



OREGON STATE LOTTERY

Annual Performance Progress Report (APPR) for Fiscal Year 2010-11

Original Submission Date: October 20, 2011

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AGENCY NAME: Oregon State Lottery

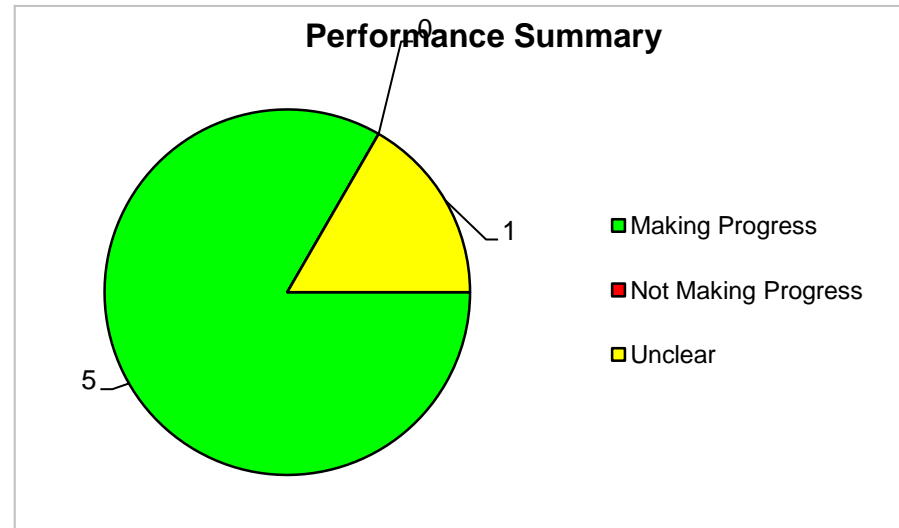
I. EXECUTIVE SUMMARY

Agency Mission: The mission of the Oregon Lottery® is to operate a lottery with the highest standards of integrity and security to earn maximum profits for the people of Oregon commensurate with the public good.

SCOPE OF REPORT

- **Lottery Sales:** For fiscal year (FY) 2011, Lottery generated over \$1.04 billion in sales. This represents the first time in three years that Lottery sales exceeded the previous year’s total. The FY 2011 sales total ranks as the fifth highest yearly sales in Lottery history and continues a six-year trend (started in FY 2006) of Lottery sales topping the \$1 billion mark.

Since the Lottery began in 1985, over \$7.6 billion in Lottery profits has gone to public education, economic development, job creation, state parks, and watershed enhancement/salmon habitat restoration across the state. Looking ahead to the present biennium alone, the Lottery is projected to provide \$1.1 billion for these programs based on the September 2011 revenue forecast.



- **Transfer:** For FY 2011, the Lottery transferred \$560.0 million. This amount reflects earnings from sales and administrative savings. These transfers were achieved while limiting administrative expenses to 3.0%, well below the 16% authorized in the Oregon Constitution.
- **Video LotterySM:** Video LotterySM sales increased almost 2.0% over the prior year. The increase can be attributed to the Lottery initiatives to retain current players and to appeal to emerging gaming audiences by offering diverse game types. In FY 2011, Lottery introduced Platinum Spin Series games on its Video LotterySM Game terminals from IGT, Spielo, and WMS. These games provide a new level of gaming experience to Video LotterySM players by offering prizes up to \$10,000.
- **Highest Scratch-itSM Sales Week:** During the holiday season, Lottery achieved the highest Scratch-itSM sales week since the Lottery began in 1985. Lottery hit a record \$4,138,347 in sales for FY 2011. There were two key factors contributing to this success: The concerted field sales effort to maximize retailer sales and the wide variety of holiday tickets available, including the popular “What’s In Santa’s Beard?” Scratch-itSM which was featured in a comprehensive television, radio, outdoor, interactive, and point-of-sale campaign.

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- **Thanksgiving Raffle:** For the FY 2011 Thanksgiving Raffle, Lottery doubled the number of tickets to 500,000 and doubled the number of prizes. Advertising focused on the two \$1 million dollar prizes. The Lottery successfully sold all 500,000 tickets.
- **Oregon Wins:** The Lottery continued to promote the good things Lottery profits do for Oregon with comprehensive campaigns focusing on jobs, parks, and watershed projects. For the past three years, the Lottery has seen increased awareness of the Oregon Wins campaigns. Those that resonate most with Oregonians are projects that have a clear tangible benefit such as adding jobs. The Lottery also continued its Oregon Wins sponsorships of events that align with its key areas of funding.
- **Problem Gambling:** The Lottery continues to mitigate the negative impacts of problem gambling in Oregon. For the 2011-2013 biennium, the Legislature approved a budget of \$10.78 million in Lottery profits to fund Oregon Problem Gambling Services, providing for free treatment for Oregonians who seek help. This budget was an increase of \$1.58 million from the previous biennium.

In collaboration with DHS and the Oregon Council on Problem Gambling, the Oregon Lottery® identifies at-risk groups and develops advertising messages to encourage those in need to seek the free, effective treatment available in Oregon. In addition, the Oregon Lottery® continues to promote the 24/7 problem gambling hotline number in its ads and on every Video LotterySM terminal. Time-of-day clocks and the representation of “credits” as dollars and cents continue to be featured on every Video LotterySM game so players have ongoing reminders to manage their time and budget when playing.

The Lottery continues to work in collaboration with the Oregon Council on Problem Gambling and the Oregon Health Authority to develop problem gambling outreach programs to help educate Oregonians about the issues surrounding problem gambling and the help that is available for no charge throughout the state. Since the economic downturn and smoking ban, the number of people who seek treatment for a gambling problem has declined, as has the number of enrollments in problem gambling treatment.

The Oregon Lottery® continues to be an active member of the Oregon Council on Problem Gambling in order to better understand, promote, and manage the issue of problem gambling in Oregon.

- **Retail Contracts:** Retail Contracts continued to assist potential contract applicants and existing retailers and provide good customer service to assure complete application packets for each applicant. In addition, Retail Contracts worked with retailers to maintain compliance with contract requirements, policies, rules, and statutes.
- **Successful Financial Audit and Reporting:** The Secretary of State Audits Division issued a clean opinion on Lottery's June 30, 2010 financial statements. The auditors concluded that Lottery's financial statements are presented fairly and in accordance with

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generally accepted accounting principles. The Audits Division also reported that it did not identify any reportable conditions related to internal control or to non-compliance with applicable laws and regulations. The State Controller's Gold Star, which reflects excellence in financial reporting, was awarded to Lottery for the 17th consecutive year. Lottery also received the Government Finance Officers Association (GFOA) Award of Excellence in financial reporting for its FY 2010 Comprehensive Financial Report.

- **Security:** Maintaining the security and integrity of the Lottery is of the utmost importance. The Lottery remains vigilant against new threats, such as computer or Internet attacks, and continues to implement measures to ensure the Lottery's security and integrity against cyber-crime. Lottery Security continues to perform timely, thorough, and efficient background investigations on all Lottery employees, retailers, vendors, and contractors. The Assistant Director for Lottery Security, in conjunction with the Lottery Director and the Oregon Department of Justice, continues to pursue any alleged violations of law that threaten the fairness, integrity, security, or honesty of the Lottery.

1. THE OREGON CONTEXT

The Lottery is required to develop, produce, and market Lottery tickets and shares; pay winners; cover its own expenses; and transfer the net profits to the state. From April 1985 through June 2011, the Lottery has paid over \$22 billion in prizes and has transferred over \$7.6 billion to the State Economic Development Fund for public education, economic development, job creation, state parks, and watershed enhancement/salmon habitat restoration throughout Oregon.

2. PERFORMANCE SUMMARY

The Lottery met or surpassed all of its performance measures for FY 2011 with one exception: A decline in the number of persons contacting the Oregon Problem Gambling Hotline seeking treatment. The decline may be due to several factors, including, but not limited to, an increase in persons using the Problem Gambling Website and getting information directly about how to manage their play, and a decrease in play volume resulting from the economic downturn, or other factors, such as the smoking ban.

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3. CHALLENGES

As a revenue-generating state agency, the Oregon Lottery® effectively operates as both a private and public organization. The Lottery must continually move forward to monitor and control expenses and maximize revenues commensurate with the public good. In fulfilling its mission, the Lottery faces three critical challenges:

- Constantly evolving consumer preferences for new and more entertaining games.
- Public perception and expectations of the Lottery, including how the money generated by the Lottery is used, and concerns about problem gambling.
- Increasing competition from other forms of gaming and entertainment.

Beginning January 1, 2009, the Lottery faced the additional challenges of the global recession and the Oregon Indoor Clean Air Act, also known as the smoking ban. Lottery sales, especially video, were impacted and the State of Oregon's revenue forecast continues to reflect these influences on Lottery sales and revenue.

To overcome these challenges, the Lottery continues to promote the following strategic objectives:

- Generate optimal revenue for public use by offering a broad variety of market-responsive games that will appeal to diverse consumer markets and successfully manage a broad distribution network which matches the demands of the consumer markets.
- Increase public awareness of how Lottery profits are used to fund state projects and programs.
- Minimize the potential impact of problem gambling through a variety of industry best practices and methods.
- Increase efficiency, productivity, transparency, and accountability through outcome-basis management in order to control administrative expenditures consistent with generating optimal revenue.

4. RESOURCES USED AND EFFICIENCY

Lottery's Commission-approved budget for administrative expenses for FY 2011 was \$319.8 million, which includes game vendor expenses, retailer commissions, and Lottery operating expenses. The Lottery is entirely self-financed through sales of its tickets and shares. It does not receive or rely on any General Fund or other tax dollars. By law, no more than 16% of the Lottery's total annual revenue may be used for its administrative costs. For FY 2011, the Lottery operated on 3.0% of its total annual revenue.

AGENCY NAME: Oregon State Lottery

II. KEY MEASURE ANALYSIS

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KPM #1	MONEY TRANSFERRED TO THE STATE FOR PARKS, WATERSHEDS, ECONOMIC DEVELOPMENT, AND EDUCATION	Measure since: 2002
Goal	Maximize profits for the people of Oregon.	
Oregon Context	The primary mission of the Oregon Lottery® is to maximize revenue for the people of Oregon commensurate with the public good.	
Data Source	Audited financial reports of the Oregon Lottery.®	
Owner	Kathy Ortega, Chief Financial Officer, (503) 540-1308.	

1. OUR STRATEGY

Lottery transfers are primarily a function of profits derived from sales of Lottery tickets and shares. As noted earlier, high sales are a product of having a wide variety of innovative games, effective marketing strategies, and good customer service. Transfers are also impacted by Lottery administrative savings which are added to the amounts transferred. Administrative savings are primarily derived from cost-effective management of Lottery dollars resulting in administrative costs being lower than budgeted.

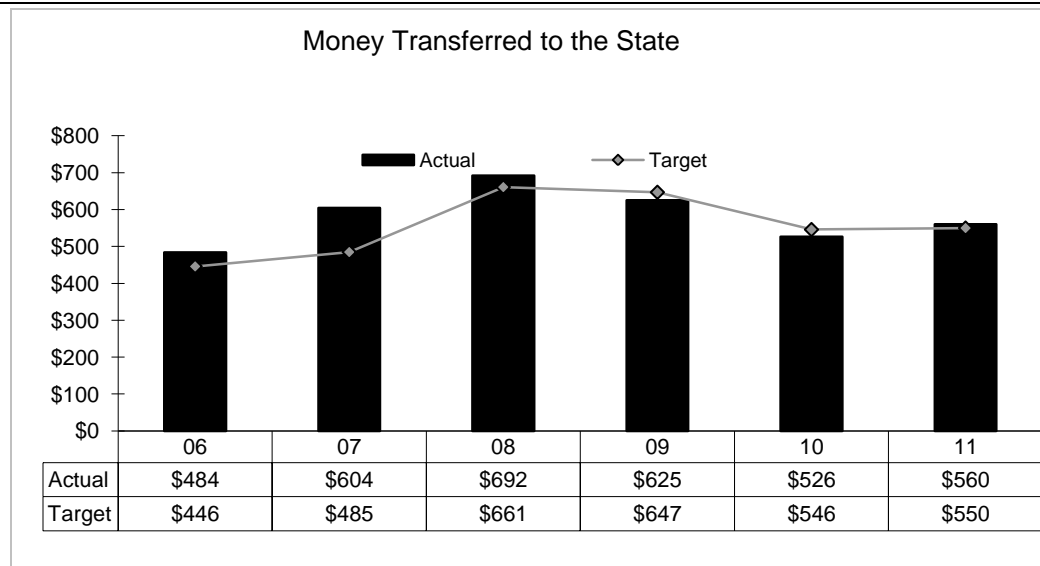
2. ABOUT THE TARGETS

Targets for the Lottery are set through a

combination of factors, including the DAS quarterly revenue forecast and the Oregon economic and revenue forecast prepared by the Office of Economic Analysis. A higher data point indicates increased Lottery revenues transferred to the state. Beginning January 1, 2009, the Oregon Indoor Clean Air Act took effect, and shortly thereafter the global recession began. Lottery sales were impacted, especially video and Keno. The State of Oregon has considered the effect of this in its revenue forecast and continues to project a dip in Lottery sales and revenue.

3. HOW WE ARE DOING

Due to the global recession, Lottery sales were down. As a result, revenue transfers declined. Lottery is taking innovative steps to counter the revenue decline and plans to develop and promote new games and game features. It appears that the Lottery is starting to see the results of these



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actions as the amount of money transferred to the state increased from last year. It is also possible that the effects of the smoking ban and the recession are diminishing.

4. HOW WE COMPARE

Lottery transfers are difficult to compare. State lotteries differ substantially in what they do with the profits they earn and how those profits are transferred. In addition to widely different game offerings and private/public relationships, some lotteries are part of larger agencies and are not structured the same as the Oregon Lottery®.

5. FACTORS AFFECTING RESULTS

Lottery profits, which are the primary source of Lottery transfers, can be affected by a number of factors. Beginning in 2009, the global recession and the smoking ban were factors affecting Lottery sales, especially Video LotterySM. The Video Product Team, along with members of Retail Operations Support and Distribution, executed a product strategy to counter the loss of sales due to these factors.

6. WHAT NEEDS TO BE DONE

Future plans include, but are not limited to, a responsible gaming program, remotely downloadable game content, cashless play, and more. The Lottery plans to take steps to increase the sale of its traditional games and will focus promotional efforts on Scratch-itSM tickets, Powerball® and Mega Millions®, Keno, and its Raffle games, and the implementation of a player loyalty program. The Lottery is planning for the replacement of the Video LotterySM central system which is scheduled for launch in fall of 2012.

7. ABOUT THE DATA

The Oregon Lottery® is on a fiscal year, accrual-based accounting cycle. The data, collected and maintained by the Lottery's Finance and Accounting section, is reliable and is subjected to multiple audits.

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II. KEY MEASURE ANALYSIS

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KPM #2	LOTTERY'S ADMINISTRATIVE EXPENSES AS A PERCENTAGE OF SALES	Measure since: 2002
Goal	Maximum profits for the people of Oregon.	
Oregon Context	The primary mission of the Oregon Lottery® is to maximize revenue for the people of Oregon commensurate with the public good.	
Data Source	Audited financial reports of the Oregon Lottery.®	
Owner	Kathy Ortega, Chief Financial Officer, (503) 540-1308.	

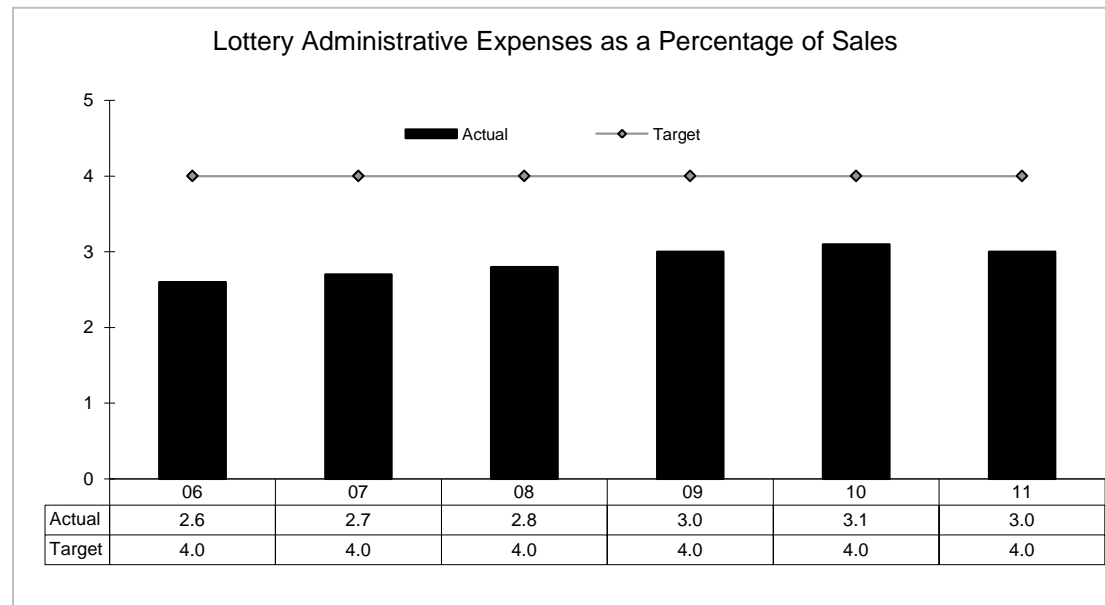
1. OUR STRATEGY

As part of its mission to maximize revenue for the people of Oregon commensurate with the public good, the Oregon Lottery® endeavors to control administrative expenses in order to be able to transfer more money for other essential state programs.

The Lottery accomplishes this mission through fiscal responsibility, tight budget controls, and business acumen.

2. ABOUT THE TARGETS

The Oregon Constitution mandates that the annual administrative expenses of the Lottery not exceed 16% of total annual revenues from the sale of all Lottery tickets and shares.



The lower the data point, the more money the Lottery is able to transfer due to decreased administrative expenses of the Lottery.

3. HOW WE ARE DOING

Despite having a constitutional spending cap of 16%, the Lottery budgets its administrative expenses for less than 4% and rarely even exceeds 3%.

Lottery's administrative expenses show a slight decrease from last year.

4. HOW WE COMPARE

AGENCY NAME: Oregon State Lottery

II. KEY MEASURE ANALYSIS

Agency Mission: The mission of the Oregon Lottery® is to operate a lottery with the highest standards of integrity and security to earn maximum profits for the people of Oregon commensurate with the public good.

Based on virtually any standard of comparison, public or private enterprise, the Lottery compares very favorably.

5. FACTORS AFFECTING RESULTS

One of the largest single factors affecting this category is the cost of replacing outdated Lottery equipment, particularly Video LotterySM equipment. Video LotterySM terminals are expensive, and because the Lottery has over 12,400 terminals, the replacement cost of aging and obsolete terminals is substantial, but replacement is necessary for continuing sales growth. Lottery continues to explore its options with its vendors to look at alternative pricing and business models which will allow Lottery to upgrade and replace equipment to take advantage of new product opportunities available under the planned new Video LotterySM central system.

Failure to keep pace with equipment replacement, while saving administrative expenses, can result in decreased sales, which results in decreased profits and transfers.

6. WHAT NEEDS TO BE DONE

The Lottery plans to take steps to increase sales as outlined in the previous performance measure. Raising sales while keeping costs down will result in a lower percentage of sales being used for administrative expenses.

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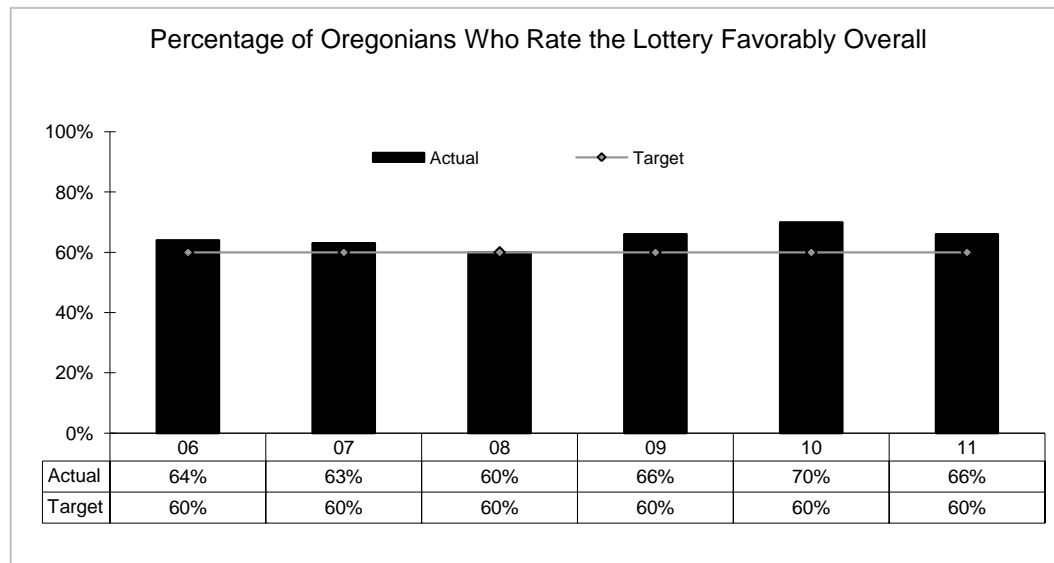
KPM #3	THE PERCENTAGE OF OREGONIANS WHO RATE THE LOTTERY FAVORABLY OVERALL	Measure since: 2002
Goal	Integrity – Public Trust.	
Oregon Context	Favorable perception of the Oregon Lottery® by Oregonians enables the Lottery to continue to operate and fulfill its mission.	
Data Source	Public Survey.	
Owner	Carole Hardy, Assistant Director for Marketing, (503) 540-1030.	

1. OUR STRATEGY

The Lottery’s strategy is to perform in a manner that assures Oregonians that the Oregon Lottery® is continually working hard to maintain the fairness, integrity, security, and honesty of the Lottery and its games, and is maximizing profits for the public purpose commensurate with the public good.

2. ABOUT THE TARGETS

It is very important that Oregonians, who were responsible for voting in the Lottery, maintain a favorable image of the Lottery. Knowing how Lottery profits benefit the state is the major factor contributing to an overall positive public perception of the Oregon Lottery®. However, offering a broad mix of games people enjoy is also critical to this measure. The higher the data point, the better the result for the Lottery and the State of Oregon.



3. HOW WE ARE DOING

Considering that a percentage of Oregonians are opposed to gaming of any kind, the fact that 66% of Oregonians rate the Lottery favorably is an impressive statistic.

4. HOW WE COMPARE

The best comparison to be made would be with other State of Oregon agencies. However, since the Lottery is unique in that its primary mission is to earn profits versus providing some form of government service, a valid comparison would be difficult to make.

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5. FACTORS AFFECTING RESULTS

Much of what Oregonians know about the Lottery is delivered to them through the media. Thus, what and how the media chooses to report about the Lottery is significant and can influence public opinion. The Lottery creates public information campaigns and programs to educate Oregonians about how Lottery profits benefit Oregonians, and also educates Oregonians about what games are offered through multiple communication vehicles. We believe the high ratings are influenced by the new Raffle games and high awareness and receptivity to the current Oregon Wins campaigns.

6. WHAT NEEDS TO BE DONE

All factors considered, the Lottery is doing extremely well in this category and has done so consistently for several years. The Lottery will continue to build on proven successful strategies while anticipating and adapting to new challenges. The Lottery will continue to monitor this biannually in an effort to exceed its target.

7. ABOUT THE DATA

Twice a year (six months apart), a Lottery contracted research firm conducts a tracking study among 1,000 Oregonians aged 18 or older. The data gathered for the study was obtained by using the “Random Digit Dial” sampling method creating a representative sample of adult Oregonians. At the 95% confidence level, these studies reflect a margin of error of plus or minus 3.2% (most conservative estimate based on n=1000.)

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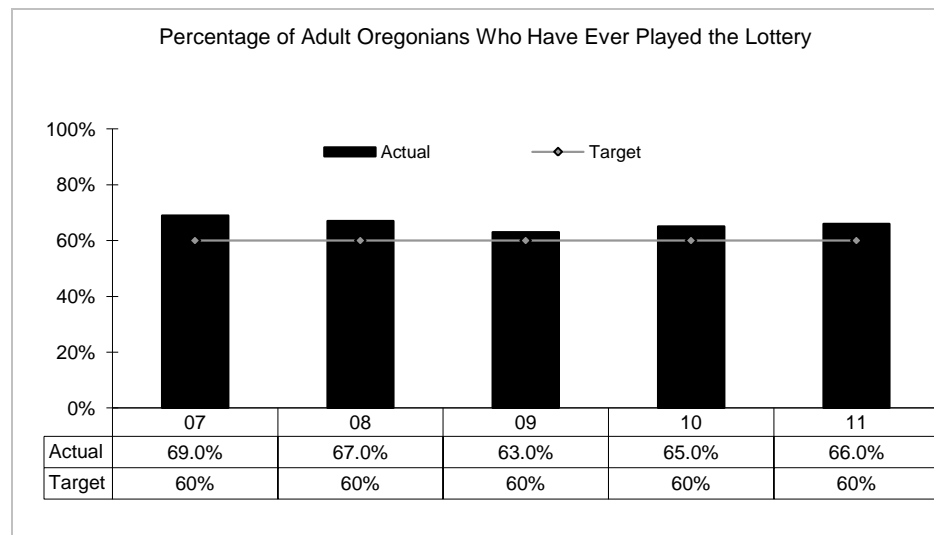
KPM #4	THE PERCENTAGE OF ADULT OREGONIANS WHO HAVE EVER PLAYED THE LOTTERY	Measure since: 2007
Goal	Customer and Stakeholder Satisfaction.	
Oregon Context	Game appeal is linked to higher sales which in turn are linked to maximizing revenue.	
Data Source	Player survey information.	
Owner	Carole Hardy, Assistant Director for Marketing, (503) 540-1030.	

1. OUR STRATEGY

The Lottery’s strategy is to:

- A. Introduce new and improved games that continue to hold the interest of its regular players while increasing its player base;
- B. Implement marketing programs that do the same; and
- C. Provide good customer service.

The Lottery depends on its retailers to provide good customer service. In addition, the Lottery works closely with various gaming vendors, research companies, and advertising agencies to accomplish its overall marketing goals.



2. ABOUT THE TARGETS

Lottery seeks to maintain its appeal among a majority of adult Oregonians by constantly working to find games that appeal to new potential player groups. A higher data point represents a more favorable result for the Lottery and the State of Oregon.

3. HOW WE ARE DOING

This is the fifth year of data. There remains concern that the number of new players is declining. The Lottery will continue to develop new types of games that appeal to diverse consumer markets.

4. HOW WE COMPARE

Approximately two-thirds of adult Oregonians have played the Oregon Lottery® at one time or another. This measure is unique to the Lottery among state agencies. As a result, there is nothing to which it can be compared.

AGENCY NAME: Oregon State Lottery

II. KEY MEASURE ANALYSIS

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5. FACTORS AFFECTING RESULTS

The results are accurate within the design parameters of the survey.

6. WHAT NEEDS TO BE DONE

The Lottery must continue to introduce new Video LotterySM and traditional product offerings, and explore other new types of games, as well as research, develop, and introduce innovative products that will appeal to a greater percentage of adult Oregonians.

7. ABOUT THE DATA

Twice a year (six months apart), a contracted market research provider conducts a tracking study among 1,000 Oregonians aged 18 or older. The data gathered for the study was obtained by using the “Random Digit Dial” sampling method creating a representative sample of adult Oregonians. At the 95% confidence level, these studies reflect a margin of error of plus or minus 3.2% (most conservative estimate based on n=1000.)

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KPM #5	PERCENTAGE INCREASE IN THE NUMBER OF "CALLS FOR HELP" TO THE OREGON PROBLEM GAMBLING HELPLINE FROM THOSE SEEKING TREATMENT	Measure since: 2002
Goal	Integrity – Public Trust and Public Good – Civic Benefit.	
Oregon Context	While seeking to maximize profits for the state commensurate with the public good, it is vital to consider and offset any negative consequences that might ensue.	
Data Source	Data obtained from the Department of Human Services and local treatment centers.	
Owner	Carole Hardy, Assistant Director for Marketing, (503) 540-1030.	

1. OUR STRATEGY

In collaboration with the Oregon Council on Problem Gambling and the Department of Human Services (DHS), the Oregon Lottery develops problem gambling outreach programs to help educate Oregonians about the issues surrounding excessive gambling behaviors.

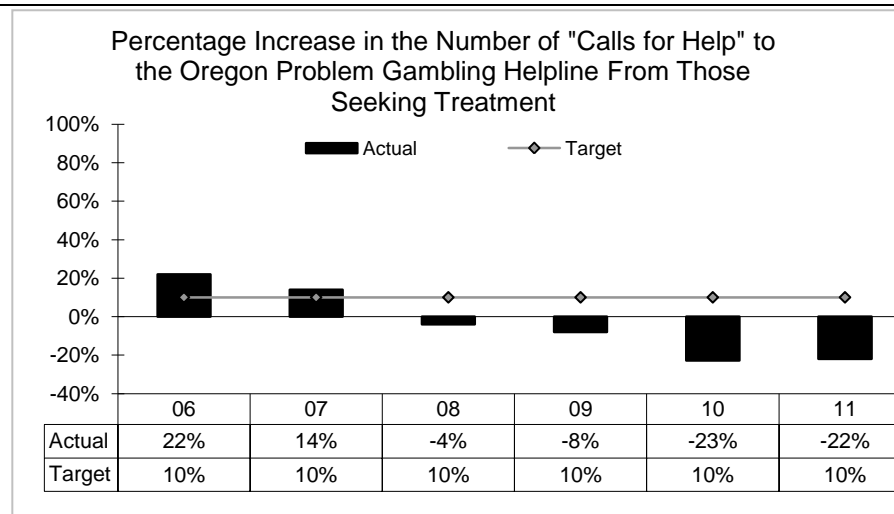
The program strives to encourage those in need to seek the free, effective treatment available in Oregon, educate players on how to set limits; educate retailers and their staff to create a responsible gambling program within their establishments; make investments in research (both formal and informal); and guide development of outreach campaigns.

2. ABOUT THE TARGETS

The Lottery has set an annual target increase of 10% in the number of calls for help by problem gamblers seeking treatment. The purpose of the target is to measure the effectiveness of Lottery’s efforts to communicate information to Oregonians about how to seek treatment. Treatment effectiveness remains a DHS target.

It is known that there are many problem gamblers and members of their families that may not be aware of the problem gambling treatment available to them. Further, those with a gambling problem may be reluctant to seek help. The goal of the campaigns is to overcome barriers and encourage calls to the Problem Gambling Helpline or visits to the 1877MYLIMIT.org website. Both will provide instant access to trained treatment providers.

3. HOW WE ARE DOING



AGENCY NAME: Oregon State Lottery

II. KEY MEASURE ANALYSIS

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The number of calls for help to the Oregon Problem Gambling Helpline during the year declined 22%. This is the fourth year in a row that there has been a decline in this measure. The trend of decreasing calls seeking treatment followed the recent declining sales trend for Lottery games. It is unknown whether the decline can be attributed to the declining economy, the smoking ban, or other factors.

4. HOW WE COMPARE

Because efforts to address problem gambling are so varied across the country and around the world, it is difficult to make a valid comparison. However, Oregon’s problem gambling program is recognized as a model program by leaders in the U.S. problem gambling community and abroad.

5. FACTORS AFFECTING RESULTS

Factors affecting results include: Effectiveness of Lottery advertising and outreach programs, retailer cooperation in posting and promoting treatment information at the point-of-sale, and the accuracy of the data collection. This is the fourth year that a comprehensive website has been provided as an alternative to the Helpline phone number. There is potential that people are finding the information they need on the website and therefore do not call to find a treatment provider.

6. WHAT NEEDS TO BE DONE

Lottery will continue to look for new ways to encourage those who exhibit unhealthy play behaviors to seek out treatment programs. Lottery will provide information to help retailers and players recognize who may have a gambling problem, and communicate to them that free, confidential, and effective treatment is available. Lottery will continue to collaborate with the DHS to add web access to these treatment programs.

7. ABOUT THE DATA

The data is obtained from DHS through a third-party contractor which is responsible for the Problem Gambling Hotline and website. The information is deemed highly reliable. More detailed information can be obtained through DHS.

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KPM 6	CUSTOMER SERVICE : Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall, timeliness, accuracy, helpfulness, expertise, availability of information	Measure since: 2006
Goal	Customer and Stakeholder Satisfaction.	
Oregon Context	Favorable perception of the Oregon Lottery® by Oregonians enables the Lottery to continue to operate and fulfill its mission.	
Data Source	Customer service surveys.	
Owner	Tim Eaton, Assistant Director of Retail Operations, (503) 540-1101. Carole Hardy, Assistant Director for Marketing, (503) 540-1030.	

1. OUR STRATEGY

In order to measure the perception of customer service provided by the Oregon Lottery®, the Lottery sent questionnaires to all 3,926 Lottery retailers to solicit their responses. Retailers represent the Lottery’s customer base that comprise the distribution network and is the touch point to Lottery players.

2. ABOUT THE TARGETS

The targets were developed through the Department of Administrative Services for use by all reporting state agencies.

3. HOW WE ARE DOING

The results are that the Lottery was rated good or excellent by the vast majority of the retailers responding to the survey for each category listed in the adjacent chart.

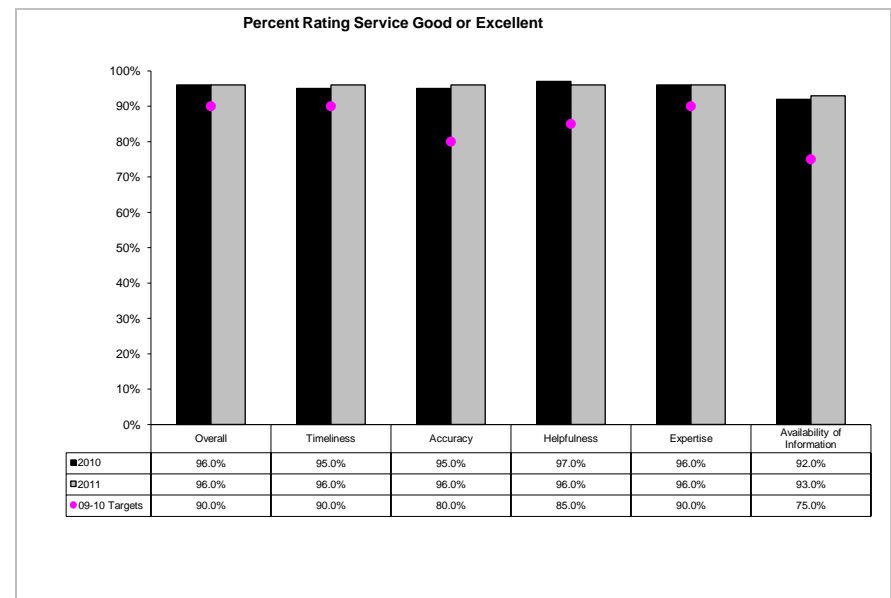
4. HOW WE COMPARE

The Lottery can be compared to other State of Oregon agencies once measurement data is submitted by other agencies.

5. FACTORS AFFECTING RESULTS

The retailer’s perception of the quality of Lottery’s service, competency, training, and responsiveness to customer issues are the major factors affecting the results.

6. WHAT NEEDS TO BE DONE



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II. KEY MEASURE ANALYSIS

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The Lottery will continue to build on proven successful strategies while anticipating and adapting to new challenges.

7. ABOUT OUR CUSTOMER SERVICE SURVEY

The Lottery sent its 2011 Retailer Survey to all 3,926 Lottery retailers of which 1,369 were returned for a response rate of 34.9% which is a slight decrease from the 37.4% return rate for the 2010 survey.

AGENCY NAME: Oregon State Lottery

III. USING PERFORMANCE DATA

Agency Mission: The mission of the Oregon Lottery® is to operate a lottery with the highest standards of integrity and security to earn maximum profits for the people of Oregon commensurate with the public good.

Contact: Mark W. Hohlt, Rules and Policies Manager	Phone: (503) 540-1417
Alternate: Marlene Meissner, Public Affairs Representative	Phone: (503) 540-1016

The following questions indicate how performance measures and data are used for management and accountability purposes.	
1. INCLUSIVITY Describe the involvement of the following groups in the development of the agency's performance measures.	<ul style="list-style-type: none">• Staff: Lottery staff, in conjunction with the Oregon State Lottery Commission, developed the performance measures based on the Lottery's established goals and targets in its Business Plan and Strategic Plan.• Elected Officials: The Lottery's performance measures have always been shared with elected officials including the Governor and state senators and representatives.• Stakeholders: The Lottery's performance measures reflect input from its major stakeholders including its players and retailers.• Public: The Lottery's performance measures reflect input from its major stakeholders, including the citizens of Oregon.
2. MANAGING FOR RESULTS How are performance measures used for management of the agency? What changes have been made in the past year?	The Lottery manages to the goals and performance measures established in its Commission-approved Business Plan and Strategic Plan. Results are tracked and reported to the Lottery Commission.
3. STAFF TRAINING What training has staff had in the past year on the practical value and use of performance measures?	Lottery training has been on-the-job, using the resources available online through the Internet and from information proved by the Department of Administrative Services.
4. COMMUNICATING RESULTS How does the agency communicate performance results to each of the following audiences and for what purpose?	<ul style="list-style-type: none">• Staff: Performance measurement results are posted on the Lottery's website.• Elected Officials: Performance measurement results are reported annually to the Lottery Commission. Sales results are reported monthly to the Lottery Commission and to state officials. Results are presented to Representatives and Senators each legislative session. Elected officials are also informed via personal correspondence or meetings with Lottery staff.• Stakeholders: Performance measurement results are posted on the Lottery's website.• Public: The Lottery communicates these results to the public and its retailers through various mediums, including newsletters, use of field staff, and the Lottery website.