

TEXAS ALCOHOLIC BEVERAGE COMMISSION
COMMISSION MEETING
MONDAY, JUNE 25, 2001

The Texas Alcoholic Beverage Commission met on this date in Room 185 at 5806 Mesa Drive, Austin, Travis County, Texas. Members present: Allan Shivers, Jr., Chairman; John T. Steen, Jr., Member and Gail Madden, Member. Staff present: Randy Yarbrough, Assistant Administrator; Lou Bright, General Counsel; Jeannene Fox, Director of License & Compliance; Greg Hamilton, Chief of Enforcement; Denise Hudson, Director of Resource Management and Jay Webster, Director of Information Resources. Present to receive certificates of service: Jenny Escalante, Human Resources; Cheryl Lyle, Executive Office and Janet Meisenheimer, Headquarters Enforcement. Visitors included: Rick Donley, Beer Alliance of Texas; Robert Sparks, Licensed Beverage Distributors of Texas; Tom Spilman, Wholesale Beer Distributors of Texas; Jay Howard, DISCUS, Inc.; Chris Newton, Guinness UDV; Mike McElhaney, Governor's Office and Russell Gregorczyk, Internal Auditor.

The agenda follows:

1:30 p.m. - Call to order.

1. Recognition of agency employees with 20 or more years of service.
2. Approval of minutes of May 25, 2001 meeting; discussion, comment, possible vote.
3. Administrator's report:
 - a. discussion of staff reports;
 - b. recognitions of achievement; and
 - c. discussion of management controls.
4. Acknowledge acceptance of one fax machine, two Alco Sensor III Breath Testers and 300 mouth pieces from the Ector County Attorney for use in Odessa.
5. Fiscal stewardship of agency; discussion, comment, possible vote.
6. Presentation of internal auditor's report on *Internal Audit of the Accounting System and Accounting Internal Controls*; discussion, comment, possible vote.
7. Public comment.

Announcement of executive session:

8. Executive session:
 - a. consultation with the general counsel as authorized by §551.071(2) of the Government Code;
 - b. discuss the duties of the assistant administrator as authorized by §551.074(a)(1) of the Government Code; and
 - c. discuss hiring an administrator, consider applications and interview applicants for the administrator's position under the authority of §551.074(a)(1) of the Government Code.

Continue open meeting.

9. Take action, including a vote if appropriate, on topics listed for discussion under executive session.

10. Adjourn.

The meeting was called to order at 1:41 p.m. by Chairman Shivers.

MR. SHIVERS: I'm going to call this meeting of the Texas Alcoholic Beverage Commission to order on Monday, June 25th at one forty-one in the afternoon.

First order of business is to recognize employees who have been with the agency for 20 years or more. We have five today.

I can't believe these people have been with this agency this long. First, Jenny Escalante is the human resources manager. She started in 1971. She started as a clerk in the licensing department. She is just one of the pillars of this agency. We couldn't run it without her, and I don't know what we are going to do if she ever leaves, but as young as she is she's certainly going to hang around another 20 years. Congratulations on 30 years and thanks for everything you've done for the TABC and Texas and this agency. We really appreciate it. Come up here, Jenny.

MS. ESCALANTE: Thank you.

MR. SHIVERS: You might think that people who have been here for 30 years are rare, but today we have two. Cheryl Lyle has also been here 30 years. She started almost the same day that Jenny did in '71 and in the same department - licensing. We might be able to do without a full-time administrator and get along with an acting administrator - you know, we can make do with a lot of things - we can't make do without Cheryl. If we want to know what's going on in this place, what needs to be done or what can I do, whether it's the chairman or the other commissioners, we just ask Cheryl. Randy may not have the answer but Cheryl always will. She is the other pillar that holds this place up. Thanks and congratulations on 30 years with us.

MS. LYLE: Thank you.

MR. SHIVERS: Janet Meisenheimer, who is our chemist, joined the TABC on June 22, 1976. She comes from Wichita, Kansas. She has a master's in chemistry from UT in Austin. I first met Janet when I was on this commission a long time ago, and she showed me her laboratory and explained to me some of the arcane stuff she does in there. I'm not sure I really understand it all, but I'm real glad to have her. She's a real asset to us. Janet, congratulations on 25 years.

MS. MEISENHEIMER: Thank you.

MR. YARBROUGH: Janet's the only one around here that really knows what's in all those bottles.

MR. SHIVERS: And she's considerate enough not to tell us.

Pamela Coker, administrative technician, joined the agency on June 22, 1981 in our Houston enforcement office. At that time, Pamela's primary work duties involved maintaining permit files. However, her duties rapidly expanded to maintaining the switchboard, helping with licensing applications and data entry work. In 1988, Pamela began working mainly with the enforcement supervisors and agents. Her knowledge and dependability have made her an integral part of the Houston office. She's not here with us today, but we congratulate her on 20 years.

Julie Utsey, staff services officer, joined the agency on June 8, 1981 as a clerk in our licensing department. As noted in her previous evaluations, "Julie is a very dedicated and hardworking individual who routinely arrives early and remains late, assisting those employees under her supervision. Julie is truly a prime asset to the department." We congratulate Julie on her 20 years and her certificate has been forwarded to her.

Congratulations to all of you and thank you for everything you've done for the agency.

Minutes of the last meeting have been mailed to the commissioners. Do you have any changes?

MS. MADDEN: No.

MR. SHIVERS: Is there a motion to approve?

MS. MADDEN: I so move.

MR. STEEN: Second.

MR. SHIVERS: A motion has been made and seconded. All in favor, say aye.

MS. MADDEN: Aye.

MR. STEEN: Aye.

MR. SHIVERS: Aye. Opposed?

Administrator's report. Mr. Yarbrough, please?

MR. YARBROUGH: Mr. Chairman and Members, in an effort to be brief, to let you get on to some of the other things without delaying us unduly, I just have a couple of things to report.

We've just finished the third quarter of our fiscal year and are preparing our third quarter performance measures. We are pretty much online with our performance measures. We expect to hit those within tolerance for this year.

I've asked Chief Hamilton and he will give you just a brief overview of the power camps. The first one will be starting this Friday in San Antonio and he will let you know what we are doing in terms of what's involved in the power camps, what we expect and what will be going on this weekend. Chief?

MR. HAMILTON: Commissioners, the first of our youth power camps will begin on Friday, June 29th until July the 2nd. We have roughly 650 participants that will be showing up there and, thanks to Ms. Madden, we'll be having First Lady Anita Perry doing the welcoming there.

At these particular camps, we teach the kids youth leadership skills. For instance, if they have issues in their community or at their schools, we teach them how to go to the administration and address those particular issues; how to do press releases; how to start up groups; how to do fund raising and how to operate a computer as far as building web sites. We feel that if we are able to train these kids on these particular skills, we are leading them down the right path as far as leadership is concerned and, in essence, they will stay away from alcohol and other drugs.

MR. SHIVERS: Good. That's great.

MR. YARBROUGH: I think that's the key thing, that these have really been good in not just focusing on alcohol and drugs, but in making good decisions. If they choose to drink when they become old enough, that they will make it in the right way. They will choose to drink responsibly. Building those types of decision-making into their every day lives and then giving them the tools to go back - these are primarily leaders - the tools where they can go back to their schools and their communities and provide a leadership role in those various cities around the state. I think it's really been a success.

It has grown beyond our wildest expectations, I think, when we first started, both in the numbers wanting to participate as well as the content and quality of students and what they've learned. It's been a big asset when they go back home. We are looking forward to two of them that we are participating in this summer. There's one in San Antonio and one at Glen Rose later in the summer. I think it's been a great partnership.

The only other thing I have to report, I know we've had some discussions on needed rules before September 1st. The one we were really worrying about was the surcharges, getting that in place. After looking at the budget, visiting with the LBB and the Governor's Budget Office, as well as the different people in our office - because the increases we had asked for, especially in our computerization, were not part of the budget, it's not going to raise significantly our budget - we don't feel like there is an immediate need to do the surcharges. It will give us time to sit down with the industry, visit with them on our methodology, insure that it's still right or if we need to make changes and, then, sometime after the first of the year, we would develop new surcharges.

A worst case scenario would be next year have those surcharges in place for the second year of the biennium to cover our expenses. We have talked to the comptroller's office. There should not be any problem with raising necessary funds to cover our budget for the biennium, and there's no immediate need for action at the present time. So, that takes off any of the rules we were afraid we had to have adopted and in place before September 1st.

We are still looking at the other legislation to see if rules will be necessary. Sometimes it may just require us to look at some of these things and make a determination of what they mean without passing rules to give an opinion. Others, we may be coming back to you later on in the summer or early fall with some clarification rules at the request of the industry or on behalf of the staff to answer questions that people specifically have. I think a couple of them require us to enact a couple of rules, but there wasn't a definite time line on that, so it will give us time to make sure we do it right and have the right language.

That's all I have on the administrator's report.

MS. MADDEN: Could I ask you one quick question?

MR. YARBROUGH: Yes, ma'am.

MS. MADDEN: It's under the human resources department. I noticed that the resignations have increased dramatically. Could you speak to that?

MR. YARBROUGH: Ms. Rowe, you may want to help me. For the year-to-date, we've had turnover. This is the one thing we expressed during the legislative session. We're looking at, in terms of our budget for the next biennium, what we need to do with the money that we've been given in terms to cover this turnover. As Jeannene has attested to many times in licensing, they may have a 200 percent turnover in a month. We hire somebody, they work three hours and leave at lunch and don't come back. They say the work's too hard for what you are paying me or whatever.

We are going to sit down and look at our budget. Some of it may have to do with what we are paying for a job, so reallocate some of those, if it means that we take some of those positions and combine the workload and pay people more to get more responsible people or what it's going to take to do that shifting of monies between departments. We do have up to 25 percent ability to move between different programs, although we don't want to do so in a way that would hurt our program activities. We want to do all of that to see how we can cut down on this turnover.

It's mainly in our mid-level and support staff. We are doing pretty good in terms of our compliance and our enforcement staff. It doesn't seem to matter where it is. We are really impacted here in Austin, but all of your large cities face the same problem with turnover because there's still a demand for that type of worker in those levels. Even though we've seen high tech layoffs, that hasn't particularly helped us to speak of. Those people are not going to be taking the jobs we have, and that's the support type staff.

We are looking at that as we develop our budget, looking at the appropriation, and we hope that will help us reduce the resignations. Most of that is just basically turnover. We are going to have the routine types of resignations, people retiring. We've had two or three of those in the last month in enforcement. The things that have really escalated over the last year is that continued problem that we have in turnover positions.

MR. SHIVERS: Is there any attempt to survey the people who have left on the reasons for leaving?

MR. YARBROUGH: Yes, we have. Generally, it's a salary issue. We have numerous cases that aren't even reflected here where we interview someone and offer them a job the next day and, by the time we offer a job, they've already found a

higher paying job. If we can offer the same day, we are doing that. I've told Ms. Escalante and Ms. Rowe whatever we can do to try to latch on to someone...

MR. SHIVERS: Do you have a pretty good handle on what the going wage is for particular job classifications throughout this area?

MR. YARBROUGH: We do, and the state auditors have helped us somewhat on that. I don't know that you can ever apply that completely to salary for private industry but we are underpaying what other state agencies are paying. That's what's really hurting us. It's not just going to work for the Dell's and the IBM's, it's going to work for other state agencies and that's what we are trying to address, to at least get back on a par with what other agencies are doing so, at least, we can participate in that job pool.

MR. STEEN: You do these exit interviews and find out why somebody resigned?

MR. YARBROUGH: We ask. There is no guarantee that they will complete one of those, but everyone that leaves, we ask them to complete an exit interview. Ms. Rowe, did the auditor's bill pass that would require that we send that...the auditor is going to develop an exit interview for all state employees, is my understanding. Then, they will report back nonspecifically to the employer. The thought was you get better input if the people were not going to be disclosed who sent it in, so the auditor's office was going to try to coordinate those and tell us which were our employees, just so we would have a better idea and hopefully get more information.

MR. STEEN: Could you report back to us on, I guess, Ms. Madden, what you are looking at are these 42 resignations?

MS. MADDEN: Yes.

MR. STEEN: Give us a report on why these people resigned.

MR. YARBROUGH: We can do that, give you a breakdown, were these resignations or retirements or whatever. Actually, we break out retirements here, but on the resignations, the type.

MR. STEEN: If you've got a reason, what the reasons are.

MR. YARBROUGH: Yes, we will do that. We will have that for you before the next commission meeting.

MR. STEEN: Thank you.

MS. MADDEN: Thank you for addressing that. I'm so glad you are looking into it because we don't want this to become a problem. Obviously, something's not quite right. I'm sure you are right, it's the salary...

MR. YARBROUGH: It's a costly issue, too, because we lose all the training and investment we put into someone, too. It's a repeated cycle, so it's much better for us to go ahead and maybe pay a little more and be able to retain and keep staff than having this constant turnover.

MR. SHIVERS: Anything else?

MR. STEEN: I wanted to take the opportunity to thank Mr. Yarbrough for the commission updates that you send us. That's really been helpful as far as staying in touch with what's going on here between meetings. I just wanted to compliment you on that.

MR. YARBROUGH: Thank you. With the legislature out of session, they might not be quite as frequent, but I will try to have something every couple of weeks for you.

MR. SHIVERS: Thank you. We need to acknowledge the acceptance of a fax machine, two Alco Sensor III Breath Testers and 300 mouth pieces from the Ector County Attorney for use in the Odessa district.

MR. STEEN: So move.

MS. MADDEN: Second.

MR. SHIVERS: Any further discussion? All in favor, say aye.

MR. STEEN: Aye.

MS. MADDEN: Aye.

MR. SHIVERS: Aye. Opposed?

We thank the Ector County Attorney for his support.

MR. STEEN: I guess a letter of thanks will be written?

MR. SHIVERS: Yes.

Internal auditor's report on *Internal Audit of the Accounting System and Accounting Internal Controls*.

MR. GREGORCZYK: Good afternoon. I'm glad to be here again.

We finished our first audit really, I think, several months ago. We are actually working on our second and just about to finish that one on the ports of entry. This was the first audit on the accounting system, the accounting internal controls. I think we are off to a pretty good start. It's always a learning curve when you come into a new agency and figure out how they do business, but I think we had a real good first audit with staff. The staff is very cooperative. Overall, I would like to say that we found things in very good shape in the accounting shop. I want to give you just a brief overview but, overall, we felt like things were in really good shape there.

This is typically how we format our reports. I hope this will work for you. If not, please let me know. At the beginning of each audit, we go in and develop a series of what we call audit objectives. It sort of just defines the areas we are going to look at within the audit. We provide those to management - I will be glad to provide those to you, too - going into the audit, and that way management knows here's what they are going to focus on and that's what we want, so we try to get a good buy-in right off the bat on our audits.

What I'd like to do on this one, if it's okay, is just give you the thumbnail sketch and then respond to questions if that's okay, or I can go through the whole report. Whatever you'd like me to do?

MR. SHIVERS: Go ahead.

MR. GREGORCZYK: The purpose of this audit, really from our perspective, primarily, was to look at internal controls. We also wanted to look at the adequacy of the financial reporting system and finally the effectiveness and efficiency of the operating procedures in the accounting department and fiscal department.

With respect to processing of vouchers, we found that internal controls were good. We had some very minor recommendations with respect to purchase vouchers and really no internal control issues there whatsoever. Same thing was true on the travel vouchers. Didn't have any problem with respect to the way travel vouchers are processed.

We did feel with respect to deposit vouchers, no control issues - there's a lot of revenue that comes in here, obviously, through license fees - not all the deposits were made within the three-day state time frame. Most all of them were, though. We found a few exceptions and made some minor recommendations in that area.

We looked at the funds maintained outside the state treasury. You have a petty cash fund. You have a travel advance fund. You have a purchase of evidence fund. Those funds don't go through the comptroller, so we certainly want to look at those very carefully. Again, we didn't have any major problems there. We did feel like, for example, on the travel advance we only found one check was written in a six-month period and thought that's not much activity. These days, most state employees that travel a lot have credit cards that they use so we recommended the travel advance be eliminated but management has a little different perspective on that, and I'll talk about our recommendations in just a minute. We also recommended with respect to those funds that they be reimbursed in a timely manner so that we make sure we reimburse those funds just as quickly as we can.

With respect to capital assets, there is a requirement the comptroller has that you have to reconcile your capital assets on a monthly basis to information maintained in the state property accounting system. That was not being done at the time of our internal audit. It has since been implemented, I believe, so we did make a recommendation there.

Overall, we felt like the financial management reporting system is excellent. Just an excellent set of reports come to management, to the board. We didn't have any recommendations there. I would certainly applaud the staff. It's one of the few agencies I've been to where they really have up-to-date and comprehensive policies and procedures. We don't see that very often when we go in and do these audits at other agencies. It's just something that most agencies don't seem to be able to keep up with very well, so I applaud the staff. Again, I'd say that we had excellent cooperation from the staff throughout the audit.

I think I mentioned several of the recommendations. They are all very minor. We recommended on the vouchers that they do away with two supervisory signatures. The comptroller really only requires one signature and when you do that electronically, that's the certification when that person certifies, so we didn't feel like it was necessary to track down another supervisor to make those and management agreed with that.

Management did not agree with the recommendation that I spoke of earlier on the travel advance fund. They said they have made some travel advances since we finished the audit and felt like it needed to be there just in case employees did need to get a travel advance and weren't eligible for credit cards. For us, that was just a suggestion/recommendation, so we don't have any problem with that.

We did feel like the deadlines that are established for reimbursing the petty cash and the purchase of evidence needed to be adhered to. If there is a 30-day rule, then let's go ahead and make sure people do reimbursements within 30 days.

We did have a recommendation with respect to payroll that I failed to mention. The human resource section does the personnel action forms. They also do the data entry on payroll. That's a little bit of an internal control weakness. We felt like, perhaps, that needed to be transferred to fiscal. Fiscal said, "No, we don't want to do that, really. We'll review every entry, though. We'll review all those entries." So, that's an adequate compensating control. We feel like that is adequate and that has begun, I believe.

MR. SHIVERS: What's the check to make sure that fiscal reviews every entry?

MR. GREGORCZYK: We want to see a documented review. Basically, where they get every PA and it's documented that yes they've matched every PA to the payroll.

MR. SHIVERS: Very well.

MR. GREGORCZYK: Again, they agreed they would do the capital asset reconciliation.

That's kind of a thumbnail sketch. I'll be glad to respond to any specific questions or concerns or anything in the report.

MS. MADDEN: You said something about you were recommending we get out payroll...something in a timely manner. Was it a payroll check? I can't remember.

MR. GREGORCZYK: Reimbursement checks.

MS. MADDEN: Were we not doing that?

MR. GREGORCZYK: In some cases, no. We found in some cases where the purchase of evidence, in particular I believe, was the primary account where it wasn't

always reimbursed as timely as the rules stated. I think we found some, too, perhaps that was travel advance. There is a rule in place that you have to get your reimbursements in within so many days, but that really wasn't being enforced in all cases.

MR. SHIVERS: Is that reimbursement lapse on a frequent basis or is it a small percentage of the reimbursements?

MR. GREGORCZYK: I'd say it's a small percentage in most cases. I know on the purchase of evidence, there were some that went way past the deadline. That was the main thing that concerned us. There were a few but they went way past the established deadline for getting a reimbursement in.

MR. YARBROUGH: We set a policy in place, too, that what we require on the purchase of evidence, where if they get a check to use for undercover operations, that they return within the specified time the itemized receipt; what they spent it for and any unexpended money, or if it's totally used up, all of the money they've used for buys, and so forth, or they will be cut off and not be issued any more money for their district until that is reconciled. Already, that has gotten people to do it quicker and I think last check we did, there was only one district who had gone past the time and we told them they wouldn't be able to get any more funds and they immediately got the paperwork in. It's a matter of getting the reimbursement paperwork finished and turned in on a timely basis. It's just calling people's attention to it to get it done timely, I think, is taking care of the problem. We agree. It should not have lapsed for that long period of time.

MR. SHIVERS: That's one that we need to keep a very close eye on it just because that one has the potential for scandal.

MR. YARBROUGH: That's right.

MR. SHIVERS: It's not just a monetary issue. It's a public image, public trust issue.

MR. YARBROUGH: That was our concern. We didn't find any money misplaced or anything, but it needs to be done in a timely manner to maintain the public trust in what we are doing.

MR. SHIVERS: Okay.

MR. STEEN: I have a question about your procedures. You make recommendations and you present those to management. You mentioned in one instance management did not want to follow your recommendation?

MR. GREGORCZYK: We recommended on the travel advance that it be eliminated. Management disagreed. They said they felt like the travel advance is needed. They cited a couple of cases where they issued checks after our review. Our recommendation was based on the fact that there was only one check issued in six months. It certainly didn't look like that pot of money sitting there was used very often. As far as procedurally, I think it's up to the commission to really decide, "Yes, we agree with the management response," or to direct management, "We agree with the internal auditor and we think you need to do this."

MR. STEEN: You just had the one instance where you had management disagree?

MR. GREGORCZYK: I think there were actually two. The other one had to do with the payroll where we recommended that the fiscal department actually do the payroll data entry, and the management response said, "We will continue to have HR do it but we will ensure that fiscal folks review it and there's a documented review of all the payroll entries." That was another area where we disagreed. Those are two that I can think of.

MR. STEEN: Are you concerned about those areas or do you think you can have different views about it?

MR. GREGORCZYK: I'm not concerned about the travel advance because that's not an internal control issue. That's simply a recommendation as far as efficiency. It may well be that there are some valid cases for having that. With respect to the other...

MR. SHIVERS: If you didn't have the travel advance account, and you had some travel expense that came up that for some reason you couldn't use a credit card for, you'd have to take it out of petty cash.

MR. GREGORCZYK: You'd have to have petty cash or more likely the employee would just have to get reimbursed, is more likely the scenario that would occur.

MR. SHIVERS: Which may not always be convenient.

MR. GREGORCZYK: Travel advances were primarily set up before we had the credit cards, and they are still around in some agencies. Many agencies have eliminated their travel advance. That's what I've found, too.

Let me comment on the other one. The other one really is a control issue, but if there is an adequate documented review of every payroll entry and we match every personnel action with the payroll entry, that is an adequate

compensating control, so I don't have a major problem. I think the better control would be to segregate those duties, would be a better internal control.

MR. SHIVERS: I agree with you, but I am satisfied to watch doing it the other way for a while and see if it still works. Next time you review it you can take a close look at it and see if that's an adequate alternate control.

MR. GREGORCZYK: We always do follow up reviews to see what the status is.

MR. STEEN: That was the next thing I was going to ask. You get a response from management. How do we know that remedial steps are being taken? Is that something that you monitor?

MR. GREGORCZYK: I'm required by the internal audit standards to do follow up reviews, and we typically do those about six months after we do the audit. More likely, I usually put it in next year's audit plan to do all the audit follow ups...

MR. STEEN: It would be part of your management letter for next year?

MR. GREGORCZYK: Right.

MR. STEEN: So, you would be reporting back to us whether the steps were taken?

MR. GREGORCZYK: Absolutely.

MR. STEEN: Thank you.

MR. GREGORCZYK: Again, the only thing would be if you don't agree with management, you need to let us know. "We think you should follow the internal auditor's recommendation." That's the only way I'd be able to go back and follow up. If management says, "No, that's something we are not going to do," then there's not really anything for me to follow up unless you took action otherwise.

MR. SHIVERS: I'm not concerned about the travel advance account particularly. Maybe it's convenient to have it, even if it's used rarely. On the other one, it probably ought to be separated but if fiscal services is verifying each payroll voucher and checking them and you come back with your follow up review and you believe it is an adequate alternate control mechanism, then I am happy to live with it.

MR. GREGORCZYK: We will check everything that was in the report where we made a

recommendation to make sure that the policy...whatever corrective action management has implemented we will check to make sure it's still working next go round.

MR. SHIVERS: It may not be worth the effort and dislocation of people and resources to change something that's working - maybe not ideally - but it works.

Anything else for the auditor? Thank you very much.

MR. GREGORCZYK: We'll have another one for you probably at your next meeting. We are pretty much on target to finish all our work even though we got started a little late. Thank you very much.

MR. SHIVERS: No one signed up for public comment so we will skip right through that.

The commission will now go into executive session to consult with general counsel...

MR. STEEN: Mr. Chairman...

MR. SHIVERS: John? Excuse me. We do have public comment.

MR. STEEN: Chief Hamilton, you all had that great program at my daughter's school, St. Mary's Hall in San Antonio. I missed the commission meeting immediately following that, but I had asked Lieutenant Guerra - I was so impressed by the participation of so many people - if she could make a list so I could publicly thank the people that were involved. She made a list and I'm just astounded at the number of people that are involved in putting on *Shattered Dreams*. I really appreciate the TABC personnel from the San Antonio office. The whole office it seems like turns out for it and gets involved. I just want to recognize those people.

Starting with Captain Richard Jauregui; Lieutenant Christina Guerra; Agent Louis DeWitt; Agent Tim Reilly; Agent Nina Gonzales; Agent Craig Smith; Agent Bill Allen; Agent Leonard Guzman; Agent Mike Hodges; Agent A. J. Johnson; Agent Michael Cantrell; Agent Tulita Harris. Also LaTosha White, who is an administrative technician; Eleanor Ramirez, who is an administrative technician; Cynthia Saucedo, secretary and Esther Guzman, secretary. As you know, a number of them were on campus that day helping out in various capacities.

Because I'm so impressed by the *Shattered Dreams* program - I just had dinner with some St. Mary's Hall parents last night and they are still

talking about it. They are still abuzz about the program and it occurred in April. Just the external people that are involved, starting with the San Antonio Police Department; there's Melissa Hoeffner of San Antonio AirLife; Texas Towing RoadOne; Ella Carrasco from MADD; Sherrilee Demmer from Wilford Hall Medical Center; Sandy Garcia from the FBI; Sergeant Pete Lozano from the DPS; Muriel Lanford from the Baptist Health System; Tom Culwell, San Antonio EMS; Tracy Cotner-Puncy from Brooke Army Medical Center; Officers Michael Moore and Scott Foulke from the San Antonio Police Department DWI Traffic Group; SAPD Officers Roger Robles and Gerard Lopez, motorcycle escorts; San Antonio Fire Department; Mission Park Funeral Homes; Julie Wright, who is the chief of the DWI Unit of the Bexar County District Attorney's Office; the Bexar County Sheriff's Department; the Bexar County Jail and Magistrate's Office; the Koehler Foundation. I'm just naming certain of the people that took the primary roles, but there were all sorts of other people there that assisted. This is a great program.

I do want to mention also the people that were part of the original team that created the project for Texas under Chief Hamilton. That's Lieutenant Guerra; Susan Douglass of the University Health System; Sherrilee Demmer, Wilford Hall Medical Center; Tom Longo, USAA; Muriel Lanford of the Baptist Health System and Sergeant Pete Lozano of the DPS. My compliments to the whole group. I just wanted to publicly recognize them.

MR. SHIVERS: Thank you. Commissioner Madden had a question. I've apparently skipped over fiscal stewardship.

MS. MADDEN: We don't want to leave you out.

MS. HUDSON: We were going to have Jay give you a brief update on the web site but, if you want, we can delay on that.

MR. SHIVERS: Let's go ahead.

MR. WEBSTER: I don't have a specific report in consideration of this afternoon's business, but I did provide in the fiscal stewardship a summary of what we are doing or have been doing the last year. I gave you a little flavor through some of the screens of where we've been making some improvements on our web site. I would like to recognize Gary Henderson who is the agency's webmaster. He should be given a lot of credit for the kinds of graphical things you are seeing and the information that's being put out there. Gary does an outstanding job. He had been involved in another capacity and

had this incredible technical background or this interest in web development, and he's really been an asset to the agency in what he's been able to produce in the last year, to put the agency's information out to the public and the industry. I'd like to think it's making some improvements to getting - whether it's the public that needs information, the industry needs information - it's just a new way of providing that communication between the agency and its citizens. That's all I had and I will be happy to answer any questions.

MS. MADDEN: You certainly increased interest in hits and all kinds of things. I think this is very exciting.

MR. WEBSTER: Yes, I was rather surprised myself. What I gave you is a brief, very small flavor of what's called web trends. It's a report that we can run on any period of time that gives previous months, long periods of time, whether it's a whole year, one month, so I wanted to give you a flavor of activity in our web site from this last May to the previous May. Even I was quite impressed by how much activity we've seen increase over the last year. It's quite a bit.

MS. MADDEN: I think it's great.

MR. YARBROUGH: It's changing the way we are thinking of things. For example, our internal web page as opposed to the public web page, we are using that for training materials, and so forth, that we can scan in or convert to an adobe file and immediately put it on the web and it's immediately accessible to all of our district offices. The legislative book that we will be training our agents on, and so forth, we've been able to automatically make that available to them and they don't have to wait for us to print 400 pages of material and send them to a binder, and so forth, and get those out. We can immediately put that out and they can be reading that, so when they come up to training they will already be exposed to that material.

MS. MADDEN: That's great. I think it's always wonderful when you can expedite things quicker. It looks like that's what we are doing.

MR. SHIVERS: Compared to other state agency web sites I've seen, this is one of the best and easiest to navigate and one of the most informative. With all that computer technology, you should do something about one or two of those ugly pictures you have in there.

MR. WEBSTER: I'll pass that on to Gary. I know he'll appreciate the kind remarks.

MS. MADDEN; That is pretty horrifying, I might add.

MR. WEBSTER: I don't know if you've seen the video clips we've been able to put out there. The *Shattered Dreams* is a great example of how we can take several videos that we've received over the last several years, that were done by us and digitized and put out on our web site, so anyone in the world, basically, can download a video clip and get a real first-hand impression of a program like *Shattered Dreams*.

MR. SHIVERS: Thank you, Jay.

MR. WEBSTER: Thank you.

MS. MADDEN: These fiscal stewardship reports have been very helpful. I want to commend Commissioner Steen. I think he called for that. It's really been helpful. I ditto what you are saying about the letters we've been receiving from the administrator because all that information is so important for volunteers. We're not in the trenches like you all, so communication is so important and we really appreciate it.

MR. SHIVERS: Thank you.

The commission will now go into a closed, executive session to consult with the general counsel as authorized by Section 551.071(2) of the Government Code; discuss the duties of the assistant administrator as authorized by Section 55.1074(a)(1) of the Government Code and discuss hiring an administrator, consider applications and interview applicants for the administrator's positions under the authority of Section 551.074(a)(1) of the Government Code.

The commission convened in executive session at 2:20 p.m. and reconvened in open meeting at 5:50 p.m.

MR. SHIVERS: The commission meeting of June 25, 2001 is now back in open session. During executive session no votes were taken, no final decisions were made.

The commission meeting is adjourned at five fifty-one.

MR. STEEN: So moved.

MS. MADDEN: Second.