

Points on “Sale of Products and Services,” Item 7

- Lest it be overlooked, the dues that is paid by members is very important; and yet, the “business” of LCOG is supported by grants and contracts.

Looking at Non-Dues Revenue:

- First and foremost, LCOG must be *flexible* and *responsive* in the fee-for-service work that it performs.
- There are grants from federal and state agencies to support work being done by the agency (and sometimes through subcontract, by our members) pursuant to the work program and specific Board approval. [contracts are signed and revenue comes to LCOG] Think of the large contracts with the Oregon Department of Human Services or the Department of Transportation.
- There are “enterprise” operations, such as the telecommunications (phone) consortium, and office space rentals [contracts are signed and revenue comes to LCOG].
- There is a membership subscription relationship with over 100 private entities for RLID services [contracts are signed and revenue comes to LCOG].
- There are “over the counter” sales of products and services for which no contracts are executed. Think retail sales and purchase orders for small map or tabular products. Some sales are to the public (private sector) and many are to government.
- There are multi-jurisdictional (usually long-running) contracts for Metro Planning support and the Geographic Information System. [contracts are re-signed annually and revenue comes to LCOG].
- There are service relationships between LCOG and individual governments for services or special projects. [contracts are signed and revenue comes to LCOG].

Clearly, the compensation that LCOG receives in exchange for services and products provides the support for the core of our business; and the vast majority of our contractual relationships are with member governments and other public agencies, local, state and federal. At this moment, there are some 420 contracts in force. Though rare, when we enter into a service contract with a private entity (say, McDougal Brothers, the Creswell Public Library Foundation, or the Homebuilders Association) it is almost always with the support and at the direct encouragement of a member government.