



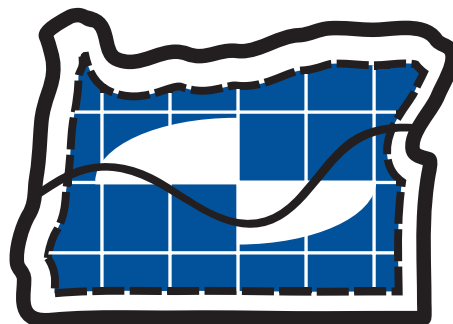
State of Oregon

Board of Examiners for
Engineering & Land Surveying

Semi-Independent Agency

Report to the Governor and Legislative Assembly

For the Biennium Ended June 30, 2019



OSBEELS

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Officers and Members of the Governing Body

For the Biennium Ended June 30, 2019

Board Members

Daren L. Cone, PE, PLS, *President*
Sean W. St.Clair, PE, *Vice President*
Erin Austin, Esq.
Tim Fassbender, PLS, CWRE
Renee Clough, PE, PLS
Christopher Aldridge, RPP
Shelly Duquette, PE, SE
Paul Gribbon, PE
Jason Kent, PE
Ron Stillmaker, PE
Amin Wahab

Administration

Jason Barbee

Address

670 Hawthorne Ave SE, STE 220
Salem, OR 97301

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For the Biennium Ended June 30, 2019

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Section I

Independent Auditor's Report

Regarding the audit requirements contained within ORS 182.472, guidelines for agency biennial report, the OSBEELS issued an RFP for a financial audit last year, 2019, and received no responses. During this same time, we issued an RFP for a forensic audit and investigation and received several responses. The initial time period for the forensic audit was from January 1, 2014 through December 31, 2018, however as a result of our agency receiving no responses for the financial audit our Board voted to include the financial audit and to extend the time period to June 30, 2019 in the scope of work for the forensic audit and investigation.

Ernst & Young were awarded the contract for the forensic audit and investigation in (date of approved awarding) and are currently conducting their work. The timeline in the contract for a final deliverable is near the end of April. With that said, ORS 182.472(1) requires a copy of the most recent audit or financial review of the board to be included within the biennial report. In order to meet the requirements stated in ORS 182.472(1), our agency proposed to prepare a memo with the completed financial audit, along with the 2019 balance sheet once received from Ernst& Young at the end of April, and share with the Governor's Office. This proposal was communicated to the Legislative Fiscal Office.

OREGON BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING SALEM, OREGON

FINANCIAL REPORT

FOR THE BIENNIUM ENDED JUNE 30, 2017



OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING

SALEM, OREGON

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March 19, 2018

INDEPENDENT AUDITORS' REPORT

To the Members of the Executive Board
Oregon State Board of Examiners for Engineering and Land Surveying
Salem, Oregon

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities and major fund of Oregon State Board of Examiners for Engineering and Land Surveying (the Board), which comprise the statement of financial position as of June 30, 2017 and the statement of activities for the biennium then ended, and related notes to the basic financial statements. The basic financial statements for the biennium ended June 30, 2015 were audited by other auditors whose report dated March 17, 2016 issued an unmodified opinion on those statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of Oregon State Board of Examiners for Engineering and Land Surveying, as of June 30, 2017, and the respective changes in financial position for the biennium then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The Board adopted the provisions of GASB Statement No. 73 *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the Schedules of Net Pension Liability and Contributions for PERS because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The listing of board members, as located before the table of contents, and other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Reports on Legal and Other Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2018 on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.



ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

BASIC FINANCIAL STATEMENTS

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

STATEMENT OF NET POSITION
at June 30, 2017

| | |
|--|--------------------------------|
| ASSETS: | |
| Cash | \$ 2,087,848 |
| Accounts receivable, net of the allowance for doubtful accounts of \$3,255 | 19,166 |
| Capital assets, net of depreciation | <u>21,463</u> |
| Total Assets | 2,128,477 |
| DEFERRED OUTFLOWS OF RESOURCES: | |
| Pension related deferrals | <u>674,970</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS | <u><u>\$ 2,803,447</u></u> |
| LIABILITIES: | |
| Accounts payable | \$ 22,606 |
| Payroll liabilities | 99,288 |
| Net pension liability | 1,234,376 |
| Net other post-employment benefits | 21,129 |
| Compensated absences payable | <u>40,127</u> |
| Total Liabilities | 1,417,526 |
| DEFERRED INFLOWS OF RESOURCES: | |
| Unearned revenue | 345,515 |
| Pension related deferrals | <u>11,729</u> |
| TOTAL LIABILITIES AND DEFERED INFLOWS | <u>1,774,770</u> |
| Net Assets: | |
| Net investment in capital assets | 21,463 |
| Restricted | 200,000 |
| Unrestricted | <u>807,214</u> |
| Total Net Position | <u>1,028,677</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION | <u><u>\$ 2,803,447</u></u> |

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

STATEMENT OF ACTIVITIES
for the biennium ended June 30, 2017

| | <u>Governmental Activities</u> |
|---------------------------------|------------------------------------|
| PROGRAM EXPENSES | |
| General Government | |
| Personal services | \$ 2,355,640 |
| Material and services | 1,058,240 |
| Unallocated depreciation | <u>7,070</u> |
| Total Program Expenses | 3,420,950 |
| PROGRAM REVENUES | |
| Charges for services | 2,785,482 |
| Civil penalties | <u>77,330</u> |
| Total Program Revenues | 2,862,812 |
| Net program revenues (expenses) | (558,138) |
| GENERAL REVENUES | |
| Miscellaneous | <u>45,127</u> |
| Changes in Net Position | (513,011) |
| Net Position - Beginning | 1,397,095 |
| Prior Period Adjustment | <u>144,593</u> |
| Net Position - Ending | <u><u>\$ 1,028,677</u></u> |

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

BALANCE SHEET - GOVERNMENTAL FUND
at June 30, 2017

Assets:

| | |
|--|----------------------------|
| Cash | \$ 2,087,848 |
| Accounts receivable, net of the allowance for doubtful accounts of \$3,255 | <u>19,166</u> |
| Total Assets | <u><u>\$ 2,107,014</u></u> |

Liabilities:

| | |
|---------------------|---------------|
| Accounts payable | \$ 22,606 |
| Payroll liabilities | <u>99,288</u> |
| Total Liabilities | 121,894 |

Deferred Inflows of Resources:

| | |
|------------------|----------------|
| Unearned Revenue | <u>345,515</u> |
|------------------|----------------|

Fund Balances:

| | |
|--------------------|------------------|
| Restricted | 200,000 |
| Committed | 900,000 |
| Unassigned | <u>539,605</u> |
| Total Fund Balance | <u>1,639,605</u> |

| | |
|--|----------------------------|
| Total Liabilities, Deferred Inflows and Fund Balance | <u><u>\$ 2,107,014</u></u> |
|--|----------------------------|

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

RECONCILIATION OF GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION
at June 30, 2017

| | | |
|---|----|-----------|
| Total Fund Balances - Governmental Fund | \$ | 1,639,605 |
|---|----|-----------|

The net pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.

| | |
|------------------------------|-------------|
| Net Pension Liability - PERS | (1,234,376) |
|------------------------------|-------------|

Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projected and actual earning, and contributions subsequent to the measurement date.

| | |
|---------------------------------------|----------|
| Deferred Inflows of Resources - PERS | (11,729) |
| Deferred Outflows of Resources - PERS | 674,970 |

The cost of capital assets (leasehold improvements) purchased or constructed is reported as an expenditure in the governmental fund. The Statement of Net Position includes those capital assets among the assets of the Board as a whole.

| | |
|--------------------------------------|--------|
| Capital Assets (Net of Depreciation) | 21,463 |
|--------------------------------------|--------|

The other postemployment benefits asset (obligation) due at June 30, is not recorded in the governmental funds, but it is accrued as a liability in the Statement of Net Position.

| | |
|-----------------------|----------|
| Other post-employment | (21,129) |
|-----------------------|----------|

Accrued vacation is reported as a liability in the Statement of Net Position, whereas in governmental funds, accrued vacation is not reported.

| | |
|------------------|-----------------|
| Accrued Vacation | <u>(40,127)</u> |
|------------------|-----------------|

| | | |
|--------------|-----------|------------------|
| Net Position | <u>\$</u> | <u>1,028,677</u> |
|--------------|-----------|------------------|

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
for the biennium ended June 30, 2017

REVENUES:

| | |
|------------------|---------------|
| License and fees | \$ 2,785,482 |
| Civil penalties | 77,330 |
| Miscellaneous | <u>45,127</u> |
| Total Revenues | 2,907,939 |

EXPENDITURES:

| | |
|------------------------|------------------|
| Personal services | 1,949,064 |
| Materials and services | <u>1,058,240</u> |
| Total Expenditures | <u>3,007,304</u> |

| | |
|--------------------------|----------------------------|
| Change in Fund Balance | (99,365) |
| Beginning Fund Balance | 1,610,674 |
| Prior Period Adjustments | <u>128,296</u> |
| Ending Fund Balance | <u><u>\$ 1,639,605</u></u> |

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
for the biennium ended June 30, 2017

| | |
|---|----------------------------|
| Total Net Change in Fund Balance - Governmental Fund | \$ (99,365) |
| <p>The pension expense represents the changes in net pension asset (liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.</p> | (386,801) |
| <p>Capital outlays are reported in the governmental fund as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense.</p> | |
| Depreciation Expense | (7,070) |
| <p>The other postemployment benefits asset (obligation) due at June 30, is not recorded in the governmental funds, but it is accrued as an expense in the Statement of Activities.</p> | |
| Other post-employment obligation | 1,459 |
| <p>Accrued vacation is reported as an expenditure in the Statement of Activities. Whereas in governmental funds, accrued vacation is not reported.</p> | |
| Changes in accrued vacation | <u>(21,234)</u> |
| Change in Net Position of Governmental Activities | <u><u>\$ (513,011)</u></u> |

NOTES TO THE BASIC FINANCIAL STATEMENTS

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units as required by Oregon law. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. THE ORGANIZATION

The Oregon State Board of Examiners for Engineering and Land Surveying's (the Board) mission is to protect the people of Oregon from the dangers of unqualified and improper practice of professional engineering, land surveying, photogrammetry, and water right examination. The Board prescribes qualifications for the practice of professional engineering, land surveying, photogrammetry and certified water rights examinations, setting standards for the examination of applicants for registration, continuing education and enforcement of the laws and regulations governing the practice of professional engineering surveying, photogrammetry, and certified water right examinations. The Board issues registrations to those who qualify. The Board has the authority to address problems by investigating alleged or suspected violations, which may result in revoking, suspending or modifying registrations or certificates, and assessing civil penalties against unregistered individuals practicing professional engineering, land surveying, photogrammetry and certified water right examinations without authority, and against those registered professional engineers, land surveyors, photogrammetrists and certified water right examiners practicing improperly.

The Board is a semi-independent agency of the State of Oregon (Oregon Senate bill 1127 adopted in 1999), and operates under Oregon Revised Statutes (ORS) 672 and 182. The board consists of eleven members appointed by the governor for four-year terms as follows:

- Two members shall be licensed professional land surveyors.
- Five members shall be registered professional engineers.
- One member shall be registered as both a registered professional engineer and as a professional land surveyor. If a qualified individual is not available, the governor may appoint either a registered professional engineer or a registered professional land surveyor
- One member is a registered photogrammetrist. If a qualified individual is not available, the Governor may appoint either a registered professional engineer or a registered professional land surveyor.
- Two members shall be members of the general public

B. THE FINANCIAL REPORTING ENTITY

Accounting principles generally accepted in the United States of America require that these basic financial statements include all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 61, are separate entities which are included in the Board's reporting because of the significance of their operational or financial relationships with the Board. All significant activities and entities with which the Board exercises oversight responsibility have been considered for inclusion in the basic financial statements. There are no component units.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and Statement of Activities display information about the Board as a whole. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 “Accounting and Financial Reporting for Non-exchange Transactions.”

All direct expenses are reported by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Grant revenue is not considered available and, therefore, is not recognized until received. Expenditures are recorded when the liability is incurred.

Revenues susceptible to accrual are license/fees and civil penalty revenue.

There is one major governmental fund:

GENERAL FUND

This fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund (there are no other funds). The principal revenue sources are licenses and fees, civil penalties and miscellaneous sources.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION

Net position comprises the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net position is classified in the following categories:

Net investment in capital assets – consists of assets that are invested in equipment and other capital assets, net of depreciation.

Restricted – consists of external constraints placed on net position use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There was a restricted net position of \$200,000 at June 30, 2017.

Unrestricted – consists of all other categories of net position that are not included in the other categories previously mentioned.

FUND BALANCES

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions* is followed. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications are non-spendable, restricted, committed, assigned, and unassigned.

- Non-spendable represents amounts that are not in a spendable form.
- Restricted represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The restricted balance of \$200,000 is for IT security mandated by Executive Order No 16-13 signed by Governor Kate Brown. There are committed balances for a litigation reserve and a business continuity plan fund for \$250,000 and \$650,000, respectively, totaling \$900,000. These were set aside by the Board.

There were no non-spendable or assigned fund balances at June 30, 2017.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND BALANCES (CONTINUED)

Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/ expenditure) until then. At June 30, 2017 there are deferred outflows of \$674,970 representing PERS pension related deferrals on the Statement of Net Position.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2017 there are PERS deferred inflows of \$11,729 representing pension related deferrals on the Statement of Net Position and deferred inflows of \$345,515 representing unearned revenue on both the Statement of Net Position and on the Balance Sheet – Governmental Fund.

D. CIVIL PENALTIES

The Board is authorized under state law to impose civil penalties to enforce certain provisions and professional standards.

E. BUDGETS

The Board is required to adopt a budget on a biennial basis. The Board may adopt or modify a budget only after holding a public hearing and must give notice of budget hearings to all licensees. Unlike most budgets in state government, where the agency budgets are enacted into law by the legislature, the Board's budget is not subject to review and approval by the legislature or to future modification by the legislature or the emergency Board. For this reason, the budgets adopted by the Board are considered to be non-appropriated budgets.

See page 27 for a comparison of budget to actual revenues and expenditures.

F. ACCOUNTS RECEIVABLE

Accounts receivable represents civil penalties that remained unpaid at June 30, 2017, stated at the amount management expects to collect. Management has estimated an allowance for doubtful accounts of approximately 15% of the outstanding balances. The balance over 90 days for the biennium ended June 30, 2017, was \$11,870.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. CAPITAL ASSETS

Capital assets, which include site improvements, buildings and improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The cost of normal maintenance and repair that do not add function to the asset or materially extend the life of the asset are expensed as incurred. Capital assets are depreciated using the straight line method over the following useful lives:

| | |
|------------------------|---------------|
| Leasehold Improvements | 30 years |
| Equipment | 4 to 10 years |

H. UNEARNED REVENUE

License fees received prior to June 30, 2017 that are for license periods beginning on July 1, 2017 have been recorded as unearned revenue.

I. OTHER POST-EMPLOYMENT BENEFITS

Other post-employment benefits are provided through the Oregon Public Employees Retirement System and the Public Employees Benefit Board.

J. RETIREMENT PLANS

Substantially all employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. ESTIMATES

Preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. COMPENSATED ABSENCES

The State Department of Administrative Services (DAS) statewide policy is followed with respect to accrual rates. Full-time, permanent employees are granted paid time off benefits of varying amounts to specified maximums depending on tenure with the Board. Employees earn vacation leave in accordance with the DAS statewide policy 60.000.05(1)(e)

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The cash is deposited in an approved depository for public funds, and this is collateralized under ORS 295.

CREDIT RISK - DEPOSITS

In the case of deposits, this is the risk that in the event of a bank failure, deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2017, none of the bank balance was exposed to custodial credit risk.

INVESTMENTS

Policy is to follow state statutes governing cash management.

INTEREST RATE RISK

Investments are subject to maturity date limitations described in ORS 294.134. As of June 30, 2017, there were no investments.

CREDIT RISK - INVESTMENTS

Investments are limited to investments described in ORS 294.035.

CONCENTRATION OF CREDIT RISK

The Board does not have a formal policy that places a limit on the amount that may be invested in any one issuer

3. CAPITAL ASSETS

Changes in capital assets for the biennium ended June 30, 2017 are as follows:

| | Restated Balance <u>July 1, 2015</u> | <u>Additions</u> | <u>Deletions</u> | Balance <u>June 30, 2017</u> |
|--------------------------|--|------------------|------------------|---------------------------------|
| Capital Assets | | | | |
| Leasehold Improvements | \$ 42,801 | \$ - | \$ - | \$ 42,801 |
| Accumulated Depreciation | | | | |
| Leasehold Improvements | 14,268 | 7,070 | - | 21,338 |
| Total Net Capital Assets | <u>\$ 28,533</u> | | | <u>\$ 21,463</u> |

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

4. RETIREMENT PLANS

PLAN DESCRIPTION

The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

If the link is expired please contact Oregon PERS for this information.

a) PERS Pension (Chapter 238). The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.

- i) Pension Benefits. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
- ii) Death Benefits. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii) Disability Benefits. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
- iv) Benefit Changes After Retirement. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
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NOTES TO THE BASIC FINANCIAL STATEMENTS

4. RETIREMENT PLANS (CONTINUED)

PLAN DESCRIPTION (CONTINUED)

b) OPSRP Pension Program (OPSRP DB). The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

- i) Pension Benefits. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
 - Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
 - General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
 - A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii) Death Benefits. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
- iii) Disability Benefits. A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
- iv) Benefit Changes After Retirement. Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions -PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2013 actuarial valuation, which became effective July 1, 2015. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the biennium ended June 30, 2017 were \$179,479 excluding amounts to fund employer specific liabilities.

Pension Asset or Liability - At June 30, 2017 the Board reported a net pension liability of \$1,234,376 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016 the Board's proportion was 0.008 percent.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
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NOTES TO THE BASIC FINANCIAL STATEMENTS

4. RETIREMENT PLANS (CONTINUED)

PLAN DESCRIPTION (CONTINUED)

| | <u>Deferred Outflow of Resources</u> | <u>Deferred Inflow of Resources</u> |
|--|--|---|
| Difference between expected and actual experience | \$ 40,839 | \$ - |
| Changes in assumptions | 263,263 | - |
| Net difference between projected and actual earnings on pension plan investments | 243,861 | - |
| Difference between employer contributions and employer's proportionate share of system contributions | <u>31,564</u> | <u>(11,729)</u> |
| Subtotal - Amortized deferrals (below) | 579,527 | (11,729) |
| Board contributions subsequent to measurement date | <u>95,443</u> | - |
| Total deferred outflow (inflow) of resources | <u><u>\$ 674,970</u></u> | <u><u>\$ (11,729)</u></u> |

FUNDING POLICY

Subtotal amounts related to pension as deferred outflows of resources, \$579,527 and deferred inflows of resources, (\$11,729), net to \$567,798 and will be recognized in pension expense as follows:

| <u>Year ending June 30,</u> | <u>Amount</u> |
|-----------------------------|--------------------------|
| 2018 | \$ 103,196 |
| 2019 | 103,196 |
| 2020 | 192,849 |
| 2021 | 147,121 |
| 2022 | <u>21,436</u> |
| Total | <u><u>\$ 567,798</u></u> |

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 8, 2017. Oregon PERS produces an independently audited CAFR which can be found at:

<http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

ACTUARIAL VALUATIONS

The employer contribution rates effective July 1, 2015 through June 30, 2017 were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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NOTES TO THE BASIC FINANCIAL STATEMENTS

4. RETIREMENT PLANS (CONTINUED)

ACTUARIAL VALUATIONS (CONTINUED)

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessarily to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

| | |
|---------------------------|---|
| Valuation date | December 31, 2014 rolled forward to June 30, 2016 |
| Experience Study Report | 2014, Published September 18, 2015 |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Amortized as a level percentage of a payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years |
| Asset valuation method | Market value of assets |
| Inflation rate of return | 2.50 percent (reduced from 2.75%) |
| Investment rate of return | 7.50 percent (reduced from 7.75%) |
| Projected salary increase | 3.50 percent overall payroll growth; salaries for individuals are assumed to grow at 3.50 percent plus assumed rates of merit/longevity increases based on service (reduced from 3.75%). For COLA, a blend of 2% COLA and graded COLA (1.25% / 0.15%) in accordance with Moro Decision, blend based on service. |
| Mortality | Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB (changed from Scale AA), with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (70% for males and 95% for females; changed from 65% for males and 90% for females) of the RP-2000 sex-distinct, generational per Scale BB, disabled mortality table (changed from static combined disabled mortality sex-distinct table). |

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2014 Experience Study which is reviewed for the four-year period ending December 31, 2014.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
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NOTES TO THE BASIC FINANCIAL STATEMENTS

4. RETIREMENT PLANS (CONTINUED)

DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.50 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Assumed Asset Allocation:

| Asset Class/Strategy | Low Range | High Range | OIC Target |
|-----------------------------|------------------|-------------------|-------------------|
| Cash | 0.0% | 3.0% | 0.0% |
| Debt Securities | 15.0% | 25.0% | 20.0% |
| Public Equity | 32.5% | 42.5% | 37.5% |
| Private Equity | 16.0% | 24.0% | 20.0% |
| Real Estate | 9.5% | 15.5% | 12.5% |
| Alternative Equity | 0.0% | 10.0% | 10.0% |
| Opportunity Portfolio | 0.0% | 3.0% | 0.0% |
| Total | | | 100% |

Source: June 30, 2014 PERS CAFR; p. 54-55

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2013 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
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NOTES TO THE BASIC FINANCIAL STATEMENTS

4. RETIREMENT PLANS (CONTINUED)

DISCOUNT RATE (CONTINUED)

| Asset Class | Target | Compound Annual Return (Geometric) |
|-----------------------------------|---------------|---|
| Core Fixed Income | 7.20% | 4.50% |
| Short-term Bonds | 8.00% | 3.70% |
| Intermediate-Term Bonds | 3.00% | 4.10% |
| High Yield Bonds | 1.80% | 6.66% |
| Large Cap US Equities | 11.65% | 7.20% |
| Mid Cap US Equities | 3.88% | 7.30% |
| Small Cap US Equities | 2.27% | 7.45% |
| Developed Foreign Equities | 14.21% | 6.90% |
| Emerging Foreign Equities | 5.49% | 7.40% |
| Private Equity | 20.00% | 8.26% |
| Opportunity Funds/Absolute Return | 5.00% | 6.01% |
| Real Estate (Property) | 13.75% | 6.51% |
| Real Estate (REITS) | 2.50% | 6.76% |
| Commodities | 7.71% | 6.07% |
| <i>Assumed Inflation</i> | | 2.75% |

Source: June 30, 2014 PERS CAFR; p. 54 – 55)

Sensitivity of the Board's proportionate share of the net pension liability to changes in the discount rate – The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate.

| | <u>(6.50%)</u> | <u>(7.50%)</u> | <u>(8.50%)</u> |
|---|----------------|----------------|----------------|
| Board's proportionate share of the net pension liability (asset) | \$ 1,993,105 | \$ 1,234,376 | \$ 600,211 |

Changes Subsequent to the Measurement Date:

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
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NOTES TO THE BASIC FINANCIAL STATEMENTS

4. RETIREMENT PLANS (CONTINUED)

DISCOUNT RATE (CONTINUED)

At its July 28, 2017 meeting, the PERS Board lowered the assumed rate to 7.2 percent. For member transactions, this rate will take effect January 1, 2018. The current assumed rate is 7.5 percent and has been in effect for member transactions since January 1, 2016. The actuarial effect of this change on the net pension liability has not yet been determined.

As reflected in the December 31, 2014 actuarial valuation, the system-wide actuarial accrued liability has increased primarily due to the Moro decision and assumption changes, along with interest on the liability as current active members get closer to retirement. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions passed by the 2013 Oregon Legislature, which increased the benefits projected to be paid by Employers compared to those previously developed and consequently increased plan liabilities. The employers' projected long-term contribution effort reflects the estimated impact of the Moro Decision. Following the completion of the December 31, 2014 actuarial valuation, the PERS Board adopted several assumption changes, including lowering the investment return assumption from 7.75% to 7.50%.

Individual Account Program - In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for OPERS. The Oregon Public Service Retirement Plan (OPSRP) is effective for all new employees hired on or after August 29, 2003, and applies to any inactive OPERS members who return to employment following a six month or greater break in service. The new plan consists of the defined benefit pension plans and a defined contribution pension plan (the Individual Account Program or IAP). Beginning January 1, 2004, all OPERS member contributions go into the IAP portion of OPSRP. OPERS' members retain their existing OPERS accounts, but any future member contributions are deposited into the member's IAP, not the member's OPERS account. Those employees who had established an OPERS membership prior to the creation of OPSRP will be members of both the OPERS and OPSRP system as long as they remain in covered employment. Members of OPERS and OPSRP are required to contribute six percent of their salary covered under the plan which is invested in the IAP. The Board makes this contribution on behalf of its employees.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online at the below website, or by contacting PERS at the following address: PO BOX 23700 Tigard, OR 97281-3700,

<http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
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NOTES TO THE BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN

The information in this footnote represents amount for the state government of Oregon as a whole with the portion allocable to OSBEELS where applicable

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description - The public Employees Retirement System (PERS) Board contracts for health insurance coverage on behalf of the members of PERS. Eligible retirees pay their own age-adjusted premiums. To help retirees defray the cost of these premiums, PERS also administers two separately defined benefit other postemployment benefit (OPEB) plans: the Retirement Health Insurance Account (RHIA) and the Retiree Health Insurance Premium Account (RHIPA).

The RHIA is a cost-sharing multiple-employer OPEB plan in which 904 employers participate. Established under Oregon Revised Statute (ORS) 238.240, the plan provides a payment of up to \$60 toward the monthly cost of health insurance for eligible PERS members. To be eligible to receive the RHIA subsidy, the member must (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991. The legislature has sole authority to amend the benefit provisions and employer obligations for the RHIA plan. The number of active plan RHIA participants receiving benefits was \$44,769 for the fiscal year ended June 30, 2017.

Established under ORS 238.415, the RHIPA is considered a single-employer OPEB plan for financial reporting purposes, although certain discretely presented component units and related organizations do participate in the plan. The plan provides payment of the average difference between the health insurance premiums paid by retired state employees under contracts entered into by the PERS Board and health insurance premiums paid by state employees who are not retired. PERS members are qualified to receive the RHIPA subsidy if they have eight or more years of qualifying service in PERS at the time of retirement or receive a disability pension calculated as if they had eight or more years of qualifying service, but are not eligible for federal Medicare coverage. A surviving spouse or dependent of a deceased retired state employee is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired on or after September 29, 1991. The Legislature has sole authority to amend the benefit provisions and employer obligations of the RHIPA plan. The number of active plan RHIA participants receiving benefits was 1,252 for the fiscal year ended June 30, 2017.

Both RHIA and RHIPA are closed to employees hired on or after August 29, 2003 who had not established membership prior to that date.

The RHIA and RHIPA defined OPEB plans are reported separately under Other employee Benefit Trust Funds in the fiduciary funds basic financial statements and as part of the Pension and Other Employee Benefit trust in the fiduciary funds basic financial statements. PERS issues a separate, publicly available financial report that includes audited financial statements and required supplementary information. The report may be obtained by writing to the Public Employees Retirement System, Fiscal Services Division, PO Box 23700, Tigard, OR 97281-3700. The report may also be accessed online at:

<http://www.oregon.gov/pers/Documents/Financials/CAFR/2017-CAFR.pdf>

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NOTES TO THE BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONTINUED)

Funding – Both of the OPEB plans administered by PERS are funded through actuarially determined employer contributions. For the biennium ending June 30, 2017, state agencies contributed 0.08 percent of PERS- covered payroll for the Tier One and Tier Two plan members to fund the normal cost portion of RHIA benefits. In addition, state agencies contribute 0.45 percent of all PERS-covered payroll to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities amortized over 20 years. The required employer contributions were approximately \$11.2 million, \$10.6 million, and \$11.7 million for the years ended June 30, 2017, 2016 and 2015, respectively. The actual contribution equaled the annual required contribution in each fiscal year.

The funded status of the RHIA post-employment healthcare plan as of the most recent actuarial valuations date (in millions):

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a % of Covered Payroll ((b-a)/c) |
|--------------------------------|--|---|------------------------------------|--------------------------|---------------------------|--|
| 12/31/2016 | \$ 465.0 | \$ 463.7 | \$ (1.3) | 100% | \$ 4,516.7 | 0.0% |
| 12/31/2014 | 395.9 | 468.4 | 72.5 | 84.5% | 9,115.8 | 0.8% |

For the biennium ending June 30, 2017, state agencies contribute 0.09 percent of PERS-covered payroll for Tier One and Tier Two plan members to fund the normal cost portion of RHIPA benefits. In addition, state agencies contribute 0.35 percent of all PERS-covered payroll to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities amortized over 20 years. The required employer contributions of the State, as the primary government, were approximately \$9 million, \$8.5 million, and \$5.1 million for the years ended June 30, 2017, 2016 and 2015, respectively. The actual contribution equaled the annual required contribution in each fiscal year. As noted previously, because certain discretely presented component units and related organizations contribute to the RHIPA plan, the contributions identified in the combining statement of changes in fiduciary net position exceed the State's required employer contributions.

The funded status of the RHIPA post-employment healthcare plan as of the most recent actuarial valuations date (in millions):

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a % of Covered Payroll ((b-a)/c) |
|--------------------------------|--|---|------------------------------------|--------------------------|---------------------------|--|
| 12/31/2016 | \$ 19.1 | \$ 67.9 | \$ 48.8 | 28.1% | \$ 1,276.0 | 3.8% |
| 12/31/2014 | 7.2 | 70.5 | 63.3 | 10.2% | 2,718.9 | 2.3% |

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NOTES TO THE BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONTINUED)

Actuarial Methods and Assumptions – The PERS postemployment healthcare benefit obligation, including both RHIA and RHIPA, was determined as part of the actuarial valuation prepared by the PERS consulting actuary at December 31, 2016 using the entry age normal cost method. Significant assumptions used in the actuarial valuation include a 7.2 percent per annum rate of return on the investment of present and future assets and projected payroll growth of 3.5 percent, for both the RHIA and RHIPA plans. As a subcomponent of the payroll growth rate, both plans assume an increase in the consumer price index of 2.5 percent. The RHIPA plan uses a healthcare cost inflation adjustment graded from 7.5 percent in 2017 to 4.2 percent in 2093. There is no inflation assumption for RHIA post-employment benefits because the payment amount is set by statute and is not adjusted for increases in healthcare costs. The unfunded actuarial accrued liability is being amortized as a level percentage of combined valuation payroll over a closed period of 10 years. The actuarial value of plan assets for both the RHIA and the RHIPA is equal to the assets' fair market value on the valuation date. Restricted net position held in trust for other post-employment benefits for RHIA and RHIPA at June 30, 2017, was \$511.8 million and \$24.3 million, respectively.

PUBLIC EMPLOYEES BENEFIT BOARD

Plan description – The State participates in a defined benefit postemployment healthcare plan administered by the Public Employees Benefit Board (PEBB). This plan offers healthcare assistance to eligible retired employees and their beneficiaries. Chapter 243 of the Oregon Revised Statutes gives the retired employees and their beneficiaries. Chapter 243 of the Oregon Revised Statutes gives the Board authority to establish and amend the benefit provisions of the PEBB plan. The PEBB Plan is considered a single-employer plan for financial reporting purposes, although certain discretely presented component units and related organizations do participate in the PEBB plan. As a result, the State reports only a portion of the overall net OPEB obligation under the primary government section of the Statement of Net Position. PEBB does not issue a separate, publically available financial report.

The PEBB plan allows qualifying retired employees to continue their “active” health insurance coverage on a self-pay basis until they are eligible for Medicare. Participating retirees pay their own monthly premiums. However, the premium amount is based on a blended rate that is determined by pooling the qualifying retirees with active employees, thus, creating an “implicit rate subsidy.”

Summary of Significant Accounting Policies – The PEBB plan's implicit rate subsidy, if not fully funded, represents an obligation of the State, the net OPEB obligation for the year ended June 30, 2017, is \$77.6 million and the collective discretely presented components' unit share is \$20.3 million. The net OPEB obligation is allocated to the participating funds and entities based on their proportionate share of annual health insurance premium costs. The portion of the net OPEB obligation related to governmental activities is reported in the internal service funds balance sheet and the government-wide statement of the net position; the portion related to business-type activities is reported in the proprietary funds balance sheet and the government-wide statement of net position. The portion related to fiduciary activities is reported in the statement of fiduciary net position.

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NOTES TO THE BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

PUBLIC EMPLOYEES BENEFIT BOARD (CONTINUED)

Funding – The PEBB’s Funding Policy Provides for employer contribution in amounts sufficient to fund the cost of active employee health benefits, including the retiree rate subsidy, on a pay-as-you-go basis. Administrative costs of the PEBB Plan are financed by up to 2 percent of the employer and plan member contributions. For the year ended June 30, 2017, retired plan members contributed \$11.2 million through their required contributions. The average monthly contribution was \$1,179. Active employees do not contribute to the plan.

The funded status of the PEBB post-employment healthcare plan as of the most recent actuarial valuations date (in millions):

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a % of Covered Payroll' ((b-a)/c) |
|--------------------------------|--|---|------------------------------------|--------------------------|---------------------------|---|
| 7/1/2015 | \$ - | \$ 73.4 | \$ 73.4 | 0% | \$ 3,037.0 | 2.4% |
| 7/1/2013 | - | 105.1 | 105.1 | 0% | 2,485.8 | 4.2% |

The schedule of funding progress, which is included in the required supplementary information that immediately follows the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN

Actuarial Methods and Assumptions – The PEBB postemployment healthcare benefit obligation was determined as part of the actuarial valuation prepared by the OPEB consulting actuary at July 1, 2015, using the entry age normal cost method. The State's annual OPEB expense is based on the annual required contribution (ARC), an amount actuarially determined in accordance with GASB Statement No. 45. Significant assumptions used in the actuarial valuation include a 3.5 percent per annum rate of return on the investment of present and future assets and projected payroll growth of 3.5 percent. The plan uses a medical healthcare cost inflation adjustment of 6.1 percent in fiscal year 2017, 5.6 percent in fiscal year 2018, 6.5 percent in fiscal year 2019, 6.5 in fiscal year 2020, and average of 5.7 percent between fiscal years 2021 and 2044, and the rate grades down from 5.7 percent to 5.0 percent between fiscal years 2045 and 2065. The dental healthcare cost inflation adjustment was graded from 5 percent in fiscal year 2017 and all subsequent fiscal years. The plan's inflation assumption is 2.5 percent. The unfunded actuarial accrued liability is being amortized using the level dollar methodology over an open 1-year period.

For biennium ended June 30, 2017 the components of the PEBB Plan's annual OPEB cost, the amounts actually contributed, and changes to the net OPEB obligation:

| | <u>State of Oregon</u> <u>(in millions)</u> | <u>Allocated to</u> <u>OSBEELS</u> |
|---|--|---------------------------------------|
| Biennium required contribution | \$ 81.9 | * |
| Interest on net OPEB obligation | 2.6 | * |
| ARC adjustment | <u>(77.8)</u> | <u>*</u> |
| Biennial OPEB cost (expense) | 6.7 | * |
| Contributions made | <u>(4.3)</u> | <u>*</u> |
| Increase in net OPEB obligation | 2.4 | \$ (1,459) |
| Net OPEB obligation - beginning of biennium | <u>75.1</u> | <u>22,588</u> |
| Net OPEB obligation - end of biennium | <u>\$ 77.5</u> | <u>\$ 21,129</u> |

* information not available

ACTUARIAL VALUATIONS

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective and include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

6. COMPENSATED ABSENCES

Portions of amounts accumulated at any point in time can be expected to be redeemed before termination of employment; however, such redemptions cannot be reasonable estimated. As of June 30, 2017, employees of the board had accumulated 50 days of sick leave.

7. LEASE COMMITMENT

Office space is leased from Sage Properties, LLC. The original lease term was extended on June 1, 2013 for an additional 7 years, through May 31, 2020. The specified annual base rents are listed below. In addition to the base rent, there are certain other contractual fees that apply. These fees include common area maintenance, taxes, utilities, and common area janitorial fees. The monthly fees may be increased by the landlord.

Total lease payments for the biennium ended June 30, 2017 were \$252,301.

Future minimum payments under the lease are as follows:

For the biennium ending June 30,

| | |
|-------|------------------|
| 2019 | \$265,585 |
| 2021 | <u>122,870</u> |
| Total | <u>\$388,455</u> |

An office copier is leased from Pacific Automation for 60 months running through August 2020. Monthly payments ranged from \$780 to \$904 during the biennium ended June 30, 2017. Monthly payments moving forward are \$827 per month.

Total copier lease payments for the biennium ended June 30, 2017 were \$17,521.

Future minimum payments under the copier lease are as follows:

For the biennium ending June 30,

| | |
|-------|-----------------|
| 2019 | \$19,843 |
| 2021 | <u>827</u> |
| Total | <u>\$20,670</u> |

8. PRIOR PERIOD ADJUSTMENTS

The Statement of Activities has a total prior period adjustment of \$144,593 resulting from: (1) to correct the unearned revenue balance at June 30, 2015 that was reported \$128,296 too high, and (2) to record net capital assets of \$16,297 for leasehold improvements that were purchased during the biennium ended June 30, 2015 but were not added to the Statement of Activities at June 30, 2015 per GASB 34.

The Statement of Revenues and Expenditures and Changes in Fund Balance has a prior period adjustment to correct the unearned revenue balance at June 30, 2015 that was reported \$128,296 too high.

REQUIRED
SUPPLEMENTARY INFORMATION

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING & LAND SURVEYOR
SALEM, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
for the biennium ended June 30, 2017

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

| Biennium Ended June 30, | (a) Employer's proportion of the net pension liability (NPL) | (b) Employer's proportionate share of the net pension liability (NPL) | (c) The Board's covered payroll | (b/c) NPL as a percentage of covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
|-------------------------------|--|---|--|--|--|
| 2017 | 0.008 % | \$ 1,234,376 | \$ 1,021,723 | 120.8 % | 80.5 % |
| 2015 | 0.001 | (290,590) | * | * | 103.6 |

The amounts presented for each biennium were actuarial determined at 12/31 and rolled forward to the measurement date of 6/30 for each biennium presented.

These schedules are presented to illustrate the requirements to show information for 5 biennium's. However, until a full 5-biennium trend has been compiled, information is presented only for the bienniums for which the required supplementary information is available.

* information is not available

SCHEDULE OF CONTRIBUTIONS

| | Statutorily required contribution | Contributions in relation to the statutorily required contribution | Contribution deficiency (excess) | Employer's covered payroll | Contributions as a percent of covered payroll |
|------|---|---|--|----------------------------------|--|
| 2017 | \$ 179,479 | \$ 179,479 | \$ - | \$ 1,208,519 | 14.9 % |
| 2015 | 174,810 | 174,810 | - | 1,021,723 | 17.1 |

The amounts presented for each biennium were actuarial determined at 12/31 and rolled forward to the measurement date of 6/30 for each biennium presented.

These schedules are presented to illustrate the requirements to show information for 5 biennium's. However, until a full 5-biennium trend has been compiled, information is presented only for the bienniums for which the required supplementary information is available.

OTHER INFORMATION

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND - ACTUAL AND BUDGET -
for the biennium ended June 30, 2017

| GENERAL FUND | | | | |
|--------------------------|--------------------|-----------------|--------------|--|
| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
| REVENUES: | | | | |
| License and fees | \$ 2,671,600 | \$ 2,671,600 | \$ 2,785,482 | \$ 113,882 |
| Civil penalties | 30,000 | 30,000 | 77,330 | 47,330 |
| Miscellaneous | 49,000 | 49,000 | 45,127 | (3,873) |
| Total Revenues | 2,750,600 | 2,750,600 | 2,907,939 | 157,339 |
| EXPENDITURES: | | | | |
| Personal services | 2,242,500 | 2,242,500 | 1,949,064 | 293,436 |
| Materials and services | 1,007,500 | 1,007,500 | 1,058,240 | (50,740) |
| Total Expenditures | 3,250,000 | 3,250,000 | 3,007,304 | 242,696 |
| Change in Fund Balance | (499,400) | (499,400) | (99,365) | 400,035 |
| Beginning Fund Balance | 1,622,910 | 1,622,910 | 1,610,674 | (12,236) |
| Prior Period Adjustments | - | - | 128,296 | 128,296 |
| Ending Fund Balance | \$ 1,123,510 | \$ 1,123,510 | \$ 1,639,605 | \$ 387,799 |

REPORTS ON LEGAL AND OTHER REGULATORY REQUIREMENTS



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March 19, 2018

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities and the major fund of the Oregon State Board of Examiners for Engineering and Land Surveying which comprise the statement of financial position as of June 30, 2017 and the statement of activities for the biennium then ended, and related notes to the basic financial statements, and have issued our report thereon dated March 19, 2018

Internal Control Over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the basic financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Responses to be significant deficiencies.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Entity's Response to Findings

The entity's responses to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. The responses were not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink, reading "Roy R. Rogers". The signature is written in a cursive style with a large, stylized "R".

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

SCHEDULE FINDINGS AND RESPONSES
for the biennium Ended June 30, 2017

SECTION I – FINANCIAL STATEMENT FINDINGS

Significant Deficiencies

2017-FS-1

Condition:

There are no written control policies or procedures.

Criteria:

Formal policies / procedures which identify the controls in place for all financial accounts and reporting areas should be adopted.

Effect:

Without adequate documentation of internal controls it is difficult for management and the Board to ensure that assets are being safeguarded and that Board policies are being adhered to. Without adequate documentation of internal controls, if those individuals that know the controls that have been put in place were to leave, there wouldn't be anything for the successor to follow.

Cause:

A written internal control policies and procedures document has not been prepared.

Recommendations:

We recommend a written internal control policies and procedures document be prepared.

Response:

We concur with the recommendation and will develop a plan to implement them.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

SCHEDULE FINDINGS AND RESPONSES
for the biennium Ended June 30, 2017

SECTION I – FINANCIAL STATEMENT FINDINGS (CONTINUED)

Significant Deficiencies (Continued)

2017-FS-2

Condition:

At the time the audit began, accounts payable, accrued wages, accounts receivable and unearned revenue had not been reconciled and updated prior to the auditors arriving on site.

Criteria:

It is the Board's responsibility to prepare financial statements in accordance with the generally accepted accounting principles.

Effect:

Without accurately prepared financial statements in accordance with general accepted accounting principles, the financial statement information submitted to the State could be materially misstated.

Cause:

The third-party CPA kept on retainer had not been brought in to assist with year-end adjustments prior to the auditors arriving on site.

Recommendation:

We recommend that all accounts be reconciled and reported in accordance with general accepted accounting principles at year-end and all necessary adjustments be made prior to providing your financial statements to the auditors for the biennium audit.

Response:

We concur with the recommendation. Our failure to do this in preparation for the June 30, 2017 audit was an oversight.

OREGON STATE BOARD OF EXAMINERS FOR ENGINEERING AND LAND SURVEYING
SALEM, OREGON

SCHEDULE FINDINGS AND RESPONSES
for the biennium Ended June 30, 2017

SECTION I – FINANCIAL STATEMENT FINDINGS (CONTINUED)

Significant Deficiencies (Continued)

2017-FS-3

Condition:

Purchases were made during the biennium ended June 30, 2015 that had not been included on the capital asset register, resulting in a prior period adjustment.

Criteria:

It is the Board's responsibility to determine that purchases meet the criteria in the capitalization policy for inclusion on the capital asset register.

Effect:

Because the capital asset register was not updated for capital purchases made during the biennium ended June 30, 2015, the previously issued financial statements were misstated.

Cause:

Insufficient resources were devoted to evaluating purchases for inclusion on the capital asset register.

Recommendations:

We recommend the Board get assistance from the third-party CPA kept on retainer in evaluating purchases made during the year to determine which should be included on the capital asset register.

Response:

We concur with the recommendation and will implement it.

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Section II

Budget Comparison

Table of Beginning and Ending Balances

| Source | 2015-2017 Actual/Report | 2017-2019 Projected/Adopted |
|-------------------|------------------------------------|--|
| Beginning Balance | \$1,639,605 | \$1,877,935 |
| Net Income/Loss | \$238,330 | \$25,830 |
| Ending Balance | \$1,877,935 | \$1,903,765 |

Public Hearing Process

The Board adopts its budget through the Rulemaking Process. The Administrator and the Deputy Administrator work closely with the Board's Finance Committee to determine the level of revenue required to support the programs that the Board is mandated by law to administer. Once the revenue requirements are determined, a review of resources is conducted and a proposal is submitted to the Board. If necessary, fee adjustments are considered. The expenditure limit is contained in rule and is set out in a Notice of Proposed Rulemaking. The Notice includes an invitation to comment. The Board received no comments. Prior to the adoption, amendment, or repeal of any rule, the Board publishes these forms in the Oregon Bulletin (referred to in ORS 183.360) at least twenty-one (21) days prior to the effective date. Subsequently, a Certificate and Order is filed with the Archives Division, Secretary of State and within ten (10) days a copy is filed with Legislative Counsel. The Board follows the process contained in the Administrative Law Manual.

2017 – 2019 Biennium Budget Process

| Date | Description of Action |
|-------------------|--|
| February 10, 2017 | Finance Committee discussion. |
| March 14, 2017 | Board review, discussion, and approval to proceed with rulemaking for the 2017 – 2019 biennium budget. |
| April 1, 2017 | Rulemaking Notice published in Oregon Bulletin. Notification to public pursuant to OAR 820-001-0000 and information posted to the OSBEELS Web site. No hearing was requested. |
| June 12, 2017 | Permanent rule filed with Archives Division; to become effective on July 1, 2017. Copy of the Certificate and Order for Filing Permanent Rules, along with a marked-up copy of the rule text is sent to Legislative Counsel. |

Current Fees and Proposed Changes

Early in the biennium, the Board amended registration application fees, and the fee for issuance of a certificate of registration under ORS 672.153. The Board also amended the biennial renewal fee for professional engineers, professional land surveyors, and registered professional photogrammetrists. Biennial renewal fee increased from \$150 every two years to \$190 every two years. The Board has no anticipated changes to the fees listed in OAR 820-080-0020.

Budget Comparison

2017-2019

| | 2017-2019 Adopted Budget | 2017-2019 Actual | % Change Budget to Actual | 2019-2021 Adopted Budget | % Change 2017-2019 Adopted to 2019 - 2021 Adopted | % Change 2017-2019 Actual to 2019 - 2021 Adopted |
|--|--------------------------------|---------------------|---------------------------------|--------------------------------|---|--|
| Income | | | | | | |
| 4000 · Renewals - ACTIVE | 2692200 | 2497225 | 92.76% | 2692200 | 100% | 108% |
| 4090 · Delinquent Fee | 95000 | 84150 | 88.58% | 95000 | 100% | 113% |
| 4095 · Reinstatement Fee | 7500 | 6055 | 80.73% | 7500 | 100% | 124% |
| 4100 · PE Exam / Application Fee | 461500 | 575855 | 124.78% | 520000 | 113% | 90% |
| 4200 · PLS Exam / Application Fee | 11500 | 18760 | 163.13% | 14500 | 126% | 77% |
| 4400 · CWRE Exam / Application Fee | 3000 | 2900 | 96.67% | 2200 | 73% | 76% |
| 4500 · FE Application Fee | 20000 | 25385 | 126.93% | 20000 | 100% | 79% |
| 4600 · FLS Application Fee | 1200 | 1085 | 90.42% | 1200 | 100% | 111% |
| 4700 · Rescore Requests | 500 | 250 | 50.00% | 500 | 100% | 200% |
| 4750 · Wall Certificate | 65000 | 86030 | 132.35% | 76000 | 117% | 88% |
| 4800 · Pocket Card | 500 | 330 | 66.00% | 500 | 100% | 152% |
| 4850 · Civil Penalties | 50000 | 35664.86 | 71.33% | 25000 | 50% | 70% |
| 4900 · Miscellaneous Income | 21900 | 29817.8 | 136.15% | 21600 | 99% | 72% |
| 4950 · Symposium Registration Fee | 20000 | 31360 | 156.80% | 20000 | 100% | 64% |
| 9000 · Interest Income | | 17471.57 | | 40000 | | 229% |
| Total Income | 3449800 | 3412339 | 98.91% | 3536200 | 103% | 104% |
| Expense | | | | | | |
| 5000 · Employee Salaries and Benefits | 2167400 | 2326260.61 | 107.33% | 2322805 | 107% | 100% |
| 5200 · Lease Payment | 297000 | 299906.16 | 100.98% | 310000 | 104% | 103% |
| 5250 · Security Services | 1500 | 1933.2 | 128.88% | 1500 | 100% | 78% |
| 5300 · Office Expenses | 118000 | 104914.03 | 88.91% | 118000 | 100% | 112% |
| 5400 · Professional Services | 374300 | 444502.52 | 118.76% | 353200 | 94% | 79% |
| 5480 · Wellness | 0 | 0 | | 5000 | | |
| 5500 · Meeting Expenses | 42300 | 61774.03 | 146.04% | 62300 | 147% | 101% |
| 5600 · Insurance | 6500 | 8076 | 124.25% | 15765 | 243% | 195% |
| 5700 · Travel Expenses | 53000 | 61760.85 | 116.53% | 53000 | 100% | 86% |
| 5800 · Telecommunications | 25000 | 28832.65 | 115.33% | 25000 | 100% | 87% |
| 5825 · DAS IT | 0 | 15405.6 | | 100800 | | 654% |
| 5850 · Network and Computing Services | 15000 | 12758.38 | 85.06% | 0 | | |
| 5900 · Examination Expenses | 21000 | 25157.21 | 119.80% | 41000 | 195% | 163% |
| 5950 · Symposium Expenses | 52000 | 45875.35 | 88.22% | 60000 | 115% | 131% |
| 6000 · Credit Card and Processing Fees | 57000 | 65602.22 | 115.09% | 42000 | 74% | 64% |
| 6100 · Depreciation Expense | | | | | | |
| Total Expense | 3230000 | 3502758.81 | 108.44% | 3510370 | 109% | 100% |
| Net Income | 219800 | -90409.58 | -41.13% | 25830 | 12% | -29% |

Section III

Rule Making Activities

Rulemaking Activities

Between July 1, 2017 and June 30, 2019, the OSBEELS amended 15 rules, and had 5 temporary rule filings that continue its efforts to improve and clarify language related to the administration of the Board's activities.

In accordance with ORS 182.472(3), following are temporary and permanent rule actions taken by the Board during the 2017-2019 biennium.

OAR 820-010-0505

Amends biennial renewal fee for professional engineers, professional land surveyors, and registered professional photogrammetrists. Biennial renewal fee increased from \$150 every two years to \$190 every two years.

OAR 820-080-0010

Amends registration application fee, and the fee for issuance of a certificate of registration under ORS 672.153. Also amends the biennial renewal fee for professional engineers, professional land surveyors, and registered professional photogrammetrists. Biennial renewal fee increased from \$150 every two years to \$190 every two years.

OAR 820-040-0005

Amends language to clarify the definition of engineering as used in ORS Chapter 672.

OAR 820-010-1010

Amends language to allow a mechanism where the state of California can directly receive exam fees from Oregon participants rather than the Board acting as a pass through entity.

OAR 820-010-0505

Amends language to allow a consistent process and qualification for registrants who have been delinquent for more than 5 years.

OAR 820-010-1020

Amends language to clarify the education, course work evaluations and experience requirements for licensure as a professional engineer.

OAR 820-010-1000

Amends language to allow applicants who have held registration as a professional engineer for at least 6 years in another jurisdiction to provide references that held registration but were not in direct supervision.

OAR 820-010-2000

Amends language to allow applicants who have held registration as a professional land surveyor for at least 6 years in another jurisdiction to provide references that held registration but were not in direct supervision.

OAR 820-020-0050

Amends language to include the word “legal”. Notices sent by registered or certified mail to the last known address may not be considered legal service. TEMPORARY

OAR 820-001-0030

Amends language to allow the Board to enter into a contract for temporary, transitional services required to assist DAS IT with the onboarding process.

OAR 820-001-0020

Amends language to include the first 30 minutes of staff time are free and to delete the flat \$50 fee for a mailing list.

OAR 820-010-4000

Amends language to include the Washington Structural III Examinations passed in 2011 as qualifying examinations for SE registration.

OAR 820-020-0055

Amends language to adopt a definition clarifying the Board’s authority to assess civil penalties for negligence, gross negligence, and incompetence.

OAR 820-010-1000

Amends language to include the 1973 administration of the California Civil engineering examination as qualifying for registration.

OAR 820-010-1010

Amends language to include the 1973 administration of the California Civil engineering examination as qualifying for registration.

Section IV

Consumer Protection

OSBEELS is directed by an eleven member, Governor appointed, Board. Members of the Board and staff carry out the agency's mission through various programs and activities aimed at promoting consumer protection and increasing public awareness around the licensed professions of engineering, land surveying, and certified water right examination. The following reflects the Board's commitment to safeguarding the life, health, and property of the public.

Process or Service Delivery Improvements

The OSBEELS understands the significance of delivering services to members of the professional and public communities in a manner that promotes efficiency and accuracy. As an agency composed of 15 staff members that serves over 25,000 registrants and certificate holders, and operates within a state that boasts a population of over 4 million people, our approach to agency processes is critical to meet the volume of requests our agency receives and ongoing registrant processes. Committed to improving our service and processes, OSBEELS recognizes the importance of not only receiving feedback but also taking the time to address concerns and make the necessary improvements. This subsection will review the agency's efforts in the previous biennium to improve the delivery of our services and processes.

Registrant and Public Surveys

OSBEELS develops and distributes several surveys to registrants on an annual basis in order to gather feedback on perceptions, events, and customer service. Responses from these surveys are reviewed by Board members and staff, and any necessary changes to agency services, processes, and events are considered should they be identified by survey participants.

In the beginning of the biennium, OSBEELS developed the Customer Service survey, which has been administered on an annual basis to a quarter of all state registrants. Service areas put forth in the survey include overall customer service experience, the registration and license renewal process, agency communications, and professional regulation processes. OSBEELS has leveraged the annual survey to improve its approach to communications, internal processes, and customer service.

The OSBEELS has also developed surveys to garner post-event feedback from attendees, as well as communication-focused surveys which are distributed to gain insight regarding registrant's preferred method of communication and the type of content they are most interested in receiving from the Board.

Customer Service and Communications Standards Agreement

As representatives of OSBEELS to state registrants and the public, our staff understands the importance of providing the best, in-state customer service. In 2017 the Board and agency staff developed a Customer Service and Communications Standards Policy to outline instructions and expectations for staff when conducting their day-to-day customer service activities. Examples of service areas addressed within the policy include; expectations when answering phones, receiving and responding to emails, and working with international customers. The goal of this agreement was to provide staff with instructions and resources to deliver consistent and quality customer service to members of the public.

Addressing Questions Submitted to the Board

Contained on the OSBEELS website is the “Submit a question or concern to the Board” form. This form allows members of the public, organizations, and state registrants to complete and submit questions or concerns to the Board regarding rules, professional conduct, licensure, and more. Once submitted, Board members and staff review to determine the appropriate action or response to take. This form provides a direct channel for our customers to submit information to the Board for consideration and, in some cases, leads to process or customer service improvements.

To ensure information from the Board’s responses are shared with other interested parties, stakeholders, and professional registrants, the OSBEELS has begun including responses within the agency’s quarterly newsletter, the Oregon Examiner.

Public Outreach

OSBEELS’s approach to public outreach involves targeting three primary audiences with communication efforts. These audiences are registrants, students of all levels, and members of the public. To reach these audiences, OSBEELS develops materials for distribution, attends various events, and coordinates participation with state schools and universities. Within this subsection, we will share a summary of our efforts related to public outreach.

Social Media

OSBEELS uses Facebook to have more direct, non-formal contact with registrants and the public. The agency posts a variety of subjects on the account including Board meeting information, local and national news related to engineering, land surveying, and photogrammetry, OSBEELS participation at events, and more. The OSBEELS Facebook page can be found at <https://www.facebook.com/OSBEELS>

Working with Professional Organizations

During the 2017-2019 biennium, OSBEELS has worked frequently with professional organizations in the state of Oregon, and nationally, to develop relationships, increase outreach, and utilize an alternative channel for communicating and educating state registrants. Organizations that OSBEELS most commonly works with include the Professional Engineers of Oregon (PEO), the Professional Land Surveyors of Oregon (PLSO), and the Oregon Association of County Engineers and Surveyors (OACES), and the American Council of Engineering Companies of Oregon (ACEC), and the National Council of Examiners for Engineering and Surveying (NCEES). Those groups all boast professional networks at the state and national level and provide OSBEELS the opportunity to reach a larger audience of professionals on a regular basis. Through these professional partnerships, the OSBEELS is afforded the opportunity to advertise events and news in their publications and online communication channels, be present at annual events and local chapter meetings, and respond to questions from members of the professional community directly.

Through these partnerships, OSBEELS has had the opportunity to present at the annual conferences for PEO and PLSO. Presentation topics have included new rules, general overview of OSBEELS services and internal processes, and the introduction of new Board officials. These presentations serve as great opportunities for a large group of professionals to hear directly from Board members on topics related to their professions and learn about the services available to them as registrants.

Board meeting at Portland State University

OSBEELS held its May 2019, Board meeting at Portland State University in the Maseeh College of Engineering & Computer Science. The Board coordinated with the University’s College of Engineering to have the bi-monthly meeting on the PSU campus. In addition to the normal business agenda, staff and Board members participated on a panel discussion with students about the path to professional licensure. Following these activities, the Board then toured several engineering labs on campus and met with additional faculty members and students to discuss current research efforts.

The Board plans to host Board meetings at college campuses every two years to encourage interaction with college engineering programs in the state of Oregon and increase awareness about professional licensure among students.

OSBEELS 100-Year Anniversary

2019 marked the 100-year anniversary of the Board's inaugural Board meeting. To celebrate this milestone the OSBEELS ran a year-long campaign promoting Board history, historical engineering and land surveying in Oregon facts, and monumental projects from around the state. The centennial anniversary provided the OSBEELS to acknowledge the accomplishments of past Board members and state registrants and looked ahead at the future of our state's engineering and land surveying industries.

Education Programs

The Board and staff members regularly deliver presentations to professionals, students, and members of the public to promote awareness around our agency's regulated professions and consumer services. This section will outline OSBEELS's efforts related to public and registrant education.

Annual Symposium

Registrants are required to complete 30 professional development hours (PDH) each biennium as a condition of renewal of their registration. Continuing professional development allows registered professionals to maintain their competency as techniques and technologies steadily advance and change. Routine education in topics related to ethics, laws and rules, current issues within the professions and emerging equipment, and practices helps ensure that Oregon registrants are proficient in the services they are providing the public. To assist in these efforts, OSBEELS hosts an annual professional development Symposium that offers low-cost PDHs to registrants. The presentations are delivered by subject matter experts on topics most relevant to engineering, land surveying, photogrammetry and water right examination.

The 2017 Symposium featured topics related to energy and sustainability. The daylong event welcomed over 150 attendees and featured presentations from a variety of private and public organizations and registered professionals. Specific topics addressed during the 2017 Symposium included:

- Oregon State University's O.H. Hinsdale Wave Research Laboratory
- Portland General Electric's efforts to develop more efficient energy storage facilities
- The City of Portland's commitment to energy-efficient public services
- Bonneville Power Association

The 2018 Symposium welcomed more than 250 attendees from across the state. The daylong event featured presentations on the future of the engineering and land surveying industries in Oregon. Specific topics addressed during the 2018 Symposium included:

- The stadium renovation at Providence Park in Portland, OR
- The Sherwood Bridge replacement project
- Implementation of UAS Technology in the engineering and land surveying industries
- Surveying national parks
- Virtual reality software for structural engineering design projects
- Advances in performance based design of structural fire protection

By offering the annual Symposium, OSBEELS demonstrates a commitment to assisting its registrants in offering quality professional services in Oregon. Following each symposium, a survey is distributed to attendees in order to receive feedback on the event organization, presenters, and ideas for future Symposiums. Registrant feedback has been primarily positive regarding the event.

National Engineers and Surveyors Week

National Engineer and Surveyors weeks take place in February and March, respectively. Though these national recognition weeks occur in different months, they provide OSBEELS and individuals from both professions the chance to give back to their communities and participate in activities with youth. OSBEELS participated in numerous activities this past biennium aimed at increasing awareness among students and celebrating the work of our state's registrants.

In 2018 and 2019, staff and Board members participated in Engineers week activities throughout the state of Oregon. Staff visited Southwestern Oregon Community College to participate and present to local students at their annual Engineers Week career day. At the event, staff was able to share information about the Board, accredited engineering and geomatics college programs, professional exams, and the path to earning professional licensure in Oregon.

Staff also visited Wilsonville, OR to participate at the 2019 STEM Maker's Day event. Nearly 300 kids from local middle and elementary schools attended the event and learned about STEM professions and participate in hands-on activities. Staff came equipped with various interactive activities to help the young attendees understand the types of projects that engineers, land surveyors and photogrammetrists commonly work on.

In 2018 and 2019, staff attended the Portland-area Engineers Week Student Fair. Nearly 500 students attended the fair where agency staff, college programs, and professional organizations provided materials to help interested students learn more about engineering as a profession and the preferred combination of education and experience to receive professional licensure.

These national weeks provide OSBEELS a great opportunity to raise public awareness around engineering and surveying, as well as, professional licensure. Our agency has made it a priority to increase our participation at local educational events to not only increase awareness about these professions, but to engage with students, educators, and parents and inspire their interest in STEM careers.

Publications

OSBEELS has developed various materials and publications to educate professionals about agency processes, state rules, and inform students about careers in engineering and land surveying. This section will outline publications OSBEELS has developed over the course of this biennium and distributed to thousands of students and state registrants at various events.

Oregon Examiner

Beginning in 1988, the OSBEELS has published its newsletter, the Oregon Examiner, on a quarterly basis. The newsletter can be received by post mail or electronically and is one of the primary ways the Board disseminates information to state registrants, professional organizations, and interested parties. Over the course of this biennium, the Board placed an emphasis on encouraging our subscribers and registrants to elect to receive the Oregon Examiner digitally in order help the Board reduce its carbon footprint and reduce costs associated with the printing process.

Topics commonly covered in the Oregon Examiner range from summaries of OSBEELS rules and statutes, investigations and enforcement actions handled through the Board's Law Enforcement Committee, and any new information pertaining to licensure at the state and national level. Specialty topics covered in the Oregon Examiner in the previous biennium include retirement information, annual symposium advertising and summaries, new Board member introductions, historical interests, educational awards received by state college ABET-accredited programs, and more! To access The Oregon Examiner electronically, visit <http://pubhtml5.com/bookcase/lztf>.

Career Guide

OSBEELS worked with Start Engineering to develop a Career Guide for distribution to students, grades 1-12. The customized guide offers an opening letter from the Board President and also includes information about different types of engineering, careers in engineering, education information, and provides details about college scholarships. This guide has been a great resource for agency staff to distribute when attending student events, participating at academia expos, and presenting at career days. The Career Guide acts as an introduction to engineering for students and the various examples of engineering work aims to increase student's familiarity with the profession.

Licensure Flow Chart

OSBEELS developed flow charts to provide information about the licensing and renewal processes for engineering, land surveying, and photogrammetry. These handouts visually summarize the requirements for licensure in the state of Oregon and provide information about national and state resources as well. OSBEELS has primarily used these handouts at college and high school events to inform students about the path to licensure following the completion of their education. The flow charts have also helped to educate students about the type of work experience they should attempt to gain following graduation.

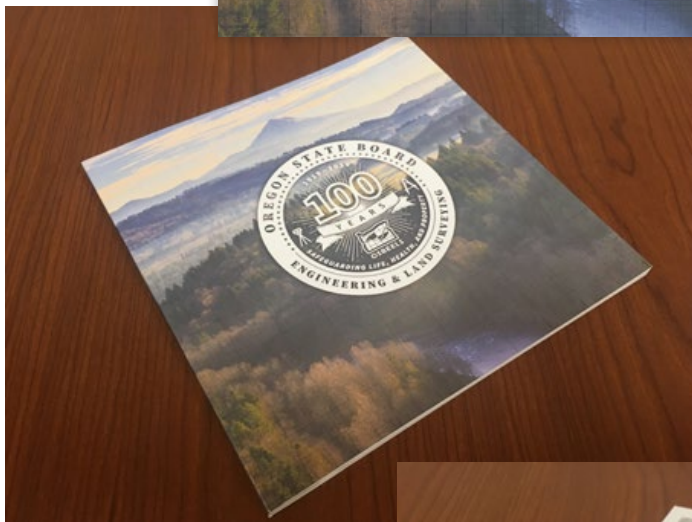
Unmanned Aircraft Systems and Land Surveying Regulations Brochure

Due to the increased utilization of unmanned aircraft systems (UAS or drones) and other evolving technologies in the land surveying profession, OSBEELS assembled the Photogrammetric and Remote Sensing Task Force. The Task Force's was directed to focus on educating professionals and hobbyists about the regulated photogrammetry profession. The result of this task was a brochure that has been distributed across the state at professional events, universities, Federal Aviation Administration test centers, and electronically as well.

The OSBEELS has shared the contents of this educational brochure with members of the public to increase public awareness about the services they are receiving from professionals. Since the development of this brochure, OSBEELS has also communicated its efforts with other state licensing Boards, such as the Alaska State Board of Registration for Architects, Engineers, and Land Surveyors and the California Board for Professional Engineers, Land Surveyors, and Geologists to share within their respective states.

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14. OSBEELS UAS Brochure





Oregon State Board of Examiners for Engineering and Land Surveying

Published by Eric Engelson [?]

January 17, 2018 · 🌐

Thank you to PLSO for inviting OSBEELS to speak at their 2018 annual conference! Board member, Jason Kent, presented this afternoon to conference attendees. — at Salem Convention Center.

📷 Tag Photo ✎ Edit

👍 3

2 Comments

👍 Like 💬 Comment ➦ Share 🌐

Most Relevant ▾



Jered McGrath Great job Jason thank you for participating in the conference.

Like · Reply · Message · 2y

PLSO 2019 CONFERENCE SCHEDULE

Friday, January 18

| Room | Ernest Bloch Sponsored by SHN | John Phillip Sousa Sponsored by SAM | Wilder-Ferber Sponsored by Parametrix | Lillian Hellman Sponsored by L.J. Friar & Assoc. | Mezzanine - Studio B/C | Lobby | Seeger/Joplin |
|-------------------|---|--|--|---|---|--------------------|---|
| Start Time | Registration Open and Coffee Service in Lobby | | | | | | Past Chair and Immediate Chapter Pres Breakfast <i>(Invite Only)</i> |
| 7:00 AM | | | | | | | |
| 8:00 AM | Dan Katz The Secrets of Drone Data Collection | Evan Page Who says the Surveyor Can't Determine Intent? | William Sherlock How Surveyors can Assist a Client and Attorney in Litigation | Alan Brickley BLA & Adverse Possession | OSBEELS Registration, Investigation, and Other Board Processes' | Exhibits Open | |
| 9:30 AM | Break • Coffee Sponsored | | | | | | |
| 10:00 AM | Dan Katz The Secrets of Drone Data Collection <i>(continued)</i> | Evan Page Gathering & Reporting Boundary Evidence | Leonard Rydell Our Quasi-Judicial Responsibility, A Surveyor's Perspective <i>(repeat)</i> | Lee Spurgeon Using ATVs to Improve Throughput and the Bottom Line | Jack Walker Drone Selection and Comparison of GNSS vs. Drone Contour Maps | Exhibits Open | |
| 11:30 AM | Lunch in Playwrights Hall • Keynote: John Byrd, NSPS and Mike Gordon, CPA • Sponsored by OBEC | | | | | | |
| 1:30 PM | Oregon GNSS Users Group Annual Meeting | Mitch Duryea Professional Ethics <i>(repeat)</i> | Mike Gordon New Tax Law Update | Jim Clayton, Michael Hanfin Condominium Plats: Government Approval from State and County Perspective | Level 1 CST EXAM <i>(pre-reg through NSPS required)</i> | Exhibits Closed | |
| 3:00 PM | Break • Coffee | | | | | | |
| 3:30 PM | Oregon GNSS Users Group Annual Meeting | Mitch Duryea ALTA/NSPS Land Title Surveys | Mike Gordon Selling Your Business | Ray Griffin When to Look Beyond Bearing Trees | Level 1 CST EXAM <i>(continued)</i> | Exhibits Closed | |
| 5:00 PM | Thank You for Attending • Please Drive Home Safe | | | | | | |

OSBEELS Holds Board Meeting at PSU

This past spring OSBEELS coordinated with the Portland State University's (PSU) Maseeh College of Engineering & Computer Science to hold the May Board meeting on the PSU campus. In addition to the meeting agenda, Board members and staff hosted a Q&A panel activity with engineering and geomatics students, and received a tour of the College of Engineering's labs and research facilities.

While on the facility tour, Board members and staff were shown the Oregon Small Satellite Project lab. The project is the first of its kind in Oregon, which aims to have the group be the first in the state to launch a small education satellite, called "cubesats."

During the day, the Board also welcomed Dr. Richard Cori, Dean of the Civil & Environmental Engineering department. During his visit with the Board, he discussed enrollment trends the College of Engineering was seeing and the development of research labs within the College's building.

The OSBEELS would like to thank the PSU College of Engineering & Computer Science for hosting the May Board meeting and providing our members with a behind-the-scenes look at their facility.



September 22, 2017
Salem Convention Center
Registration Begins July 6



POWERING CHANGE

OSBEELS ENERGY & SUSTAINABILITY SYMPOSIUM

This year's OSBEELS symposium will feature industry innovators and the projects that are shaping the future of clean energy and sustainability in Oregon.

Full day attendees will be eligible to earn 8 PDHs.

The **POWERING CHANGE** symposium will include presenters from:



City of Portland
Environmental Services



Portland
General Electric



Oregon
Department
of Energy



visit oregon.gov/osbeels for more information

OSBEELS 2018 SYMPOSIUM

TECHNOLOGY + INNOVATION

September 14
Salem Convention Center

SPEAKER SCHEDULE

| | |
|--------------------|--|
| 8:00–9:30 | Opening Keynote: Providence Park Stadium Expansion <i>Nathan Ingraffea, PE, SE</i> |
| 9:30–10:30 | Implementation and Integration of UAS Technology in Engineering and Land Surveying <i>Mark Leece, PE and Regan Schaller, PLS</i> |
| | Emerging Surveying and Mapping Technologies <i>Chris Parrish, Ph.D.</i> |
| 10:45–11:45 | Surveying National Parks <i>Larry Goble, PLS, PE (WA)</i> |
| | VR for Structural Design and Coordination <i>Steve Voorhees</i> |
| 11:45–1:15 | Lunch + College Student Showcase |
| 1:15–2:15 | Performance-Based Seismic Design of the Multnomah County Central Courthouse <i>Reid Zimmerman, PE, SE</i> |
| | Measuring, Mapping & Modeling in Motion: Toolset Innovation to Productivity <i>Matthew Kumpula, PE (WA)</i> |
| 2:15–2:45 | Afternoon break |
| 2:45–3:45 | Seismic Technology and TREC Research <i>Peter Dusicka, Ph.D., PE</i> |
| | Sellwood Bridge Replacement <i>Eric Rau, PE and Jon Henrichsen, PE</i> |
| 4:00–5:00 | Advances in Performance Based Design of Structural Fire Protection <i>Oscar Zuniga, MSc, PE</i> |
| | Unexpected Uses of Geospatial Data: How ODOT is Utilizing Technology to Make Better Decisions |

oregon.gov/osbeels

OSBEELS 2018 SYMPOSIUM

TECHNOLOGY + INNOVATION

September 14 | Salem Convention Center
REGISTER TODAY

Featuring Presentations on:
 Providence Park Stadium Expansion
 Surveying National Parks
 UAS Research
 ODOT Drone Program
 and more!



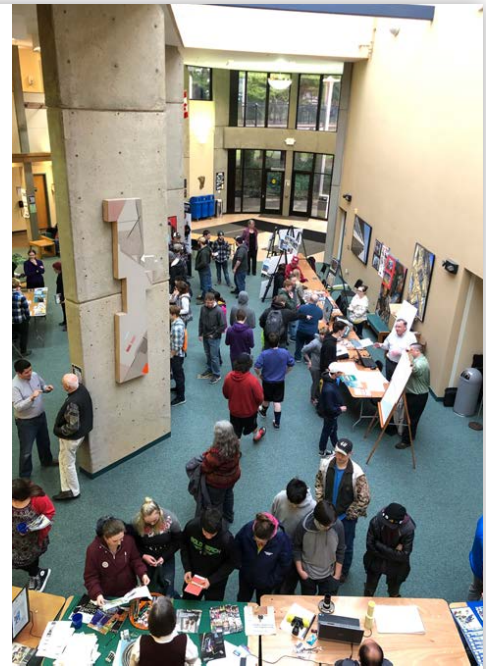
OSBEELS 2018 SYMPOSIUM

TECHNOLOGY + INNOVATION

September 14
Salem Convention Center

Registration begins **July 9**
More information at oregon.gov/osbeels





Engineers and Surveyors Weeks Inspire and Encourage Next Generation to Dream Big

Each year, national Engineers Week and Surveyors Week provides professionals, organizations, and mentors the opportunity to educate students about the engineering and surveying industries. This year, students throughout Oregon and the U.S. had the opportunity to learn through hands on activities, site tours, lunch-time discussions, and more! The week-long events also provide the opportunity to celebrate how these professionals make a difference in our world.

This year, Engineers Week took place from February 17 through February 23 and Surveyors Week from March 17 to March 23.

Check out some of the photos of the OSBEELS and others participating in Engineers Week and Surveyors Week activities!



Oregon State Board of Examiners for Engineering and Land Surveying
February 12 · 🌐

Engineers Week 2020 is less than a week away! Organizations across the state will be hosting activities to introduce kids to engineering and spark their interest in this vast industry. If you're in the Portland area, check out this Girls Day program hosted by Camp ELSO on Thursday, Feb. 20 at Alder Elementary!

Camp ELSO Presents:

GIRLS DAY

Have dinner with a real Engineer

Build Structures! Write Code

Talk to Engineering majors about their University

Watch Dream Big! A story about the amazing world of Engineering

Learn out about Engineering Programs in Portland

February 20, 2020
6:00 pm - 8:30 pm
Alder Elementary : 17200 SE Alder St, Portland, OR 97233
Doors Open: 5:30 pm
Dinner 6 pm
Workshops: 7 pm

Camp ELSO
Experience • Life • Science • Outdoors

BLUEPRINT

Maseeh College of Engineering and Computer Science
PORTLAND STATE UNIVERSITY

WRC Women's Resource Center

WIC

BLACK UNITED FUND OF OREGON

University of Portland
Shiley School of Engineering

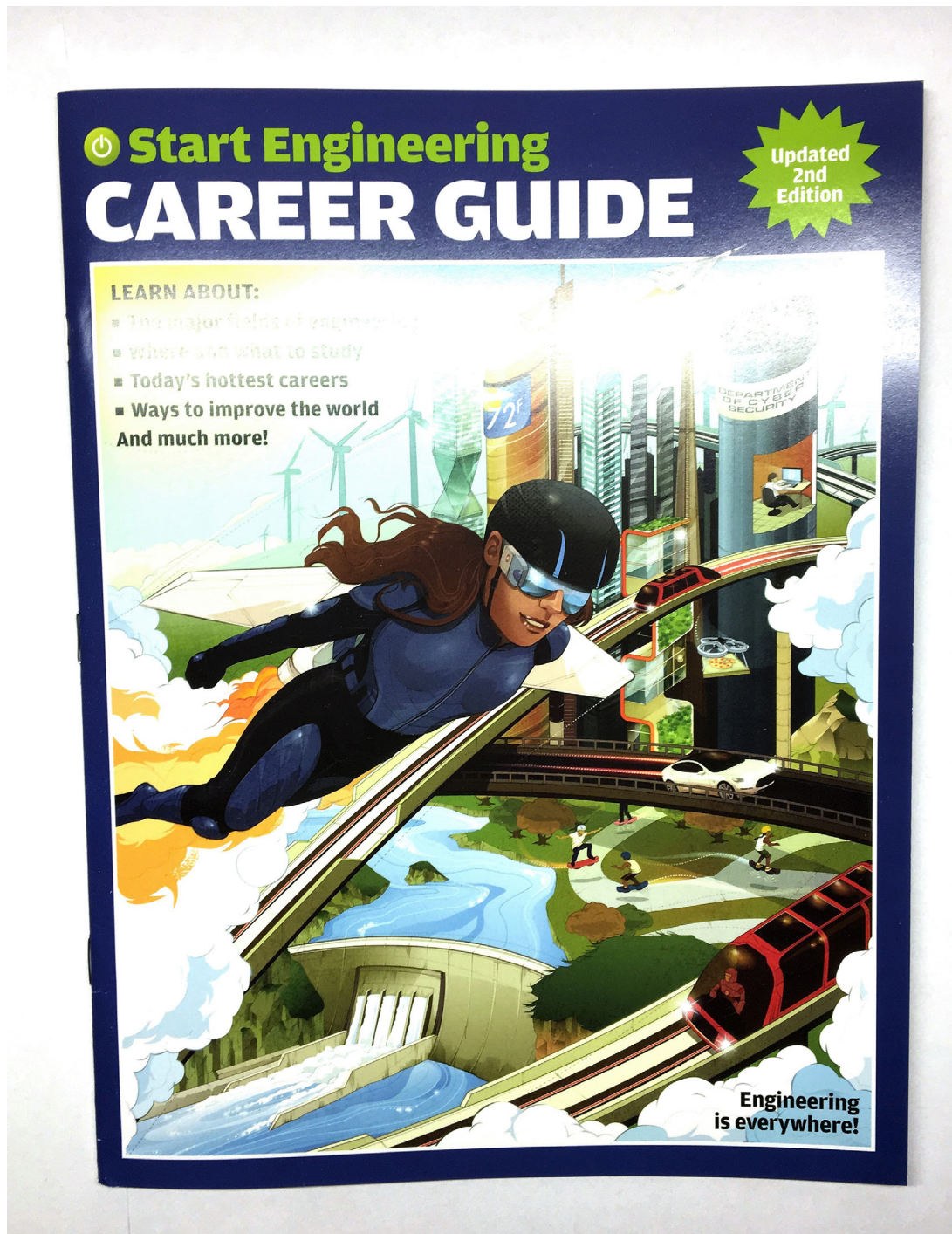
Oregon State Board of Examiners for Engineering and Land Surveying
March 2 · 🌐

Last month our staff and Board members had the opportunity to participate in several Engineers Week events throughout the state. We enjoyed seeing students eager to learn about the profession and were very impressed with the knowledge and skills so many already possessed! Thank you to all the organizations that helped support or coordinate events during this year's Engineers Week!

Oregon State Board of Examiners for Engineering and Land Surveying
January 31 · 🌐

Engineers Week is just under a month away. Visit DiscoverE to learn more about activities in your area and resources for getting involved!
<http://www.discovere.org/our-programs/engineers-week>

DISCOVERE.ORG
Engineers Week
A resource for volunteers to celebrate engineering and engage students.





Biennial Renewal Schedule

| Last name begins with: | Expiration Date: |
|------------------------|--|
| A-F | odd years December 31 (i.e., 2019, 2021, 2023) |
| G-K | odd years June 30 (i.e., 2019, 2021, 2023) |
| L-R | even years December 31 (i.e., 2018, 2020, 2022) |
| S-Z | even years June 30 (i.e., 2018, 2020, 2022) |

Maintaining Your License

To maintain the **Active Status** of your license or certificate, you must:

- Obtain **30 professional development hour (PDH) units** during each biennial registration period.
(see OAR 820-010-0635)
- Pay your **Renewal Fee** on a biennial schedule.
(see OAR 820-010-0505)
- Complete and postmark or hand-deliver a **Renewal Form** (including payment and a completed Continuing Professional Development (CPD) Form detailing your 30 PDH units) to OSBEELS before 5:00 p.m. on your registration expiration date.

Note: failure to postmark or hand-deliver your Renewal Form, CPD Form, and renewal fee to OSBEELS by 5:00 p.m. on the day of the expiration date will put your registration in "Delinquent" status. **Delinquent registrants are not authorized to practice in their field, may not supervise others in their field, and may not sign or apply their seal to any documents.**

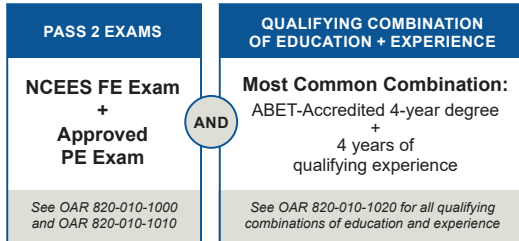
For more details, see OAR 820-010-0505.

PROFESSIONAL ENGINEER

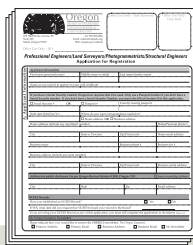
LICENSING PROCESS



Minimum Qualifications



Submit an Application Packet



Application Packet MUST include:

- Completed Registration Application Form
- Proof of passing approved exams
- Proof of qualifying ed/experience combo
- Completed Experience Details form
- 5 sealed Reference Details forms (3 of the 5 must be registered PEs)
- Application Fee

See OAR 820-010-1000, OAR 820-010-1010 and OAR 820-010-1020 for details

Application reviewed by OSBEELS Registration Specialists

Applications are subject to denial if there is no proof of meeting minimum qualifications

Registration Specialists recommend Board approval of complete applications

Application review at the next Board Meeting



Upon Board approval, licensee is sent a pocket card and wall certificate

To view the full text of OSBEELS-specific Oregon Administrative Rules, visit: bit.ly/ORAR820



Oregon Board of Examiners for Engineering and Land Surveying

The mission of OSBEELS is to regulate the practices of engineering, land surveying, photogrammetric mapping, and water right examination in the State as they relate to the welfare of the public in safeguarding life, health and property.

www.oregon.gov/osbeels



ABET

Accreditation Board for Engineering and Technology

ABET accredits college and university programs in the disciplines of applied science, computing, engineering and engineering technology at the associate, bachelor and master degree levels.

With ABET accreditation, students, and employers can be confident that a program meets the quality standards that produce graduates prepared to enter a global workforce.

www.abet.org



NCEES

*advancing licensure for
engineers and surveyors*

National Council of Examiners for Engineering and Surveying

NCEES develops, administers, and scores the examinations used for engineering and surveying licensure in the United States. It also facilitates professional mobility and promotes uniformity of the U.S. licensure processes through services for its member licensing boards and licensees.

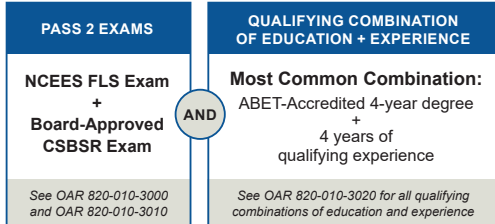
www.ncees.org

PROFESSIONAL PHOTOGRAMMETRIST

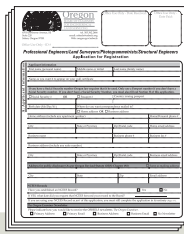
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- Completed Experience Details form
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(3 of the 5 must be registered PEs, PLSs or RPPs)
- Application Fee


See OAR 820-010-3000, OAR 820-010-3010
and OAR 820-010-3020 for details

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www.ncees.org

PROFESSIONAL LAND SURVEYOR

LICENSING PROCESS

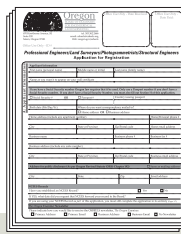


Minimum Qualifications

| PASS 3 EXAMS | QUALIFYING COMBINATION OF EDUCATION + EXPERIENCE |
|--|---|
| NCEES FLS Exam + NCEES PLS Exam + OR-Specific Exam <small>See OAR 820-010-2000 and OAR 820-010-2010</small> | Most Common Combination: ABET-Accredited 4-year degree + 4 years of qualifying experience <small>See OAR 820-010-2020 for all qualifying combinations of education and experience</small> |

AND

Submit an Application Packet



Application Packet **MUST** include:

- Completed Registration Application Form
- Proof of passing approved exams
- Proof of qualifying ed/experience combo
- Completed Experience Details form
- 5 sealed Reference Details forms
(3 of the 5 must be registered PLSs)
- Application Fee


See OAR 820-010-2000, OAR 820-010-2010
and OAR 820-010-2020 for details

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www.ncees.org

Land Surveying with Drones

Unmanned Aircraft Systems (UAS), such as drones, have become a tool land surveying and photogrammetric mapping professionals utilize to increase photo mapping capabilities and improve their ability to measure the surface of the Earth.

Well suited and complementary to traditional surveying technologies, UAS devices have allowed for hobbyists and certified operators to enter into the land surveying and photogrammetry industries and provide innovative services. However, when a new technology is introduced to a long-standing public service, individuals and organizations may overlook industry regulations and the necessary professional licensure to legally provide services to the public.

In this brochure the Oregon State Board of Engineering and Land Surveying (OSBEELS) aims to outline the long-standing regulations and professional licensure requirements for professional land surveying.



Useful Resources

Federal Aviation Administration – UAS
[FAA.gov/uas](https://www.faa.gov/uas)

State of Oregon Dept. of Aviation
[Oregon.gov/aviation](https://oregon.gov/aviation)

Oregon State Board of Examiners for Engineering and Land Surveying
[Oregon.gov/osbeels](https://oregon.gov/osbeels)

Oregon House Bill 4066 – Definition of an UAS
bit.ly/OHB4066

Oregon Administrative Rules 820 – Engineering and Land Surveying
bit.ly/ORAR820

Oregon Revised Statute, Chapter 672 – Professional Engineers; Land Surveyors; Photogrammetrist; Geologists
bit.ly/ORRS672

670 Hawthorne Avenue, SE
 Suite 220
 Salem, Oregon 97301

503-362-2666
OSBEELS.info@oregon.gov
oregon.gov/osbeels

Unmanned Aircraft Systems & Land Surveying Regulations



How the state of Oregon defines Land Surveying and Photogrammetry

The OSBEELS uses Oregon Revised Statutes (ORS) to determine how it defines land surveying and photogrammetric professions and services.

A professional land surveyor or registered professional land surveyor is defined as an individual who is registered and holds a valid certificate to practice surveying in the state of Oregon. In order to offer professional land surveying services in Oregon you must be registered with OSBEELS.

Photogrammetric mapping is defined as the process of evaluating and measuring land through the interpretation of aerial and remote sensing photographic images to determine topography, area, contours and land features.

To view additional examples of photogrammetric mapping and land surveying work as defined by the state of Oregon, refer to ORS 672.002, ORS 672.005 and ORS 672.007.

Professional Areas of Services

Land surveyors and photogrammetrists provide surveying and photogrammetry services to individuals, organizations and land owners as permitted by possessing a professional license from the state of Oregon. UAS operators providing similar photogrammetry services without the proper licensure, knowingly or unknowingly, could potentially receive fines or face further legal action. The below services are potential areas of infraction for UAS owners:

- Photogrammetric mapping
- Topographic mapping
- Volume computation
- 3D mapping
- Boundary surveys

How Licensing Protects the Public

Licensed mapping and surveying professionals adhere to certain professional and quality standards. A licensed profession ensures that an individual will provide a higher quality of work and be held accountable for how they conduct themselves. These regulations are in place to safeguard the public and ensure quality of service.

Interested in Becoming a Professionally Licensed Photogrammetrist?

UAS operators and interested individuals are encouraged to visit the OSBEELS website at Oregon.gov/OSBEELS to learn about the minimum requirements an applicant must meet to be considered for registration as a Professional Photogrammetrist in the state of Oregon. To be considered, applicants must hold the following qualifications:

- An approved combination of education and experience, as detailed in Oregon Administrative Rule 820-010-3010.
- Receive a passing score on the National Council of Examiners for Engineering and Land Surveying (NCEES) Fundamentals of Land Surveying examination.
- Receive a passing score on the Colonial States Boards of Surveyor Registration (CSBSR) Photogrammetry examination.

Interested in Becoming a Professionally Licensed Engineer or Land Surveyor?

- For Engineer qualifications view: [OAR 820-010-1000](#)
- For Land Surveyor qualifications view: [OAR 820-010-2000](#)



Section V

Licensing Activities and Disciplinary Actions

For the period of July 1, 2017-June 30, 2019, the Regulation Department investigated a total of 181 law enforcement cases. Of those 181 cases, 69 were opened before July 1, 2017. Of those 69 cases, 59 were closed before June 30, 2019. Since June 30, 2019, the remaining 10 cases that were opened before July 1, 2017 have also been closed.

112 cases were opened between July 1, 2017-June 30, 2019. Of those cases, 61 were closed before June 30, 2019. Since June 30, 2019, 48 cases that were opened between July 1, 2017- June 30, 2019 have also been closed, bringing the total cases opened and closed between July 1, 2017-June 30, 2019 to 109.

Three (3) cases opened between July 1, 2017-June 30, 2019 remain open today. The investigation for the first of those cases concluded on February 14, 2019, but the respondent requested two informal conferences with the Law Enforcement Committee in an attempt to settle the matter. No settlement has been reached, however, so the case will proceed to hearing in the coming months.

The second of the remaining cases from that period was opened on September 12, 2018, and involves the unlicensed practice of land surveying not only in Oregon, but also in six other states as well. Because of the complicated nature of the case, as well as the number of jurisdictions involved, the investigation is ongoing.

The third of the remaining cases was opened on June 13, 2019 at the tail-end of the reporting biennium, and it involves the potential unlicensed practice of electrical engineering in Oregon. Due to the complicated nature of the case, the Law Enforcement Committee has recommended hiring an expert to review the information submitted as part of the complaint. Therefore, the investigation is ongoing.

Between June 2019-August 2019, the Regulation Department worked with Marc Warren at the Warren Commission, LLC to review, update, and streamline the Board's investigative processes. Utilizing these revised processes, the Regulation Department has been able to more efficiently investigate cases, as well as refine its processes for reporting data. For example, the Regulation Department now differentiates the date when an investigation ends versus when a case is actually closed. While an investigation may end after a certain number of days, the case remains open until the Board approves its closure. Additionally, cases that are not immediately closed move through an administrative process that is dictated by rules and statutes which can greatly extend the time a case remains open. This timeline, however, is beyond the control of the Regulation Department.

Today, the Regulation Department has 24 open investigations, with an additional 15 cases being monitored for compliance. In February 2019, the Regulation Department had 51 open cases. In February 2018, the Regulation Department had 81 open cases. Even as OSBEELS continues to receive a steady stream of complaints, many of which are recommended by the Law Enforcement Committee to be opened for investigation, the Regulation Department has consistently lowered the number of open cases from year-to-year and increased the speed at which cases reach a resolution.

Registration

(a) The number of registration applications;

Application by first licensure

Applications by comity

Applications by exam

Applications by prior practice

The number of certification applications;

Applications for Engineering Intern

Applications for Land Surveying Intern

Applications for Certified Water Right Examiners

(b) The number of registrations issued;

Professional registered Engineers

Professional registered Land Surveyors

Professional registered Photogrammetrists

The number of certifications issued;

Engineering Intern certification

Land Surveying Intern certification

Certified Water Right Examiner certification

(c) The number of registration examinations conducted;

The number of certification examinations conducted;

(d) The average time between application for and issuance of registration;

| | June 2005 | June 2007 | % Change | June 2009 | % Change | June 2011 | % Change | June 2013 | % Change | June 2015 | % Change | June 2017 | % Change |
|---|----------------|----------------|----------|-----------------|----------|----------------|----------|----------------|----------|----------------|----------|----------------|----------|
| (a) The number of registration applications; | 2602 | 2456 | -6% | 3244 | 32% | 2874 | -11% | 2544 | -22% | 2374 | -7% | 2528 | 6% |
| Application by first licensure | N/A | 32 | | 32 | | 134 | | 176 | | 230 | | 2052 | |
| Applications by comity | 1200 | 1225 | | 1492 | | 1329 | | 1463 | | 1274 | | 214 | |
| Applications by exam | 1293 | 1104 | | 1519 | | 1143 | | 905 | | 870 | | 262 | |
| Applications by prior practice | 109 | 95 | | 201 | | 268 | | 0 | | 0 | | 0 | |
| The number of certification applications; | 2312 | 1884 | -19% | 2804 | 49% | 1705 | -39% | 1900 | -32% | 1401 | -26% | 705 | -50% |
| Applications for Engineering Intern | 2176 | 1738 | | 2709 | | 1615 | | 1818 | | 1330 | | 639 | |
| Applications for Land Surveying Intern | 106 | 124 | | 62 | | 70 | | 49 | | 44 | | 34 | |
| Applications for Certified Water Right Examiners | 30 | 22 | | 33 | | 20 | | 33 | | 27 | | 32 | |
| (b) The number of registrations issued; | 1517 | 1433 | -6% | 1702 | 19% | 1632 | -4% | 1495 | -12% | 1501 | 0% | 1717 | 14% |
| Professional registered Engineers | 1465 | 1374 | | 1535 | | 1530 | | 1396 | | 1414 | | 1641 | |
| Professional registered Land Surveyors | 52 | 40 | | 80 | | 102 | | 99 | | 87 | | 76 | |
| Professional registered Photogrammetrists | 0 | 19 | | 87 | | 0 | | 0 | | 0 | | 0 | |
| The number of certifications issued; | 1061 | 870 | -18% | 1082 | 24% | 823 | -24% | 1023 | -5% | 535 | -48% | 639 | 19% |
| Engineering Intern certification | 996 | 815 | | 1028 | | 769 | | 972 | | 497 | | 586 | |
| Land Surveying Intern certification | 44 | 40 | | 27 | | 35 | | 25 | | 16 | | 31 | |
| Certified Water Right Examiner certification | 21 | 15 | | 27 | | 19 | | 26 | | 22 | | 22 | |
| (c) The number of registration examinations conducted; | 1127 | 1012 | -10% | 1275 | 26% | 784 | -39% | 593 | -53% | 620 | 5% | 179 | -71% |
| The number of certification examinations conducted; | 2154 | 1737 | -19% | 2486 | 43% | 1062 | -57% | 1235 | -50% | 1188 | -4% | 692 | -42% |
| (d) The average time between application for and issuance of registration; | 84 days | 83 days | | 101 days | | 79 days | | 78 days | | 75 days | | 43 days | |

Regulation

| | June 2005 | June 2007 | % Change | June 2009 | % Change | June 2011 | % Change | June 2013 | % Change | June 2015 | % Change | June 2017 | % Change |
|---|------------|------------|----------|------------|----------|-------------|----------|-----------------|----------|------------|----------|------------|----------|
| (e) The number and types of complaints received about persons holding registrations; (total) | 42 | 98 | 133% | 98 | 0% | 152* | 55% | 117 | -23% | 157 | 34% | 170 | 8% |
| Professional engineers | 12 | 35 | | 22 | | 86 | | 57 [§] | | 93 | | 39 | |
| Professional land surveyors | 17 | 28 | | 20 | | 28 | | 9 | | 18 | | 40 | |
| Professional Photogrammetrists | 0 | 0 | | 0 | | 1 | | 2 | | 2 | | 0 | |
| Non-registrants | 13 | 35 | | 56 | | 37 | | 49 | | 44 | | 88 | |
| (f) The number and types of all investigations conducted by allegation† category; | 120 | 185 | 54% | 157 | -15% | 150 | -4% | 129 | -18% | 191 | 48% | 196 | 3% |
| Engineering w/out a license | 12 | 27 | | 28 | | 28 | | 26 | | 48 | | 67 | |
| Failure to file a map of survey | 10 | 10 | | 4 | | 4 | | 2 | | 1 | | 6 | |
| Incompetence in the practice of land surveying | 7 | 3 | | 5 | | 6 | | 4 | | 4 | | 10 | |
| Incompetence in the practice of engineering | 9 | 3 | | 3 | | 6 | | 1 | | 4 | | 4 | |
| Negligence in the practice of land surveying | 23 | 10 | | 10 | | 8 | | 5 | | 4 | | 11 | |
| Negligence in the practice of engineering | 4 | 17 | | 11 | | 8 | | 3 | | 4 | | 3 | |
| ORS 209 violations | 8 | 13 | | 7 | | 6 | | 2 | | 1 | | 11 | |
| Plan stamping | 0 | 16 | | 0 | | 3 | | 1 | | 0 | | 4 | |
| Professional conduct violation | 13 | 57 | | 53 | | 1 | | 1 | | 26 | | 27 | |
| Resident engineer/surveyor rule | 9 | 2 | | 8 | | 20 | | 23 | | 0 | | 3 | |
| Right of entry violations | 12 | 16 | | 11 | | 7 | | 6 | | 5 | | 9 | |
| Surveying without a license | 6 | 9 | | 14 | | 15 | | 3 | | 9 | | 12 | |
| Noncompliance with CPD | | | | | | 37 | | 51 | | 76 | | 8 | |
| Using stamp of another | 1 | 2 | | 3 | | 0 | | 1 | | 2 | | 1 | |
| Other | 6 | 0 | | 0 | | 1 | | 0 | | 7 | | 20 | |
| (g) The number and types of resolutions of complaints; Total number of cases closed | 75 | 120 | 60% | 49 | -59% | 135 | 176% | 110 | 124% | 165 | 50% | 113 | -32% |
| Allegations unfounded | 20 | 44 | | 15 | | 37 | | 12 | | 20 | | 32 | |
| Allegations withdrawn | | | | | | 1 | | 2 | | 3 | | 0 | |
| Board lacks jurisdiction | 2 | 12 | | 1 | | 6 | | 0 | | 0 | | 2 | |
| Compliance met | 6 | 15 | | 1 | | 8 | | 12 | | 29 | | 13 | |
| Deceased | 0 | 0 | | 1 | | 2 | | 1 | | 2 | | 2 | |
| Final order issued | 5 | 4 | | 5 | | 11 | | 16 | | 65 | | 28 | |
| Insufficient evidence | 5 | 7 | | 3 | | 2 | | 0 | | 1 | | 3 | |
| Letter of concern issued | 8 | 9 | | 8 | | 22 | | 20 | | 9 | | 20 | |
| Respondent unreachable | | | | | | 2 | | 0 | | 0 | | 0 | |
| Other | 6 | N/A | | 1 | | 0 | | 2 | | 2 | | 5 | |
| Pending action of another jurisdiction | 1 | 4 | | 1 | | 0 | | 0 | | 0 | | 0 | |
| Settlement agreement | 22 | 22 | | 12 | | 43 | | 43 | | 29 | | 6 | |
| Notice of intent withdrawn | 0 | 3 | | 1 | | 1 | | 2 | | 5 | | 2 | |
| (h) Number of Cases with Disciplinary Action(s) & Type(s); | 40 | 34 | -15% | 20 | -41% | 61 | 205% | 80‡ | 31% | 125 | 56% | 40 | -68% |
| Revoked licenses | 4 | 1 | | 3 | | 1 | | 1 | | 2 | | 8 | |
| Surrendered licenses | 1 | 2 | | 0 | | 4 | | 1 | | 1 | | 0 | |
| Permanently retired | 0 | 3 | | 0 | | 2 | | 9 | | 11 | | 0 | |
| Suspended | 4 | 3 | | 3 | | 5 | | 12 | | 23 | | 5 | |
| Coursework | 4 | 1 | | 1 | | 0 | | 0 | | 0 | | 1 | |
| Respondent action in lieu of penalty | 10 | 6 | | 1 | | 4 | | 2 | | 1 | | 0 | |
| Review of future work | 2 | 1 | | 0 | | 0 | | 0 | | 0 | | 0 | |
| Reprimand | 0 | 1 | | 0 | | 0 | | 0 | | 1 | | 0 | |
| Civil penalty | 15 | 16 | | 12 | | 45 | | 55 | | 86 | | 26 | |
| (i) The number of days between beginning an investigation and reaching a resolution | 441 | 371 | -16% | 556 | 50% | 485 | -13% | 512 | -8% | 525 | 3% | 382 | -27% |
| Case resolution | N/A | 154 | | N/A | | | | | | | | | |
| Complaint resolution | N/A | N/A | | N/A | | | | | | | | | |
| Sufficient, Full investigation | N/A | N/A | | N/A | | | | | | | | | |
| Insufficient complaints | | | | | | | | | | | | | |

Notes:

* This column of numbers is revised from prior reports. A manual audit of the Board's Database Management System revealed systemic and random errors.

§ The Board has taken an aggressive stance on auditing registrants to ensure compliance with continuing professional development (CPD). Administrative Rules have evolved to keep pace. As a result, the number and types of investigations conducted (f) and the number of cases with disciplinary action and types (h) have likewise changed.

† Cases can have multiple allegations, such as failure to comply with CPD requirements and a Professional Conduct violation.

‡ A case can have two resolutions, such as a suspension and civil penalty. Nevertheless, the 31% increase contributed to an overall reduction in the number and types of investigations conducted (f) due to the time spent completing the legal procedure.

Section V - Combined

(a) The number of registration applications;

Application by first licensure

Applications by comity

Applications by exam

Applications by prior practice

The number of certification applications;

Applications for Engineering Intern

Applications for Land Surveying Intern

Applications for Certified Water Right Examiners

(b) The number of registrations issued;

Professional registered Engineers

Professional registered Land Surveyors

Professional registered Photogrammetrists

The number of certifications issued;

Engineering Intern certification

Land Surveying Intern certification

Certified Water Right Examiner certification

(c) The number of registration examinations conducted;

The number of certification examinations conducted;

(d) The average time between application

for and issuance of registration;

(e) The number and types of complaints received about persons holding registrations; (total)

Professional engineers

Professional land surveyors

Professional Photogrammetrists

Non-registrants

(f) The number and types of all investigations conducted by allegation category;

Engineering w/out a license

Failure to file a map of survey

Incompetence in the practice of land surveying

Incompetence in the practice of engineering

Negligence in the practice of land surveying

Negligence in the practice of engineering

ORS 209 violations

Plan stamping

Professional conduct violation

Resident engineer/surveyor rule

Right of entry violations

Surveying without a license

Noncompliance with CPD

Using stamp of another

Other

(g) The number and types of resolutions of complaints;

Total number of cases closed

Allegations unfounded

Allegations withdrawn

Board lacks jurisdiction

Compliance met

Deceased

Final order issued

Insufficient evidence

Letter of concern issued

Respondent unreachable

Other

Pending action of another jurisdiction

Settlement agreement

Notice of intent withdrawn

(h) Number of Cases with Disciplinary Action(s) & Type(s);

Revoked licenses

Surrendered licenses

Permanently retired

Suspended

Coursework

Respondent action in lieu of penalty

Review of future work

Reprimand

Civil penalty

(i) The number of days between beginning an investigation and reaching a resolution

Case resolution

Complaint resolution

Sufficient, Full investigation

Insufficient complaints

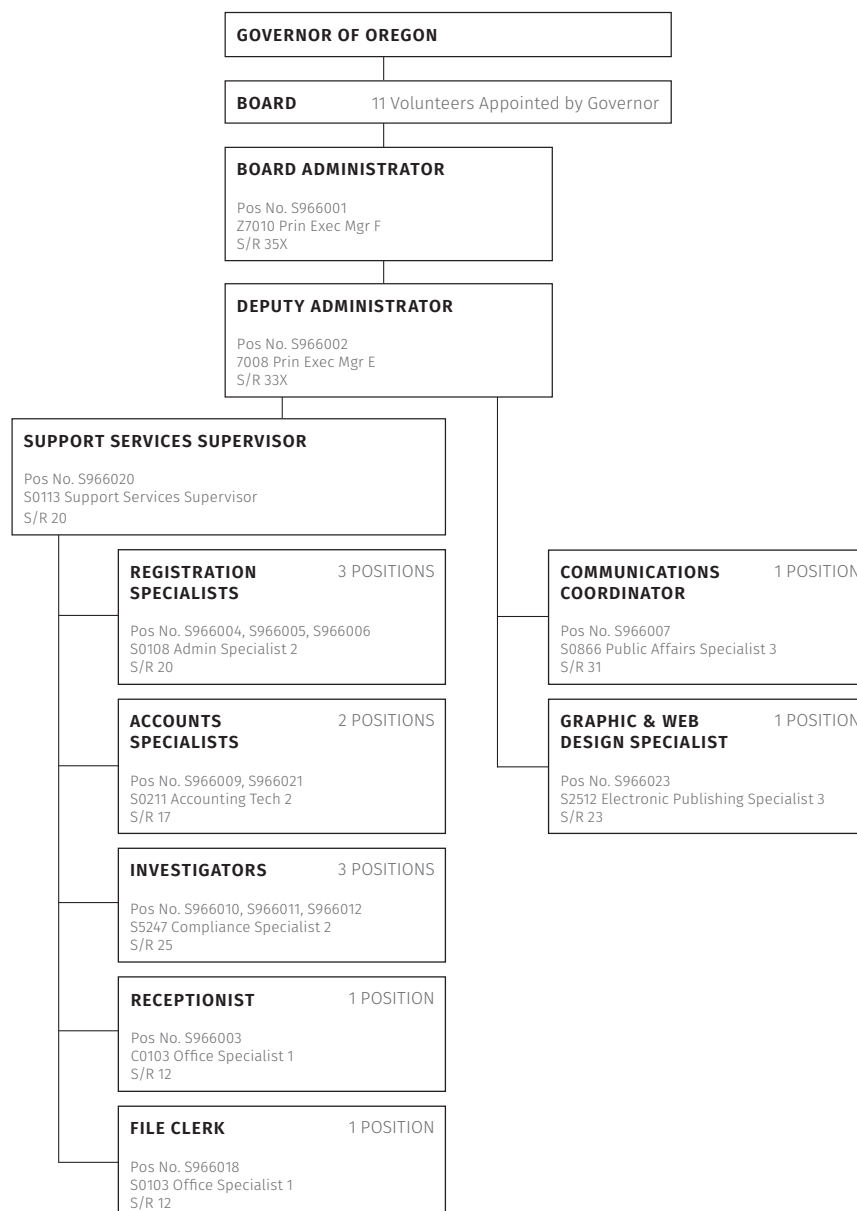
| June 2005 | June 2007 | June 2017 | % Change | June 2019 | % Change |
|-----------|-----------|-----------|----------|-----------|----------|
| 2602 | 2456 | 2528 | 6% | 2815 | 11.35% |
| N/A | 32 | 2052 | | 2637 | |
| 1200 | 1225 | 214 | | 0 | |
| 1293 | 1104 | 262 | | 178 | |
| 109 | 95 | 0 | | 0 | |
| 2312 | 1884 | 705 | -50% | 786 | 11.49% |
| 2176 | 1738 | 639 | | 730 | |
| 106 | 124 | 34 | | 37 | |
| 30 | 22 | 32 | | 19 | |
| 1517 | 1433 | 1717 | 14% | 2308 | 34.42% |
| 1465 | 1374 | 1641 | | 2230 | |
| 52 | 40 | 76 | | 78 | |
| 0 | 19 | 0 | | 0 | |
| 1061 | 870 | 639 | 19% | 773 | 20.97% |
| 996 | 815 | 586 | | 726 | |
| 44 | 40 | 31 | | 35 | |
| 21 | 15 | 22 | | 12 | |
| 1127 | 1012 | 179 | -71% | 158 | -11.73% |
| 2154 | 1737 | 692 | -42% | 16 | -97.69% |
| 84 days | 83 days | 43 days | | 52 days | |
| 42 | 98 | 170 | 8% | 184 | 8.24% |
| 12 | 35 | 39 | | 58 | |
| 17 | 28 | 40 | | 61 | |
| 0 | 0 | 0 | | 0 | |
| 13 | 35 | 88 | | 65 | |
| 120 | 185 | 196 | 3% | 211 | 7.65% |
| 12 | 27 | 67 | | 51 | |
| 10 | 10 | 6 | | 4 | |
| 7 | 3 | 10 | | 11 | |
| 9 | 3 | 4 | | 11 | |
| 23 | 10 | 11 | | 20 | |
| 4 | 17 | 3 | | 7 | |
| 8 | 13 | 11 | | 12 | |
| 0 | 16 | 4 | | 5 | |
| 13 | 57 | 27 | | 32 | |
| 9 | 2 | 3 | | 1 | |
| 12 | 16 | 9 | | 16 | |
| 6 | 9 | 12 | | 15 | |
| | | 8 | | 12 | |
| 1 | 2 | 1 | | 2 | |
| 6 | 0 | 20 | | 12 | |
| 75 | 120 | 113 | -32% | 181 | 60.18% |
| 20 | 44 | 32 | | 61 | |
| | | 0 | | 2 | |
| 2 | 12 | 2 | | 3 | |
| 6 | 15 | 13 | | 14 | |
| 0 | 0 | 2 | | 2 | |
| 5 | 4 | 28 | | 25 | |
| 5 | 7 | 3 | | 3 | |
| 8 | 9 | 20 | | 26 | |
| | | 0 | | 0 | |
| 6 | N/A | 5 | | 21 | |
| 1 | 4 | 0 | | 0 | |
| 22 | 22 | 6 | | 23 | |
| 0 | 3 | 2 | | 7 | |
| 40 | 34 | 40 | -68% | 60 | 50.00% |
| 4 | 1 | 8 | | 1 | |
| 1 | 2 | 0 | | 0 | |
| 0 | 3 | 0 | | 2 | |
| 4 | 3 | 5 | | 7 | |
| 4 | 1 | 1 | | 2 | |
| 10 | 6 | 0 | | 2 | |
| 2 | 1 | 0 | | 0 | |
| 0 | 1 | 0 | | 0 | |
| 15 | 16 | 26 | | 46 | |
| 441 | 371 | 382 | -27% | 389 | 1.83% |
| N/A | 154 | | | | |
| N/A | N/A | | | | |
| N/A | N/A | | | | |

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Section VI

Other Board Activities

Organizational Chart



Agency Operations

| Biennia | Positions | FTE | Board Meetings | Individuals | Firms/ Business | Board Stipend | Director Salary \$/per Month |
|-------------|-----------|-------|----------------|-------------|--------------------|---------------|---------------------------------|
| 2007-2009 | 13 | 12.00 | 15 | 17,560 | n/a | \$30/day | \$7,700 |
| 2009-2011 | 13 | 12.00 | 13 | 25,054 | n/a | \$30/day | \$7,700 |
| 2011-2013 | 15 | 12.00 | 13 | 25,000 | n/a | \$30/day | \$8,325 |
| 2013-2015 | 15 | 13.00 | 26 | 26,700 | n/a | \$30/day | \$8,619 |
| 2015-2017 | 16 | 16.00 | 22 | 29,000 | n/a | \$30/day | \$9,720 |
| 2017-2019 * | 16 | 16.00 | 20 | 30,000 | n/a | \$30/day | \$10,087 |
| 2019-2021 | 17 | 15.00 | 14 | | n/a | \$30/day | \$11,020 |

*As of June 30, 2019

Best Practices Criteria

| | Yes | No |
|--|-------------|-----------|
| 1 Executive Director's performance expectations are current. | X | |
| 2 Executive Director receives annual performance feedback. | X | |
| 3 The agency's mission and high-level goals are current and applicable. | X | |
| 4 The board reviews annual performance progress report. | X | |
| 5 The board is appropriately involved in review of agency's key communications. | X | |
| 6 The board is appropriately involved in policy-making activities. | X | |
| 7 The agency's budget aligns with mission and goals. | X | |
| 8 The board reviews all proposed budgets. | X | |
| 9 The board periodically reviews key financial information and audit findings. | X | |
| 10 The board is appropriately accounting for resources. | X | |
| 11 The agency adheres to accounting rules and other relevant financial controls. | X | |
| 12 Board members act in accordance with their roles and public representatives. | X | |
| 13 The board coordinates with others where responsibilities and interests overlap. | X | |
| 14 The board members identify and attend appropriate training sessions. | X | |
| 15 The board reviews its management practices to ensure best practices are utilized. | X | |
| Total | 15 | 0 |
| Percentage Total | 100% | 0% |