BUDGET NARRATIVE

ADMINISTRATION AND SUPPORT SERVICES PROGRAM – 003

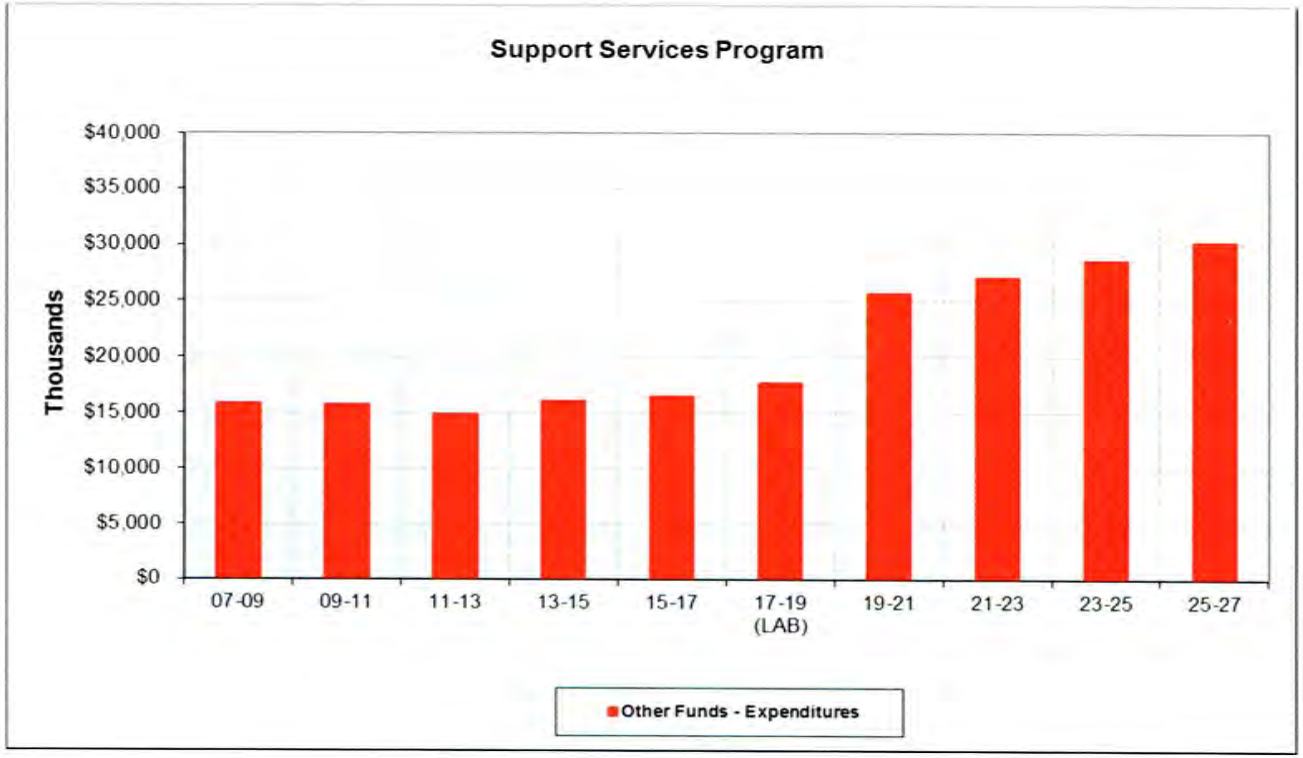
2019-21 OLCC AGENCY REQUEST BUDGET

PROGRAM UNIT EXECUTIVE SUMMARY

A. PRIMARY OUTCOME AREA Economy and Jobs

B. PROGRAM CONTACT Will Higlin, OLCC Deputy Director, 503-872-5224

C. FUNDS BUDGET AND PERFORMANCE



The bars on the graph show historical and projected total expenditures for the support services program.

BUDGET NARRATIVE

D. PROGRAM OVERVIEW

The Administration and Support Services Program provides the infrastructure for the agency to fulfill liquor commissioners' policy direction and for OLCC programs to provide services to customers and stakeholders. It provides a means to communicate and collaborate with external stakeholders; the internal structure to ensure accountability and stewardship, and provide the tools and supplies for an efficient and safe workplace.

E. PROGRAM FUNDING

The Agency Request Budget is $30,432,974 Other Funds limitation for the 2019-21 biennium for this program, with 80.00 FTE and 80 positions.

F. PROGRAM DESCRIPTON

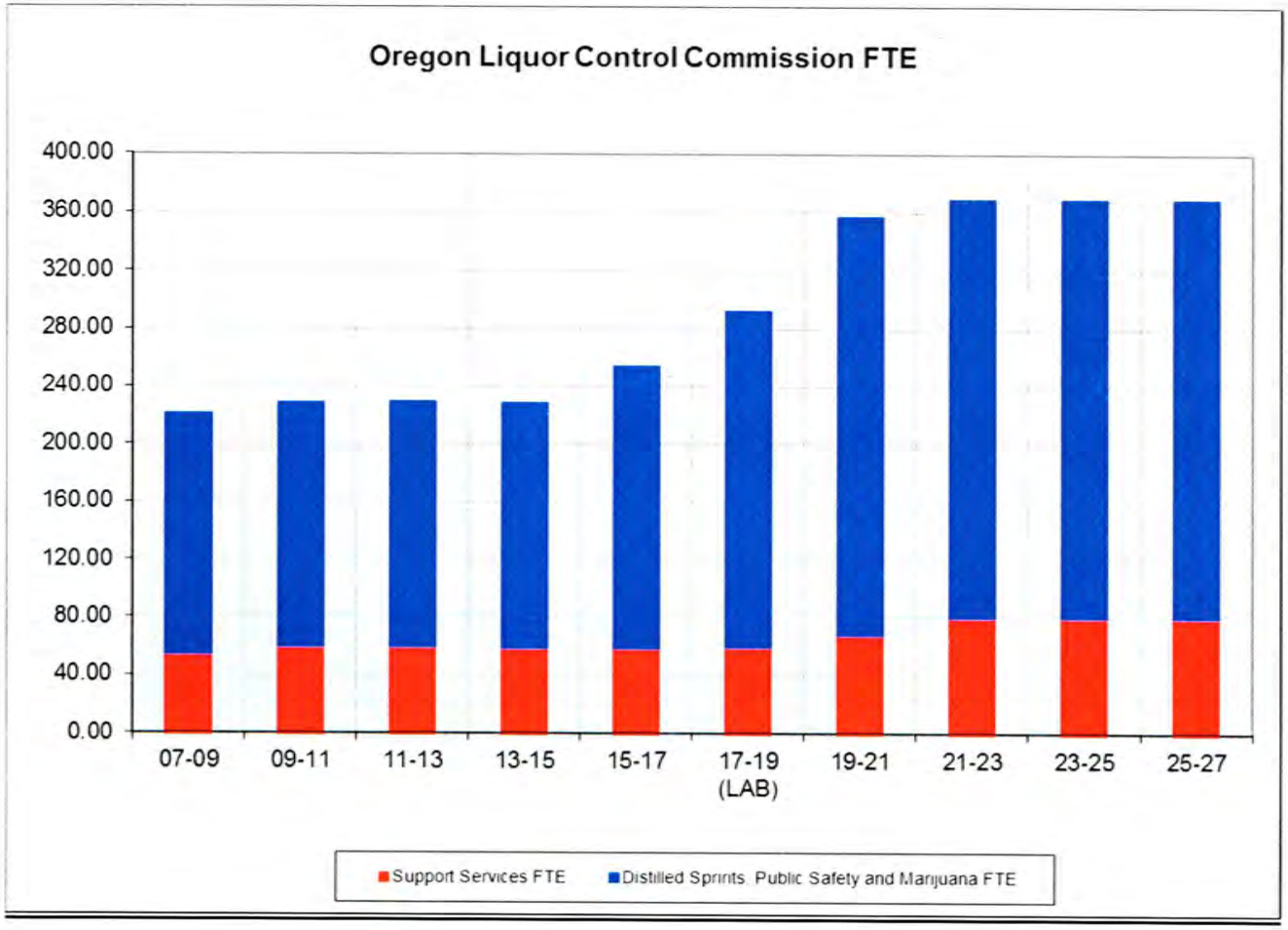
Functions include setting and implementing policy; providing public information; communicating with internal and external stakeholders; building relationships with partners; providing fiscal accountability and recordkeeping; administering privilege tax collection; providing information technology; training staff; providing labor relations; purchasing commodities; controlling personal property; leasing buildings and equipment; managing its motor pool; maintaining the physical plant and buildings; and providing mailroom services, central supplies and printing coordination.

G. PROGRAM JUSTIFICATION AND LINK TO 10-YEAR OUTCOME

The Administration and Support Services Program enables the agency's Distilled Spirits, Marijuana, Public Safety Services, and OMMP Tracking programs, and its Store Improvement and Capital Improvement funds to meet projected 10-year revenue outcomes, growing from revenue of $1.24 billion in 2015-17 to projected revenue of $1.53 billion in 2019-21 (gross revenue including marijuana fees) and to implement licensing and compliance programs for the - recreational marijuana program including hemp and the OMMP program. These programs and funds contribute to the following strategies (see other program unit executive summaries for more details):

- Build agency infrastructure to match how the agency works today
- Preserve and build state revenue
- Enhance livable communities through regulation, licensing and enforcement/compliance

H. PROGRAM PERFORMANCE



The bars on the graph show historical and projected FTE for the support services program and the distilled spirits, public safety and marijuana programs.

BUDGET NARRATIVE

I. ENABLING LEGISLATION/PROGRAM AUTHORIZATION

The OLCC administers Oregon's Liquor Control Act and regulates recreational licensing and compliance for cannabis. The OLCC's authority is derived from Oregon Revised Statutes Chapters 471, Alcoholic Liquor Generally; 473, Wine Cider and Malt Beverage Privilege Tax; 474, Trade Practices Related to Malt Beverages; 459A.700 to 74, Beverages Containers; the Bottle Bill; 475B, Cannabis Regulation; and Administrative Rules Chapter 845.

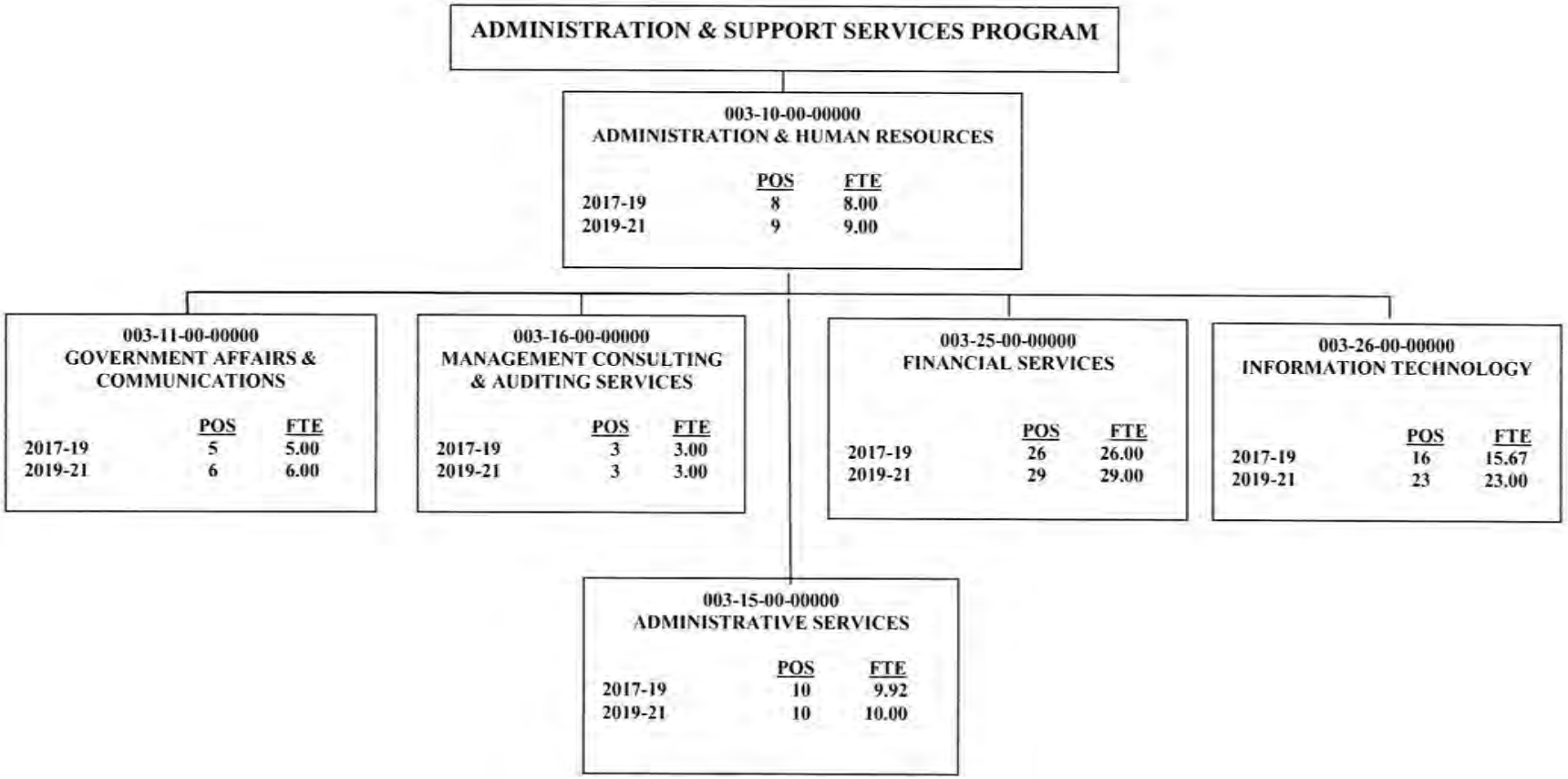
J. FUNDING STREAMS

All OLCC alcoholic beverage programs are funded by OLCC-generated revenue. All revenue received by the OLCC is classified as "Other Funds." Revenues come from liquor sales, license fees and fines, server education fees, taxes on malt beverages and wines (Privilege Tax) and miscellaneous income. ORS 471.805 directs the OLCC to distribute available moneys to the state General Fund, cities, counties, and Mental Health. OLCC's marijuana program is funded by marijuana license fees and fines. Marijuana taxes are collected and distributed through the Department of Revenue. OLCC's OMMP Program is funded with marijuana tax proceeds.

K. SIGNIFICANT PROPOSED PROGRAM CHANGES FROM 2017-19

The 2019-21 Legislative Request Budget moves the Administrative Policy and Process Services Division (subprogram 55) from the Administration and Support Services Program – 003 to the Public Safety Services Program – 002.

ADMINISTRATION AND SUPPORT SERVICES PROGRAM (003)
2019-21 OLCC BUDGET
Organization Chart



ADMINISTRATION and SUPPORT SERVICES PROGRAM SUMMARY – PROGRAM 003
2019-21 OLCC Budget

A. PURPOSE, ACTIVITIES & ISSUES

In 2017-19, the Administrative and Support Services Program supported a successful mission expansion to aid in the implementation of the recreational marijuana and compliance programs. The addition of marijuana licensing and compliance to the agency's portfolio in 2015 subsequent legislative changes in 2015, 2016, 2017, and 2018 continues to require new policies and rules, new procedures, hiring of additional support staff and adjustments in duties. Assisting in the implementation of the marijuana program as well as integrating the marijuana program into the agency's work requires significant effort. The workload of every department increased – from the development of rules, to procurement of computers; from recruiting and interviewing staff to analyzing data; from organizing informational meetings and materials for new licensees to tracking budgets and aligning new information systems. An emphasis on internal and external communication is key to the success of every department in this endeavor.

Purpose
The Administration and Support Services Program provides the infrastructure for the agency to fulfill liquor commissioners' policy direction and for OLCC programs to provide services to customers and stakeholders. It provides a means to communicate and collaborate with external stakeholders; the internal structure to ensure accountability and stewardship, and provide the tools and supplies for an efficient and safe workplace. Functions include setting and implementing policy; providing public information; communicating with internal and external stakeholders; building relationships with partners; providing fiscal accountability and recordkeeping; administering privilege tax collection; adjudicating enforcement activities; providing information technology; training staff; providing labor relations; purchasing commodities; controlling personal property; leasing buildings and equipment; managing its motor pool; maintaining the physical plant and buildings; and providing mailroom services, central supplies and printing coordination.

Activities
As the third largest state revenue producer after income tax and lottery, the program provides leadership and infrastructure to support economic development in the state while providing for the responsible sale and service of alcoholic beverages and the licensing of recreational marijuana businesses. ORS 471.030 directs the Liquor Control Act to be implemented in the context of encouraging the development of all Oregon industry. This includes modernizing the retail alcoholic beverage system; developing a

comprehensive system of licensing recreational marijuana; streamlining and prioritizing public safety functions and workloads; and using affordable modern technology to optimize the OLCC's ability to regulate, distribute, and generate stable revenue for all Oregonians. With an annual alcohol sales growth OLCC is on track to transfer record levels of revenue to cities, counties and the state General Fund. The tax revenue produced by recreational marijuana licensees is collected and distributed by the Oregon Department of Revenue. The OLCC funds the recreational marijuana program solely through license fees and fines.

Issues

A major issue during the 2015-17 and the 2017-19 biennium was growing agency services to meet the expanded mission for the agency; OLCC leadership and staff continues to adapt in order to develop systems, processes, and rules to implement the recreational marijuana statutes along with multiple legislative changes in 2015, 2016, 2017, and 2018. At the same time the agency remains focused on improving and expanding distribution processes and retail opportunities to sell alcoholic beverages throughout Oregon. The Commission and the agency management team is committed to maintaining an efficient and responsive organization, supporting Oregonians through the active development of new policy approaches, prioritizing improved communication across all areas of activity, and taking action to implement identified business investments to improve service and efficiency. This work is accomplished while maintaining a strong focus on the overriding priority of the OLCC to keep customers and the community safe. The OLCC is looking to strengthen the tools and communication it can apply at the local level to work with communities to ensure citizen safety and prevent alcohol and marijuana related problems while maintaining an unwavering focus on preventing alcohol and marijuana sales to minors.

Over the last two decades, Oregon's population and its hospitality and tourism industries has resulted in a growing distilled spirits market, more liquor licenses, and greater demands on OLCC programs. With the addition of the marijuana program and the OMMP and hemp tracking programs, the focus on retail expansion, and an aging IT infrastructure, OLCC's administrative duties have expanded exponentially. Since the passage of Measure 91 legalizing marijuana, OLCC staff has grown from 230 employees to 328 and is likely to grow more. Of the 304 current positions prior to the 2018 session, 94 employees were new to the agency and 81 moved to a new position within the agency. New license types, new license privileges for alcohol and marijuana, new software, and new processes and procedures has necessitated the need for policy development, IT oversight and continual training and materials for external stakeholders and employees. These needs will continue throughout the 2019-21 biennium. The agency regulates 1,986 marijuana licenses, 31,000 marijuana worker permittees, 14,085 liquor licenses, 9,500 special event licenses, 3,846 out of state certificate holders and 165,000 alcohol service permittees. New rules and procedures continue to be developed, vetted, revised and implemented, and adapting IT systems to meet the agency's current needs have added significant responsibilities to existing and new staff. Implementing and communicating these changes have been hampered by the lack of a functioning employee intranet. The development of the Support Services Program continues to streamline processes in order meet increasing workloads while bearing its share of State reduction in staff and dollars. The agency budget calls for paced investments to meet demand for future services.

For 2019-21, the program proposes policy option packages to accomplish what the CSL budget cannot – to meet the stakeholders' expectations for efficient and effective services including online services and updated infrastructure – both physical and information technology – that is modern and functional.

This division is responsible for the outcomes of: facilitating and making decisions that support all other divisions' work to produce growing, stable revenue, and activities that provide for customer convenience and citizen safety through the OLCC regulatory processes of licensing and compliance.

The following policy option packages in each of the structural components of the program are designed to meet the challenges and new work associated with growth in alcohol licensees and the expanded mission for the agency.

The structural components of the program are:

Administration Division, including Human Resources *(subprogram 10)* provides leadership in coordinating the development and articulation of the mission, vision and strategic goals for the agency, and implementing policy as set by the liquor commissioners. The administration division's key strategy to fulfilling the agency's role in economic development and public safety is to support current personnel's productivity through investment in technology infrastructure and training. The OLCC's seven part-time citizen liquor commissioners are the ultimate decision makers and serve as the OLCC's policy setters for budget, regulation, appointment of liquor agents, oversight of the marijuana program, and contested cases. This division ensures that the overall policy direction set by the board of commissioners, the Legislature and the Governor is carried out. The executive director sets the tone and the climate to achieve the OLCC's goals and objectives and leads the executive team. The division also spearheads creating and strengthening partnerships with stakeholders – explaining agency needs, policies and processes within state government, and to stakeholders, and the public primary Administration Division functions are: strategic planning, policy and organizational development, guidance, assistance and support to the OLCC's program units – Distilled Spirits, Public Safety Services, Marijuana Program, Support Services, and the newly formed Medical Marijuana Program - OMMP Tracking.

This division is responsible for the outcomes of: meeting the OLCC's overall mission of supporting businesses, public safety, and community livability with accountability to the citizens of Oregon through management of an effective and productive workforce. The 2019-21 Legislative Request Budget requests funding in Policy Option Package 311 "Administration and Communication Outreach – Sr. Policy Advisor and Digital Infrastructure" for one senior policy advisor to evolve rules for complex policy and regulatory discussions related to the changing alcohol, marijuana, medical marijuana, hemp and bottle bill regulations. The person in this position will work directly with key agency staff, industry, and customer partners to shape options for alcohol and marijuana

policy. As the agency's policy expert, this person will report at the Director level of the OLCC and service the response to policy requests from the director, commission, Governor's Office and Legislature across all areas of agency responsibility.

Government Affairs and Communications Division *(subprogram 11)* is the central communication link between the agency and its external stakeholders, the media and the general public. It is responsible for internal and external agency communications, legislative coordination, media relations, and print and electronic materials.

This division is responsible for the outcomes of: providing Oregonians with timely information about the activities, products, services, and public meetings of the OLCC with transparency and clarity.

The 2019-21 Legislative Request Budget requests funding in Policy Option Package 311 "Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure" for consulting services to build an agency intranet, one public affairs specialist to manage the agency intranet and assist in the management of the agency's internet as well as the required transition to the DAS required updated format in 2020. In addition the agency is requesting consulting funds for alcohol stakeholder education and communication. A request for funding marijuana stakeholder education and outreach is included in Policy Option Package 408 found in the Public Safety Services Program – 002.

Management and Administrative Services

The ***Administrative Services Division*** *(subprogram 15)* provides internal services including commodity purchasing and contracting, property control, **motor pool** (*subprogram 75*), physical plant maintenance, grounds/building maintenance, mail/**supply services** (*subprogram 60*), and administers the separate limitation fund for the **Capital Improvements Program** (*program 88*).

The 2019-21 Legislative Request Budget request funding in Policy Option Package 311 "Administration and Communication Outreach – Sr. Policy Advisor and Digital Infrastructure" requests funding to re-class a grounds maintenance worker to a Facility Energy Tech 2, better reflecting the actual duties of the position which has changed.

This division is responsible for the outcomes of: providing citizens cost effective services; providing stewardship for state owned assets; and ensuring the economy and equity of procurement processes.

Management Consulting and Audit Services Division *(subprogram 16)* ensures OLCC's sound stewardship of the state's resources and enables OLCC's Distilled Spirits, Marijuana Program, Public Safety Services, and the rest of the Support Services programs to perform their functions effectively and optimally. The division's services provide quality control and enable the OLCC to meet highest standards in performance. Division staff ensures maintenance and support for the OLCC's functions and offices statewide. Its internal consulting services include performance measurement, statistical analysis, RFP development, research, and economic, sales and revenue forecasting services.

This division is responsible for the outcomes of: providing accountability for program operations; facilitating data-based performance standards and decision making; and, calculating predictive forecasts for revenue sources that allow the agency to meet its obligations for providing steady and growing revenue.

Financial Services Division (*subprogram 25*) provides fiscal accountability and stewardship of assets for the OLCC. In accordance with generally accepted accounting principles (GAAP), the division provides financial services, ensures OLCC-wide accountability, and maintains financial records in support of the OLCC's mission. Financial Services ensures appropriate oversight and review of the fiduciary role of the independent liquor agents' activities by providing an external audit function over liquor receipts. The division also is responsible for the collection and recording of privilege taxes due from licensees of the OLCC. Financial Services implements internal control policies to accurately record and report financial transactions. The workload of this division continues to increase due to distillery agent expansion, retail expansion, aging liquor auditing equipment and software, and marijuana implementation.

This division is responsible for the outcomes of: accounting for the integrity of all OLCC financial transactions: providing analysis for the prioritization of programs and spending; and, maintaining and producing an agency budget.

The 2019-21 Legislative Request Budget requests funding in Policy Option Package 310 "Financial Services Staff Fulfillment" to support the ongoing retail expansion and distillery agent growth. The package adds two accountant 2s for distillery agent auditing, one accounting technician 3 for distillery agent tracking, one accounting technician 2 for retail expansion, and new equipment and software for store auditors.

Information Technology (IT) Division (*subprogram 26*) provides the means for the OLCC staff and stakeholders to perform their functions efficiently and effectively using information technology. OLCC also relies on the data from the Office of Information Services (OIS) to provide for responsible stewardship of resources, such as its Milwaukie liquor distribution center and the statewide retail liquor store operations.

The OIS staff serve a varied internal and external customer base with various platforms, applications and desktop configurations. This effort has been hampered by multiple aging platforms and software that are inextricably linked together. Historically, the agency has addressed technology needs on a piecemeal basis, operating in a constant state of short-term replacement and repairs. There has not been enough time, capacity or funding to step back and adequately analyze the future state of the agency and constituent needs while aligning technology infrastructure and architecture. This longtime reactionary operational model has resulted in the agency implementing numerous quick fixes and workarounds which was reflected throughout the Secretary of State IT audit findings. OLCC recently received legislative funding for a Chief Information Officer position which was filled May 7, 2018. Shortly thereafter, the CIO hired a Director of OIS. With these two strategic positions in place, the agency has initiated an evaluation across the entire technology spectrum. After initial analysis, it became apparent that the agency OIS division has been significantly lacking in staffing and infrastructure resources in order to maintain even the basic business operations expanding legislative mandates.

The Office of Information Services' customers include: OLCC Licensing and Public Safety divisions, OLCC Distilled Spirits Program, OLCC Marijuana Program, OMMP Tracking Program, liquor licensees, permittees, liquor suppliers, liquor agents, other agencies, local governments, and the general public. The OLCC utilizes both custom-developed and off-the-shelf applications that provide major functionality for OLCC programs, and thousands of liquor and marijuana licensed businesses, their stakeholders, and general public customers across the state. Replacing aging hardware and software for the distilled spirits program and its links to distilled liquor purchasing, manufacturer fulfillment and payment, liquor agent orders and payment is critical to preserving liquor revenue. OLCC currently operates on many outdated and unsupported IT systems along with a variety of paper only processes in conjunction with hundreds of excel spreadsheets. Maintaining and operating these environments is very time consuming and expensive. These legacy systems and processes are not only outdated but are also segregated, lacking a consistent data flow and thus, being susceptible to errors and manipulation. In order to support commerce and revenues generated for the state over the next ten years, a major retooling of the agency is required to achieve long-term goals for high performance service delivery.

This division is responsible for the outcomes of: innovating and implementing information technology services and solutions that support an efficient workforce and information management oversight; and, providing citizens, licensees, and business customers convenient and accessible electronic services information, data and transactions.

The 2019-21 Legislative Request Budget requests funding in Policy Option Package 301 "Information Services" for staff and funding to support the critical IT needs of the agency. The package adds one data base architect, two technical project managers, one quality assurance and automation developer, one businesses systems analysts, and three systems developers, replacement of outdated

network equipment, and funding for future software development projects for alcohol warehouse management, licensing and financial management and marijuana licensing, enforcement and supply chain tracking.

B. BACKGROUND

Oregon's hospitality and distilled spirits industries and the new marijuana licensees and their customers depend on OLCC's Distilled Spirits, Marijuana Program, OMMP Medical Marijuana Tracking, and Public Safety Services programs' services for access to the marketplace and for clarity about regulatory controls. The OLCC works to prioritize and streamline services and program delivery through coordinated administration and support in order to facilitate commerce in a well-regulated marketplace. The Administration and Support Services Program creates a framework for providing the efficient and effective support of the Distilled Spirits, Marijuana Program and Public Safety Services programs. More and more emphasis is put on asset management, updating retail operations, and an increasing need for internal and external technology upgrades to support the effectiveness and timeliness of staff support and the delivery of services to customers.

Since 2015, the agency has focused on reorganizing its structural units to ensure centralization, efficiency and effective coordination. This has been particularly important as staff and programs have been added, particularly for the regulation of marijuana, the tracking of OMMP medical marijuana, tracking of hemp, and changes in the Bottle Bill.

C. EXPECTED RESULTS

This program is focused on the organization-wide outcome of meeting the OLCC's overall mission of supporting businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws. The Administration and Support Services Program plans to achieve the primary goals as outlined in the subsequent subprogram narratives, in doing so, the division is focused on specific results, including:

- **Protecting the public and consumers from harm.** The program works with communities to respond to community level problems associated with the consumption and service of alcohol and the licensing of marijuana businesses with an emphasis on education and prevention strategies as a key part of a regulatory system that ranges from corrective compliance to loss of licensing and service privileges.

- **Leading the agency in affirmatively and proactively encouraging Oregon's economy and communities (per ORS 471.030)**. The program produces growing and stable revenue for the support of public programs by focusing on the success of licensed and contracted businesses, and creating jobs and income for a diverse and growing workforce throughout Oregon.
- **Developing and solidifying communication, partnership and trust with stakeholders.** Stakeholders include the alcohol beverage and marijuana industries, hospitality industry, liquor agents, law enforcement, moderation groups and local and state government.
- **Enabling agency-wide streamlining.** Automation or removal of unnecessary barriers for stakeholders' assists in their successful entry into business and promotes sustained growth.
- **Providing responsible stewardship.** The program provides oversight of the operation, maintenance, and modernization of OLCC-owned facilities, infrastructure and contracted retail outlets to meet customers' needs, safeguard commission and vendor-owned assets, and optimize the long-term stability of this vital revenue stream.
- **Valuing diversity and inclusion.** The program incorporates diversity and inclusion system-wide and within the workplace.

D. REVENUE SOURCE

The Oregon Liquor Control Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accord with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

ADMINISTRATION DIVISION – SUBPROGRAM 10

Including Human Resources

2019-21 OLCC Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Administration Division provides leadership in implementing policy as set by the board of liquor commissioners. The division is the agency's central link with the seven part-time, citizen commissioners who serve as the OLCC's policy setters and ultimate decision makers. This is in compliance with Oregon Revised Statutes 471, 473, 474, and 475B. The board leads the OLCC in the development and articulation of the mission, vision and strategic goals for the agency. Requirements for complex policy work has significantly expanded with the addition of responsibilities for regulating adult use marijuana, hemp, OMMP registrants, and continual demands to modernize alcohol regulation .The Administration Division – consisting of the Executive Director's office and the Human Resources Division – provides the overall framework and structure in which the OLCC's managers and staff work to achieve the agency's goals and objectives. Planning, setting priorities, developing policy, providing guidance, and securing and allocating appropriate resources for the OLCC's programs – Distilled Spirits, Public Safety Services, Marijuana, OMMP Tracking, and Support Services Programs– are the Administration Division's primary management functions.

Administration's subprogram 10 includes the agency's Human Resources (HR) function. HR helps the Administration Division implement organizational, structural expression of the agency's vision and values and support staff. Administration also guides legislative activities, public outreach and internal communication, working with the Governmental Affairs and Communications Division, subprogram 11 to do so.

The 2019-21 Budget requests funding in Policy Option Package No. 311 "Administration and Communication Outreach – Sr. Policy Advisor and Digital Infrastructure" for one principle executive manager E to evolve rules for complex policy and regulatory discussions related to the changing alcohol, marijuana, medical marijuana, hemp and bottle bill regulations. The person in this position will work directly with key agency staff, industry, and customer partners to shape options for alcohol and marijuana policy. As the agency's policy expert, this person will report at the Director level of the OLCC and service the response to policy requests from the director, commission, Governor's Office and Legislature across all areas of agency responsibility.

In 2019-21, the agency will continue to focus on accountability and outcomes, preserving stable revenue, enhancing the economy, removing regulatory barriers, streamlining and improving internal and public processes, public safety, and building a diverse workforce. In 2019-21, administration aims to more affirmatively and proactively support the Oregon economy through policy,

communications and streamlined, efficient, modern services. The OLCC administration continues to focus on extending its outreach efforts. OLCC interacts regularly with stakeholders to understand their issues, gather information, and adjust rules as necessary to create a regulatory structure that fosters economic development and public safety.

B. BACKGROUND

Historically, the OLCC Communications Division was part of Administration's subprogram 10 budget. Since 2005-07 the Communications Division budget has appeared as its own subprogram 11. Also since 2005-07, the Human Resources budget has been part of the budget for Administration, subprogram 10. Prior, it was part of Administrative Services, subprogram 15. In 2017-19 the Administrative Policy and Process Division, subprogram 55, was moved to the Public Safety Services Program. These budget changes followed changes in organization reporting structure.

C. EXPECTED RESULTS

In 2019-21, the Administration Division will advance implementation of specific strategic outcomes to improve business efficiency and customer service by focusing on:

- **Facilitating Accountability and Outcomes:** Administration will provide fiscal accountability and stewardship of assets and provide improved oversight of all agency functions and independent liquor agents by increasing data and analysis to support management decision making, results measurement, and financial and management audits.
- **Prioritizing Economic Development and Job Creation in Oregon**: Administration will affirmatively and proactively support Oregon's economy and communities by initiating specific actions to modernize, streamline or remove regulatory barriers for stakeholders in order to free capital investments in communities, to create business income and commerce, and to provide for private sector job growth.
- **Advancing Public Outreach and Partnership Building:** Administration will increase its outreach to stakeholders in 2019-21 to promote understanding and partnership in supporting Oregon communities' economies, safety, and vitality by focusing on issues and challenges collaboratively.
- **Focusing on Policy Development, Planning and Analysis:** In 2019-21, Administration will work to integrate new policies into its operations based on new short and long-term strategic planning that will provide for public safety, improve distribution and retail operations, and identify specific actions to enable a focus on economic development and jobs.

- **Implementing Operational Improvements:** Administration will improve the systems it manages and its operations by replacing legacy technology and manual systems, beginning a long-term plan to build a modern IT infrastructure utilizing technology and analysis of best practices to support licensing and compliance for alcohol and marijuana and the preservation and enhancement of revenue through the distribution of distilled spirits, analysis, and system design.
- **Evolving Human Resources Management:** Human Resources will take a greater role in facilitating staff and manager success in an increasingly diverse work environment by providing consultative support for managers and staff in order to ensure best practices, problem solving and training, and to ensure that the OLCC has a productive and creative work environment, that meets the needs of a diverse workforce, throughout the agency.

D. REVENUE SOURCE

The Oregon Liquor Control Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

GOVERNMENT AFFAIRS AND COMMUNICATIONS DIVISION – SUBPROGRAM 11

2019-21 OLCC Budget

A. **PURPOSE, ACTIVITIES & ISSUES**

The OLCC Government Affairs and Communications Division is the central communication link between external stakeholders, OLCC employees, legislators, and the general public. The division puts a high priority on excellent customer service through communications with the public, the media, and lawmakers, as well as developing all agency Internet content, publications and educational media used throughout the state. Effective and coordinated messages play a key role in providing consistent and accurate information to the public and creating a more transparent agency.

Partners and constituents include neighborhood and community groups, the Governor, legislators, industry groups, licensees, liquor agents, marijuana licensees, moderation advocacy groups, local governments, and police agencies as well as the departments of Revenue, Human Services, Transportation, Environmental Quality and Agriculture and the Oregon Health Authority. Additional partners include the League of Oregon Cities, the Association of Oregon Counties, the Governor's Advisory Committee on DUII, the Governor's Alcohol and Drug Policy Commission, and the Oregon Transportation Safety Commission.

The division is responsible for identifying information needs and designing, developing, and disseminating communications to external and internal stakeholders of OLCC to meet those needs. The communications team consults with program staff to meet agency communication, information, and public relations expectations. The division also provides guidance to OLCC management on effective communication strategies for high-profile, urgent or controversial issues.

The division coordinates communications and legislative advocacy services for OLCC staff during legislative sessions. Writing and coordinating legislative concept drafts and legislative testimony, along with working with stakeholders on legislative matters, are the responsibility of the division. It also maintains communication with legislators and works on constituent issues within their districts.

The director of the Government Affairs and Communications Division is a key advisor to the agency executive director, senior staff and board of commissioners in identifying, designing and implementing legislative responses and solutions to alcohol and marijuana control system policy issues; analyzing proposed and adopted policy, procedural, administrative rule, legislative impacts and application; and establishing productive relationships with internal and external stakeholders locally and nationally. The division participates in various external and internal meetings and makes presentations to develop and communicate agency goals, policies and objectives.

Assisting community partners, licensees and members of the public who contact the agency with questions is a vital part of providing excellent agency communications and service to stakeholders. Knowing how the different divisions of the OLCC work together and knowing how best to communicate with each area helps the division meet the needs of constituents in a timely and effective manner.

The Government Affairs and Communication Division coordinates a variety of external communications including distribution of press releases to local, regional and national media outlets. The division works with the media to educate licensees, lawmakers and the public about OLCC's initiatives to support economic development and community livability, and to combat underage drinking and alcohol abuse. The division also provides information on managing the sale of distilled spirits and recreational marijuana in the state, such as encouraging the growth of Oregon businesses and generating revenue that benefits state General Fund programs and city and county programs, as well as drug and alcohol treatment. The division provides a public service by responding to public, government, media, and stakeholder inquiries through the creation and distribution of public information materials through multiple communication channels. Key topics include: minor sales checks, social responsibility messages, licensing activities, liquor commissioners' decisions, rulemaking, regulatory actions, revenue distribution, marijuana program implementation, bottle bill, distilled spirits sales, and retail expansion. The division manages a digital subscription service, GovDelivery, which allows citizens to subscribe to topics of interest and receive automated email or wireless notification when those topics are updated, enhances external communications. The division currently manages more than 165,000 subscribers to this service.

The agency website is a primary communication link between the OLCC and the general public. As constituents' online needs grow, the need for OLCC's communications strategy to focus on new and developing online technology is crucial. Google Analytics data shows that traffic on OLCC's website continues to increase substantially. In 2015-17 a new section was created on the OLCC website to serve as a central clearing house for information and as a primary education tool for potential recreational marijuana licensees. From 2014-17 the OLCC website has been accessed close to 19.5 million times. To date, the recreational marijuana section of the OLCC website has been accessed 5.2 million times. Other key sections of the web include the home page, bottle bill, Oregon liquor search, and alcohol licensing. The OLCC website provides valuable resources such as updates on administrative rule changes; public meeting dates, agendas and minutes; liquor and marijuana licensing information; resources for those who sell and serve alcohol; resources for those who produce and sell marijuana, and important social responsibility messages directed at combating over-consumption and underage drinking. The Government Affairs and Communication team continues to make improvements to the website, increasing accessibility to information. Enhanced online features continue to be added as the agency's regulatory responsibilities grow including OMMP registrant and hemp tracking, and retail liquor expansion and the growth of distillery outlets. In addition, the OLCC web site is required to convert to the new format by 2020. This will require significant oversight and coordination between the communications and OLCC divisions to design the new site and determine how that

migration will happen. To date the external web houses 10,177 pages, 9,363 documents and 2,800 images that need to be maintained and converted to the new format.

Social media has been successful in the agency's efforts to improve transparency. The Government Affairs and Communications Division use several social media tools to share information with the public and provide effective two-way communication with its constituents. The division continues to enhance relationships with a variety of stakeholders – especially the ever-growing population of people who get the vast majority of their information from online sources and mobile devices. Such tools help OLCC reach online communities to gather feedback on OLCC issues, and respond to incorrect information regarding OLCC initiatives. These tools are increasingly used by the public and are a cost-effective way for the agency to communicate in a timely manner, without the additional cost of paper and postage.

Providing timely and beneficial communication to OLCC staff is also a key role of the Government Affairs and Communications Division. As the agency grows, the need for an agency intranet has become paramount. Currently agency information is widely spread throughout disparate drives that are difficult to navigate, particularly for new employees who make up over a third of the workforce. An intranet website is a key strategy used to provide a cost-effective way to disseminate information statewide to employees in an easy to access manner.

Having centralized, accurate and timely information on the external and internal web is a key compliance strategy. The likelihood of compliance increases when applicants, licensees, permittees, and employees have a centralized place to find accurate, up–to-date information. Internal efficiencies increase when stakeholders and employees can easily find the information they seek. The need to produce and update materials and reports have increased significantly with the growth in responsibilities for the agencies, new departments, and their stakeholders.

The Government Affairs and Communication Division is responsible for ensuring consistent communication on the agency's mission and role. The division develops, creates and coordinates outreach materials, PowerPoint presentations and other graphic design services. The team serves as resource for other staff for designing and creating various public presentations and materials including forms, brochures, guides, fact sheets and signs.

Educational materials to support social responsibility campaigns are also created by the Government Affairs and Communications team including pamphlets, videos and public service announcements. The OLCC has been partnering with alcohol industry representatives since 2008 to create public service announcement campaigns designed to educate the public on responsible alcohol consumption. These social responsibility messages reach a broad audience through television, social media, the web, and news stories. The department has relied on an outside communications consultant to produce targeted communication campaigns such as

the "What's Legal" public information campaign for recreational marijuana. What's Legal campaign had an earned media circulation reach of over 60 million, resulting in accurate reporting statewide and increased public understanding of the law. The need for targeted communications consulting in both alcohol and marijuana continues into the 2019-21 biennium as the agency continues to adapt to changes in laws and rules regulating recreational marijuana, medical marijuana and hemp that must be communicated to large groups of licensees, registrants, and stakeholders. The support will build upon existing work and will expand to help with the agency's distilled spirits retail expansion, particularly communications and engagement with alcohol licensees and stakeholders.

Oregon is known for its thriving wine and craft beer industries. Craft spirits and cider have also entered the Oregon market as burgeoning growth industries. As these industries develop, the OLCC Government Affairs and Communications Division will continue working with policy makers and the media to support Oregon businesses and their contribution to the local economy, while selling alcohol responsibly. This same approach is used as the recreational marijuana market develops and matures.

The 2019-21 Legislative Request Budget requests funding in Policy Option Package 311 "Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure" for consulting services to build an agency intranet, one public affairs specialist to manage the agency intranet and assist in the management of the agency's internet as well as the required transition to the DAS required updated format in 2020. In addition the agency is requesting consulting funds for alcohol stakeholder education and communication. A request for funding marijuana stakeholder education and outreach is included in Policy Option Package 408 found in the Public Safety Services Program – 002.

B. BACKGROUND

In 1999-2001, OLCC restructured the Government Affairs and Communications Division to ensure stronger partnership building, legislative liaison activities, and production of modern communication materials. But, the 2003-05 Legislatively Adopted Budget reduced the Communications Division by one FTE: the community relation coordinator. Since then, other staff – such as the executive director, the Government Affairs and Communications Division director and program managers – have performed those partnership activities. The abolished coordinator also was responsible for agency legislative coordination and communication functions. Other staff – such as the Government Affairs and Communications Division director – now incorporate many of those functions into their positions.

Before 2005-07, this division's budget appeared as part of Administration, subprogram 10. Since 2005-07 it appears separately as subprogram 11.

C. EXPECTED RESULTS

The efforts of the Government Affairs and Communications Division staff help communicate the work of the agency to the public, all other interested stakeholders, and to internal staff in a manner that reflects the OLCC's mission. Expected results include both strengthening existing partnerships and creating new partnerships to improve the OLCC's public outreach. The goals of the division include:

- Develop and communicate strategic goals and plans,
- Respond to all public inquiries,
- Ensure strong partnerships with state, county and local governmental agencies,
- Aid and assist other departments with their stakeholders through the development of forms, signs, informational materials, and presentations
- Promote public safety and the responsible use of alcoholic beverages and marijuana, and
- Ensure a public and governmental understanding of the economic importance of Oregon's regulated alcohol and marijuana industries.
- Manage the agency's external and internal website

D. REVENUE SOURCE

The Oregon Liquor Control Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

MANAGEMENT AND ADMINISTRATIVE SERVICES
Administrative Services Division – Subprogram 15
Management Consulting and Audit Services Division – Subprogram 16
Supply Center – Subprogram 60
Motor Pool – Subprogram 75
2019-21 OLCC Budget

A. PURPOSE, ACTIVITIES & ISSUES

The agency's Management and Administrative Services' functions provide the internal means that OLCC programs need to realize their goals and missions The Management and Administrative Services area's two divisions and their unit subprograms ensure OLCC's sound stewardship of the state's resources, and enable OLCC's Distilled Spirits, Public Safety Services, and the rest of the Support Services programs to perform their functions effectively and efficiently. Providing research analysis, process improvement, strategic planning facilitation, internal auditing services, business disruption prevention, and safeguarding of information assets are essential functions for this area. Facilities maintenance and procurement-related support are essential services, as well.

Administrative Services Division (*subprogram 15*) The Administrative Services Division staff provide internal services including supplies, services and IT procurement and contracting; property control, motor pool (see narrative for Motor Pool, subprogram 75, below), property leasing, building security and access control, telephone services physical plant maintenance, grounds/building maintenance, mail/supply services (see Supply Center, subprogram 60,below) and administering the capital improvements program (see narrative in the Capital Improvements Program Fund in the section for that limitation.) The Division continues to work with energy monitoring, collection and reduction as required: ORS 276.900 through 276.915 and governed by OAR 330-130-0010 through 330-130-0100 (330-130-0080)

The division continues to focus on and take pride in providing quality services and supplies necessary for a productive workplace; maintaining a safely and efficiently operated building facilities; and providing centralized purchasing and contracting services that are cost effective, timely, and compliant with all state laws, rules and policies. There are multiple facility challenges the OLCC will be facing over the next 10 years including needs for additional roof repairs and related repairs, seismic upgrades required by local building officials in order to complete Phase II of the roofing project, and an expected need for additional warehouse storage as the retail system expands. Major projects in 2019-21 include Phase II roof replacement and repair and facilities planning and procurement to accommodate staff growth statewide.

The 2015 upgrade to the warehouse conveyor system allows OLCC to meet the current increase to our distribution of distilled spirits; however, within the next 10 years, the demand for storage of distilled liquor slated for distribution is expected to exceed the capacity of the current location. Expansion opportunities for the current location are limited and need to be explored in the next biennium.

This Division will oversee the implementation of Policy Option Package 304 "Roof Repairs and Replacement to Main Warehouse" located in the Capital Improvements Program – 088 which requests funding for the final phase of the roofing project. The estimates include $3.3 million for roof repair, $1.0 million for required earthquake remediation, and $1.9 million for a 45% contingency.

Management Consulting and Audit Services Division *(subprogram 16)* This subprogram reports on program performance and provides information for corrective actions through internal auditing, process improvement, business analysis, business continuity planning, and information security.

The division's internal audit function is an independent, objective assurance-and-consulting activity with a goal of adding value and improving the operations of the OLCC. Since 2009-11, the division contracts with external consultants to provide these services. The internal audit function focuses on operational accountability and performance, and provides management with appraisals, analyses, and recommendations concerning the activities reviewed. Per OAR 125-700-0010 and with the passage of HB 3139, required internal audit activities include:

An annual risk assessment – this is a process of identifying and prioritizing possible events that could adversely affect the achievement of OLCC's mission.

An annual audit plan – based on the risk assessment, this is a roadmap defining audit areas, schedules, and objectives.

Individual audits – these are targeted studies of areas of concern based on the risk assessment. They typically result in recommendations for improving efficiency and effectiveness, customer service, and other operational or financial controls.

The division's management consultants collaborate with and advise agency executive staff and management on technical, operational, and strategic matters relating to the agency's four program areas. By providing supplemental quantitative and qualitative expertise to the Public Safety Services, Distilled Spirits, Marijuana, OMMP Medical Marijuana Tracking, and the Support Services programs, management consulting activities promote more effective and consistent decision-making, streamline or

enhance processes, and allow for more efficient use of limited resources. This optimizes OLCC's path toward its strategic goals and mission. Examples of consulting services include: revenue and sales forecasting, cost benefit analyses, distilled spirits market research, the Performance Measurement Program, and management of contract researchers. The division is also responsible for overseeing business continuity planning and ensuring OLCC's ability to conduct business soon after a disaster for those who depend on its services and revenues – from liquor agents, licensed restaurants and other licensed establishments, to state and local governments that depend on OLCC revenue.

This division is also responsible for OLCC's Information Security Program and policies required by the state Enterprise Security Office. Information security is the protection of information assets from a wide range of threats in order to ensure business continuity, ensure privacy of information, minimize business risk, and maximize return on investments and business opportunities. Activities include: conducting business security risk and technical vulnerability assessments, establishing an incident response team, conducting security awareness training, and monitoring for compliance.

Supply Center *(subprogram 60)* The supply center, managed by the Administrative Services Division, is a cost center used to accumulate expenditures for office supplies such as paper, notebooks, pens, pencils, technology supplies, file folders, photocopier toner/developer, copier/computer paper, postage, labels, envelopes, batteries and other items used by all OLCC work units. The supply center is a cost-effective, centralized service that provides office and warehouse supplies in a timely fashion. It supports the purchase of sustainable supplies and products available through state contracts. The supply center maximizes the use of materials through reuse and recycling.

Motor Pool *(subprogram 75)* The OLCC Administrative Services Division uses the Motor Pool subprogram 75 as a cost center to track, monitor and manage expenditures for vehicle purchase and maintenance, and fuel for vehicles of the OLCC. The OLCC motor pool operates with DAS authority. The fleet includes vehicles for staff to do liquor and marijuana license related inspections and investigations, maintenance, and also liquor distribution. Besides the Portland area staff, the liquor and marijuana inspectors, investigators and Retail Services Division district managers located in offices need vehicles to do their jobs servicing their geographic areas. Other staff must travel on state business routinely. The agency monitors and actively manages the fleet to ensure compliance with DAS requirements. This subprogram has managed with budget reductions applied in past biennia and as recently as for 2015-17.

Rapidly increasing fuel costs in recent years have challenged the Administrative Services Division to regularly review individual vehicle use to ensure optimum use of the fleet, making reassignments among agency drivers as necessary or downsizing if appropriate. In 2015-17 the agency reduced the fleet by three light duty vehicles and added four vehicles. For 2017-19, OLCC's fleet size is 76 vehicles; 72 light-duty and four heavy-duty.

B. BACKGROUND

A "Management Consulting Services Division" *(subprogram 16)* was originally organized in 2005-07 to bring together services previously found in separate parts of the agency. Functions within the Support Services Program were reorganized for greater efficiency and concentration of professional internal consulting services. Functions such as internal auditing, consulting, process improvement, and information security had become state and agency priorities. As the internal auditing function became more instituted at OLCC, the division's name was updated in 2013-15 to "Management Consulting and Auditing Services Division."

Some of these functions historically had appeared within a General Services Unit within an Administrative Services Division, subprogram 15. The historical Administrative Services Division was created in 1978 to place support functions in one division for greater effectiveness and efficiency. In 1983, supplies and services procurement, office space leasing, human resources, contracting and property control were added. An Information Technology Services (IT) Unit was added to the division in 1984. Information Services later become a stand-alone division, subprogram 26, as its manager gained greater authority for project management and coordinating with outside stakeholders such as DAS, and directly advising and consulting with the OLCC executive team. Since 2007-09, human resources (HR) services (previously subprogram 12) are reported as the Human Resources Division and part of subprogram 10, Administration.

In 2013-15, to streamline the organizational structure and improve the management-to-staff ratio, the position that managed the Management Consulting and Auditing Services Division was changed to a non-supervisory position, and the division began to report directly to the agency deputy director instead of an intermediary. Another manager still oversees subprograms 15, 60 and 75, for the Administrative Services Division, Supply Center and Motor Pool respectively, along with administering the Capital Improvements Fund, subprogram 88.

C. EXPECTED RESULTS

These support services structures will continue in 2019-21 to provide the quality services and supplies necessary for a productive workplace using best practices and available funds to provide professional services. The goals for the division include:

- Providing enhanced analysis and forecasting
- Managing and maintaining building infrastructure
- Providing oversight for purchasing, asset management, and internal controls
- Providing policy and cost benefit analysis

Management Consulting and Auditing Services will focus on identifying proper internal control systems and best practices, including meaningful and reliable performance measures, internal auditing, prevention of business disruption, protection of information assets, and efficiency through centralized purchasing, fleet and property management services.

D. REVENUE SOURCE

The Oregon Liquor Control is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

FINANCIAL SERVICES DIVISION – SUBPROGRAM 25

2019-21 OLCC Budget

A. PURPOSE, ACTIVITIES & ISSUES

The Financial Services Division provides fiscal accountability by administering the laws, rules, and policies of the state and the Oregon Liquor Control Commission. In accordance with generally accepted accounting principles, the division's goals are to provide fiscal services, ensure protection of the state's assets in conjunction with the activities of the Distilled Spirits Program and the Marijuana Program to ensure OLCC-wide accountability, and maintain financial records in support of the OLCC's mission.

Financial Services is an integral component of the systems approach to distilled spirits and marijuana industries adopted by the OLCC, and serves a critical function in the safeguarding of the state's assets. Financial Services ensures appropriate oversight and review of the fiduciary role of the independent liquor agents' activities by providing an external audit function over liquor receipts. Financial Services also plays a role in the collection and recording of privilege taxes due from licensees of the OLCC. Financial Services implements internal control policies to accurately record and report financial transactions. It ensures that the net cash flow generated each month from its activities is distributed timely to the state General Fund, Oregon cities and counties, the mental health, drug and alcohol treatment account, and the Oregon Wine Board to allow the continued delivery of services to the citizens of Oregon. New to the program is accounting for marijuana fee revenue and analyzing data from the Cannabis Tracking System to aid in compliance activities for the OLCC, the Oregon Department of Revenue, and the requirements from HB 4094 (2016 session) to provide licensee cannabis tracking system data to banks.

The division's staff includes auditors, accountants, accounting technicians, and managers. The staff develop, implement and monitor systems to ensure proper reporting, banking and recording of liquor, privilege tax and license revenue for both alcohol and marijuana of more than $1.53 billion per biennium; ensure that liquor inventories, fixed assets, and supplies are properly accounted for; audit and approve expenditures; manage budget development and budget implementation; maintain budgetary control of OLCC's activities; maintain central records of revenue and expenditures; prepare financial statements and reports; and perform audits of all retail liquor stores and assist the Department of Revenue in performing tax audits of marijuana licensees. Manufacturers and distributors of malt beverages and wine pay privilege tax monthly to the OLCC, amounting to approximately $40.1 million included in the biennium total. The entire process is manual resulting in 28,000 paper forms filed per year that must be hand entered into spreadsheets. In addition, Oregon breweries, brewpubs and wineries must report and be reconciled in a similar matter. OLCC Financial Services staff audit their monthly tax returns; maintaining appropriate accounting records to ensure full payment of the tax and compliance with records maintenance and reporting procedures. Staff also administers and processes tax

returns, maintains accounting records, and collects amounts due for the payment of the tonnage tax on behalf of the Oregon Wine Board. The wine industry has grown steadily in the last 10 to 17 years, significantly affecting Oregon's economy. This growth and change in the operating environment has placed increasing demands on OLCC, which collects privilege taxes on this activity.

The division has seen substantial workload increases in the last 15 years as a result of a 133 percent increase in gross revenues and the corresponding increase in transaction count. The division has seen additional workload responsibilities due to the addition of marijuana licensing, changes in the budget, operating and legal environments. Liquor business increases continue to put pressure on the staff resources required to perform audits of liquor stores due to increases in the quantity and variety of inventory products. The need for audits will increase as more stores are added statewide. Many audits that previously required two staff persons to perform now require as many as five staff to ensure accuracy. As the wine industry has matured, the number of licensees submitting tax returns has increased. Legislative action in 2008 approved the issuance of Direct Shipper permits to wineries, including out-of-state licensees. Each permit holder is required to submit tax reports for shipments into Oregon. During a time of dramatic growth, Financial Services always has been challenged to meet increasing demand. As a result of continuous efforts to streamline processes and to incorporate technological improvements, Financial Services has still maintained the highest level of accountability to the taxpayers of Oregon, earning its 22nd Chief Financial Officer's Gold Star Certificate for the 2017 fiscal year.

In addition to the growth in liquor stores, Oregon has seen tremendous growth in the number of distilleries. Since the inception of distillery agency sales in 2009 the annual rate of sales has grown at 41% per year, grossing $18 million by the end of the 2019-21 biennium. The number of distiller agency locations has grown to 89 which now sell distilled spirits. Distillery agents are currently self-reporting and sales are not audited. Annual sales from distillery agents are expected to exceed $8 million in the 2019-21 biennium and represent significant revenue for the state.

OLCC's expansion effort to establish more retail liquor stores continues on course to exceed 300 stores by the end of the biennium. This will represent a 25% increase in workload for Financial Services staff to process growing liquor store revenue, pay agents compensation, reconcile bank card payments and ensure the state's financial resources are being accounted for properly. Current staff are often having to work overtime to keep up with the workloads. In addition OLCC staff are using outdated technology when auditing liquor stores in order to accommodate an inventory program that runs on unsupported software.

In addition, Oregon's distillery agents also continue to grow 108 Distillery licenses and 89 distillery agent locations selling their own spirits. The current forecast for distillery agent sales for the 2019-21 biennium is expected to exceed $16 million which will put them on a similar level with wine and beer tax collections. Distillery agents report and remit their sales monthly to OLCC but there are no formal audit resources due to lack of staffing to ensure that the reporting are accurate.

The 2019-21 Legislative Request Budget requests funding in Policy Option Package 310 "Financial Services Staff Fulfillment" to support the ongoing retail expansion and distillery agent growth. The package adds two accountant 2s for distillery agent auditing, one accounting technician 3 for distillery agent tracking, one accounting technician 2 for retail expansion, and new equipment and software for store auditors.

B. BACKGROUND

The Oregon Liquor Control Commission functions in accordance with the Oregon Revised Statutes Chapters 471, 472, and 473. ORS 471.780, 471.790, 471.805, 471.810, and 475B specifically deal with preservation of records, deposit of funds, disposition of monies and distribution of available funds. The Privilege Tax Section primarily administers ORS 473, which imposes a privilege tax on manufacturers and importing distributors of malt beverages and wine. Malt beverages are taxed at the rate of $2.60 per 31-gallon barrel. Wine with not more than 14 percent alcohol by volume is taxed at the rate of $0.67 per gallon. Wine with more than 14 percent but not more than 21 percent alcohol by volume is taxed at the rate of $0.77 per gallon. The section also collects tonnage taxes for the Oregon Wine Board with a tax rate of $25 per ton. These areas are under the jurisdiction of the OLCC's Financial Services Division. Recreational marijuana taxes are collected and distributed by the Oregon Department of Revenue.

The 2015-17 Legislatively Adopted Budget added four positions to the Financial Services staff as a result of the addition of the Marijuana Program. Initially, these positions are responsible for developing, implementing and training related to the new processes, rules and requirements, and new areas of business that have arisen as a result of the new Marijuana Program. Collectively, these positions collect and account for the marijuana fee revenue, analyze and reconcile data from the Cannabis Tracking System, assist the Department of Revenue with tax audits of marijuana licensees, provide data to aid in OLCC compliance activities and provide Cannabis Tracking System data to banks as required by law.

C. EXPECTED RESULTS

The goals of the division include:

- Prepare accurate financial statements within thirty days of each month's end so that correct and timely distribution of funds are made to the state, cities, and counties,
- Ensure that all revenue is reported timely and appropriately banked, recorded, and transferred to appropriate accounts with the state treasurer's office,
- Ensure that all bills are paid correctly and on time,
- Ensure that all agency programs comply with fiscal procedures prescribed by various state agencies, and
- Prepare, implement and monitor the agency's budget in accordance with executive and legislative intent.

Additional objectives are to have monthly privilege tax reports reviewed, posted and recorded within one month of assessment, and discrepancies resolved immediately through correspondence and/or telephone; have all privilege tax revenue appropriately and timely banked and recorded; have an adequate bond or other acceptable collateral for each alcohol licensee; have manufacturers and importing distributors of malt beverages and wine audited in each three-year period; provide comprehensive information about the tax laws, tax reporting, and tax statistics to the malt beverage and wine industries and other interested parties; and to support the agency mission by providing cost/benefit and other financial management analyses of agency functions.

In the 2019-21 biennium, the Financial Services Division will continue working with business partners in the implementation and refinement of an online privilege tax software application for the efficient collection, analysis, and customer support of privilege taxes for wine and beer. In addition, Financial Services will support the agency mission by providing financial management analyses of agency functions.

D. REVENUE SOURCE

The Oregon Liquor Control Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees and penalties from alcohol and marijuana, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

INFORMATION TECHNOLOGY DIVISION – SUBPROGRAM 26

2019-21 OLCC Budget

A. PURPOSE, ACTIVITIES & ISSUES

The OLCC Office of Information Services (OIS) provides the means for the OLCC staff and stakeholders to perform their functions efficiently and effectively using information technology. OLCC also relies on the data from OIS to provide for responsible stewardship of resources, such as its Milwaukie liquor distribution center and the statewide retail liquor store operations.

The OIS staff serve a varied internal and external customer base with various platforms, applications and desktop configurations. This effort has been hampered by multiple aging platforms and software that are inextricably linked together. Historically, the agency has addressed technology needs on a piecemeal basis, operating in a constant state of short-term replacement and repairs. There has not been enough time, capacity or funding to step back and adequately analyze the future state of the agency and constituent needs while aligning technology infrastructure and architecture. This longtime reactionary operational model has resulted in the agency implementing numerous quick fixes and workarounds which was reflected throughout the Secretary of State IT audit findings. OLCC recently received legislative funding for a Chief Information Officer position which was filled May 7, 2018. Shortly thereafter, the CIO hired a Director of OIS. With these two strategic positions in place, the agency has initiated an evaluation across the entire technology spectrum. After initial analysis, it became apparent that the agency OIS division has been significantly lacking in staffing and infrastructure resources in order to maintain even the basic business operations, and expanding legislative mandates.

Activities

The division continually evaluates program areas and existing technologies for opportunities to increase effectiveness through the enhancement or application of information technology. In the 2019-21 biennium, OIS will continue to pursue modernization efforts along four strategic tracks: information technology network and infrastructure, distilled spirits operations, marijuana operations, and public safety operations. The division has made gains in replacing aging network platforms with modern systems in order to improve operational capacity, reliability and security. This improvement provides OLCC with a significantly higher level of technical capability to serve business partners, stakeholders and constituents. It will provide more highly resilient, redundant systems to provide uninterrupted data processing for OLCC's Distilled Spirits, Marijuana, and Public Safety Services programs.

OLCC recognizes that older technology is more susceptible and vulnerable to security breaches; the agency is investing in modern software systems that will enable OLCC to drastically increase security and meet the requirements of emerging and future security standards, such as those issued by the Department of Administrative Services.

In 2015-17 the Office of Information Services eliminated an antiquated COBOL-based system that was part of OLCC's Merchandising Business System (MBS) -- the primary operations system for the OLCC distilled spirits business resulting in $1.45 billion in gross revenue from total liquor sales. The profits from these sales are distributed to the state and local government to support critical programs like schools, public health, and police. The old MBS was severely out of date, but the current system is still in desperate need of modernization to support a growing distilled spirits industry. MBS is one of many outdated programs that are intertwined with financial, manufacturing and liquor store systems to keep OLCC's distribution center functioning. The entire breadth of legacy programs supporting the Distilled Spirits Program needs to be modernized and integrated into a supportable and reliable system to safeguard the state's third largest revenue source.

Issues

OLCC currently operates on many outdated and unsupported IT systems along with a variety of paper only processes in conjunction with hundreds of excel spreadsheets. Maintaining and operating these environments is very time consuming and expensive. These legacy systems and processes are not only outdated but are also segregated, lacking a consistent data flow and thus, being susceptible to errors and manipulation. In order to support commerce and revenues generated for the state over the next ten years, a major retooling of the agency is required to achieve long-term goals for high performance service delivery.

OLCC is in need of an integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy Distilled Spirits Distribution, Marijuana, and Alcohol program technology solutions which include:

- Beer and wine privilege tax
- Marijuana and liquor licensing
- Online fee collection
- Inventory tracking
- Case management
- Enforcement
- Distilled spirits supply chain
- Retail liquor store management

Given the problems described in the current environment, the strategic approach would be to execute in stages starting with privilege tax solution as a proof of concept and then moving on to marijuana and liquor licensing including online payments, case management, and enforcement. The distilled spirits supply chain and retail store management solution would follow as separate phases including liquor store order tracking, distillery retail sales tracking, and a modern customer engagement shopping portal.

Optimal solution would ensure a robust business intelligence capability that would empower licensees, vendors, and liquor stores by offering in-depth insight into their own business operations. The solution will also provide better management of OLCC relationships with customers throughout the life cycle of products, licensees, permittees, and contractors.

The OLCC needs to be able to maintain the current legacy systems and get back into compliance with state and industry technology requirements (contracting, security/privacy, infrastructure, software, change management, disaster recovery, documentation, etc.). Additionally, OLCC will need sufficient staffing to oversee the future state development and maintain those new environments.

OLCC must build its OIS capacity to match its need for new systems, manage growing state IT requirements, and service the increasing number of personnel at OLCC. The ability to coordinate OIS projects and strategically move forward, particularly for a rapidly growing organization supporting both emerging and established industries, is very different from more static organizations with limited change. The challenge the agency faces is the time constraints to develop the technology within a biennial timeframe. To be successful, the agency is proposing a budget strategy that works within the timelines of legislative approval and regulatory oversight.

The 2019-21 Legislative Request Budget requests funding in Policy Option Package 301 "Information Services" for staff and funding to support the critical IT needs of the agency. The package requests funding to add one data base architect, two technical project managers, one quality assurance and automation developer, one businesses systems analysts, and three systems developers, replacement of outdated network equipment, and funding for future software development projects for alcohol warehouse management, licensing and financial management and marijuana licensing, enforcement and supply chain tracking.

B. BACKGROUND

Modernization of OLCC software and infrastructure has been slow-moving. In 2009-11 the agency made some investments in its server, storage and network information system hardware infrastructure. A long-term plan developed in 2012 was heavily based on using virtualization and web-based applications. While the OLCC has made some progress, there is significant work to be done to bring processes and systems current for modern-day commerce and increased business demands on the network. Efficient document

management is also something that the OLCC has hoped to accomplish through the long-term plan, but has yet to realize. Outdated systems currently in use at OLCC make it impossible to efficiently and effectively catalog, index, and search agency documents or data. Processes that are documented by paper and excel spreadsheets like the Privilege Tax system make it difficult to find data in an expeditious manner.

C. EXPECTED RESULTS

In the 2019-21 budget period the OLCC expects to expand the OIS workforce so that the division can adequately support the Distilled Spirits program, Marijuana and Alcohol Licensing, and Compliance programs. OLCC currently does not have a database architect which is severely impacting agency's ability to connect the data from various legacy systems into meaningful agency wide business intelligence information. This gap is a serious detriment for serving OLCC's diverse constituencies, the legislature, as well as agency's internal day-to-day operations. The Database Architect is a center stone of any data rich ecosystem, starting with the data collection assessment and solution design and all the way through more complex analysis, reporting, and data visualization needs. These are all critical components required for OLCC to be successful in maintaining its current services and supporting the development of new services.

A rapidly emerging marijuana industry and growing and changing alcohol industry, closely followed by frequent legislative changes needed to match these industry changes, have made it imperative to replace old IT systems that cannot be supported any longer and create new systems for needs that did not even exist in the past. OLCC has a desperate need for Technical Project Managers (TPM) and a Business Systems Analyst (BSA) to support these system development and integration efforts and manage their operations and maintenance. These TPM and BSA resources will be critical to success of the agency throughout the entire systems development lifecycle, from the initial requirements gathering analysis and project initiation to the final Stage Gate milestones, as well as via other required process and documentation work with OSCIO, ESO, Procurement, DOJ, ETS, and other State offices.

OLCC's has dozens of old and unsupported alcohol inventory and finance related applications and databases along with a variety of supporting in-between solutions, and they all need frequent care-and-feeding. The agency is currently understaffed to keep maintaining all of these systems along with overseeing (technical reviews and change management) and filling the gaps (creating the missing functionality and compliance pieces) across the variety of new vendor solutions that marijuana industry has brought in the past few years. This problem is further complicated by a lack of staff with quality assurance (manual and automated testing), security, and reporting and data visualization technical skills. Without new systems developer resources, it is questionable for how long the agency will be able to maintain its business operations, serve its constituencies, and fulfil its legislative mandates.

D. REVENUE SOURCE

The Oregon Liquor Control Commission is 100 percent Other Funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana and penalties, privilege tax paid on the sales of beer and wine and other miscellaneous sources. The OLCC collects this revenue in accordance with ORS Chapters 471, 473 and 475B.

E. PROPOSED LEGISLATIVE CHANGES

There are no proposed legislative changes.

BUDGET NARRATIVE

Information Services Enhancement

OLCC 2019-21 Agency Request Budget

Policy Option Package No. 301, Agency Priority No 1

A. PACKAGE PURPOSE

The Oregon Liquor Control Commission has been evaluating the current state of agency business operations and its technology architecture. Historically, the agency has addressed technology needs on an as-needed basis operating in a constant state of "firefighting". There has not been enough time, capacity or funding to step back and adequately analyze the future state of agency and constituent needs while aligning technology infrastructure and architecture. This longtime reactionary operational model has resulted in the agency implementing numerous quick fixes and workarounds which was reflected throughout the Secretary of State Audit findings.

OLCC recently received legislative funding for a Chief Information Officer position which was filled May 7, 2018. Shortly thereafter, the CIO hired a Director of OIS. With these two strategic positions in place, the agency has initiated an evaluation across the entire technology spectrum. After initial analysis, it has become apparent that the agency OIS division has been significantly lacking in staffing and infrastructure resources in order to maintain even the basic business operations, not to mention the expanding legislative mandates.

OLCC currently operates on many outdated and unsupported IT systems along with a variety of paper only processes in conjunction with hundreds of excel spreadsheets. Maintaining and operating these environments is very time consuming and expensive. These legacy systems and processes are not only outdated but are also segregated, lacking a consistent data flow and thus, being susceptible to errors and manipulation. In order to support commerce and revenues generated for the state over the next ten years, a major retooling of the agency is required to achieve long-term goals for high performance service delivery.

Until the agency is able to execute on the aforementioned future state of technology, OLCC needs to be able to maintain the current legacy systems and get back into compliance with state and industry technology requirements (contracting, security/privacy, infrastructure, software, change management, disaster recovery, documentation, etc.). Additionally, OLCC will need sufficient staffing to oversee the future state development and maintain those new environments.

The ability to coordinate IT projects and strategically move forward, particularly for a rapidly growing organization supporting both emerging and established industries, is very different from more static organizations with limited change. The challenge the agency faces is the time constraints to develop the technology within a biennial timeframe. To be successful, the agency is proposing a budget strategy that works within the timelines of legislative approval and regulatory oversight.

BUDGET NARRATIVE

This information Services request is of high importance to the OLCC as the current state of affairs is "high risk." A day of warehouse downtime reflects $2.5 million in retail sales value. Operating a marijuana licensing program with a system designed to meet 2019 needs, instead of the basic structure created to immediately process applications for the requirements of 2015, is needed to alleviate pressure on the OLCC to produce complicated licensing renewals and meet three sessions of significant policy and rule changes; the OLCC depends on renewals to fund the program through license fees. Failure to modernize the business transaction capabilities of all aspects of the Distilled Spirits Program, from the purchase from the manufacture to the retail sales to the consumer, hampers the ability to gain operational savings and revenue generation efficiencies. The Information Services Enhancement request aligns necessary staff resources to elevate IT services throughout OLCC. It provides the capacity to plan and execute critical projects and to enhance and maintain services that function on a stable ongoing basis — an acute contrast from today's condition of primary systems being at risk of episodic failure or residing in the world of manual processes and a low productivity environment. Importantly the request is structured to make resources available to fund projects as necessary while meeting the requirements of accountability for execution of IT projects in Oregon.

The set aside of $6 million makes it possible to execute work — with stage gate approvals — on a timely basis. Efficiency and enterprise contracts may significantly reduce overall capital expenditure but specific project work has to be advanced to understand available alternatives to achieve savings. With this budget request, OLCC will be in the position to stabilize systems depended upon for operations, elevate planning to execute high priority projects meeting rigorous contract oversight requirements, and introduce greater technology hardware and software solutions to improve OLCC productivity in the cubical and in the field. This request positions the agency for several years and biennia of IT work. It puts the agency in position to aggressively manage a history of neglected investment in IT, to attack urgent mission critical IT software and hardware stabilization issues (including remote services), and to institute management oversight to service the IT needs for the agency into the future. Even as the agency adopts more software as a service platforms and off-sites hardware systems, the agency will need the investment in IT human capital to drive and achieve agency modernization. The agency has taken steps to cover the growing cost of its overall budget requests by capturing administrative efficiencies and proposing increased revenue generation in its requested budget proposals for the next biennium. Liquor revenues alone are the state's third largest source of revenue, and with marijuana significant additional revenue transfers to education, public safety and health services. Biennial transfers of these two revenue sources in 2019-21 will be around $700 million without a major policy change disruption. Staffing and providing the means to readily finance necessary improvements to modernize and stabilize operational platforms for OLCC IT service in the context proposed is a sound business decision and it is the OLCC's highest priority.

B. HOW ACHIEVED

OLCC requests the addition of one Data Base Architect (Information Systems Specialist 8) position. OLCC currently does not have a database architect which is severely impacting agency's ability to connect the data from various legacy systems into meaningful agency wide business intelligence information. This gap is a serious detriment for serving OLCC's diverse constituencies, the legislature, and the agency's internal day-to-day operations. Database Architect is a center stone of any data rich ecosystem, starting with data collection assessment and solution design and all the way through more complex analysis, reporting, and data visualization needs. These are all critical components required for OLCC to be successful in maintaining its current services and supporting the development of new services as the agency's regulatory responsibilities grow.

OLCC requests the addition of two Technical Project Managers (Information Systems Specialist 7) positions and one Business Systems Analyst (Information Systems Specialist 7) position. The rapidly emerging marijuana industry and growing and changing alcohol industry, closely followed by frequent legislative changes needed to match these industry changes, have created an imperative to replace old IT systems that cannot be supported any longer and create new systems for needs that did not exist in the past. OLCC has a desperate need for Technical Project Managers and a Business Systems Analyst to support these system development and integration efforts and manage their operations and maintenance. The Technical Project Managers and Business Systems Analyst are critical resources for the success of the agency in its entire systems development lifecycle, from the initial requirements gathering, analysis, and project initiation, to the final Stage Gate milestones, as well as other required process and documentation when working with OSCIO, ESO, Procurement, DOJ, ETS, and other State offices.

OLCC requests the addition of three Systems Developers (Information Systems Specialist 7) positions. OLCC's has dozens of old and unsupported alcohol inventory and finance related applications and databases along with a variety of supporting in-between solutions, and they all need frequent care-and-feeding. The agency is currently understaffed to keep maintaining all of these systems along with overseeing (technical reviews and change management) and filling the gaps (creating the missing functionality and compliance pieces) across the variety of new vendor solutions that marijuana industry has brought in the past few years. This problem is further complicated by a lack of staff with quality assurance (manual and automated testing), security, and reporting and data visualization technical skills.

OLCC requests funding ($200,000) to Replace Outdated Network Equipment. OLCC's network equipment with from which all services are delivered is outdated and close to failure.

OLCC requests setting aside funding ($6,000,000) for Multi-year Software Development Projects Related to Alcohol and Marijuana. OLCC is in need of an integrated and flexible end-to-end web software solution to replace inefficient and disjointed legacy Distilled Spirits Distribution, Marijuana, and Alcohol program technology solutions such as:

- Beer and wine privilege tax
- Marijuana and liquor licensing
- Online fee collection
- Inventory tracking
- Case management
- Enforcement
- Distilled spirits supply chain
- Retail liquor store management

Given the problems described in the current environment, the strategic approach would be to execute a comprehensive plan in stages spanning multiple biennia starting with privilege tax solution as a proof of concept and then moving on to marijuana and liquor licensing including online payments, case management, and enforcement. The distilled spirits supply chain and retail store management solution would follow as separate phases including liquor store order tracking, distillery retail sales tracking, and a modern customer engagement shopping portal. Development and implementation of software solutions for marijuana will be initially financed from liquor funding and then paid back over time out of marijuana funding.

The ability to coordinate IT projects and strategically move forward, particularly for an emerging organization with multiple needs, is very different from more static organizations with limited change. The challenge the agency faces is the time constraints to develop the technology within a biennial timeframe. To be successful the agency is proposing a budget strategy that works within the timelines of legislative approval and regulatory oversight and at the same time allow the agency to develop the technology in a timely manner. The agency is requesting the $6,000,000 be reserved in a separate fund and allocated with e-Board approval. This strategy allows the agency to acquire and develop information systems critical to agency responsibilities and continuing revenue generation in a timely manner.

With approval of this package, OLCC will reflect this comprehensive approach to the many IT challenges the agency faces in its budget and IT plan. This would include phasing of all projects individually or as distinct work with an enterprise contract, including stage gate processes.

Information Services Enhancement
OLCC 2019-21 Agency Request Budget Policy Option Package No 301

Division	Package Description	FTE	One-time	Ongoing	Total
Information Services	Add 1 Database Architect to connect the data from various legacy systems into meaningful agency wide business intelligence information	1.00		$230,847	$230,847
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$254,215	$264,677
Information Services	Add 2 Technical Project Managers for systems development and integration supporting Stage Gate, ISO, and other internal project, process and documentation needs	2.00		$429,676	$429,676
	Services & Supplies, including office space @ $17,368 per employee		$5,534	$46,736	$52,270
	Work station furniture & chair		$15,390		$15,390
		2.00	$20,924	$476,412	$497,336
Information Services	Add 1 Systems Developer for legacy systems support, future state solution oversight, and filling the gaps across new vendor solutions	1.00		$214,838	$214,838
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$238,206	$248,668
Information Services	Add 1 Business Systems Analyst for requirements analysis and documentation supporting Stage Gate, ISO, and internal processes	1.00		$214,838	$214,838
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$238,206	$248,668
Information Services	Add 1 Systems Developer for legacy systems support, future state solution oversight, and filling the gaps across new vendor solutions	1.00		$214,838	$214,838
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$238,206	$248,668
Information Services	Add 1 Systems Developer for legacy systems support, future state solution oversight, and filling the gaps across new vendor solutions	1.00		$214,838	$214,838
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$238,206	$248,668
Information Services	Replace Outdated Network Equipment		$200,000		$200,000
Information Services	Future software development projects related to Liquor & Public Safety including warehouse management, licensing, financial management, enforcement and supply chain tracking		$6,000,000		$6,000,000
Subtotal - Information Services Enhancement - Package 301		***7.00***	***$6,273,234***	***$1,683,451***	***$7,956,685***

a. Benefits to stakeholders

Without new information services resources, it is questionable for how long will the agency be able to maintain its business operations, serve its constituencies, and fullfil its legislative mandates. Revenue streams from liquor and marijuana will be preserved. Industry stakeholder for both alcohol and marijuana will be able to conduct more business electronically and reduce the time and paperwork.

b. Benefits to OLCC

Integrated and modernized information services will reduce manual processes and bring user efficiencies that will allow OLCC to keep up with increasing workloads related to liquor, public safety and marijuana without adding significant staff in the future. System failures requiring "work arounds" and resulting in service delays will be reduced.

C. STAFFING IMPACT

The package adds 7 FTE to the Office of Information Services Division.

D. QUANTIFYING RESULTS

Gross liquor sales are forecast to be $1.4 billion in the upcoming biennium and are critically reliant on information technology to receive, store and sell spirits.

E. REVENUE SOURCE

The Oregon Liquor Control Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B. $3.5 million of the request will be dedicated to liquor systems funded through liquor revenue and $2.5 million will be dedicated to marijuana systems and borrowed from the liquor fund.

BUDGET NARRATIVE

Financial Services Staff Fulfilment

OLCC 2019-21 Agency Request Budget
Policy Option Package No. 310, Agency Priority No 10

A. PACKAGE PURPOSE

OLCC's expansion effort to establish more retail liquor stores continues on course to exceed 300 stores by the end of the biennium. This will represent a 25% increase in workload for Financial Services staff to process liquor store revenue, pay agents compensation, reconcile bank card payments and ensure that the state's financial resources are being accounted for properly. The current number of 279 approved liquor stores has already significantly increased the work load for Financial Services staff that process liquor store sales reports and related items. Current staff are often having to work overtime to keep up with the workloads.
OLCC staff are currently using outdated technology when auditing liquor stores in order to accommodate an inventory program that runs on unsupported software.

In addition, Oregon's distillery agents also continue to grow with close to 100 agent locations selling their own spirits. The current forecast for distillery agent sales going into the 2019-21 biennium is expected to reach $17.3 million which will put them on a similar level with wine tax and beer tax collections. Distillery agents report and remit their sales monthly to OLCC but there are no formal audit resources due to lack of staffing to ensure that the reports are accurate.
OLCC proposes addition of 3 positions in the Financial Services Division to support the ongoing retail expansion and distillery agent growth.

B. HOW ACHIEVED

OLCC is requests addition of one Accounting Technician 2 position to process additional liquor store receipts and payments related to retail expansion. Accounts for retail liquor stores must be done on a monthly basis. Currently there are two positions that do these duties but one of the positions is also a cashier for the agency which has seen growth in payments due to both marijuana and liquor license applications. Previously this was three positions, 1 cashier and 2 liquor store receipts clerks. Due to position realignments one of the liquor store receipts clerks was moved to Privilege Tax and the duties were redistributed to the cashier and the remaining receipts clerk. With the liquor store retail expansion project and the increase in licenses, the distribution of duties is no longer working, causing current staff to work overtime.

BUDGET NARRATIVE

OLCC requests addition of one Accounting Technician 3 position to track distillery agents reporting, account for payments, follow up on deficiencies and ensure that their compensation is paid in a timely manner. These functions are currently split among three positions that do part of the required activities but do not focus exclusively on distillery agents. The position will work on recording and maintaining distillery agent inventories, reporting sales and tracking compensation due to each agent after the month has closed. This position will also help develop and maintain an electronic reporting system for distillery agents.

OLCC requests addition of one Accountant 2 position for distillery agent auditing. This is a counterpart position for the similar levels that audit wine, beer and marijuana taxes. The position will focus on distillery agents as a group and develop an auditing process similar to that for beer and wine. The auditor position may be doing physical inventories of distillery agents as well as reconciling production and sales with federal alcohol excise tax returns. This position will also help develop and maintain an electronic reporting system for distillery agents.

The final request is for new laptops, hand scanners and replacement of unsupported software for OLCC's liquor store auditors. Liquor stores are audited on an annual basis or whenever a store changes ownership or closes. The store auditing process has OLCC auditors go into the stores to do physical counts of inventory and then reconcile those counts with what is currently in the OLCC financial systems. The process is vital to ensuring that the state's inventory of liquor is properly accounted for. Currently the audit program is running on unsupported software developed over ten years ago. To run this software the auditors must use older equipment including laptops and hand scanners. Outdated equipment and unsupported software put the agency at a high risk of having components fail and being unable to repair or replace them. Failure of this process would put state resources at risk.

Financial Services Staff Fulfillment
OLCC 2019-21 Agency Request Budget Policy Option Package No 310

Division	Package Description	FTE	One-time	Ongoing	Total
Financial Services	Add 1 Accountant 2 for Distillery Agent Auditing	1.00		$154,073	$154,073
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$177,441	$187,903
Financial Services	Add 1 Accounting Technician 3 for Distillery Agent Tracking	1.00		$134,212	$134,212
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$157,580	$168,042
Financial Services	Add 1 Accounting Technician 2 for Retail Expansion	1.00		$130,180	$130,180
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$153,548	$164,010
Financial Services	New Equipment and Software for Liquor Store Auditors				
	5 laptops for store auditors		$11,335		$11,335
	5 Hand Scanners		$15,000		$15,000
	New software for store audits to replace unsupported software		$10,000		$10,000
		0.00	$36,335	$0	$36,335
Subtotal - Financial Services Staff Fulfillment - Package 310		***3.00***	***$67,721***	***$488,569***	***$556,290***

a. Benefits to stakeholders

Distillery agents will report accurately and be held accountable.

b. Benefits to OLCC

Distillery sales and compensation for distillery agents will have accurate accounting, which will lead to increased revenue from Distillery agent sales. The state is ensured that the revenue earned from distillery agents is accounted for and collected timely and properly.

C. STAFFING IMPACT

The package adds three positions to OLCC.

D. QUANTIFYING RESULTS

Distillery agents are expected to have $17.3 million in sales during the 2019-21 biennium, with $5.7 million remitted to the OLCC for distribution to the general fund cities and counties that must be properly accounted for. Gross liquor sales are forecast to be $1.4 billion for the 2019-21 biennium.

E. REVENUE SOURCE

The Oregon Liquor Control Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

BUDGET NARRATIVE

Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure

OLCC 2019-21 Agency Request Budget

Policy Option Package No. 311, Agency Priority No 11

A. PACKAGE PURPOSE

With the legalization of adult use marijuana in 2014, the OLCC's scope of duties has grown exponentially. While OLCC has added field staff and management to address this growth, the agency is also facing increased needs in other areas. These needs include developing administrative rules for OLCC's marijuana program, managing implementation of new marijuana laws, developing policy, managing stakeholder communication, and assisting in legislative engagement. For example, OLCC staff has been involved in negotiation of intergovernmental compacts for production of cannabis on tribal lands, increased coordination with other state agencies on issues such as testing and pesticide use, and serving on the Oregon Cannabis Commission. The OLCC is also experiencing growth of its existing role in regulating liquor. The agency has undergone significant expansion of retail sales agents, is currently examining the complicated issue of agent compensation, and is preparing for new policy developments in e-commerce of alcohol beverages.

Clear communication and opening channels of communication is a highly effective tool to gain regulatory compliance, increase stakeholder understanding when working with OLCC, and directly impact issues of public concern to the people in the communities of Oregon. The OLCC places a premium on education as a primary tool for compliance and achieving the regulatory and public safety aims of the OLCC's mission. Over the past three years, the efforts the agency has made in this regard have been well received. As the OLCC continues its retail expansion activity and implements the oversight of OMMP and Hemp tracking, there is a growing need for communications and stakeholder engagement. The OLCC public affairs/communications team has been utilizing an external communications partner on a limited basis to support the recreational marijuana program with specialized expertise and capacity the agency doesn't have including: public education campaigns - including the "What's Legal" campaign - and graphic design support. With the addition of responsibilities for regulating OMMP medical marijuana and hemp the need for this specialized support will remain and likely grow over the next few years. Similar to the marijuana programs, communication and outreach related to the liquor program will continue to drive the agency's expansion efforts for retail outlets.

The OLCC has worked to focus its major communication projects to drive value for the mission of the agency and believes investments in communication has tangible payoff for compliance by increasing the coordination with partners in government and business and the participation of the public in the high profile issues impacting every community in Oregon. These are issues of public safety regarding alcohol and marijuana and the impact of the agency's regulatory structure on the economy and the jobs through the hospitality, entertainment and agricultural business sectors in Oregon. Communication with and about our craft wine, beer, and distilled spirits

manufacturers works to support the pride, tourism and commerce these sectors bring. Strong avenues of communication are a means to help these businesses grow and remain healthy contributors to the Oregon economy. Lastly, communities are highly effected by OLCC policy making — licensing and sanctioning and providing timely services is important at the individual community level and OLCC believes its communication work helps solve problems through creating understanding of its programs and increasing access to services. If granted, the OLCC will work to prioritize this valued funding to maximize the impact of this important but limited request.

With the passage of Measure 91, and marijuana statutory changes in 2015, 2016, 2017, and 2018, the responsibilities of the agency have changed significantly. New license types, new privileges, new software, and new processes and procedures have necessitated the need for continual training and materials for external stakeholders and employees. In addition, the agency has embarked on a robust retail expansion program and new programs to track hemp and OHA medical registrants in the OLCC's cannabis tracking system necessitating significant demand for external communications. The agency's external website and GovDelivery list serve program has served as critical information hubs for both the alcohol and marijuana programs; however, demand for producing, editing, providing graphical support, and posting content has far outstripped the agency's ability to perform. In the three year period from November 2014 to November 2017 OLCC's external website has had 19.5 million viewers; the Bottle Bill and Marijuana content are new sections of the web within this timeframe. Going forward new sections and content need to be developed and added to the website to address new responsibilities of the agency including the regulation of hemp products processed and sold through OLCC licensees and OLCC tracking of OHA medical marijuana. Investments in the OLCC's primary portal of information saves the agency time and produces efficiency gains in providing the public the knowledge they need to engage our services and to meet regulatory requirements. This is a vital investment in productivity and public service and supports the staff at OLCC that is frequently inundated with calls for information and services.

Due to the triage of critical IT needs focused on warehouse operations and revenue generation, the agency has not had a functioning intranet since 2014. This has become increasingly problematic as the agency has grown from 230 employees to 328 and is likely to grow more as it adjusts to its responsibilities to regulate the sale and distribution of alcohol, marijuana, hemp, and OMMP registrants tracked in the Cannabis Tracking System. In addition, of the 304 positions prior to the 2018 session, 94 employees were new to the agency and 81 moved to a new position within the agency. Demand for internal information is at an all-time high due to the sheer number of new employees, employees new to their jobs, and changing organizational operations. A one stop shop for critical information would ease the onboarding process and assure that employees are getting accurate information necessary to do their jobs. An intranet will provide a structure for OLCC to effectively provide consistent communication with its employees throughout the state, serving as a centralized place to house corporate information and spur collaboration. Intranets gives employees the ability to access the tools and information they need to effectively perform their work, improving productivity. Search capabilities and collaboration tools within the intranet allow employees to find information quickly and electronically collaborate on documents and projects. This is an important investment in the efficiency of operations and development of a customer service quick response culture within the agency. Ready access to internal information and the

ability to collaborate with and gain the expertise of other OLCC employees supports the vision for the agency in its work to be of the finest caliber for the provision of public services.

Finally, continued and future growth of the agency has resulted in the need to reorganize internal office space and find new office space. Agency personnel in the Administrative and Support Division have stepped up to be trained and take on new duties to meet the workload. The agency's grounds maintenance worker 2 has taken on the tasks of office reorganizations and relocations including moving offices, setting up workstations, and ordering furniture. This position has saved the agency thousands of dollars in relocations costs. At the direction of agency leadership a decision was made to defer locking in decisions about deployment of personnel to new leased locations until the agency had a better idea about its scale of growth and geographic service demands. Agency employees sacrificed space and accommodated an internal squeeze on workspace to support the agency's deployment of short-term facility and service plans statewide and in the metropolitan area. A reclassification of this position to a Facility and Operation Specialist 1 would right size the current duties of the position and ensure the OLCC remains nimble as personnel continue to be hired and as temporary space and personnel placement gives way to the longer-term organization of the physical space and locations that OLCC requires to be an effective provider of services. This request recognizes and values this position's responsibilities and added duties for the day-to-day work performed.

B. HOW ACHIEVED

OLCC requests addition of one Principle Executive Manager E (Non-Supervisory) as Senior Policy Advisor position. The requested position would reside in OLCC's Administration Division and support the Executive Director and management. With the legalization of adult use marijuana in 2014, changes to marijuana law in 2015, 2016, 2017, and 2018, the addition of responsibilities for OMMP and hemp tracking, and a changing regulatory landscape for distilled spirits including retail expansion and e-commerce, OLCC's scope of duties and subsequent policy considerations have grown and will continue to grow significantly. The responsibility for developing administrative rules for OLCC's marijuana program, managing implementation of new marijuana laws, developing policy, managing stakeholder communication, and assisting in legislative engagement continues to exceed the capacity of existing staff. Examples include the negotiation of intergovernmental compacts for production of cannabis on tribal lands, increased coordination with other state agencies on issues such as testing and pesticide use, and serving on the Oregon Cannabis Commission. In addition, the OLCC is also experiencing growth of its existing role for regulating liquor. The agency has undergone significant expansion of retail sales agents, is currently examining the complicated issue of agent and distiller compensation, and is preparing for new policy developments in the e-commerce marketing of alcohol beverages. OLCC is considering innovations for its retail system for sales of alcohol including ordering distilled spirits through phone apps which opens a complicated area for regulation. Many of these additional duties had been assumed by the Director of

Administrative Policy & Process Division; however, the volume of work cannot be maintained as these changes have also increased the workload associated with the Administrative Policy and Process Division's core duties including administrative rulemaking, contested case hearings, coordination with DOJ to meet the agencies needs for legal services and providing technical assistance and training to agency staff. The volume and complexity of administrative hearings has increased significantly. While the agency has added case presenter positions to address the volume of hearings, it has not added resources to address the growing complex policy development and oversight needed to manage these changes. The addition of a senior policy advisor in the administration division will provide policy leadership, coordination and support for the Executive Director and management while providing for the continued management of a growing workload within the Administrative Policy and Process Division (AP&P) that has functionally moved from administration into the Public Safety Division. The creation of this agency director level policy advisor position compliments the plans for the AP&P unit to support a growing body of work for policy development and issue coordination across the spectrum of marijuana and alcohol fronts. It positions the OLCC to focus on the magnifying growth in caseload and future production necessary to sanction violators of rules and laws from both lines of OLCC business. With the detailed complexity of both the regulatory regiments for liquor and marijuana, the agency and policy makers will benefit from creation of the position with respect to policy development and agency wide implementation.

OLCC requests funding ($200,000 biennial allocation) for continuing strategic and tactical support related to alcohol from an external communications partner to provide assistance as the agency takes on additional responsibilities. This request is tied to POP 408 which makes a similar request for the marijuana programs. Adoption of this package will help the agency to more clearly communicate changing laws, rules, and licensee and registrant expectations for participating in the alcohol programs; it will also help the agency's retail expansion efforts to communicate to and engage with prospective licensees, agents and their customers, and community stakeholders.

OLCC requests addition of one Public Affairs Specialist 1 position to oversee the building of an agency intranet and to work with division managers in the development, posting, and maintenance of intranet content. In addition, this position will assist in the development of materials and posting to the agency's internet as well as assist in the required transition to the DAS required internet updated format in 2020. Providing timely and beneficial communication to OLCC staff is a key role of the Government Affairs and Communications Division. Approximately two-thirds of the agency staff is new to the agency or new to their jobs. Having a centralized intranet will provide a structure for OLCC to effectively provide consistent communication with its employees throughout the state, serving as a centralized place to house corporate information and spur collaboration. Having centralized, accurate and timely information on the external and internal web is a key compliance strategy. The likelihood of compliance increases when applicants, licensees, permittees and employees have a centralized place to find accurate, up-to-date information. Internal efficiencies increase when employees can easily find the information they seek.

BUDGET NARRATIVE

This person would design, write and edit information and educational materials and disseminate the information through the intranet, internet, and public meetings. The requirement for public and internal communications continues to increase as the agency responsibilities grow including new requirements for the bottle bill, electronic licensing and permit processes, OMMP and hemp tracking, retail expansion, adoption of rules, and communications related to the changing regulatory environment. All of these changes require stakeholder engagement and changes to agency's internet which serves as a central clearing house for information and a primary educational tool for licensees, applicants, and permit holders. Since 2014-17 the OLCC website has been accessed close to 19.5 million times. In addition, OLCC's web site is required to convert to a new DAS required format in 2020. This will require significant oversight and coordination between the communications and OLCC departments to design the new site and determine how that migration will happen. To date the external web houses 10,177 pages, 9,363 documents and 2,800 images that need to be reviewed, maintained and converted to the new format.

OLCC requests funding ($75,000 biennial allocation) to provide consulting services to aid in building an agency intranet to provide constant, reliable, and secure communications with employees to ensure successful growth. Having centralized, accurate and timely information on an agency intranet is a critical productivity tool. The agency plans to follow the standard in state agencies and utilize enterprise software Sharepoint in Office 365 to build the intranet. Resources are not available in the agency's information technology department to build the site.

OLCC requests a reclass Grounds Maintenance Worker 2 to Facilities Engineering Technician 1 (Position 1500.014) to compensate the position according the current duties that being performed at the higher level.

Administration and Communication Outreach - Sr. Policy Advisor and Digital Infrastructure
OLCC 2019-21 Agency Request Budget Policy Option Package No 311

Division	Package Description	FTE	One-time	Ongoing	Total
Administration	**Add 1 Senior Policy Advisor position**				
	Add 1 Principle Executive Manager E	1.00		$233,667	$233,667
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$257,035	$267,497
Communications	Funding for Contract Services related to Distilled Spirits				
	Contract with PR firm to develop materials and public safety announcements		$200,000		$200,000
		0.00	$200,000	$0	$200,000
Communications	Add 1 Public Affairs Specialist to manage Intranet	1.00		$165,443	$165,443
	Services & Supplies, including office space @ $17,368 per employee		$2,767	$23,368	$26,135
	Work station furniture & chair		$7,695		$7,695
		1.00	$10,462	$188,811	$199,273
Communications	Funding for Contract Services related to OLCC				
	Contract Services to develop usable Intranet		$73,000		$73,000
		0.00	$73,000	$0	$73,000
Administrative Services	Reclassify Grounds Maintenance Worker 2 to Facilities Energy Technician 2			$16,192	$16,192
		0.00	$0	$16,192	$16,192
Subtotal - Administration & Communication Outreach - Package 311		***2.00***	***$293,924***	***$462,038***	***$755,962***

a. Benefits to stakeholders

Enhances the agency's ability to communicate with licensees, applicants, permit holders and the public on ever changing statutes, rules and processes.

These investments will aid OLCC in its efforts to educate its partners and customers on compliance by the direct funding to improve internet access and services and through the productivity gains realized through access to well organized agency information

b. Benefits to OLCC

Enhances the agency's policy creation and implementation ability to meet the demands of a consistently changing regulatory environment. Increases employee communication and productivity through the creation of an agency intranet.

C. STAFFING IMPACT

The package adds two positions to OLCC.

D. QUANTIFYING RESULTS

The agency currently regulates 1,766 marijuana licenses, 25,502 marijuana worker permittees, 15,300 liquor licenses, 8,900 alcohol special event licenses, 3,298 out-of-state certificate holders, and 157,600 alcohol service permittees, 278 retail liquor outlets and 102 distillery outlets. These licensees, permittees and certificate holders as well as potential applicants and public stakeholders seek clear policy direction and accurate, timely, and unique information which has become increasing difficult to produce due to the sheer volume of content and the number of departments and stakeholders involved. Having a functioning intranet boosts productivity; a 15 minute a day time savings per employee could result in a biennial productivity gain of $214,000.

E. REVENUE SOURCE

The Oregon Liquor Control Commission is 100 percent other funded and generates revenues from the sale of distilled spirits, license fees from alcohol and marijuana, taxes paid on sales of beer and wine and other miscellaneous revenue sources. The OLCC collects this in accordance with ORS Chapter 471, 473, and 475B.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Personal Services							
Pension Obligation Bond	-	-	(53,276)	-	-	-	(53,276)
Mass Transit Tax	-	-	11,837	-	-	-	11,837
Vacancy Savings	-	-	271,533	-	-	-	271,533
Total Personal Services	-	-	**$230,094**	-	-	-	**$230,094**
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	230,094	-	-	-	230,094
Total Expenditures	-	-	**$230,094**	-	-	-	**$230,094**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(230,094)	-	-	-	(230,094)
Total Ending Balance	**-**	**-**	**($230,094)**	**-**	**-**	**-**	**($230,094)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 021 - Phase - In

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Data Processing	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Office Expenses	-	-	(14,000)	-	-	-	(14,000)
Professional Services	-	-	(300,000)	-	-	-	(300,000)
IT Professional Services	-	-	(180,000)	-	-	-	(180,000)
Employee Recruitment and Develop	-	-	(1,896)	-	-	-	(1,896)
Facilities Maintenance	-	-	(75,000)	-	-	-	(75,000)
Total Services & Supplies	-	-	**($570,896)**	-	-	-	**($570,896)**
Total Expenditures							
Total Expenditures	-	-	(570,896)	-	-	-	(570,896)
Total Expenditures	-	-	**($570,896)**	-	-	-	**($570,896)**
Ending Balance							
Ending Balance	-	-	570,896	-	-	-	570,896
Total Ending Balance	-	-	**$570,896**	-	-	-	**$570,896**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Services & Supplies							
Instate Travel	-	-	3,968	-	-	-	3,968
Out of State Travel	-	-	1,059	-	-	-	1,059
Employee Training	-	-	2,247	-	-	-	2,247
Office Expenses	-	-	11,329	-	-	-	11,329
Telecommunications	-	-	3,992	-	-	-	3,992
State Gov. Service Charges	-	-	33,609	-	-	-	33,609
Data Processing	-	-	14,916	-	-	-	14,916
Publicity and Publications	-	-	426	-	-	-	426
Professional Services	-	-	5,523	-	-	-	5,523
IT Professional Services	-	-	6,570	-	-	-	6,570
Attorney General	-	-	85,720	-	-	-	85,720
Employee Recruitment and Develop	-	-	293	-	-	-	293
Dues and Subscriptions	-	-	495	-	-	-	495
Facilities Rental and Taxes	-	-	43	-	-	-	43
Fuels and Utilities	-	-	13,327	-	-	-	13,327
Facilities Maintenance	-	-	8,363	-	-	-	8,363
Agency Program Related S and S	-	-	513	-	-	-	513
Other Services and Supplies	-	-	6,788	-	-	-	6,788

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 031 - Standard Inflation

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	-	-	16,531	-	-	-	16,531
Total Services & Supplies	**-**	**-**	**$215,712**	**-**	**-**	**-**	**$215,712**
Total Expenditures							
Total Expenditures	-	-	215,712	-	-	-	215,712
Total Expenditures	**-**	**-**	**$215,712**	**-**	**-**	**-**	**$215,712**
Ending Balance							
Ending Balance	-	-	(215,712)	-	-	-	(215,712)
Total Ending Balance	**-**	**-**	**($215,712)**	**-**	**-**	**-**	**($215,712)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Services & Supplies							
Professional Services	-	-	-	-	-	-	-
IT Professional Services	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 301 - Information Services Enhancement

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	1,007,400	-	-	-	1,007,400
Empl. Rel. Bd. Assessments	-	-	427	-	-	-	427
Public Employees' Retire Cont	-	-	182,241	-	-	-	182,241
Social Security Taxes	-	-	77,066	-	-	-	77,066
Worker's Comp. Assess. (WCD)	-	-	406	-	-	-	406
Mass Transit Tax	-	-	6,047	-	-	-	6,047
Flexible Benefits	-	-	246,288	-	-	-	246,288
Total Personal Services	**-**	**-**	**$1,519,875**	**-**	**-**	**-**	**$1,519,875**
Services & Supplies							
Employee Training	-	-	7,000	-	-	-	7,000
Office Expenses	-	-	7,000	-	-	-	7,000
Telecommunications	-	-	14,000	-	-	-	14,000
Data Processing	-	-	10,500	-	-	-	10,500
IT Professional Services	-	-	6,000,000	-	-	-	6,000,000
Facilities Rental and Taxes	-	-	121,576	-	-	-	121,576
Other Services and Supplies	-	-	7,000	-	-	-	7,000
IT Expendable Property	-	-	15,869	-	-	-	15,869
Total Services & Supplies	**-**	**-**	**$6,182,945**	**-**	**-**	**-**	**$6,182,945**
Capital Outlay							
Office Furniture and Fixtures	-	-	53,865	-	-	-	53,865

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 301 - Information Services Enhancement

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Data Processing Hardware	-	-	200,000	-	-	-	200,000
Total Capital Outlay	**-**	**-**	**$253,865**	**-**	**-**	**-**	**$253,865**
Total Expenditures							
Total Expenditures	-	-	7,956,685	-	-	-	7,956,685
Total Expenditures	**-**	**-**	**$7,956,685**	**-**	**-**	**-**	**$7,956,685**
Ending Balance							
Ending Balance	-	-	(7,956,685)	-	-	-	(7,956,685)
Total Ending Balance	**-**	**-**	**($7,956,685)**	**-**	**-**	**-**	**($7,956,685)**
Total Positions							
Total Positions							7
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**7**
Total FTE							
Total FTE							7.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**7.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 310 - Financial Services Staff Fulfillment

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	247,392	-	-	-	247,392
Empl. Rel. Bd. Assessments	-	-	183	-	-	-	183
Public Employees' Retire Cont	-	-	44,753	-	-	-	44,753
Social Security Taxes	-	-	18,926	-	-	-	18,926
Worker's Comp. Assess. (WCD)	-	-	174	-	-	-	174
Mass Transit Tax	-	-	1,485	-	-	-	1,485
Flexible Benefits	-	-	105,552	-	-	-	105,552
Total Personal Services	**-**	**-**	**$418,465**	**-**	**-**	**-**	**$418,465**
Services & Supplies							
Employee Training	-	-	3,000	-	-	-	3,000
Office Expenses	-	-	3,000	-	-	-	3,000
Telecommunications	-	-	6,000	-	-	-	6,000
Data Processing	-	-	19,500	-	-	-	19,500
Facilities Rental and Taxes	-	-	52,104	-	-	-	52,104
Other Services and Supplies	-	-	3,000	-	-	-	3,000
IT Expendable Property	-	-	28,136	-	-	-	28,136
Total Services & Supplies	**-**	**-**	**$114,740**	**-**	**-**	**-**	**$114,740**
Capital Outlay							
Office Furniture and Fixtures	-	-	23,085	-	-	-	23,085
Total Capital Outlay	**-**	**-**	**$23,085**	**-**	**-**	**-**	**$23,085**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 310 - Financial Services Staff Fulfillment

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	556,290	-	-	-	556,290
Total Expenditures	**-**	**-**	**$556,290**	**-**	**-**	**-**	**$556,290**
Ending Balance							
Ending Balance	-	-	(556,290)	-	-	-	(556,290)
Total Ending Balance	**-**	**-**	**($556,290)**	**-**	**-**	**-**	**($556,290)**
Total Positions							
Total Positions							3
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**3**
Total FTE							
Total FTE							3.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**3.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 311 - Administration and Communication Outreach

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	272,832	-	-	-	272,832
Empl. Rel. Bd. Assessments	-	-	122	-	-	-	122
Public Employees' Retire Cont	-	-	49,356	-	-	-	49,356
Social Security Taxes	-	-	20,871	-	-	-	20,871
Worker's Comp. Assess. (WCD)	-	-	116	-	-	-	116
Mass Transit Tax	-	-	1,637	-	-	-	1,637
Flexible Benefits	-	-	70,368	-	-	-	70,368
Total Personal Services	**-**	**-**	**$415,302**	**-**	**-**	**-**	**$415,302**
Services & Supplies							
Employee Training	-	-	2,000	-	-	-	2,000
Office Expenses	-	-	2,000	-	-	-	2,000
Telecommunications	-	-	4,000	-	-	-	4,000
Data Processing	-	-	3,000	-	-	-	3,000
Publicity and Publications	-	-	200,000	-	-	-	200,000
IT Professional Services	-	-	73,000	-	-	-	73,000
Facilities Rental and Taxes	-	-	34,736	-	-	-	34,736
Other Services and Supplies	-	-	2,000	-	-	-	2,000
IT Expendable Property	-	-	4,534	-	-	-	4,534
Total Services & Supplies	**-**	**-**	**$325,270**	**-**	**-**	**-**	**$325,270**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Oregon Liquor Control Comm
Pkg: 311 - Administration and Communication Outreach

Cross Reference Name: Administration and Support
Cross Reference Number: 84500-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Office Furniture and Fixtures	-	-	15,390	-	-	-	15,390
Total Capital Outlay	**-**	**-**	**$15,390**	**-**	**-**	**-**	**$15,390**
Total Expenditures							
Total Expenditures	-	-	755,962	-	-	-	755,962
Total Expenditures	**-**	**-**	**$755,962**	**-**	**-**	**-**	**$755,962**
Ending Balance							
Ending Balance	-	-	(755,962)	-	-	-	(755,962)
Total Ending Balance	**-**	**-**	**($755,962)**	**-**	**-**	**-**	**($755,962)**
Total Positions							
Total Positions							2
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**2**
Total FTE							
Total FTE							2.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**2.00**

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07/20/18 REPORT NO.: PICSAUDIT1 DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM PAGE 22
REPORT: SABRS PICS PKG FISCAL IMPACT REPORT 2019-21 PROD FILE
AGENCY:84500 LIQUOR CONTROL COMMISSION PICS SYSTEM: BUDGET PREPARATION
SUMMARY XREF:003-00-00 Administration and Support PACKAGE: 000 - BASE BUDGET

POSITION NUMBER	CLASS COMP	CLASS NAME	SR	POS TYP	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1000001	MEAHZ7014 HP	PRIN EXEC/MANAGER H	40X	PF	1	1.00	24.00	09	13,741.00		329,784 116,300			329,784 116,300
1000002	MENNZ0830 AP	EXECUTIVE ASSISTANT	25	PF	1	1.00	24.00	08	6,233.00		149,592 73,808			149,592 73,808
1000021	MMC X1319 AP	HUMAN RESOURCE ASST	18	PF	1	1.00	24.00	05	3,846.00		92,304 59,062			92,304 59,062
1000028	MESNZ7008 AP	PRIN EXEC/MANAGER E	33X	PF	1	1.00	24.00	09	9,177.00		220,248 91,995			220,248 91,995
1000038	MMN X1322 AP	HR ANALYST 3	29	PF	1	1.00	24.00	06	6,862.00		164,688 77,694			164,688 77,694
1000402	MMN X1320 AP	HR ANALYST 1	23	PF	1	1.00	24.00	05	4,885.00		117,240 65,481			117,240 65,481
1000749	MMN X1321 AP	HR ANALYST 2	26	PF	1	1.00	24.00	08	6,542.00		157,008 75,717			157,008 75,717
1100007	MMN X0866 AP	PUBLIC AFFAIRS SPC 3	31	PF	1	1.00	24.00	02	6,233.00		149,592 73,808			149,592 73,808
1100010	MENNZ7008 AP	PRIN EXEC/MANAGER E	33X	PF	1	1.00	24.00	09	9,177.00		220,248 91,995			220,248 91,995
1100017	AL C0864 AP	PUBLIC AFFAIRS SPC 1	25	PF	1	1.00	24.00	09	5,988.00		143,712 72,295			143,712 72,295
1100516	AL C0104 AP	OFFICE SPECIALIST 2	15C	PF	1	1.00	24.00	05	3,196.00		76,704 55,047			76,704 55,047
1500004	AL C0759 AP	SUPPLY SPECIALIST 2	20	PF	1	1.00	24.00	04	3,737.00		89,688 58,388			89,688 58,388
1500005	AL C4033 AP	FACILTY ENRGY TECH 2	20	PF	1	1.00	24.00	05	3,917.00		94,008 59,501			94,008 59,501
1500006	AL C4033 AP	FACILTY ENRGY TECH 2	20	PF	1	1.00	24.00	09	4,724.00		113,376 64,486			113,376 64,486
1500014	AL C4110 AP	GROUNDS MAINT WKR 2	17	PF	1	1.00	24.00	06	3,563.00		85,512 57,314			85,512 57,314
1500018	AL C0108 AP	ADMIN SPECIALIST 2	20Q	PF	1	1.00	24.00	09	4,724.00		113,376 64,486			113,376 64,486

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07/20/18 REPORT NO.: PICSAUDIT1 DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM PAGE 23
REPORT: SABRS PICS PKG FISCAL IMPACT REPORT 2019-21 PROD FILE
AGENCY:84500 LIQUOR CONTROL COMMISSION PICS SYSTEM: BUDGET PREPARATION
SUMMARY XREF:003-00-00 Administration and Support PACKAGE: 000 - BASE BUDGET

POSITION NUMBER	CLASS COMP	CLASS NAME	SR	POS TYP	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1500019	AL C0759 AP	SUPPLY SPECIALIST 2	20	PF	1	1.00	24.00	04	3,737.00		89,688 58,388			89,688 58,388
1500026	MESNZ7008 AP	PRIN EXEC/MANAGER E	33X	PF	1	1.00	24.00	02	6,542.00		157,008 75,717			157,008 75,717
1500056	AL C0860 AP	PROGRAM ANALYST 1	23	PF	1	1.00	24.00	08	5,188.00		124,512 67,352			124,512 67,352
1500603	AL C0108 AP	ADMIN SPECIALIST 2	20Q	PF	1	1.00	24.00	09	4,724.00		113,376 64,486			113,376 64,486
1600084	MMN X1164 AP	ECONOMIST 4	33	PF	1	1.00	24.00	02	6,862.00		164,688 77,694			164,688 77,694
1600707	MMN X1118 AP	RESEARCH ANALYST 4	30	PF	1	1.00	24.00	07	7,561.00		181,464 82,012			181,464 82,012
1600802	AL C0108 AP	ADMIN SPECIALIST 2	20Q	PF	1	1.00	24.00	06	4,095.00		98,280 60,600			98,280 60,600
2000686	MMN X0872 AP	OPS/POLICY ANALYST 3	30	PF	1	1.00	24.00	08	7,942.00		190,608 84,365			190,608 84,365
2500002	AL C0107 AP	ADMIN SPECIALIST 1	17	PF	1	1.00	24.00	09	4,103.00		98,472 60,650			98,472 60,650
2500003	AL C0212 AP	ACCOUNTING TECH 3	19	PF	1	1.00	24.00	05	3,737.00		89,688 58,388			89,688 58,388
2500004	AL C0211 AP	ACCOUNTING TECH 2	18	PF	1	1.00	24.00	03	3,262.00		78,288 55,454			78,288 55,454
2500006	AL C1215 AP	ACCOUNTANT 1	21	PF	1	1.00	24.00	09	4,948.00		118,752 65,869			118,752 65,869
2500007	AL C0211 AP	ACCOUNTING TECH 2	18	PF	1	1.00	24.00	02	3,129.00		75,096 54,633			75,096 54,633
2500008	AL C0212 AP	ACCOUNTING TECH 3	19	PF	1	1.00	24.00	09	4,509.00		108,216 63,158			108,216 63,158
2500009	AL C1217 AP	ACCOUNTANT 3	27	PF	1	1.00	24.00	09	6,585.00		158,040 75,983			158,040 75,983
2500010	AL C1217 AP	ACCOUNTANT 3	27	PF	1	1.00	24.00	09	6,585.00		158,040 75,983			158,040 75,983

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07/20/18 REPORT NO.: PICSAUDIT1 DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM PAGE 23
REPORT: SABRS PICS PKG FISCAL IMPACT REPORT 2019-21 PROD FILE
AGENCY:84500 LIQUOR CONTROL COMMISSION PICS SYSTEM: BUDGET PREPARATION
SUMMARY XREF:003-00-00 Administration and Support PACKAGE: 000 - BASE BUDGET

POSITION NUMBER	CLASS COMP	CLASS NAME	SR	POS TYP	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1500019	AL C0759 AP	SUPPLY SPECIALIST 2	20	PF	1	1.00	24.00	04	3,737.00		89,688 58,388			89,688 58,388
1500026	MESNZ7008 AP	PRIN EXEC/MANAGER E	33X	PF	1	1.00	24.00	02	6,542.00		157,008 75,717			157,008 75,717
1500056	AL C0860 AP	PROGRAM ANALYST 1	23	PF	1	1.00	24.00	08	5,188.00		124,512 67,352			124,512 67,352
1500603	AL C0108 AP	ADMIN SPECIALIST 2	20Q	PF	1	1.00	24.00	09	4,724.00		113,376 64,486			113,376 64,486
1600084	MMN X1164 AP	ECONOMIST 4	33	PF	1	1.00	24.00	02	6,862.00		164,688 77,694			164,688 77,694
1600707	MMN X1118 AP	RESEARCH ANALYST 4	30	PF	1	1.00	24.00	07	7,561.00		181,464 82,012			181,464 82,012
1600802	AL C0108 AP	ADMIN SPECIALIST 2	20Q	PF	1	1.00	24.00	06	4,095.00		98,280 60,600			98,280 60,600
2000686	MMN X0872 AP	OPS/POLICY ANALYST 3	30	PF	1	1.00	24.00	08	7,942.00		190,608 84,365			190,608 84,365
2500002	AL C0107 AP	ADMIN SPECIALIST 1	17	PF	1	1.00	24.00	09	4,103.00		98,472 60,650			98,472 60,650
2500003	AL C0212 AP	ACCOUNTING TECH 3	19	PF	1	1.00	24.00	05	3,737.00		89,688 58,388			89,688 58,388
2500004	AL C0211 AP	ACCOUNTING TECH 2	18	PF	1	1.00	24.00	03	3,262.00		78,288 55,454			78,288 55,454
2500006	AL C1215 AP	ACCOUNTANT 1	21	PF	1	1.00	24.00	09	4,948.00		118,752 65,869			118,752 65,869
2500007	AL C0211 AP	ACCOUNTING TECH 2	18	PF	1	1.00	24.00	02	3,129.00		75,096 54,633			75,096 54,633
2500008	AL C0212 AP	ACCOUNTING TECH 3	19	PF	1	1.00	24.00	09	4,509.00		108,216 63,158			108,216 63,158
2500009	AL C1217 AP	ACCOUNTANT 3	27	PF	1	1.00	24.00	09	6,585.00		158,040 75,983			158,040 75,983
2500010	AL C1217 AP	ACCOUNTANT 3	27	PF	1	1.00	24.00	09	6,585.00		158,040 75,983			158,040 75,983

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07/20/18 REPORT NO.: PICSAUDIT1 DEPT OF ADMIN. SVCS. PPDB PICS SYSTEM PAGE 24
REPORT: SABRS PICS PKG FISCAL IMPACT REPORT 2019-21 PROD FILE
AGENCY:84500 LIQUOR CONTROL COMMISSION PICS SYSTEM: BUDGET PREPARATION
SUMMARY XREF:003-00-00 Administration and Support PACKAGE: 005 BASE BUDGET

POSITION NUMBER	CLASS COMP	CLASS NAME	SR	POS TYP	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
2500011	AL C0860	AP PROGRAM ANALYST 1	23	PF	1	1.00	24.00	08	5,188.00		124,512 67,352			124,512 67,352
2500013	AL C0860	AP PROGRAM ANALYST 1	23	PF	1	1.00	24.00	09	5,437.00		130,488 68,890			130,488 68,890
2500014	AL C0860	AP PROGRAM ANALYST 1	23	PF	1	1.00	24.00	09	5,437.00		130,488 68,890			130,488 68,890
2500015	AL C0860	AP PROGRAM ANALYST 1	23	PF	1	1.00	24.00	03	4,097.00		98,328 60,613			98,328 60,613
2500018	AL C0211	AP ACCOUNTING TECH 2	18	PF	1	1.00	24.00	08	4,097.00		98,328 60,613			98,328 60,613
2500020	MMS X7006	AP PRIN EXEC/MANAGER D	31X	PF	1	1.00	24.00	09	8,332.00		199,968 86,775			199,968 86,775
2500021	AL C1217	AP ACCOUNTANT 3	27	PF	1	1.00	24.00	09	6,585.00		158,040 75,983			158,040 75,983
2500022	MESNZ7010	AP PRIN EXEC/MANAGER F	35X	PF	1	1.00	24.00	09	10,121.00		242,904 97,826			242,904 97,826
2500057	AL C0211	AP ACCOUNTING TECH 2	18	PF	1	1.00	24.00	05	3,563.00		85,512 57,314			85,512 57,314
2500087	AL C1215	AP ACCOUNTANT 1	21	PF	1	1.00	24.00	05	4,097.00		98,328 60,613			98,328 60,613
2500186	AL C1215	AP ACCOUNTANT 1	21	PF	1	1.00	24.00	02	3,563.00		85,512 57,314			85,512 57,314
2500803	AL C0860	AP PROGRAM ANALYST 1	23	PF	1	1.00	24.00	09	5,437.00		130,488 68,890			130,488 68,890
2500804	MMS X7006	AP PRIN EXEC/MANAGER D	31X	PF	1	1.00	24.00	09	8,332.00		199,968 86,775			199,968 86,775
2500950	AL C1216	AP ACCOUNTANT 2	23	PF	1	1.00	24.00	09	5,437.00		130,488 68,890			130,488 68,890
2600008	AL C1487	IP INFO SYSTEMS SPEC 7	31	PF	1	1.00	24.00	09	8,165.00		195,960 85,743			195,960 85,743
2600010	AL C1487	IP INFO SYSTEMS SPEC 7	31	PF	1	1.00	24.00	09	8,165.00		195,960 85,743			195,960 85,743

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07/20/18 REPORT NO.: PICSAUDIT1 DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM PAGE 26
REPORT: SABRS PICS PKG FISCAL IMPACT REPORT 2019-21 PROD FILE
AGENCY:84500 LIQUOR CONTROL COMMISSION PICS SYSTEM: BUDGET PREPARATION
SUMMARY XREF:003-00-00 Administration and Support PACKAGE: 000 - BASE BUDGET

POSITION NUMBER	CLASS COMP	CLASS NAME	SR	POS TYP	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
8000414	AL C1215	AP ACCOUNTANT 1	21	PP	1	1.00	24.00	03	3,737.00		89,688 58,388			89,688 58,388
8000415	AL C0211	AP ACCOUNTING TECH 2	18	PP	1	1.00	24.00	02	3,129.00		75,096 54,633			75,096 54,633
8000420	AL C1483	IP INFO SYSTEMS SPEC 3	24	PP	1	1.00	24.00	04	4,524.00		108,576 63,250			108,576 63,250
8000433	AL C1216	AP ACCOUNTANT 2	23	PP	1	1.00	24.00	02	3,917.00		94,008 59,501			94,008 59,501
8450001	B Y7500	AE BRD/COMM MEMBER	00	PP		.00	.00	00	0.00		4,800 367			4,800 367
8450002	B Y7500	AE BRD/COMM MEMBER	00	PP		.00	.00	00	0.00		4,800 367			4,800 367
8450003	B Y7500	AE BRD/COMM MEMBER	00	PP		.00	.00	00	0.00		4,800 367			4,800 367
8450004	B Y7500	AE BRD/COMM MEMBER	00	PP		.00	.00	00	0.00		4,800 367			4,800 367
8450005	B Y7500	AE BRD/COMM MEMBER	00	PP		.00	.00	00	0.00		4,800 367			4,800 367
8450006	B Y7500	AE BRD/COMM MEMBER	00	PP		.00	.00	00	0.00		4,800 367			4,800 367
8450007	B Y7500	AE BRD/COMM MEMBER	00	PP		.00	.00	00	0.00		4,800 367			4,800 367
		TOTAL PICS SALARY									9,692,520			9,692,520
		TOTAL PICS OPE									4,885,488			4,885,488
		TOTAL PICS PERSONAL SERVICES =			68	68.00	1632.00				14,578,008			14,578,008

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07/20/18 REPORT NO.: PICSAUDIT1 DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM PAGE 27
REPORT: SABRS PICS PKG FISCAL IMPACT REPORT 2019-21 PROD FILE
AGENCY:84500 LIQUOR CONTROL COMMISSION PICS SYSTEM: BUDGET PREPARATION
SUMMARY XREF:003-00-00 Administration and Support PACKAGE: 301 - Information Services Enhanceme

POSITION NUMBER	CLASS COMP	CLASS NAME	SR	POS TYP	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
2600065	AL C1488 IP	INFO SYSTEMS SPEC 8	33	PF	1	1.00	24.00	02	6,449.00		154,776 75,142			154,776 75,142
2600066	AL C1487 IP	INFO SYSTEMS SPEC 7	31	PF	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
2600067	AL C1487 IP	INFO SYSTEMS SPEC 7	31	PF	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
2600068	AL C1487 IP	INFO SYSTEMS SPEC 7	31	PF	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
2600069	AL C1487 IP	INFO SYSTEMS SPEC 7	31	PF	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
2600070	AL C1487 IP	INFO SYSTEMS SPEC 7	31	PF	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
2600071	AL C1487 IP	INFO SYSTEMS SPEC 7	31	PF	1	1.00	24.00	02	5,921.00		142,104 71,881			142,104 71,881
		TOTAL PICS SALARY									1,007,400			1,007,400
		TOTAL PICS OPE									506,428			506,428
		TOTAL PICS PERSONAL SERVICES =			7	7.00	168.00				1,513,828			1,513,828

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07/20/18 REPORT NO.: PICSAUDIT1 DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM PAGE 28
REPORT: SABRS PICS PKG FISCAL IMPACT REPORT 2019-21 PROD FILE
AGENCY:84500 LIQUOR CONTROL COMMISSION PICS SYSTEM: BUDGET PREPARATION
SUMMARY XREF:003-00-00 Administration and Support PACKAGE: 310 - Financial Services Staff Fulfi

POSITION NUMBER	CLASS COMP	CLASS NAME	SR	POS TYP	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
2500145	AL C1216	AP ACCOUNTANT 2	23	PF	1	1.00	24.00	02	3,917.00		94,008 59,501			94,008 59,501
2500146	AL C0212	AP ACCOUNTING TECH 3	19	PF	1	1.00	24.00	02	3,262.00		78,288 55,454			78,288 55,454
2500147	AL C0211	AP ACCOUNTING TECH 2	18	PF	1	1.00	24.00	02	3,129.00		75,096 54,633			75,096 54,633
		TOTAL PICS SALARY									247,392			247,392
		TOTAL PICS OPE									169,588			169,588
		TOTAL PICS PERSONAL SERVICES =			3	3.00	72.00				416,980			416,980

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07/20/18 REPORT NO.: PICSAUDIT1 DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM PAGE 20
REPORT: SABRS PICS PKG FISCAL IMPACT REPORT 2019-21 PROD FILE
AGENCY:84500 LIQUOR CONTROL COMMISSION PICS SYSTEM: BUDGET PREPARATION
SUMMARY XREF:003-00-00 Administration and Support PACKAGE: 311 - Administration and Communicati

POSITION NUMBER	CLASS COMP	CLASS NAME	SR	POS TYP	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1000148	MENNZ7008 AP	PRIN EXEC/MANAGER E	33X	PF	1	1.00	24.00	02	6,542.00		157,008 75,717			157,008 75,717
1000149	AL C0864 AP	PUBLIC AFFAIRS SPC 1	25	PF	1	1.00	24.00	02	4,292.00		103,008 61,817			103,008 61,817
1500014	AL C4033 AP	FACILTY ENRGY TECH 2	20	PF	1	1.00	24.00	06	4,097.00		98,328 60,613			98,328 60,613
1500014	AL C4110 AP	GROUNDS MAINT WKR 2	17	PF	1-	1.00-	24.00-	06	3,563.00		85,512- 57,314-			85,512- 57,314-
		TOTAL PICS SALARY									272,832			272,832
		TOTAL PICS OPE									140,833			140,833
		TOTAL PICS PERSONAL SERVICES =			2	2.00	48.00				413,665			413,665

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Oregon Liquor Control Comm
2019-21 Biennium

Agency Number: 84500
Cross Reference Number: 84500-003-00-00-00000

Source	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Audit	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Transfer In - Intrafund	16,475,153	16,641,226	17,701,124	26,018,307	-	-
Transfer In - Indirect Cost	-	2,873,896	2,873,896	4,788,487	-	-
Total Other Funds	**$16,475,153**	**$19,515,122**	**$20,575,020**	**$30,806,794**	**-**	**-**

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