

**Strategic Operation Plan
For the
Gambling Control Board
12/1/04**

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This document sets out a strategic plan for the Gambling Control Board. It reviews strengths, weaknesses, threats and opportunities; presents a series of statements relating to Gambling Control Board's vision, mission, values and objectives; and sets out its proposed strategies and goals.

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Gambling Control Board

Strengths, Weaknesses, Threats & Opportunities

This strategic plan addresses the following key strengths, weaknesses, threats and opportunities for the Gambling Control Board:

Strengths:

- Knowledgeable staff & effective training
- Expertise in game testing
- Efficient operation
- Support of the industry
- Cooperative Assistance from other state agencies

Weaknesses:

- Obsolete computer equipment and software
- Inconsistent regulation by local government
- Lack of authority - criminal investigations
- Limited access to shared electronic information
- Manual reporting by licensed organizations
- Minimal staffing for investigations & compliance
- Ambiguous definitions for lawful purpose donations.

Threats:

- No increase in funding for operations
- Increasing caseload & activity
- Increasing expenses for non-profit organizations
- Competition from other gambling venues
- Risk takers increasing/fraud detection decreasing
- New/Creative techniques to hide fraud

Opportunities:

- Improve automation
- Increase site visits
- Better analysis of data
- Increase mentoring
- Educate Legislators
- Dedicated funding available
- Less dependence on other agencies
- Minimize duplication of effort (Local regulation)

Vision:

The vision of the Gambling Control Board in 1-4 year's time is:

- There will be more gambling (legal and illegal) taking place.
- Smoking bans in bars/restaurants will impact lawful gambling.
- Better automation and electronic gaming and monitoring will be available.
- There will be fewer but bigger charities.
- Veteran organizations will consolidate and be coordinated at the "state" level.
- There will be more demands for donations but fewer allowances.
- More sophisticated fraud will develop.
- The responsibilities of the Board members will be refined.

Mission Statement:

The central purpose and role of the Gambling Control Board is to:

Regulate lawful gambling in Minnesota so that the citizens are assured of the integrity of the industry and nonprofit organizations continue to raise funds for allowable charitable contributions.

Agency Values:

The agency values governing the Gambling Control Board's activity will include the following:

Integrity - doing what is honest and fair and producing results. Being proactive in regulation and training and provide guidance when necessary.

Change - The vision to see opportunities and the courage to change. To seek more effective and efficient ways to deliver services.

Operation Objectives:

Longer term operation objectives of the Gambling Control Board are summarized as:

- Increase the frequency of reviews and site inspections.
- Reduce the processing time for license applications & Board approval requests.
- Produce effective reports for analysis and self-monitoring by licensed organizations.
- Clarify definitions and allowance for lawful purpose donations.
- Target problem organizations and increase mentoring efforts.
- Reduce organization's dependence on "outside" consultants.

Key Strategies

The following critical strategies will be pursued by the Gambling Control Board:

1. Automate licensing and on-line reporting
2. Increase staffing - Compliance Reviews/Investigations
3. Increase staffing - IS/Tech Support
4. Obtain more legal authority for investigations and prosecution

The following important strategies will also be pursued:

1. Refine responsibilities of the Board
2. Eliminate duplication of effort (Local Gov.)
3. Review all licensing requirements
4. Review all applicable fees and tax schedules for modification
5. Consider consolidation with another agency

Major Goals

The following key targets will be achieved by the Gambling Control Board over the next 1-4 years:

- Increase the frequency of reviews
- Create on-line license applications
- Allow electronic reporting
- Establish automated validation of game activity
- Produce effective reports for monitoring progress

Strategic Action Plan

The following strategic action plan will be implemented:

1. Upgrade Gambits system. Project lead: IS supervisor. Action: Acquire appropriate hard/software; test data conversion; conduct training. Target implementation: 7/1/05
2. Increase compliance staffing. Project lead: Executive Director. Action: Propose staffing changes to Governor/Legislature. Timeframe: 2005 Legislative session.
3. Increase the frequency of compliance reviews. Project lead: Compliance Supervisor. Action: Develop a list of "critical review" organizations; develop annual schedule and notification. Timeframe: (ongoing). Ultimate goal of annual reviews is dependent on appropriate staffing.
4. Clarify definitions for lawful purpose donations. Project lead: Compliance Supervisor. Action: Identify lawful purpose categories that need clarification and meet with industry representatives for input and consent. Submit propose changes as legislative initiative for approval. Timeframe: 2005 Legislative session.
5. Refine Board responsibilities. Project lead: Executive Director. Action: Reduce the size and responsibilities of the 7-member Board. Establish an "Appeal Board" (3 board members) to meet quarterly to review/monitor actions taken by Board Director and staff. Seek Board and Legislative approval. Timeframe: 2005 or 2006 session.
6. Gain more authority for criminal prosecution. Project Lead: Executive Director. Action: Seek Governor and Legislative approval. Timeframe: 2005 legislative session.
7. Establish bar-coded game validation. Project Lead: Executive Director. Action: Meet with licensed manufacturers and propose timeframes for implementation or change. Timeframe: 2006