



# STRATEGIC PLAN

Fiscal Years 2003 - 2007



# Strategic Plan

**2003-2007**

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## **Term of Office**

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January 26, 1998 - November 15, 2003  
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## *Agency Strategic Plan Overview*

### **INTRODUCTION**

The state's strategic planning and performance budgeting cycle sets forth the opportunity for the agency to continually review its business plan and processes. In an era where state agencies must continue to accomplish more with less, to work hard then work harder and smarter, the planning process is a critical function in every successful agency. Strategic planning must be a process that has no end and operates in a continuous cycle to ensure forward and future thinking heightened by strategic decisions based on the mission of the agency and supported by its vision.

The statewide strategic planning process began in 1992 with the issuance of a statewide vision to focus the resources, efforts and direction of state government to common goals and a future-oriented vision for which to strive. The message from the elected leadership of the state clearly indicates for the government's mission to be limited and its priorities clear. The agency's mission supports the state mission and agency goals, and strategies provide the decisions based on such priorities.

### **STATEWIDE VISION**

*To assure open access to an educational system that not only guarantees the basic core knowledge necessary for citizenship, but also emphasizes excellence in all academic and intellectual undertakings;*

*To provide for all of Texas' transportation needs of the new century;*

*To meet the basic health care needs of all Texans;*

*To provide economic opportunities for individual Texans and provide an attractive economic climate with which to attract and grow businesses; and*

*To provide for the safety and security of all within our border.*

## STATEWIDE MISSION

*Texas State Government will be limited, efficient, and completely accountable. It will foster opportunity, economic prosperity, and family. The stewards of the public trust will be men and women who administer state government in a fair, just, and responsible manner. To honor the public trust, state officials will seek new and innovative ways to meet state government priorities within its financial means.*

## STATEWIDE PHILOSOPHY

The task before all state public servants is to govern in a manner worthy of this great state. We are a great enterprise, and as an enterprise we will promote the following core principles.

- *First and foremost, Texas matters most. This is the overarching, guiding principle by which we will make decisions. Our state, and its future, is more important than party, politics or individual recognition.*
- *Government should be limited in size and mission, but it must be highly effective in performing the tasks it undertakes.*
- *Decisions affecting individual Texans are best made by those individuals, their families, and the local governments closest to their communities.*
- *Competition is the greatest incentive for achievement and excellence. It inspires ingenuity and requires individuals to set their sights high. And just as competition inspires excellence, a sense of personal responsibility drives individual citizens to do more for their future, and the future of those they love.*
- *Public administration must be open and honest, pursuing the high road rather than the expedient course. We must be accountable to taxpayers for our actions.*
- *Finally, state government should be humble, recognizing that all its power and authority is granted to it by the people of Texas, and those who make decisions wielding the power of the state should exercise their authority cautiously and fairly.*

*Aim high...we are not here to achieve inconsequential things!*

## STATEWIDE GOALS

The State of Texas has eight statewide goals which support the general areas of public schools; higher education; health and human services; public safety and criminal justice; natural resources and agriculture; economic development; general government; and regulatory issues. Due to the regulatory, licensing and law enforcement responsibilities and statutory mandates with which the Texas Alcoholic Beverage Commission is charged, the efforts of the commission support three of the statewide goals: public safety and criminal justice; economic development and general government.

### Priority Goal

*To protect Texans from crime by quick and fair enforcement of laws, maintain statewide emergency and disaster preparedness and response, police public highways, and to confine, supervise and rehabilitate offenders.*

#### Benchmarks:

The public safety and criminal justice goal is supported by the agency's enforcement goal of promoting the health, safety and welfare of the public by taking positive steps to ensure voluntary compliance with the law and deterring the illegal distribution and consumption of alcoholic beverages. Statewide benchmarks noting juvenile violent crime rate, adult violent crime rate as well as the number of traffic deaths per thousand are supported by the enforcement strategy of deterring and detecting the violations of the Alcoholic Beverage Code by inspections, investigations and education of the industry and general public.

### Priority Goal

*To foster economic opportunity, job creation, capital investments, and infrastructure development by promoting a favorable business climate, addressing transportation and housing needs and developing a productive workforce.*

#### Benchmarks:

The economic goal of the state is supported by the commission's licensing and compliance goals and strategies. The relating strategies are: (1) ensure compliance with laws regarding ownership of permits/licenses, tax security and other licensing requirements; (2) inspect, analyze and investigate all

segments of the industry and initiate actions, whether educational or punitive; and (3) strategically place personnel to regulate importation of alcoholic beverages and cigarettes. Such strategies ensure compliance with statutory schemes and create an atmosphere and business climate supporting fair competition and lawful trade practices. The benchmarks of per capita gross state product and Texas employment rate are directly related.

**Priority Goal**

*To support effective, efficient and accountable state government operations and to provide citizens with greater access to government services while reducing service delivery costs.*

**Benchmarks:**

The statewide benchmarks indicated by the number of state employees per 10,000 population and the number of state services accessible by the Internet are supported by each strategy of the commission as the agency is guided by its own philosophy and values in efficient and cost effective operations. The leadership of the agency is particularly proud of ongoing efforts to emphasize employee commitments to providing the best service at the lowest possible cost.

**TABC VISION**

*A safe and sober Texas served by the Texas Alcoholic Beverage Commission known for its innovation, efficiency, work ethic and fiscal responsibility.*

The Alcoholic Beverage Code exists for the protection of the welfare, health, peace, temperance and safety of Texans. Thus, the agency pursues its vision of a safe and sober Texas not only through normal police activities, but also through licensing and regulation of commercial activity within the alcoholic beverage industry.

**TABC MISSION**

*The mission of the Texas Alcoholic Beverage Commission is to supervise and regulate all phases of the alcoholic beverage industry to ensure the protection of the welfare, health, peace, temperance and safety of the people of Texas, while facilitating fairness, balanced competition and responsible behavior through voluntary compliance.*

## **TABC PHILOSOPHY**

- *The TABC will exemplify friendly, courteous, ethical and professional behavior in all areas of performance.*
- *We will provide the best possible services at the lowest possible cost to the people of Texas.*
- *We will apply the law and agency policy fairly and consistently throughout the state.*
- *We will communicate openly and provide timely, accurate information to the public we serve and to all our fellow employees.*

## **TABC COMPACT WITH TEXANS**

The commission's leadership and personnel are dedicated to the principles of exemplary customer service, believing that the citizens of this state, as well as those who may conduct business in Texas, deserve the highest degree in service standards. The commission expects these characteristics to be obvious to citizens in their interaction with the commission's employees:

- Commitment
- Quality
- Honesty
- Efficiency
- Friendliness
- Professionalism

The *Compact With Texans* goes even further to delineate not only the universal guiding principles of how the service should be delivered but when to expect it.

- Provide accurate and timely information.
- Respond to inquiries within three working days.
- Acknowledge receipt of complaints within three working days.
- Resolve complaints within 60 working days.
- Provide helpful and up-to-date information on the agency's web site.
- Ensure our facilities are easily accessible and clean.

Complete information on the commission's *Compact With Texans* is found in Appendix H.

## ***External/Internal Assessment***

### **OVERVIEW OF AGENCY SCOPE AND FUNCTIONS**

When the 21<sup>st</sup> Amendment to the U.S. Constitution repealed national prohibition (imposed by the 18<sup>th</sup> Amendment) in 1933, it delegated responsibility for regulation of the alcoholic beverage industry to the individual states.

#### ***U.S. Constitution - AMENDMENT XXI***

***Section 1.*** *The eighteenth article of amendment to the Constitution of the United States is hereby repealed.*

***Section 2.*** *The transportation or importation into any state, territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.*

### ***Creation of the Agency***

Shortly after the adoption of the 21<sup>st</sup> Amendment, the Texas Legislature, meeting in special session, enacted the Texas Liquor Control Act that created the Texas Liquor Control Board. The LCB, as it came to be commonly known, began its existence on November 16, 1935, charged with the administration of the new act. The name of the agency was changed January 1, 1970, to the Texas Alcoholic Beverage Commission and, on September 1, 1977, the recodified Texas Liquor Control Act took effect as the Texas Alcoholic Beverage Code.

### ***Liquor by the Drink***

After several attempts, the Texas Legislature responded in 1971 to a public referendum by creating a mixed beverage permit that allowed sales of liquor by the drink in those areas specifically authorized by local option election. With the new permit came the mixed beverage gross receipts tax: *a tax at the rate of 10 percent ... imposed on the gross receipts of a permittee from the sale, preparation, or service of mixed beverages or from the sale, preparation, or service of ice or nonalcoholic beverages that are sold, prepared, or served for the purpose of being mixed with alcoholic beverages and consumed on the premises of the permittee.* The new permit met with immediate acceptance, and the new tax quickly became a major revenue generator for the state. In 1985, the tax rate was increased to 12 percent; it was increased again in 1989 to 14 percent. For fiscal year 1993, gross receipts tax and penalty collections amounted

to \$244.7 million, more than half of the total revenue collected by the agency.

#### *Sunset Review*

House Bill 1445 of the 73rd Legislature, 1993, enacted recommendations of the sunset review process regarding the commission. The legislature's action demonstrated its belief in the need for a separate alcoholic beverage regulatory agency. Emerging from the process, the Texas Alcoholic Beverage Commission was continued for 12 years with two significant functional changes:

- Effective January 1, 1994, responsibility for the collection and verification of the mixed beverage gross receipts tax was transferred to the Office of the Comptroller of Public Accounts.
- Effective April 1, 1994, responsibility for the enforcement of the Bingo Enabling Act was transferred to the Texas Lottery Commission. The Alcoholic Beverage Commission had assumed short-term responsibility for the regulation of bingo from the Office of the Comptroller of Public Accounts in January 1990.

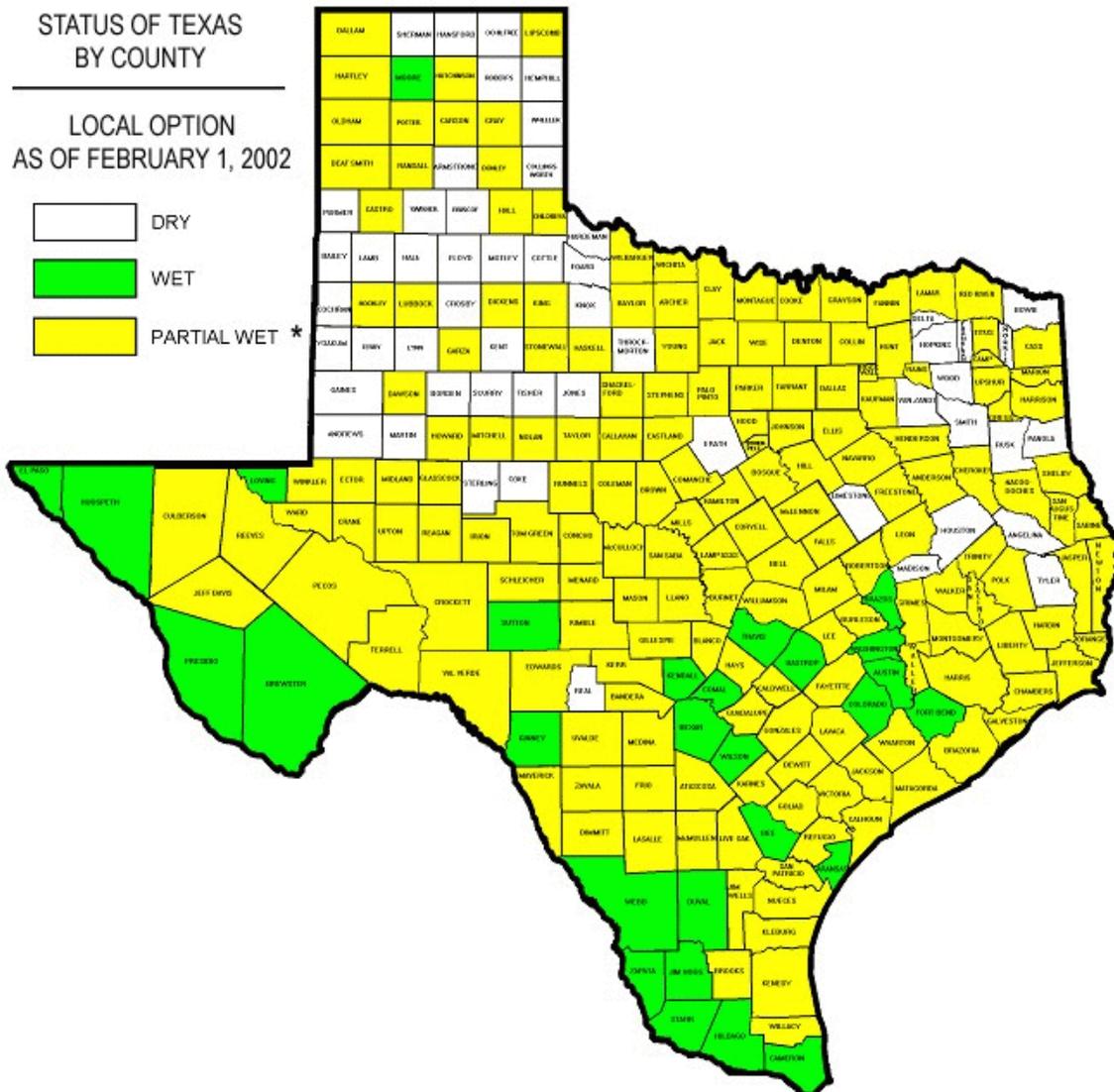
As provided in the Alcoholic Beverage Code, the commission is subject to the Texas Sunset Act and will undergo the review process in 2005.

#### *Powers and Duties*

The Alcoholic Beverage Code authorizes the Texas Alcoholic Beverage Commission to:

- grant, refuse, suspend, or cancel permits and licenses in all phases of the alcoholic beverage industry;
- supervise, inspect, and regulate the manufacturing, importation, exportation, transportation, sale, storage, distribution, and possession of alcoholic beverages;
- assess and collect fees and taxes;
- investigate for violations of the Alcoholic Beverage Code and assist in the prosecution of violators;
- seize illicit beverages;
- adopt standards of quality, and approve labels and size of containers for all alcoholic beverages sold in Texas;
- pass rules to assist the agency in all of the above.

Although the laws regulating the alcoholic beverage industry are consistent statewide, the Alcoholic Beverage Code allows local (county, city, justice precinct) determination of the types of alcoholic beverages which may be sold and how they can be sold by means of local option elections. For an overview of the variations this can create across the state, refer to the wet/dry map below.



\* Does not necessarily mean the entire county is partially wet. A city or justice precinct may be the only wet portion.

*Key Events of  
Current Year*

In reviewing key events of the current year, there are a number of programs with which the agency is involved that are important in scope and audience. However, one must not overlook the agency's daily functions. The agency continues to be on track in meeting its key performance measures in the program groups. The daily work is an ongoing and never-ending process in which licenses and permits are issued, exceeding the numbers from prior years and inspections of licensed premises are completed in pre-license reviews or routine inspections throughout the year. Workloads continue with the assurance excise taxes are paid and alcoholic beverages and cigarettes are properly imported. Further attention is paid to marketing practices by the three tiers of the alcoholic beverage industry, and other issues as illegal ownership, financial improprieties, criminal violations and illegal drugs on the licensed premises garnered their share of attention.

Key recognizable educational programs play an important role in fostering voluntary compliance not only in the sale of alcoholic beverages but in the mind set of people of all ages. The agency's programs for the sellers of alcoholic beverages are ongoing and welcomed by the industry.

They include:

- Marketing practices for wholesalers/distributors;
- Project SAVE for retailers;
- Seller training seminars for the trainers of seller/servers of alcoholic beverages.

The commission has been encouraged by the industry's acceptance and desire to further expand such future initiatives.

Educational programs for the general public and school aged children are pivotal in delivering the message of the dangers of underage drinking. These ongoing programs consist of:

- Shattered Dreams (2-day role playing event at high school detailing fatal car crash involving alcohol);
- MADD/TABC-sponsored power camps for young leaders;
- Public service announcement initiatives in billboards, posters and direct mail with various partnering groups and coalitions;

- Project SAVE for school aged children;
- Project SAVE for community groups and law enforcement.

Regulatory initiatives also play a role in encouraging voluntary compliance. Though sometimes punitive, the ultimate result, real or anticipated, is compliance with the statutes. Current programs consist of:

- Source investigations;
- Complaint investigations;
- Minor stings;
- Special event operations such as Spring Break, Mardi Gras, New Year's Eve;
- Operation Fake Out - initiative focused on fake ID's;
- Safe Prom/Safe Graduation;
- Internet direct sales of alcoholic beverages.

The commission has an ongoing effort to meet the demands for easy access to information. The agency's web page has been revised for ease of use, including logical paths to informational topics, new sections of information and various electronic daily uses for the alcoholic beverage industry. These revisions will continue as new and improved ideas and needs arise.

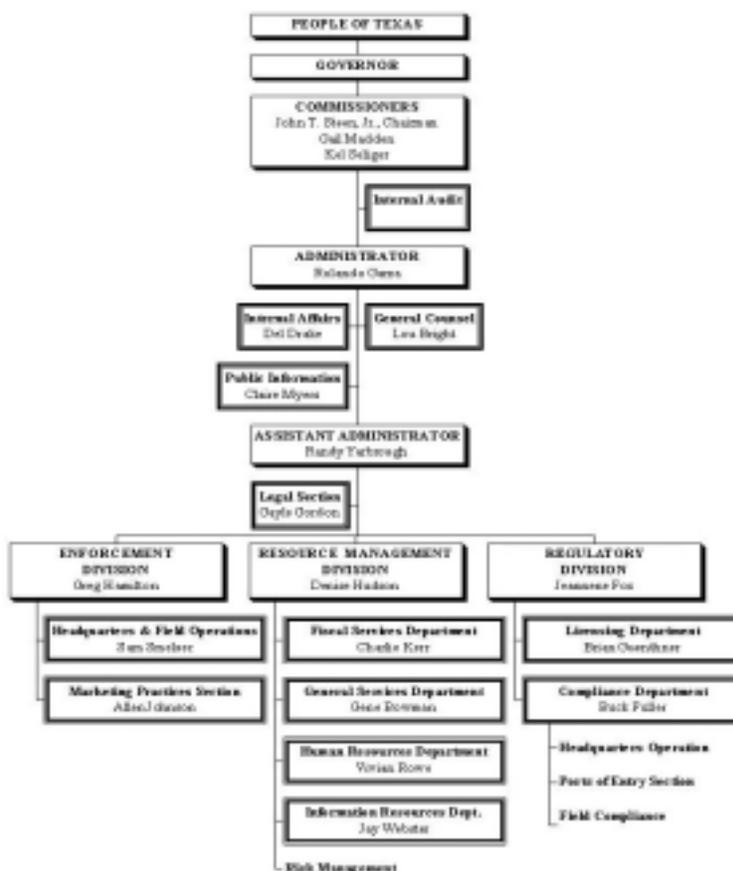
While these are not all of the year's ongoing activities, they highlight programs currently underway and which will continue through the next several years. For a more detailed description of agency initiatives, please see Appendix J.

## **ORGANIZATIONAL ASPECTS**

### *Structure*

The policy-making body of the agency is a three-member governing board appointed by the governor with the advice and consent of the senate. Members of the commission hold office for staggered terms of six years, with the term of one member expiring every two years. Each member must be a Texas resident and must have resided in the state for at least five years preceding the appointment. Commission members serve without salary. The commission is currently comprised of Chairman John T. Steen, Jr. of San Antonio, Gail Madden of Dallas and Kel Seliger of Amarillo.

An administrator, appointed by the three-member governing board, directs the daily operations of the Texas Alcoholic Beverage Commission. The current administrator is Rolando Garza, who was appointed August 13, 2001. The administrator is responsible for employing staff to ensure that the policies established by the commission and the laws enacted by the legislature are implemented in an efficient and cost-effective manner. Sharing in that responsibility is an executive support staff which includes an assistant administrator, general counsel and administrative assistants, as well as the directors of the agency's functional and administrative support divisions. Also included are the internal affairs officer and the agency's public information officer who report directly to the administrator. As of October 2000, an independent audit firm, selected by the vote of the three-member governing board and reporting directly to the governing body, performs internal audit functions for the agency.



*Enforcement and  
Marketing Practices  
Division*

The commission has three divisions: enforcement and marketing practices, regulatory and resource management.

The agency's largest and most visible operating unit is responsible for the criminal and administrative enforcement of the state's alcoholic beverage laws. Certified peace officers, known as TABC agents, inspect premises licensed by the agency and investigate alleged violations of the Alcoholic Beverage Code and other state laws. Increasingly, the commission has placed a greater emphasis on developing initiatives that target the problems associated with underage drinking. Agents are called on to provide presentations to school children, ranging from middle schools to college and university settings. In addition, presentations are delivered to licensees and their employees, civic organizations and other law enforcement agencies in an attempt to promote a better understanding of the law and the role and responsibilities of the Texas Alcoholic Beverage Commission. The division's marketing practices section is responsible for oversight of the labeling, bottling and promotion of alcoholic beverage products in Texas.

*Regulatory Division*

This division includes two departments, licensing and compliance, which have a broad spectrum of duties. The licensing department investigates and processes applications for all phases of the alcoholic beverage industry, including the manufacture, sale, purchase, transportation, storage and distribution of alcoholic beverages. The department must ensure that each applicant is qualified to hold such license/permit and adheres to all applicable regulatory requirements. More than 93,000 licenses and permits are issued each year by department personnel.

The compliance department is charged with the oversight of the taxing authority of the agency, as well as administrative/regulatory enforcement of the Alcoholic Beverage Code. The department plays a role in the initial licensing process through inspections, fee analysis and marketing practices reviews. Personnel receive and process monthly excise tax reports and ensure taxes have been paid and that other reporting requirements are in adherence with the statutes of the Alcoholic Beverage Code through an audit oversight function. In addition, field personnel conduct investigative audits, regulatory compliance and other financial reviews and assists the enforcement division in various types of investigations.

The ports of entry program, a section of the compliance department, is responsible for ensuring compliance with personal importation laws and the collection of taxes and fees on alcoholic beverages brought into Texas. Taxpayer compliance officers also monitor compliance with the laws regarding importation of cigarettes into Texas and collect the applicable taxes for the Office of the Comptroller of Public Accounts. Agency personnel are stationed at all major bridges along the Texas-Mexico border.

#### *Resource Management Division*

Four departments are included in the resource management division: fiscal services, information resources, general services and human resources.

The fiscal services department is responsible for all fiscal operations of the agency, including revenue processing, accounts payable, payroll, time and leave accounting, maintenance of the general ledger and preparation and oversight of the agency's legislative appropriations request, annual report, and performance reports.

The information resources department supports the agency's automated data processing and information resources management needs. This includes administration of the agency's mainframe computer application, wide area network, computer programming support for mainframe and personal computer systems, intranet, Internet, computer-generated printing support for various agency forms, licenses, reports and letters.

The general services department is responsible for staff support functions of purchasing, HUB program coordination, real and personal property management, facilities leasing, voice telecommunications, fleet management, centralized consumable supply distribution, mail center operations, reproduction services, and warehousing.

The human resources department manages employment related activities, including recruitment, selection, benefits and compensation, employee relations, classification, training, risk management, and implementation of the agency's equal employment opportunity program.

*Legal Section*

The agency's legal section prepares, processes and prosecutes administrative cases dealing with violations of the Alcoholic Beverage Code. This section also reviews and prosecutes application protests by the commission, local authorities and citizens to the issuance of licenses and permits. When violations by permittees/licensees throughout the State of Texas are alleged, a hearing is held by the State Office of Administrative Hearings to determine whether to cancel, suspend, grant or deny a license or permit.

**GEOGRAPHICAL  
LOCATION OF  
THE AGENCY**

The State of Texas is the second-largest state in the nation comprised of a population exceeding 21 million people. The commission is continually challenged to provide adequate services equitably and effectively to each area of the state with a field workforce which is limited to one FTE per 55,000 residents. The field staff provides not only law enforcement services but regulatory and compliance oversight including the initial phases of the licensing process. Ports of entry program staff on the Texas-Mexico border not only collect excise tax on imported products but also serve as a barrier to individuals who attempt to import products exceeding importation limits or fail to meet minimum age requirements.

Meeting the needs of the state citizens remains critical and requires great emphasis on the strategic locations of personnel. Office sites are chosen based on three criteria: (1) proximity to concentrations of licensed premises, (2) centrality of the location to the area being served, (3) ease of access to and from all points of the service area. Enforcement and compliance personnel are assigned based on the number of licensed premises in the service area, actual size of the service area and service area population. Ports of entry staff are allocated based on actual traffic counts traveling into Texas.

*Physical Locations*

While maintaining the headquarters of the commission in Austin, the enforcement division's field operations remain regionalized to respond more effectively to local concerns. A captain directs each of the eight enforcement regions and a compliance supervisor directs compliance personnel which are divided into four regions in the state. Current regions are as follows:

Region 1 (Lubbock)

Lubbock, Amarillo, Wichita Falls districts; Vernon outpost.

Region 2 (Dallas)

Dallas and Fort Worth districts; outposts located in Greenville, Denton, McKinney, Sherman, Terrell, Granbury and Mineral Wells.

Region 3 (Odessa)

Odessa and El Paso districts; Big Spring outpost.

Region 4 (Abilene)

Abilene and Waco districts; outposts located in San Angelo, Bryan, Belton and Athens.

Region 5 (Beaumont)

Beaumont and Longview districts; outposts located in Conroe, Huntsville, Nacogdoches, Texarkana and Tyler.

Region 6 (Houston)

Houston district; Galveston outpost.

Region 7 (Austin)

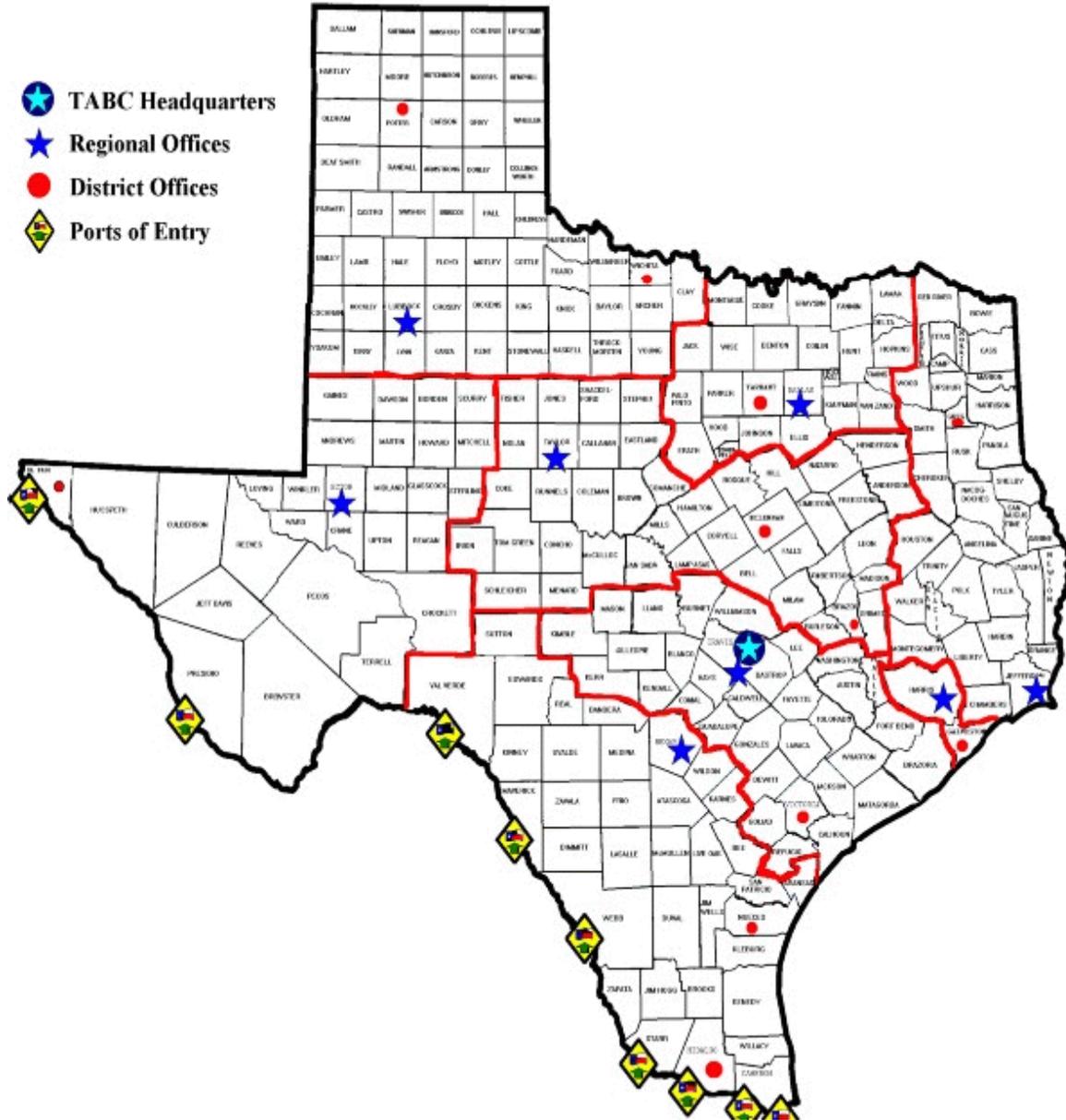
Austin and Victoria districts; outposts located in San Marcos, Richmond, Georgetown, Bastrop, Kerrville, Llano, New Braunfels, Angleton, Sealy and Wharton.

Region 8 (San Antonio)

San Antonio, McAllen and Corpus Christi districts; outposts located in Harlingen, Laredo, Del Rio, Devine, Floresville and Uvalde.

All of the districts are staffed with commissioned peace officers and support staff. Fifteen of the 17 districts and one outpost have at least one compliance officer. Additional staffing of one to three law enforcement personnel is maintained in the 35 outpost locations.

Agency personnel, directed by a supervisor, also staff ports of entry facilities at all major border crossings along the Rio Grande, including the international bridges at El Paso, Zaragosa, Fabens, Presidio, Del Rio, Eagle Pass, Laredo, Roma, Rio Grande City, Progreso, Hidalgo, Los Indios, Pharr and Brownsville. Other bridges are staffed on a temporary basis as dictated by seasonal traffic.



*Special Needs Areas*

As the commission reviews the staffing and location of all field offices, particular attention is given to areas sharing borders with other states and countries. As the components of the commission's criteria to determine staffing are given equal measure across the state, one area is generally not offered increased service delivery over another.

Offices near the Louisiana, Oklahoma and New Mexico borders are well staffed and in proportion to services delivered to other areas of the state based on population, licensed alcoholic beverage premises and geographic size. Special consideration may come in question when reviewing the area bordering the Rio Grande River that does not exist in other border areas. It is estimated that underreporting of the population occurs along the Texas-Mexico border due to illegal immigration and the border service area is expanded as one has customers from both sides of the border.

Though the commission is sensitive to the issue of the under reported population and additional personnel have been assigned to the area in numbers slightly more than the commission's standard staffing model, adequate staffing is still not available. However, this is not unique to the border areas, as the commission, in speaking of pure numbers, has less than one enforcement agent per county and only 28 compliance officers in the entire state.

**WORKFORCE SIZE  
AND COMPOSITION**

Management of human resources is critical to the overall effectiveness of any organization. As employees are those who are responsible for the execution of duties which maintain a functioning organization, management recognizes that the focus must be on recruitment, selection and retention of a high quality workforce.

*Recruitment Activities*

The commission is committed to a diversified workforce and to focus on attaining ethnic, racial and/or gender balance with emphasis on under-representation through its recruitment policy. Elements of the policy include participation in career fairs sponsored by colleges and universities as well as professional organizations and groups across the state. Groups involved with ethnic minorities and women combine efforts with field personnel to identify and recruit qualified candidates. A wide distribution of brochures and pamphlets providing

general information about the agency are also included in recruitment efforts. Additionally, job postings are distributed to an extensive network of colleges, universities, state agencies, regional training academies and other organizations. A large number of applicants obtain information from the agency Internet career web site and from direct e-mail inquiries on the agency's public information Internet address. These efforts have been successful in addressing the under-representation issues as well as emphasizing the agency's mission, philosophy, goals and objectives.

**Diverse Workforce**

With respect to TABC's workforce profile, the total number of employees was 515 as of March 31, 2002. Overall, minorities constitute approximately 41 percent of the commission's workforce, a slight increase from last year's 40.5 percent. The following table represents the agency's efforts in its commitment to diversity as compared to the statewide population and workforce.



**HUMAN RESOURCES ISSUES**

Effective management of employees involves matching employees' skills to the organization's needs by selecting people with necessary abilities and maximizing their potential through training. The commission continues to monitor its human resources management control systems such as performance appraisals, hiring processes, staff development and compliance with applicable statutes and laws to maintain an environment of continuous quality improvement. A continuing emphasis on professionalism, common courtesy, ethics and values, and commitment to the agency's customers has generated an organizational culture where employees strive for efficiency and effectiveness in the performance of their jobs and to meet agency measures, goals and objectives.

### *Employee Satisfaction*

While maintaining initiatives such as risk management, customer satisfaction surveys, professional development and health and safety issues the agency has also initiated new practices such as alternative work arrangements, employee assistance programs and expanded training seminars addressing work and family issues. Further, there is an ongoing evaluation of tasks and responsibilities by agency departments to determine whether new or other services can be provided for the customers of the agency. Staffing and budgeting limitations, however, continue to place increased demands on implementing new practices and on finding innovative ways of performing the same and/or additional tasks.

### *Future Staffing Needs*

Initiatives in the areas of education, public awareness, community involvement as well as an increase in the number of regulatory investigations have created a greater demand on the staff. Although a small number of additional resources were provided by the legislature, a void still exists in the number of agents and compliance officers required to adequately perform enforcement and regulatory functions, investigative functions and new initiatives. The ever-increasing demand for information via the Internet and agency web page has multiplied the duties and jobs of the current staff in all departments. As the agency continually “accomplishes more with less,” the added duties have strained the available resources.

The border regions continue to add new international bridges which will dictate the need for additional staffing in the ports of entry program. There are at least three new bridges planned in the near future. When consideration is given to new mandates, demand for additional services, the number of licensed establishments and the increased population statewide, it is clear that our current staffing pattern in these areas is indeed limited.

Enhancing the quality and efficiency of the agency’s information technology workforce will be realized through staff development and retention programs. The downturn in the Austin technology market has reduced the demand for technology workers and increased the availability of quality job applicants. Future turnover resulting from retirements poses the greatest problem with maintaining the agency’s legacy application system.

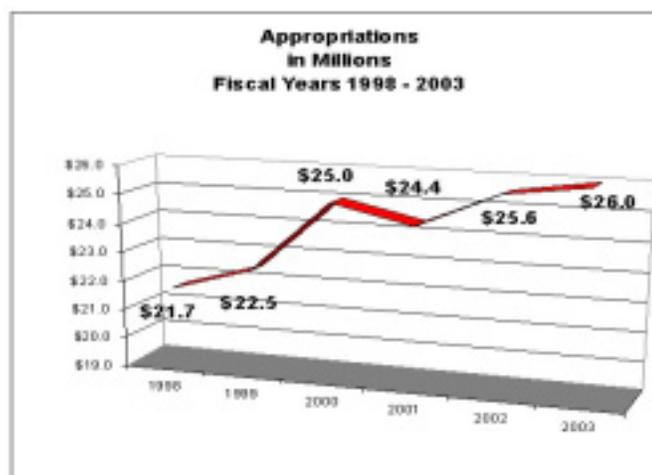
Realizing an increase of three percent in 2001 of the agency turnover rate, greater efforts must be made in addressing such turnover issues as retirements of experienced personnel, the lack of adequate career paths in key support positions and a limited ability to reward productive employees. The agency must be proactive in ensuring the institutional knowledge of those employees retiring is not lost and those employees with lesser tenure benefit from the long time experience. The most likely solution to other turnover issues would be increased salaries and/or lowered qualifications; but these create other issues such as funding and employee morale.

A constant key factor in all employee related issues is a budgetary limitation, both in terms of monies and resources which ultimately impact the agency in terms of its ability to control turnover, meet mandates and customer demands and successfully recruit and retain qualified employees.

## FISCAL ASPECTS

### Budget

For the fiscal year 2002-2003 biennium, the agency received a \$2.2 million increase in general revenue funds over the previous biennium. The increase was due to building rent increases, enforcement career ladder, the Department of Agriculture's Texas Wine Marketing Assistance Program and contingency funding for four additional licensing positions, nine additional ports of entry employees and tax booth construction at several bridges.



*Federal Funds and Appropriated Receipts*

In fiscal year 2002 and 2003, the commission expects to receive federal funds via interagency contracts with the Governor’s Office of Criminal Justice and the Texas Department of Transportation to help support programs designed to reduce underage drinking and driving. The commission will receive approximately \$440,000 in fiscal year 2002 and \$362,000 in fiscal year 2003. In addition to federal funds, the agency is authorized to expend appropriated receipts obtained from the sale of certain assets, including vehicles. Expected revenues from this source, for the biennium, are \$148,000.

*Revenue Collections*

License and permit fees and surcharges are used to fund the agency’s appropriation and to cover the agency’s indirect costs. These collections have steadily increased since fiscal year 1996, primarily due to increases in surcharges. The commission continues to collect excise taxes that increased almost 10 percent or \$14.4 million, between fiscal year 1996 and fiscal year 2001. These taxes are deposited into the state’s general revenue fund.

Other revenues collected by the agency include ports of entry administrative fees on imported alcoholic beverages, seller server training fees, label approval fees, fines and other miscellaneous fees. In addition to license and permit fees and surcharges, these revenues count toward funding operations of the agency.

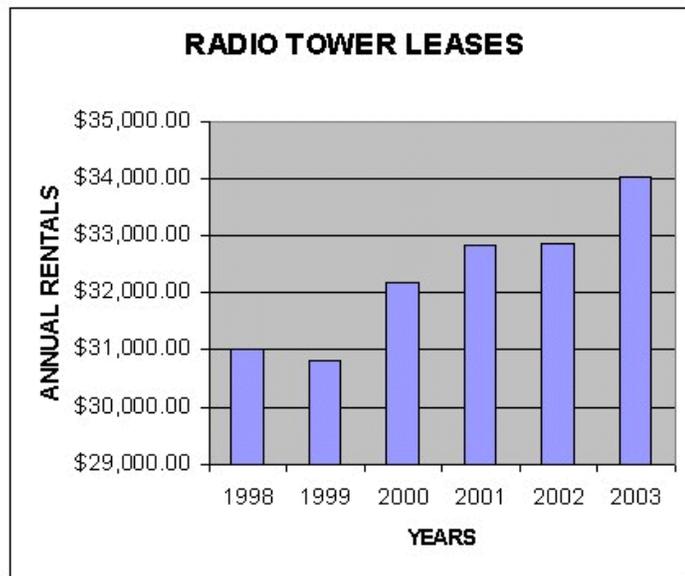


*Rental Costs*

**Wireless Communications.** Beginning in the mid 1990's, the lease rentals for the agency’s radio tower sites began escalating due to the increased use of the sites by wireless communication companies, increased FCC licensing costs to the operators, corporate buyouts of individual sites and in general the law of supply and demand. Agency costs

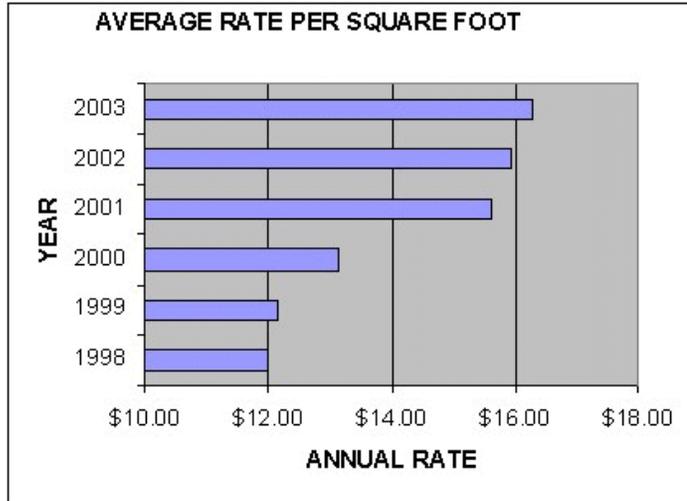
have risen annually; however, the agency does not forecast any market downturn during the next few years.

The agency will continue to take an active part in the State Radio Task Force that was created by the 76<sup>th</sup> Legislature to explore future possibilities and cost savings associated with co-location with other agencies on state owned towers. The commission is encouraged by the efforts of the task force; but realistic to the fact that the state is far from a high level of communications capability among the state's public safety agencies -- a reality that might well reduce the number of tower sites because of co-location and transmission.

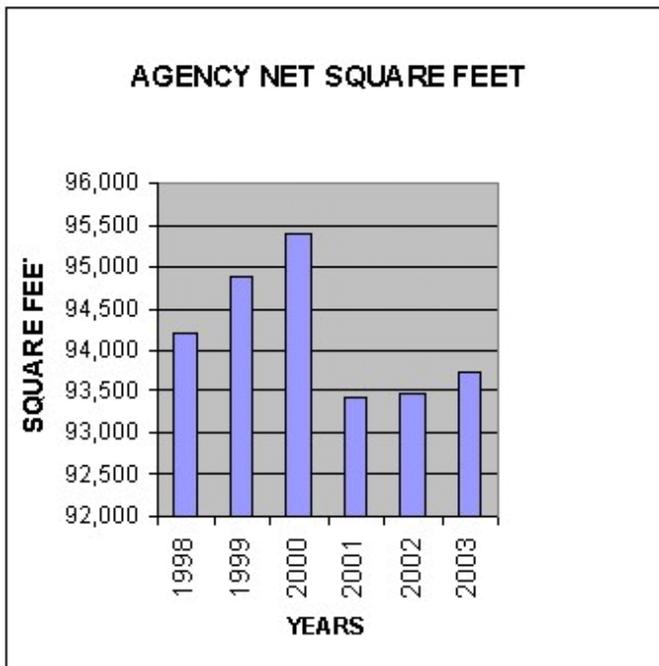


**Office Space.** The agency leases the majority of the space that houses its field offices, warehouse and headquarters facility. To this end, the agency has always been and will continue to be impacted by the changes in the Texas economy. Beginning in the late 1990's, the commercial market rate for office buildings skyrocketed into the new millennium, especially in the larger metropolitan markets. The agency found itself renewing leases for large blocks of square footage at substantially higher market rates. Additional rental costs were funded during the 77<sup>th</sup> Legislative Session and beginning with fiscal year 2002, the market began to stabilize and that stabilization is expected to continue through fiscal year 2003. As office leases range from five to seven years,

market changes during the next few years are not expected to adversely affect the agency's rental budget. By the end of fiscal year 2003, we project the agency's average annual cost per square foot for commercial office space to be \$16.28.



Through lease renewals, the agency has been able to reduce its overall ratio of new square feet to employees statewide. From a high of 94,753 net square feet in 1996 to a projected 93,734 net square feet for fiscal year 2003, the agency has scaled down its space while accommodating a slight increase in employees.

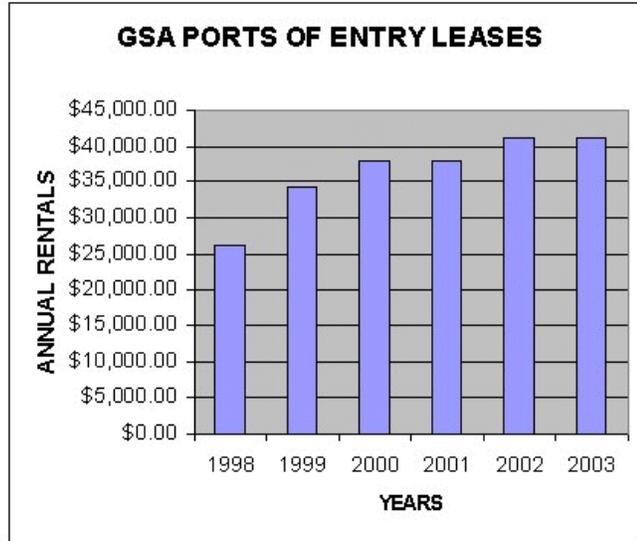


**Border Areas.** The agency's mandated presence at bridge sites along the Texas/Mexico border not only requires personnel, but increasing lease and construction costs associated with providing tax collection facilities at these border crossings.

During the 1990s, the agency had been able to replace deteriorated and outdated tax facilities by moving into new facilities on several of the bridge sites as the result of major bridge renovation projects funded by the General Services Administration (GSA). As this occurred, lease fees with GSA increased because GSA amortized construction costs and utility increases into the rental rates. Since fiscal year 1998, the annual lease rentals with GSA have increased from \$26,220 to a projected \$41,137 for fiscal year 2003. As federal funding for existing bridge renovation projects tapered off in the late 1990s, the agency was able to obtain legislative funding for booth replacements in El Paso and Laredo. With the exception of new bridge sites, renovation of our existing structures has become a major budget problem for the agency. During the 77<sup>th</sup> Legislative Session, based on capital budget requests for construction costs for both existing and new bridge sites, the legislature granted contingency appropriation funding for construction and personnel.

On privately owned bridge crossings (individual and municipal), we have been able to avoid having to pay for renovation or expansion costs up-front by amortizing the construction costs through lease agreements directly with the bridge owners. Obviously, this results in increased lease costs as the cost of these construction projects are amortized back to the agency as higher lease costs.

Replacement buildings are still needed in Laredo (Bridge No. 1, GSA controlled), Presidio (private), and possibly Laredo (Bridge No. 4) during Phase II, which will open the bridge to possible car traffic. Remodeling costs for existing structures in Del Rio and Zaragosa are still needed. Anzalduas will probably be the next major bridge to open in 2005. It will be located between Hidalgo and Roma and is classified as a high priority due to legislative action designating it as a "One Stop" bridge. The Port of Fabens needs a small facility to house agency personnel and equipment.



**HISTORICALLY UNDERUTILIZED BUSINESSES**

*State Policy*

Historically Underutilized Businesses (HUBs) is defined by statute as (a) a corporation formed for profit in which at least 51 percent of the equity is owned by one or more women or Black, Hispanic, Asian Pacific or Native Americans, (b) a sole proprietorship 100% owned, operated and controlled by such person(s), (c) a partnership in which such person(s) owns at least 51 percent of its assets and interest and have proportionate control of partnership affairs, (d) a joint venture of HUBs or (e) a supplier contract between a HUB and prime contractor under which the HUB manufactures, distributes or warehouses and ships supplies.

In accordance with the Texas Government Code, Sections 2161.181-182 and Section 111.11 of the Texas Administrative Code (TAC), state agencies must make a good faith effort to utilize historically underutilized businesses in contracts for construction, services (including professional and consulting services) and commodity procurement. The Texas Alcoholic Beverage Commission encourages the use of HUBs through a Good Faith Effort Program (GFEP). The purpose of the GFEP is to promote full and equal business opportunities for all businesses in state contracting in accordance with the goals specified in the State of Texas disparity study dated 1996.

Goals established through the disparity study are:

- 11.9% heavy construction other than building contracts,
- 26.1% building construction, including general contractors and operative builders contracts,
- 57.2% special trade construction contracts,
- 20.0% professional services contracts,
- 33.0% all other services contracts, and
- 12.6% commodities contracts.

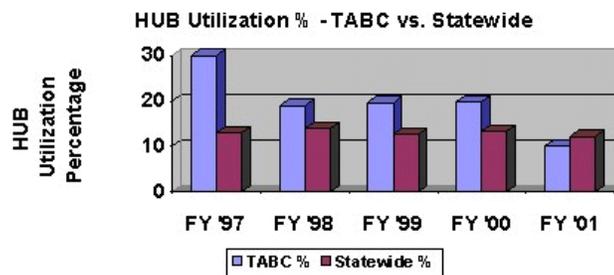
Even though the agency does not have any business in two of the goal areas, heavy construction and special trade construction, and limited business in building construction and professional service contracts, the agency's overall average HUB percentage has traditionally been good and stable since the agency began tracking HUB activity.

#### *Utilization*

The agency's utilization of Historically Underutilized Businesses (HUBs) decreased in fiscal year 2001. In fiscal year 2000, our total outlay with HUBs was \$553,079, which equates to 19.8 percent of total procurement expenditures of \$2,784,030. In fiscal year 2001, only \$242,724 was spent with HUBs, or 10 percent of a total expenditure of \$2,351,227. This decrease can be attributed to heavier utilization of procurement cards by field locations for commodities, less available discretionary capital budget funding and a revolving turnover of purchasing staff that has resulted in less emphasis being placed in soliciting qualified HUB's.

The agency's current HUB policy that was put into place in 1995 has been revised to support the Texas Building and Procurement Commission's (TBPC) reporting guidelines and currently sets forth six HUB goals for the different categories of agency purchases. The current policy ensures that the agency will make a good faith effort to utilize HUB vendors by adopting the TBPC's "good faith rules" and addresses the agency's procurement procedures currently in place. The agency will continue to look for ways to improve HUB vendor relations and attract new vendors by working with sister agencies in sponsoring HUB forums and trade shows. Internally, the purchasing department continues to fine-tune the internal HUB data collection and reporting procedures to ensure employee accountability at the front line level.

The general services department has developed and deployed an approved Mentor Protégé Program to provide a mechanism to bring larger established vendors together with small HUB vendors wanting to do business with the agency and the state. Measures have been taken to reiterate the HUB policy and agency goals to agency employees in the field offices. Finally, steps have been taken to provide more time and support for the agency's designated HUB coordinator in HUB education and training initiatives. A copy of the current HUB policy may be found in Appendix I of this plan.



## TECHNOLOGICAL DEVELOPMENTS

### *World Wide Web and e-Government*

As the growing demand for online electronic information and services via the Internet increases, the agency must be prepared to meet those demands with timely, more accessible information. Both short-term and long-term technology strategies have been developed to address the interest in electronic government (see Appendix G for more information). In March 2001, the agency successfully implemented an interactive inquiry through an Internet web browser session to the agency's mainframe database (Model 204). The first use of this application was for the inquiry into seller training employee certification information by the retail alcohol industry. Other types of inquiries using this approach are being considered at this time.

During the last legislative session, the Texas Online Authority was created and agencies were mandated to use the state's online portal for delivering online government services. The agency has been working with Texas Online contractor, KPMG, to implement selected classes

of renewals through the state portal. The legislature has directed the Department of Information Resources to establish an electronic system for licensing transactions using the Internet.

*Teleconferencing/  
Telecommuting*

The agency has instituted a teleconferencing/telecommuting program that will, upon installation of videoconferencing appliances, allow the agency to try administrative cases, conduct in-service training and, in the future, permit employees to work at home. The core of the program involves the implementation of Internet based videoconferencing technology in 16 field offices using the agency's Wide Area Network (WAN). The program will serve to reduce the amount of employee work time spent traveling, as well as sick time in that the employee who must remain at home because of illness may be able to "telework" from his/her home. This project is a result of a grant from the U.S. Department of Energy through the State Energy Conservation Office which will fund the equipment being proposed for the project. Each office is capable of video conferencing with one another or up to three remote offices can videoconference with headquarters at one time. All teleconferencing/telecommuting activities are designed specifically to reduce the amount of miles traveled to and from hearings, required educational training and work. Further, work-related expenditures will be reduced in that gasoline and automobile maintenance costs should decline. In addition, environmentally positive effects will also be achieved by reducing the amount of pollutants in the air as a result of reduced work-related automobile and air travel.

*Re-engineer Legacy  
Database Systems*

With the ever-increasing emphasis on Internet based government services, the agency's current legacy database systems will require extensive re-engineering to keep up with these demands. Although short term strategies have been developed to handle any pilot applications, the long-range strategy is to replace these costly legacy database systems with a platform independent, Internet-ready solution. The agency plans to develop a multi-year migration plan to convert all current legacy database systems (Model 204 database systems running on an IBM mainframe) to a more cost-effective client/server platform.

The state-of-the-art solution will involve replacing both the existing computing hardware and database software environments. This computing environment will provide enhanced support for electronic computing via the Internet, improve the maintainability of the systems and reduce the overall operational costs while maintaining high performance and reliability levels. The cost for such a project would be considerable and would have to be offset through increasing license application surcharge fees. Other methods of funding could include agency subscription fees, customer transaction/convenience fees by application, payment processing fee by transaction and premium service fees.

*Other Technology Possibilities*

The agency plans to investigate other technology solutions designed to increase employee productivity by reducing the paper processing workloads. Several of the most notable solutions include:

- Use of imaging technology for storing/retrieving of agency paper documents in an integrated document management strategy (optical scanners and optical storage devices) and optical character recognition solutions to replace a portion of the manual data entry of agency records. Available alternatives include outsourcing the work to the Texas State Library and Archives Commission's Imaging Services Unit or to a private industry contractor.
- Use of mobile computing platforms by enforcement agents. One technology that has come a long way in the last several years are personal digital assistants (PDAs). This technology is currently being looked at as a tool to assist the field agents with their paper workload. Many of the latest models run a number of business applications, including word processors, e-mail, spreadsheets, presentation tools, fax utilities and web browsers. When combined with wireless communications technology, these devices would have the ability to provide inquiry capability to agency database sources.

*West Texas Disaster Recovery Operations Center (WTDROC)*

In July 2001, the agency completed the transfer of a majority of the mainframe operation services to the WTDROC for a period of six years. The agency retained some of the services including print operations, data base management systems support, help desk (Level 1) and some operations support. The WTDROC provides

network monitoring, computer operations support and help desk, facilities management, systems programming, hardware maintenance, additional hardware, software leases, disaster recovery and telecommunications circuits. In addition to data center operations, the agency evaluates the use of the WTDROC for other technology related projects including seat management.

## **CAPITAL ASSETS**

### *Wide Area Network*

The agency's Wide Area Network (WAN) has been enhanced to improve performance and security while also providing expanded services such as videoconferencing. The success of this TCP/IP-based network has allowed field personnel to start using a number of Internet based resources including the World Wide Web, Internet e-mail, client/server applications and remote printing and file sharing. In addition, the agency has improved remote access services via dial-ups, improved Internet security through fire walls and improved the performance of the telecommunications network through greater bandwidth. The implementation of virtual private networking (VPN) is now in use by some enforcement outposts and ports of entry. This technology allows remote agency users secure access to agency file servers and other information over the public Internet using Local Service Providers (ISP). Currently, three locations have been set up with DSL service and VPN access. Several other locations use VPN through county-supplied Internet access.

### *Personal Computers*

Personal computers are now everyday tools for agency employees. Historically, these purchases have been treated as large capital acquisitions, where agencies are expected to see value from the purchase over time. The rate of technology change, however, has led to personal computers becoming functionally obsolete after an increasingly shorter period. Investment in this type of technology is no longer a one-time expense; it is an ongoing operational expense that must be incorporated into yearly budget planning for agencies and universities. In analyzing the cost/benefits of lease versus purchase of personal computers, the agency chose to implement a phased-in leasing approach by replacing approximately one half of the current active inventory of 345 desktop personal computers and 75 laptops during each fiscal year of the 2002-2003 biennium.

### *Fleet Assessment*

Although the commission may have more vehicles on hand at any one time, with some waiting to be brought into service and others sold, the commission maintains a fleet of 225 police vehicles and five utility/pool vehicles bought from appropriated funds. It also maintains a limited number (two at the present time) of nonstandard vehicles for use in undercover operations that have either been forfeited to the agency by the courts or are on temporary loan to the commission from other law enforcement agencies. Prior to the 1996-1997 biennium, the agency funding allowed the purchase of only 24 vehicles which left the enforcement division with an aging and unreliable fleet. During that biennium, the agency was successful in receiving additional funding which allowed the purchase of 141 replacement vehicles. Continuing appropriations has allowed the commission to improve the fleet and adopt standard replacement parameters.

### *Radios*

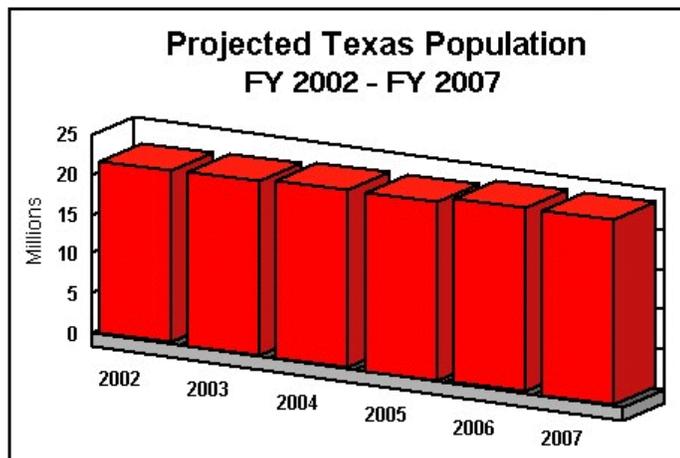
The agency replaced all of its radio communications units over the last three years thanks to funding received during the 75<sup>th</sup> Legislative Session. The agency continues to work closely with the Radio Task Force Advisory Committee in formulating a statewide radio communications plan that will eventually provide short and long-range plans for the state's radio communications needs. As with all technology, constant updating is necessary to maintain the agency's ability to effectively communicate with other law enforcement entities across the state.

## **SERVICE POPULATION DEMOGRAPHICS**

Specific groups served by or receiving special attention from the agency, besides the population in general, include young people, especially those in the 16-20 age group, and the businesses that make up the alcoholic beverage industry (alcoholic beverage retailers, wholesalers and manufacturers/brewers).

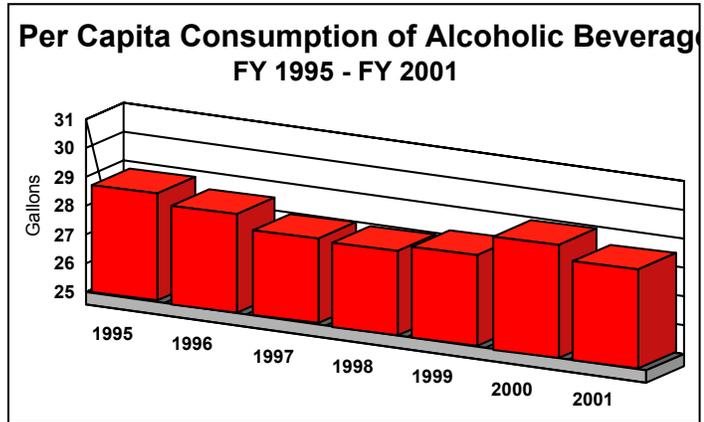
### *General Population*

The general population is of interest, not only because it benefits from the regulation of alcoholic beverages, but also because it is population growth that drives the demand for alcoholic beverage products and alcoholic beverage vendors. Changes in aggregate demand for alcoholic beverages, as well as changes in the number of alcoholic beverage retailers, are directly and positively related to changes in the size of the general population.



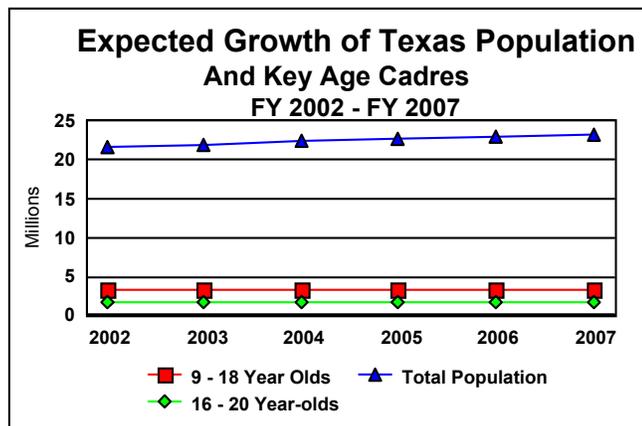
The Office of Comptroller of Public Accounts' "Fiscal Year Economic Forecast" for Fall 2001 predicts a slow, but steady growth in population, averaging 1.6 percent per year between fiscal year 2002 and fiscal year 2007. According to the Texas State Data Center estimates, the state population will continue to age during this period, due principally to the aging of the population's largest age segment, the post-WWII baby boomers.

Because personal consumption of alcoholic beverages and the incidence of alcohol-related problems have historically declined with age, the passage of an age segment the size of the baby boomers through middle-age should exert a moderating influence upon the consumption patterns and alcohol-related behaviors of the population as a whole. The decline in per capita consumption of alcoholic beverages observed in recent years suggests that the boomers are following the normal trend. However, as seen in the chart below, there has been a bump or two along the way and the boomers may not yield as willingly to the moderating influences of advancing age as others have in the past. Even so, the commission expects individual consumption to decline as the population continues to age and believes that further declines in individual consumption will largely offset the pressures that population growth at the expected rate of increase would normally exert on its resources.



*Young People*

School-aged children in grades 4 - 12 (9 - 18 year-olds) are the primary focus of Project SAVE, the agency's prevention education program. The 16 - 20 age group and those who would sell or otherwise provide alcoholic beverages to its members are the target of much of the agency's law enforcement activities. The Texas State Data Center expects the number of young people under 21 years of age to grow at a substantially slower rate than the general population from 2002 to 2007 and to decline slightly as a percentage of the whole. Even so, the actual number of young people will grow relative to agency's available resources, and the agency will have to find new and better methods of operation in order to maintain current service standards.



*Alcoholic Beverage Retailers*

The number of alcoholic beverage retailers is expected to remain relatively stable during the next five years, hovering as it has for the last decade around the 38,500 mark. Although there is the possibility for some increases, especially in high growth areas, the agency

does not believe that the aggregate number of retailers will substantially change. The agency is confident that it can successfully shift its existing resources, though limited statewide in numbers, to meet any challenges posed by localized growth in this segment of the industry.



#### *Wholesalers & Manufacturers*

The agency expects the number of firms doing business in Texas at the wholesale and manufacturing levels of the alcoholic beverage industry to remain more or less unchanged through fiscal year 2007. While it is evident the actual number of different firms in the wholesale level will decrease, the actual locations needed to conduct their operations will be relatively constant. National market conditions make the number of wholesale and manufacturing firms somewhat less responsive to changes in the general population or to changes in the economy than is the case with retailers. Consequently, the moderate levels of economic and population growth projected for Texas between fiscal year 2002 and fiscal year 2007 are unlikely to spark significant changes in the sizes of wholesale and manufacturing tiers of the industry.

Of note, however, is that while the absolute size of these tiers is not expected to change, the agency does expect competition for market share to remain strong and possibly even to intensify. One element of this competition will undoubtedly be the continued expansion of the product lines marketed by manufacturers and wholesalers. The number of applications submitted annually for label approval, for example, increased by almost 46 percent between fiscal year 1997 and fiscal year 2001. The agency expects this upward trend to continue.

As in the past, the agency also expects market share competition to lead some wholesalers and manufacturers into temptation and to result in a certain volume of marketing practices violations. Should that competition intensify, the number of marketing practices violations will grow and more resources will be required for marketing practices compliance efforts.

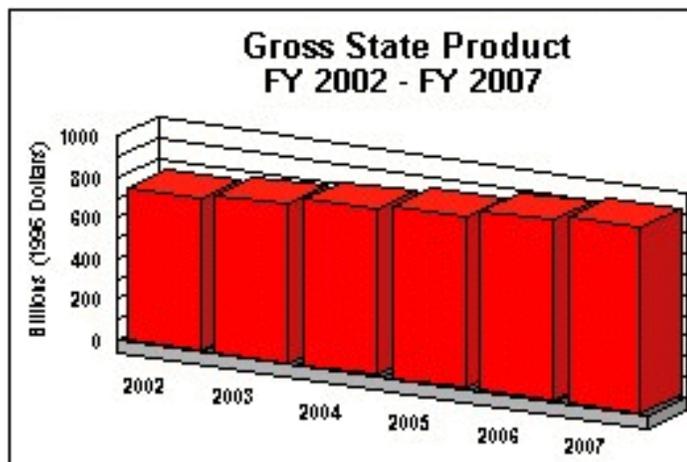
*Summary*

Several key service populations will increase in size between fiscal year 2002 and fiscal year 2007, but these increases should be relatively small. The agency does have some concerns about the aggregate growth expected in the "Under 21" age group, and notes that market share competition in the wholesale and manufacturing tiers have already stretched the agency resources available to deal with those segments of the industry.

**ECONOMIC  
VARIABLES**

Regression analysis of alcoholic beverage sales volumes, population changes and economic growth in Texas clearly demonstrates that the economic well-being of the Texas alcoholic beverage industry is directly tied to the overall growth rates of the state's population and its economy. The relationships in question are strong, highly significant and undoubtedly causal. While these historic relationships have moderated somewhat in recent years due to aggregate changes in personal drinking patterns, they still exist and will continue to influence the future.

After recovery from the current recession in fiscal year 2002, the Office of Comptroller of Public Accounts projects steady, but slow, growth for the state's population and its economy during the next five years. In keeping with this projection, the Alcoholic Beverage Commission anticipates slight to moderate increases in the aggregate demand for alcoholic beverage products during each of the years under consideration due largely to population growth. At the same time, however, the commission expects the number of business entities that it regulates to remain relatively constant. While there is some potential for growth in the number of alcoholic beverage retailers, due to the projected increases in the aggregate demand for alcoholic beverage products, the commission believes this pressure will be largely offset by a continuation of the downward trend in personal consumption.



**SELF EVALUATION AND OPPORTUNITIES FOR IMPROVEMENT**

Public forums held across the state as part of the agency’s strategic planning process and the internal brainstorming sessions held in the agency’s headquarters and field offices proved beneficial and informative in assessing the accomplishments and challenges of the agency. While external groups lauded high praise on the agency for the variety of programs as Shattered Dreams, community interactions, minor stings and youth camps and complimented its interaction with other law enforcement groups, both external and internal input indicated the same number one concern - lack of adequate personnel. The agency has long passed the time when “one can do more with less.” Its future opportunities will be based on the issue of limited resources and facing the reality that choices must be made which will lead to greater accomplishments with fewer resources.

*Accomplishments*

In reviewing opportunities noted in the strategic plan of 2000, the agency staff has made positive inroads in most areas identified.

With limited staff in the information resources department, there was concern that the agency had the ability to continue to move forward in the enhancement to outdated agency equipment and technology as well as implementing expanding capabilities utilizing the Internet. During the past two years, the agency has garnered great praise on its website and functions available over the Internet. Internally, the use of technology has been updated through the leasing of personal computers and the completion of the wide area network. Several projects

have been completed internally allowing paperless processes.

Limitations of staffing with a growing population did not hamper the agency's ability to continue providing a variety of good programs. However, the agency did not develop as many new programs as in past years but chose instead to refocus some educational efforts to the retail level and to expand projects such as Shattered Dreams. Educational efforts were also focused on those who violated the law. In efforts of public awareness, primarily aimed at underage drinking, increased community involvement through education initiatives, positive reinforcement for those making good choices and other written materials aided the agency in its quest to prevent the sale of alcoholic beverages to minors.

The agency has struggled in the past with issues concerning both internal and external communication. The expansion of the agency web page and the internal web page has received great praise both from the industry and employees alike. As quick as one is to praise the improvement it is noted there is still work that needs to be done.

Internally, personnel noted the positive attention by management to employee-related issues. Recognition for accomplishments or specific service as well as continued inclusions of employee concerns in decision making have boosted morale and aided in the efforts of motivating a workforce which has a multitude of duties. As further noted in the Survey of Organizational Excellence, employees expressed positive views of the agency as a whole.

In evaluating the basic functions of the agency in law enforcement and licensing areas, it is common place to look at like functions performed in other regulatory groups. Such comparisons will offer insights to the efficient and effective delivery of the agency's services. Texas has the most licensed premises of the surveyed states and, as indicated in the following table, compares favorably to the other states indicated in terms of effectiveness and in coverage and accountability.

Survey of State Liquor Law Enforcement Agencies March 2002						
Survey Questions	Responses					
	TX	TN	GA	LA	KY	OR
1. Number of Alcoholic Beverage Retailers in State	38,250	2,959	16,000	13,000	8,000	8,000
2. Common Enforcement Measures						
Percent of Licensed Premises Inspected Annually	68%	100%	N/A	99%	100%	60%
Minor Sting Compliance Rate (%Stores not Selling)	80%	58%	70%	90%	72%	72%
Average Number of Days to Close Complaints	31	N/A	28	30	89	N/A

The licensing process in reference to time lapsed in the issuance of original permits also compares favorably when benchmarking with other states. The TABC issues 73.2 percent of original applications in 14 days or less. The data obtained by the state auditors in a recent audit indicates California issues new licenses in 45 to 60 days, Florida in no more than 60 and Arizona in 65 to 105 days. This positive comparison is significant as it supports the agency's efforts in licensing the legally qualified entities as quickly as possible to promote the state's economic well-being and employment of its residents.

*Opportunities*

The mission of the agency in regulating the alcoholic beverage industry and protecting the people of the state is accomplished in large part through voluntary compliance. In a state with 262,000 square miles and over 21 million people, the agency faces the reality that a total field workforce of 359 (including ports of entry staff) cannot effectively regulate an industry without its cooperation and its genuine desire to operate within the constraints of the law. Facing the realities of limited resources and the unlikely occurrence of any additional staffing in the near future, the challenge and opportunity that face the agency is how to focus on programs which deliver the most immediate effect with the fewest resources - how will the agency be most effective with the resources it has?

Though agency educational programs are an integral part of achieving voluntary compliance, the agency should focus no more than 15 percent of the total effort of enforcement agents' and compliance officers' work time. This educational time of the staff should be concentrated on efforts of instruction or interaction with the wholesale and retail levels of the industry. Educational efforts should also focus on programs for school-aged children which have the most immediate effect. Likewise, the

agency should explore ways to address college-aged students and issues of underage consumption of alcohol.

To aid in the efforts of voluntary compliance, the agency must find ways to encourage retailers to avail themselves of the benefits of seller training programs. Approximately 50 percent of retailers do not require certified training of their staff in the sale and service of alcoholic beverages.

Recent studies have indicated the widespread practice of the sale of alcoholic beverages to intoxicated persons. The point is clear when reviewing statistics on the number of traffic fatalities in Texas involving alcoholic beverages. The fact Texas had the most alcohol-related fatalities (3,769) in the U.S. in 2000 is not one of the facts about which Texans would like to brag, and the agency is challenged to find ways to implement measures which would contribute to decreasing this number.

While maintaining a presence in licensed establishments through routine inspections, the agency must also maintain focused programs to bolster its educational efforts with wholesalers and retailers. For true or lasting benefits of educational efforts to occur, there must be a strong enforcement (criminal or regulatory) effort. Methods used in this effort, whether compliance or enforcement staff, must be those that have the most immediate effect to the largest audience.

As the manufacturing and wholesaling levels of the alcoholic beverage industry have consolidated, the competition between the competing interests has multiplied. The agency will be challenged to stay current with methods of operation with and between the upper tiers of the industry to ensure compliance with the Alcoholic Beverage Code.

Two issues which the agency must constantly address are training and communication. Each of these is continually noted in internal sessions with employees and the Survey of Organizational Excellence. Though small progress has been made in both issues in the past years, the agency has not yet reached a level of satisfaction with its employees. The agency will continue to be challenged in bringing effective and comprehensive training to the staff.

Communication issues have been enhanced by expansion of the agency's web page, both external and internal. Regulated parties continue to want more interaction and reporting via electronic methods and the agency is committed to expanding functions via the Internet as agency funding and technology allows. Internally, the agency has utilized several measures in expanding communication efforts. It will be continually challenged to get timely and consistent information to the field staff involving all areas of regulation.

Again, realizing the limitation of its resources, the agency sees the value in partnering with many different coalitions and groups to raise public awareness in issues involving the sale of alcoholic beverages to minors and intoxicated persons. Challenges to the agency will be centered in making appropriate partnering decisions that obtain the desired effect of increased awareness that the agency would not be able to accomplish on its own due to its limited resources.

While the above issues are long term in their planning and execution, the strategic planning process brought new short term issues to focus. The agency has already begun processes to address some of these concerns and welcomes the continued input from its staff and its external customers.

## ***TABC Goals***

1. **To promote the health, safety and welfare of the public and to regulate the alcoholic beverage industry by taking positive steps to foster voluntary compliance with the law through a combination of enforcement and education.**

*[Vernon's Texas Alcoholic Beverage Code: Chapters: 2, 61, 101 (Subchapters B & D), 103, 105, 106, 107, 108 and 251. Vernon's Texas Alcoholic Beverage Code: Sections: 1.03, 5.33, 5.36, 5.38, 6.01, 11.01, 11.46, 11.61, 11.68, 25.06, 28.0, 32.14, 32.15, 37.07, 37.09, 38.03, 39.21, 39.31, 39.32, 40.05, 51.03-.04, 63.04, 67.01, 69.06, 104.01, 109.33, 109.35 and 109.53.]*

2. **To process and issue alcoholic beverage license/permit applications while ensuring compliance with the Alcoholic Beverage Code through investigations and other regulatory means.**

*[Vernon's Texas Alcoholic Beverage Code: Chapters: 6-53, 61-75 102, 103, 109, 204 and 251. Vernon's Texas Alcoholic Beverage Code: Sections 5.50, 6.02 and 101.69.]*

3. **To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving and distributing of alcoholic beverages.**

*[Vernon's Texas Alcoholic Beverage Code: Chapters: 102, 106, 107, 108, 109, 201, 202, 203, 204, 205 and 206. Vernon's Texas Alcoholic Beverage Code: Sections: 5.32, 5.37, 5.41, 5.51, 6.01 and 11.61.]*

4. **To carry out developed agency policies governing purchasing and public works contracting that foster meaningful and substantive inclusion of historically underutilized businesses.**

## ***Goals, Objectives, Strategies, and Outcome/Output Measures***

### **GOAL 01: ENFORCEMENT**

To promote the health, safety and welfare of the public and to regulate the alcoholic beverage industry by taking positive steps to foster voluntary compliance with the law through a combination of enforcement and education.

#### **OBJECTIVES/OUTCOME MEASURES**

#### **STRATEGIES/OUTPUT MEASURES**

##### **01 Detect and Prevent Violations of the Law**

To act to detect and to prevent violations of the law in such a manner that, by fiscal year 2007, 98% of all administrative cases filed by enforcement agents result in suspensions or cancellations, 65 percent of all licensed establishments are inspected annually, 88% of all complaint investigations are closed within 60 days and 82% of all licensees responding to post-inspection surveys rate agency enforcement services as satisfactory or better.

##### **Outcome Measures**

- 01 Percentage of Licensed Establishments Inspected Annually
- 02 Percent of Administrative Cases Filed by Enforcement Agents Resulting in Suspension or Cancellation
- 03 Percent of Agency Contacts Rating Enforcement Actions as Satisfactory or Better
- 04 Percentage of Complaint Investigations Closed within 60 Days

##### **01 Deter and Detect Violations**

Deter and detect violations of the Alcoholic Beverage Code by inspecting licensed establishments, by investigating complaints and by providing or sponsoring educational programs that promote voluntary compliance and increase the public's awareness of the state's alcoholic beverage laws.

##### **Output Measures**

- 01 Number of Inspections Made
- 02 Number of Persons Instructed by the Agency
- 03 Number of Youth Instructed by the Agency

##### **Efficiency Measures**

- 01 Average Cost Per Inspection
- 02 Average Cost Per Person Instructed by Agency

##### **Explanatory/Input Measures**

- 01 Number of Administrative Cases Settled
- 02 Number of Criminal Cases Filed
- 03 Number of Criminal Violations Found during Inspections
- 04 Number of Licensed Establishments Subject to Inspection
- 05 Number of Investigations Opened
- 06 Number of Administrative Violations Found During Inspection

**GOAL 02: LICENSING**

To process and issue alcoholic beverage license/permit applications while ensuring compliance with the Alcoholic Beverage Code through investigations and other regulatory means.

**OBJECTIVES/OUTCOME MEASURES**

**STRATEGIES/OUTPUT MEASURES**

**01 Licensing**

Process applications for permits and licenses in an efficient and timely manner such that by fiscal year 2007 the average permit/license processing time is 14 days in the headquarters office.

**Outcome Measures**

- 01 Percent of Original License/Permit Applications Processed Within 14 Days
- 02 Percent of Agency Clients Expressing Satisfaction with Licensing Process

**01 Licensing**

Issue licenses and permits while ensuring compliance with laws regarding ownership, performance, tax securities and other regulatory requirements.

**Output Measures**

- 01 Number of Applications Processed
- 02 Number of Licenses/Permits Issued

**Efficiency Measures**

- 01 Average Cost Per License/Permit Processed

**GOAL 03: COMPLIANCE AND TAX COLLECTION**

To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving and distributing of alcoholic beverages.

**OBJECTIVES/OUTCOME MEASURES**

**STRATEGIES/OUTPUT MEASURES**

**01 Compliance and Tax Collection**

Monitor all tiers of the alcoholic beverage industry and conduct inspections, analyses, investigations and other activities to encourage maximum voluntary compliance with the Alcoholic Beverage Code.

**Outcome Measures**

- 01 Percent of Inspections, Analyses and Compliance Activities Resulting in Administrative or Compliance Actions
- 02 Percent of Report Analyzations (including analyzations of tax reports) Resulting in Administrative or Compliance Actions
- 03 Percent of Agency Contacts Expressing Satisfaction with Compliance Functions

**01 Compliance Monitoring**

Inspect, investigate and analyze all segments of the alcoholic beverage industry and initiate any necessary compliance and/or administrative actions for failure to comply, while providing instruction to promote voluntary compliance.

**Output Measures**

- 01 Number of Inspections, Analyses and Compliance Activities
- 02 Number of Compliance and/or Administrative Actions (including tax report actions)
- 03 Number of Reports Analyzed (including tax reports) Regarding Inter-State and Intra-State Distribution of Alcoholic Beverages

**Efficiency Measures**

- 01 Average Cost Per Compliance Activity

**Explanatory Measures**

- 01 Number of Licensees/Permittees Subject to Compliance Activity
- 02 Number of Licensees/Permittees Subject to Report Analyzation (including tax report analyzations)

**GOAL 03: COMPLIANCE AND TAX COLLECTION (cont'd)**

To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving and distributing of alcoholic beverages.

<b>OBJECTIVES/OUTCOME MEASURES</b>	<b>STRATEGIES/OUTPUT MEASURES</b>
<p><b>02 Ports of Entry</b></p>	<p><b>01 Ports of Entry</b></p>
<p>Ensure maximum compliance with laws regulating the personal importation of alcoholic beverages and cigarettes at ports of entry.</p>	<p>Identify high traffic loads and strategically place personnel or equipment at ports of entry to more effectively regulate the personal importation of alcoholic beverages and cigarettes.</p>
<p><b>Outcome Measures</b></p>	<p><b>Output Measures*</b></p>
<p>01 Revenue as a Percent of Expenses</p>	<p>01 Number of Alcoholic Beverage Containers and Cigarette Packages Stamped</p>
<p>02 Illegal Containers of Alcoholic Beverages and Packages of Cigarettes as a Percent of Total Containers and Packages Imported</p>	<p>02 Number of Alcoholic Beverage Containers and Cigarette Packages Confiscated</p>
<p><b>Efficiency Measures</b></p>	<p><b>Efficiency Measures</b></p>
<p>01 Average Cost Per Container of Alcoholic Beverage Container or Cigarette Package Imported/Confiscated</p>	<p>01 Average Cost Per Container of Alcoholic Beverage Container or Cigarette Package Imported/Confiscated</p>
<p></p>	<p>*These measures represent explanatory measures as the agency has no control over the number of alcoholic beverages or cigarette packages that are imported.</p>

**GOAL 04: HISTORICALLY UNDERUTILIZED BUSINESSES (Non-budgeted)**

To carry out developed agency policies governing purchasing and public works contracting that foster meaningful and substantive inclusion of historically underutilized businesses.

**OBJECTIVES/OUTCOME MEASURES**

**STRATEGIES/OUTPUT MEASURES**

**01 HUBs**

To include HUBs in a least: 1) 12.6% of commodities contracts; 2) 33% of services contracts; 3) 20% of professional and consulting contracts; 4) 57.2% of all special trade construction contracts; 5) 11.9% of heavy construction contracts; and 6) 26.1% of all other building construction contracts. These objectives will be measured as the total value of contracts and subcontracts awarded annually by the agency from fiscal year 2003 through fiscal year 2007.

**Outcome Measures**

- 01 Percent of Total Dollar Value of Purchasing Contracts and Subcontracts Awarded to Qualified HUBs.

**01 Increased Use of HUBs**

To continue the implementation of the agency's internal HUB policy dated November 15, 1995 for increasing the use of HUBs through purchasing and public works contracts and subcontracts.

**Output Measures**

- 01 Aggregate Number of HUB Contractors and Subcontractors Contacted for Bids.
- 02 For Each Purchasing Category, the Number of HUB Contracts and Subcontracts Awarded.
- 03 For Each Purchasing Category, the Dollar Value of HUB Contracts and Subcontracts Awarded.
- 04 Number of HUB Related Economic Opportunity Forums, Trade Shows, and Seminars Attended for Increasing the Agency's Outreach and Utilization of HUB Vendors.

**APPENDIX A**

***Agency Planning Process***

## *Agency Planning Process*

The Texas Alcoholic Beverage Commission has a wide and varied group of customers throughout the state. Not only does the agency focus on its most immediate group, the alcoholic beverage industry, but it must also give adequate attention and concern to the issues of the general public, law enforcement groups, educators, various coalitions and public interest groups concerning the regulation of alcoholic beverages sales. Though the agency has sought input during the strategic planning phases in prior years from all these areas, including its own employees, via written communication, the response from the various groups has not been what the commission would have hoped.

Decisions were made during the planning process for the current year to broaden agency efforts in obtaining outside input as well as internal input. Eight public forums were held across the state in El Paso, Lubbock, Tyler, Dallas, Austin, Harlingen, Houston and San Antonio. Notices were mailed to interested groups as well as press releases to the local newspapers, radio and television. The forums provided an open venue to receive input from the interested members of the public, the regulated industry and other parties.

Agency efforts internally were more fruitful than prior years also. Each field office and the headquarters office held brainstorming sessions with the employees and reported the input gathered in three basic areas: major issues facing the agency, what can the agency do better and major accomplishments. This, in and of itself, provided valuable insight in the planning process.

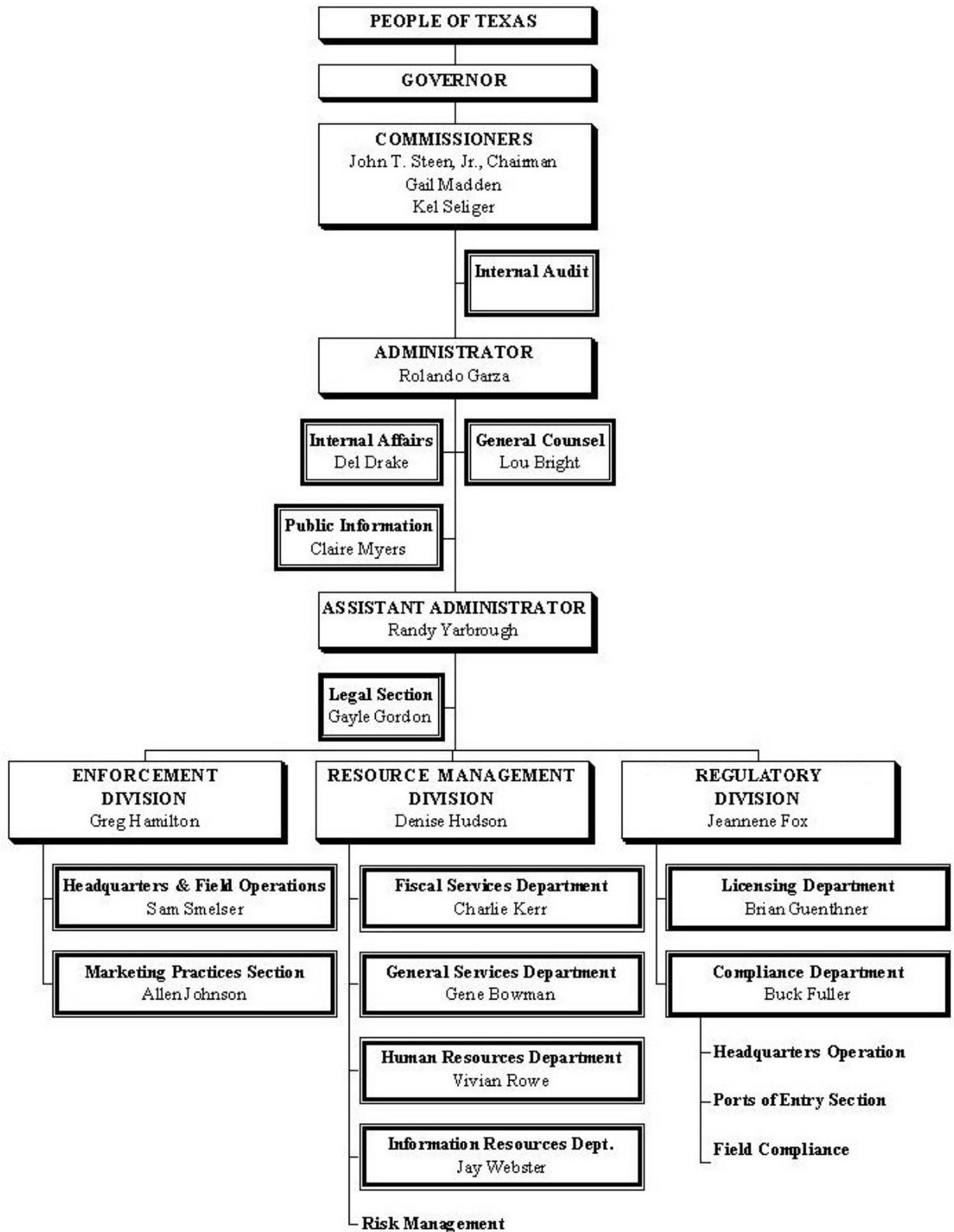
Information gathered from the internal and external customers as well as the prior strategic plan, action plans, goals, strategies, performance measures, new initiatives, Survey of Organizational Excellence, technology issues and various agency resources was provided to members of the executive team, senior team and selected representatives from the field offices for their review, analyses and consideration.

Two-day sessions were held to review the various external and internal input and the other resource information. The in-depth sessions included reviews of both the functional programs as well as the support departments. Participating staff aided in the review and fine tuning of the stated mission, philosophy, goals and measures of the agency. Specific areas of improvement and challenges before the agency were also discussed and reviewed at length.

On June 3, 2002, the strategic plan was adopted by the three-member commission as the plan for the five year period ending August 31, 2007.

**APPENDIX B**

***Current Organizational Chart***



Appendix C

*Five-Year Projections for Outcomes*

## *Five-Year Projections for Outcomes*

<b>Outcome</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Percent of Licensed Establishments Inspected Annually*	70%	65%	65%	65%	65%
Percent of Administrative Cases Filed by Enforcement Agents Resulting in Suspension or Cancellation	98%	98%	98%	98%	98%
Percent of Agency Contacts Rating Enforcement Actions as Satisfactory or Better	82%	82%	82%	82%	82%
Percent of Complaint Investigations Closed Within 60 Days	88%	88%	88%	88%	88%
Percent of Original License/Permit Applications Processed Within 14 Days	99%	99%	99%	99%	99%
Percent of Agency Clients Expressing Satisfaction with Licensing Process	91%	92%	92%	92%	92%
Percent of Inspections, Analyses and Compliance Activities Resulting in Administrative or Compliance Actions	30%	30%	30%	30%	30%
Percent of Report Analyzations Resulting in Administrative or Compliance Actions	24.5%	24.5%	24.5%	24.5%	24.5%
Percent of Agency Contacts Expressing Satisfaction with Compliance Functions	97%	97%	97%	97%	97%
Revenue as a Percent of Expenses	93%**	102%	102%	102%	102%
Illegal Containers of Alcoholic Beverages and Packages of Cigarettes as a Percent of Total Containers and Packages Imported	.23%	.23%	.23%	.23%	.23%

\* Agency reducing its inspection coverage goal to focus more time on “problem” establishments, particularly those that are selling alcoholic beverages to intoxicated persons.

\*\* Lower than normal expectation due to bridge construction affecting normal traffic and importation amounts.

**APPENDIX D**

***Planning & Budget Structure***  
***Performance Measure Definition***

## ***Planning & Budget Structure***

### ***Performance Measure Definition***

**Goal 1:** To promote the health, safety and welfare of the public and to regulate the alcoholic beverage industry by taking positive steps to foster voluntary compliance with the law through a combination of education and enforcement.

#### **OUTCOME MEASURES**

**01 Percentage of Licensed Establishments Inspected Annually**

*Short Definition:*

The percentage of licensed establishments inspected during the year by enforcement agents, expressed as a ratio of the number of individual establishments subject to inspection.

*Purpose/Importance:*

This outcome is intended to measure the degree of coverage achieved by enforcement agents during a specified period. Adequate coverage is deemed important because of the deterrent effect of the expectation of inspection and because inspections give licensees the opportunity to ask questions and receive answers that might prevent future, unintentional violations.

*Source/Collection of Data:*

The data required to calculate the measure comes from the agency's automated agent activity inspection records and from its automated licensing records. Records of the inspections conducted by agents are created as agent daily activity reports and are data-entered by field personnel. An automated licensing record is created for each licensee by data entry of information from the licensee's application at the time of application and updated at the time of approval and at the time of each subsequent renewal or change. The values reported for this measure are taken from either of the automated reports RPT.E.171, RPT.E.213.2 or RPT.E.215.2.

*Method of Calculation:*

The measure is calculated by dividing the number of individual establishments actually inspected during a particular period by the number of licensed establishments subject to inspection during the same period. The number of individual establishments inspected is derived by first finding all inspection records for the inspections conducted during a specified period of time and then by sorting out inspection records with duplicate CLP's (alpha/numeric license identifiers unique to each establishment), leaving one record for each CLP and then counting the remainder. The number of establishments subject to inspections is determined by (1) searching the automated licensing files to identify all licenses that were active during the period in question; (2) then sorting out the records of all secondary licenses, leaving just one, the primary license record, for each establishment and finally (3) counting the remaining records.

*Data Limitations:*

The base of the ratio (the number of licensed locations) constantly changes as businesses enter or leave the industry. The speed and magnitude of this change are beyond the agency's control and can influence this measure.

*Calculation Type:*

The measure is cumulative in nature but not fully cumulative due to the constant entry and exit of businesses from the industry.

*New Measure:*

No.

*Desired Performance:*

At or above target.

**02 Percent of Administrative Cases Filed by Enforcement Agents Resulting in Suspension or Cancellation**

*Short Definition:*

Percent of administrative cases filed by enforcement agents that, during a specified period of time, resulted in the suspension or cancellation of licensing privileges or where the agency was restrained from taking action by operation of Section 106.14 of the Alcoholic Beverage Code, expressed as a ratio of all administrative cases reaching final disposition during the same time period.

*Purpose/Importance:*

This measure is intended to demonstrate the quality of the administrative cases filed by enforcement agents and is essentially the agency's "win" ratio for cases receiving final disposition.

*Source/Collection of Data:*

The data required for the calculation of this measure comes from the agency's automated administrative case (docket) records. Docket records are created by the data entry of hard copy "Waiver of Hearing" or "Request for Hearing" packages that are forwarded to headquarters for each administrative case filed by enforcement agents. After original entry, docket records are updated as dispositions are reached. The values reported for this measure are taken from either automated report RPT.E.171 or RPT.E.215.2.

*Method of Calculation:*

The measure is calculated by dividing the number of agent-generated administrative cases that were settled during a particular period of time with final dispositions of "suspension," "cancellation," or "restrained" by the total number of agent-generated administrative cases which were disposed of (settled) during the same time period. The number of agent-generated administrative cases that were "wins" during a particular period of time is determined by an

automated search of the dockets file for all cases with origin codes of “E” (enforcement), disposition statuses of “O” (order), order dates falling within period of interest and disposition types of “S” (suspension), “C” (cancellation), or “R” (restrained) and then by counting the records found. The total number of administrative cases settled during the same period is found in very much the same manner. The only difference is that for this search, specific disposition types are not part of the search criteria.

*Data Limitations:*

The only problem with this measure is that a lengthy time lapse can occur between filing and final disposition if an administrative case is contested. However, most cases are settled by waiver without a hearing and receive dispositions almost immediately.

*Calculation Type:*

Noncumulative.

*New Measure:*

No.

*Desired Performance:*

On target or higher.

**03 Percent of Agency Contacts Rating Enforcement Actions as Satisfactory or Better**

*Short Definition:*

Percent of responses in returned post-inspection surveys indicating satisfaction with or positive feelings towards the conduct of agency enforcement agents, represented as a ratio of the number of responses found in returned surveys.

*Purpose/Importance:*

The purpose of this measure is to serve as a gauge of licensee satisfaction with the agency’s enforcement methods and the conduct of its enforcement agents.

*Source/Data Collection:*

The data required for this measure is compiled from returned post-inspection licensee surveys. Each month, surveys are mailed to 10 percent of the licensed establishments that were inspected by enforcement agents during the preceding month. The surveys contain five questions that attempt to gauge the degree of licensee satisfaction with agency enforcement practices and agent behavior using a Likert type scale. When completed, surveys are returned to the agency, the respondent's answers to these questions are recorded and then analyzed.

*Method of Calculation:*

The measure is calculated by dividing the number of positive responses to survey questions by the total number of question responses found in returned post-inspection surveys. The number of positive survey responses is calculated by counting the number of recorded question responses that fell within the positive end of the Likert range used.

*Data Limitations:*

Low response rates compromise the representativeness of the data and preclude any generalization of the results.

*Calculation Type:*

Noncumulative.

*New Measure:*

No.

*Desired Performance:*

Higher than target.

**04 Percentage of Complaint Investigations Closed Within 60 Days**

*Short Definition:*

Percent of complaint investigations where "closed" (completed) during a specified period time that were closed within 60 days of the date on which they were received and "opened," expressed as a ratio of the total number of complaints closed during the same time period.

*Purpose/Importance:*

This measure provides information regarding the timeliness of service delivery in response to a specific type of customer request for service (complaints concerning licensed establishments).

*Source/Collection of Data:*

The data required to calculate the measure is compiled from the records found in the agency's automated complaint tracking system. The agency personnel create an automated complaint record each time a complaint is received from the public concerning a licensed establishment and then update the record at the conclusion of the investigation to record the specific actions taken by the agents assigned to the investigations and the investigation's outcome. The complaint received date is recorded when the record is first created and the "date closed" is noted at the time of final entry. The values reported for this measure are taken from either automated report RPT.E.171, RPT.E.210.2 or RPT.E.215.2.

*Method of Calculation:*

The number of complaints closed within a specified period of time are identified by virtue of the closure dates contained in the related automated complaint records, and from these, the number closed within 60 days of the date of their original receipt is found by comparing the "date opened" recorded in each record with the recorded "date closed" in each record. Then the number closed within 60 days of the date on which they were opened is divided by the total number of complaints closed during the period of interest to derive the ratio that is reflected in this measure.

*Data Limitations:*

Two factors that can influence this measure are outside the agency's control. These are (1) the absolute number of complaints received and (2) the complexity of the complaints received. Either can effect the value of the measure.

<i>Calculation Type:</i>	Noncumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	Higher than target.

## OUTPUT MEASURES

### 01 Number of Inspections Made

<i>Short Definition:</i>	The number of inspections of licensed premises conducted by agency enforcement agents during a specified period of time.
<i>Purpose/Importance:</i>	The term “inspection” extends to everything enforcement agents do except when in the office or engaged in educational activities. Counting them provides an accurate representation of the number of times agents have had physical contact with licensed premises and citizens in the course of street enforcement activities. They are, in effect, service stops, points at which law enforcement services were provided by agents.
<i>Source/Collection of Data:</i>	The information required to derive the count comes from inspection records in the agency’s agent activity reporting system. Each individual inspection made by an agent is noted in the agent’s daily activity report. When these reports are data-entered, an automated record summarizing each inspection is created. The values reported for this measure are taken from either automated report RPT.E.171 or RPT.E.213.2.
<i>Method of Calculation:</i>	The measure is calculated by counting the number of automated inspection records that were originated for activity occurring during a specified period of time.
<i>Data Limitations:</i>	The term “inspection” is applied to a wide variety of service stops. One inspection is not necessarily equal to another in terms of complexity, the specific activities performed

or the time and other resources required to conduct it.

*Calculation Type:*

Cumulative.

*New Measure:*

No.

*Desired Performance:*

On target.

**02 Number of Persons Instructed by Agency**

*Short Definition:*

The number of people attending educational presentations made by enforcement agents.

*Purpose/Importance:*

Enforcement agents perform two primary tasks. They enforce the law and they educate the public to prevent violations of the law. The volume of the enforcement division's public education efforts is represented by this measure.

*Source/Collection of Data:*

The data for this measure comes from educational program session records stored in the database of the agency's agent activity reporting system. Agents record information about each program session they teach in their daily activity reports. Automated educational program session records are created when the agent's daily activity reports are data-entered. Each record identifies the type of program taught, the county in which the session was held, the number of people taught and the date of the session. The values reported for this measure are taken from either automated report RPT.E.171, RPT.E.211.2 or RPT.E.214.2

*Method of Calculation:*

The measure is calculated by identifying all automated educational program session records created for sessions held in a specified time period and then summing the attendee counts found in those records.

<i>Data Limitations:</i>	Most of the work to achieve this goal is done during the school year which means that there can be strong seasonal variances during the course of a full fiscal year.
<i>Calculation Type:</i>	Cumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	On or higher than target.
<b>03 Number of Youth Instructed by the Agency</b>	
<i>Short Definition:</i>	The number of school-age persons (Grades K-12) attending educational presentations made by enforcement agents.
<i>Purpose/Importance:</i>	Most of the agency's educational efforts target young people. School-age persons in grades K-12 represent the largest segment of the population attending TABC programs.
<i>Source/Collection of Data:</i>	The data for this measure comes from educational program session records stored in the database of the agency's agent activity reporting system. Agents record information about each program session they teach in their daily activity reports. Automated educational program session records are created when the agent's daily activity reports are data-entered. Each record identifies the type of program taught, the county in which the session was held, the number of people taught and the date of the session. The values reported for this measure are taken from either automated report RPT.E.171 or RPT.E.211.2.
<i>Method of Calculation:</i>	The measure is calculated by identifying all automated educational program session records created during a specified time period for educational programs that target people in Grades K-12 and then by summing the attendee counts found in those records.

<i>Data Limitations:</i>	Most of the work to achieve this goal is done during the school year which means that there can be strong seasonal variances during the course of a full fiscal year.
<i>Calculation Type:</i>	Cumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	Higher than target.

## **EFFICIENCY MEASURES**

### **01 Average Cost Per Inspection**

<i>Short Definition:</i>	The average unit cost of agency law enforcement services with those services defined in terms of individual inspections.
<i>Purpose/Importance:</i>	The measure provides a method for comparing the cost efficiency of agency law enforcement operations across time.
<i>Source/Collection of Data:</i>	The cost figures come from the USAS accounting system and consists of those expenditures that are directly and indirectly attributable to enforcement division operations over a specified time period. The information required for the inspection counts come from inspection records found in the agency's agent activity reporting system (See Source/Collection of Data Information for "Inspections"). The CPO work hour totals used to allocate costs between the agency's law enforcement and public education activities also come from agent activity reporting system records. When making the allocations, all direct and indirect costs of the enforcement division not allocated to public education are attributed to the division's law enforcement functions. Note: The values pertaining to CPO work hours are taken from automated report RPT.E.212.

*Method of Calculation:*

The measure is calculated by dividing the total agency cost of inspections by the number of inspections conducted. The total agency cost of inspections is determined by subtracting the cost of the division's educational activities from the total cost of division operations, a figure which will include the division's share of the agency's administrative overhead expenses. The cost of the division's educational activities is determined by multiplying total cost of division operations by a ratio created by dividing the number of agent work hours spent on educational activities by the total number of hours worked by agents.

*Data Limitations:*

The allocation of agent work hours to various tasks is, at best, an approximation. While it is an approximation made by each agent at the end of their work day, errors can be made, and incorrect approximations will affect the reported value of the measure. Unexpected funding (grants, gifts, forfeiture proceeds, etc.) and the resultant unanticipated spending can also affect the measure's reported value as can personnel turnover and under staffing.

*Calculation Type:*

Noncumulative.

*New Measure:*

No.

*Desired Performance:*

Lower than projected estimate.

**02 Average Cost Per Person  
Instructed by Agency**

*Short Definition:*

The average unit cost of agency public education services with those services defined in terms of individual persons taught.

*Purpose/Importance:*

The measure provides a method for comparing the cost efficiency of agency public education efforts across time.

*Source/Collection of Data:*

The cost figures come from the USAS accounting system and consist of those expenditures that are directly and indirectly attributable to enforcement division operations over a specified time period. The information required for the inspection counts come from inspection records found in the agency's agent activity reporting system (See Source/Collection of Data Information for "Inspections"). The CPO work hour totals used to allocate costs between the agency's law enforcement and public education activities also come from agent activity reporting system records. When making the allocations, all direct and indirect costs of the enforcement division not allocated to public education are attributed to the division's law enforcement functions. Note: The values pertaining to CPO work hours are taken from automated report RPT.E.212.

*Method of Calculation:*

The measure is calculated by dividing the total cost of the agency's public education efforts by the number of persons instructed by enforcement agents. The cost of the division's educational activities is determined by multiplying the total cost of division operations by a ratio created by dividing the number of agent work hours spent on educational activities by the total number of hours worked by agents.

*Data Limitations:*

The allocation of agent work hours to various tasks is, at best, an approximation. While it is an approximation made by each agent at the end of their work day, errors can be made, and incorrect approximations will affect the reported value of the measure. Unexpected funding (grants, gifts, forfeiture proceeds, etc.) and the resultant unanticipated spending can also affect the measure's reported value as can personnel

turnover and under staffing.

*Calculation Type:* Noncumulative.

*New Measure:* No.

*Desired Performance:* Lower than projected estimate.

## EXPLANATORY/INPUT MEASURES

### 01 Number of Administrative Cases Settled

*Short Definition:* This measure provides a count of the number of administrative cases originated by enforcement agents that reach the final disposition stage during the reporting period.

*Purpose/Importance:* The measure provides interested parties with the denominator of the ratio that is used in the calculation of Outcome Measure 01-01-01-03 (Percentage of Administrative Cases Filed by Enforcement Agents Resulting in Suspension or Cancellation).

*Source/Collection of Data:* The data required for the calculation of this measure comes from the agency's automated administrative case (docket) records. Docket records are created by the data entry of hard copy "Waiver of Hearing" or "Request for Hearing" packages that are forwarded to headquarters for each administrative case filed by enforcement agents. After original entry, docket records are updated as dispositions are reached. The values reported for this measure are taken from automated report RPT.E.214.2.

*Method of Calculation:* The measure is calculated by first conducting an automated search of the docket file for all cases with origin codes of "E" (enforcement), dispositions status of "O" (order) and order dates falling within period of interest and then by counting the records found.

<i>Data Limitations:</i>	The only problem with this measure is that a lengthy time lapse can occur between filing and final disposition if an administrative case is contested. However, most cases are settled by waiver without a hearing and receive dispositions almost immediately. All the same, the resulting number may include cases that originated in reporting periods other than the one under consideration.
<i>Calculation Type:</i>	Cumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	None. The measure is reported only for informational purposes.

**02 Number of Criminal Cases Filed**

<i>Short Definition:</i>	The number of the criminal cases filed by agents as a result of law enforcement activities during a specified period of time. One case is filed for each criminal citation written by enforcement agents.
<i>Purpose/Importance</i>	The measure reports the number of criminal cases found by enforcement agents over the course of a specified time period.
<i>Source/Collection of Data:</i>	The information needed for this measure comes from the agency's criminal citation records. A criminal citation is completed and then issued to the offender by enforcement agents whenever a chargeable criminal violation is observed. Copies of these documents become the source documents for data entry. Data entry of the documents creates automated criminal records containing the information that was on the original documents. Each criminal citation issued becomes the basis for a criminal case. Each criminal citation record contains information about one violation. The values reported for this measure are taken from automated report RPT.E.171.

<i>Method of Calculation:</i>	The measure is calculated by counting the number of criminal records that were created for the criminal citations issued during a specified period of time.
<i>Data Limitations:</i>	Variances can be caused by opportunity bias and seasonal workload.
<i>Type of Calculation:</i>	Cumulative.
<i>New Measure:</i>	<b>No.</b>
<i>Desired Performance:</i>	None. The measure is reported only for information purposes.

**03 Number of Criminal Violations Found During Inspections**

<i>Short Definition:</i>	The number of the criminal violations found by agents as a result of law enforcement activities (all involve inspections) during a specified period of time.
<i>Purpose/Importance:</i>	The measure reports the volume of criminal violations found by enforcement agents over the course of a specified time period.
<i>Source/Collection of Data:</i>	The information needed for this measure comes from the agency's criminal citation/criminal warnings records. A criminal citation or warning is completed and then issued to the offender by enforcement agents whenever a criminal violation is observed. Copies of these documents become the source documents for data entry. Data entry of the documents creates automated criminal records containing the information that was on the original documents. Each criminal citation or warning record contains information about one violation. The values reported for this measure are taken from automated report RPT.E.214.2.

<i>Method of Calculation:</i>	The measure is calculated by counting the number of criminal records that were created for the criminal citations and warnings issued during a specified period of time.
<i>Data Limitations:</i>	Variances can be caused by opportunity bias and seasonal workload.
<i>Type of Calculation:</i>	Cumulative.
New Measure:	No.
<i>Desired Performance:</i>	None. The measure is reported only for informational purposes.

**04 Number of Licensed Establishments Subject to Inspection**

<i>Short Definition:</i>	The number of licensed establishments in operation during a specified period of time.
<i>Purpose/Importance:</i>	The measure supplies the denominator for Outcome Measure 01-01-01-01 (Percentage of Licensed Establishments Inspected Annually).
<i>Source/Collection of Data:</i>	The data required for this measure comes from agency licensing records. An automated licensing record is created for each licensee by data entry of information from the licensee's application at the time of application and updated at the time of approval and at the time of each subsequent renewal or change. The values reported for this measure are taken from automated report RPT.E.213.2.
<i>Method of Calculation:</i>	The number of licensed establishments that were subject to inspections is determined by (1) searching the automated licensing file to identify all licensees that were active during the period in question; (2) then sorting out the records of all secondary licenses, leaving just one, the primary license record, for each establishment and, finally, (3) counting the

remaining records.

*Data Limitations:*

The number of licensed locations constantly changes as businesses enter or leave the industry. The speed and magnitude of this change are beyond the agency's control and can influence this measure.

*Calculation Type:*

Noncumulative.

*New Measure:*

No.

*Desired Performance:*

None. The measure is reported only for informational purposes.

## **05 Number of Investigations Opened**

*Short Definition:*

The number of complaint investigations initiated during a specified time period.

*Purpose/Importance:*

The number of investigations opened is a function of the number of complaints received. The measure is a service need indicator.

*Source/Collection of Data:*

The data required to calculate the measure is compiled from the records found in the agency's automated complaint tracking system. The agency personnel create an automated complaint record each time a complaint is received from the public concerning a licensed establishment and then updates the record at the conclusion of the investigation to record the specific actions taken by the agents assigned to the investigation and the investigation's outcome. (Note: Each and every complaint results in the opening of an investigation except when a new complaint is received about a specific location and an investigation concerning that location is already in progress. In these cases, the subsequent complaint is added to the ongoing investigation). The values reported for this measure are taken from either automated report RPT.E.171 or RPT.E.210.2.

<i>Method of Calculation:</i>	The measure is calculated by conducting an automated search of the complaint records to find all investigations that were opened during the time period specified and then counting the records found.
<i>Data Limitations:</i>	The agency has no control over the volume of complaints it receives.
<i>Calculation Type:</i>	Cumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	None. The measure is reported only for informational purposes.

**06 Number of Administrative Violations Found During Inspections**

<i>Short Definition:</i>	The number of the administrative violations found by agents as a result of law enforcement activities (all involve inspections) during a specified period of time.
<i>Purpose/Importance:</i>	The measure reports the volume of administrative violations found by enforcement agents over the course of a specified time period.
<i>Source/Collection of Data:</i>	The information needed for this measure comes from the agency's automated administrative case (docket) records and from automated records pertaining to administrative warnings. The warning records are created by data entry of administrative notices that were completed and issued by agents to licensees or to their representatives when minor administrative infractions were observed on the licensee's premises. Docket records are created by the data entry of hard copy "Waiver of Hearing" or "Request for Hearing" packages that are forwarded to headquarters for each administrative case filed by enforcement agents. Both docket records and

administrative notice warning records can contain information concerning more than one violation. The values reported for this measure are taken from automated report RPT.E.214.2.

*Method of Calculation:*

First, an automated search is made to find all administrative notice warning records for warning notices issued during a specified time period. All the violations contained in these records are counted and totaled. Then, an automated search is made for all docket records pertaining to administrative cases docketed during the period. All the violations contained in these records are also counted and totaled. Finally, both violation totals are added together to obtain the value that will be reported for the measure.

*Data Limitations:*

These counts are subject to seasonal variances. Also, the time lapse between the violation date and docket date for an administrative case can be so great that the violations from a particular case may not be counted in the same period as they actually occurred.

*Calculation Type:*

Cumulative.

*New Measure:*

No.

*Desired Performance:*

None. The measure is reported only for informational purposes.

**Goal 2: To process and issue alcoholic beverage license/permit applications while ensuring compliance with the Alcoholic Beverage Code through investigation and other regulatory means.**

**OUTCOME MEASURES**

**01 Percent of Original License/Permit Applications Processed Within 14 Days**

*Short Definition:*

The percentage of original applications processed within 14 days.

*Purpose/Importance:*

This measure is intended to show the percentage of original permits/licenses processed within 14 days from the date the original application is received in Austin. Fluctuation in this information alerts management to problems and/or changes occurring in the application process.

*Source/Collection of Data:*

Data entry personnel at headquarters enter into the agency's database all required information on each application received. A record is created for each application. A report is generated at the end of each month extracting information from this database.

*Method of Calculation:*

This measure is calculated by the mainframe computer system, using PGM.L.273, (RPT-L-273 Percentage Processed Within 14 Days for MMY) by subtracting the application's received date from the actual process date. The actual process date is the date the application is issued or the date the applicant is notified of any deficiencies with the application. The number of original license/permit applications processed within 14 days is divided by the total number of original license/permit applications processed for the period. The number of applications processed within 14 days is calculated by subtracting the received date from the actual process date. Process date is the date the application is issued or

deficiencies with the application are communicated to the applicant.

*Data Limitations:*

We rely on a verification process to ensure proper recording of data.

*Calculation Type:*

Noncumulative.

*New Measure:*

No.

*Desired Performance:*

Higher percentage than targeted is desirable as it indicates more original applications are being processed faster.

**02 Percent of Agency Clients Expressing Satisfaction With Licensing Process**

*Short Definition:*

The percentage of agency clients expressing satisfaction with the licensing application process.

*Purpose/Importance:*

From the responses and comments made by our customers, management is able to identify areas in the process which are offensive, confusing or create hardships on the applicant.

*Source/Collection of Data:*

This information is obtained from the survey responses which are mailed to each applicant receiving an original license/permit. The confidential and anonymous survey responses are reviewed by management staff. Results are entered in a statistical program (Systat). Reports are generated from this data (Q1-7.WP, Normal1.wp, Normal2.wp, Regions1.wp and Regions2.wp).

*Method of Calculation:*

Using a survey designed specifically for licensing activities, the number of favorable responses received is divided by the total number of responses.

<i>Data Limitations:</i>	The major limitation of this measure is the low response rate. The customer's dissatisfaction with the statutory requirements, as well as city and county regulations and requirements, are beyond the agency's control and may affect this measure.
<i>Calculation Type:</i>	Noncumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	Higher percentage than targeted is desirable.

## **OUTPUT MEASURES**

### **01 Number of Applications Processed**

<i>Short Definition:</i>	This measure is intended to reflect the total number of license/permit applications (originals, renewals, temporaries and changes) processed by the licensing department.
<i>Purpose/Importance:</i>	It provides management with information concerning the total work as to the number of applications processed, including those which require time to maintain the files in their current status.
<i>Source/Collection of Data:</i>	The data required to calculate this measure is obtained from license/permit records which are created by data entry personnel. Information is entered from the license/permit applications as they are received by the department. Upon approval of such documents, further updates are completed by data entry personnel. The following programs generate data from the license/permit records and are used to calculate this measure: PGM.L.255-(RPT-L-060) Licenses & Permits Issued by Class PGM.L.253-(RPT-L-058) Monthly, New, Renewal, Reissued, and PGM.L.250-(RPT-L-056 and RPT-L-055) License Performance Measures, PGM.L.033 (RPT-L-032) Daily Listings of New, Renewal,

Reissued, Form L.505 Licenses and Permits Assigned to Licensing, Form L-502  
New/Renewal Liquor Form L-503  
New/Renewal Beer, and Form L-504  
Reissued Beer/Liquor.

*Method of Calculation:*

Using the agency's computer system, this figure represents the number of applications (originals, renewals, temporaries and changes) processed. This measure affects the average license/permit processing time and the average cost per license/permit processed.

*Data Limitations:*

The number of new businesses requiring licenses, as well as the number of business failures and turnover requiring some type of licensing action can affect this measure.

*Calculation Type:*

Cumulative.

*New Measure:*

No.

*Desired Performance:*

Higher performance is desirable.

**02 Number of Licenses/Permits Issued**

*Short Definition:*

This measure provides the number of originals, renewals and temporaries issued in a specific period.

*Purpose/Importance:*

The number of originals, renewals and temporaries issued determines the revenue generated by the licensing department from license/permit fees and surcharges.

*Source/Collection of Data:*

The data required to calculate this measure is obtained from license/permit records which are created by data entry personnel. Information is entered from the license/permit applications as they are received by the department. Upon approval of such documents, further updates are completed by data entry personnel. The following programs generate data from the license/permit records and are used to

calculate this measure: PGM.L.255-(RPT-L-060) Licenses & Permits Issued by Class and PGM.L.253-(RPT-L-058) Monthly, New, Renewal, Reissued, and PGM.L.033-(RPT-L-033) Daily Listings of New, Renewal, Reissued, Form L-505 Licenses and Permits Assigned to Licensing, Form L-502 New/Renewal Liquor, Form L-503 New/Renewal Beer and Form L-504 Reissued Beer/Liquor.

*Method of Calculation:*

Using the agency's computer system, this figure represents the number of original, renewal and temporaries issued during the specified time period.

*Data Limitations:*

The economy, population and social trends on alcoholic beverage consumption affect the number of new businesses requiring licenses/permits, as well as the number of businesses failures.

*Calculation Type:*

Cumulative.

*New Measure:*

No.

*Desired Performance:*

Higher performance is desirable.

## **EFFICIENCY MEASURE**

### **01 Average Cost Per License/Permit Processed**

*Short Definition:*

This measure is intended to represent the average cost to process a license or permit.

*Purpose/Importance:*

This measure allows management to monitor costs and control expenditures.

*Source/Collection of Data:*

The expenditure amounts are from reports provided by the USAS accounting system and quarterly indirect cost allocations and PGM.L.255-(RPT-L-060) Licenses & Permits Issued by Class PGM.L.253-(RPT-L-058) Monthly, New, Renewal, Reissued.

<i>Method of Calculation:</i>	These costs are divided by the total number of licenses/permits processed including temporaries and changes. Total cost of the licensing function (including the department's share of agencies' administrative overhead expense) divided by the number of applications processed.
<i>Data Limitations:</i>	The economy, population and social trends on alcoholic beverage consumption affect the number of new businesses requiring licenses/permits, as well as the number of business failures. Indirect costs from other departments also affect this measure.
<i>Calculation Type:</i>	Noncumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	Lower cost is desirable.

**Goal 3: To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving and distributing of alcoholic beverages.**

**OUTCOME MEASURES**

**01 Percent of Inspections, Analyses and Compliance Activities Resulting in Administrative or Compliance Actions**

*Short Definition:*

The percentage of inspections, analyses and compliance activities during which violations of the Alcoholic Beverage Code and/or rules were detected and an administrative or compliance action was issued.

*Purpose/Importance:*

This measure is intended to determine the effectiveness of the compliance monitoring system in detecting violations of the Alcoholic Beverage Code and rules. It reflects regulatory duties conducted by compliance personnel to ensure compliance with the Alcoholic Beverage Code and rules.

*Source/Collection of Data:*

Compliance and administrative actions are entered into the mainframe computer system, or a database, or a manual record is kept. Reports (Report #'s - warning and docket files: PGM.A.188; credit law file: PGM.L.243; audit history file: PGM.L.235; food and beverage analyses and inspections approved report) are generated at the end of each monthly. Manual records (Compliance Department Monthly Activity Report, Form C-601; Audit Support Monthly Activity Report; Excise Tax Activity Report; Summary Suspension Log; Credit Law Monthly Notices of Default, Form C-810; Cases to Legal Log.) All compliance and administrative actions are added together and compared to inspections, analyses and compliance activities conducted during the reporting period.

<i>Method of Calculation:</i>	The number of administrative or compliance actions issued due to inspections, analyses and compliance activities by the compliance department divided by the total number of inspections, analyses or compliance activities conducted during the reporting period.
<i>Data Limitations:</i>	The agency's current efforts to train and educate its customers can cause a decrease in the number of inadvertent violations noted and decrease the percentage of total activities that result in compliance or administrative actions.
<i>Calculation Type:</i>	Noncumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	Highest possible percent of compliance.

**02 Percent of Report Analyzations (Including Analyzations of Tax Reports) Resulting in Administrative or Compliance Actions**

<i>Short Definition:</i>	The percentage of monthly reports analyzed during which violations of the Alcoholic Beverage Code and/or rules were detected and an administrative or compliance action was issued.
<i>Purpose/Importance:</i>	This measure shows the rate of noncompliance with the reporting requirements of the Alcoholic Beverage Code and rules and the effectiveness of the agency's monitoring program in detecting these violations.
<i>Source/Collection of Data:</i>	Compliance and administrative actions resulting from the report analyzation process are entered into the mainframe computer system. Reports (Report #'s-gross receipts history file: PGM.A.208, PGM.A.251; warning file: PGM.A.188; docket file: PGM.A.188) are generated at the end of

each month from which these values are taken.

*Method of Calculation:*

The number of administrative and compliance actions issued for failure to comply with the Alcoholic Beverage Code and rules discovered during the report analyzation process divided by the total number of reports analyzed during the reporting process.

*Data Limitations:*

The agency's current efforts to simplify the reporting process can cause a decrease in the number of inadvertent violations noted and decrease the percentage of report analyzations that result in compliance or administrative actions.

*Calculation Type:*

Noncumulative.

*New Measure:*

No.

*Desired Performance:*

Lower than target.

**03 Percent of Agency Contacts Expressing Satisfaction with Compliance Functions**

*Short Definition:*

The percentage of customers with positive responses after having contact with compliance department personnel.

*Purpose/Importance:*

The measure is intended to help identify problems with procedures and understanding of the Alcoholic Beverage Code and rules. It is important because feedback from our customers indicates how well the agency is fulfilling their needs.

*Source/Collection of Data:*

A survey is given to permittees/licenseses at the close of an analysis or audit (Compliance Department Customer Satisfaction Questionnaire, Form C-701). The permittee or licensee mails their responses to the Austin headquarters and responses are accumulated in a database when received. A report (Customer

	Satisfaction Questionnaire) is generated at the end of the reporting period.
<i>Method of Calculation:</i>	The number of favorable responses on the survey instrument divided by the total number of responses.
<i>Data Limitations:</i>	The agency has no control over the number of survey instruments returned.
<i>Calculation Type:</i>	Noncumulative.
New Measure:	No.
<i>Desired Performance:</i>	Higher than target.

## OUTPUT MEASURES

### **01 Number of Inspections, Analyses and Compliance Activities**

<i>Short Definition:</i>	Inspections are examinations of or conferences with licensees/permittees in which the compliance officer determines if the licensee/permittee is in compliance with the Alcoholic Beverage Code and/or rules. Analyses are reviews of selected areas of a licensee's/permittee's operations to ensure compliance with licensing requirements of the Alcoholic Beverage Code and rules. Compliance activities are enforcement of regulatory provisions, which may or may not require an on-premise visit and also consist of compliance audits conducted of licensees/permittees.
<i>Purpose/Importance:</i>	This measure is intended to show all inspections, analyses and compliance activities conducted by department personnel. It reflects the regulatory duties performed by compliance personnel to ensure adherence with the Alcoholic Beverage Code and rules.

*Source/Collection of Data:*

Using the agency's automated audit file (PGM.L.235), food and beverage history file (Monthly Food and Beverage Analyses and Inspections Approvals), and forms completed by department personnel (Compliance Department Monthly Activity Report, Form C-601; Audit Support Monthly Activity Report; Excise Tax Activity Report; Summary Suspension Log; Credit Law Monthly Notices of Default, Form C-810; Cases Sent to Legal Log; Monthly Commissioner's Report) when conducting inspections, analyses and compliance activities. This number is a manual tabulation of the number of inspections, analyses and compliance activities.

*Method of Calculation:*

This measure is calculated by compiling information from monthly computer reports and manual records which contain the number of audits and analyses approved, inspections and compliance activities completed during the reporting period, regardless of when the activity was begun.

*Data Limitations:*

Employee retirements, problems in hiring qualified personnel and other personnel issues may affect the work hours available to conduct the monitoring activities.

*Calculation Type:*

Cumulative.

*New Measure:*

No.

*Desired Performance:*

Higher than target.

**02 Number of Compliance and/or Administrative Actions (Including Tax Report Actions)**

*Short Definition:*

An administrative action is an action taken against a licensee/permittee, which results in the recommendation of a suspension or cancellation of the license or permit for

violations of the Alcoholic Beverage Code and/or rules. A compliance action is a written warning issued to a licensee or permittee or action to secure compliance with the Alcoholic Beverage Code and/or rules.

*Purpose/Importance:*

This measure is intended to show the number of compliance and/or administrative actions issued for violations of the Alcoholic Beverage Code and rules detected during inspections, analyses or compliance activities.

*Source/Collection of Data:*

The agency's automated gross receipts history file (Report #'s - PGM.E.157, PGM.A.208, PGM.A.251), warning file (Report # - PGM.A.188), docket file (Report # - PGM.A.188), credit law file (Report # - PGM.L.243) and monthly reports (Excise Tax Cases Sent to Hearing Log, Cases Sent to Legal Log, Summary Suspension Log and Monthly Commissioner's Report) prepared by department personnel are the sources of data providing the number of administrative and compliance actions taken by the compliance department during the reporting period for violations found during inspections, analyses, compliance activities or report analyzations. The actions are counted regardless of when the activity was begun.

*Method of Calculation:*

This measure is calculated by manually compiling information from monthly computer reports and manual tabulation of cases referred to the legal department and summary suspensions of permits. The computer reports contain the number of compliance actions issued, warnings issued, waiver orders issued and all permittees/licensees with a "delinquent" status during the reporting period.

*Data Limitations:* The agency's current efforts to train and educate its customers can decrease the number of violations detected.

*Calculation Type:* Cumulative.

*New Measure:* Yes.

*Desired Performance:* Target.

**03 Number of Reports Analyzed  
(Including Tax Reports)  
Regarding the Inter-State and  
Intra-State Distribution of  
Alcoholic Beverages**

*Short Definition:* Reports analyzed regarding the inter-state and intra-state distribution of alcoholic beverages are all monthly reports submitted by licensees and permittees who are engaged in the manufacturing or wholesaling of alcoholic beverages, those who transport or transport and serve and those who use alcohol in the manufacturing process. The reports are examined to ensure compliance with the Alcoholic Beverage Code and rules.

*Purpose/Importance:* This measure is intended to show the number of reports analyzed to ensure compliance with the inter-state and intra-state distribution of alcoholic beverages. The entities involved report all alcoholic beverages manufactured, imported, exported, transported, stored, sold and distributed in this state.

*Source/Collection of Data:* Compliance Department personnel record each type of analyzation and when the analyzation was completed regardless of when the activity was begun on the Excise Tax Daily Report, Form C-291. The information is then compiled on a monthly section report form (Excise Tax Activity Report), which is manually totaled for all employees.

<i>Method of Calculation:</i>	This is a manual tabulation of reports analyzed by department personnel on a monthly basis and maintained on a spreadsheet.
<i>Data Limitations:</i>	A decrease or increase in the number of entities required to report could occur due to economic variables and decrease or increase the number of reports analyzed.
<i>Calculation Type:</i>	Cumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	Higher than target.

## **EFFICIENCY MEASURES**

### **01 Average Cost Per Compliance Activity**

<i>Short Definition:</i>	Total cost of the compliance monitoring function (including the department's share of the agency's administrative overhead cost) divided by the total number of inspections, analyses and compliance activities.
<i>Purpose/Importance:</i>	This measure is intended to show efficiency of conducting analyses, inspections, and compliance activities.
<i>Source/Collection of Data:</i>	Expenditures are recorded in USAS by the fiscal services department (FSD). Monthly budget and expenditure statements from USAS (Agency Budget Control by Fund, Organization and Program Report) and quarterly support cost allocations are provided by FSD (Expenditures for XX Quarter FY XXXX).

<i>Method of Calculation:</i>	Total cost of the compliance monitoring function, less the cost of report analyzation, (including the department's share of the agency's administrative overhead cost) divided by the total number of inspections, analyses and compliance activities.
<i>Data Limitations:</i>	Employee retirements, problems in hiring qualified personnel and other personnel issues may affect the work hours available to conduct the monitoring activities and thereby, affecting the average cost per compliance activity.
<i>Calculation Type:</i>	Noncumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	Less than target.

## **EXPLANATORY MEASURES**

### **01 Number of Licensees/Permittees Subject to Compliance Activity**

<i>Short Definition:</i>	This measure is intended to indicate the population of retail, wholesale and manufacturing licensees/permittees subject to inspection, analyses and/or compliance reviews.
<i>Purpose/Importance:</i>	To determine increase or decrease in potential licensees/permittees subject to compliance activity.
<i>Source/Collection of Data:</i>	The agency's automated license file (Report # - PGM.A.201) on the mainframe computer system is the source of data reflecting the number of licenses and permits at a given date which are subject to inspection, analysis and compliance reviews.
<i>Method of Calculation:</i>	A monthly computer report that tabulates totals by class at a given date. A manual tabulation of these totals is then performed to obtain the grand total.

*Data Limitations:* A decrease in the number of entities subject to compliance activity could occur due to economic variables.

*Calculation Type:* Noncumulative.

*New Measure:* No.

*Desired Performance:* Not applicable. Explanatory only.

**02 Number of Licensees/Permittees Subject to Report Analyzation (Including Tax Report Analyzations)**

*Short Definition:* The number of licensees/permittees subject to report analyzation who are engaged in the manufacturing or wholesaling of alcoholic beverages, those who transport or transport and serve, or those who use alcohol in the manufacturing process.

*Purpose/Importance:* To determine increase or decrease in potential licensees/permittees subject to report analyzation.

*Source/Collection of Data:* The agency's automated license file (Report # - PGM.A.201) on the mainframe computer system is the source of data reflecting the number of licenses and permits at a given date which are subject to report analyzation.

*Method of Calculation:* A monthly computer report that tabulates totals by class at a given date. A manual tabulation of these totals is then performed to obtain the grand total.

*Data Limitations:* A decrease or increase in the number of entities subject to report analyzations could occur due to economic variables and decrease or increase the number of reports analyzed.

<i>Calculation Type:</i>	Noncumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	Not applicable. Explanatory only.

**PORTS OF ENTRY  
OUTCOME MEASURES**

**01 Revenue as a Percent of Expenses**

<i>Short Definition:</i>	It is intended to show the cost effectiveness of the ports of entry section.
<i>Purpose/Importance:</i>	This measure compares the tax revenue generated by the agency's ports of entry section with the total cost of operating that section.
<i>Source/Collection of Data:</i>	The revenue from fees and taxes collected is accumulated in computerized reports at each port location. The data is submitted to Austin headquarters on the Master Weekly Report, Form C-930, where it is reconciled with bank deposits by the fiscal services department (FSD). Expenditures are tracked in USAS by FSD. Monthly budget and expenditure statements from USAS and quarterly support cost allocations are provided by FSD.
<i>Method of Calculation:</i>	Total fees and taxes collected from the personal importation of alcoholic beverages and packages of cigarettes divided by the total cost of the ports of entry function (including the section's share of the agency's administrative overhead costs.)
<i>Data Limitations:</i>	Economic conditions in the United States and Mexico which affect currency valuations have a direct affect on the quantity of alcoholic beverages and cigarettes imported and the fees and taxes collected.
<i>Calculation Type:</i>	Noncumulative.

*New Measure:* No.

*Desired Performance:* Higher than target.

**02 Illegal Containers of Alcoholic Beverages and Packages of Cigarettes as a Percent of Total Containers and Packages Imported**

*Short Definition:* A container is considered an illegal importation if:

- it is in excess of the legal importation quota;
- the container itself is illegal;
- it is imported by minors or intoxicated persons; or
- it is not declared or the importer refuses to pay the required tax.

*Purpose/Importance:* This measure shows the rate of noncompliance with the personal importation requirements of the Alcoholic Beverage Code and rules and the effectiveness of the agency's monitoring program in detecting these violations.

*Source/Collection of Data:* Each port location accumulates the number of illegal containers confiscated and the total containers imported on computerized reports. These reports (Monthly Number of Containers Stamped, Form C-920; Destroyed Confiscated Merchandise, Form C-936) are submitted to Austin headquarters on a monthly basis. Monthly reports are compiled showing the total containers/packages confiscated and total containers/packages imported.

*Method of Calculation:* The number of alcoholic beverages containers and cigarette packages identified and confiscated as being imported into the state unlawfully divided by the total number of containers imported for the reporting period.

<i>Data Limitations:</i>	Economic conditions in the United States and Mexico which affect currency valuations have a direct effect on the quantity of alcoholic beverages and cigarettes imported and the fees and taxes collected. Since the quantity of illegal containers identified bears a direct relationship to total containers imported, the measure would be affected.
<i>Calculation Type:</i>	Noncumulative.
<i>New Measure:</i>	No.
<i>Desired Performance:</i>	Lower than target.

## OUTPUT MEASURES

### **01 Number of Alcoholic Beverage Containers and Cigarette Packages Stamped**

<i>Short Definition:</i>	This measure is intended to indicate the total number of alcoholic beverage containers and cigarette packages that the ports of entry section has attached stamps to.
<i>Purpose/Importance:</i>	The stamped containers reflect the amount of fees and taxes paid on imported alcoholic beverages and cigarettes during the reporting period.
<i>Source/Collection of Data:</i>	The total number of containers and packages imported is accumulated in computerized reports at each port location (Daily Liquor Tax Stamp Sales, Form C-909; Master Weekly Report, Form C-930; Monthly Number of Containers Stamped, Form C-920). The data is submitted to the Austin headquarters where it is manually tabulated to obtain grand totals on the Monthly Number of Containers Stamped Report. The information from each port location is reconciled with bank deposits by the fiscal services department.

*Method of Calculation:* The number of alcoholic beverage containers and cigarette packages stamped are manually added together for the reporting period.

*Data Limitations:* Economic conditions in the United States and Mexico which affect currency valuations have a direct effect on the quantity of alcoholic beverages and cigarettes imported.

*Calculation Type:* Cumulative.

*New Measure:* No.

*Desired Performance:* Higher than target.

**02 Number of Alcoholic Beverage Containers and Cigarette Packages Confiscated**

*Short Definition:* A container is considered an illegal importation if:

- it is in excess of the legal importation quota;
- the container itself is illegal;
- it is imported by minors or intoxicated persons; or
- it is not declared or the importer refuses to pay the required tax.

The illegal containers are confiscated and destroyed by the ports of entry personnel.

*Purpose/Importance:* This output is intended to measure the total number of alcoholic beverage containers and cigarette packages confiscated for any reason during the period referenced.

*Source/Collection of Data:* The total number of containers and packages confiscated is accumulated at each port location on forms completed by section personnel (Confiscated Merchandise Destroyed, Form C-901). The data is submitted to the Austin headquarters on the Monthly Destroyed Confiscated Merchandise by Location, Form C-903, and

maintained on a spreadsheet (Statewide Monthly Destroyed Confiscated Merchandise, Form C-903).

*Method of Calculation:*

The number of alcoholic beverage containers and cigarette packages stamped are manually added together for the reporting period.

*Data Limitations:*

Economic conditions in the United States and Mexico which affect currency valuations have a direct effect on the quantity of alcoholic beverages and cigarettes imported.

*Calculation Type:*

Cumulative.

*New Measure:*

No.

*Desired Performance:*

At or near target.

## **EFFICIENCY MEASURE**

### **01 Average Cost Per Container of Alcoholic Beverage Container or Cigarette Package Imported/Confiscated**

*Short Definition:*

Total cost of the ports of entry section in stamping or confiscating alcoholic beverage containers or cigarette packages divided by the total number of alcoholic beverage containers and cigarette packages imported or confiscated.

*Purpose/Importance:*

This measure is intended to show the average cost incurred by the agency for each container or package imported or confiscated.

*Source/Collection of Data:*

The number of containers and packages imported and those confiscated/seized are manually added together by Austin headquarters from reports: Monthly Number of Containers Stamped, Form C-920; Destroyed Confiscated Merchandise, Form C-936; Daily Liquor Tax Stamp Sales, Form

C-909; Master Weekly Report, Form C-930; Monthly Number of Containers Stamped, Form C-920. Expenditures are recorded in USAS by the fiscal services department. Monthly budget and expenditure statements from USAS and quarterly support cost allocations are provided by FSD (Expenditures for XX Quarter FYXXXX).

*Method of Calculation:*

Total cost of the ports of entry function (including the section's share of the agency's administrative overhead cost) divided by the total number of containers or packages imported or confiscated.

*Data Limitations:*

Economic conditions in the United States and Mexico which affect currency valuations have a direct effect on the quantity of alcoholic beverages and cigarettes imported and may affect this average cost.

*Calculation Type:*

Noncumulative.

*New Measure:*

No.

*Desired Performance:*

Less than target.

**APPENDIX E**

***Workforce Plan***

## TEXAS ALCOHOLIC BEVERAGE COMMISSION

### ***WORKFORCE PLAN*** **FISCAL YEARS 2003 –2007**

#### SECTION I

##### **Overview**

The Texas Alcoholic Beverage Commission (formerly the Texas Liquor Control Board) was created in 1935.

Under the Alcoholic Beverage Code *“the Commission may exercise all powers, duties, and functions conferred by this code, and all powers incidental, necessary, or convenient to the administration of this code. It shall inspect, supervise and regulate every phase of the business of manufacturing, importing, exporting, transporting, storing, selling, advertising, labeling and distributing alcoholic beverages, and the possession of alcoholic beverages for the purpose of sale or otherwise.”*

*“This code is an exercise of the police power of the state for the protection of the welfare, health, peace, temperance and safety of the people of the state. It shall be liberally construed to accomplish this purpose.”*

The Texas Alcoholic Beverage Code is a comprehensive set of laws refined over the years by the various legislatures that have addressed the issues of the day. The code strongly asserts itself to the issues that gave rise to prohibition and protects against involvement of the criminal element in beverage alcohol trafficking. The legislature has very strictly prohibited persons who have been convicted of certain crimes from obtaining licenses or permits. Also prohibited is a “tied house” violation where ownership overlaps the three marketing levels (manufacturing, wholesaling and retailing) in the beverage alcohol industry.

Through a system of reviewing all shipments of alcoholic beverages into Texas, coupled with a review of transfer of merchandise between wholesalers, the separation of levels is scrutinized closely. Background investigations and other research is undertaken during the process which occurs when a person applies for a permit or license to operate in some phase of the industry. In this way, ownership by others involved at different levels can be detected, as well as those factors that would tend to disqualify an applicant on account of previous criminal history or indebtedness to the state for taxes.

##### **Organizational Structure**

The policy-making body of the agency is a three-member governing board appointed by the governor with the advice and consent of the senate. Members of the commission hold office for staggered terms of six-years, with the term of one member expiring every two years. Each member must be a Texas resident and must have resided in the state for at least five years preceding the appointment. Commission members serve without salary.

An administrator, appointed by the three-member governing board, directs the daily operations of the commission. The administrator is responsible for employing the necessary staff to ensure that the policies established by the Commission and the laws enacted by the legislature are implemented in an efficient and cost effective manner. Sharing in that responsibility is an executive support staff that includes an assistant administrator, general counsel and executive assistant, as well as the directors of the agency's functional and administrative support divisions. Also included is a public information specialist and internal affairs section that reports directly to the administrator.

A Legal Section reviews and prosecutes administrative violations of the Texas Alcoholic Beverage Code by permittees and licensees throughout the state of Texas. It also reviews and prosecutes application protests filed by the commission, local authorities, and citizens to the issuance of original and renewal licenses and permits. This section handles general legal work for the commission and responds to general legal inquiries from the public, permittees and licensees.

The commission has three divisions: Enforcement and Marketing Practices, Regulatory, and Resource Management.

The Enforcement Division is the largest and the most visible division of the agency. This division is responsible for the actual law enforcement activities of the alcoholic beverage laws. Individuals employed in this division are commissioned peace officers of the state. Enforcement agents are charged with enforcing the Alcoholic Beverage Code and other laws of the state. Activities include investigations for minors in possession, public intoxication, bootlegging, prostitution, gambling, narcotics, weapons, and organized criminal activities. Enforcement agents also provide regular instruction to schoolchildren, licensees and their employees, and to members of civic groups to promote a better understanding of the law and voluntary compliance.

In addition, a Marketing Practices Section within this division oversees the labeling, bottling, and promotion of alcoholic beverage products.

The Regulatory Division consists of the Licensing and Compliance Departments. The Licensing Department is responsible for issuing more than 93,000 licenses and permits throughout the state and the world. It is through the process of issuing more than 60 different types of licenses and permits that regulatory control is established. An individual must hold the proper license or permit to be able to operate in the alcoholic beverage business.

The Compliance Department is responsible for the performance of compliance and investigative audits and preparation of written reports to ensure adherence with the Alcoholic Beverage Code. The department also processes and verifies excise tax reports and oversees compliance with financial requirements of the Alcoholic Beverage Code.

The Ports of Entry Section, is responsible for assuring compliance with personal importation laws and for collecting taxes and administrative fees on alcoholic beverages imported into Texas from Mexico. They also monitor compliance with laws regarding importation of cigarettes into

Texas and collect the applicable taxes. Agency personnel are stationed at all major bridges along the Texas-Mexico border.

The Resource Management Division is responsible for services provided to the other divisions and the executive level of the agency and includes four departments.

The Human Resources Department handles employment related activities, including but not limited to the following areas: recruitment and selection, benefits and compensation, employee relations, classification, equal employment, and training.

The General Services Department is responsible for housekeeping functions of the agency. This includes the agency's printing, mailroom facilities, the central store, maintenance of all lease and inventory records, and purchasing of all equipment and supplies for the agency.

The Information Resources Department is responsible for maintaining the data processing activities of the agency and assisting other divisions in processing their workload. Additionally, this department is responsible for printing all of the various licenses and permits and other agency reports.

The Fiscal Services Department is responsible for all fiscal operations of the agency; from revenue processing, accounts payable, grant billings and reporting, payroll, time and leave accounting, maintenance of the general ledger to preparation and oversight of the agency's legislative appropriations request (budget), annual report, and performance reports.

An organizational chart of the TABC is included as an attachment.

### **Mission**

The mission of the Texas Alcoholic Beverage Commission is to supervise and regulate all phases of the alcoholic beverage industry to ensure the protection of the welfare, health, peace, temperance and safety of the people of Texas, while facilitating fairness, balanced competition and responsible behavior through voluntary compliance.

### **Philosophy and Values**

The Texas Alcoholic Beverage Commission will exemplify friendly, courteous, ethical and professional behavior in all areas of performance. We will provide the best possible services at the lowest possible cost to the people of Texas. We will apply the law and agency policy fairly and consistently throughout the state. We will communicate openly with the public we serve and with all our fellow employees.

**Vision**

A safe and sober Texas served by the Texas Alcoholic Beverage Commission known for its innovation, efficiency, work ethic and fiscal responsibility.

**Strategic Goals and Objectives**

***Goal 1:***

To promote the health, safety and welfare of the public and to regulate the alcoholic beverage industry by taking positive steps to foster voluntary compliance with the law through a combination of enforcement and education.

<b><i>Objective:</i></b>	Deter and Prevent Violations of the Law
<b><i>Strategy:</i></b>	Deter and detect TABC code violations

***Goal 2:***

To process and issue alcohol beverage license/permit applications while ensuring compliance with the Alcoholic Beverage Code through investigations and other regulatory means.

<b><i>Objective:</i></b>	Process and issue license and permit applications
<b><i>Strategy:</i></b>	Ensure compliance with laws and other regulatory requirements

***Goal 3:***

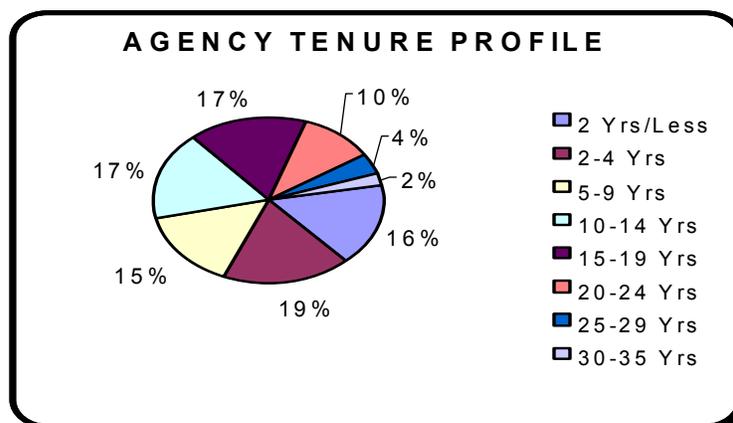
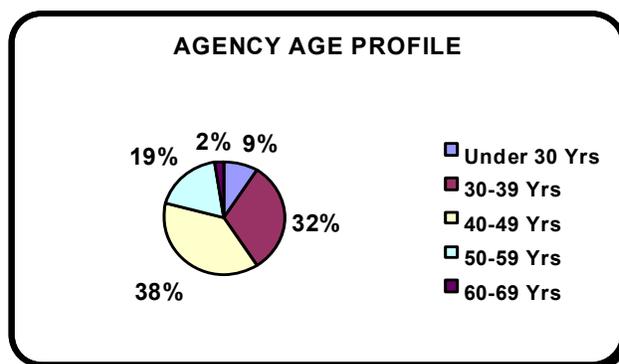
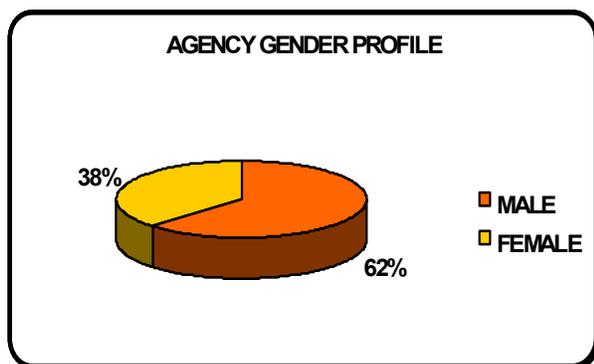
To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving and distributing of alcoholic beverages.

<b><i>Objective:</i></b>	Ensure compliance with Alcoholic Beverage Code
<b><i>Strategy:</i></b>	Conduct inspections and monitor compliance
<b><i>Objective:</i></b>	Ensure maximum compliance with importation laws-ports
<b><i>Strategy:</i></b>	Place ports personnel for maximum revenues

## SECTION II Current Workforce Profile (Supply Analysis)

### Workforce Demographics

The following charts profile the agency's workforce at the end of calendar year 2001. TABC's workforce total is comprised of 62% males and 38% females. Over 38% of the employees are over the age of 40. More than 19% of employees have less than five years agency service. This figure is relatively high and possibly results from the turnover in lower paid positions the agency has experienced.



The following table compares the percentage of African American, Hispanic and Female employees to the statewide civilian workforce. A significant note is the fact that the agency's representation of minorities has remained stable since 1998 and efforts will continue toward meeting various diversity targets as required by state mandates.

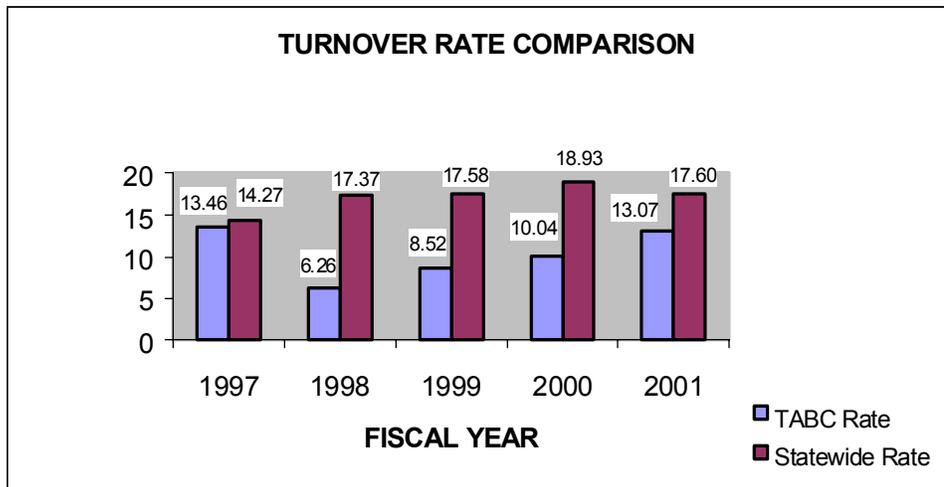
EEO Category	2001 Workforce Profile Comparison									
	Statewide Civilian Workforce					TABC Workforce				
	African American	Hispanic	White/Other	Female	Male	African American	Hispanic	White/Other	Female	Male
Officials/Administrators	3.7%	10.0%	86.3%	30.0%	70.0%	16.7%	8.3%	75.0%	25.0%	75.0%
Professional	8.7%	9.3%	82.0%	46.3%	53.7%	7.2%	18.9%	73.9%	40.5%	59.5%
Technical	13.2%	16.4%	70.4%	39.7%	60.3%	14.3%	0.0%	85.7%	0.0%	100.0%
Protective Services	16.8%	19.4%	63.8%	19.4%	80.6%	8.4%	21.8%	69.8%	12.9%	87.1%
Paraprofessional	22.7%	28.5%	48.8%	55.6%	44.4%	4.3%	64.5%	31.2%	59.4%	40.6%
Administrative Support	19.2%	21.6%	59.2%	81.3%	18.7%	16.1%	38.7%	45.1%	93.5%	6.4%
Skilled Craft	10.0%	24.3%	65.7%	16.7%	83.3%	0.0%	0.0%	100.0%	0.0%	100.0%

However, the agency remains under-represented in one or two areas of all seven EEO categories. Although 12% of all new hires during 2001 were African Americans, 16% of the terminations were African Americans. A large portion of TABC's representation of Hispanics is in the paraprofessional category that includes Ports of Entry personnel. We have, however, also made marked improvements in our representation of Hispanics in three of the other categories.

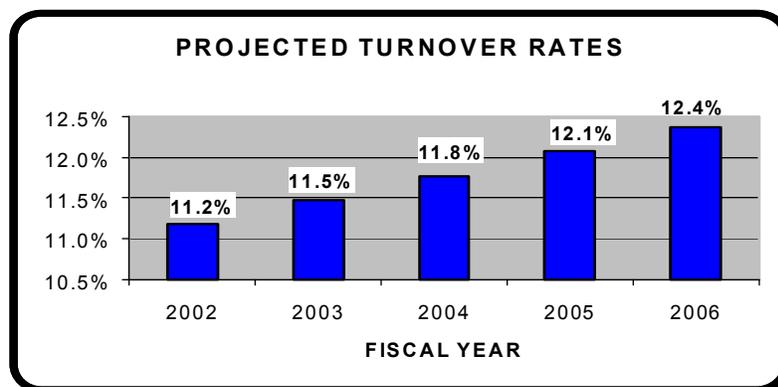
The agency's representation of female employees has increased from 36% in 2000 to 38% in 2001. Sixty-three percent of the new hires during 2001 were females; however, 59% of the terminations were females. New hires for the 2001 calendar year were 73, of which 33 (45%) were minorities.

Two categories, Technical and Skilled Craft, reflect a sizeable decrease in Hispanics and the female representation is extremely low. These are two specialized categories containing a limited number of positions (9 full-time employees) in which turnover rarely occurs; providing no opportunity to increase Hispanic or female numbers. Consequently, the resignation or reclassification of one employee will drastically affect the overall representation.

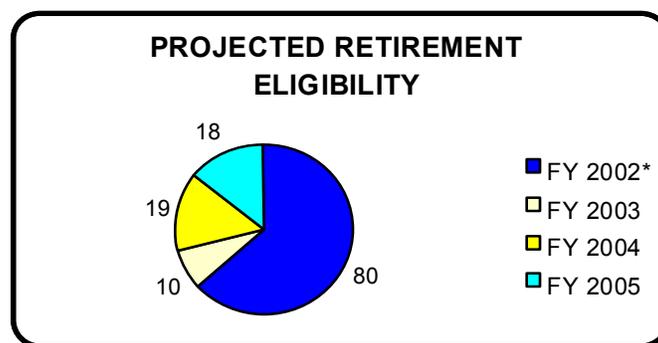
During the last five years, the agency has experienced a fluctuating rate in its turnover as exhibited below. The following graph also compares the average TABC turnover rate to that of the state over the last five years. The agency's turnover rate has been lower than the state as a whole; however, a significant increase is evident when comparing single departments within the agency. Most of the turnover has resulted in the lower categories of support personnel due to the inability to compete with private sector and/or other state agencies in terms of pay.



Trend analysis indicates that turnover rates over the next five years should be as depicted in the following graph. Past trends, however, may not accurately predict a future in which the workforce ages at a more rapid pace.



In the past, retirement has not accounted for the majority of terminations. Over the next five years it will become critical because of the high number of eligible personnel for retirement in key positions with a high degree of expertise. During fiscal year 2002 alone, the agency projects that possible 80 employees are eligible for retirement. The following chart examines the potential loss of employees due to retirement over a five-year period.



### **Critical Workforce Skills**

Although the agency has many qualified employees, there are critical skills necessary in order for the agency to operate. Without such, basic business functions could not be provided. These skills are customer service, database development, and maintenance.

We also recognize that skills such as written and verbal communication, analytical reasoning, and interpersonal skills will always be a necessity.

Determining the existing levels of skills for employees is difficult. It is not possible at this stage to determine the skills individual employees have. The identification of required competencies and a comprehensive skills audit throughout TABC should be undertaken so that future planning for the development and importation of workforce skills and competencies are improved.

### **Challenges Affecting Critical Workforce Skills**

Staffing, both currently and even more important in the future, requires employees with the educational level to match the complexity of the work they are required to perform. This ranges from high school graduates, for the filing positions, to employees with degrees in business related fields.

Future staffing of positions will require better educated, trained, and to a degree more technical staff. Many positions currently require outside and/or state certifications in order to perform job duties and few positions within the department will accommodate the hiring of non-experienced personnel due to down time and limited staff.

Most positions within all departments will require the utilization of a computer. The changing demands for increased information technology services means TABC will have to revise the staffing needs for its information technology business unit.

## **SECTION III Future Workforce Profile (Demand Analysis)**

### **Expected Workforce Changes**

The aging of the available workforce will pose unique challenges to the agency' and especially it's law enforcement arm. Because of the physical exertions often required in police work, workforce age can greatly affect program effectiveness. Increased automation may very well improve certain work processes and decrease manpower requirements to a limited degree, but it cannot offset the need for physical contact between enforcement agents and those they regulate or between enforcement agents and criminal violators. The need for a physically fit and physically able agent workforce will remain even though the population segment from which that workforce can be drawn (21 – 50 year olds) will shrink as a percentage of the general population. Under these circumstances, workforce demand will certainly outpace available supply.

The population of Texas and its workforce will become increasingly Hispanic in composition. Asian and Southwest Asian subpopulations are also expected to grow disproportionately. While increased diversity has a multitude of possible advantages for the agency, a significant advantage is that increased diversity in the available workforce should make it easier for the agency to recruit, hire, and retain a greater number of bilingual enforcement agents, more of whom are desperately needed to serve an increasingly multilingual population.

While the agency's mission and the Enforcement Division's goals and objectives are expected to be relatively fixed, the strategies, technologies, and work processes used to achieve them will change and, as they change, so too will the knowledge, skills, and abilities needed within the workforce.

For example, in the past, the tactics used to achieve Enforcement Division's primary objective-- detecting and deterring violations of the Alcoholic Beverage Code-- were limited to those associated with direct street enforcement—inspections, surveillance, and limited undercover work. Today, with public education and a greater emphasis on working with and through other organizations added to the mix, agents have to be communicators, teachers, planners, organizers, and motivators as well as enforce the law. Also, because of the growing use of technology and the increased complexity of some of the activities in which they take part, agents have to have a broader range of skills and knowledge.

This expansion of the division's tactical methods translates into a great expansion of the range of knowledge, skills, and abilities required of an effective enforcement agent. Neither expansion is expected to stop, which means the enforcement agent of tomorrow will have to be more broadly educated and better trained than those serving today. As a consequence, the agency will not only be competing to attract a shrinking segment of the future workforce, its competition will be increasingly focused towards the upper end of that segment.

Employees within the licensing department will require more formal education because of the complexity of business entities applying for licenses and permits. Most will require degrees in

business, accounting, finance or related areas. Higher skilled employees will be required to be intuitive, self-motivated and analytical, working in a very fluid environment and atmosphere.

Compliance officers' decreasing role in just tax collection, due to consolidation of entities, will expand their role to that of investigations, regulatory oversight, and information resource.

Technology will be increased as to information gathering and enhanced report writing. Employees will be required to have computer literacy skills ranging from very basic to advanced. More efficient programmers, database administrators, and network and systems support specialists may be necessary due to increased technology efforts. A re-engineering of workflow processes, revising and streamlining, must also take place to identify and implement necessary automation for improved efficiency and greater productivity.

Employee training will need to be enhanced to an on-going continuing education program to provide sufficient training in new processes and to supplement prior training of those hired. This training modality should include both internal and external courses in classroom and/or seminar settings and instructional or on-line training. A basic need may also rise for increased usage of cross training among employees and across departments or divisions due to shrinking resources to hire additional manpower.

### **Future Workforce Skill Requirements**

In terms of the skills required of future enforcement agents, some are already apparent. The ability to communicate well both verbally and in writing will become increasingly necessary, as will the ability to plan, analyze, organize, and lead. Increased knowledge and use of computer technology as well as proficient computer user skills will become an integral part of the workplace.

Investigative skills are and will continue to be a necessary component of an effective agent's skill set. A background in investigations can be either required as a condition of employment or acquired after hiring. If the agency decides that it is not better served by requiring such skills and experience as a prerequisite of the job, then it should have a training program in place that ensures that agents acquire these needed skills.

Basic Peace Officer certification and a limited degree of law enforcement experience are no longer enough to satisfy the division's tactical needs. Agents will need a broader range of training, education, experience, and managerial skills.

To effectively and efficiently process all applications ensuring compliance with all provisions of the Texas Alcoholic Beverage Code, and Rules, and other local, state, and federal statutes will require employees with varied attributes. These may include, but are not limited to additional formal education, degrees in business, accounting, finance, or other related fields, the ability to analyze various and complex structures, and supervisory skills or management potential.

Compliance officers, similar to enforcement agents, will require investigative skills, the ability to communicate, and the ability to plan, analyze, and organize. Increased knowledge and use of compute technology will be necessary as well.

Cash handling experience, customer service, problem resolution, report writing, oral and written communications, and safety awareness will remain necessary as basic level skills.

Providing support services will require maintaining a knowledgeable and competent staff. In particular, these skills will involve project management, teamwork, negotiation and facilitation, strategic planning, business process re-engineering, statistical analysis, fiscal management, and performance assessments.

Technical environment workforce skills, with expanded technology, will also require change and security management, network and operating systems expertise, database administration and other training as essential for future positions. More specifically, PC and PC application skills and working knowledge of external systems such as USAS, USPS and ABEST will become required skills for employees in several departments.

### **Staffing Needs**

To perform critical functions as outlined above, the TABC has 224 budgeted commissioned peace officer positions in the Enforcement Division. Due to turnover (10 –12 positions annually), actual commissioned peace officer staffing averages between approximately 219 - 220 filled positions.

The TABC needs every full-time positions from its budgeted commissioned peace officer positions to meet its performance targets. Inability to hire or excess delays in hiring replacements adversely affects performance achievement. Failure or inability to maintain adequate skill and proficiency levels among the agents also adversely affects performance achievement, and of course, the range of skills and proficiencies necessary will expand as new tactical methods are employed.

With respect to staffing and the skill and proficiency levels of its agents, the division's chief concern is that future retirements will lead to an exit of manpower, knowledge, and experience. Compounding this concern is the fact that all law enforcement agencies are competing for a shrinking applicant pool and state agencies with enforcement responsibilities are unable to attract top candidates due to a noncompetitive salary structure. This concern is magnified by the fact that more than one tenth of the agency positions are eligible for retirement in the current fiscal year and that one fourth will be eligible over the next five years. A large number of retirements, in addition to regular turnover, could have an impact on the agency's operations for a period of time.

The Licensing Department is currently authorized forty-one (41) employees but only able to fund thirty-nine (39); an increase from the thirty-six (36) funded in previous years. An increase in full-time positions will be required to meet future departmental demands.

Past reviews to automate parts of the applications process have indicated no reduction of staff would be obtained and one review actually required an increase of three (3) staff. However, automation of agency programs overall may result in the re-evaluation of workloads within all departments and/or divisions as to staffing.

Complexity of applications resulting from statutory qualification requirements and the applicants need for capital, protection of liability, and other business decisions makes application processing too varied and unique to automate.

Enactment of new legislation regarding license/permit cancellations may further affect this department's needs and will definitely increase the need for additional attorneys in the Legal section due to an increased caseload resulting from increased enforcement efforts.

The Compliance Department anticipates a need for increased field personnel to conduct investigations, audits, and analyses.

The Port of Entry section appears to have the most anticipated need due to renovation of existing bridges and new bridges opening. Approximately two positions will be required for two bridges being renovated; one upon completion and one additional during a one year remodeling phase. Six bridges need increased staff, approximately nine positions, simply because of present demands. A total of seven positions will be required for bridges opening within the fiscal year. If these increases are forthcoming, then additional staff will ultimately be required for headquarters to balance the increased field staff.

Supervisory or managerial positions may also become necessary depending on the overall increase of agency positions in relation to current management/staff ratios. Additionally, other factors such as an increase in the workforce size, increased demands on existing program, onset of new programs or tasks such as internet on-line processing, and reallocations of processes may also create the need for additional personnel, especially in service related departments.

### **Critical Functions**

Determining the agency's workforce requirements for the future needs to take into account a range of factors. The following critical functions have been identified:

Enforcement activities such as inspections, complaint investigations, and public education programs to achieve goals and objectives.

Processing applications for all phases of the alcohol beverage industry involving the manufacturing, sale, purchase, transportation, storage, and distribution of alcoholic beverages and determining each applicant's qualifications to hold such license or permit.

Maintain complete and accurate information of all licensees and permittees and to provide this information in a timely manner to agency personnel, members of the alcohol beverage industry, other law enforcement and state agencies, and to the general public.

To insure the state is adequately protected from the potential loss of revenue from taxes and non-compliance by maintaining current tax security and performance bonding.

Process monthly tax and informational reports and credit law notices. Monitor and evaluate seller training schools and classes. In compliance with code and rules, collect taxes on alcoholic beverages and cigarettes.

Conduct investigations, audits and analyses, inspections of licensed entities, and inspections of applicants holding alcoholic beverage permits or licenses. Maintain and account for confiscated properties.

Strategically move towards re-engineering of the agency's legacy and other independent database systems. Increased support of the agency's network and PC computing environments, and increased security awareness and oversight.

Process all financial transactions in an efficient and timely manner and prepare necessary reports for management and as statutorily required. Budget agency appropriations and manage grant programs effectively.

Attract and retain qualified applicants for positions within the department and to develop and train department employees for future positions within other departments.

Maintain voice and radio communications systems and portfolio of office, radio, and warehouse leases. Procure goods and services effectively and efficiently, and manage vehicle fleet and capital equipment.

Explore and implement cost effective changes utilizing the advancements in technology.

## **SECTION IV GAP ANALYSIS**

### **Anticipated Surplus/Shortage of Employees**

A shortage of qualified police recruits is dependent upon three factors: (1) growth of staffing relative to the growth of general population, (2) growth of staffing relative to the growth of the potential pool of applicants, and (3) the competitiveness of the state salary structure.

Based on past history, any growth in staffing is likely to be relatively small and certainly not proportionate to the growth of the general population. As for the pool of potential applicants, it will shrink relative to the general population, but still grow in absolute terms.

If the state salary structure is even moderately competitive (better than most small or intermediate size police departments and sheriff's offices), the TABC should be able to recruit in numbers sufficient to meet manpower needs. If state salaries are highly competitive (as good as or higher than those of large metropolitan departments), then the agency will not only meet basic manpower needs, but should also be able to minimize personnel development costs by hiring experienced officers who already have the full range of knowledge, skills, and abilities needed for agency service.

The TABC projects that law enforcement salaries will be only moderately competitive. Even so, the agency should be able to hire commissioned peace officer replacements in sufficient numbers but will probably have to make compromises in terms of the knowledge, skill, and proficiency levels of those hired.

Past experiences have demonstrated how difficult it has been to attract, develop and retain qualified applicants for all support positions within several departments. Many of the processes and/or job tasks are moving away from clerical untrained and unskilled positions to positions requiring more formal education and technical training. The repetitive nature of several primary job functions hinders efforts to retain more qualified employees. Fatigue and stress brought on by the large volume of work to be processed within a short period of time also adds to the inability to retain employees within the Licensing Department.

Advancement opportunities are limited within the agency in several job positions, which discourages many of the more qualified and educated employees from making long term plans and commitment. In many instances, the agency has experienced losing full-time positions in favor of salary increases to retain existing staff due to the difficulty in attracting and retaining qualified employees.

The Information Resources Department's effort in hiring personnel with technology experience is hindered by the lack of quality applicants in technical positions. In addition, the department has a difficult time attracting programmers that have experience using the agency's current legacy database system (Model 204).

Trends demonstrate increasing annual turnover rates for technical positions, as younger technical employees (by age and length of service) are not staying with the agency. The rate at which younger, less tenured employees are leaving is affecting the agency's ability to position key staff members for promotion, career development and succession planning.

### **Anticipated Surplus/Shortage of Skills**

The compromises made at the time of hiring will force the TABC to invest more resources in agent training and development. Because the unusually high number of retirements will create immediate and acute shortages in the knowledge and skills needed for operations, a greater proportion of this investment will have to be made at the front-end of careers than ever before.

Expected shortages include a lack of computer and oral communications skills among recruits. Few are expected to be sufficiently familiar with investigative techniques and procedures or with techniques and procedures for undercover operations. Lack of knowledge concerning the Alcoholic Beverage Code has always been common among recruits but will be even more critical due to the presence of fewer tenured employees to provide on-the-job instruction in practical applications.

Within the Compliance Department, field personnel are primarily college educated with accounting/business degrees and over twenty plus years with the agency. This type of loss in knowledge and experience may take several years to regain, due again to the complexity of the Alcoholic Beverage Code and rules. There will be limited existing staff to replace these positions, as the remaining staff is primarily administrative and require neither the skills nor education to fill professional staff vacancies. Additionally, there is a lack of professional/highly knowledgeable employees to follow a management career and limited resources negate developing this group for management positions.

Increasingly there is a shortage of skilled workers with the diversification of job skills now required for the majority of positions within the agency. This makes replacement of most positions with qualified applicants a problem considering current compensation levels as compared to the private sector and other state agencies.

Current employees within the Resource Management Division do not have a wide range of career opportunities inside the agency. Limited advancement is possible, but relative job experience may not qualify staff for other jobs in the agency. Although the skills necessary to carry out most of the tasks associated with the service departments do not require a college education, the soft skills and technical knowledge that are usually acquired through an advanced education are often missing (management, communication, statistical analysis, and decision making). This may not negatively affect the overall success of departments as to meeting performance standards but it could affect how well these departments interact with other departments and employees.

Several key positions throughout the agency, and especially in information technology management, have not been targeted for succession planning although a number of employees have been identified as eligible for retirement in the next five years. A lack of skilled information technology programmers has slowed the development process for new systems

resulting in more outsourcing contracts. As well, Internet based skill sets are not being developed as quickly as needed. The next generation database, programming and operating systems skills are lacking and internal candidates for information technology positions are experiencing difficulty competing for higher positions because of limited technical experience.

The Ports of Entry does not anticipate a shortage of skills within the next five years as this segment of the workforce is diverse enough to develop and train future supervisory/management personnel from within in the ranks. Working knowledge acquired through length of service coupled with on-site training will enable selecting from present employees.

Throughout the agency, managers are currently sufficiently skilled in all necessary areas at this time and are likely to remain secure for the next five years. At the next level there may be some gaps in skills related to decision making, business process analysis, statistical analysis and computer skills; however, this will not present a significant problem unless these individuals aspire to become managers. This gap could be difficult to close because of the educational background of current staff and limited opportunity to learn such skills on the job. Manager positions are relatively competitive as far as salary is concerned so the agency could attract employees outside the agency that would have the skills necessary to take over the management positions of the department.

### **New Skills Needed**

The need for new skills will arise whenever operational methods change or when new strategies or sub-strategies are added. Changes in high-level strategies are not expected, however, the fine-tuning of existing methods and the adoption of new ones is an on-going process. Such changes are, however, generally incremental and are build on existing skills. When the need for new skill results from changes or additions to existing operational methods, training is provided in advance of full implementation. In the past, this training has been primarily in the form of interactive instruction but in the future will also employ teleconferencing.

To accomplish the mission and goals of the agency, future employees must possess the ability to make sound decisions, communication skills both verbal and written, computer skills, business, finance, accounting background or training, analytical skills, customer service, management and supervisory experience, and the ability to work within a stressful atmosphere.

In several areas and for key positions, investigative skills, problem resolution, project management, various certifications, business process analysis, and statistical analysis may also be required.

## **SECTION V STRATEGY DEVELOPMENT**

In an attempt to address identified deficits between the current workforce and future demands, several strategies will be implemented for the current workforce. These are based on a range of factors identified through analyzing the agency and its workforce.

### **Organizational Structure**

Realign personnel and restructure processes utilizing more technology and moving away from labor intensive manual processes to electronic processes and computer based applications.

Increase requirements of level of formal education for key positions to facilitate career development among positions.

### **Retention Programs**

Encourage greater utilization of staggered work hours and work incentive (flexible) schedules by employees. Encourage increased usage of telecommuting and implement job sharing program.

Utilize performance enhancement programs such as use of administrative leave and employee recognition. Increase educational incentives and allow for greater flexibility to meet educational demands.

Implement career ladders and encourage greater state benefits through appropriate channels.

### **Recruitment Plans**

Establish annual hiring process for Agent Trainee positions; increase presence at recruitment and career fairs throughout the state.

Increase participation in high school, college and university vocational training and internship programs.

Implement employee recognition incentives such as bonuses, administrative leave, etc. for successful referral of potential applicants.

### **Career Development Programs**

Encourage participation in Governor's Management Development Program and Bill Blackwood Law Enforcement Training Program.

Encourage participation in state sponsored fundamental courses such as Fiscal Officer, Human Resources, and Information Technology academies.

Coordinate and participate with other state agencies in their training by exchanging areas of experience and expertise.

### **Succession Planning**

Continue agency wide career ladder for key positions and competitive promotional process for ranking law enforcement positions.

Selection of personnel for advancement either by employee's indicating their desire for advancement or based on supervisor's opinion of employee's ability.

Increase employee job functions/task responsibilities through cross training, job shadowing or special projects.

Encourage participation in Governor's Management Development Program and Bill Blackwood Law Enforcement Training Program.

### **Leadership Development**

Develop and implement basic supervisory courses to include a fundamental core of workplace issues relating to management and supervision.

Utilize team and project leaders in special projects, new initiatives or applicable agency processes.

Encourage participation in Governor's Management Development Program and Bill Blackwood Law Enforcement Training Program.

### **Organizational Training and Employee Development**

Encourage participation in Governor's Management Development Program and Bill Blackwood Law Enforcement Training Program.

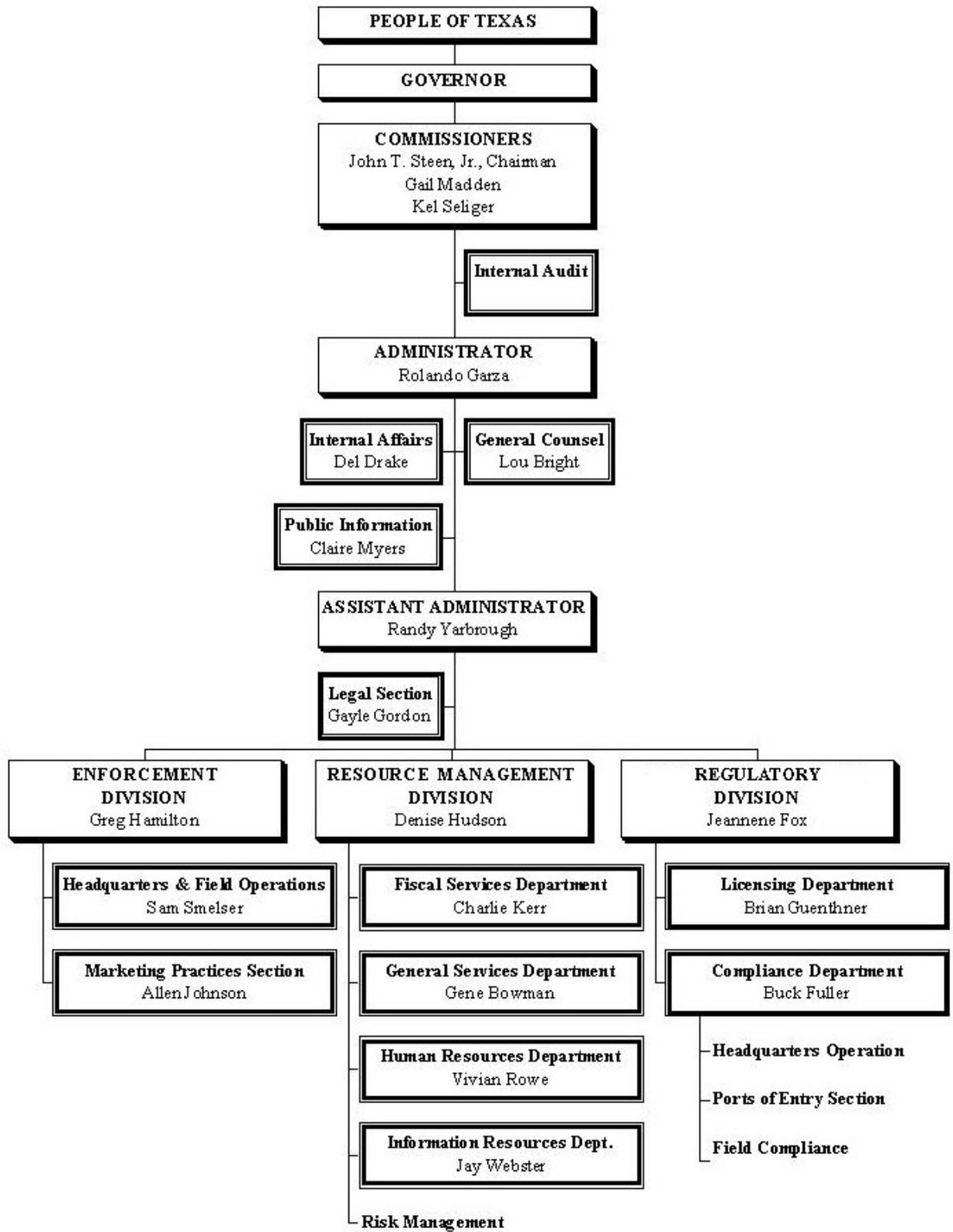
Continue to provide mandatory training for key positions requiring continuing education mandates.

Continue to provide basic training for respective job functions/tasks such as licensing procedures, business entity training, customer service, Alcoholic Beverage Code and agency and rules, and other timely work issues.

Increase accessibility to computer based training, both interactive and on-line instruction.

Develop training profiles for employees to assist in identifying potential career advancement and address performance issues.

Increase and develop new training addressing unique needs of core groups for respective job functions/tasks.



**APPENDIX F**

***Survey of Organizational Excellence***

## *Survey of Organizational Excellence*

Last fall, Texas Alcoholic Beverage Commission employees participated in the Survey of Organizational Excellence developed and analyzed by the University of Texas School of Social Work. The survey allows management to prioritize concerns and strategically plan resources to resolve problem areas.

Almost two-thirds of the constructs showed improvement compared to survey results in 2000. Although all constructs scored higher than levels considered problematic, two were ranked “low” and the remainder scored “average.”

Each TABC employee (509 total) received a *Survey of Organizational Excellence* and 359 or 71 percent employees responded. Response rates greater than 50 percent participation indicate sound organizational conditions.

**Methodology.** Survey questions included 20 “core constructs” to gauge job satisfaction and general attitude toward TABC as an employer. Scores 400 or higher indicate areas of substantial strength, scores greater than 300 suggest employees perceive an issue more positively than negatively. Scores less than 200 require immediate attention.

### AREAS SHOWING RELATIVE STRENGTH

- **Strategic Orientation.** Although top-ranked, strategic orientation dropped 11 points compared to survey results from 2000. Employees believe the agency works well with customers, and that the goals and mission are well defined. The decline suggests employees believe improvements are needed to determine if some programs are still relevant.
- **Quality.** Ranked second and increased 10 points, *quality* focuses on the perception employees have about the resources to deliver quality services. *Quality* principles include overall effort, attention to detail, customer service and continuous improvement.
- **Benefits.** Scoring third in spite of a decline of 15 points from last year, high ranking of benefits indicates the importance employees place on the benefits package. The decline may signify dissatisfaction with the cost or level of benefits.
- **External Communication.** Although in the top-four constructs, communication dropped 34 points. This construct measures the perception of effectiveness of incoming and outgoing information. The decrease suggests immediate attention be given to improving tools and processes for external communication.
- **Burnout.** Although this construct increased 30 points, in this case, higher scores indicate the perception of *less* burnout.

## AREAS SHOWING GREATEST IMPROVEMENT

Compared to survey results from 2000, employees indicated those areas improved their job satisfaction and general attitude:

- **Fairness.** A 58-point increase suggests employees believe equal opportunity exists for all.
- **Availability of Information.** A 48-point jump indicates employees have the capability and know-how to access information resources timely. Creating an agency intranet in 2001 significantly contributed to this increase.
- **Empowerment.** This 40-point increase means employees believe they have control over their jobs and the outcome of their efforts.
- **Supervisor Effectiveness.** Although low ranking, this construct increased 27 points suggesting more employees perceive supervisors as fair leaders and capable of quality communication.
- **Burnout.** This increase of 30 points, indicates less perception of burnout.

## AREAS NEEDING IMPROVEMENT

Areas that dropped 50 or more points compared to survey results of 2000, and overall results with 10 or more declining constructs indicate areas needing immediate attention. The eight constructs that dropped compared to last year are: *fair pay* (-92), *external communications* (-34), *benefits* (-15), *strategic orientation* (-11), *internal communication* (-7), *time and stress management* (-5), *team effectiveness* (-4), and *goal oriented* (-4).

The survey identified these five lowest ranked constructs as needing most improvement: *fair pay*, *internal communication*, *employee development*, *supervisor effectiveness*, and *change oriented*. To address the issues, executive management created a committee representing a cross-section of personnel to evaluate and determine solutions for these low-scoring areas.

- **Fair Pay.** State salaries continue to lag behind private industry and local public safety employers resulting in high employee turnover. State agencies with larger budgets are better able to keep up with inflation through regular merit increases, but smaller agencies with tight budgets, such as TABC, cannot match pay offered by larger agencies or private industry. Since the survey, secretarial and licensing support staff received reclassifications and pay increases, which should alleviate some fair pay issues.
- **Internal Communication.** Efforts have begun to improve internal communication through newsletters, internal web site, e-mail, bulletins and payroll stuffers. Development and implementation of an e-mail system and intranet (internal web site) has and will continue to improve the efficiency and effectiveness of our internal communication system.

- **Employee Development.** Although funds are limited, employees are offered opportunities to attend continuing education training courses. Recently, TABC created a statewide training calendar for the internal web site to publicize available classes. Human resources is working with other departments to create an agency curriculum for all employees.
- **Supervisor Effectiveness.** Supervisors attend training offered through the Governor’s Office of Management Training, and law enforcement supervisors attend specialized training.
- **Change Oriented.** Employees expressed concern about the agency’s capability and readiness to change based on new ideas. Most employees are now able to access the Internet, agency e-mail system and intranet. This access provides them with the capability to exchange new information and ideas. The computer-leasing program enables employees to use the latest computer technologies. In-house technical training provides employees with information to stay current on the latest software. This summer, as a service to customer, the agency will provide on-line forms.

<b>Constructs</b>	<b>2002</b>	<b>2000</b>
Strategic Orientation	378	389
Quality	366	356
Benefits	354	369
External Communication	353	387
Burnout	350	320
Availability of Information	350	302
Empowerment	345	305
Fairness	345	287
Job Satisfaction	342	319
Physical Environment	341	329
Time and Stress Management	337	342
Goal Oriented	336	340
Holographic (Consistency)	333	307
Diversity	329	311
Team Effectiveness	318	322
Change Oriented	315	305
Supervisor Effectiveness	313	286
Employee Development	306	302
Internal Communication	290	297
Fair Pay	229	321

**APPENDIX G**

***Information Resources Strategic Plan***

## *Executive Summary*

### **Scope of the Plan**

The Information Resources Strategic Plan supports the Agency Strategic Plan in its adherence to the statewide vision, mission and philosophy, and also supports the agency's mission and philosophy. Additionally, the Information Resources Strategic Plan is consistent with the philosophy, goals and objectives in the State Strategic Plan for Information Resources Management. The Information Resources Strategic Plan provides the following required elements of information:

**Section 1** provides a statement of the strategic objectives of the agency relating to information resources management for the next five fiscal years, with a description of how those objectives help achieve the agency's programs and goals and how those objectives support and promote the goals and policies of the State Strategic Plan for Information Resources Management;

**Section 2** identifies the major databases and application systems critical to the administration of the agency's mission and briefly describes their use;

**Section 3** provides a description of the agency's information resources management organizations, policies, and practices including prioritization, planning, quality assurance, PC replacement schedule, procurement, disaster recovery, data center operations and standards.

### **Highlights of the Information Resources Goals and Strategies**

The agency has identified, through the strategic planning process, four goals and twelve strategies which will provide the future direction of information resources through 2007. Achieving these goals will have a direct impact on the effectiveness of the agency as a whole. These goals and strategies were developed to fully support the agency's mission statement, goals and objectives, and the statewide information resource strategies. Below is a summary of the information resources goals and strategies.

### **Summary of Information Resources Goals**

<b>1</b>	To enhance the accessibility to information and agency services through improved methods of acquisition, use and management of information technology (IT).
<b>2</b>	To enhance the performance of the agency's mandates, missions and functional program areas through appropriate use of information technology.
<b>3</b>	To adopt and apply information resources standards which are consistent with statewide direction ensuring the privacy, security and historical integrity of the information and information resources.
<b>4</b>	Enhance the quality and efficiency of the agency information technology workforce through improved staff development and retention programs.

### Summary of Information Resources Strategies

1	Increase the amount of public information which is electronically stored within the agency's databases to be accessible over the Internet by internal/external customers. <b>Target date: 2005</b>
2	Allow online license renewals through participation in the TexasOnline project. <b>Target date: 2005</b>
3	Automate the manual process for collecting and processing excise tax reports by developing a system that uses the e-government framework to collect tax/information reports from the alcoholic beverage industry. <b>Target date: 2006</b>
4	Adhere to the agency's PC replacement schedule and ensure that responsible software licensing is maintained.
5	Continue to enhance the agency's Wide Area Network (WAN) through expanded services, equipment replacement cycles, and improved security. <b>Target date: 2004</b>
6	Evaluate and acquire mobile computing platforms (i.e. hand-held PDAs, laptops, ruggedized, wireless) to assist enforcement agents with their paper workload. <b>Target date: 2003</b>
7	Develop and implement a plan to migrate all current mainframe based database systems to a state-of-the-art client/server environment which will provide enhanced support for electronic computing via the Internet, improve the maintainability of the systems, and reduce the overall operational costs while maintaining high performance and reliability levels. The solution should have superior data warehousing capabilities, and be platform independent. <b>Target date: 2007</b>
8	Enhance/rewrite existing systems to improve the updating, inquiry, and reporting capabilities of these systems.
9	Continue using low cost computer scanner technology for capturing images of the agency's paper documents (marketing practices labels, license and permit files, records management system, etc.). <b>Target date: 2003</b>
10	Annually update the agency's business recovery, IR Security and disaster recovery plans to ensure the availability of all mission critical IR systems. <b>Target date: Annually</b>
11	Implement electronic government standards (i.e. TexasOnline, payment portal, electronic signatures, certificate authority) to improve data exchange with the alcoholic beverage industry and which are consistent with DIR's statewide standards. <b>Target date: 2003</b>
12	Continue to maintain competitive recruitment and retention programs in an effort to retain IT personnel. At the same time the agency should determine whether it has adequate resources to maintain mission critical IT responsibilities.

## Section 1: Goals, Objectives, Strategies, and Programs

### Goal 1

To enhance the accessibility to information and agency services through improved methods of acquisition, use, and management of information technology (IT).

Relates to the following agency goals:

- Agency Goal #1 To promote the health, safety and welfare of the public and the well-being of the alcoholic beverage industry by taking positive steps to ensure voluntary compliance with the law and to deter the illegal manufacture, distribution, sale or consumption of alcoholic beverage products.
- Agency Goal #2 To process alcoholic beverage license/permit applications and to issue licenses/permits in compliance with the Alcoholic Beverage Code.
- Agency Goal #3 To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving and distributing of alcoholic beverages.

Supports the following state IR strategic plan goals:

- Goal 1 State government will leverage information resources to deliver services to citizens irrespective of government boundaries.
- Goal 4 Citizens will have access to multiple information technology channels to interact with Texas government entities.

Objective #1 Provide both internal and external customers accessibility to electronic information and services via the Internet while looking for opportunities to participate in the e-government initiative.

IR Strategy #1 Increase the amount of public information which is electronically stored within the agency's databases to be accessible over the Internet by internal/external customers. **Target date: 2005**

- Action item #1 Allow interactive license inquiry via the agency's public web site by FY 2004.
- Action item #2 Allow interactive Marketing Practices label inquiry via the public web site by FY 2003.
- Action item #3 Allow queries or indexed searches to Marketing Practices opinions.
- Action item #4 Allow interactive updates to Seller Training and Credit Law data via Internet by FY 2003.

IR Strategy #2 Allow online license renewals through participation in the TexasOnline project. **Target date: 2005**

- Action item #1 Implement an online renewal system for Agent's Licenses, Agent's Permits and Manufacturers Agent's Permits (classes A, BK, & T) using the state portal and payment system.
- Action item #2 Identify and implement other classes of licenses and permits for participation in TexasOnline.
- Action item #3 Identify and implement other agency revenues that could be collected through participation in TexasOnline.

IR Strategy #3 Automate the manual process for collecting and processing excise tax reports by developing a system that uses the e-government framework to collect tax/information reports from the alcoholic beverage industry.  
**Target date: 2005**

- Action item #1 Develop an e-commerce system to collect excise tax/informational reports from the varying tiers of the industry.
- Action item #2 Develop a system to OCR the information from excise tax reports that continue to be submitted on the paper form.

## **Goal 2**

To enhance the performance of the agency's mandates, missions and functional program areas through appropriate use of information technology.

Relates to the following agency goals:

- Agency Goal #1 To promote the health, safety and welfare of the public and the well-being of the alcoholic beverage industry by taking positive steps to ensure voluntary compliance with the law and to deter the illegal manufacture, distribution, sale or consumption of alcoholic beverage products.
- Agency Goal #2 To process alcoholic beverage license/permit applications and to issue licenses/permits in compliance with the Alcoholic Beverage Code.
- Agency Goal #3 To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving and distributing of alcoholic beverages.
- Agency Goal #4 To carry out developed policies governing purchasing and public works contracting that foster meaningful and substantive inclusion of historically underutilized businesses.

Supports the following state IR strategic plan goals:

- Goal 2 State government will enhance agencies' performance of their mandates and missions through the appropriate use of information resources.
- Goal 4 Citizens will have access to multiple information technology channels to interact with Texas government entities.

IR Objective #1 Improve the speed, accessibility, and reliability of the agency's mission critical information resources over the next five years.

IR Strategy #4 Adhere to the agency's PC replacement schedule and ensure that responsible software licensing is maintained.

Action item #1 Maintain a three-year life cycle for replacing the entire inventory of desktop and laptop personal computers. Allow for a two-year phase-in at the beginning of each new cycle.

Action Item #2 Maintain software licenses and explore site license options for current versions of software packages in use by the agency (i.e. Microsoft Office, 2000, developer languages, Lotus Notes, etc.)

IR Strategy #5 Continue to enhance the agency's Wide Area Network (WAN) through expanded services, equipment replacement cycles, and improved security.  
**Target date: 2004**

Action item #1 Increase the number of Enforcement outposts and Ports of Entry (POE) which have access to the WAN using Internet access options such as DSL.

Action item #2 Replace WAN equipment (routers, switches, servers, printers) on an as needed basis to maintain the overall efficiency of the network.

Action item #3 Explore using voice over IP for reducing telecom costs.

IR Strategy #6 Evaluate and acquire mobile computing platforms (i.e. hand-held PDAs, laptops, ruggedized, wireless) to assist enforcement agents with their paper workload. **Target date: 2003**

Action item #1 Pilot the use of wireless communications technology with the mobile computing platforms to improve the speed of retrieving information.

IR Objective #2 Identify, enhance or rewrite existing IT systems which no longer meet user requirements or have become technically obsolete; develop new systems which meet new statewide initiatives; and replace manual processes with automation where significant cost benefits can be realized.

IR Strategy #7 Develop and implement a plan to migrate all current mainframe based database systems to a state-of-the-art client/server environment which will provide enhanced support for electronic computing via the Internet, improve the maintainability of the systems, and reduce the overall operational costs while maintaining high performance and reliability levels. The solution should have superior data warehousing capabilities, and be platform independent. **Target date: 2007**

- Action item #1 Develop a budget plan for the purchase of hardware, software, and contracting resources to replace our current Model 204 computing environment. Prepare a LAR exceptional item project for submission to the 78<sup>th</sup> legislature.
- Action item #2 Upon the availability of funding, proceed with the evaluation, purchase, and installation of a new database development model to replace Model 204 by 2004.
- Action item #3 Upon the availability of funding, re-engineer and migrate all Model 204 database application systems to the new database language by 2007.

IR Strategy #8 Enhance/rewrite existing systems to improve the updating, inquiry, and reporting capabilities of these systems.

- Action item #1 Maintain the current backlog of change requests to acceptable turnaround levels.
- Action item #2 Rewrite existing systems, that are not dependant on core data stored in mainframe files, to improve functionality.

IR Strategy #9 Continue using low cost computer scanner technology for capturing images of the agency's paper documents (marketing practices labels, license and permit files, records management system, etc.). **Target date: 2003.**

- Action item #1 Implement an image system solution using the low cost scanner to capture the marketing practices AB labels by 2003.

### **Goal 3**

To adopt and apply information resources standards which are consistent with statewide direction ensuring the privacy, security, and historical integrity of the information and information resources.

Relates to the following agency goals:

- Agency Goal #1 To promote the health, safety and welfare of the public and the well-being of the alcoholic beverage industry by taking positive steps to ensure voluntary compliance with the law and to deter the illegal manufacture, distribution, sale or consumption of alcoholic beverage products.
- Agency Goal #2 To process alcoholic beverage license/permit applications and to issue licenses/permits in compliance with the Alcoholic Beverage Code.
- Agency Goal #3 To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving and distributing of alcoholic beverages.

Agency Goal #4 To carry out developed policies governing purchasing and public works contracting that foster meaningful and substantive inclusion of historically underutilized businesses.

Supports the following state IR strategic plan goal:

Goal 3 State government will ensure the privacy, security, integrity, and relevance of its data.

IR Objective #1 Ensure the privacy of agency information, and that the security and authentication of information and services are well maintained. Also ensure the continuous availability and business recovery of the agency's mission-critical information resources capabilities.

IR Strategy #10 Annually update the agency's business recovery, IR Security, and disaster recovery plans to ensure the availability of all mission critical IR systems. **Target date: Annually**

Action item #1 Update and test the agency Business Operations Recovery Plan every year.

Action item #2 Update the Data Center Recovery Plan every year.

Action item #3 Update the Voice and Data Communications Recovery Plan every year.

Action item #4 Update the IR Security Plan every year and increase user awareness

IR Strategy #11 Implement electronic government standards (i.e. TexasOnline, payment portal, electronic signatures, certificate authority) to improve data exchange with the alcoholic beverage industry and which are consistent with DIR's statewide standards. **Target date: 2003**

Action item #1 Implement certificate authority standards which address authentication and secure Internet transactions within the agency's public web server by 2002.

Action item #2 Adopt electronic government standards which address data exchange, payment processing, and electronic digital signatures.

## **Goal 4**

Enhance the quality and efficiency of the agency information technology workforce through improved staff development and retention programs.

Relates to the following agency goals:

Agency Goal #1 To promote the health, safety and welfare of the public and the well-being of the alcoholic beverage industry by taking positive steps to ensure voluntary

compliance with the law and to deter the illegal manufacture, distribution, sale or consumption of alcoholic beverage products.

Agency Goal #2 To process alcoholic beverage license/permit applications and to issue licenses/permits in compliance with the Alcoholic Beverage Code.

Supports the following state IR strategic plan goal:

Goal 2 State government will enhance agencies' performance of their mandates and missions through the appropriate use of information resources.

Goal 3 State government will ensure the privacy, security, integrity, and relevance of its data.

Goal 4 Citizens will have access to multiple information technology channels to interact with Texas government entities.

IR Objective #1 Improve the agency's ability to recruit, retain, and train qualified IT personnel.

IR Strategy #12 Continue to maintain competitive recruitment and retention programs in an effort to retain IT personnel. At the same time the agency should determine whether it has adequate resources to maintain mission critical IT responsibilities.

Action item #1 Evaluate the need for additional FTE's to adequately support all of the IT functions (security, technical writing, e-government, web support, field PC support). If needed, submit a plan to the 78<sup>th</sup> legislature requesting additional staffing.

Action item #2 Develop and implement a plan to maintain a competitive salary structure and pursue other low cost, high reward benefits (i.e. administrative leave bonuses and paid training) in an effort to retain IT staff.

**Section 2: Databases and Applications**

<b>Mainframe Database Systems</b>	
<b>Database Name:</b>	Licensing Information Processing System (LIPS)
Database Description:	The LIPS system was designed to provide on-line data entry, update and inquiry on license/permit information and other related data concerning the alcoholic beverage industry within the State of Texas. This system is considered the "cornerstone" application system of the agency, since it provides information to all divisions of the TABC. It includes extensive on-line inquiry capabilities via multiple or combination keys. A revenue processing application provides on-line data entry, update and inquiry on revenue collected by the agency. A credit law application allows on-line data entry, update, inquiry and reporting of delinquent payments to wholesalers for alcoholic beverages. A batch submission application allows end users of all divisions to submit batch jobs through an on-line system of interactive programs. A special mailing system was designed to allow all user divisions to maintain their own mailing label information and print mailing labels when desired.
Database System:	Model 204 DBMS
Estimated Physical Storage Requirements	40,500 Tracks
GIS Data Classification:	No GIS data
Sharing:	Information is sent to the Texas Lottery Commission for verification of illegal operations, lottery tickets cannot be sold at locations holding certain classes of licenses. Information on classes of permits that allow liquor by the drink is sent to State Comptroller's Office for tax collection and auditing purposes. Information is sent State Comptroller's Office for certification of class FB (Food and Beverage) permits. Information is sent to DPS for criminal history background checks on applicants for licenses.
Future:	Modifications due to routine maintenance or legislative mandates. Expand inquiry functions to allow inquiry via the agency's public web site as stated in IR Strategy #1. Modifications to existing programs to accommodate license renewals via Texas Online as stated in IR Strategy #2. Long-range plans are to migrate from current mainframe based database to a state-of-the-art client/server environment as stated in IR Strategy #7. The revenue collection application of this system will be impacted when actions detailed IR Strategy #3 are implemented for collecting taxes using the e-government framework. Implementation of IR Strategy #11 which adopts standards to improve data exchange will also affect the revenue processing portion of this system.
<b>Database Name:</b>	Automated Audit (AUDIT)

Database Description:	The AUDIT system was designed to automate the audit frequency scheduling and reporting function of the Compliance department at TABC headquarters. Audit information is captured and processed for excise taxpayers. A Past History Inquiry application allows on-line inquiries into data such as past trade names, past locations and active/inactive status of licenses/permits.
Database System:	Model 204 DBMS
Estimated Physical Storage Requirements:	5,300 Tracks
GIS Data Classification:	No GIS data
Sharing:	Information is sent to Office of Attorney General, at least twice a year, on persons holding a license or permit. The Child Support Division of the Attorney General's Office uses this information.
Future:	Modifications due to routine maintenance or legislative mandates. Could be impacted by expansion of inquiry functions to allow inquiry via the agency's public web site as stated in IR Strategy #1. Automate manual process for collecting excise tax reports with a new system that uses the e-government framework to collect taxes as stated in IR Strategy #3. Long-range plans are to migrate from current mainframe based database to a state-of-the-art client/server environment as stated in IR Strategy #7
<b>Database Name:</b>	Enforcement Activity Reporting System (EARS)
Database Description:	The Enforcement Activity Reporting System was designed to provide a means for the Enforcement division to collect, store and report field compliance information efficiently. This information includes agent activity and information relating to citations and warnings issued. An inspection and complaint tracking application allows agents to capture information, report and follow up on routine and non routine inspections and all types of complaints
Database System:	Model 204 DBMS
Estimated Physical Storage Requirements:	29,300 Tracks
GIS Data Classification:	No GIS data
Sharing:	None.
Future:	Modifications due to routine maintenance or legislative mandates. Expand inquiry functions to allow inquiry via the agency's public web site as stated in IR Strategy #1. If funding for purchase of laptops or hand held computers is granted then this system will be impacted by IR Strategy #6. Long-range plans are to migrate from current mainframe based database to a state-of-the-art client/server environment as stated in IR Strategy #7. Would be impacted by IR Strategy #9 upon implementation of a scanner solution to capture related enforcement case information.

<b>Database Name:</b>	Hearings Information and Processing System (HIPS)
Database Description:	The Hearings Information and Processing System was designed to aid in the administration of the hearings held in the agency's behalf. It allows inquiries into all of the detailed information pertinent to a case. This information comes from HIPS and other systems. The Legal section records information such as hearings examiner, prosecutor, witnesses, protestants and important dates. The majority of information for this system is contained in DOCKET file, which is part of the Enforcement Activity Reporting System (EARS).
Database System:	Model 204 DBMS
Estimated Physical Storage Requirements:	100 Tracks
GIS Data Classification:	No GIS data
Sharing:	None.
Future:	Modifications due to routine maintenance or legislative mandates. Could be impacted by expansion of inquiry functions to allow inquiry via the agency's public web site as stated in IR Strategy #1. Could possibly be impacted by automation of manual processes for collecting revenues (civil penalties) taxes as stated in IR Strategy #3. Currently this strategy deals mainly with excise taxes, but if capabilities are available then fines collected in field offices may be processed similarly. Long-range plans are to migrate from current mainframe based database to a state-of-the-art client/server environment as stated in IR Strategy #7
<b>Database Name:</b>	Equipment Inventory System (INVENTORY)
Database Description:	The equipment inventory system was designed to account for all property and equipment of the agency. It allows on-line inquiries and reporting of information by several different key fields. The inventory system includes a consumable inventory system, which allows consumable supplies of the agency to be ordered by internal departments, tracked and accounted for. This system was expanded to include a historically underutilized business inquiry that contains information on certified HUB vendors.
Database System:	Model 204 DBMS
Estimated Physical Storage Requirements:	1,800 Tracks
GIS Data Classification:	No GIS data
Sharing:	None.
Future:	Modifications due to routine maintenance and enhancements. Long-range plans are to migrate from current mainframe based database to a state-of-the-art client/server environment as stated in IR Strategy #7 would impact this system, possibly making it obsolete as TABC could maintain equipment inventories on State Property Accounting (SPA) system.

<b>Database Name:</b>	Motor Vehicle System (VEHICLE)
Database Description:	The VEHICLE system was designed to track vehicles used by the agency. The system allows for on-line entry of fuel usage, repair cost and mileage information. Reports are generated allowing users to determine maintenance scheduling, projected vehicle life, average mileage and other management statistics. Programs and files are both updated and used by General Services Department and Enforcement Division personnel.
Database System:	Model 204 DBMS
Estimated Physical Storage Requirements:	1,000 Tracks
GIS Data Classification:	No GIS data
Sharing:	Information on purchases and repairs for vehicles are extracted from mainframe files, transferred to floppy disk and sent to the General Services Commission.
Future:	Modifications due to routine maintenance, legislative mandates and data exchange to the Fleet Anywhere system used by TPBC. Long-range plans to migrate from current mainframe based database to a state-of-the-art client/server environment as stated in IR Strategy #7 will most likely cause this system to become obsolete as TABC moves entirely to Fleet Anywhere.
<b>Database Name:</b>	Server Training System (SERVER)
Database Description:	The Server Training System was designed to capture, track, certify and provide information on all persons who have been trained in the responsible serving of alcoholic beverages to the general public. It also provides a method of certifying schools and instructors that are involved in the server training process.
Database System:	Model 204 DBMS
Estimated Physical Storage Requirements:	7,400 Tracks
GIS Data Classification:	No GIS data
Sharing:	None.
Future:	Modifications due to routine maintenance or legislative mandates. Could be impacted by expansion of inquiry functions to allow inquiry via the agency's public web site as stated in IR Strategy #1. Could possibly be impacted by automation of manual processes for collecting revenues as stated in IR Strategy #3. Currently this strategy deals mainly with excise taxes, but if capabilities are available and Seller Training becomes mandatory then sheer volume of transactions would warrant consideration of alternate processing methods. Long-range plans are to migrate from current mainframe based database to a state-of-the-art client/server environment as stated in IR Strategy #7

<b>Database Name:</b>	Mailbox and Utilities System
Database Description:	The Mailbox and various utility systems were designed to meet a variety of needs. The Mailbox system was designed to provide a method for users to send correspondence on-line. Some of the utilities that currently exist are the procedure transfer utility, which is used to move procedures from test to production environments, and utilities used by operations to automate some manual or routine processes such as labeling tapes and printing address labels.
Database System:	Model 204 DBMS
Estimated Physical Storage Requirements:	500 Tracks
GIS Data Classification:	No GIS data
Sharing:	None.
Future:	Programs related to this function should be reviewed to determine if they should be made obsolete. Problem tracking is now done with a newer system using Lotus Notes. Current mainframe Mailbox messaging system could become obsolete once every employee is on WAN/LAN.
<b>Client/Server Databases</b>	
<b>Database Name:</b>	Uniform Statewide Accounting System (USAS)
Database Description:	The Fiscal Services Department uses the USAS system maintained by the State Comptroller for a majority of the agency's accounting needs. For enhanced internal reporting and to provide a more flexible query, a daily extract file is loaded into a SQL table.
Database System:	Microsoft SQL Server
Estimated Physical Storage Requirements:	2,000MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Modifications due to routine maintenance.
<b>Database Name:</b>	MktPract
Database Description:	This system is designed to provide the Marketing Practices department a means of tracking, reporting and approving (or rejecting) applications for alcoholic beverage labels for products sold in the State of Texas. This system also provides for tracking and reporting of application fees received for label approval.
Database System:	Microsoft SQL Server
Estimated Physical Storage	125MB

Requirements:	
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Modifications due to routine maintenance. Impacted by expansion of inquiry functions to allow interactive Marketing Practices label inquiry via the agency's public web site as stated in IR Strategy #1. Would be impacted by IR Strategy #9 upon implementation of a scanner solution to capture images of alcoholic beverage labels.
<b>Database Name:</b>	POEST
Database Description:	This system is designed to provide the Compliance Departments Ports of Entry personnel with an automated means of ordering, tracking, and reporting tax stamps required for alcoholic beverages brought into the State of Texas from Mexico. This system provides an automated inventory of various stamp types for tracking and reporting.
Database System:	Microsoft SQL Server
Estimated Physical Storage Requirements:	60MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Modifications due to routine maintenance or legislative mandates. Enhancements to allow for more functionality for POE personnel. Could be impacted by IR Strategy #6 which deals with upgrades to dial up access and expanded internet access options.
<b>Database Name:</b>	HRMS
Database Description:	This application contains all employee's personal information and salary history. Information is either automatically replicated from USPS system maintained by State Comptroller or entered and maintained by Human Resources Department.
Database System:	FoxPro
Estimated Physical Storage Requirements:	120MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Human Resources Management System was put in to production April 2000. Future modules of HRMS system will replace several smaller systems used by various departments. Some of the systems to be replaced include the Enforcement Division Personnel System and the Enforcement Firearms Training system.

<b>Database Name:</b>	IRD Activity Management System (IAMS)
Database Description:	This system is designed to provide an automated method of tracking problems, change request and tasks performed by IRD personnel. Problem tracking module provides a method to log problems and the effort, required to resolve them, this can be viewed via the Intranet by any TABC employee. The Change Request (CR) module allows users to submit a request and view all information for any CR in the system. Multiple views into this system provide current work status as well as historical information.
Database System:	LOTUS NOTES
Estimated Physical Storage Requirements:	20MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Modifications to allow for expanded reporting and inquiry capabilities.
<b>Database Name:</b>	TABC Purchase Tracking
Database Description:	This system is designed to provide a completely automated purchasing system for the agency. All authorized users are allowed to request divisional purchases. An automated approval process requires that all necessary levels of approval be obtained before any further processing is allowed. Encumbrances are tracked and reported. Purchase orders are automatically generated. Receiving and distribution of items is captured and reported. Vouchers are generated and approved.
Database System:	LOTUS NOTES
Estimated Physical Storage Requirements:	33MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Routine maintenance and modifications to allow for expanded reporting and inquiry capabilities.
<b>Database Name:</b>	TABC Travel Tracking
Database Description:	This system is designed to provide a completely automated travel request system for the agency. All authorized users are allowed to request travel. An automated approval process requires that all necessary levels of approval be obtained before any further processing is allowed. Encumbrances are tracked and reported. Travel Vouchers are automatically generated.
Database System:	LOTUS NOTES
Estimated Physical Storage Requirements:	10MB

GIS Data Classification:	No GIS data
Sharing:	None
Future:	Routine maintenance and modifications to allow for expanded reporting and inquiry capabilities.
<b>Database Name:</b>	POE Confiscated
Database Description:	This system is designed to provide a completely automated system for tracking items confiscated or seized by Ports of Entry personnel. Information on destruction or disposal of confiscated items is also tracked resulting in an 'on-hand' inventory of goods at all POE locations. Approval roles help to ensure control and accuracy of information.
Database System:	LOTUS NOTES
Estimated Physical Storage Requirements:	10MB
GIS Data Classification:	No GIS data
Sharing:	None
<b>End User Computing Databases</b>	
<b>Database Name:</b>	Enforcement Division Personnel System
Database Description:	This system was designed to provide the Enforcement Division a means of keeping track of its personnel. This system tracks addresses, classifications, titles, salaries, pay histories and disciplinary actions.
Database System:	Open Insight
Estimated Physical Storage Requirements:	1.5 MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	No planned enhancements. This system will become obsolete once all data is verified in the agency's Human Resources Management System (HRMS). HRMS went into production April 2000.
<b>Database Name:</b>	Auditing District Database
Database Description:	This application is used in each district office to maintain all audit information for management reports and data accumulation for state evaluation statistics. It is executed as a run time application.
Database System:	Revelation G
Estimated Physical Storage Requirements:	4 MB

Storage Requirements:	
GIS Data Classification:	No GIS data
Sharing:	None
Future:	This system is being rewritten in OpenInsight.
<b>Database Name:</b>	Audit Information Download System
Database Description:	After downloading data from the IBM mainframe using Connect*, this system converts the ASCII data into the Revelation database format and prepares it for downloading to the 12 district offices.
Database System:	Revelation
Estimated Physical Storage Requirements:	2 MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	This system is being rewritten in OpenInsight.
<b>Database Name:</b>	Health Insurance Tracking System
Database Description:	Maintain health insurance records for all TABC employees. The Insurance/Benefits Coordinator uses this system.
Database System:	OpenInsight
Estimated Physical Storage Requirements:	5 MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Routine maintenance as required.
<b>Database Name:</b>	Worker's Compensation Tracking System
Database Description:	Maintains Workers' Compensation records for all TABC employees. It is utilized by the Insurance/Benefits Coordinator. May contain historical deferred compensation, statewide USPS system is not used for tracking deferred compensation data.
Database System:	OpenInsight
Estimated Physical Storage Requirements:	5 MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Routine maintenance as required.

<b>Database Name:</b>	Incentive Program Tracking System
Database Description:	This system is no longer used; the statewide SEIP system is now used. This system is being kept for historical data on incentive program records for all TABC employees.
Database System:	OpenInsight
Estimated Physical Storage Requirements:	5 MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	None, Replaced by statewide SEIP system.
<b>Database Name:</b>	Audit Questionnaire Analysis System
Database Description:	The system was developed to maintain statistics on audit questionnaires returned by permittees.
Database System:	OpenInsight
Estimated Physical Storage Requirements:	10 MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Routine maintenance as required.
<b>Database Name:</b>	Seller Training Questionnaire Analysis System
Database Description:	This system was developed to maintain statistics on questionnaires used to evaluate seller trainers and the sessions they teach. Trainees, people that attend classes to be seller certified, complete these questionnaires.
Database System:	OpenInsight
Estimated Physical Storage Requirements:	5 MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Routine maintenance as required.
<b>Database Name:</b>	Food and Beverage History
Database Description:	This system was developed to capture information relating to Food and Beverage Permits (class FB). Information is used for analysis of qualifications, inspection history and outcomes, and to provide an audit history.
Database System:	OpenInsight

Estimated Physical Storage Requirements:	5 MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Routine maintenance as required.
<b>Database Name:</b>	Market and Practices Violation History
Database Description:	This system was developed to capture and maintain information relating to prosecutor recommendations. A violation history is maintained along with recommendations and penalty information. The agency's General Counsel uses this information.
Database System:	OpenInsight
Estimated Physical Storage Requirements:	5 MB
GIS Data Classification:	No GIS data
Sharing:	None
Future:	Routine maintenance as required.
<b>Database Name:</b>	Geographic Location Database
Database Description:	This system is used to determine various geographical statistics. Location information on items such as licenses and permits is extracted from the LIPS system and analyzed for various purposes. This system may be used to determine proximity of locations licensed to sell alcoholic beverages to schools and other sensitive sites.
Database System:	GeoLocator
Estimated Physical Storage Requirements:	5 MB
GIS Data Classification:	
Sharing:	None
Future:	
<b>Database Name:</b>	CRISNet
Database Description:	Packaged software with various components developed for criminal justice and public service agencies. Used to capture and report information relating to TABC cases. This information is not captured in the M204 EARS application.
Database System:	SQLServer
Estimated Physical Storage Requirements:	13GB
GIS Data	No GIS data

Classification:	
Sharing:	None
Future:	Routine maintenance and modifications to allow for expanded reporting and inquiry capabilities. Modifications may be necessary to interface with systems when portions of the current EARS application are rewritten for newer database technologies.

## **Section 3. Information Resources Management Organizations, Policies and Practices**

### IR Priority Setting

Priority setting procedures have been established for the two most common types of IR requests: projects and changes. There are several different methods used to determine priorities for these activities. Large IR projects or change request categorized as long term are prioritized from the list of IR strategic plan action items by a steering committee known as the Management Advisory Committee (MAC). The MAC consists of the senior executive level of the agency along with the Information Resources Manager (IRM) and generally meets semi-annually or on an as needed basis. Medium and short-term change requests are prioritized on a First In, First Out (FIFO) basis within a priority grouping of urgent, high, medium or low. Occasionally circumstances may dictate a request receive a higher priority than what was originally called for. The IRM with the help of the maintenance coordinator oversees the priority setting of change requests.

*Projects Requests* - Projects that have been identified in the IR strategic plan or are newly requested are submitted to the MAC, which determines the order in which they will be completed. The MAC is composed of the Assistant Administrator, executive level division directors and the IRM. The MAC reports to the agency Administrator. Only the agency Administrator can override the decisions of the MAC. Information Resources Department (IRD) is responsible for completing the projects submitted in the order that the MAC has set. IRD cannot override their decision.

*Change Requests* - The order in which change requests are addressed depends on several factors. The first is the user assigned priority. The user decides whether the change is of urgent, high, medium, or low priority. The user also states whether this is an enhancement, an error, or other, which also impacts the order of completion. The maintenance coordinator can override a user's assessment of priority or type. Change requests with the same priority and type are taken on a FIFO basis. Senior executive level staff or their designee must approve an urgent change request. Change request and approval roles are defined in an automated Information Resources Activity Management System. Urgent change requests and high priority errors are always addressed first. The remaining priority classifications in order of descending priority are medium errors, low errors, high enhancements, medium enhancements, and finally, low enhancements. Changes classified as "other" are reviewed on a case-by-case basis to determine their priority. The maintenance coordinator can change the order in which a change request is completed if the need arises and can be clearly demonstrated.

### IR Planning

IRD's information resources planning methodology currently relies in part on a book published by the DIR titled 'How to Plan for Information Management' - Dec. 1992. Information resources strategic plans are developed from this book. This guide describes the three-step method to follow when completing a plan: 1) analyzing the agency and its

requirements for information, including all internal and external factors 2) analyzing how the agency uses information technology and 3) developing the agency's information management plan. Information resources planning is an ongoing activity within the TABC involving the executive level, division/department directors, and the agency's computer users. IR planning coincides with the agency strategic planning and budgeting processes encompassing all the identified needs from every division/department of the agency through interviews and surveys. Proposed IR strategies and activities are presented to the director and executive levels for approval. Once the IR planning process is completed, the final IR strategic plan is published within the agency strategic plan and forwarded to the agency Commissioners for review and approval.

**Development Methodology** - IRD uses its own systems development methodology in all of its development efforts. All new systems are designed using this approach. An integrated CASE tool, System Architect is used to increase development productivity and to generate standard deliverables. Most current systems were designed using DESIGN/1, however, newer systems are documented in System Architect and project management is performed using Microsoft Project. IRD enhances its methodology with each new project.

## Quality Assurance (QA) Practices

The agency has adopted DIR's internal quality assurance practices and expects to tailor these model processes, templates, and checklists to fit specific project needs ([Internal Quality Assurance Guidelines](#)). This will vary based on project criticality, size, cost and other features. Some deliverables detail can be abbreviated for smaller projects while they may need careful detail on larger ones. DIR has developed a focus table to help developers determine the appropriate level of guideline usage ([Quality Assurance Focus Table](#)). The quality assurance focus table suggests high, medium, or low focus on quality assurance activities. Each of the quality assurance guideline processes suggests how to modify the processes for projects that match these characteristics. Historically, most agency IT projects fall into the low focus range requiring fewer QA activities and practices. Below is a sample of the practices currently in use for applications systems related projects.

**New projects (Application Systems Development)** - The IRD quality assurance program is comprised of a series of milestones (based on the Focus Table evaluation of the project) in the systems development life cycle where the project is reviewed. Reviews are conducted by personnel not associated with the project (except for very small projects in which some of the work is performed by the project manager).

**User Acceptance** – Utilizing the focus table guidelines, IRD conducts design review meetings with the user to go over the design documents during all projects to develop an application system. The user's sign off on IRD's design document indicates acceptance of the program/system's design.

**Maintenance of existing completed projects (Application Systems Support)** – A Production Transfer Checklist form was designed to document and to standardize the process of moving modified procedures from development to production. Programmers are responsible for verifying that all requirements are met before procedures are transferred from development into production areas. The programmers reference guide stresses that it is extremely important that each programmer be knowledgeable of each step detailed on the Production Transfer Checklist in order to minimize program problems and ensure accurate documentation.

**User Acceptance** - When a modified program meets required specifications related to a change request, the user approves the transfer of the program to production. IRD uses the Change Request Form that has two questions addressing user approval; they are "Requires User Testing" and "Requires User Approval". If either of these questions is answered YES, then the user requesting the program modification must be the first person approving this step. If both of these questions are answered NO, then the programmer who modified the procedure should test the procedure as thoroughly as possible and then approve this step. A second programmer must also verify this step before the procedure is transferred into production.

## Personal Computer Replacement Schedule

The industry standard for PC life cycles is often used as a "rule of thumb" to justify purchases of desktop and laptop computers. The current industry standard for a desktop computer is 24 to 36 months, while that of a laptop is 18 to 24 months. After these periods, technology has changed so much that the equipment is functionally obsolete, and in the case of laptops, the hardware becomes unreliable due to physical handling.

TABC replaces PC's on a three year replacement cycle to the extent legislative funding allows. Targeted PC's in the groups defined below will be weighed for replacement based on the functional need of the person using the machine. The job requirements and power and capacity of the software tools used in the job, both now and during the useful life of the machine. This applies to groups 1 – 4. Group 5 replacement policy is to keep the network and user files and databases responsive to meet the needs of the agency. Machines in Group 5 are also evaluated on a machine by machine basis and are considered for replacement as resources and technology dictate.

After internal review, the following 6 grouping levels define the PC technological requirements of the agency. They are: Group 1 - Administrative/Non-Power Users; Group 2 - Managerial/Power Users; Group 3 - Portable PC Users; Group 4 - Technical Power Users; Group 5 - LAN/Internet File/FTP/WWW/Software Development Servers and Group 6 - Special Function PCs.

In following the guidelines published by the DIR concerning lease vs. purchase of PC's, the agency uses a three replacement cycle with a two year phased-in leasing approach for replacing the current active inventory of 345 desktop personal computers and 75 laptops.

The leasing option more favorably supports the biennial budget process where technology costs could be standardized as recurring operating costs rather than be requested as capital items.

## Procurement

The IR Department has implemented internal controls and effective procedures to ensure that all hardware and software acquisitions are in accordance with the Biennial Operating Plan, compatible with existing systems and approved by the IR Department. The IR Department has established standards regarding the acquisition of computer hardware and software to ensure compatibility with existing hardware and software. An automated system is in place, which is used for all purchases made by the TABC. This system permits the IR Director to review and approve all purchase requests for computer hardware and software. On a case by case basis, IT procurements are evaluated for lease versus purchase option and follow DIR's published guidelines when conducting the cost/benefits analysis.

## Data Center Operations

In April 2001, the agency signed an agreement with Northrop Grumman Technical Services, Inc (NGTSI), to take over processing of the agency's mainframe operations services at the West Texas Disaster Recovery and Operations Center (WTDROC). In July 2001 the agency completed the transfer of a majority of the mainframe operations services to the WTDROC. The agency retained some of the services including print operations, DBMS support, help desk (level 1), and some operations support. The WTDROC provides network monitoring, computer operations support & help desk, facilities management, systems programming, hardware maintenance, additional hardware, OS390 software leases, disaster recovery, and telecommunications circuits.

## Disaster Recovery

The importance of disaster recovery and contingency planning procedures has been acknowledged. Several things have been done at TABC to ensure that disaster recovery would be as smooth as possible.

**Business Resumption Plan** - IRD has completed a Data Center Recovery Plan and a Voice and Data Communications Recovery Plan. All divisions are responsible for taking into account critical business functions and documenting them in the Business Operations Recovery Plan. These three plans make up the agency's Business Resumption Plan. The agency is using a planning methodology entitled Business Resumption Planning from Warren, Groham and Lamont, Inc. It describes emergency measures that are to be implemented in the event of a disaster. It addresses procedures for safeguarding materials,

designation of an alternate processing site and equipment requirements for off-site processing. It addresses contingencies such as lost data, downtime thresholds and related activities, and user and vendor responsibilities. In the event of a major business interruption, TABC has an agreement to use the state owned Austin Disaster Recovery Center (ADROC) as a cold site. Plans for using hot site facilities are in negotiations with the WTDROC contractor.

**Backups** - Backups are central to any contingency plan. They are also important in day-to-day operations to reduce the risk of hardware failures and human error. The WTDROC performs daily backups of the agency's mainframe systems. These mainframe daily backups are cycled offsite to a secure location on a daily basis. All the file servers for the agency's LAN are backed up on a daily basis and stored onsite in a fireproof safe. LAN backup tapes are cycled offsite, to the State Library, on a scheduled basis. Backups for WAN divisional or remote servers are scheduled at headquarters and each division is responsible for cycling and storage of these backup tapes. Each employee is responsible for backing up their own PC.

## Standards

The Department of Information Resources issues Standards Review and Recommendations Publications (SRRPUB) as guidelines for Texas state agencies and institutions of higher education. TABC recognizes standards set forth by DIR and develops policies and procedures when applicable.

- **RRPUB01** Statewide Network Standards - **Superseded by Administrative Rule [1TAC-201-13\(d\)](#)**

All of TABC's networks comply with TCP/IP standards. We currently do not have any offices that reside in any state buildings; therefore, no existing networks (that are state owned) exist that would create duplication.

- **SRRPUB02** [Building and Campus Wiring Recommendations](#) April 1993 and [Rule](#) - as published February 13, 1998 Proposed changes and update of the rule, as [§208](#)

TABC adheres to all wiring standards when installing or upgrading telecommunications within any TABC leased building. Category 5 wiring, with four pairs of 24 AWG, is used in any new or upgraded cabling.

- **SRRPUB03** [IP Address Assignment](#), April 1995

IRD has acquired a class C IP network from DIR for its public domain. We have also installed a firewall that enables us to use Network Address Translation; therefore, each TABC facility has its own NAT class C network.

- **SRRPUB04** [Personal Use of E-Mail & Internet Services](#) November 1997

TABC has developed and adopted e-mail and internet use policies and procedures. These documents are reviewed on an annual basis to make sure that they are up to date with the latest guidelines and standards. All employees are required to sign an acknowledgment of understanding, which is filed and maintained by our Human Resource Department.

- **SRRPUB05** [Video Conferencing Standards](#) Revised October 1997 [Rule](#) published February 13, 1998 ~ Proposed changes and update of the rule, as [§209](#)

The agency has just recently purchased video conferencing equipment and has elected to use the new technology of H323. Currently we do not use the equipment to hold open or closed meetings, however, we have purchased high resolution, 32" colored monitors and high end Polycom equipment that will ensure that we stay within the standard.

- **SRRPUB06** [Sale or Transfer of Computers and Software](#), January 1995

Old agency personal computers that are no longer utilized are sent to IRD for proper disposal. Formatting the hard disks or using the fdisk-debug commands deletes all agency software that was previously installed. These procedures thoroughly erase the drives of any operating system or applications. Machines that are not bootable have the hard disk drives physically removed and properly destroyed. Dependent upon the age of the old computers software, that license is freed up for installation on a current agency PC. If the software is outdated and not compatible with our newer operating systems it is properly destroyed.

General Services Department (GSD) controls the agency's inventory of all property. GSD provides IRD with a software/hardware deletion form. Once IRD staff has properly disposed of the personal computer software, they document the PC property asset tag and sign the hardware/software deletion form. The computer is then tagged with a yellow dot that verifies successful deletion of software and hardware. The individual performing this task signs and dates the yellow dot and affixes it somewhere on the CPU. The computers and deletion form are returned to GSD. The software/hardware deletion forms are filed within GSD. The old computers are then shipped to the TABC warehouse for storage and/or disposal.

- **SRRPUB07** [Internet Domain Names for Government Entities in Texas](#), March 2000

TABC has completed all transitions to the "state.tx.us". All publications and web sites currently use this domain.

- **SRRPUB10** [Personal Naming Convention](#) for E-Mail November 1997

TABC has created a naming convention similar to what DIR has suggested. Electronic messaging users are addressable by Given Name initial and Family Name (A period joins the multipart name). Our domain name (tabc.state.tx.us) is then used to complete the electronic entry. The domain name was established based on the standard SRRPUB07.

- **SRRPUB11** [World Wide Web Design and Coding Guidelines](#), March 2000, rule available at <http://www.dir.state.tx.us/standards/S201-12.htm> ~ Proposed changes and update of the rule, as [§206](#)

TABC develops and maintain two different web sites. All guidelines and standards are followed to ensure that all employees and public entities have access to information and services provided by the TABC. Privacy, Linking, Open Record, Accessibility, and Disclaimer policies have been developed and made available to the Public and TABC employees. TABC also has employees who are members of the PESO Working Group to ensure that our web sites are maintain to the proper level.

- **SRRPUB12** [E-Mail and Document Interchange Guidelines](#), January 1998

IRD has setup and installed a standard TCP/IP based e-mail system. We currently use Internet Message Access Protocol (IMAP) for the delivery of all our mail. This enables a user to be able to check and review their e-mail from any location within the state. Viewing e-mail is made available through either a web browser or the Microsoft Outlook client. Both products have standard features that can provide attachments or scheduling (calendar). We have published electronic documents on both of our web sites for the ease of accessing or contacting the TABC.

- **SRRPUB13** [Digital Signatures and Certificate Authority Guidelines](#), March 1998. [Digital Signature Rule](#)

TABC currently is in the process of installing Secure Socket Layer (SSL) technology on its web server. This certificate will secure and authenticate our server so that the agency will be able to process Internet transactions using 128 bit or 40 bit encryption. With the passing of §552.136 (Government Code), state agencies have a statutory obligation to maintain confidentiality of public email addresses. DIR has also addressed this issue within their rules (§206.3).

- **SRRPUB14** [Addressing the Problems of Unsolicited Bulk E-Mail \(UBE\)"/>"SPAM"](#), May 2000

TABC currently operates four public lists to efficiently distribute information in a timely and cost effective manner. These list are all currently distribution only, meaning the authorized employees of the TABC are the only individuals that can post messages to the various lists. The public is encouraged to join; however, one can subscribe or unsubscribe at any time.

The TABC e-mail system has been setup to only relay messages that are directed to or from the TABC organization. E-mail filtering solutions have not been globally installed except with the filtering of certain e-mail attachments. Electronic messaging users of the TABC are required to review the e-mail and internet use policies and procedures before actually use this system.

**APPENDIX H**

***Compact With Texans***



***Dedicated professionals serving citizens in an honest, efficient and friendly way.*** If I had to describe the driving philosophy behind our *Compact with Texans*, it would be in this manner. Commitment. Quality. Honesty. Efficiency. Friendliness. When it comes down to it, these are pretty much universal guiding principles that we all have come to expect of any service provider. We believe you deserve no less from us.

At the Texas Alcoholic Beverage Commission, we realize the awesome responsibility that the State of Texas has placed upon our agency and we view this *Compact* as a binding agreement between you, our customer, and every member of our agency.

In addition to telling you who we are and what we do, this agreement will also lay out some standards that we will strive hard to measure up to as we carry out our day-to-day responsibilities. So, whether your contact with us is in person, via regular mail, over the telephone, at our web site or through whatever other medium available, we want you to know that our work ethic will be marked with a spirit and zeal to help you out in whatever way possible.

Thank you for the opportunity to serve you.

Sincerely,

A handwritten signature in black ink that reads 'Rolando Garza'.

Rolando Garza  
Administrator

[r.garza@tabc.state.tx.us](mailto:r.garza@tabc.state.tx.us)



## Our Mission and Guiding Philosophy

Established in 1935, our mission is to supervise and regulate all phases of the alcoholic beverage industry to ensure the protection of the welfare, health, peace, temperance and safety of the people of Texas, while facilitating fairness, balanced competition and responsible behavior.

We will exemplify professionalism in all areas of performance. We will provide the best possible services at the lowest possible cost to the people of Texas. We will apply the law and agency policy fairly and consistently throughout the state. We will communicate openly with the public we serve and with all our fellow employees.

## Our Services

- We conduct investigations for minors in possession, public intoxication, bootlegging, prostitution, gambling narcotics, weapons, and organized criminal activities.
- We provide regular instruction to school children, licensees and permittees (and their employees), and to members of civic groups to promote a better understanding of the law and voluntary compliance.
- We oversee the labeling, bottling, and promotion of alcoholic beverage products.
- We issue more than 60 different types of alcoholic beverage licenses and permits throughout the state and the world to establish regulatory control.
- We conduct regulatory and tax compliance audits to ensure adherence with the Alcoholic Beverage Code and ensure the proper amount of tax/fee is reported and paid.
- We assure compliance with personal importation laws and collect taxes and administrative fees on alcoholic beverages and cigarettes imported into Texas from Mexico.
- We review and prosecute administrative violations of the Texas Alcoholic Beverage Code by licensees and permittees.

## Our Customer Service Standards

We recognize that quality service is essential in meeting our mission, goals, and responsibilities. We pledge to:

- Treat you with professional courtesy and respect at all times.
- Provide you with accurate, timely, and complete information.
- Respond to all inquiries within three to five working days of receipt.
- Process new applications within 45-60 working days and renewal applications within 30-45 working days.
- Acknowledge receipt of complaints within three working days.
- Resolve most complaints within 60 working days and notify you if any situations arise that may require additional time for complaint resolution.
- Provide helpful and up-to-date information on our web site.
- Ensure our facilities are easily accessible and clean.
- Provide you with our *Compact with Texans'* Customer Satisfaction Survey results and continually strive to improve our services.

## Our Customer Relations Representative

Our Customer Relations Representative is responsible for responding to any of your concerns regarding our agency. Please feel free to contact her:

Claire Myers  
Texas Alcoholic Beverage Commission  
P.O. Box 13127  
Austin, Texas 78711  
[c.myers@tabc.state.tx.us](mailto:c.myers@tabc.state.tx.us)  
(512) 206-3347

## **Our Complaint Handling Process**

### **Report Violations of the Alcoholic Beverage Code**

You may file a complaint against violations of the Alcoholic Beverage Code, including establishments and persons who sell or give alcoholic beverages to minors. For all complaints, you will need to provide the name and location of the establishment, if applicable, and a description of the violations observed.

Upon receipt, we will acknowledge your complaint within three working days. Every effort will be made to resolve your complaint within 60 working days. You will be notified of any situations that would require additional time for complaint resolution. If you have any questions or would like to file a complaint concerning a violation of the Alcoholic Beverage Code, please contact us by:

- E-mail: [complaints@tabc.state.tx.us](mailto:complaints@tabc.state.tx.us)
- Telephone: Telephone Numbers for TABC Offices on pages 5-7
- Toll-free telephone: 1-888-843-8222 (1-888-THE-TABC)
- TABC Offices: Locations (Addresses) for TABC Offices on pages 5-7
- Mail: Texas Alcoholic Beverage Commission  
P.O. Box 13127  
Austin, Texas 78711
- Fax: Fax Numbers for TABC Offices on pages 5-7

### **Report Misconduct Against TABC Personnel**

In order to file a complaint against the Texas Alcoholic Beverage Commission or an employee of the Texas Alcoholic Beverage Commission, please contact our Internal Affairs Department by:

- E-mail: [ia@tabc.state.tx.us](mailto:ia@tabc.state.tx.us)
- Telephone: (512) 206-3405
- Mail: Internal Affairs  
Texas Alcoholic Beverage Commission  
P.O. Box 13127  
Austin, Texas 78711
- Fax: (512) 206-3449

## **Our License And Permit Process**

In an effort to respond to your needs, the *"Instructions for Applicants of an Alcoholic Beverage License or Permit"* was created to guide you through the application process and can be downloaded free-of-charge from our web site [www.tabc.state.tx.us/help/default.htm](http://www.tabc.state.tx.us/help/default.htm) or obtained from your local TABC office. This helpful booklet contains such useful information as:

- Different types of licenses and permits;
- Fee and surcharge amounts for all licenses and permits;
- Directory of all local offices;
- Step-by-step procedures of the application process;
- Checklist of required forms; and
- Detailed instructions for every form.

In order to apply for an alcoholic beverage license or permit, you must contact your local TABC office and request a materials packet. The packet contains:

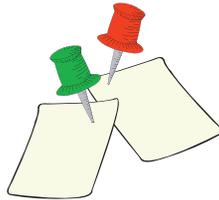
- Information on the license or permit type for which you are applying;
- Blank Application Forms and Personal History Sheets;
- Conduct Surety, Tax Bond Forms or other bond/security forms, if applicable; and
- Other forms as required by local governing bodies.

The number of applications you will need to prepare will vary depending on your location and what is required from your local government offices. Our local TABC office will inform you of the exact number you are required to complete when you pick up your packet. Please allow 45-60 working days for processing a new application.\* A renewal application may take 30-45 working days to process.\*\* However, the application process may be completed faster depending on the workload. If you have any questions or comments regarding our license and permit application process, please contact us by:

- E-mail: [questions@tabc.state.tx.us](mailto:questions@tabc.state.tx.us)
- Telephone: Telephone Numbers for Local TABC Offices on pages 5-7
- TABC Offices: Locations (Addresses) for TABC Offices on pages 5-7
- Mail: License and Permit Department  
Texas Alcoholic Beverage Commission  
P.O. Box 13127  
Austin, Texas 78711

\* This timeframe varies depending on the length of time required to process your application through the city and/or county in which you are located. For certain on-premise locations, the posting of a sign is required for 60 days prior to your application being received in Austin. In certain cases, an inspection of the proposed licensed location may be necessary for processing your application. Issuance of your license or permit will be delayed if this inspection has not been conducted.

\*\* If a completed renewal application and all required fees have been filed with the agency prior to the expiration date of the permit or license, the permit holder may operate, under the expired permit or license, until the renewal application is denied or issued.



## Questions, Comments, Suggestions and Requests for Information

We value your comments and will use them to measure our performance and improve our service. Communication of information and ideas provides an understanding and shared commitment toward achieving common goals.

Every effort will be made to respond to your inquiries (including US mail, e-mail and/or personal requests) within three to five working days of receipt. Questions, comments, suggestions, and requests for information can easily be made by:

### E-Mail Addresses

- General inquiries, comments and questions about the TABC [questions@tabc.state.tx.us](mailto:questions@tabc.state.tx.us)
- Reporting violations of the Texas Alcoholic Beverage Code and Rules [complaints@tabc.state.tx.us](mailto:complaints@tabc.state.tx.us)
- Inquiries about Seller Training Certification [seller.training@tabc.state.tx.us](mailto:seller.training@tabc.state.tx.us)
- Inquiries and questions about Excise Tax [excise.tax@tabc.state.tx.us](mailto:excise.tax@tabc.state.tx.us)
- Inquiries and questions about Ports of Entry [poe@tabc.state.tx.us](mailto:poe@tabc.state.tx.us)
- Computer related problems or comments about the TABC web site [webmaster@tabc.state.tx.us](mailto:webmaster@tabc.state.tx.us)
- To e-mail an individual at the TABC [first initial.last name@tabc.state.tx.us](mailto:first initial.last name@tabc.state.tx.us)  
(e.g., to e-mail John Smith address your e-mail to) [j.smith@tabc.state.tx.us](mailto:j.smith@tabc.state.tx.us)

Visit our web site at [www.tabc.state.tx.us](http://www.tabc.state.tx.us)

## Headquarters

TABC P.O. Box 13127 Austin, TX 78711 (mailing address)			TABC 5806 Mesa Drive Austin, TX 78731 (physical address)		
	<u>VOICE</u>	<u>FAX</u>		<u>VOICE</u>	<u>FAX</u>
<b>Main Switchboard</b>	(512) 206-3333		<b>General Services</b>	(512) 206-3254	(512) 206-3274
<b>Complaint Line</b>	1 (888) 843-8222 1 (888) THE-TABC		<b>Information Resources</b>	(512) 206-3457	(512) 206-3281
<b>TDD</b>	(512) 206-3270		<b>Human Resources</b>	(512) 206-3220	
<b>Executive</b>	(512) 206-3221	(512) 206-3350	<b>Licensing</b>	(512) 206-3360	(512) 206-3399
<b>Internal Affairs</b>	(512) 206-3405	(512) 206-3449	<b>Compliance</b>	(512) 206-3300	(512) 206-3349
<b>Legal</b>	(512) 206-3490	(512) 206-3498	<b>Credit Law</b>	(512) 206-3301	(512) 206-3329
<b>Enforcement</b>	(512) 206-3400	(512) 206-3449	<b>Excise Tax</b>	(512) 206-3342	(512) 206-3321
<b>Marketing Practices</b>	(512) 206-3410		<b>Ports of Entry</b>	(512) 206-3351	(512) 206-3348
<b>Fiscal Services</b>	(512) 206-3225	(512) 206-3248	<b>Server Training</b>	(512) 206-3420	(512) 206-3316

## Directory of Offices

<u>CITY</u>	<u>ADDRESS</u>	<u>PHONE NUMBER</u>	<u>FAX NUMBER</u>
<b>ABILENE</b>	209-C South Danville, Suite 207 Abilene, Texas 79605-1464	(915) 695-2841	(915) 695-2842
<b>AMARILLO</b>	Palo Duro Office Plaza 3131 Bell, Suite 106 Amarillo, Texas 79106	(806) 353-1286	(806) 353-1287
<b>ANGLETON</b>	409 East Orange Angleton, Texas 77515	(979) 864-1299	(979) 849-8165
<b>ATHENS</b>	Henderson County Justice Center 206 North Murchison Mail: P.O. Box 962 Athens, Texas 75751	(903) 677-6327	(903) 677-1652
<b>AUSTIN</b>	Chevy Chase II 7600 Chevy Chase Drive, Suite 550 Austin, Texas 78752	(512) 451-0231	(512) 451-0240
<b>BASTROP</b>	c/o Bastrop County Sheriff's Office 200 Jackson Street Bastrop, Texas 78602	(512) 303-1080 Ext. 286	(512) 332-0641
<b>BEAUMONT</b>	6450 Concord Road Beaumont, Texas 77708-4399	(409) 898-3116	(409) 898-3155
<b>BELTON</b>	205 East Central Belton, Texas 76513	(254) 933-5368 or (254) 933-5369	(254) 933-5179
<b>BIG SPRING</b>	Howard County Courthouse, Room 314 Big Spring, Texas 79720	(915) 264-2212	(915) 267-2632
<b>BRYAN</b>	1716 Briarcrest Drive, Suite 508 Bryan, Texas 77802-2700	(979) 260-8222	(979) 260-8224
<b>CONROE</b>	#1 Criminal Justice Drive, Suite B-125 Conroe, Texas 77301	(936) 760-5841	(936) 760-5853
<b>CORPUS CHRISTI</b>	2820 South Padre Island Drive, Suite 120 Corpus Christi, Texas 78415	(361) 851-2531	(361) 851-2536
<b>DALLAS</b>	8700 Stemmons Freeway, Suite 460 Dallas, Texas 75247	(214) 688-1603	(214) 688-1607
<b>DEL RIO</b>	Val Verde County Sheriff's Office 295 Hamilton Lane FM 2523 Del Rio, Texas 78840	(830) 774-4111	(830) 774-7516

<b>DENTON</b>	306 North Loop 288, Suite 126 Denton, Texas 76209	(940) 349-2877	(940) 349-2879
<b>DEVINE</b>	Medina County Court Building 209 South Teel Devine, Texas 78016	(830) 665-8031	(830) 665-8007
<b>EL PASO</b>	El Paso State Office Building 401 East Franklin Street, Suite 120 El Paso, Texas 79901	(915) 834-5860	(915) 834-5861
<b>FLORESVILLE</b>	P.O. Box 549 Poth, Texas 78147	(830) 393-2535	(830) 393-7402
<b>FORT WORTH</b>	6800 Manhattan Boulevard, Suite 100 Fort Worth, Texas 76120	(817) 451-9466	(817) 451-9469
<b>GALVESTON</b>	3717 Highway 3, Suite A Dickinson, Texas 77539	(281) 337-5611	(281) 337-5612
<b>GEORGETOWN</b>	517 Pine Georgetown, Texas 78626	(512) 930-3203	
<b>GRANBURY</b>	400 Gordon Street Mail: P.O. Box 462 Granbury, Texas 76048	(817) 579-3342	(817) 573-7372
<b>GREENVILLE</b>	Hunt County Criminal Justice Center 2801 Stuart Street Greenville, Texas 75401	(903) 453-6884	(903) 453-6886
<b>HARLINGEN</b>	608 East Harrison Street Harlingen, Texas 78550	(956) 427-8053	(956) 412-1402
<b>HOUSTON</b>	427 West 20th Street, Suite 600 Houston, Texas 77008-2497	(713) 426-7900	(713) 426-7979
<b>HUNTSVILLE</b>	1220 11th Street Huntsville, Texas 77340	(936) 291-5480 Ext. 383	
<b>KERRVILLE</b>	c/o Kerr County Law Enforcement Center 400 Clearwater Paseo Mail: P.O. Box 803 Kerrville, Texas 78028	(830) 257-5757	(830) 896-7380
<b>LAREDO</b>	Webb County Courthouse Annex 1000 Houston Street Laredo, Texas 78042	(956) 722-6364	(956) 791-3483
<b>LLANO</b>	Llano County Sheriff's Office 100 West Sandstone Llano, Texas 78643	(915) 247-3550 or 1 (800) 832-9271	
<b>LONGVIEW</b>	2800 Gilmer Road, Suite 4 Longview, Texas 75604-1824	(903) 759-7828	(903) 759-7834
<b>LUBBOCK</b>	3223 South Loop 289, Suite 301 Lubbock, Texas 79423	(806) 793-3221	(806) 793-3222
<b>McALLEN</b>	Water Tower Centre 612 Nolana, Suite 420 McAllen, Texas 78504	(956) 687-5141	(956) 687-5585
<b>McKINNEY</b>	825 North McDonald Street, Suite 180 McKinney, Texas 75069-2175	(972) 547-5099	(972) 547-5093
<b>MINERAL WELLS</b>	110 Martin Building Mineral Wells, Texas 76067	(940) 325-9372	(940) 325-4011
<b>NACOGDOCHES</b>	2306 Douglass Road Nacogdoches, Texas 75961	(936) 560-7763	(936) 560-6446
<b>NEW BRAUNFELS</b>	100 Main Plaza, Suite 109 New Braunfels, Texas 78130	(830) 620-5579	(830) 608-9243

<b>ODESSA</b>	4222 Wendover, Suite 200 Odessa, Texas 79762	(915) 367-0760	(915) 367-0808
<b>RICHMOND</b>	Ft. Bend County Sheriff's Office 1410 Ransom Road Richmond, Texas 77469	(281) 341-4647	(281) 239-0405
<b>SAN ANGELO</b>	622 South Oaks, Suite P San Angelo, Texas 76903	(915) 659-7931	(915) 659-7932
<b>SAN ANTONIO</b>	4203 Woodcock Drive, Suite 120 San Antonio, Texas 78228-1372	(210) 736-4466	(210) 736-4225
<b>SAN MARCOS</b>	102 North LBJ, Suite 200 Old Courthouse Annex, 2nd Floor San Marcos, Texas 78666	(512) 393-7744	(512) 393-7746
<b>SEALY</b>	c/o Austin County Courthouse Annex 201 Atchison Street Sealy, Texas 77474	(979) 885-3094	(979) 885-2984
<b>SHERMAN</b>	Grayson County Courthouse 2nd Floor - East Wing 100 West Houston Street, Suite 21 Sherman, Texas 75090	(903) 813-4256	(903) 868-2629
<b>TERRELL</b>	Terrell Community Service Center 115 North Adelaide Street, Room 224 Terrell, Texas 75160	(972) 551-1750	(972) 551-1750
<b>TEXARKANA</b>	601 Main Street, Box 5 Texarkana, Texas 75501 Mail: P.O. Box 903 Nash, Texas 75569-0903	(903) 735-4807	(903) 735-4819
<b>TYLER</b>	1517 West Front Street, Box 4 Tyler, Texas 75702	(903) 597-7388	
<b>UVALDE</b>	Uvalde County Courthouse, Box 2 Uvalde, Texas 78801	(830) 278-3415	
<b>VERNON</b>	Wilbarger County Courthouse Mail: 2817 Stephens Vernon, Texas 76384	(940) 552-6205	
<b>VICTORIA</b>	1206 Manor Drive Victoria, Texas 77901	(361) 575-4776	(361) 575-4777
<b>WACO</b>	Richland Office Plaza 6001 West Waco Drive, Suite 8 Waco, Texas 76710	(254) 776-7626	(254) 776-7628
<b>WHARTON</b>	c/o Wharton County Sheriff's Office 315 East Elm Wharton, Texas 77488	(979) 532-1550	(979) 282-2849
<b>WICHITA FALLS</b>	624 Indiana Street, Suite 300 Wichita Falls, Texas 76301	(940) 322-8606	(940) 322-8607



## YOUR SATISFACTION IS IMPORTANT TO US!

Please take a few minutes to complete our [Customer Satisfaction Survey](#). It will help us evaluate the services we provide and determine how they can be improved. In addition, your responses will be kept strictly confidential. We want to make this agency more responsive to the needs of the public, but we need the help of people like you to make it happen.

**APPENDIX I**

***Internal Policy on Historically Underutilized Businesses***

## ***Internal Policy on Historically Underutilized Businesses***

It is the policy of the Texas Alcoholic Beverage Commission (TABC) to comply with Article IX, Section 111 of the General Appropriations Act, House Bill 1, 74<sup>th</sup> Legislature, R.S. (1995), the Texas Building and Procurement Commission's (TBPC) adopted Historically Underutilized Businesses (HUB) rules, Texas Administrative Code (TAC) 111.11-111.28, and Texas Government Code, Title 10, Subtitle D, Chapter 2161 in order to encourage the use of HUB's and to achieve these goals through the use of race, ethnic and gender neutral means. The goal of this program is to promote full and equal business opportunity for all businesses in the agency's contracting.

This policy shall incorporate the adoption of TBPC's HUB rules to implement a meaningful HUB program based on the State of Texas Disparity Study. The TABC will make a good faith effort to utilize HUB's in contracts for commodities, services, professional and consulting services and construction by contracting directly with HUB's or indirectly through subcontracting opportunities. The TABC shall make a good faith effort to assist HUB's in receiving a portion of the total contract value of all contracts that the agency expects to award in a fiscal year in accordance with the following percentages: 1) 12.6% for commodities contracts; 2) 33% for services contracts; 3) 20% for professional and consulting services contracts; 4) 57.2% for all special trade construction contracts; 5) 11.9% for heavy construction contracts; and 6) 26.1% for all other building construction contracts.

The agency shall ensure it makes a good faith effort by implementing the following procedures: 1) advance planning of large purchases to ensure adequate time and preparation is involved; 2) when possible, divide proposed requisitions into reasonable lots in keeping with industry standards and competitive bid requirements; 3) when applicable, assess bond and insurance requirements to avoid unreasonable bidding restrictions and permit more than one business to perform the work; 4) specify reasonable, realistic delivery schedules consistent with the agency's actual requirements; 5) ensure that specifications, terms and conditions reflect TABC's actual requirements are clearly stated and do not impose unreasonable or unnecessary contract requirements; 6) when contracts exceed \$100,000, the agency shall require contractors to make a good faith effort to award necessary subcontracts to HUB's by providing contractors with HUB subcontracting good faith guidelines, HUB goals and a reference list of available certified HUB's; and 7) determine whether specific agency-wide goals are appropriate because some HUB groups have not been underutilized within applicable contracting categories and should not be included in the HUB goals for that category.

The TABC will maintain and compile monthly information relating to the agency's use (by each operating division of the agency) of HUB's, including information regarding subcontractors. Additionally, the TABC shall require contractors on awarded contracts exceeding \$100,000 to report to the TABC on a quarterly basis the identity and the amount paid to each HUB vendor to whom the contractor has awarded a subcontract for the purchase of supplies, materials, equipment and services. The agency will ensure that internal and external reporting guidelines are in place to ensure tracking, control and accountability.

The TABC shall maintain the designation of an agency HUB coordinator, and the HUB coordinator and the purchasing section shall assist each division in finding, certifying and making a good faith effort to use HUB's in accordance with the agency's set forth policies, goals and procedures. Agency employees within each division that are engaged in recommending, requesting or approving a particular vendor in the acquisition of goods and services and/or vehicle fleet repairs will be held accountable for adhering to the agency's HUB policy. The HUB coordinator shall actively participate in HUB forums, trade shows, training and implementation of the agency's Mentor Protégé Program to promote HUB subcontracting.

This internal HUB policy, as amended, is hereby adopted for implementation this 25<sup>th</sup> day of April 2002.

**APPENDIX J**

***Program Initiatives***

## ***Program Initiatives***

### **Minor Stings**

Under the close supervision of TABC enforcement agents, young people who are obviously underage go into licensed establishments and attempt to buy alcoholic beverages. Clerks and servers who violate the law by completing the transactions are filed on criminally. The licensed entity faces administrative charges that could result in suspension, fine in lieu of suspension or cancellation.

Enforcement agents conducted approximately 2,631 minor stings in fiscal year 2001 and found an overall compliance rate of 80 percent, a vast improvement from the 60 percent rate that existed at the time this program began in the early 1990s. TABC minor sting efforts are partially funded by a grant from the Texas Department of Transportation (TxDOT).

### **Cops In Shops/COPS**

TABC enforcement agents, with the cooperation of licensees and their employees, pose as customers or employees of an establishment and apprehend underage buyers as they attempt to purchase alcoholic beverages. Cops In Shops targets establishments where alcoholic beverages are sold for off-premise consumption only. COPS targets establishments where alcoholic beverages are sold for on-premise consumption

Both programs were originally funded by grants through TxDOT but are now fully funded by the TABC.

### **Operation Fake-Out**

TABC enforcement agents, working in cooperation with alcoholic beverage licensees, local law enforcement and other state police agencies, check the IDs offered by young people as they attempt to gain access to bars and nightclubs. Youngsters presenting fake, forged or altered IDs or IDs that clearly belong to other parities are arrested and charged with the appropriate ID-related offense.

Operation Fake-Out activities have taken place in the entertainment districts of most of the state's major metropolitan areas and in and around the state's college campuses. The arrests resulting from each operation have run well into the double digits, and the deterrent effect of those arrests have been greatly magnified by the tremendous coverage given each Operation Fake-Out by the local press.

### **Project SAVE**

The TABC's public education initiative is directed to several groups throughout the state. The TABC provides alcohol prevention education with four separate, multi-lesson curriculums for grades four through nine and, for those in the later years of high school, the TABC offers

“Shattered Dreams,” a two-day special event that dramatizes community and peer response to alcohol-related tragedies. Because they too have a role to play in combating underage drinking, Project SAVE also includes programs for parents, civic groups, alcoholic beverage retailers and local law enforcement.

In fiscal year 2001, TABC enforcement agents made educational presentations to 371,352 Texans, including 298,537 school children, 10,587 police officers, 33,251 members of civic and parent groups and 14,672 Texas retailers and their employees.

### **Safe Prom/Safe Graduation**

Prom and graduation parties are common in Texas during the late spring months, especially during April and May. The TABC, along with local law enforcement authorities, make a special effort to keep these parties safe and alcohol free. Agents and local officers visit the area high schools to discuss options and consequences with the youngsters and their parents. They heavily promote the concept of alcohol-free parties and do everything they can to publicize enforcement efforts planned for the party season. The objective is to give young people alternatives to underage drinking and to ensure that bad choices will have immediate consequences.

Co-sponsors of Safe Prom/Safe Graduation include the Texas Association of Petroleum Marketers and Convenience Stores and the Texas Hotel/Motel Association.

### **Shattered Dreams**

Shattered Dreams is a profoundly hard-hitting program that targets high school students and involves the dramatization of an alcohol-related crash on or near a high school campus, complete with police and EMS response, ER treatment, family notification and the arrest and booking of the teenage driver. To help students better comprehend the absolute magnitude of DWI-related deaths and injuries, a person dressed as the “Grim Reaper” appears in a different classroom every fifteen minutes to select a new victim, who is then taken out of the classroom, made-up in white face and dressed in a black tee-shirt before being returned to the classroom to represent a DWI death for the remainder of the day. The following morning, a wrap-up assembly is held featuring those who played roles during the previous day’s drama, including the crash victims, the drunk driver, their parents and the participating law enforcement and medical personnel. Comment and impact statements from community members whose lives have been affected by teenage alcohol use and teenage DWI bring closure to the program and reinforce its dual message for the teenage audience - don’t drink until you are 21 and never drink and drive.

TABC enforcement agents assisted in the planning and staging of more than 24 Shattered Dreams productions in fiscal year 2001 and expect the program to experience exponential growth in the years to come. Federal funding through TxDOT allows the TABC to provide \$500 mini-grants to participating high schools to help them offset the cost of Shattered Dreams productions.

### **MADD (Mothers Against Drunk Driving)/TABC Power Camps**

MADD/TABC Power Camps are held at various sites across the state each summer and provide leadership and team building skills training to high school students who are interested in underage drinking and DWI prevention issues. The objective of these camps is to prepare young people for leadership roles in community prevention efforts and to give them the skills needed to help build sustainable broad-based coalitions in their communities.

MADD and the TABC sponsored two power camps in 2001 and will sponsor a like number on 2002. Scholarships are available for economically disadvantaged youngsters thanks to a grant from TxDOT.

### **Policing Special Events - Mardi Gras and Spring Break**

The TABC has always assisted local law enforcement in crowd control and alcohol enforcement at special events such as rodeos, festivals and other mass gatherings. In recent years, the agency has sought and received grant funding from TxDOT and the Governor's Criminal Justice Division to increase its presence at events such as Mardi Gras on Galveston Island and Spring Break at South Padre Island. In fiscal year 2001, the TABC devoted over 25,000 agent work hours to special events, a fifth of which was spent on the beaches of Galveston and South Padre Island during Mardi Gras and Spring Break.

### **SIPS (Sales to Intoxicated Persons)**

Recent research indicates that almost half of the state's drunk drivers had their last drink before driving from an establishment licensed to sell alcoholic beverages for on-premise consumption. Texas law prohibits sales of alcoholic beverages to those who are already intoxicated. The goal of SIPS is to significantly reduce the number of intoxicated drivers by using enforcement actions to motivate retailers, who might be inclined to do otherwise, to comply with the law.

In the course of SIPS operations, retailers who have sold to intoxicated persons in the past or who have been the subject of complaints concerning such violations will be visited by enforcement agents posing as customers in the late evening hours of peak business nights. While in these establishments, the agents will watch specifically for any sales made to intoxicated persons. If violations are observed, agents will document the violations and then take action as warranted.

The initial series of operations in any given area will be preceded and followed by a publicity blitz. Two objectives that the agency hopes to achieve with these publicity barrages is to raise public awareness of the relationship between illegal sales and drunk driving and to building public support for efforts to curb illegal sales. A third, however, is perhaps even more important and that is to encourage voluntary compliance among retailers.

Elements of the SIPS program have been piloted in various areas across the state. Statewide implementation of the full program should occur towards the latter part of the fiscal year 2002 or in early fiscal year 2003.

**The Texas Alcoholic Beverage Commission is an Equal Opportunity Employer. The Texas Alcoholic Beverage Commission does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.**