

Texas Alcoholic Beverage Commission

Report on Customer Service

Improving the quality of customer service is a critical issue facing all state agencies. The Texas Alcoholic Beverage Commission is committed to continuously improving customer service through identifying agency's customers and concerns, setting achievable service standards based on customer expectations, realigning policies and management systems to meet customer needs, and redesigning service processes.

Inventory of External Customers by Strategy

The identification of external customers is a prerequisite to understanding customer requirements and satisfaction levels.

The services the agency provides to its customers include:

- Issuing more than 60 different types of alcoholic beverage licenses and permits throughout the state and the world to businesses that manufacture, transport, distribute, or sell alcoholic beverages in Texas;
- Inspecting TABC-licensed premises to ensure compliance with the Alcoholic Beverage Code and Rules;
- Conducting source investigations following alcohol-related incidents involving serious injury or death;
- Conducting investigations into organized criminal activities tied to a TABC-licensed location, including those involving prostitution, gambling, narcotics, weapons, and human trafficking;
- Collecting excise taxes from manufacturers and wholesalers when alcoholic beverages are sold to retailers or direct to consumers;
- Providing regular instruction to students, license and permit holders and their employees, and to members of civic groups to promote a better understanding of the law and voluntary compliance with the law;
- Overseeing the labeling, bottling, and promotion of alcoholic beverage products.
- Conducting audits to ensure adherence with the Alcoholic Beverage Code and ensure the proper amount of taxes are reported and paid;
- Assuring compliance with personal importation laws and collecting taxes and administrative fees on imported alcoholic beverages and cigarettes at the Texas-Mexico border and at the Galveston seaport;
- Reviewing and prosecuting administrative violations of the Texas Alcoholic Beverage Code by licensees and permittees.

The agency has compiled a list of external customers by budget strategy and identified three distinct groups as its primary customers - the general public, the alcoholic beverage industry and local agencies and officials.

Following is an inventory of external customers served by each strategy listed in the 2012-13 General Appropriations Act and a brief description of the types of services provided to them.

Enforcement – Deter and detect violations of the Alcoholic Beverage Code through enforcement actions.

The enforcement division is responsible for the criminal and administrative enforcement of the state's alcoholic beverage laws. Every person in Texas is considered a customer when it comes to public safety. The license and permit holders themselves could be considered secondary customers in that we prioritize deterrence of violations - voluntary compliance – accomplished through education that we provide to members of the industry.

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. Agents provide presentations to licensees and their employees to increase voluntary compliance with the law. In addition, presentations are delivered to youth and young adults, civic organizations and other law enforcement agencies in an attempt to promote a better understanding of the law and the roles and responsibilities of the agency.

Increasingly, the agency has placed a greater emphasis on developing initiatives that focus on TABC-licensed establishments and their actions rather than individual behavior such as underage drinking or over-consumption. Increasingly, the agency is involved in combatting organized criminal activity related to licensed premises such as narcotics and human trafficking.

Licensing - Issue licenses and permits while ensuring compliance with laws regarding ownership, performance, tax securities and other regulatory requirements. The licensing division 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 primary customer under this strategy is the alcoholic beverage industry – those applying for licenses and permits. However, in ensuring that each recipient of a license or permit is in compliance with the law, secondary customers include the general public and local agencies and officials.

The division must ensure that each applicant is qualified to hold such license/permit and adheres to all applicable regulatory requirements. Approximately 61,000 licenses and permits are issued each year by division personnel.

Compliance Monitoring - Inspect, investigate and analyze all segments of the alcoholic beverage industry, verify the accuracy and timeliness of tax reporting payments and initiate any necessary compliance and/or administrative actions for failure to comply, while providing instruction to promote voluntary compliance.

The audit and investigations division is charged with the administrative/regulatory enforcement of the Alcoholic Beverage Code. As with the Enforcement strategy, the general public is considered a customer when it comes to ensuring compliance with the law. Similarly, the license and permit holders themselves could be considered secondary customers in that we encourage voluntary compliance through education.

The division conducts location inspections, fee analysis, and marketing practices reviews. They play a role in monitoring seller training schools to ensure compliance with agency

standards. In addition, field personnel conduct investigative audits, regulatory compliance, and other financial reviews and assist the enforcement division in various types of investigations. The auditing division is also responsible for oversight of the promotion of alcoholic beverage products in Texas. Along with enforcement agents, auditors provide presentations to licensees and their employees, as well as others in the community

Ports of Entry - 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.

The ports of entry program is responsible for ensuring compliance with personal importation laws and the collection of taxes and fees on alcoholic beverages and cigarettes brought into Texas. The customers are the people who are paying these taxes and fees.

Cigarette taxes are collected on behalf of the Office of the Comptroller of Public Accounts. Agency personnel are stationed at all major bridges along the Texas-Mexico border. Recently personnel have been added to the Galveston seaport to collect taxes and fees from disembarking cruise passengers.

Customer Satisfaction Surveys

For many years now, the agency has used surveys to assess the level of customer satisfaction with specific agency programs: licensing, compliance and enforcement. The data obtained from the survey are used to: (1) monitor each division’s performance against customer service standards; (2) improve the division’s overall quality of service and delivery; and (3) provide the customers’ views of the division’s overall performance. In addition, the agency has a survey on its external web site to capture customer satisfaction feedback from customers who would not otherwise be contacted directly with a survey.

Licensing Survey

The licensing division provides surveys to retailers, wholesalers and manufacturers located in Texas who have applied for an original license or permit. The division, in conjunction with the research and planning section, revised the survey in April of 2012 in order to reflect changes in the office locations. There were no changes made to the central customer service questions. During fiscal year 2013, 503 out of 6510 surveys were returned with a response rate of 7.7%. The percent of respondents expressing satisfaction with the licensing process was 98.2%, a slight improvement over the 97.9% of FY 2012. The percentages are based on the ratio of yes responses to the sum of the yes and no responses and answers which were left blank were not counted as part of the total.

	Yes
At your interview, were you given a contact name and phone number to assist you with future questions or concerns?	97.4%
Did you leave the interview with a basic understanding of the information discussed?	98.9%
Were you given an opportunity to ask questions?	99.4%
General Impressions	

Did the TABC employees with whom you had contact during the licensing process seem knowledgeable?	99.2%
Were the TABC employees with whom you had contact during the licensing process courteous and professional?	99.2%
Did the TABC give you a realistic estimate of the time required to obtain your license/ permit?	95.2%

Overall, the responses for fiscal year 2013 are somewhat higher than those of fiscal year 2012. The overall response for fiscal year 2013 was 98.2% compared to 97.9% for fiscal year 2012. The overall response for the current fiscal year 2014-to-date is at 97.3%.

Audit and Investigations Survey

The audit and investigations division has mailed surveys that assess customer service to a random 20% sample of those permit holders that were either inspected by auditors or were the subject of an audit or analysis. In fiscal year 2013, 825 surveys were returned, and 3,755 were mailed out, making a return rate of 22.0%. The percent of respondents expressing satisfaction with the auditor contact was 98.9%, very slightly better than the percentage for fiscal year 2012, which was 98.7%. This number is based on the percentage of permit holders who responded positively to at least four of the six survey questions. Following are the responses to specific questions:

	Yes
Did the auditor behave in a courteous and professional manner?	99.6%
Did the auditor explain the purpose of the visit and outline the steps that he or she would follow?	97.7%
Did the auditor give you the opportunity to ask questions and adequately respond to the questions asked?	98.7%
Was the visit conducted with a minimum disruption to your business?	95.3%
Were the auditor's actions fair and reasonable?	99.0%
Overall, did the auditor leave you with a favorable impression of the TABC and its employees?	98.2%

In general, these answers are on par with fiscal year 2012, if very slightly higher. Since the percentiles were already in the high 90s, there is minimal room for improvement. So far for fiscal year 2014, the percent of respondents expressing satisfaction with the auditor contact has increased very slightly to 99.0%.

Enforcement Survey

The Enforcement Division mails questionnaires to a randomly selected 10% sample of permit holders inspected during the preceding month. For fiscal year 2013, 1,025 surveys out of 2,793 were returned with a response rate of 36.7%. The percent of respondents expressing overall satisfaction with the services delivered by enforcement agents was 97.4%. This number is based on the percentage of permit holders who responded positively to at least four of the six survey questions. Following are the responses to specific questions on the survey:

	Yes
Was the disruption to your business minimal?	93.7%
Did the agents treat you and your employees with courtesy and respect?	97.8%
Did the agents treat your customers with courtesy and respect?	97.9%
Were the actions of the agents fair and reasonable?	96.8%
Did the agents seem as interested in helping you obey the law as they were in finding violations?	96.3%
Overall, did the experience leave you with a favorable impression of the TABC and its enforcement agents?	96.1%

The percent of respondents expressing overall satisfaction at 97.4% in FY13 is slightly lower than in FY12, which was 97.9%. For the current fiscal year-to-date, the rate is back up a bit at 97.8%.

Web Survey

The agency has an additional survey instrument available on the agency website. It is designed to gauge customer satisfaction with respect to the following quality dimensions: service timeliness, staff, facilities, printed materials, communication, complaint handling processes, website and overall satisfaction.

Because the survey was only available to those customers who visited the website, and because customers were not directly asked to participate, the response rate is typically low. Also, while we received several hundred survey responses in that time period, the majority of them had no useful analytical data available. Some responses were spam, several were made by an errant agency computer, and some made exclusive use of the free-form text space to register opinions and did not contain any answers to the fixed-answer questions. We were left with 51 surveys that contained at least one analyzable field. This is a bit lower than we have received in the other years, with approximately 89 surveys per year.

Due to the general erratic nature of web data collection and the non-scientific convenience sample it represents, the data should be examined with caution. Since responses of this nature are typically from those who are either very supportive or who have had a particularly bad experience, its primary value is to identify potential problem areas and bright spots. Nevertheless, the average responses to each question are listed below for fiscal year 2013. The responses were given on a scale of one (strongly disagree) to five (strongly agree). Any response above a three is considered to be perceived more positively than negatively. The average across all questions was a 3.56.

	Average For Period
TABC employees were knowledgeable and helpful.	3.63
TABC employees were courteous and respectful.	3.43
TABC employees were responsive to my needs and concerns.	3.87
The TABC office was convenient and easily accessible.	3.80
The TABC office was clean and orderly.	3.51
I was given clear explanations about the services available.	3.43

I received answers to all of my questions.	3.40
I received printed materials (i.e., brochures newsletters, instructions, forms, etc.) explaining the services available.	3.14
TABC materials were clear and understandable.	3.70
TABC services were offered at convenient times.	3.67
TABC services were delivered within a reasonable amount of time.	3.66
Telephone (including "on hold" time)	3.53
E-mail	3.20
Materials (regular US mail)	3.77
I was able to find helpful, clear and accurate information on the TABC website.	3.67
The TABC website was easy to use and well organized.	3.88
I know how to make a complaint regarding services at the TABC.	3.21
I believe the TABC would handle my complaint in a fair manner.	3.80
Overall, I am satisfied with the services I received from the TABC.	3.20

The results above are in line with the previous web survey results, where the average for all questions was 3.50. For fiscal year-to-date 2014 (through 4/24/14) however, the results are down to an average of 2.89. Some of the low ratings are apparently due to dissatisfaction with the public web design. There is a plan in place already to redesign the website. In addition, the questions above about TABC services being delivered on time could be more clearly worded. Some respondents may be answering "strongly disagree" because they didn't receive email communications, for instance. The questions will be reworded promptly.

Survey Results

Based on the evaluations by agency customers, it is clear there is evidence of good customer service by the agency and substantial improvement over time. The agency's enforcement, licensing and compliance staff all received positive survey results. These employees were considered to be courteous, knowledgeable and responsive to customer needs, in addition to providing clear explanations about the agency's services and answering all customer questions.

The areas of relative weakness are still the same as before, although they have all improved substantially. They remain as follows: minimizing the disruption to permit holders' businesses during inspections, imparting realistic expectations regarding the length of the licensing process, and making the licensing paperwork more clear.

The agency also is looking into administering the surveys online through an external service like SurveyMonkey which would enable faster responses, save costs, fewer surveys lost through damage, and improved response rates.

Customer-Related Performance Measures

The Legislative Budget Board has created generic customer-related performance measures for all state agencies. These projected measures include:

Outcome Measures	FY 2009	FY 2011	FY 2013	FY 2014 Expected
Percentage of Surveyed Customer Respondents Expressing Overall Satisfaction with Services Received	96%	97%	97%	97%
Percentage of Surveyed Customer Respondents Identifying Ways to Improve Service Delivery	N/A	N/A	N/A	N/A
Output Measures				
Number of Customers Surveyed	17,556	18,470	13,109	14,091
Number of Customers Served	500,000	500,000	500,000	500,000
Average Number of Days to Approve an Original Application	60.17	40.9	43.4	37.6
Efficiency Measure				
Cost per Customer Surveyed	N/A	\$.64	\$.67	\$.72
Explanatory Measures				
Number of Customers Identified	25 million	25,675,000	26,448,000	26,448,000
Number of Customer Groups Inventoried	3	3	3	3

*This agency-specific performance measure has been added by TABC.

TABC Compact with Texans

Overview

Originally created in 1935, the Texas Alcoholic Beverage Commission (TABC) is the state agency that regulates all phases of the alcoholic beverage industry in Texas. The duties of the commission include regulating sales, taxation, importation, manufacturing, transporting and advertising of alcoholic beverages.

At the Texas Alcoholic Beverage Commission, we realize the great responsibility that the State of Texas has placed upon our agency, and we are committed to providing the best possible service to the people of Texas. We pledge to:

- apply the Alcoholic Beverage Code in a fair, consistent, and timely manner;
- exemplify courteous, ethical, and professional behavior;
- be fiscally responsible and accountable; and
- be accessible, transparent, efficient and effective.

Mission

The mission of the Texas Alcoholic Beverage Commission is to serve the people of Texas, and protect the public health and safety, through consistent, fair and timely administration of the Alcoholic Beverage Code.

Vision

A safe and healthy Texas served by an innovative Alcoholic Beverage Commission regulating a responsible and compliant alcoholic beverage industry.

Guiding Principles

- We empower our employees to respond effectively to challenges.
- We recruit, develop, retain and value a highly competent and diverse workforce that will successfully execute our mission.
- We strive to be a competitive employer.
- We expect ethical and professional behavior of ourselves.
- We exercise discretion in our authority when making decisions based on ethical and legal principles.
- We do the right thing, not just what we have the right to do.
- We work together to achieve goals and solve problems.
- We put responsible people into business and promote good business practices through open communication.
- We foster voluntary compliance through education.
- We provide the highest level of public safety by assessing and analyzing at-risk behavior and taking action against unlawful conduct.

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 as soon as possible within five working days of receipt.
- Process new (unprotested) applications within 60 calendar days.
- Acknowledge receipt of complaints within three working days.
- Resolve complaints within 60 working days and notify the complainant 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 Texan's* Customer Satisfaction Survey results and continually strive to improve our services.

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:

Carolyn Beck
Texas Alcoholic Beverage Commission
PO Box 13127
Austin, Texas 78711
questions@tabc.state.tx.us
(512) 206-3347

Complaint Handling Process

Report Violations of the Alcoholic Beverage Code

You may file a complaint about 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
- Telephone: [Telephone Numbers for TABC Offices](#)
- Toll-free telephone: 1-888-843-8222 (1-888-THE-TABC)
- TABC Offices: [Locations \(Addresses\) for TABC Offices](#)
- Mail:
Texas Alcoholic Beverage Commission
P.O. Box 13127
Austin, Texas 78711
- Fax: [Fax Numbers for TABC Offices](#)

Complaints 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 Office of Professional Responsibility by:

- E-mail: opr@tabc.state.tx.us
- Telephone: (512) 206-3405
- Mail:
Office of Professional Responsibility
Texas Alcoholic Beverage Commission
P.O. Box 13127
Austin, Texas 78711

- Fax: (512) 206-3207

License and Permit Process

In an effort to respond to your needs, the [Application Guide for Retailers](#) and the [Application Guide for Wholesalers, Distributors and Manufacturers](#) were created to guide you through the application process and can be downloaded from our website <http://www.tabc.state.tx.us/licensing>. This helpful booklet contains such useful information as:

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

Your best resource when applying for a new license or permit is your [local TABC office](#). They can walk you through the licensing process and answer any questions you might have. Following directions in the Application Guide, you may download the appropriate application packets with forms and instructions from our website <http://www.tabc.state.tx.us/forms/licensing>. The packets contain:

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

Please allow up to 60 calendar days for processing a new application. However, the application process may be completed faster depending on the complexity of the application.

For certain on-premise locations, the posting of a sign is required for 60 days prior to your permit being issued. **Please contact your local TABC office as soon as possible to obtain a 60-Day Sign.** In certain cases, an inspection of the proposed licensed location may be necessary for processing your application, as well as an interview/orientation for the applicant. Issuance of your license or permit will be delayed if these have 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. Many types of licenses and permits may be renewed on-line.

If you have any questions or comments regarding our license and permit application process, please contact us:

- E-mail: licensing@tabc.state.tx.us
- Telephone: [Telephone Numbers for Local TABC Offices](#)
- TABC Offices: [Locations \(Addresses\) for TABC Offices](#)
- Mail:
Licensing Division

Texas Alcoholic Beverage Commission
P.O. Box 13127
Austin, Texas 78711

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 within five working days of receipt. Questions, comments, suggestions, and requests for information can easily be made by e-mail, phone or mail:

[Local Field Office](#) | [Headquarters](#) | [Office of Professional Responsibility](#)

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. 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.