

**Pursuant to ORS 182.472,
as Revised by HB 2029 of the
73rd Legislative Assembly,
A Report of the Work of the Board
from 7/1/2005 to 6/30/2007**

Submitted by the

**OREGON STATE
LANDSCAPE ARCHITECT BOARD**

to

**The Governor,
The President of the Senate,
The Speaker of the House of Representatives, and
The Legislative Fiscal Office**

December 31, 2007

Prepared by:
Susanna R. Knight
Administrator
Susanna.knight@state.or.us
Oslab.info@state.or.us

1

Introduction

2

Audit

3

Budget Information

4

Fees

5

Rulemaking Process

6

Consumer Protection

7

Licensure Activities

8

Enforcement Activities



Oregon

Theodore R. Kulongoski, Governor

State Landscape Architect Board

1193 Royvonne SE, #19

Salem, OR 97302

(503) 589-0093

Fax (503) 589-0545

ABOUT THIS REPORT

1

This Report reflects the activities of the Oregon State Landscape Architect Board (OSLAB) from July 1, 2005 to June 30, 2007. The Board convened ten times during this two year period. Minutes of these meetings are available on the Board's web site at <http://www.oregon.gov/LANDARCH/index.shtml>. Quarterly meetings were scheduled for each year, but additional special meetings convened as needed to carry out the work of the Board.

The current Board membership list can be found on the page following. Please feel free to contact any of these members should you have specific questions about any information in this report. During this biennial reporting period, the four Board members listed here completed terms. These Board members were very capable individuals, who offered much experience with both the profession as Landscape Architects and activities of the Board as Public Members.

Gladys Biglor, Public Member
Jim Figurski, Landscape Architect
Paul Kylo, Public Member
Andy Leisinger, Landscape Architect

During this biennium, the Board has been actively applying the Administrative Rules whenever responding to questions. This led to the realization that the text was in need of updating and revising. Tab 5 reflects the numerous revisions that have been adopted under the leadership of the Chair of the Administrative Rules Committee, Public Member Ron Nichols.

The Board has been actively working through issues arising from the initial audits of continuing education activities presented by registrants. Mel Stout, LA, has served as the lead Board Member chairing the Continuing Education Committee.

After being in the worst of financial straights at the beginning of this budget cycle, by adopting a conservative fiscal stance and with the receipt of an insurance payment for employee dishonesty following the closing of the Administrator Audit enclosed, the Board's financial statement is healthy again. By practicing fiscal conservatism, the Board is now able to begin gaining lost ground by adding back activities and programs in the upcoming biennium.

A successful working relationship with the Oregon State Board of Geologist Examiners has led to staff support to carry out the work of the Board. As Administrator for the Oregon State Landscape Architect Board, I am always available to discuss any part of this entire report.

Sincerely,

Susanna R. Knight
Administrator

EXECUTIVE APPOINTMENTS BOARD ROSTER

Oregon State Landscape Architect Board

1193 Royvonne St SE #19, Salem OR 97302

Phone (503) 589-0093; Fax (503) 485-2947

Email oslab.info@state.or.us

Administrator: Susanna Knight (susanna.knight@state.or.us)

<i>Authorization</i>	ORS 671.459
<i>Members</i>	7 (includes 3 public members)
<i>Term Length</i>	4 years
<i>Limit</i>	None

BOARD MEMBER	BUSINESS	CONTACT	TERM(S)
Edwards, Robert L. <i>Public Member</i>	Faith Lutheran Church 4505 River Road N Keizer, OR 97303 pastor-bob@qwest.net	W 503-393-4507	09/10/2007 – 06/30/2011
Nichols, Ron <i>Treasurer/Public Member</i>	nichols2463@msn.com	H 503-393-2017	2/09/2006 to 6/30/2009
Olsen, David P. <i>Landscape Architect</i>	David Evans & Associates, Inc 709 NW Wall Street Bend, OR 97701 dpo@deainc.com	W 541-389-7614 F 541-389-7623	02/13/2006 - 06/30/2009
Pellitier, John P. <i>Landscape Architect</i>	Pellitier & Pellitier 1397 Willamette Street Eugene, OR 97401 john@pellitier.com	W 541-484-2045 F 541-484-0518	05/14/2007 - 06/30/2010
Stout, Mel J. <i>Vice Chair/Landscape Architect</i>	Harper Houf Peterson Righellis, Inc. 205 SE Spokane St Ste 200 Portland, OR 97202 Mels@hhpr.com	W 503-221-1131 F 503-221-1171	07/01/2004 - 06/30/2010
Van Wormer, Timothy C. <i>Board Chair/Landscape Architect</i>	Port of Portland 121 NW Everett Portland OR 97221 tim.vanwormer@portofportland.com	W 503-944-7208	11/08/2004 - 06/30/2008
Wright, Susan <i>Public Member</i>	N/A Vista-house@comcast.net	W 503-703-7406	05/14/2007-06/30/2010

AUDIT INFORMATION SUMMARY

One investigation and one audit are referenced under this tab, both released by the Secretary of State's Office during 2006:

- ✓ Oregon State Landscape Architect Board, Administrator Investigation [Report No. 1006-13, April 13, 2006]; and
- ✓ The Financial Audit released by the Secretary of State's Audits Division for the Two Years Ended June 30, 2005 [Report No. 2006-37, October 13, 2006].

An audit of the 7/1/2005 to 6/30/2007 biennium is scheduled to begin January 7, 2008.

Oregon State Landscape Architect Board: Administrator Investigation



Secretary of State Audit Report

Summary

PURPOSE

The purpose of our investigation was to follow up on an allegation regarding a vacation payout taken by Leslie Clement, the former administrator at the Oregon State Landscape Architect Board (board), upon her departure.

RESULTS IN BRIEF

Our investigation substantiated the allegation regarding a questioned vacation payout. We determined that the former administrator was paid \$9,149 more in vacation payout than she was entitled.

Because the follow up on the allegation suggested potential criminal activity, we contacted the Oregon State Police. We conducted a joint investigation of the former administrator's activities at the board.

The investigation revealed that, from January 1999 through December 2004, the former administrator misappropriated board funds of approximately \$139,000.

In August 2005, Leslie Clement was indicted on multiple counts including official misconduct, theft, and forgery. On April 3, 2006, Leslie Clement was arrested following a guilty plea and is serving 19 months in prison followed by 24 months of post-prison supervision. In addition, Leslie Clement was ordered to pay restitution of \$135,365.27 to the Oregon State Landscape Architect Board.

RECOMMENDATIONS

We recommend the Oregon State Landscape Architect Board initiate appropriate measures to recover the loss of funds.

We recommend the board review their current system of internal control over administrative and fiscal activities and, at a minimum, implement the following:

- Ensure bank statements are sent directly to a member of the board for review.
- Reconcile the bank statements to the check register on a regular basis.
- Review supporting documentation for each transaction before signing checks.
- Review and approve the administrator's monthly timesheet, and vacation and sick leave, prior to payroll being submitted to the payroll company for processing.
- Periodically review the administrative and fiscal activities of the board to ensure they are sufficient to prevent, detect, and deter unauthorized transactions from occurring.

AGENCY'S RESPONSE

The Oregon State Landscape Architect Board generally agrees with the recommendations.

Background

The Oregon State Landscape Architect Board (board) is a semi-independent agency of the State of Oregon. The board operates under *Oregon Revised Statutes* Chapter 671.310 to 671.459. The board consists of seven members appointed by the governor for four-year terms. Four members are registered landscape architects, and three members are public members, and shall be residents of the state. The board examines applicants for licensure and imposes disciplinary actions against those who violate statutes. The board also makes rules and enforces professional standards for the practice of landscape architecture in Oregon. The board employs an administrator who is responsible for the day-to-day operations of the board including making purchases and payments on billings, preparing for board meetings, and proctoring the landscape architect examinations.

The board was part of a review conducted by the Joint Legislative Audit Committee of semi-independent boards. Their report, issued in December 2004, stated the board is the exception among the semi-independent boards and the board's record of performance since 2001 reflects a repeated failure to meet the statutory requirements of key administrative procedures to file administrative rules. The report also stated the board did not have a website, and no structural information about the board was available except for request by telephone, fax, and conventional or electronic mail.

According to the Joint Legislative Audit Committee's report, the board appointed Ms. Clement to the position of administrator in February 1999. Prior to this appointment, Ms. Clement was the office specialist for the board. Ms. Clement became the only administrative staff at the board as

a new support staff position was not filled when Ms. Clement was promoted. Ms. Clement submitted her resignation effective in November 2004.

Allegation and Investigation Background

The Audits Division received a call on the Government Waste Hotline regarding a vacation payout made to the former administrator at the time of her resignation.

In response, we started an investigation of the former administrator's payroll records. Because the initial review suggested potential criminal activity, we contacted the Oregon State Police.

As a result, we conducted a joint investigation of the former administrator's activities including payroll and board expenditures.

Investigation Results

In our investigation of the board's financial records and transactions, we found that the board did not have adequate internal control over administrative activities to prevent, detect, and deter unauthorized or inappropriate transactions. Our investigation identified approximately \$139,000 in inappropriate costs as a result of unauthorized and inappropriate payroll payments, personal use of the board's credit card, personal use of board funds, inappropriate cellular phone usage, and misappropriation of board property.

Excessive Vacation Payout

The former administrator received \$9,149 in vacation payout for which she was not entitled. The board utilized two payroll processing companies to manage its payroll. On a monthly basis, the former administrator submitted payroll information directly to that company. Once submitted, the

former administrator was paid through electronic deposit. The board did not have any internal controls in place to review the former administrator's timesheets and leave accrual balances before or after payment.

In November 2004, the former administrator initiated a final payroll check totaling \$12,807, which included a payout of 342 hours of vacation in addition to her monthly salary amount. The board has adopted the Department of Administrative Services human resource policies and procedures and this payout was in violation of DAS Human Resource Division policy 60.000.05, which limits vacation payouts to 250 hours when leaving state service.

In addition to following up on the vacation payout allegation, we reviewed the payroll records of the former administrator from February 1999 to November 2004 to determine if amounts paid were appropriate. We found the vacation leave on her leave accrual spreadsheet and claimed in the vacation payout did not agree with her monthly timesheets. As a result, her vacation leave balance was overstated. This overstatement occurred because the former administrator did not deduct vacation leave taken from her leave balance, substituted sick leave when it appears the administrator may have been on vacation, and claimed holiday leave in months when there were no recognized state holidays.

Rather than the 342 hours of vacation leave accrued, we calculated that the former administrator had a negative vacation leave balance of 116 hours. Due to the negative vacation leave balance, the former administrator was not eligible to receive any amount for a vacation leave payout upon her resignation from the board.

Unauthorized Payroll Increases

The former administrator received \$21,979 more in payroll than she was entitled.

The board approved the former administrator for a merit increase in August of 1999. Subsequent to that date there is no evidence of the board granting her additional merit increases or approving changes in her job classification. State employee payroll is based on a 'range' with a set number of annual increases. Generally, an employee is approved to receive a merit increase annually, until reaching the top step of the range.

We reviewed the former administrator's payroll records from February 1999 to November 2004. We compared what she was entitled to receive to what she actually received. We determined that the former administrator inappropriately received \$2,334 more than she was entitled due to inappropriate changes to her job classification and unapproved merit increases. The former administrator increased her pay by changing her job classification, without board approval, and then periodically giving herself merit increases.

Furthermore, we also identified payroll overpayments totaling \$19,645, which included the 116 hours of vacation, to which she was not entitled. The former administrator incurred leave without pay that was not deducted from her payroll. Further, she claimed vacation time that was not available and claimed compensatory time for which she was not eligible.

Personal Use of Board Credit Card

The former administrator purchased personal items totaling \$18,044 with the board's credit card.

We obtained and reviewed the board's credit card statements and supporting documentation from May 1999 to July 2001, when the card was canceled, to determine if purchases made by the former administrator were for legitimate board purposes. The board used a credit card to pay for expenses such as making reservations and other travel arrangements. Charges reported on the credit card statements during this time period by the former administrator totaled \$25,468. Based on a statement from the board, the board did not have a system in place to regularly and adequately review purchases made by the former administrator.

During the two years, the former administrator charged \$16,949 for personal items, including women's clothing, home furnishings, and concert tickets. We also question additional charges totaling \$1,095 that did not have supporting documentation. These include travel related charges and late fees.

Personal Use of Board Checking Account

The former administrator used the board's bank account to make \$87,830 in inappropriate purchases.

Two members of the board are authorized to sign checks written against board funds. The former administrator was responsible for preparing the checks for signature by the board members.

We reviewed negotiated checks for the period of January 1999 to December 2004 to determine if the checks were signed by an authorized board member and that each check had original supporting documentation.

Of the 930 negotiated checks, we identified 138 checks where the payee listed in the board's accounting system did not agree to the payee shown on the canceled check. These checks totaled \$76,186 and represent 15 percent of

all checks issued by the board during this time period.

Of the 138 checks, 136 were recorded in the accounting system to legitimate vendors. However, the physical checks identify the former administrator as the payee. For the remaining two checks, the payees recorded in the accounting system did not agree to the payees on the physical checks. We also identified \$2,183 in purchases paid directly to clothing and collectible stores that do not appear to be for legitimate board business.

Finally, we reviewed reimbursements made directly to the former administrator against supporting documentation. We identified payments that appeared inappropriate relating to payroll advances and reimbursement requests totaling \$3,860. We also question reimbursements totaling \$5,602 to the former administrator for which no supporting documentation was available.

Of the 930 negotiated checks from January 1999 to December 2004, the board chair questioned the validity of his signature on 497 of those checks. In an interview with the former administrator, she confirmed that she had signed the board chair's signature on checks.

Inappropriate Cell Phone Use

We reviewed phone charge statements dated December 2003 through April 2005. While the board approved the use of one cell phone, the former administrator confirmed that she had obtained a second cell phone for her daughter's use. We question charges totaling \$557 that were paid by the board for the second cell phone. We were unable to perform a complete review of all cell phone charges, as the phone company was unable to provide copies of all prior invoices. Had that documentation been available,

the questioned costs relating to cell phone usage could be higher.

Items Recovered From the Former Administrator

During the investigation, we accompanied Oregon State Police detectives in executing a search warrant on the former administrator's home. Board property totaling \$2,194 was recovered from her home. The items recovered included a computer and monitor, entertainment center, shelving units, cell phones, and other miscellaneous office supplies. Seized items are to be returned to the board at the conclusion of the investigation and legal proceedings.

Summary

In total, we identified approximately \$139,000 in inappropriate payroll expenses, credit card purchases, checking account purchases, and cellular phone usage. This amount also includes costs related to items recovered from the former administrator's home that were paid for with board funds.

We recommend the board initiate appropriate measures to recover the loss of funds.

Agency's Response:

The board supports the recommendation that appropriate measures be initiated to recover the loss of funds. We would like to pursue any such recommendations as soon as possible. Please lay out appropriate measures that the board should initiate to recover our lost funds. The Oregon State Landscape Architect Board (OSLAB) understands the Audits Division is currently initiating measures to recover funds and OSLAB needs direction as to our appropriate course of action.

Internal Control Findings and Recommendations

An adequate system of internal control includes various mechanisms intended to prevent, detect, and deter unauthorized or inappropriate transactions from occurring. During our investigation, we identified a number of internal control weaknesses needing the board's attention. Specifically, the board did not have adequate internal controls in place to:

- Detect inappropriate activity. For example, bank statements were not always reviewed and were sent directly to the board's office where the former administrator had access to the statements. Additionally, when a review was conducted, it was not adequate to detect the inappropriate checks issued by the former administrator.
- Review and approve the former administrator's timesheets and payroll information, such as leave accruals, before payment.
- Review expenses and supporting documentation prior to payment to ensure they were for appropriate business purposes.
- Regularly review the activities of its administrator to ensure the administrator was performing her assigned duties.

As a result of these internal control weaknesses, the board incurred a loss of funds of approximately \$139,000. In addition, the board's bank balance was negative during November 2004. Without an effective system of internal controls to prevent, deter, and detect potential inappropriate activity, the board was unable to timely identify misappropriation and/or abuse of board assets.

We recommend the board review their current system of internal

control over administrative and fiscal activities and, at a minimum, implement the following recommendations.

We recommend the board ensure bank statements are sent directly to a member of the board for review.

Agency's Response:

Although the bank statements are still coming to the board office, the board chair is reviewing each statement and all canceled checks accompanying the statement and signing off on the bank statement each month.

We recommend the board reconcile the bank statements to the check register on a regular basis.

Agency's Response:

The board has changed banking institutions. The bank statements for the new bank account are being reconciled on a monthly basis. The board treasurer will make, and document, unannounced visits to the board office to check the reconciled statements and the accompanying documentation. Documentation of these visits will be shared at regular board meetings and included in meeting minutes.

We recommend the board review supporting documentation for each transaction before signing checks.

Agency's Response:

The check signer has always checked the supporting documentation for each check before signing and will continue to review the supporting documentation for each transaction before signing the check.

We recommend the board review and approve the administrator's monthly timesheet, and vacation and sick leave, prior to payroll being submitted to the payroll company for processing.



**Secretary of State
Audits Division**

**255 Capitol St. NE, Suite 500
Salem, OR 97310**

**Auditing to Protect the
Public Interest and Improve
Oregon Government**

AUDIT MANAGER: *Nancy L. Young, CPA, CISA, CFE*

AUDIT STAFF: *Benjamin M. Wilson, CPA, CFE*

DEPUTY DIRECTOR: *Mary E. Wenger, CPA*

The courtesies and cooperation extended by the officials and staff of the Oregon State Landscape Architect Board were commendable and much appreciated.

This report, a public record, is intended to promote the best possible management of public resources. Copies may be obtained from our website on the internet at:

<http://www.sos.state.or.us/audits/auditlip.htm>

by phone at 503-986-2255

or by mail from:

*Oregon Audits Division
255 Capitol Street NE, Suite 500
Salem, OR 97310*

Agency's Response:

OSLAB currently contracts with the Oregon State Board of Geologist Examiners (OSBGE) for administration of their work. The chair of OSBGE signs off on the monthly timesheet for the administrator. The administrator will now provide a copy of the timesheet to the chair of OSLAB.

We recommend the board periodically review the administrative and fiscal activities of the board to ensure they are sufficient to prevent, detect, and deter unauthorized transactions from occurring.

Agency's Response:

The board believes that unannounced visits by the treasurer will serve to detect and deter unauthorized transactions from occurring. If you felt that this is not a sufficient amount of oversight to prevent, detect, and deter unauthorized transactions from occurring, please provide specific recommendations.

Objectives, Scope and Methodology

The purpose of our investigation was to investigate an allegation regarding a vacation payout taken by the former administrator at the time of her resignation and fiscal irregularities identified in our initial visit.

We conducted various joint interviews, with an Oregon State Police detective, of the former administrator and board members.

We obtained and reviewed payroll documentation from the board's office as well as payroll documentation from two payroll-processing companies used by the board.

We obtained and reviewed bank statements and canceled checks from the board's bank.

We obtained and reviewed credit card statements and detailed invoices of credit card purchases. We reviewed available documentation of expenditures made by the board from the board's office. These included reports from the board's accounting system, vendor invoices, and board meeting minutes.

We conducted our fieldwork from December 2004 to June 2005.



Secretary of State Audit Report

State of Oregon

State Landscape Architect Board

A Semi-Independent Agency

For the Two Years Ended June 30, 2005

State of Oregon

State Landscape Architect Board

A Semi-Independent Agency

For the Two Years Ended June 30, 2005



Auditing for a Better Oregon

The Honorable Ted Kulongoski
Governor of Oregon
254 State Capitol
Salem, Oregon 97310-4047

Board of Directors
Oregon State Landscape Architect Board
1193 Royvonne Ave. SE, Suite 19
Salem, Oregon 97302

This report presents the results our audit of the State Landscape Architect Board (board), a semi-independent agency of the state of Oregon, for the two years ended June 30, 2005.

As required by auditing standards, we performed the audit to obtain reasonable assurance about whether the financial statements and accompanying notes have been presented fairly by management. Our Independent Auditor's Report and the financial statements for the two years ended June 30, 2005, are included in the Financial Section of this report. We concluded that the financial statements are fairly presented in accordance with accounting principles generally accepted in the United States of America.

Auditing standards also require us to review the board's internal control over financial reporting and on compliance and other matters. Our report on the results of those reviews is included in the Other Reports section of this report. We noted no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we did identify a reportable condition in internal control over financial reporting that we consider to be a material weakness.

We appreciated the cooperation and assistance of the board's management and staff during the course of our audit.

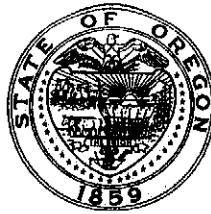
OREGON AUDITS DIVISION

Charles A. Hibner, CPA
Director

TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT	2
BASIC FINANCIAL STATEMENTS	
Department-Wide Financial Statements	
Statement of Net Assets	4
Statement of Activities.....	5
Fund Financial Statements	
Balance Sheet – Special Revenue Fund.....	6
Statement of Revenues, Expenditures and Changes in Fund Balance – Special Revenue Fund	7
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	8
Notes to the Financial Statements.....	9
OTHER REPORTS	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters	16
Audit Finding and Recommendation.....	18

FINANCIAL SECTION



Auditing for a Better Oregon

The Honorable Ted Kulongoski
Governor of Oregon
254 State Capitol
Salem, Oregon 97310-4047

Board of Directors
Oregon State Landscape Architect Board
1193 Royvonne Ave. SE, Suite 19
Salem, Oregon 97302

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying basic financial statements of the governmental activities and the special revenue fund of the Oregon State Landscape Architect Board (board), a semi-independent agency of the state of Oregon, as of and for the two years ended June 30, 2005, as listed in the table of contents. These financial statements are the responsibility of the board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the board's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the board, as of June 30, 2005, and the changes in financial position and the budgetary comparison for the two years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2006 on our consideration of the board's internal control over financial reporting

and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit. That report is separately presented in the Other Reports section as listed in the table of contents.

OREGON AUDITS DIVISION

A handwritten signature in black ink, appearing to read "Bill Bradbury". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Bill Bradbury
Secretary of State

October 4, 2006

OREGON STATE LANDSCAPE ARCHITECT BOARD
(A Semi-Independent Agency of the State of Oregon)
STATEMENT OF NET ASSETS
JUNE 30, 2005

	<u>Governmental Activities</u>
ASSETS:	
Cash	\$ <u>49,218</u>
Total Assets	<u>49,218</u>
LIABILITIES:	
Accounts Payable	38,923
Loan Liability	<u>8,166</u>
Total Liabilities	<u>47,089</u>
NET ASSETS:	
Unrestricted	<u>2,129</u>
Total Net Assets	<u>\$ 2,129</u>

The accompanying notes are an integral part of these financial statements

OREGON STATE LANDSCAPE ARCHITECT BOARD
 (A Semi-Independent Agency of the State of Oregon)
STATEMENT OF ACTIVITIES
 FOR THE TWO YEARS ENDED JUNE 30, 2005

	<u>Governmental Activities</u>
Expenses:	
Licensing:	
Personal Services	\$ 83,827
Services and Supplies	109,918
Loss Due to Fraud	<u>44,466</u>
Total Expenses	<u>238,211</u>
Program Revenues:	
Charges for Services	<u>231,639</u>
Total Revenues	<u>231,639</u>
Change in Net Assets	(6,572)
Beginning Net Assets – July 1, 2003	<u>8,701</u>
Ending Net Assets – June 30, 2005	<u>\$ 2,129</u>

The accompanying notes are an integral part of these financial statements

OREGON STATE LANDSCAPE ARCHITECT BOARD
(A Semi-Independent Agency of the State of Oregon)
BALANCE SHEET – SPECIAL REVENUE FUND
JUNE 30, 2005

ASSETS:

Cash	\$ <u>49,218</u>
Total Assets	\$ <u>49,218</u>

LIABILITIES AND FUND BALANCE:

Liabilities

Accounts Payable	\$ 38,923
Loan Liability	<u>8,166</u>
<i>Total Liabilities</i>	<u>47,089</u>

Fund Balances

Unreserved	<u>2,129</u>
<i>Total Fund Balances</i>	<u>2,129</u>

Total Liabilities and Fund Balances	\$ <u>49,218</u>
--	-------------------------

The accompanying notes are an integral part of these financial statements

OREGON STATE LANDSCAPE ARCHITECT BOARD
 (A Semi-Independent Agency of the State of Oregon)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 SPECIAL REVENUE FUND
 FOR THE TWO YEARS ENDED JUNE 30, 2005

Revenues:		
Licenses and Fees	\$	231,639
Total Revenues		231,639
Expenditures:		
Current:		
Licensing:		
Personal Services		83,827
Services and Supplies		109,918
Loss Due to Fraud		44,466
Total Expenditures		238,211
Excess (Deficiency) of Revenues Over (Under) Expenditures		(6,572)
Beginning Fund Balance – July 1, 2003		8,701
Ending Fund Balance – June 30, 2005	\$	2,129

The accompanying notes are an integral part of these financial statements

OREGON STATE LANDSCAPE ARCHITECT BOARD
(A Semi-Independent Agency of the State of Oregon)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE TWO YEARS ENDED JUNE 30, 2005

	Special Revenue Fund		
	Original & Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses and Fees	\$ 267,500	\$ 231,639	\$ (35,861)
Total Revenues	<u>267,500</u>	<u>231,639</u>	<u>(35,861)</u>
Expenditures:			
Licensing	258,250	193,745	64,505
Loss due to Fraud	-	44,466	(44,466)
Total Expenditures	<u>258,250</u>	<u>238,211</u>	<u>20,039</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,250</u>	<u>(6,572)</u>	<u>(15,822)</u>
Fund Balance Beginning – July 1, 2003	<u>8,701</u>	<u>8,701</u>	<u>0</u>
Fund Balance Ending – June 30, 2005	<u>\$ 17,951</u>	<u>\$ 2,129</u>	<u>\$ (15,822)</u>

The accompanying notes are an integral part of these financial statements

**Oregon State Landscape Architect Board
Notes to the Financial Statements
For the Two Years Ended June 30, 2005**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

According to ORS 182.454, the Oregon State Landscape Architect Board (board) is a semi-independent agency of the State of Oregon. The board operates under Oregon Revised Statutes (ORS) Chapter 671.310 to 671.459, 671.992 and 671.995 and implements these statutes through the Oregon Administrative Rules (OAR) Chapter 804. The board was granted initial semi-independent status by the Legislature in 1997, and pursuant to Oregon Senate Bill 1127 of the 1999 Legislative Session, additional revisions to the statute occurred. Certain ORS chapters do not apply to the board, except as otherwise provided by law. The board is subject to all other statutes governing a state agency that do not conflict with ORS 182.456 to 182.472.

The board is required to submit a report to the Governor, the President of the Senate, the Speaker of the House of Representatives and the Legislative Fiscal Officer, no later than January 1 of each even-numbered year. The report must include the board's latest financial audit and a copy of the actual and adopted budget documents for the prior biennium. The Legislative Fiscal Officer will review the report and submit a statement of findings and conclusions to the Joint Legislative Audit Committee.

Per ORS 671.459, the board consists of seven members appointed by the Governor to a term of four years. Four members are registered Landscape Architects and the remaining three are public members.

The board regulates the practice of landscape architecture by conducting examinations to qualified applicants; issuing certificates to those who qualify for registration; and disciplining those who violate the law. The board is concerned with providing safeguards in the practice of landscape architecture as it relates to engineering, architecture, ground water, land use planning, landscape hazards, and the further development of the practice of landscape architecture (ORS 671.312).

B. Basis of Presentation and Basis of Accounting

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to government entities. The accounts of the board are organized in a special revenue fund that is used to account for the board's activities. Operating revenues are received from annual registration fees for landscape architects; biennial registration

Oregon State Landscape Architect Board
Notes to the Financial Statements (continued)
For the Two Years Ended June 30, 2005

fees for landscape architect businesses; application fees for exams and registration; and interest income. Civil penalties could also be a source of income.

The government-wide financial statements, which are the statement of net assets and the statement of activities, display information about the board as a whole. These statements include all the financial activities of the board. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, except license fees, which are recognized when received, and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

The governmental fund financial statements, which are the balance sheet and the statement of revenues, expenditures and changes in fund balance, are reported using the current resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are measurable and available. Revenues are considered to be available when they are collectible with the current period or soon enough thereafter to pay liabilities in the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. All funds of the board are accounted for on the flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (ie., revenues) and decreases (ie., expenditures) in net current assets

C. Budget

The board is required to adopt budgets on a biennial basis through the Public Hearing process. The board may adopt or modify a budget only after holding a public hearing. All registrants must be given notice of budget hearings.

Because the budget adopted by board is not enacted into law by the legislature, the board's budget is considered a non-appropriated budget. Modifications to the budget are also not subject to review by the legislature or the Emergency Board.

The budgetary statements are presented using a basis of accounting that is consistent with generally accepted accounting principles.

D. Supplies

Supplies are charged as expenditures when purchased.

**Oregon State Landscape Architect Board
Notes to the Financial Statements (continued)
For the Two Years Ended June 30, 2005**

E. Compensated Absences

Sick leave is earned at the rate of eight hours per month with no maximum limit. Accumulated sick leave at June 30, 2005 can be used in case of an employee's extended illness or injury. When the employee retires, any sick leave accrual terminates and no compensation is made for such hours. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Vacation time is earned, subject to a maximum accumulation of 250 to 350 hours depending on an employee's classification. The monthly rate ranges from 8.0 to 17.34, depending on employee classification and length of service. The time off is vested when earned and recorded as an expenditure.

F. Equipment

Equipment with a cost of more than \$5,000 is depreciated over its useful life. Currently, the Board has no equipment with a cost basis greater than \$5,000.

G. Licensee Fees

The board receives fees from the applications for the renewal of licenses as well as for new licenses. In either case, the fees received are not recorded until payment is received for each respective application.

II. CASH

At June 30, 2005 the board's bank deposit balance was \$50,162. The book balance was \$49,218. The board's bank deposits are held in the board's name and are covered by Federal Depository Insurance Corporation (FDIC) up to the amount of \$100,000. The bank balance did not exceed the insured amount at any time during the last two years.

III. PENSION PLAN

The board participates in the Oregon Public Employees Retirement System (PERS), a cost sharing-multiple employer defined benefit pension plan from July 1, 2003 through November 30, 2004. From December 1, 2004 through June 30, 2005, the board contracted out for the administration of the board, therefore no PERS payments were required from the board or made. Any board employee is eligible to participate in the system after completing six months of service.

PERS is administered by the Public Employees Retirement Board under the guidelines of Oregon Revised Statutes, Chapter 238. The PERS retirement allowance, payable monthly for life, may be selected from several retirement benefit options. Options include survivorship benefits and lump sum refunds.

Oregon State Landscape Architect Board
Notes to the Financial Statements (continued)
For the Two Years Ended June 30, 2005

PERS also provides death and disability benefits. A copy of the Oregon Public Employees Retirement System, annual financial report may be obtained from PERS, PO Box 23700, Tigard, Oregon 97281-3700.

The contribution requirements of the board are established or may be amended by PERS Retirement Board while the employee member's rate is set by stature, ORS 238. The board pays the employee contribution of 6% of covered payroll. The board is required by statute to contribute actuarially compute amounts as determined by PERB. Rates are subject to change as a result of subsequent actuarial valuations. Currently, the rate is 4.71 percent of each covered employee's salary. The amounts contributed by the board for the years ending June 30, 2005, 2004 and 2003 were \$363, \$787 and \$5,415, respectively, equal to the required contributions each year.

The 2003 Oregon Legislature created the Oregon Public Service Retirement Plan (OPSRP). Public employees hired on or after August 29, 2003 become part of OPSRP, unless membership was previously established in the Oregon Public Employee's Retirement System (PERS). OPSRP is a hybrid (defined contribution/defined benefit) pension plan with two components: the Pension Program (defined benefit) and the Individual Account Program (defined contribution). Beginning January 1, 2004, PERS member contributions will go into the Individual Account Program (IAP) portion of OPSRP. PERS members retain their existing PERS accounts, but any future member contributions will be deposited in the member's IAP account, not into the member's PERS account. Board contributions into the IAP account for the fiscal years ending June 30, 2005 and 2004 were \$0 and \$1,230, respectively.

IV. LEASE COMMITMENTS

The board leases its building space. Lease expense for the two years ended June 30, 2005 was \$7,106.

The board's building lease is scheduled to expire December 31, 2007. Future minimum lease payments for fiscal years 2006, 2007 and 2008 are \$3,648, \$3,704 and \$1,852, respectively.

V. SHORT TERM DEBT

The board entered into the following short-term loans during the two years ended June 30, 2005. The board received loans from U.S. Bank, one of its board members and the Oregon Board of Optometry. The purpose of the loans was to cover cash flow shortages until license fees were received sufficient to fund operations.

Oregon State Landscape Architect Board
Notes to the Financial Statements (continued)
For the Two Years Ended June 30, 2005

Short-term loan activity for the two years ended June 30, 2005 was as follows:

Loans	Beginning Balance	Draws	Repayments	Ending Balance
US Bank	\$ 0	\$ 30,000	\$ (30,000)	\$ 0
Board Member	0	8,166	0	8,166
Board of Optometry	0	10,000	(10,000)	0

VI. INSURANCE

The Risk Management Division (RMD) of the Oregon Department of Administrative Services, which provides insurance coverage to all state agencies with a blanket honesty and faithful performance bond, general liability, and vehicle liability self-insurance, and self-insurance property damage program, administers insurance programs for the board.

The cost of servicing insurance claims and payment is covered by charging an assessment to each state entity based upon its share of services provided in a prior period.

VII. RELATED PARTY TRANSACTIONS

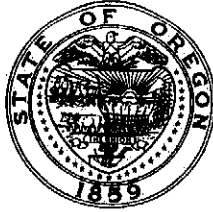
The board received a loan from a board member to cover the payroll liability that was incurred when the former board administrator received a final payroll check and the bank had insufficient funds to reimburse the payroll company. The interest rate in relation to the loan was 3%. The \$8,166 loan was received on January 11, 2005. As of June 30, 2005, the amount owed was \$8,166 plus related interest. This loan was paid in full with \$142.87 of interest on July 12, 2005.

VIII. SIGNIFICANT EFFECT OF SUBSEQUENT EVENTS

In April 2006 a former board employee was arrested following a guilty plea on multiple counts including official misconduct, theft and forgery. In addition, the former employee was ordered to pay restitution of \$135,365.27 to the board.

The board is insured against employee theft through the Department of Administrative Services (DAS). Based on conclusions of the Secretary of State's audit report (2006-13), the board was eligible to recover funds and subsequently received a reimbursement check in the amount of \$132,559.67 on June 2, 2006.

OTHER REPORTS



Auditing for a Better Oregon

The Honorable Ted Kulongoski
Governor of Oregon
254 State Capitol
Salem, Oregon 97310-4047

Board of Directors
Oregon State Landscape Architect Board
1193 Royvonne Ave. SE, Suite 19
Salem, Oregon 97302

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

We have audited the financial statements of the Oregon State Landscape Architect Board (board), as of and for the two years ended June 30, 2005, and have issued our report thereon dated October 4, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted a matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the board's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying finding.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the

risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We believe that the reportable condition described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the board and board management, the governor of the state of Oregon and the Oregon Legislative Assembly and is not intended to be and should not be used by anyone other than these specified parties.

OREGON AUDITS DIVISION



Bill Bradbury
Secretary of State

October 4, 2006

Audit Finding and Recommendation

Inadequate Control Environment

As part of our audit, we reviewed the Oregon State Landscape Architect Board's (board) progress in implementing recommendations presented in the Oregon Audits Division Administrator Investigation audit report (report number 2006-13). The investigation revealed that the former administrator misappropriated board funds from January 1999 through December 2004. As of May 2006, we found the board has fully implemented all recommendations, except for the recommendation to complete monthly bank reconciliations. At that time, the board had not performed a complete reconciliation between cash reported in the board's accounting records and cash residing in the board's bank accounts.

During the audit period the board's internal controls did not adequately reduce the risk that misstatements would occur and not be detected within a timely period. For example, we identified several accounting errors that required account adjustments totaling over \$159,000. These errors would have resulted in materially misstated financial statements if left uncorrected.

The board is responsible for adopting accounting policies in accordance with generally accepted accounting principles and establishing and maintaining effective internal controls. A key internal control is management's consideration of the technical skills required for particular job duties and how those skills translate into requisite knowledge and experience. During the audit period, the board assigned the administrator the responsibility to enter all transactions into the accounting system. However, the administrator did not receive adequate training to correctly fulfill this responsibility.

We recommend the board implement one or more of the following:

- Provide training to staff to ensure staff possesses sufficient knowledge and skills necessary to enter financial transactions into the accounting system correctly;
- Hire a staff person with experience and training in bookkeeping; or
- Outsource the board's bookkeeping function with a qualified company.

Agency Response

The financial audit here reported has relied on information presented in Fraud Audit Report No. 2006-13. The fraud audit found numerous weaknesses with OSLAB's financial procedures. The Board has worked diligently since December 1, 2004, to correct financial procedures reported in No. 2006-13. The weaknesses were discovered following a change in administration of the Board effective November 30, 2004.

After December 1, 2004, many unsuccessful attempts were made to locate bank statements from this audit period. When bank statements were finally acquired late in the spring of 2005, staffing and funding were not sufficient to implement updating of incomplete bookkeeping work and reconciling the year's bank statements.

When funding became available, the reconciliation of the 2003-05 bank statements was outsourced so that all outstanding transactions could be documented in the QuickBooks program. At the completion of this reconciliation, the Secretary of State Audits Division was able to complete their financial audit. Because of the corrections to accounting errors, the financial statement could be stated correctly.

The board has now fully implemented all recommendations as presented in Fraud Audit Report No. 2006-13 referenced in the "Reportable Conditions" of the financial audit as follows:

- Printed bank statements and all accompanying paperwork are reviewed and signed by a member of the Board on a monthly basis.
- The Board opened a new account at Pioneer Trust Bank on April 21, 2005. All monthly statements for this account have been reconciled in a timely fashion by administrative staff. The US Bank account was closed out on November 18, 2005. Subsequently, all bank statements from the US Bank account were reconciled by an outside contracted party for purposes of finalizing the financial figures in this report.
- The Board Member who signs checks continues to be provided with the supporting documentation for each check. In addition, that board member is also physically reviewing each canceled check to ensure it was appropriately issued and signed. The Board member is also reviewing the bank statement on a monthly basis.
- The Board Administrator is now a contracted position so no monthly time sheet is prepared for OSLAB. However, the Administrator's timesheet is signed monthly by the Board Chair of the contracting Board of Geologist Examiners. The Administrator's approved time sheet is faxed to the Chair of OSLAB for purposes of fulfilling this recommendation.
- The elected Board Treasurer, or any other member of the Board, will make unannounced visits or phone calls for purposes of reviewing the administrative and fiscal activities of the board. Such visits will be reported at the subsequent Board meeting.
- The Board hired a QuickBooks expert to provide assistance with bookkeeping entries. Staff will contact this person on an as needed basis to assure ongoing entries are correctly posted. Current staff has both accounting and QuickBooks background. As additional training opportunities are identified, staff will attend as budget allows.

ABOUT THE SECRETARY OF STATE AUDITS DIVISION

The Oregon Constitution provides that the Secretary of State shall be, by virtue of his office, Auditor of Public Accounts. The Audits Division exists to carry out this duty. The division reports to the elected Secretary of State and is independent of the Executive, Legislative, and Judicial branches of Oregon government. The division audits all state officers, agencies, boards, and commissions and oversees audits and financial reporting for local governments.

Directory of Key Officials

Director	Charles A. Hibner, CPA
Deputy Director	William K. Garber, MPA, CGFM
Deputy Director	Mary E. Wenger, CPA

Audit Team

Ryan Dempster, CPA, CFE, Audit Manager
Raul Valdivia, CPA, CFE
Brandon Weber

This report, a public record, is intended to promote the best possible management of public resources. Copies may be obtained from:

internet: <http://www.sos.state.or.us/audits/index.html>

phone: 503-986-2255

mail: Oregon Audits Division
255 Capitol Street NE, Suite 500
Salem, OR 97310

The courtesies and cooperation extended by officials and employees of the Oregon State Landscape Architect Board during the course of this audit were commendable and sincerely appreciated.

Auditing to Protect the Public Interest and Improve Oregon Government

BUDGET DOCUMENTS

The following documents are included per ORS 182.472(2)(a)(b)(c):

- A. The 2005-07 Biennial Adopted Budget vs Actual Budget;
- B. The 2007-09 Adopted Biennial Budget;
- C. A Revenue & Expense Report reflecting all transactions from 7/1/2005 to 6/30/2007;
- D. A Balance Sheet as of 6/30/2007; and
- E. The Presiding Officer's Report on the Rulemaking Hearing for the Budget.

A Description of the Material Changes between the Two Biennia

Developing the budget for the 2005-07 biennia was quite challenging as the Budget Committee was faced with numerous challenges. The financial records on which the figures were predicated were questionable. Numerous outstanding debts were faced by the Board. And the Board was accruing charges on two simultaneous audits, both a Financial Audit and a Performance Audit. Considering the numerous unknown components, it is amazing that the net income of the biennium was approximately \$39,000 (See Revenue & Expense Report, Net Ordinary Income).

Probably the two glaring material changes in the budget versus actual for '05-07' are

- anticipated Examination Fee Income (\$48,000 versus actual of \$22,400) and
- anticipated Office Supply Expense (\$13,000 versus actual of \$1600).

The projected for the budget was based on actual figures from the prior year, part of the unknown and unclear! New projections for the 2007-09 Examination Fee Revenue is \$22,260 and projected for the 2007-09 Office Supplies Expense is \$4,000. These projections are based on much more reliable expense history.

Another substantial material change is the projected audit expense for the 2007-09 biennia at \$6,000 versus the actual costs for the 2005-07 audits at \$40,000. A Secretary of State audit is required every biennium and the projected cost is generally accurate. But due to financial issues with the Board, the costs were much greater and the financial audit was conducted in house by the Secretary of State's office. In addition, a fraud audit commenced in the previous biennium and was completed during the 2005-07 biennium and added an additional auditing charge of over \$28,000.

Another material change was in the projected 2005-07 income figure projected for Fines and Forfeits. At an actual income level of \$10,118, this was over \$9000 more than budgeted. The projected 2007-09 has a \$1500 figure for this budgeted category. The Board anticipates that the "ship has been righted"; information is regularly communicated; registrants know that fines will be enforced and therefore less income is anticipated as registrants pay attention to the registration renewal information.

The Income from Registrant Renewals during 2005-07 was \$209,800 which was \$9000 more than the budget anticipated. For the 2007-09 budget, the anticipated income from LA Renewals has been reduced to \$184,500. This figure anticipates numerous registrants moving from an active registration (\$250 annually) to an Emeritus (\$25 annually) or to an Inactive status (up to five years of no fees received).

The actual Income from Firm Renewal during 2005-07 was \$12,000 more than what was anticipated in the budget. This increase resulted from 1) a Board decision that sole proprietors should have their business registered and 2) diligence by staff in validating that the business listed on Landscape Architect renewal forms was indeed a business registered with the Board. This involved extensive effort by staff and that process has now been written into the new database. The Board anticipates that the business registration will level out in the 2007-09 budget cycle.

About \$3,000 was expended late in the 2007 budget cycle for new computer hardware. This was a desperately needed item but was cut from the preliminary 2005-07 budget. Many cuts were made from that preliminary budget, including all out of state travel; instate travel reimbursement; stipends for Board work; and lunches at meetings. But when the Board received a DAS Insurance payment of \$132,500 in the second year of the budget, they added back reimbursement for instate travel and lunches at Board meetings. The Board also agreed that computers could be updated. The actual Net Income reflects the DAS payment of \$132,559.67 about which the Board had no knowledge until well into the biennium.

One other Expense line of note is the Administration of Board Contract (#5209). This item covers the administration of the Board office. You will note that the actual 2005-07 final figure is \$21,000 greater than that budgeted. The \$21,000 could have been expensed under the line item TOTAL UNMET EXPENSES FROM 2003-2005, as these Administration Fees were for unpaid statements of work provided in the 2003-05 biennium.

**OR State Landscape Architect Board
2005-2007 Biennial Budget vs. Actual**

July 1, 2005 through June 30, 2007

	Approved Budget 2005-2007	Actual Budget 2005-2007
Ordinary Income/Expense		
Income		
4000 · Revenues		
0401 · Examination Fee	48,000.00	22,402.50
0407 · Registrants Renewals	200,000.00	209,821.37
0408 · Application Fee, Exam & LA	10,000.00	8,590.00
0409 · Application Fee, Reciprocity	1,500.00	2,600.00
0410 · Application Fee, Firm	2,000.00	5,825.00
0411 · Firm Renewal Fee	18,000.00	30,850.00
1000 · Other Charges for Services	500.00	50.00
1100 · Fines and Forfeits	1,000.00	10,118.00
1400 · Other Sales Income	500.00	150.00
1800 · Other Revenue	0.00	305.73
1801 · Interest Income	0.00	2,743.41
1805 · NSF Check Reimbursement	0.00	0.00
Total 4000 · Revenues	281,500.00	293,456.01
Total 4500 · Fee Refunds	0.00	-3,750.24
Total Income	281,500.00	289,705.77
Expense		
Total 6000 · Personal Service	10,000.00	0.00
6300 · Services and Supplies		
4102 · Special Payments	0.00	50.95
4103 · Instate Travel Meals & Lodging	1,000.00	487.95
4104 · Instate Travel Misc Exp	2,400.00	1,998.03
4201 · Office Supplies	13,000.00	1,598.01
4251 · Postage	3,100.00	3,300.48
4252 · Freight Cartage	500.00	314.65
4256 · Printing Office	2,500.00	1,050.20
4257 · Shredding	0.00	2.00
4258 · Other Office Supplies	0.00	49.00
4261 · Reference Materials	0.00	22.70
4352 · Subscriptions	0.00	103.00
4402 · Publish, Newsletter, Print, Photo	2,000.00	1,400.09
Total 4500.0 · Communication Services	4,400.00	2,801.75
4550 · Data Processing Supplies	0.00	
4554 · Personal Computer Services	0.00	916.67
4555 · Data Processing - Hardware	0.00	2,971.96
4960 · Pro Dev InState Tuit/Reg	0.00	300.00
Total 6300 · Services and Supplies	28,900.00	17,367.44
6500 · Professional Services		
4351 · Membership Dues - CLARB	8,000.00	7,235.00
5050 · Atty General Legal Fees	12,000.00	11,037.06
5100 · Insurance - State Gov Services	0.00	2,000.00
5105 · Central Gov Services	50.00	0.00
5106 · State Library Assessment	50.00	0.00
5108 · Auditing - Fraud	0.00	28,850.70
5111 · Bookkeeping	1,000.00	2,585.00
5110 · Auditing - Financial	4,200.00	11,232.00
5209 · Administration of Board Contract	108,000.00	129,000.00
5401 · Lease - Office Space	7,300.00	7,380.80
5410 · Rental of Bldg's & Land - Exam	1,000.00	1,200.00
5801 · Examination Service	48,000.00	22,642.30
5901 · Office Furn & Equipment	0.00	0.00
5902 · Database Design Contract	10,000.00	6,997.50
5904 · Data Processing - Software	0.00	1,058.10
Total 6500 · Professional Services	199,600.00	231,218.46
7000 · Interest Expense	0.00	142.87
Total 8000 · Bank Charges	0.00	1,773.00
Total Expense	238,500.00	250,501.77
Net Ordinary Income	43,050.00	39,204.00
1450 · Insurance Reimbursement	0.00	132,559.67
Total Other Income	0.00	132,559.67
Total Unmet Expenses from 2003-2005	56,960.00	0.00
Net Other Income	0.00	132,559.67
Net Income	-13,910.00	171,763.67

Oregon State Landscape Architect Board
Final 2007- 09 Budget approved March 9, 2007
Public Hearing Held May 11, 2007, 8:30 AM

REVENUE	Fee Amount		Year 1	Year 2	Biennium
Application Fee, Registration	100		2400	2400	\$4,800
Application Fee, Examination	50		2100	2100	\$4,200
Examination Fee	260	270	10920	11340	\$22,260
LA Renewals	250		93000	91500	\$184,500
Emeritus Renewals	25		700	850	\$1,550
LAIT Renewals	50	6	300	300	\$600
Initial LA Registrations	250		6000	6000	\$12,000
Firm Renewals	225		13500	13500	\$29,250
Initial Firm Registrations	225		1125	1125	\$10,800
Fines and Forfeits	Varies		500	1000	\$1,500
Other sales income	Varies		100	100	\$200
Interest	300		3600	3600	\$7,200
Total Revenue			\$ 134,245	\$ 133,815	

EXPENSES

Personal Services

Administration contract	5500	6000	66000	72000	\$138,000
Temp Employee			1200	1200	\$2,400
Board Member Stipend for Board Attenda		30	2700	2700	\$5,400
Total Personal Services			69900	75900	\$145,800

Services and Supplies

Instate Travel Meals and Lodging			1000	1000	\$2,000
Instate Travel Ground Trans	0.485	0.485	2425	2425	\$4,850
Out of State Travel Meals and Lodging			5000	5000	\$10,000
Out of State Travel Air Transportation			2600	2600	\$5,200
Office Supplies			1950	2050	\$4,000
Postage			1500	1575	\$3,075
Printing Office Forms			800	840	\$1,640
Bank Lock Box Charges	75		900	900	\$1,800
CLARB Membership Dues			3765	3915	\$7,680
Newsletter			1000	1000	\$2,000
Website support	50		600	600	\$1,200
Communications Phone, Email			1650	1730	\$3,380
Computer Hardware support	62.5		750	750	\$1,500
Computer Hardware upgrades			2500	2500	\$5,000
Professional Investigator			3000	3000	\$6,000
AG Fees			12000	12000	\$24,000
State Service Charges			2500	2500	\$5,000
Secretary of State Financial Audit				6000	\$6,000

Rental, Office space	309	323	3704	3876	\$7,580
Rental, Exam Site	250		1000	1000	\$2,000
Board/Staff Training			1200	1200	\$2,400
CLARB Examination Service			\$ 11,130	\$11,130	\$22,260
ADP for Stipend Payment	50		600	600	\$1,200
Total Services and Supplies			\$ 61,574	\$ 68,191	\$129,765

Total Expenses **\$275,565**

Total Revenues **\$272,300**

Net Projected 2007/2009 Revenue **\$3,295**

11:50 AM
12/18/07
Cash Basis

OR State Landscape Architect Board
Revenue & Expense Report
July 1, 2005 through June 30, 2007

	Jul '05 - Jun 06	Jul '06 - Jun 07	TOTAL
Ordinary Income/Expense			
Income			
4000 · Revenues	133,005.48	160,450.53	293,456.01
4500 · Fee Refunds	-2,723.24	-1,027.00	-3,750.24
Total Income	130,282.24	159,423.53	289,705.77
Expense			
6300 · Services and Supplies	5,995.41	11,372.03	17,367.44
6500 · Professional Services	120,208.04	111,010.42	231,218.46
7000 · Interest Expense	142.87	0.00	142.87
8000 · Bank Charges	950.00	823.00	1,773.00
Total Expense	127,296.32	123,205.45	250,501.77
Net Ordinary Income	2,985.92	36,218.08	39,204.00
Other Income/Expense			
Other Income			
1450 · Insurance Reimbursement	132,559.67	0.00	132,559.67
Total Other Income	132,559.67	0.00	132,559.67
Net Other Income	132,559.67	0.00	132,559.67
Net Income	135,545.59	36,218.08	171,763.67

OR State Landscape Architect Board
Balance Sheet
As of June 30, 2007

	<u>June 30, 2007</u>
ASSETS	
Current Assets	
Checking/Savings	
1001 · Pioneer Trust Bank	152,296.21
Total Checking/Savings	<u>152,296.21</u>
Other Current Assets	
1900 · CD Investment	
1901 · 6 Month	
1901.1 · 6 Month CD Interest	280.92
1901 · 6 Month - Other	20,000.00
Total 1901 · 6 Month	<u>20,280.92</u>
1902 · 12 Month	
1902.1 · 12 Month CD Interest	297.53
1902 · 12 Month - Other	20,000.00
Total 1902 · 12 Month	<u>20,297.53</u>
1903 · 18 Month	
1903.1 · 18 Month CD Interest	314.16
1903 · 18 Month - Other	20,000.00
Total 1903 · 18 Month	<u>20,314.16</u>
Total 1900 · CD Investment	<u>60,892.61</u>
Total Other Current Assets	<u>60,892.61</u>
Total Current Assets	<u>213,188.82</u>
TOTAL ASSETS	<u><u>213,188.82</u></u>
LIABILITIES & EQUITY	
Equity	
3900 · Retained Earnings	176,972.63
Net Income	36,216.19
Total Equity	<u>213,188.82</u>
TOTAL LIABILITIES & EQUITY	<u><u>213,188.82</u></u>

