STRATEGIC PLAN

Washington State Gambling Commission

2014-2018

Washington State Gambling Commission

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Olympia, WA 98504-2400
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800-345-2529

www.wsgc.wa.gov

April 2014

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Introduction

MESSAGE FROM DIRECTOR David Trujillo…

A wise person once stated that those who fail to plan, plan to fail. I am sure there are many people who feel that the development and implementation of a detailed business (strategic) plan is impractical or unnecessary simply because of the dynamic and unpredictable nature of today's environment. While we can all generally agree that today's global financial economy is dynamic and rapidly changing, it is precisely these reasons that compel us to invest in our organizational success through the development of a carefully crafted strategic plan. After all, history has taught us that an organization's failure to plan strategies for the future often marks the difference between success and failure.

So what exactly is "strategic" planning and why is it critical to our success? Simply put, strategic planning can be thought of as a process for clarifying the overall purposes and desired results of our organization, including how those results will be achieved. After all, if we don't know where we are going or how to get there…how will we know when we have arrived? As the name suggests, "strategic planning" requires the development of an organizational plan for the future based upon carefully developed strategies.

Although there are many ways to develop a strategic plan, we must always remember that strategic planning is an ongoing process and not merely a static checklist of "things to do." Some of the issues that must be considered when developing a strategic plan include a clear understanding of the purpose(s) of the planning, the developmental stage of the organization, the culture of people in the organization, the types of issues the organization is currently facing, and the rate of change in the external environment of the organization.

For our planning, we will use our vision and goals to help us clarify and define the results we want to achieve in the near future. This approach is based upon our vision of what we believe the organization and its stakeholders will look like at some point in the future.

At a minimum, our strategic planning process must accomplish three important tasks:

- clarify the outcomes that our agency wishes to achieve;
- select the broad strategies that will enable achievement of those outcomes;
- identify ways to measure progress

Additionally, many organizations use the strategic planning process to affirm their links to important organizational stakeholders by involving them in the creation of the plan. This is where all of you come in. Planning for the future helps to ensure we take the time to consider each other's opinions, identify priorities, and move forward with a shared direction. Staff and

other interested stakeholders must be afforded opportunities to contribute directly to the future of our organization and an effective viable strategic process capitalizes on the diverse experiences and opinions of all of you.

Although there are many possible approaches to strategic planning, our preferred approach must take into account current thinking concerning the importance of "outcome-based" planning and evaluation. In other words, our starting point must consider what impact our organization will have on our clients and the community. Who will be affected by our programs and services and how will they be affected? When we are successful, our programs and services will benefit our clients and the community.

I want to assure each and every one of you that your agency leadership remains committed to ensuring that our strategic plan remains "our" strategic plan, as each of you plays an important role in the success of the plan. It has often been said that the true strength of any organization lies in its teamwork. I am both privileged and honored to be a fellow worker among such a diverse team of professionals who are committed to excellence. Please join me as we prepare for our future and the honor of continuing to serve the citizens of our great state by ensuring that gambling remains legal and honest.

David E. Trujillo
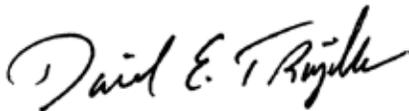
Mission, Vision, Values, & Goals

Mission

Protect the public by ensuring that gambling is legal and honest.

Vision

We will maintain public confidence by:

- Conducting a fair and effective gambling regulatory and enforcement program.

- Investigating illegal activities.

- Building positive partnerships and relationships.

- Providing a workplace that allows employees to excel at their jobs.

- Anticipating and responding to the evolving gambling industry.

Values

We value integrity, professionalism, respect, and diversity.

Goals

- Detect and remove the criminal element from gambling.

- Maintain a regulatory environment that promotes compliance.

- Develop, retain, and value our employees.

- Provide accurate and timely information to the legislature, public, and other stakeholders.

- Pursue improvements and innovations in agency programs and processes.

Statutory Authority

RCW 9.46.040 establishes the Washington State Gambling Commission, which consists of five members whom the Governor appoints with the consent of the Senate. The law also requires four ex officio members from the Legislature serve on the Commission: Two members of the Senate, one from each party; and two members of the House of Representatives, one from each party. The ex officio members are non-voting members, except for the purposes of approving tribal/state compacts (RCW 9.46.360).

RCW 9.46.080 states that the Commission must employ a full time Director, who is responsible for carrying out the purposes and provisions of the Gambling Act.

The Commission is a law enforcement agency with the power to investigate violations of the Gambling Act (RCW 9.46.210).

The Commission must put all revenues received into the gambling revolving fund and must pay all expenditures from the fund. The Commission is a non-appropriated agency. The Commission must authorize all disbursements from the gambling revolving fund (RCW 9.46.100).

Among its various powers and duties set forth in RCW 9.46.070, the Commission is authorized to issue licenses to bona fide charitable or nonprofit organizations, commercial stimulant businesses, and to individuals. In addition, the Commission is authorized to issue licenses to manufacturers, suppliers, or distributors of gambling-related products and equipment.

Pursuant to RCW 9.46.070, the Commission is required to establish fees that are adequate to cover all costs relative to licensing and the enforcement of the Gambling Act and Commission rules.

Agency Overview

Commission

Five member citizens' commission appointed by the Governor and four ex officio members from the Legislature.

Director's Office

Administration for the Commission to carry out its powers and duties, including tribal compact negotiations.

The Washington State Gambling Commission is comprised of the following divisions:

Licensing Operations

Administers the agency's public disclosure and the approval process that requires all individuals and businesses apply for and obtain a license before engaging in a gambling activity.

Licensing

Conducts pre-licensing reviews and processes initial, renewal, change applications, and changes to licensing records; maintains licensee records, updates agency forms, and issues gambling licenses to successful applicants.

Public Disclosure

Identifies and authorizes release of information associated with public records requests.

Investigations

Conducts pre-licensing financial investigations, financial reviews and source of funds investigations, criminal history investigations, post licensing investigations and charitable/nonprofit reviews and works in coordination with Tribal Gaming Agency licensing representatives.

Financial Reporting

Compiles and analyzes information from gambling activity reports. Prepares various reports for staff, management, the Legislature, and the public to inform them of gambling issues.

Field Operations

Regulates all non-tribal gambling activities by conducting inspections, reviews, and investigations and enforces [RCW 9.46](#) and portions of [RCW 9A](#) by investigating gambling and related crimes.

Field Staff

Regulates licensed gambling and provides training to gambling operations, and works with licensee groups and numerous law enforcement agencies. Investigates criminal cases for the prosecution of illegal gambling activities and gambling related crimes.

Criminal Intelligence Unit

Collects, evaluates, collates, analyzes, and disseminates information on illegal gambling and other associated crimes. Responsible for computer forensic investigations and investigations of illegal internet gambling sites.

Tribal and Technical Gambling

Oversees Class III tribal gaming activities authorized in Tribal-State Compacts and reviews electronic equipment for compliance with Compacts and state rules and regulations.

Tribal Gaming Unit

Works cooperatively with each tribe's Tribal Gaming Agency to monitor Class III (Nevada/casino style) tribal gaming activities and ensure compact compliance. Provides gambling oversight training to regulators within the state and across the country.

Electronic Gambling Lab

Tests electronic gambling equipment for compliance and integrity and assists in the creation of the regulatory program for that equipment. Provides technical gambling equipment training to regulators.

Business Operations

Performs fiscal planning and budgeting, accounting, contracting, purchasing, vehicle fleet operations, payroll and employee benefits, and facilities management along with processing ID stamps.

Human Resources and Training

Provides comprehensive services in recruitment, hiring, training and development, employee accountability, firearms and use of force training, safety, classification, and compensation. Administers employee programs that include performance management, affirmative action,

and return to work. Ensures compliance with state and federal employment laws including the Americans with Disabilities Act (ADA), Family and Medical Leave Act (FMLA), Fair Labor Standards Act (FLSA), Civil Rights Act, and the Washington Law Against Discrimination.

Information Technology

Provides agency-wide information technology support. Maintains mission essential databases, websites, computer and telecommunications systems, and network infrastructure.

Communications and Legal

Initiates and resolves administrative cases against applicants/licensees, provides legal guidance to teams and staff, and processes all rule changes. Responsible for agency's media, communications, and legislative programs.

Legal

Reviews case reports submitted by special agents and initiates administrative action for noncompliance of laws and rules.

Communications

Creates two licensee newsletters (six issues each year), a weekly internal newsletter, and brochures. Responds to questions from the media and general public.

Rules Coordination

Coordinates changes to gambling rules and notifies stakeholders of proposed rule changes in cooperation with the agency Rules Team.

Legislation

Acts as a liaison with legislators, responding to their questions and questions from constituents; tracks legislation and provides comments on legislation with impacts on the Commission; and proposes agency request legislation, as needed.

Organizational Chart

Washington State Gambling Commission

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                        │  Commissioners   │
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┌──────────────────┐   ┌──────────────────┐
│Executive Assistant│──│     Director     │
└──────────────────┘   └──────────────────┘
                                 │
                        ┌──────────────────┐
                        │ Deputy Director  │
                        └──────────────────┘
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Assistant Director Field Operatons	Assistant Director Licensing Operations	Assistant Director Tribal & Technical Gambling	Administrator Business Operations
Criminal Intelligence	Criminal History Investigations	Tribal Gaming Unit	Administrator Communications & Legal
Eastern Region	Financial Investigations & Financial Reporting	Electronic Gambling Lab	Administrator Human Resources & Training
Northwest Region	Individuals		Administrator Information Technology
Southwest Region	Public Records Forms & Records		
	Organizations		

Office Locations

Lacey Headquarters

Mailing Address

P.O. Box 42400
Olympia, WA 98504-2400

(360) 486-3440
(800) 345-2529

Web Page   www.wsgc.wa.gov

Physical Address *

4565 7th Avenue, S.E.
Lacey, WA 98503

Regional Field Offices

Everett

3501 Colby Avenue, Suite 102
Everett, WA 98201

(425) 304-6300

Tacoma

4301 Pine Street, Number 307
Tacoma, WA 98409-7206

(253) 671-6280

Spokane

901 N. Monroe, Room 240
Spokane, WA 99201

(509) 325-7900

Satellite Field Offices

Renton

451 Southwest 10th Street
Plaza 451 Building, Suite 218
Renton, WA 98057

(425) 277-7022

Yakima

1703 Creekside Loop, Suite 120
Yakima, WA 98902

(509) 325-7900

Wenatchee **

PO Box 2067
Wenatchee, WA 98807

* Physical address does not receive US Postal Service items. Use physical address only for delivery services that require the physical address such as Federal Express, UPS, etc.

** Not open to the public.

History

Gambling in Washington – The Early Years

1889   Constitution prohibits all lotteries.

1933   Pari-mutuel betting on horse races authorized.

1937   Slot machines allowed for private clubs only.

1952   Washington State Supreme Court ruled the 1937 law allowing slot machines unconstitutional.

1950's   Illegal gambling took place in various parts of the state, payoffs to police and
& 60's   government officials alleged in some jurisdictions. Known as "Tolerance Years" period.

1971   "Tolerance Policies" end with King County Grand Jury issuing 34 indictments against 51 police officers and public officials alleging payoffs related to gambling.

1972   Senate Joint Resolution approved by voters, allowing gambling activities by a 60% vote of the Legislature or voters.

1973   Legislature passed the Gambling Act (Chapter 9.46 RCW) and created the Washington State Gambling Commission as a law enforcement agency in response to the corruption of the tolerance years. They tasked the agency with the responsibility of regulating authorized gambling activities and controlling illegal gambling and related activities.

        After the Nevada Gambling Control Board, the Washington State Gambling Commission is the oldest gambling regulatory agency in the nation.

1992   The Legislature added the responsibility to negotiate tribal/state compacts for casino gambling activities and to implement the terms of such agreements reached with tribes.

Gambling Activities Authorized by Legislature and Congress after 1973 and Other Commission Actions

1973   Legislature authorizes Bingo, Punchboards and Pull Tabs, Raffles, and Amusement Games.

1974   Legislature authorizes Social Card Games.

1977   Legislature authorizes "Reno Nights" for charitable/nonprofit organizations.

1982   Legislature authorizes State Lottery.

1988   Congress passes the Indian Gaming Regulatory Act.

1992   First compacted tribal casino opens.

1997   Legislature authorizes house-banked card games for non-tribal card rooms.

1999   Tribes begin operating Tribal Lottery System machines.

2007   Cash-in Tribal Lottery System machines & wager limit increases approved.

2008   Commission rewrites its Rules Manual.

2009   Legislature makes underage gambling a civil infraction, at the Gambling Commission's request.

2010   Commission makes online license renewals available for card room employees.

2011   "Black Friday" - Gambling Commission plays integral part in the largest world-wide illegal internet gambling investigation to date.

2013   Legislature authorizes "enhanced" raffles for charitable/nonprofit organizations that assist individuals with intellectual disabilities.

           Commission launches My Account, a unique personalized service for anyone wishing to do business with the agency.

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Accomplishments

Performance Measures

The 2011-2015 Strategic Plan included twenty-three measures that would be established to evaluate agency progress in achieving the five goals included in that plan. A great deal of progress has been made in collecting data and defining and reporting on many of those measures. Although the Agency is making steady progress in implementing these measures, more work is needed to ensure the measures are meaningful and a part of normal reporting routines.

Projects

The 2011-2015 Strategic Plan included twenty-one projects that were established to help meet each of the five agency goals. The projects were designed to strengthen agency programs, processes, and service. Each project was designated as either essential (having the highest level of commitment), important (deemed as being very important but had to be considered against other ongoing activities), or beneficial (to be pursued if it did not infringe on higher-level priorities).

Considerable progress has been made in completing agency projects, as indicated by the following table.

Status of 2011-2015 Strategic Plan Projects

Project	Status
Goal 1: Detect and remove the criminal element from gambling	
Law Enforcement Accreditation	The agency completed its mock assessment in August 2013 and is currently following up on the findings with the final assessment being planned for February 2014.
Enhanced Computer Forensics	Project completed. The second computer forensics Special Agent is fully trained and there is currently no back-log of computers waiting to be processed. This gives us one on both sides of the state. When one of the computer forensics Special Agents gets a backlog, items are sent to the other one for processing to help reduce the wait time.
Gambling Crimes Education & Awareness Program	This successful 2 year project program utilized forfeiture funds and was modeled after drug awareness

Project	Status
	programs. The project tied directly back to the Commission's vision statement of building positive partnerships and relationships. Program highlights include:

- Assigned agents met with 91 police chiefs, sheriffs, or representatives individually or in group settings.
- Presented information at regional detectives and intelligence meetings attended by various federal, state, local, and foreign law enforcement representatives.
- Met with representatives of three prosecuting attorneys.
- Contacted all Tribes and met with representatives of 20 of 29 Tribes.
- Met with five Tribal Police Departments.
- Met with Recreational Gaming Association Executive Director, who suggested audiences to contact.
- Coordinated/conducted 18 joint presentations with Evergreen Council on Problem Gambling.
- Created "Don't Bet on It" bookmarks (in sports themes) and "Help Stop Illegal Gambling" posters in English, Spanish, Russian, Laotian, Cambodian, Korean, Vietnamese, and Chinese. Created a 32-page Gambling Crimes Handbook; a 16-page Gambling Crimes Mini-book, and a Gambling RCW Pocket Card.
- Created two Underage Gambling information materials which were distributed to schools, community colleges, colleges, law enforcement agencies, and libraries.
- Also reprinted the agency's successful Internet Gambling Rack Card and distributed over 10,000 copies.

Project	Status
Enhance Criminal Investigations & Intelligence Gathering	Project completed. Special Agent is in the position, fully trained, and producing results. 86.1% of the Information Reports they received resulted in an investigation. The Special Agent:

Project	Status
	· Processed ACISS TIPs for review and evaluation, and a number of tactical intelligence reports.
	· Co-authored a portion of the Strategic Analysis report on internet gambling.
	· Is detailed to the Internal Revenue Service Criminal Investigation (IRS-CI) Financial Intelligence Task Force with Federal Credentials.
	· Is a member of Financial Intelligence Review Team at Seattle US Attorney's office.
	· Executed 6 Seizures with the IRS Taskforce.
	· Has direct access to the federal Department of Treasury's FinCen (Financial Crimes Enforcement Network) database and has provided FinCen data to Field and TGU agents to assist with investigations.
	· Has become a resource to Field and TGU agents on Structuring and Money Laundering cases.
	· Has worked six internet gambling investigations and is a liaison with 10 other internet cases.
	· Referred six cases to the AUSA.

Goal 2: Maintain a regulatory environment that promotes compliance

Change of License Fee Structure	In July 2010, stakeholder feedback on a revenue neutral license fee restructure was presented to the Commissioners. They decided not to change the fee structure at the time, but to have staff explore the concept the next time a fee increase was considered.
Evaluation of Service Supplier License	This evaluation was completed as part of the license fee restructure in 2010. Fees were not changed. We explored requiring service suppliers to submit activity reports, but we determined it was not feasible at this time since we had seen about a 30% decline in the number of service suppliers from 2010 to 2013.
Review of Manufacturer & Distributor Fees	This was explored as part of the license fee restructure. In July 2010, the Commissioners decided

Project	Status
	not to pursue a fee restructure but to have staff explore the concept the next time a fee increase was considered.

Goal 3: Develop, retain and value our employees

Project	Status
Performance Management Confirmation	An application for performance management confirmation (PMC) was submitted to the Department of Personnel in 2009. WSGC received preliminary approval pending final application. Before the final application could be submitted, the PMC program was suspended by the legislature. We have adopted a performance management policy and require annual and interim evaluations of all staff. These items are a direct result of our work toward final approval of our PMC application. From June 2013 through March 2014, the PMC program suspension has been continued by the Office of Financial Management (OFM). During the time the program is suspended, OFM will work with agencies to assess the program's benefits, determine executive support for continuing the program, and will review research on employee incentives. OFM will provide agencies information on whether or not the program will be reinstated in its original form, will undergo changes before it is reinstated, or whether the program will be abolished.
Online Agency Training	We developed several classes and made them available to all staff on our internal e-learning platform. We have since updated our software and continue to develop on-line courses for our staff.
Internship Program	Outreach was done at local colleges and universities. In addition, WSGC staff made presentations at professional and student organizations. We will continue to build these relationships in the future.
Agency Conference	An agency conference that provided training information and an opportunity for staff to learn more about each other was completed in October 2013.

Project	Status
Internal Communication Plan	An Internal Communication Plan was completed and approved by Agency leadership in June 2010. The Plan creates a process for updating staff on the status of significant issues with Agency-wide impact. The Plan was incorporated into the Agency's Communications Strategy.

Goal 4: Provide accurate and timely information to the legislature, public and other stakeholders

Project	Status
Public Opinion Survey	In 2011, Washington State University Social & Economic Sciences Research Center (WSU) conducted a public opinion survey for the Washington State Gambling Commission. WSU surveyed 532 Washington residents by telephone to learn about their gambling practices, their knowledge of gambling regulation, and their opinions on a range of policy issues. WSU did a similar survey for the agency in 2005. These two surveys provided helpful comparative data.
Online Activity Reporting	All activity reports were made available for licensees to submit online by July 2012. As of July 2013, 67% of our licensees submitted their reports online.
Email Retention, Management & Disclosure	The project is currently underway.
Public Service Announcements: Underage/Problem Gambling & Dog Fights	We partnered with the Evergreen Council on Problem Gambling (ECPG) to produce the PSAs, which were aired in February and March 2013, and April and May, respectively. The animal fighting PSA, in particular, increased public and media interest and led to a TV news report of one of the Commission's investigations into animal fighting.

Goal 5: Pursue improvements and innovations in agency programs and processes

Project	Status
Online Processes for Licensees	As of August 2013, we have 20 individual and organizational application and licensing processes available online. In May 2013, we launched phase one

Project	Status
	of My Account for the public, stakeholders, Tribes, and licensees to use to submit all their online transactions to us and to better communicate with them. This project was carried over to the new Strategic Plan to continue to implement more application processes and enhance the My Account capabilities.
Automated Tribal Review Program	Substantial progress was made to this project. The participants in this project have been flexible and have adapted to changes and obstacles as they occur.
Case System Enhancements	Completed numerous enhancements to the case system. The primary enhancement was to move it to a new platform.
GIMS Enhancements	GIMS enhancements are still on-going.
Review of Cost Reimbursement & Billings	We have completed 9 alternative billing agreements. Other Tribes have discussed alternative billing with us, but have determined they would like to continue with the existing structure in Tribal-State Gaming Compact, Appendix X2. We will continue discussions on alternative billing as requested by the Tribes; therefore, a project is no longer needed.
Scanning Assessment	Scheduled to start July 2014.

Goals and Projects

Project	Priority *	Lead Division +	Start Date	End Date
Goal 1: Detect and remove the criminal element from gambling				
1.1 Law Enforcement Accreditation	Essential	FOD	7-2010	6-2014
Goal 2: Maintain a regulatory environment that promotes compliance				
2.1 Regulatory Reform	Beneficial	FOD, TTGD, LOD	6-2013	7-2014
Goal 3: Develop, retain and value our employees				
3.1 Agency Conference	Beneficial	ALT	3-2014	6-2015
3.2 E-learning Sharing	Beneficial	HRTD	7-2013	6-2014
3.3 Special Agent Compensation Review & Adjustment	Essential	HRTD	6-2013	7-2014
3.4 "Labor & Industries" Packets for Staff	Important	HRTD	7-2013	6-2014
3.5 Automated STAR Issuance & Redemption	Beneficial	Quality Team	1-2015	7-2015
3.6 Enhanced Computer Forensics Evidence Collection	Important	FOD	7-2013	7-2017
Goal 4: Provide accurate and timely information to the legislature, public and other stakeholders				
4.1 Email Retention, Management & Disclosure	Important	ITD	6-2013	6-2014
4.2 Tribal Communication Plan Database	Important	TTGD	1-2014	12-2014
Goal 5: Pursue improvements and innovations in agency programs and processes				
5.1 Online Processes for Licensees	Essential	LOD	7-2010	12-2015
5.2 Automated Annual Tribal Review Program	Important	TTGD	7-2011	12-2015
5.3 GIMS Enhancements	Important	ITD	1-2010	12-2014
5.4 Scanning Assessment	Beneficial	ITD, LOD	7-2014	6-2015
5.5 Tablet Deployment & Mobile Application Development	Important	ITD	7-2013	12-2014
5.6 Accounts Payable Access Database Update or Replacement	Essential	BOD, ITD	7-2013	6-2015
5.7 Vehicle Fleet Operations Tracking & Management Software	Important	BOD, ITD	7-2014	6-2016

Project	Priority *	Lead Division +	Start Date	End Date
5.8 Accounts Receivable Software Purchase/Implementation	Important	BOD, ITD	7-2014	6-2016

+ Acronyms are listed in the Acronyms appendix.

* Priority Definitions

Essential – Highest level of commitment (this may require current activities to be adjusted)

Important – Very important (must be considered against other ongoing activities)

Beneficial – Only pursued if it doesn't infringe on higher level priorities

Project Proposals

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Projects for Goal 1

Detect and Remove the Criminal Element from Gambling

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1.1 Law Enforcement Accreditation

Priority:	Essential
Background:	Accreditation is a dynamic process that provides the public, agency management, and staff a level of assurance that systems are in place to ensure the public's business is being done properly. Accreditation symbolizes professionalism, excellence, and competence to other agencies, the public, and staff. The accreditation process mandates self-analysis and is reinforced by third party verification.
Solution:	Seek accreditation by the Washington Association of Sheriffs and Police Chiefs (WASPC). Assign an Accreditation Officer to commence with the accreditation process.
Stakeholders:	Licensees and General Public
Lead Division(s):	FOD
Participating Division(s):	Entire agency
Start Date:	July 2010
Finish Date:	June 2014
How Will You Measure Success:	· Become accredited by WASPC.
Who Is Responsible for Measuring Success:	· ALT

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Projects for Goal 2

Maintain a Regulatory Environment that Promotes Compliance

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2.1 Regulatory Reform

Priority:	Beneficial
Background:	We regularly evaluate our regulatory processes to ensure they add value and that we do not place unnecessary burdens on individuals, organizations and tribal communities. Our agency goal of "anticipating and responding to the evolving gambling industry" is consistent with the objectives of the American Gaming Association who recently published a white paper article titled "Improving Gaming Regulation." The content of the article appeared to be a good place to start when looking at our regulatory programs.
Solution:	Conduct an honest and open minded review of each of the three division's regulatory programs and implement changes where appropriate.
Stakeholders:	FOD, TTGD, LOD, Licensees, and Tribes
Lead Division(s):	FOD, TTGD, and LOD
Participating Division(s):	FOD, TTGD, and LOD
Start Date:	June 2013
Finish Date:	July 2014
How Will You Measure Success:	· By the completeness of the review made by each division and the number of changes implemented that resulted from the review of each regulatory program.
Who Is Responsible for Measuring Success:	· Assistant Director of FOD · Assistant Director of TTGD · Assistant Director of LOD

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Projects for Goal 3

Develop, Retain, and Value our Employees

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3.1 Agency Conference

Priority:	Beneficial
Background:	The agency plans and hosts a bi-annual conference for all agency employees. Typically, it is a 2-day event with a focus on communication, team building, diversity, employee recognition and various training activities. The Agency's had a conference in 2007 and had one scheduled for 2009, which was cancelled by the Agency Leadership Team due to perception issues. The last conference was held in October 2013.
Solution:	The Agency Leadership Team will form a Conference Team using the last Conference Team Charter and past conference team notes as a guide for membership and setting objectives. In 2014, we will explore whether we should hold an agency conference in 2015.
Stakeholders:	All Staff
Lead Division(s):	ALT
Participating Division(s):	All Divisions and Units
Start Date:	March 2014
Finish Date:	June 2015
How Will You Measure Success:	· Agency conference evaluations.
Who Is Responsible for Measuring Success:	· ALT

3.2 E-learning Sharing

Priority:	Beneficial
Background:	We have purchased and are using new e-learning software for class development. This new software is a platform that is used by many state agencies. By developing our courses and posting them on this new platform, we will be able to share classes we develop with other agencies and we will be able to tap into their classes, too.
Solution:	HRTD staff will continue to work on e-learning course development on the new platform. As classes are developed, we can allow other agencies to access and train using our materials. Theoretically, we would be able to access and train using courses other agencies have developed. Agency HRTD staff will network with and build relationships with other agencies to tap into their e-learning resources.
Stakeholders:	Commission Employees
Lead Division(s):	HRTD
Participating Division(s):	HRTD
Start Date:	July 2013
Finish Date:	June 2014
How Will You Measure Success:	· More classes available to staff. Less time needing to develop classes that other agencies have already developed and can share with us.
Who Is Responsible for Measuring Success:	· HRTD

3.3 Special Agent Compensation Review and Adjustment

Priority:	Essential
Background:	Special Agents have had the same pay plan in place since 2001. Adjustments to the pay plan have been limited to the same increases other staff receive (COLAs), but adjustments to the pay scale have not been made to address changes in the job or pay trends for other law enforcement classes. This would allow us to implement updates to the salary plan for special agents.
Solution:	An agency team was formed to review our current special agent compensation plan and made a recommendation to the director as to whether or not a change in the current compensation plan should be considered. The team found our pay scale is lower than many similar positions and recommended that changes to our current pay scale be made to more accurately reflect current pay practices and salaries of comparable positions. The Leadership Team will come up with a viable solution that takes into consideration the work our agents do, pay of comparable jobs, and our current and future budget constraints. In addition, a team will be brought together to revisit special agent pay plan each year.
Stakeholders:	Special Agents of the Gambling Commission (all levels)
Lead Division(s):	HRTD
Participating Division(s):	HRTD and the Special Agent Compensation Team
Start Date:	June 2013
Finish Date:	July 2014
How Will You Measure Success:	· Retention of special agents.

Who Is Responsible for Measuring Success:

· HRTD with information provided by operating divisions.

3.4 "Labor & Industries" Packets for Staff

Priority:	Important
Background:	Commission employees sometimes get injured on the job or suffer from a work-related illness. When this happens, employees do not always know who to contact, which forms they are required to fill-out, or what their rights and responsibilities are.
Solution:	Because job related injuries and illness do not occur very often, staff are sometimes unsure of their responsibilities in reporting these occurrences. In addition, there is sometimes a lag-time when trying to get information from health care providers on limitations and restrictions for employees. HRTD will have ready-made packets of information available for staff to "take with them" to the doctor, or to have and refer to if they get injured or become ill at work. HRTD will provide illness/injury information packets to supervisors for each job class they supervise. In addition, HRTD will make additional packets available in each agency vehicle (whether assigned or from the "pool"). These packets will each contain information about employees' rights and responsibilities if they suffer from an on-the-job injury or job related illness (RCW, L&I information, etc.), a job description, when possible, for their position (or their job class), a list of essential job functions, and an envelope to return information from the health care providers (addressed to HRTD). Employees will have pertinent and helpful information at their fingertips and they can avoid delays in getting medical attention or understanding their rights.
Stakeholders:	Agency employees
Lead Division(s):	HRTD
Participating Division(s):	HRTD
Start Date:	July 2013
Finish Date:	June 2014

How Will You Measure Success:	· Employees will have the information they need to seek appropriate assistance when they suffer an on-the-job illness or injury. Health care providers will have specific job-related information for the employee so they can notify us of any restrictions or limitations resulting from the illness or injury. There will be less confusion for employees on their rights and responsibilities.
Who Is Responsible for Measuring Success:	· HRTD

3.5 Automated STAR Issuance and Redemption

Priority:	Beneficial
Background:	In 2003, the STAR program was created as an informal recognition system, where a supervisor or co-worker could recognize another staff person for something they did. Staff accumulates their STARS and then "purchase" recognition items from the STAR Store. Since 2003, all of these processes have been handled manually, from the printing of the STARS to the redemption for Store items.
Solution:	The manual processes used by the Quality Team for the STAR Store are time consuming and have not been changed significantly in 10 years. Automating these processes would allow faster receipt of recognition items and more efficient use of the Team's time.
Stakeholders:	Agency Staff
Lead Division(s):	Quality Team
Participating Division(s):	ITD
Start Date:	January 2015
Finish Date:	July 2015
How Will You Measure Success:	· Eliminate paper and ink costs needed to create STAR awards. · Eliminate staff time spent to create STAR awards and process STAR award requests. · Reduce staff time to process STAR Store redemptions. · Improve efficiency/ reduce time to place an order from STAR Store.
Who Is Responsible for Measuring Success:	· Quality Team

3.6 Enhanced Computer Forensics Evidence Collection

Priority:	Important
Background:	Currently, Criminal Intelligent Unit (CIU) computer forensic analyst staff perform recovery of computer forensic evidence by either going into the field to assist or by field agents sending the evidence to be reviewed to the CIU computer forensic unit. Some agents have had some basic training on what to do and not to do when they come across potential electronic evidence, but currently there are no special agents working in the field who have had specialized training in on site recovery of computer forensic data.

Having an interested Special Agent in each region trained in computer forensic evidence recovery, would lay the foundation for succession planning in the event that one of our current forensic computer analysts is no longer working for the agency. Also having trained computer forensic evidence recovery personnel in the field will eliminate some of the time involved with processing forensic evidence and will help speed up recovery time and the resultant examination.

In 2012, over 25 examinations were done by the forensic unit which included field work and evidence brought to the unit. Approximately 80% of these cases were cases worked by Commission Agents. With the wider adaptation of electronic media the need to maintain the unit's current level of production could also be a challenge. This is a necessary progression to ensure the agency will be ready and able to grow and meet this changing area.

Solution:	Each FOD Region would have a select Special Agent, who shows an interest, trained in computer forensic evidence recovery. This training can be accomplished through formal classes. Estimates for cost are as follows: · Initial classes through the National White Collar Crime Center (NWCCC) are free. · Additional week long classes through the International Association of Computer Investigative Specialists (IACIS) are around $2,500, but we also have an on staff trainer for them. They will not be trained to the level of a computer forensics examiner. But with some additional training, they would be ready to replace one of our current forensics examiners as needed as part of our succession plan.
Stakeholders:	FOD and TGU
Lead Division(s):	FOD
Participating Division(s):	FOD, TGU, and Agency Administration
Start Date:	July 2013
Finish Date:	July 2017
How Will You Measure Success:	· The number of trained personnel available to do computer forensic evidence recovery in the field. · Decrease in the amount of time spent in the field by the computer forensic analysts. · Decrease in time to train future computer forensic analysts. · The number of computer forensic evidence recoveries conducted in the field by the trained computer forensic evidence recovery personnel.
Who Is Responsible for Measuring Success:	· FOD

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Projects for Goal 4

Provide Accurate and Timely Information to the Legislature, Public, and other Stakeholders

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4.1 Email Retention, Management and Disclosure

Priority:	Important
Background:	Every employee within our agency sends and receives hundreds of emails each week. Many of these emails are considered public records and should be retained in accordance with RCW 40.14. At this time, the agency does not have a systematic method for the retention and disposition of these emails. Each user within the agency is tasked with reviewing every email and deciphering whether or not it is a public record. Once they designate an email as a public record, they are required to retain it for the specific retention period as described in the Agency's Unique Retention Schedule or the Washington State's General Schedule. The process of saving these records has become cumbersome due to the vast amount of emails being sent and received each day. In addition, the agency often receives public records requests that include emails. If the user has failed to maintain and properly disclose those email records, the agency could face liability under RCW 42.56.
Solution:	The primary objective of this project is to use the Washington State Electronic Records Vault Service (WaSERV), also known as the "Vault", which can store email according to our agency's records and retention requirements. WaSERV provides a solution to the explosive growth of individual mailboxes by moving email to the Vault. Through this service, a secure email repository is available to simplify searches for email data – a useful feature for organizing and storing corporate knowledge. With WaSERV, the agency can also respond quickly to public records requests.
Stakeholders:	All agency staff and requestors of public records.
Lead Division(s):	ITD
Participating Division(s):	ITD, LOD, CLD
Start Date:	June 2013

Finish Date:	June 2014
How Will You Measure Success:	· Number of days to complete public records requests.
Who Is Responsible for Measuring Success:	· LOD

4.2 Tribal Communication Plan Database

Priority:	Important
Background:	The Tribal Gaming Unit (TGU) has been maintaining information on the Tribes operating casinos under the Class III gaming Compacts, specifically on the Tribal Gaming Commissions and Agencies. This information was primarily for TGU's use.
	In 2011, TGU began maintaining current information on the Tribes at the Tribal government level as well and made it available to the entire agency. Currently the information is maintained in an Excel spreadsheet called the "Communication Plan" that has tabs for General Government, Tribal Gaming, and Gaming Operation.
	Updating the "Communication Plan" is a complicated manual process. When we receive updated information, that information is forwarded to the TTGD Administrative Assistant who updates the correct page and converts that page to a PDF, which is then posted for agency use. The Excel spreadsheets are maintained in the u:drive for TGU and the PDF files are maintained in an all share folder in the u:drive.
	There have been occasions since the "Communication Plan" has been implemented, that letters have been addressed to the incorrect Tribal leader because the process is complicated and the form is not 'user friendly'.
Solution:	Create a database that makes it easier to obtain, update, and share Tribal information with agency staff. The database would contain all the information currently listed on the "Communication Plan." Updating will be limited to specific assigned staff. We need to be able to obtain reports with the information on each Tribe, and to get the list of names based on positions like all the Tribal Chairs or all the Gaming Commission Chairs.
Stakeholders:	Agency Staff that work with Tribes
Lead Division(s):	TTGD

Participating Division(s):	ITD
Start Date:	January 2014
Finish Date:	December 2014
How Will You Measure Success:	· Reduce the time spent updating Tribal information. · Reduce the number of errors in the information provided by the agency.
Who Is Responsible for Measuring Success:	· TTGD

Projects for Goal 5

Pursue Improvements and Innovations in Agency Programs and Processes

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5.1 Online Processes for Licensees

Priority: Essential

Background: In the 2012 legislative session, Senate Bill 6354 required state agencies move to electronic submittal of business forms, documents and payment of fees from customers and clients. Over 50% of our revenues are received from licensees for new and renewal applications.

Some of our individual, Tribal and organizational application processes allow for online submission of the application and fees. There is a great demand from our licensees and the Tribes to be able to conduct business with the agency through online means.

We would like to be able to offer all of our new and renewal applications online with payment.

Solution: The primary objective to this project is to implement the following additional services to our licensees, which includes:

- Develop an online system for applicants to submit any of our approximately 30 applications to us with payment. Due to the complex nature of the information required for some of our applications, the application process may need to be modified so this supplemental information is requested after the initial application and fees are received online. This would still facilitate timelier processing for new applicants.
- Develop an online system for licensees and Tribes to submit renewals along with payments. Again, not all the information needed at renewal may be able to be submitted online, but it would facilitate timelier processing for the licensee to at least begin the renewal process.
- Develop an online system for licensees and Tribes to submit change applications along with payments. We currently have approximately 20 change applications.
- Develop a "My Account" for each licensee and Tribe to be able to easily apply for applications, manage how they receive information from us, be aware of upcoming Gambling Commission dates and deadlines, pay fees to us, allow for easy updating of records, and monitor and manage the

gambling licenses of the gaming employees they employ.

While the Gambling Commission continues to work with the Department of Revenue to determine if it is feasible for the Gambling Commission to use the Business License Service (BLS), we will explore the cost benefits of implementing any online applications or processes that could potentially be encompassed with the use of BLS.

Stakeholders: Potential and existing licensees and Tribal Gaming Agencies

Lead Division(s): LOD

Participating Division(s): ITD, BOD, TTGD, and FOD

Start Date: July 2010

Finish Date: December 2015

How Will You Measure Success:
· Percentage of applications submitted online.
· Percentage of licensees renewing online.

Who Is Responsible for Measuring Success:
· LOD

5.2 Automated Annual Tribal Review Program

Priority:	Important
Background:	The Tribal and Technical Gaming Division (TTGD) changed their regulatory approach and implemented an Annual Tribal Review Program (ATRP) two years ago. The program is a compilation of checklists specific to each section of the tribal-state compact. It is a comprehensive tool designed to fulfill the WSGC mission statement of protecting the public through comprehensive and independent analysis of the tribal-state compact and the gaming operation.
	Utilizing an automated program to complete the ATRP will increase the efficiency of TTGD. It will allow agents to complete sections of the program and associated reports while onsite at the casinos and will decrease the number of hours needed to complete the program. This will allow agents more time to address criminal investigations, submissions and complaints from the public.
Solution:	Create an automated database designed to store compact language and associated amendments, specific to each unique tribal-state compact. It will utilize a web based interface located on the agency's intranet where agents select a specific section of the ATRP to be performed and the location of the review. At the conclusion of the agent's work they may print a supplemental report that could be scanned as an attachment to the existing case system.
	The system should provide a means of tracking and storing specific references to each individual compact or amendment. The database should provide a means to easily administer changes in checklists or compacts. It should allow for better tracking of the results of the ATRP allowing the Tribal Gaming Unit to track trends in violations from year to year.
Stakeholders:	TTGD, ITD, Tribes
Lead Division(s):	TTGD

Participating Division(s):	ITD
Start Date:	July 2011
Finish Date:	December 2015
How Will You Measure Success:	· Hours to complete the review. This measure should show a decrease in review hours after full implementation of the automated program.
	· Number of duplicate entries reduced. This measure will show that connecting the automated program to the case system will decrease the number of times agents need to re-enter the same information.
Who Is Responsible for Measuring Success:	· TTGD

5.3 GIMS Enhancements

Priority:	Important
Background:	The Gambling Information Management System (GIMS) was designed to integrate various disparate databases into one cohesive database. Because of the complexity of the system and the agency business processes, it became necessary to reduce the scope of the system somewhat.
Solution:	We are currently working on adding features and enhancements to GIMS that we were unable to accomplish during the initial development process. Among these are streamlining processes for the users' benefit and integrating online processes that were not in existence when GIMS was originally launched.
Stakeholders:	Agency staff
Lead Division(s):	ITD
Participating Division(s):	All
Start Date:	January 2010
Finish Date:	December 2014
How Will You Measure Success:	· Number of enhancements to GIMS made.
Who Is Responsible for Measuring Success:	· ITD

5.4 Scanning Assessment

Priority:	Beneficial
Background:	The current scanning system in the Licensing Operations Division (LOD) has been in place for over ten years. The system is currently used to scan individual files. These electronic files are used by licensing staff and operations staff to review information in order to make licensing and other determinations.
Solution:	The agency will have internal discussions to determine whether there is still a need to continue with document scanning. If the decision is to continue scanning, then we look at having a scanning assessment conducted by an independent consultant. The purpose would be to determine: 1) whether our current scanning system is adequate to support our current and future business processes, 2) whether the current system can be modified to meet LOD's expectations, 3) whether a new system would be required to meet LOD's expectations, or 4) whether it is worthwhile to continue with any kind of scanning system. If funding is available, the agency will issue a Request for Proposal (RFP) to find qualified vendors to conduct the assessment. Upon completion of the contract, the vendor will provide the agency with recommendations related to the criteria listed above.
Stakeholders:	All staff
Lead Division(s):	ITD, LOD
Participating Division(s):	FOD, TTGD
Start Date:	July 2014
Finish Date:	June 2015
How Will You Measure Success:	· Successful completion of assessment with recommendations.

| **Who Is Responsible for Measuring Success:** | · ITD |
| | · LOD |

5.5 Tablet Deployment & Mobile Application Development

Priority:	Important
Background:	Technology has grown significantly over the last several years. Where laptop computers were once the preferred method of doing work in the field, now tablet computers are making significant strides. Tablet computers are much lighter and smaller than traditional laptop computers. They generally offer instant on, versus having to wait several minutes for a laptop computer to boot up completely. In conjunction with the deployment of tablet computers within the agency, ITD will need to develop enterprise applications for use on these devices.
Solution:	ITD will explore the viability of deploying tablet computers to various divisions within the agency for use in completing on-site inspections, modules, etc. ITD will conduct tests to determine the most viable product to use. ITD will analyze various tablet computers to see if electronic compliance modules and TGU checklists/programs can be e-mailed or routed to the agent's supervisor and stored electronically.

ITD will also determine if FOD inspection results in the modules can be automatically entered into the electronic route book in GIMS. In addition, ITD will determine if the capability for FOD and TGU agents to complete case reports in the field, access e-mail, use search engines, and access the Gambling Commission's information systems will be viable.

After a period of in-house testing, ITD will have selected agents conduct field tests. Upon completion of the testing, a determination will be made, in conjunction with affected users, as to which platform the agency will use.

ITD will use in-house development resources to develop enterprise mobile applications for tablet computers. ITD will procure the hardware and software required to develop these applications. In-house testing will be conducted prior to field testing of these applications. Upon successful field testing of these mobile applications, the applications will be deployed agency-wide. It is expected that applications will be deployed individually as

development and testing is completed.

Stakeholders:	FOD and TGU agents
Lead Division(s):	ITD
Participating Division(s):	FOD, TGU
Start Date:	July 2013
Finish Date:	December 2014
How Will You Measure Success:	· Satisfaction with the deployed technology by FOD and TGU agents. · Satisfaction with the deployed mobile applications by FOD and TGU agents.
Who Is Responsible for Measuring Success:	· ITD

5.6 Accounts Payable Access Database Update or Replacement

Priority:	Essential
Background:	The Financial Toolbox is a secure web-based application that enables users to interface AFRS financial transactions from a user's desktop to the mainframe for processing. It is a product offered and maintained by the Office of Financial Management (OFM) and is offered at no cost. Utilizing Financial Toolbox reduces staff time and eliminates keying errors. This interface requires data to conform to the Financial Toolbox template. We currently use an Access 2003 database to create a tab-delimited text file for transmittal. The database does not work with newer versions of Access, so Business Operations Division staff cannot upgrade to the newer versions. The current database does not allow us to enter the information technology cost coding required by OFM. It is also limited to 999 batches before it causes uploading errors. This requires us to archive data making it unavailable for research.
Solution:	Create a database with all required fields in Access 2010 or other program that would conform to the Financial Toolbox template and not require archiving so the data can be used for research purposes.
Stakeholders:	BOD
Lead Division(s):	BOD, ITD
Participating Division(s):	BOD, ITD
Start Date:	July 2013
Finish Date:	June 2015
How Will You Measure Success:	· Accurate vendor payments. · Ability to research.

Who Is Responsible for Measuring Success:

- BOD

5.7 Vehicle Fleet Operations Tracking and Management Software

Priority: Important

Background: The Business Operations Division tracks data related to fleet operations to provide information at agency, state, and federal levels.

Per the State Administrative and Accounting Manual (SAAM 12.10.10) our agency is expected to:

- Establish an effective system for management and control over transportation activities.
- Promote state vehicle and driver safety and loss prevention.
- Use sustainable practices.
- Comply with federal regulations, where applicable.
- Consider commute trip reduction (CTR) and traffic management initiatives.

Other common uses of fleet data include:

- RCW 43.41.130 states that we shall develop strategies to meet very specific fuel economy requirements and report progress annually. We have no standard reports or way to provide this information other than manipulating data from a variety of sources.
- A printout of our depreciation report is manually re-keyed into a spreadsheet used to determine unit costs and calculate agency billing rates.
- Ensuring vehicles are well maintained and safe for staff use.

The requirements above have become more complex with time and our current tools are not sufficient to meet them all efficiently. We utilize a database that can only be used by the 2003 version of Access (current version: 2013) and a variety of spreadsheets that require an excessive amount of staff time to maintain. This increases cost to the agency, and the chance of incorrect data by human error.

Solution:	Create in GIMS or purchase a reporting system flexible enough to import data from other sources, have a single point of entry for keying additional data that cannot be obtained electronically, and allow units with assigned vehicles to enter their mileage and maintenance. The system should also allow for flexible reporting to meet current and future agency needs.
Stakeholders:	BOD, FOD, TGU
Lead Division(s):	BOD, ITD
Participating Division(s):	BOD, ITD
Start Date:	July 2014
Finish Date:	June 2016
How Will You Measure Success:	· Ease with which staff can enter vehicle information. · Decreased time to complete data entry and create reports. · Accurate and timely reports available to multiple users.
Who Is Responsible for Measuring Success:	· BOD

5.8 Accounts Receivable Software Purchase/Implementation

Priority: Important

Background: Accounts receivable invoices are generated for:

·   Tribal regulatory fees, investigations and EGL hours.
·   EGL & TGU hours for manufacturers.
·   Dept. of Services for the Blind for fingerprint processing.
·   Other agency tenants on our floors for janitorial supplies.

Currently there is a separate Excel spreadsheet for each Tribe (22) and manufacturer (10). There is also a combined spreadsheet for the Tribes and one for the manufacturers. All payments and charges must be posted to each individual ledger and also to the combined sheet. The invoices are done through a mail merge using the combined Tribe and manufacturer sheet for the data. Although this allows the flexibility needed for our billing types, the process contains a lot of redundancy and is time consuming.

Solution: Purchase or create an Accounts Receivable system that allows the flexibility we need for our type of billing (not typical hourly). The system should create reports for each Tribe & manufacturer individually as well as monthly and quarterly reports for management. It should also be flexible in the formatting and wording used for the layout on the invoices.

If the Accounts Receivable function were to be added to GIMS there is the possibility that it could also be used by other units, such as GET, for their invoices and tracking of payments. This would also open up the possibility of payments posted during the deposit process being applied directly to the correct Accounts Receivable account – saving having to re-post items at a later time.

Stakeholders: BOD, other units that create billings.

**Lead
Division(s):**   BOD, ITD

Participating Division(s):	BOD, ITD
Start Date:	July 2014
Finish Date:	June 2016
How Will You Measure Success:	· Ease with which staff can enter billing information. · Decreased time to complete billings and create reports. · Accurate Accounts Receivable accounting.
Who Is Responsible for Measuring Success:	· BOD

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Current Strategies

The Gambling Commission is a limited jurisdiction law enforcement agency with a mission to protect the public by ensuring gambling is legal and honest. The strategies and goals stated in this plan support the Governor's Lean initiative.

Some strategies support goals of developing, retaining and valuing our employees. The agency believes a positive work environment made up of well-trained and experienced staff is critical in accomplishing the agency mission and state priorities. Other strategies support goals to pursue improvements and innovations in agency processes. These strategies will help ensure the agency is more efficient and spends time on the most important functions needed to improve public safety. Lastly, there are strategies that support voluntary regulatory compliance, provide accurate information, and keep the criminal element out of gambling. These goals focus on ensuring we work in partnership with licensees, other law enforcement/regulatory agencies, the public, and other stakeholders to ensure gambling is legal and honest.

Following are the strategies that support the agency's goals:

The Washington State Gambling Commission is committed to detecting and removing criminal activities from gambling. This will be accomplished by:

- Referring cases for criminal and administrative prosecution.
- Cooperating with, and coordinating investigations with, other local, state, federal, and international regulators and law enforcement agencies.
- Increasing public awareness of gambling crimes, regulation, and enforcement.
- Conducting undercover inspections and investigations to detect administrative and criminal violations.
- Using an automated fingerprint scanning system in conducting criminal background investigations of license applicants.
- Investigating the source of national and international funds used to invest in gambling businesses.
- Distributing internal and external criminal intelligence information bulletins.

To create an environment that promotes regulatory compliance. This will be accomplished by:

- Conducting regulatory inspections at licensees and tribal casinos.
- Conducting enforcement patrols, developing information sharing programs.
- Conducting follow-up inspections as part of administrative settlement agreements.

- Conducting training classes for licensees, the public, and other regulatory and law enforcement agencies in order to provide an orientation on the rules and laws regarding gambling.
- Providing assistance to licensees using as many venues as possible.
- Posting information in an agency newsletter of changes to rules.

Guide the Washington State Gambling Commission in developing, retaining, and valuing our employees. This will be accomplished by:

- Providing staff with opportunities for general and specialized training.
- Recognizing employees and celebrating their accomplishments.
- Developing teams with membership designed to encourage a broad spectrum of representation to work on issues important to staff and encouraging staff to participate in action teams and projects.
- Enhancing agency technology and equipment in order to allow the staff to work as efficiently as possible.
- Maintaining and celebrating our diverse work force.
- Providing staff with ergonomic evaluations of work spaces and promoting workplace safety.

The Washington State Gambling Commission is committed to providing accurate and timely information to the legislature, public, and other stakeholders. This will be accomplished by:

- Producing a licensee newsletter with relevant information to assist licensees in complying with gambling laws and rules.
- Holding study sessions to allow stakeholders to voice opinions and ask questions before formal Gambling Commission meetings.
- Holding and participating in meetings with other law enforcement agencies to share ideas and information.
- Ensuring training programs are relevant for customers and employees.
- Building teamwork and increasing internal cooperation.
- Developing strategies for communicating effectively with employees, customers, and stakeholders.

To identify areas where the Washington State Gambling Commission can make improvements in programs and processes through the implementation of the Governor's Lean initiative. This will be accomplished by:

- Using customer feedback to improve processes.
- Conducting internal audits of systems and internal controls.

- Developing more efficient licensing processes.
- Enhancing the effectiveness of certain specialized units.
- Seeking state law enforcement accreditation to improve the delivery of services.
- Implementing more online processes to allow customers to submit forms, fees, and documents electronically.
- Enhancing the agency external web site to provide information to licensees, legislators, the media, and general public.
- Simplifying license applications to help ensure they are clear and easy to understand.

Performance Measures

Activity 1 - Gambling Licensing, Background, & Financial Investigations

- Percentage of licenses issued each quarter *
- Percentage of new applications withdrawn, denied, or administratively closed in a quarter*
- Number of applications withdrawn or denied due to criminal history *
- Number of licenses revoked or surrendered due to criminal history *
- Percentage of applications received electronically in a quarter *

Activity 2 - Gambling Enforcement & Criminal Intelligence Investigation

- Percentage of inspection frequency guideline *
- Percentage of inspections performed resulting in a case report being issued *
- Percentage of inspections and Investigations resulting in a NOVAS or Administrative Charges

Activity 3 - Tribal-State Compact Negotiation, Regulation & Certification Program, & Investigations

- Number of compliance visits conducted at tribal casinos *
- Percentage of new equipment submissions found out of compliance *
- Percentage of violations found that are repeated from the previous year *
- Percentage of Tribal Lottery System submissions testing completed within required timeframes *
- Number of compliance related findings identified in Tribal Lottery System equipment resulting in a technical investigation *

Applies to more than one activity

- Number of cases referred for administrative action
- Percentage of criminal cases referred for prosecution

Agency Support Activities

- Percentage of staff leaving the agency
- Average number of page views on WSGC website per month
- Number of individuals attending licensee training, licensee group meetings, and commission study sessions

* Reported to the Office of Financial Management (OFM)

Assessment of External Challenges and Opportunities

There are many factors outside of Gambling Commission's control that have significant impacts on the agency's ability to complete its mission. In order to operate effectively and efficiently, management must identify the key external factors impacting the agency. The external factors most impacting the Gambling Commission are:

Technology

Technology impacts the activity being regulated (gambling) and the tools and methodology used to regulate the activity. Changes in technology will be one of the most important factors impacting the agency's programs over the next few years. Key areas include:

- Innovations in information technology that will change the way we do our work (investigations, monitoring, collection and dissemination of public information, communication with licensees and law enforcement);
- Automation of records and reports of regulated activities;
- Advances in Internet technology and the availability of legal and illegal online gambling;
- The use of the Internet by staff and licensees to share and access information;
- Online transactions with the agency to apply for licenses, renew licenses, submit activity reports, and pay fees electronic funds transfer;
- Legislation to require agencies to fully participate in the Department of Revenue's Business License Services.
- The increasing amount of data transferred electronically, which will create storage challenges for the agency;
- Legislation that requires agencies to consult with the Department of Office of the Chief Information Officer any time an information technology service, product, or asset is to be acquired; and
- Legislative or executive action that require agencies to use shared services, such as e-mail, hosted by Consolidated Technology Services.

Government

The agency can be impacted by the decisions of other governmental and judicial bodies. Those that have the potential for the greatest impact are:

- Judicial decisions at the state or federal level may interpret the law in a manner that expands or restricts the scope of gambling activities in Washington;

- Tax revenues from new or existing gambling activities may be an attractive option for state and local governments that need to make up for budgetary shortfalls;
- Cities and counties may allow or prohibit authorized gambling activities;
- Tribal governments are seeking alternatives to current billing methods and the state's current regulatory role;
- Congress may change the Indian Gaming Regulatory Act, restrictions against Internet Gambling, or other federal laws or federal rules that impact gambling in Washington;
- Litigation is expected to continue or increase related to machine gambling and other regulatory issues;
- Legislative or executive action to centralize some agency accounting services into the Department of Enterprise Services (DES) and/or Human Resources functions into DES or OFM; and
- Initiative 960, effective December 6, 2007, requires legislative approval of state agency fee increases.

Government-to-Government relationships with tribes

The agency participates in all Tribal-State Centennial Accord meetings and is committed to consulting with tribes on all issues that affect our respective governments following the intent of RCW 43.376 and the Centennial Accord. Under the terms of the Class III gambling compacts, the tribal gaming agencies and our staff co-regulate the Tribal Class III gambling operations.

Market Trends

Various market trends impact the agency's ability to complete its mission. Among those are:

- Continued pressure from gambling industry competitors to obtain authorization for new forms of electronic gambling;
- Bingo revenue, though declining before the advent of machine gambling, has experienced an even bigger drop but is projected to continue to decline at a slower rate;
- Pull-tab license fees, the agency's largest revenue source, are expected to continue to decline;
- The number of house-banked card rooms has dropped nearly 29% since the beginning of FY 2008, and we expect the number to continue to decline;
- Public awareness of problem/pathological gambling and utilization of related services is expected to increase;
- Internet gambling activities and other gambling and "social gambling" have increased;
- Televised coverage of high stakes poker events has increased popularity of private poker games;
- Tribal casinos are increasingly popular for gambling;
- Illegal and legal gambling equipment and related activities have proliferated; and
- Gambling has increased in popularity among young people.

State Economy

Washington State's unemployment rate has dropped to 6.7%. Washington employment growth is expected to grow at an average annual rate of 1.8% per year in 2014 through 2017, which is slightly higher than the average rate assumed in the November 2013 forecast. The new forecast for nominal personal income growth averages 5.2% per year, which is also slightly higher than the average assumed in the November 2013 forecast.

Assessment of Internal Capacity and Financial Health

Internal Capacity

Many factors affect the agency's internal capacity and its ability to accomplish its mission, goals, and objectives. Among these is the agency's ability to:

·   Recruit, train, and retain a diverse and knowledgeable workforce;
·   Utilize technology to more fully automate business processes;
·   Offer online transaction options for our licensees; and
·   Maintain up-to-date technology.

Financial Health

Because the Gambling Commission is a non-appropriated agency, its financial health is directly related to maintaining sufficient revenue and working capital balance to ensure it can cover expenses during periods of revenue fluctuation, and absorb any statewide changes such as salary and benefit increases. Therefore, it is critical that the agency ensures an adequate level of funding from its primary revenue sources like license fees and tribal regulation reimbursements.

The agency has been experiencing a decrease in revenues as a result of the economic downturn and competition amongst gambling operations. Therefore, the agency has taken commensurate steps to reduce expenditures in order to ensure working capital balance is maintained at levels necessary to fund operations, while ensuring the Gambling Revolving Fund does not go into a cash deficit.

The agency has historically been able to increase fees through rulemaking under its statutory authority in RCW 9.46.070. However, the implementation of Initiative 960 (I-960) requires the agency to seek legislative approval to raise fees. This requires the agency to begin actions at least 18 months in advance of the requested fee increase implementation date and increases financial risk of critical fee increases not being approved.

The Commission will continue to work with the legislature and the Office of Financial Management on budget-related issues to ensure the agency's long-term financial health.

Performance Analysis

The Washington State Gambling Commission's actual performance is on-target with what we expected at this point. We continually reassess our performance measures to ensure that they are meaningful and actually tell the story of how the agency is performing. The agency's implementation of an internal Government Management Accountability and Performance (GMAP) process allows the agency to better measure its performance in relationship to what our customers and stakeholders expect.

The agency has been using an internal GMAP process for several years now. Through this process we have been able to identify a number of performance improvement opportunities. As we become more proficient with the process, it is expected that more opportunities will present themselves.

In 2008 the agency submitted an application for the Washington State Quality Award (WSQA) Lite Assessment, as required by RCW 43.17.390. The agency spent many hours preparing the assessment application. The assessment evaluates the effectiveness of all elements of an agency's management, accountability, and performance system, including: Leadership, strategic planning, customer focus, analysis and information, employee performance management, and process improvement. We received the results of the assessment in early 2009. The results have provided the agency with additional information on how to further improve our processes as we move forward.

The 2009 Legislature tasked the Office of Financial Management (OFM) with conducting a study on alternatives for consolidating or transferring activities and responsibilities of the Gambling Commission, Horse Racing Commission, Liquor Control Board and Lottery Commission. OFM's final report to the Legislature concluded that because the agencies have few licensees or activities in common that consolidation would not provide time or cost savings for most clients or licensees. However, the report also determined that engaging in cooperative efforts such as training, coordinating shared office spaces, and utilizing specialized skills in the various agencies would potentially yield benefits. The commission is working with the other agencies to evaluate these suggestions for possible implementation.

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Appendices

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Definitions

Strategic Plan

The Strategic Plan identifies agency's goals and the actions needed to achieve them. It serves to determine the approximate priority and resources allocated to projects that are brought forward to support the overall direction of the agency. Our strategic plan incorporates a mission, a vision, values, goals, strategies, objectives and performance measures developed by Commission staff.

Goal

Long-term aim or purpose to attain or reach an overall direction.

Lean

Lean is a customer-centric methodology used to continuously improve any process through the elimination of waste in everything you do.

Performance Measures

Performance measures are created to determine whether the individual goal or strategy selected is making the difference the agency expected. Measures should be set at the beginning of the goal or strategy and taken at the end when it is completed.

Mission Statement

A mission describes our main purpose for existing: Who we are, what we do, why we do it, and for whom we do it. It is usually grounded in statute.

Vision Statement

What we aspire to be: A vision encompasses the ideals, hopes, and dreams of the people within the agency. A vision is a long-term commitment.

Value Statement

Values express the core principles for the conduct of the agency in carrying out its mission. Values describe behaviors and are the preferred cultural norms for the interactions within the agency.

Strategies

Strategies are statements of the methods for achieving goals. While goals and objectives state what the organization wants to achieve, strategies state how goals will be achieved. Strategies guide the activities the agency uses to achieve goals and objectives.

Projects

Projects are the individual actions that support the goals. Projects have specific timelines, performance measures and expected outcomes. Projects are prioritized in the overall strategic plan and usually have staggered start dates to ensure proper resource allocation.

Essential Project

Projects with the agency's highest level of commitment.

Important Project

Projects that are very important, but must be considered against other ongoing projects and activities if funds are not sufficient.

Beneficial Project

Projects that are beneficial to the agency's programs, but will only be pursued if they don't infringe on the higher level priorities.
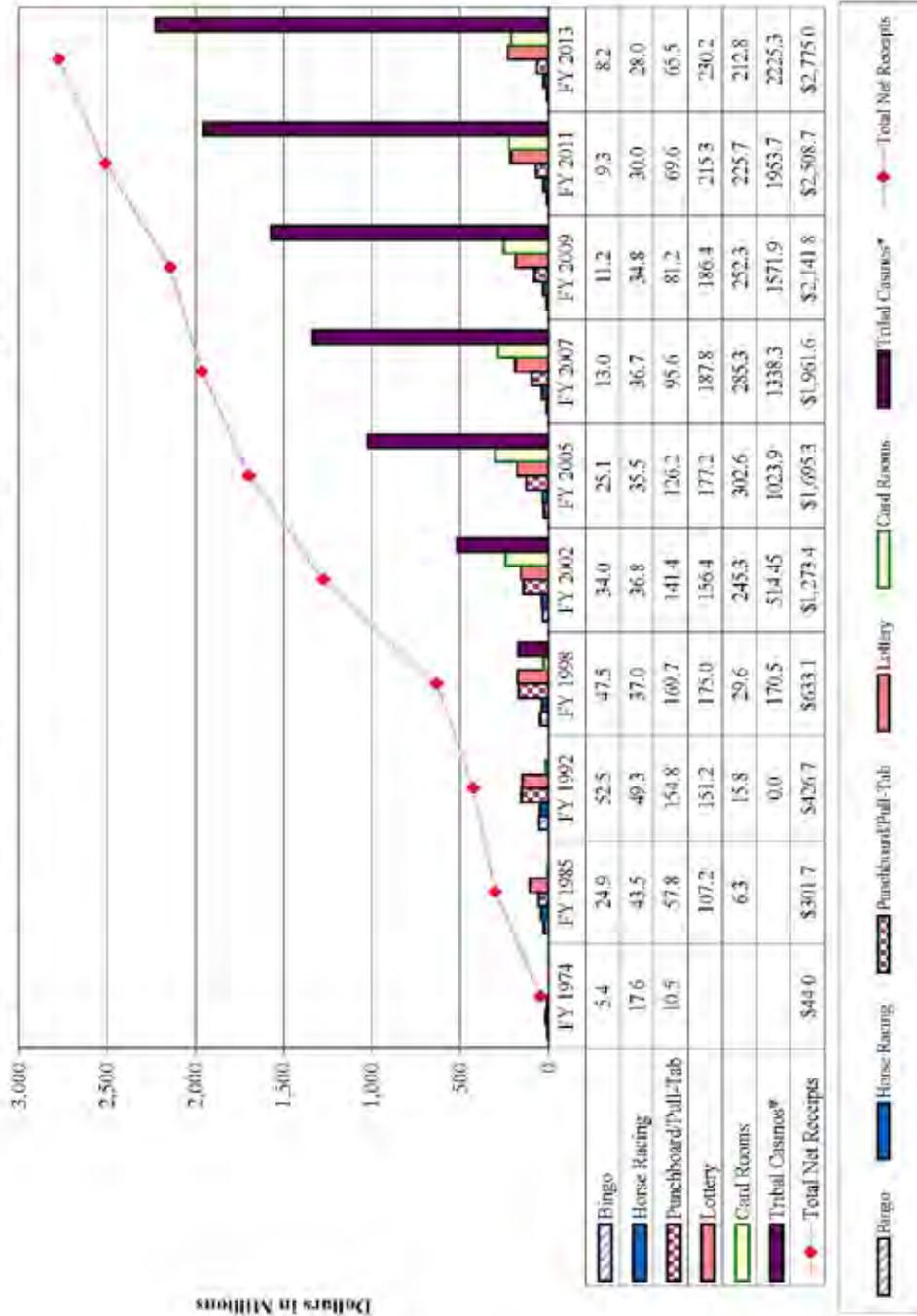
Acronyms

ALT	Agency Leadership Team		**HRTD**	Human Resources and Training Division
BOD	Business Operations Division		**ITD**	Information Technology Division
CIU	Criminal Intelligence Unit		**LOD**	Licensing Operations Division
CLD	Communications and Legal Division		**LT**	Leadership Team
EGL	Electronic Gambling Lab		**NOVAS**	Notice of Violation and Settlement
FIU	Financial Investigations Unit		**RCW**	Revised Code of Washington
FOD	Field Operations Division		**TGU**	Tribal Gaming Unit
FRS	Financial Reporting Services		**TLS**	Tribal Lottery System
GET	Gambling Equipment Team		**TTGD**	Tribal and Technical Gambling Division
GIMS	Gambling Information Management System			

Fiscal Year Net Receipts Comparison

Fiscal Year Net Receipts Comparison
[Net Receipts = amount wagered minus amount paid out as prizes]

Dollars in Millions

	FY 1974	FY 1985	FY 1992	FY 1998	FY 2002	FY 2005	FY 2007	FY 2009	FY 2011	FY 2013
Bingo	5.4	24.9	52.5	47.5	34.0	25.1	13.0	11.2	9.3	8.2
Horse Racing	17.6	43.5	49.3	37.0	36.8	35.5	36.7	34.8	30.0	28.0
Punchboard/Pull-Tab	10.4	57.8	154.8	169.7	141.4	126.2	95.6	81.2	69.6	65.5
Lottery	10.5	107.2	151.2	175.0	156.4	177.2	187.8	186.4	215.3	230.2
Card Rooms	6.3		15.8	29.6	245.3	302.6	285.3	252.3	225.7	212.8
Tribal Casinos*			0.0	170.5	514.45	1023.9*	1338.3	1571.9	1953.7	2225.3
Total Net Receipts	$44.0	$301.7	$426.7	$633.1	$1,273.4	$1,695.3	$1,961.6	$2,141.8	$2,508.7	$2,775.0

Bingo   Horse Racing   Punchboard/Pull-Tab   Lottery   Card Rooms   Tribal Casinos*   ◆ Total Net Receipts

* = Estimated

Source: Washington State Gambling Commission

Net Gambling Receipts Growth Compared to FTEs

Net Gambling Receipts* Growth Compared to FTEs
[Net = amount wagered minus amount paid out as prizes]

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April 2014