velma Saling Family Foundation, The Carpenter Foundation, and The Omidyar Network.

Budget Environment / Licensing and Enforcement Activities

The Commission was not established as a semi-independent agency until August 2013, and therefore does not have a 2011-13 budget. The agency received a \$94,000 grant for the 2013-15 biennium, and anticipates receiving \$201,000 from Health Democracy and individual contributions for the 2015-17 biennium.

2015-17 Budget

The 2015-17 Commission adopted budget of \$202,150 will cover State Government Service Charges, administrative staff, moderator training, panelist stipends and reimbursements, voter pamphlet publications, and program administration costs. These costs were based on the assumption that the Commission would hold two citizens' initiative reviews in 2016, with each review lasting five days and

made up of 24 citizen panelists. The Commission only had sufficient funding for one citizens' initiative review in 2016, with the review lasting 3.75 days and made up of 20 citizen panelists.

APPENDIX C

Sample of Licensing and Enforcement Activity Spreadsheet

Section 5	June 2005	June 2007	% Change	June 2009	% Change
Actively licensed landscape construction professional individuals	1462	1590	9%	1630	3%
Actively licensed landscape businesses	1174	1227	5%	1240	1%
(a) The number of license applications;	382	557	46%	700	26%
Individual licenses	203	281	38%	415	48%
Business licenses	179	276	54%	285	3%
(b) The number of licenses issued; (total)	292	505	73%	399	-21%
Individual licenses	108	206	91%	122	-41%
Business licenses	184	299	63%	277	-7%
(c) The number of examinations conducted;	2145	4754	122%	4087	-14%
Laws and rules	382	751	97%	674	-10%
General A exam	373	906	143%	711	-22%
General B exam	318	691	117%	518	-25%
General C exam	211	464	120%	415	-11%
General D exam	309	743	140%	588	-21%
Backflow	253	572	126%	570	0%
Irrigation	299	627	110%	611	-3%
(d) The average time between application for and issuance of licenses (months);					
Landscape Construction Professional (individual)	3.7	8.6	57%	5.6	-54%
Landscape Contracting Business	0.3	0.3	0%	0.4	25%
(e) The number and types of complaints received about persons holding licenses; (total)=> CLAIMS (complaints from consumers):					
Dispute Resolution	123	182	32%	219	17%
Employee	0	2	100%	3	33%
Material Supplier	30	39	23%	88	56%
Owner (Breach of Contract/Negligent work)	88	132	33%	121	-9%
Lien (new ability to accept 2007)				1	100%
Subcontractor	5	9	44%	6	-50%
(f) The number and types of "CLAIM" investigations conducted;	123	182	32%	219	17%
Onsite Investigation Owner Claims)	59	97		37	
Administrative (Office process investigaton-includes mediation)	64	85		182	
(g) The number and types of resolutions of complaints (Claims);	126	160	27%	198	24%
Onsite Mediation Resolution	36	63	75%	36	-43%
Dismissed/Untimely filed/Claimant failed to respond	23	24	4%	36	50%
Referred to OAH	4	1	-75%	3	200%
P.O. issued; paid by Bond	16	8	-50%	18	125%
P.O. issued; paid by Landscape Contracting Business	3	25	733%	38	52%
P.O. issued; Bond Exhausted	9	4	-56%	23	475%
Claimant Withdrew	21	1	-95%	5	400%
Parties resolved independently	14	34	143%	39	15%
(g-2) The number of days between beginning a CLAIM investigation and reaching a resolution (in days)	90.05	150.6	67%	133.98	-11%
(h-1) The number and type of COMPLIANCE sanctions imposed against Licensed; (total)	132	420	218%	614	46%
Civil penalty	9	37	311%	154	316%
Settlement agreement	34	68	100%	90	32%
Suspended license(business or individual)	25	183	632%	263	44%
Withdrew	52	71	37%	22	-69%
Closed; No violation	3	15	400%	64	327%
Closed; Informational letter issued	6	37	517%	1	-97%
Refuse to renew	3	9	200%	19	111%
Refuse to issue	0	0		1	100%
(h-2) The number and type of COMPLIANCE sanctions imposed against Un-Licensed (total)	157	455	190%	451	-1%
Civil penalty	42	93	121%	165	77%
Settlement agreement	57	227	298%	208	-8%
Withdrew	9	44	389%	17	-61%
Closed; No violation	24	52	117%	34	-35%
Closed; Informational letter issued	24	32	33%	24	-25%
Refuse to issue	2	7	250%	3	-57%
(i-1) The number of days between beginning a Compliance investigation and reaching a resolution: Licensed (in days)	40.63	35	-14%	31.5	-10%
(i-2) The number of days between beginning a Compliance investigation and reaching a resolution: Un-Licensed (in days)	59.23	73	23%	59.5	-18%

moved testing to PSI => fewer exams taken, fewer individuals passing exam=> fewer individuals licensed=> fewer businesses licensed.

Every claim has an investigation administratively. Additional on site investigations are conducted on homeowner claims if required.

More businesses allowed claim to go to bond for payment which ends up with a Landscaping debt owed=>business license suspended.

More businesses producing evidence of actual compliance after notice of violation is sent.

Used to issue warnings=> no statutory authority, now just informational letter if no substantial proof of violation, otherwise close w/ no violation.

Trend- Quicker resolution

APPENDIX D

Updated Reporting Guidelines

SEMI-INDEPENDENT AGENCY REPORTING GUIDELINES 2018

ORS 182.472 requires that twelve semi-independent agencies provide reports every even numbered year to the Governor, Senate President, House Speaker, and Legislative Fiscal Office (LFO).

The following guidelines were developed by LFO to facilitate its report review and completion of the biennial summary report of findings prepared for the Legislature. Questions about these guidelines can be directed to Kim To at kim.to@oregonlegislature.gov or John Terpening at john.c.terpening@oregonlegislature.gov

Reporting Time Period

The report should include actual data for the prior biennium and approved/forecasted budget and fee change information for the biennium in which the report is completed. The report that is due on April 1, 2018 should include actual data for the 2015-17 biennium, and projected revenue, adopted budget, and proposed fee change information for the 2017-19 biennium.

What to Report

The statute specifies what information agencies are required to include; however, there is a wide range of information submitted to meet the requirement. What follows are more specific reporting guidelines intended to promote consistency in the type and level of detail of information provided:

Sample Table of Contents

- Section I: Copy of Audit or Financial Review
- Section II: Budget Comparison
- Section III: Rule Making Activities
- Section IV: Consumer Protection
- Section V: Licensing Activities and Disciplinary Actions
- Section VI: Other Board Activities

Section I: Copy of Audit or Financial Review

ORS 182.472 (1) A copy of the most recent audit or financial review of the board.

The statute directs agencies to submit their most recent audits or financial review. For the 2018 reporting period, LFO requests that agencies provide a copy of the audit or review for the biennium ended June 30, 2017, along with copies of management letters referenced in the audit or review.

If agencies choose to use financial reviews, in addition to the guidelines for financial reviews recommended by the Secretary of State, LFO recommends that agencies include a risk assessment, and an agreed upon procedures for an appraisal of internal controls. The financial review should include, but not be limited to, the following:

- A compilation of reviewed financial statements

- Review and risk assessment of:
 - board member recruitment, appointment, training, and duties
 - information technology systems security*
 - licensing processes
 - rulemaking process
 - requests for proposals
 - procurement contracts
 - vendor relationships, including contract management
 - inventory, if applicable

*Agencies may choose to work with the Department of Administrative Services’ Office of the State Chief Information Officer for a review and risk assessment of the agency’s information technology system, instead of including it in the financial review contract.

Section II: Budget Comparison

ORS 182.472 (2) A copy of the actual budget for the prior biennium and a copy of the board’s adopted budget for the biennium in which the report is made: (a) The beginning balance and ending balance for each of the two biennia; (b) A description of material changes between the two biennia; (c) A description of the public hearing process used to establish the budget adopted for the current biennium; and, (d) A description of current fees and proposed changes to fees, along with information supporting the amounts of the current fees and any proposed changes to the fees.

The statute directs agencies to include a copy of the “actual budget for the prior biennium and a copy of the board’s adopted budget for the biennium in which the report is made.” This means that the report due in 2018 should include actual numbers for the 2015-17 biennium and the adopted budget for the 2017-19 biennium.

Agencies should include copies of the following documents:

1. Balance sheet for the 2015-17 biennium.
2. Forecasted balance sheet for the 2017-19 biennium.
3. Projected/Adopted budget forecast for the 2017-19 biennium.
4. Line item comparison of budget to actual revenues and expenditures for 2015-17 biennia.
5. Line item comparison of material changes between 2015-17 and 2017-19 budgets.

Example: Line Item comparison of revenues and expenditures

	2015-17 Adopted Budget	2015-17 Adjusted (Approved) Budget	2015-17 Actual	% Change Budget to Actual	2017-19 Adopted Budget	% Change 2015-17 Adopted to 2017-19 Adopted
Revenue						
Licensing Fees						
Other Fees						
Total Revenue						
Expenses						
Payroll						
Services and Supplies						
Travel						
Telecommunications						
Professional Development						
Attorney General Fee						
Audit Charges						
Facilities Rent						
Total Expenses						
Positions						
FTEs						

In addition, agencies should include the following material:

a) Beginning and ending balances for the two biennia

Beginning and ending balances represent the amount of monies that are carried over from one biennium to the next. LFO recognizes that the accounting software that most agencies use does not easily identify this information, so LFO requests that agencies prepare a simple table to communicate this information.

Example: Table of Beginning and Ending Balances

Beginning and Ending Balances	2015-17 Actual/Reported	2017-19 Projected/Adopted
Beginning Balance (2011-13 carry-over)	\$200,000	\$220,000
Net Income/Loss	20,000	15,000
Ending Balance	\$220,000	\$235,000

LFO will confirm that audited values for the past biennium and actual numbers reported by the agency are the same. Variances occur for a number of legitimate reasons, many of which are related to accounting timing. ***Please discuss any amendment to the budget, and/or any other variance from the last reporting period.***

b) A description of material changes between the two biennia

A material change is any change above an inflationary increase to a budget from one biennium to another. Agencies need to provide:

- A discussion of material changes between budget and actual beginning balance, revenues, expenditures, and ending balance for the 2015-17 biennium (including any budget adjustments).
- A discussion of material changes between 2015-17 Approved Budget and 2017-19 Adopted Budget.

In providing this information, it may also be appropriate to discuss unanticipated expenditures that emerged during the 2017-19 biennium that are not reflected as material changes in the 2015-17 biennium.

c) A description of the public hearing process used to establish the adopted budget

When describing the public hearing process for approval of the budget, please include the dates and a description of actions taken. Actions covered should include:

- Information regarding who received notices about budget hearings and why (with dates).
- Information regarding budget hearings, public comments, and board actions (with dates).
- Information regarding the date the budget was filed with the Secretary of State and when a copy was submitted to Legislative Counsel.

d) A description of current fees and proposed changes, and information supporting the changes

Agencies should include a list of all current fees, any fee changes made in the previous biennium, and anticipated changes for the upcoming biennium. One suggested presentation format for this information is to use a table such as the following:

Example: Table of Fees and Changes over Time

Fee Type	Fee as of 6/30/13	Fee as of 6/30/15	Fee as of 6/30/17	Anticipated Fee 6/30/19
<i>List of all fee types</i>				

In addition to including a list of fees, the agency should supply an explanation of changes and a justification for fee increases. Typically, the justification is a “budget shortfall.” In this case, LFO will want to confirm that the agency has appropriately forecasted anticipated revenues and expenditures and that all other avenues of potential funding were considered (such as agency efficiency improvements or use of agency reserves) prior to approval of a fee increase. Some questions agencies might consider when preparing their justification for a fee increase are:

- What is changing in the operating environment that is negatively impacting future revenues and expenditures?
- What actions has the agency already taken to mitigate the impacts of the factors that are negatively influencing future revenues and expenditures?
- What assumptions are used when forecasting a budget shortfall?
- What options besides a fee increase were considered as a strategy for funding the budget shortfall?

(The Oregon Patient Safety Commission, the Oregon Wine Board, and the Citizens’ Initiative Review Commission have different revenue structures than licensing boards, so LFO requests that these agencies provide information on changes in revenue sources which may include fees, contributions, tax revenues, grants, or other sources.)

Section III: Rule Making Activities

ORS 182.472 (3) A description of all temporary and permanent rules adopted by the board during the prior biennium.

The statute requests that agencies report rules adopted by the board during the prior biennium.

Agency information provided under this section needs to include sufficient information to allow LFO to quickly confirm that proper protocols were followed when revising Oregon Administrative Rules (OAR), Chapter 183. Critical elements include:

- OAR reference
- Nature of change
- Public notification and hearing dates (if applicable)
- Board action date
- Filing dates (Secretary of State and Legislative Counsel)

LFO suggests that agencies use a table format to present this information, as the following example illustrates:

Example: Table of Administrative Rules

Description of Change	Public Notification and Hearing Dates	Board Action Date	SOS Filing Date	LC Filing Date	OAR Number(s)
<i>Change...</i>	<i>Dates</i>	<i>Date</i>	<i>Date</i>	<i>Date</i>	<i>Number</i>
<i>Repeal...</i>	<i>NA</i>				
<i>New...</i>					
<i>Temporary Rule</i>					

Note: This table might be better displayed using landscape format.

Section IV: Consumer Protection

ORS 182.472 (4) A description of board actions promoting consumer protection that were taken during the prior biennium.

LFO requests that agencies provide a description of actions taken to promote consumer protections which might include activities such as process or service delivery improvements, public outreach, education programs, industry activities, etc. It may also be appropriate to include examples of agency materials and/or publications under this section.

For agencies that do not have consumer protection as part of their mission, please include copies of annual performance reports that are prepared for industry stakeholders and other key constituents.

Section V: Licensing Activities and Disciplinary Actions

ORS 182.472 (5) If the board issues licenses, a description of the board's licensing activities performed during the prior biennium that is adequate to allow evaluation of the board's performance of its licensing responsibilities, including: (a) The number of license applications; (b) The number of licenses issued; (c) The number of examinations conducted; (d) The average time between application for and issuance of licenses; (e) The number and types of complaints received about persons holding licenses; (f) The number and types of investigations conducted; (g) The number and types of resolutions of complaints; (h) The number and type of sanctions imposed; and (i) The number of days between beginning an investigation and reaching a resolution.

The intent of collecting and reporting the data required by ORS 182.472 (5) is to provide reliable and accurate indicators of workforce (licensees) and performance (exams proctored, processing time, complaints received, investigations conducted, backlog risk, sanctions imposed), in order to ensure each agency’s responsiveness to its constituents and market forces. LFO recommends that agencies include multiple years of data (10 years or 5 biennia) so trending would be possible. To help ensure that multiple years of data are provided, LFO has provided a standardized template for reporting data under this section. Agencies should retain historical data when reporting for up to a period of 10 years (5 biennia). The inclusion of historical data enables the agency to discuss performance trends and/or potential issues such as case backlogs in their narrative, which facilitates LFO’s efforts to evaluate the board’s performance of licensing and enforcement responsibilities. The January 2018 report should include actual licensing data for the, 2007-09, 2009-11, 2011-13, 2013-15 and 2015-17 biennia.

Understandably, data collection and processing methods often change over time. Various activity status codes are added or removed by semi-independent agencies, and at times, a determination may be made to begin to count licensees with a particular license or status code which may not have been counted in previous years. Conversely, at times a determination is made to cease to include licensees with a particular license or status code. Although these types of changes may make sound business sense and result in more accurate data at that specific time, they also skew the trend lines when doing an analysis of trends over a period of time when different collection methods were used. To prevent faulty analysis resulting from these types of changes, LFO recommends the inclusion of:

1. A detailed description of your agency's data collection process. Critical elements include:
 - a. Document procedures used to ensure that data are accurate and internally consistent.
 - b. Be clear about the date or time period of collected data.
 - c. Provide a glossary of terms. For example, define each type and status of licensing/certification, exams conducted, complaints, investigations, sanctions.
 - d. Ensure that definitions of data elements are consistent from biennium to biennium. Any deviations in data collection process or definition of terms should be explained.
 - e. Document the reasons for significant changes in data from one year to the next.
2. The following Licensing and Enforcement Activity Spreadsheet (template provided by LFO):

Section 5	June 2005	June 2007	% Change	June 2009	% Change
Actively licensed landscape construction professional individuals	1462	1550	5%	1630	5%
Actively licensed landscape businesses	1174	1227	5%	1240	1%
(a) The number of license applications:	382	557	46%	700	26%
Individual licenses	203	281	39%	415	48%
Business licenses	179	276	54%	285	1%
(b) The number of licenses issued: (total)	292	505	73%	399	-21%
Individual licenses	158	206	31%	152	-24%
Business licenses	134	299	122%	247	-17%
(c) The number of examinations conducted:	2145	4754	122%	4087	-14%
Laws and rules	382	751	97%	874	16%
General A exam	373	906	141%	711	-22%
General B exam	318	691	117%	518	-25%
General C exam	211	464	120%	415	-11%
General D exam	309	743	143%	588	-21%
Backflow	263	572	120%	570	0%
Integration	299	627	109%	611	-3%
(d) The average time between application for and issuance of license (in months):					
Landscape Construction Professional (Individual)	3.7	8.6	130%	5.6	-34%
Landscape Contracting Business	0.3	0.3	0%	0.4	25%
(e) The number and types of complaints received about persons holding license, total= CLAIMS (complaints from consumers):					
Dispute Resolution	123	182	48%	219	17%
Employee	0	2	100%	3	50%
Material Supplier	30	39	29%	88	62%
Change (Breach of Contract/Negligent work)	88	132	50%	121	-8%
Lien (Inn ability to accept 2007)	5	9	44%	6	-33%
Subcontractor	5	9	44%	6	-33%
(f) The number and types of "CLAIM" investigations conducted:	123	182	48%	219	17%
Civil Investigation (Other Cases)	59	97	63%	97	0%
Administrative (Office process investigation-includes mediation)	84	85	1%	182	114%
(g) The number and types of resolutions of complaints (Claims):	126	160	27%	198	24%
Dismissed/Unimpaired/Not Claimant failed to respond	23	24	4%	36	52%
Referred to OAH	4	1	-75%	3	250%
P.O. issued, paid by Bond	16	8	-50%	18	125%
P.O. issued, paid by Landscape Contracting Business	3	25	750%	28	120%
P.O. issued, Bond Exhausted	9	4	-56%	23	478%
Claimant Withdraws	21	41	95%	6	-85%
Parties resolved independently	14	34	143%	39	15%
(h) The number of days between beginning a CLAIM investigation and reaching a resolution (in days):	90.05	150.6	67%	133.98	-11%
(i-1) The number and type of COMPLIANCE sanctions imposed against Licensed: (total)	132	420	219%	614	46%
Civil penalty	9	37	311%	154	315%
Settlement agreement	34	68	100%	90	32%
Suspended license/business or individual	25	183	632%	263	44%
Withdraw	52	71	37%	22	-60%
Closed: No violation	3	15	400%	64	324%
Closed: Informational letter issued	6	27	317%	11	-59%
Refuse to renew	3	9	200%	19	111%
Refuse to issue	0	0	0%	1	100%
(i-2) The number and type of COMPLIANCE sanctions imposed against Un-Licensed (total)	197	455	130%	451	-1%
Civil penalty	42	93	119%	165	77%
Settlement agreement	9	227	2467%	208	8%
Withdraw	9	44	393%	17	-61%
Closed: No violation	24	52	117%	34	-35%
Closed: Informational letter issued	24	32	33%	24	-25%
Refuse to issue	2	7	250%	3	-57%
(j-1) The number of days between beginning a Compliance investigation and reaching a resolution: Licensed (in days)	40.63	35	-14%	31.5	-19%
(j-2) The number of days between beginning a Compliance investigation and reaching a resolution: Un-Licensed (in days)	59.23	73	23%	59.5	-19%

(The Oregon Patient Safety Commission, the Oregon Wine Board, and the Citizens' Initiative Review Commission are not licensing entities. In lieu of licensing and enforcement data, LFO recommends that the Oregon Patient Safety Commission submit a copy of the latest Public Health Officer Certification Report along with other information that illustrate performance results achieved during the reporting period, and the Oregon Wine Board submit a copy of its latest Annual Report along with other information that illustrate performance results achieved during the reporting period.)

Section VI: Other Board Activities

ORS 182.472 (6) A description of all other actions taken during the prior biennium in the performance of the board's statutory responsibilities that is adequate to allow evaluation of the board's performance.

Please include the following information:

1. An Organizational Chart.
2. If your positions and FTE numbers have changed, a brief narrative explaining the change in the personnel.
3. The following table (template provided by LFO).

Biennium	Positions	FTE	Board Meetings	Approximate # Licensees on June 30 close of biennium		Board Stipend	Director Salary \$/Month on 6/30 close of biennium
				Individuals	Firms/ Business		
2011-2013							
2013-2015							
2015-2017							
2017-2019 (Budgeted/Projected)							

In addition, agencies should include additional comments about actions taken during the prior biennium which might include agency accomplishments and performance results. Examples include results from customer service surveys, improvements made or planned, etc.

(Because the Oregon Patient Safety Commission, the Oregon Wine Board, and the Citizens' Initiative Review Commission are not licensing entities, they should select and report on a few key performance measures that illustrate performance results achieved during the reporting period. Ideally, these performance measures are high level, outcome oriented measures that are aligned with mission critical work so that they are consistent over time, allowing for performance trending and analysis. The purpose of this request is to facilitate LFO's efforts to evaluate the board's performance.)