



Legislative Appropriations Request

For

Fiscal Years 2010 and 2011

**Submitted to the
Governor's Office of Budget, Planning and Policy
and the Legislative Budget Board
by the**

TEXAS ALCOHOLIC BEVERAGE COMMISSION

August 13, 2008

John Steen, Chairman
Jose Cuevas, Jr., Member
Steven Weinberg, MD, JD, Member

November 15, 2007
November 15, 2009
November 15, 2011

San Antonio, Texas
Midland, Texas
Colleyville, Texas

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ADMINISTRATOR'S STATEMENT
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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Agency code: **458** Agency name: **Alcoholic Beverage Commission**

The Texas Alcoholic Beverage Commission was created by the legislature in November 1935, as the Texas Liquor Control Board, following the repeal of prohibition. The agency is responsible for the supervision and regulation of all phases of the alcoholic beverage industry to ensure the welfare, health, peace, temperance and safety of the citizens of the State of Texas. This includes granting, refusing, canceling or suspending permits and licenses; supervising, inspecting and regulating the manufacture, importation, exportation, transportation, sale, storage, distribution and possession of alcoholic beverages; assessing and collecting fees and taxes; investigations for violation of the Alcoholic Beverage Code; prosecuting and assisting in the prosecution of violators; seizing illicit beverages; and approving labels and products for distribution in the state. The commission members pass rules to assist the agency in the above responsibilities.

Organization Structure

The agency is governed by three members appointed by the Governor and confirmed by the Senate. The members are John Steen, Chairman, of San Antonio whose term expired November 15, 2007, but continues to serve until a replacement is named; José Cuevas, Jr. of Midland whose term expires November 15, 2009; and Steven M. Weinberg, MD, JD, whose term expires November 15, 2011.

The agency is made up of several functional areas: enforcement, compliance, tax, ports of entry, education/prevention and licensing. These functional divisions are supported by the executive division, business services division, legal services division, human resources division and the information resources division. Field operations includes enforcements, compliance, ports of entry and licensing staff located throughout the state and is divided into five major regions with sixteen district office locations and thirty-six outpost locations as well as nine-teen manned bridge locations along the Texas-Mexico border.

Key Organizational Events

The agency has seen significant organizational events since the last strategic plan. The most significant event was the passage of Senate Bill 904, the agency's Sunset Bill, during the 80th Legislation Session. Key events also took place in the areas of education, cultural change, reorganization, technology, and a focus on public safety and voluntary compliance by permit holders. The passage of the Sunset Bill extended the life of the agency for another 12 years. The agency had undergone Sunset Review in 2004 and then again in 2006. Many of the management recommendations made by the Sunset Commission had already been implemented at the time of passage. Some of these recommendations include issues concerning internal affairs, moving the enforcement division's focus toward an emphasis on public safety, improving the strategic planning process, research and data collection, refining performance measures in the enforcement area, standardizing routine inspections across the agency, and formalizing marketing practice decisions.

Significant Changes in Policy

The agency's risk based approach to its enforcement and regulatory responsibility has resulted in better use of its human resources. Enforcement agents are now more focused on public safety while compliance officers and accounts examiners focus on the regulatory and licensing aspects of the agency.

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Significant Changes in Provisions of Service

Following a Sunset recommendation, the commission has focused the activities of the enforcement division on public safety issues. This has been accomplished with a realignment of duties, as well as education. To assist in those efforts, a new data collection tool was implemented called "ARTS" or the Agency Reporting and Tracking System. This new system will allow for better tracking and data research to determine the effectiveness of public safety efforts. Organizationally, there were changes that will further assist in the focus of public safety issues by combining enforcement and compliance under one chief, creating field operations. Both areas now report to one chief who is responsible for field activities and the effectiveness of each program.

The agency made great strides in the area of education and prevention. The agency developed and distributed the MAP program (Manager's Awareness Program) which is used by retailers to educate their managers on the laws concerning the sale of alcoholic beverages. Additionally, the agency initiated the Valley Project campaign to educate parents and teens on laws concerning underage consumption. This initiative involved several government agencies and community groups.

New technology has also assisted field operations with the implementation of in-car computing. Although a pilot program, the benefits have already been seen. The in-car mobile technology provides an efficient and effective means of communication among our employees, between our employees and local law enforcement officials, and between our employees and our computer network.

The field operations division is not the only division to have new technology assist with their efforts. The ports of entry section began automating the collection of excise tax on the border using hand-held scanners. Their efforts resulted in the 2007 Best Solutions Award from Government Technology Conferences. The business services division completed a pilot program on the imaging of critical state documents. That pilot was not only a success but will serve as the ground work for further imaging of documents by the commission.

All this automation took place while our information resources division was implementing House Bill 1516 from the 80th Legislative Session, requiring the agency to consolidate specific aspects of the information technology under one infrastructure.

The result of several lawsuits changed the way the licensing division processes applications. The Texas residency requirement no longer exists for license and permit applicants. This has resulted in criminal histories being obtained from states other than Texas. It has also resulted in the passage of Rule 33.10 to clarify residency requirements that continue to be in statute.

The agency plans to evaluate other technology solutions designed to improve interagency communications, enhance management reporting and increase employee productivity through Unified Communications (UC) designed to integrate fixed and mobile devices and applications. Digital dashboard will allow managers to measure exactly how the agency is performing overall at a specific point in time and digital data capturing will allow handwritten communications to be digitally captured and stored.

Significant Externalities

In May 2005, the U. S. Supreme Court issued its opinion in *Granholm v. Heald*, which ruled that statutory schemes that offered in-state wineries broader rights to sell and ship directly to consumers than were offered to out-of-state wineries violate the Commerce Clause of the U. S. Constitution. Perhaps the most significant aspect of the *Granholm* case was the implicit basis of the court's ruling: that the Twenty-first Amendment to the U. S. Constitution offers states no unique or broader regulatory rights

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over liquor than over other commercial products. This represents a significant shift in long held tenets of Twenty-first Amendment jurisprudence and in the suppositions on which much of the regulatory structure for alcoholic beverages is built.

These cases and similar ones being pursued around the country demonstrate that in coming years the commission will be increasingly called on to defend fundamental aspects of the statutory and regulatory structure in litigation. Such litigations will call into question the validity of statutes, regulations, and regulatory decisions by agency staff. The uncertainty generated will place some impediment on the ability of the agency to inspect, supervise, and regulate every aspect of the industry with consistency and predictability.

Although the laws regulating the alcoholic beverage industry are consistent statewide, the Alcoholic Beverage Code allows local determination of the types of alcoholic beverages which may be sold and how they can be sold by means of local option elections. Entire counties, individual cities, or single justice of the peace (judicial) precincts in Texas can hold an election and decide to legalize or prohibit the sale of alcoholic beverages, and if so, what kinds of alcoholic beverages (beer, ale/wine or distilled spirits). Registered voters can determine whether it will be legal to sell alcoholic beverages in convenience or grocery stores, in liquor stores, in bars, and/or in restaurants.

During fiscal years 2004, through 2008, there have been 299 elections attempting to legalize some form of the sale of alcoholic beverages with an 80% success rate. In November 2007, there were seven elections attempting to prohibit the sale of alcoholic beverages and two were successful. This was the first time a community prohibited the sale of alcoholic beverages since 1999. As of June 2008, there are 37 completely wet counties in Texas and 35 completely dry counties. The remaining 182 counties are partially wet, meaning that the sale of some type of alcoholic beverage is legal in some part of the county. Prior to the changes in the law in September 2003, there were 35 completely wet counties and 51 completely dry.

Exceptional Items

The agency's first exceptional item is a retention plan designed to reduce agency turnover. The plan utilizes two methods to reduce turnover in specific operational areas: the use of career ladders and a request for funds for salary increases for support positions. Reducing turnover would allow the TABC to lower the cost of hiring and training new employees. Reducing turnover would also allow TABC to carry forth the agency mission of serving the people of Texas through consistent, fair and timely administration of the Alcoholic Beverage Code while fostering education, voluntary compliance and legal and responsible alcohol consumption. Although the overall turnover of the agency is within state averages, fifty-nine percent of the civilian employees have less than ten years of tenure. Thirty-six percent of the civilian employees have been employed by TABC for a period of 5 years or less. The majority of agency turnover is experienced in positions that are directly related to the issuing of licenses for alcoholic beverage establishments, the collection of revenues from cigarettes and alcohol purchased in Mexico or facilitating compliance of administrative statutes found in the Alcoholic Beverage Code.

The second exceptional item allows the agency to fund the required transfer of \$250,000 to the Department of Agriculture for marketing assistance to the Texas winery industry. It is agency understanding at this time that the funds were removed from the agency base; however, the transfer is still required under the Alcoholic Beverage Code.

The third exceptional item is funding for increased costs with the Data Center Consolidation. The agency's increased costs stem from disk storage which was under-reporting in the agency base case; as well as increases in software renewal costs, and unfunded network connectivity costs.

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The fourth exceptional item includes multiple information technology projects that cross all strategies within the agency. The projects include: Excise Tax Automation, On-Line Applications, Case Management, and Network Security – PDA technology, HR System, Re-engineer Seller/Server Training, and IT Staff Augmentation. These projects will allow the agency to work more efficiently as well as improve our customer service with regards to licensee/permittees and our seller/server training clients.

The fifth exceptional item is an increase in staff and operations for our Ports of Entry division. Funding of this item will increase staffing at our international bridge in El Paso as well as open bridges at Donna and Anzalduas.

The final exceptional item is related to cost increases in the areas of gasoline, mileage reimbursement and longevity/hazardous duty pay. The agency reimburses the compliance auditors for mileage to conduct their day to day activities. This request will fund the recent increase in state reimbursement for mileage. This exceptional item also contains an increase for the rising cost of gasoline. This funding is needed to help the agency meet its enforcement performance targets regarding inspections, education and public safety. Additionally, this exceptional item funds increases in the agency's longevity and hazardous duty pay in order that positions do not have to remain vacant to fund these increases.

TABC is requesting an increase in salary for the Administrator to \$137,500. In order to compensate the Administrator at this higher level, TABC has requested the authority and reclassification from a Group 4 to Group 5 classification in its Legislative Appropriations Request.

TABC consistently strives to meet its challenges, stated performance measures and legislative mandates. The requested items above will allow us to continue to do so and to ensure our employees have the most modern and proper equipment and resources. The agency will continue to do its best in meeting its responsibilities and appreciates any consideration provided.

Ten Percent Reduction

The agency's philosophy on the 10% reduction was based on the latest amount of funding it received in the two previous sessions. The agency provides numerous services related to education and public safety and reducing FTEs is the last action it wants to take. The first two items on the list of the reduction schedule include replacement cycle equipment items such as printers and software licenses and public safety equipment such as body armor, service revolvers, undercover equipment, radios and other safety items. Loss of this funding would deeply impact the agency's ability to provide employees with sufficient dependable equipment to meet its mission. Loss of the funding would put the agency back in the position of having to force salary lapse by keeping needed positions vacant and having worn and obsolete equipment in the hands of its employees.

Compliance officer reclassification was funded in the 79th session to assist the agency in attracting qualified applicants for auditor positions due to low entry level salary levels. The funding also created a career path through the Auditor V pay scale for the two year period. The funding is already insufficient to maintain the career level if turnover remains low and reducing that funding would perpetuate the existing funding shortfall even more. Performance would be reduced significantly for it is likely positions would be eliminated rather than reducing all auditors salaries and risk losing more FTEs to other state agencies.

The Public Education and Prevention Department was created in FY2006 and funded as an exceptional item. The department consisted of a director's position, a research specialist, a marketing specialist two program specialist and an administrative assistant. The department plays an instrumental role in obtaining and managing federally

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funded grants and in developing educational and training programs designed to reduce underage drinking and DWI related traffic accidents. Reductions to this function will severely limit the agencies ability to seek federal funds and develop internal education and training programs that have been so successful.

Before FY2006, the Legal Division consisted of 4 attorneys assigned to approximately 1,200 pending administrative cases. Exceptional item funding was provided in FY2006 along with the increase in FTE agency-wide. Five attorneys and four support staff additions have provided the agency with ability to prosecute cases brought on by the program divisions. Case backlogs have been eliminated and current staffing is able to increase civil penalties and reduce dismissals significantly. Reductions to this program will again result in backlogs of docketed cases and reduction in civil penalty collections.

A reduction of .6 FTE in warehouse operations will simply shift the work to outside vendors at an increased cost to the agency.

A reduction of .6 FTE to agency's Help desk operations will impact the efficiency of the operations of the information resource help desk to effectively execute the agency's core functions and business processes.

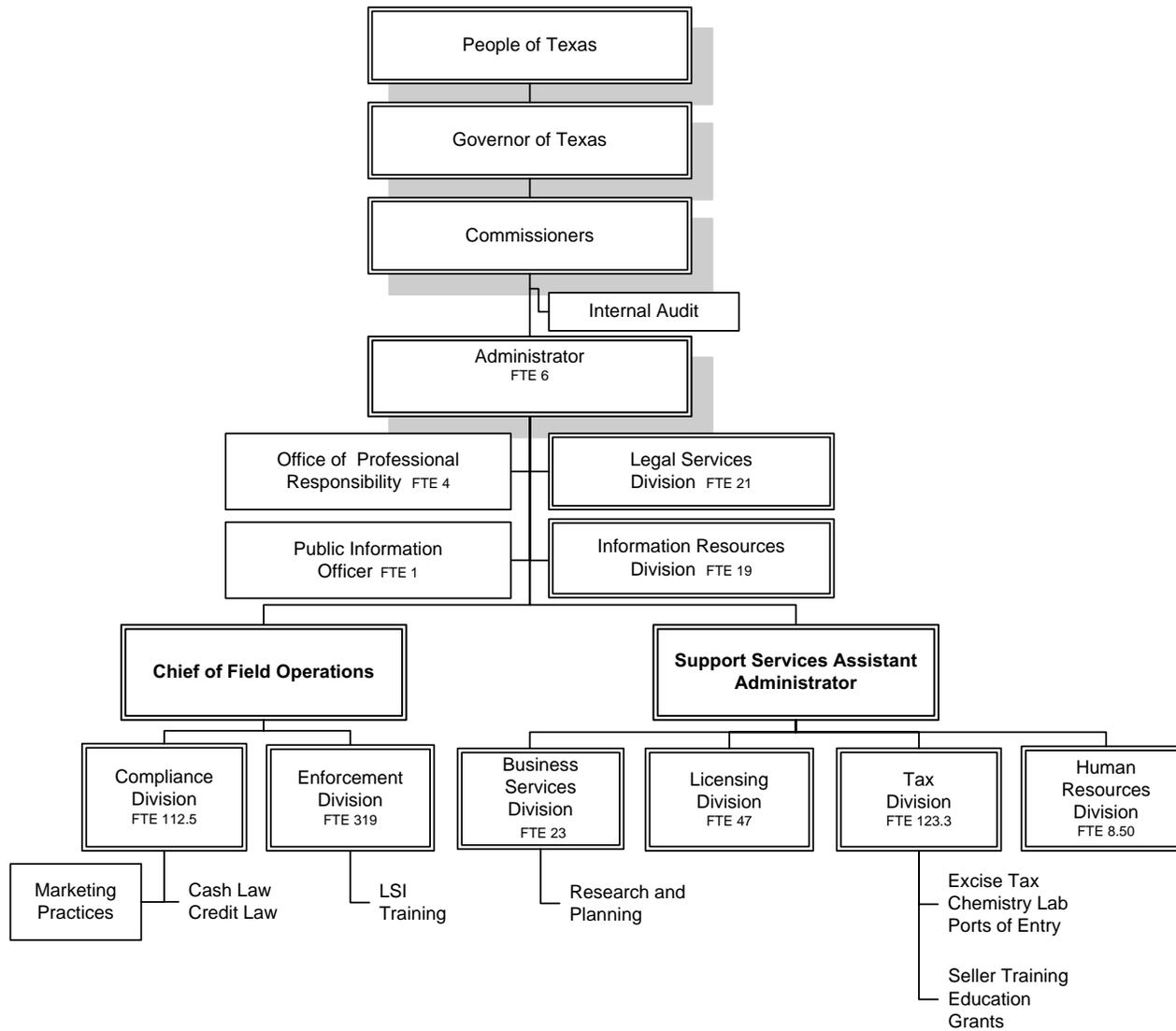
Eliminating .6 FTE in human resources will impact the agencies ability to document its policies and procedures articulating processes that are essential in training new employees. Workloads will have to be absorbed by other personnel resulting in delays in the process as well as losing expertise in the field.

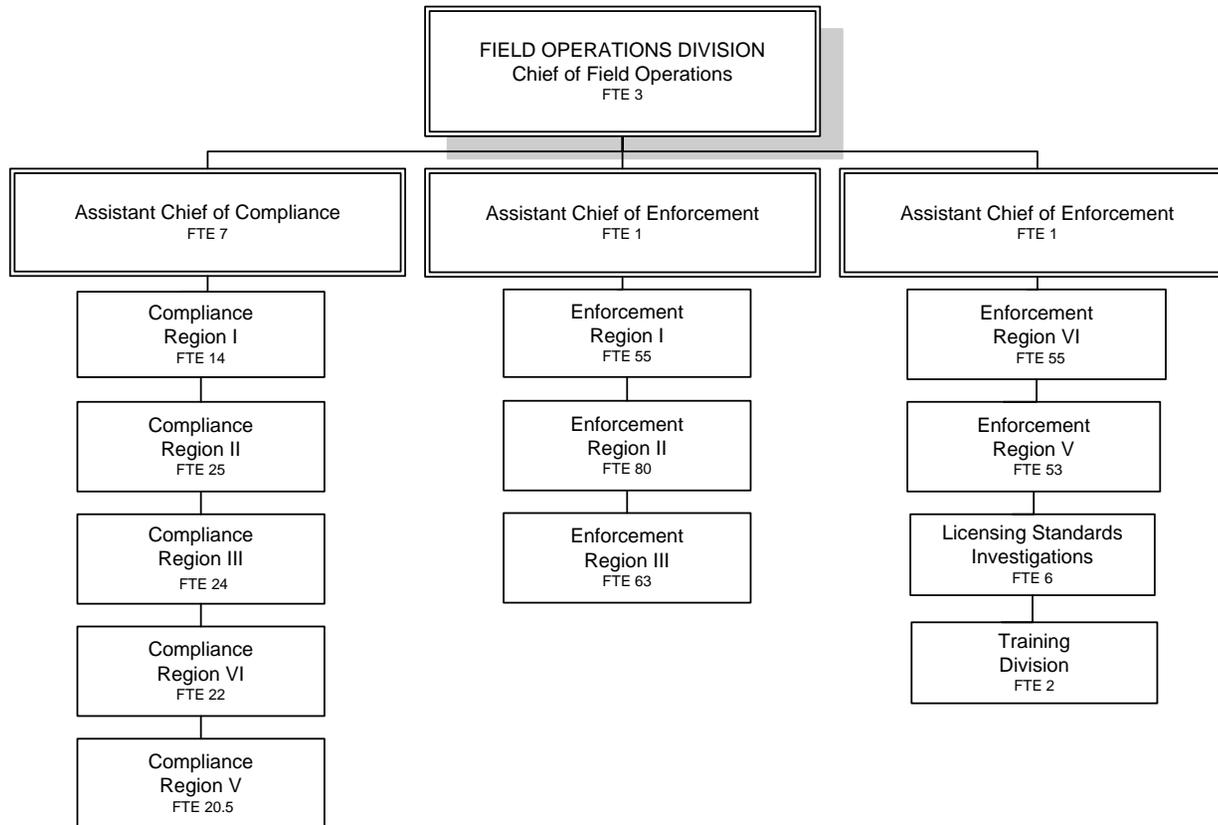
The Office of Professional Responsibility acts as the agency's internal watchdog for inappropriate and illegal activity. The division consists of three investigators and one support staff. Losing the support staff position would reduce the effectiveness of the department's ability to track trends and create management reports for executive staff and board members.

Reductions to administrative staff in the executive division would impact the agencies ability to provide timely information to executive staff members and to board members.

In FY2006, the agency received funding for 60 additional enforcement agents, 31 compliance officers and 5 licensing technicians to improve the agency's functions related to public safety. The agency has increased its outputs and the programs that were made possibly due to staffing increases have had a positive impact to DWI related fatalities. Eliminating approximately half of those FTEs will jeopardize the gains made and reduce outputs related to inspections and audits as well as impact the timeliness of license and permit application processing.

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Field Operations: Enforcement and Compliance

The agency's largest and most visible divisions, enforcement and compliance, were recently combined into one operating unit – field operations. The chief of field operations oversees two assistant chiefs who supervise enforcement, as well as one assistant chief who supervises the compliance division.

The **enforcement division** 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 and over-consumption of alcohol. The enforcement division is allocated 319 FTEs.

The **compliance division** is charged with the administrative/regulatory enforcement of the Alcoholic Beverage Code. The division plays a role in the initial phases of the licensing process, inspections, and fee analysis. They play a role in monitoring seller training schools to ensure compliance with agency standards. In addition, compliance personnel conduct investigative audits and other financial reviews, and assist the enforcement division in various types of investigations. The compliance division is also responsible for marketing practices -- oversight of the promotion of alcoholic beverage products in Texas. The compliance division is allocated 112.50 FTEs.

Both enforcement agents and compliance auditors provide training to permit holders and their employees, upon request as well as in response to age law violations by the permittee. In addition, presentations are delivered to students, ranging from middle schools to university settings. Finally, they provide presentations to 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.

Tax Division

The **tax division** is charged with the oversight of the taxing authority of the agency. Personnel receive, process and audit monthly excise tax reports to ensure taxes have been paid and that other reporting requirements are in adherence with the Alcoholic Beverage Code. The division also oversees the testing and labeling of alcoholic beverage products in Texas. The tax division is allocated 123.3 FTEs.

The ports of entry program, a section of the tax division, is responsible for ensuring compliance with personal importation laws and the collection of taxes and fees on alcoholic beverages and cigarettes brought into Texas from Mexico. Cigarette taxes are collect on behalf of the Office of the Comptroller of Public Accounts. Agency personnel are stationed at all major bridges along the Texas-Mexico border.

The education and prevention program, a section of the tax division, oversees agency programs involving educating the public, retailers, and their employees of the laws associated with consuming alcoholic beverages. They lead the agency's efforts to prevent illegal underage drinking, illegally making alcohol available to minors, as well as driving while intoxicated. The staff works with different statewide and local agencies, community coalitions and other groups to share information as well as participate in various programs to prevent underage drinking.

Licensing Division

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 division must ensure that each applicant qualifies to hold such license/permit and adheres to all applicable regulatory requirements. Approximately 100,000 licenses and permits are issued each year by division personnel. The licensing division is allocated 47 FTEs.

Information Resources Division

The **information resources** division is responsible for developing and maintaining the core technology applications for the agency, which includes licensing, enforcement, compliance, legal, and business services. Additionally, the division establishes and supports the technology infrastructure that facilitates agency operations, and is charged with researching and analyzing how to apply new technologies to solve business problems. The Information Resources division is allocated 19 FTEs.

Business Services Division

The **business services division** is responsible for all fiscal operations of the agency, including revenue processing, accounts payable, payroll, time and leave accounting, maintenance of the general ledger, research and planning, as well as preparation and oversight of the agency's legislative appropriations request, annual financial report, and performance reports. The general services section of business services is responsible for staff support functions of purchasing, historically underutilized business (HUB) program coordination, records retention coordination, real and personal property management, facilities leasing, fleet management, mail center operations, and warehousing. Business Services is allocated 23 FTEs.

Human Resources Division

The **human resources division** 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. The Human Resources Division is allocated 8.5 FTEs.

Legal Services / General Counsel Division

The agency's **legal services and general counsel division** prepares, processes, and prosecutes administrative cases dealing with violations of the Alcoholic Beverage Code. This division also reviews and prosecutes application protests by the commission, local authorities, and citizens to the issuance of licenses and permits. When violations by permittees and licensees throughout the state are alleged, a hearing is held by the State Office of Administrative Hearings. Outcomes of such hearings include recommendations to cancel, suspend, grant, or deny a license or permit. The legal division is allocated 21 positions.

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2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:37:57PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Goal / Objective / STRATEGY | Exp 2007 | Est 2008 | Bud 2009 | Req 2010 | Req 2011 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| 1 Promote the Health, Safety, and Welfare of the Public | | | | | |
| 1 <i>Detect/Prevent Law Violations</i> | | | | | |
| 1 ENFORCEMENT | 21,287,612 | 22,904,766 | 22,756,182 | 22,668,553 | 22,668,554 |
| TOTAL, GOAL 1 | \$21,287,612 | \$22,904,766 | \$22,756,182 | \$22,668,553 | \$22,668,554 |
| 2 Process Applications and Issue Alcoholic Beverage Licenses & Permits | | | | | |
| 1 <i>Process Applications within 14 Days</i> | | | | | |
| 1 LICENSING AND INVESTIGATION | 3,161,039 | 4,045,972 | 4,072,707 | 4,113,514 | 4,113,514 |
| TOTAL, GOAL 2 | \$3,161,039 | \$4,045,972 | \$4,072,707 | \$4,113,514 | \$4,113,514 |
| 3 Ensure Compliance with Fees & Taxes | | | | | |
| 1 <i>Ensure Compliance with Alcoholic Beverage Code</i> | | | | | |
| 1 COMPLIANCE MONITORING | 5,818,428 | 5,610,053 | 5,593,978 | 5,638,569 | 5,638,569 |
| 2 <i>Ensure Maximum Compliance with Importation Laws at Ports of Entry</i> | | | | | |
| 1 PORTS OF ENTRY | 3,568,549 | 3,753,587 | 3,826,249 | 3,851,806 | 3,851,806 |
| TOTAL, GOAL 3 | \$9,386,977 | \$9,363,640 | \$9,420,227 | \$9,490,375 | \$9,490,375 |
| 4 Indirect Administration | | | | | |
| 1 <i>Indirect Administration</i> | | | | | |
| 1 CENTRAL ADMINISTRATION | 1,782,039 | 1,966,273 | 2,041,980 | 2,056,273 | 2,056,273 |
| 2 INFORMATION RESOURCES | 1,566,552 | 1,994,484 | 2,069,537 | 1,907,323 | 1,907,323 |

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| <i>Goal / Objective / STRATEGY</i> | Exp 2007 | Est 2008 | Bud 2009 | Req 2010 | Req 2011 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| 3 OTHER SUPPORT SERVICES | 543,106 | 603,546 | 613,042 | 619,059 | 619,059 |
| TOTAL, GOAL 4 | \$3,891,697 | \$4,564,303 | \$4,724,559 | \$4,582,655 | \$4,582,655 |
| TOTAL, AGENCY STRATEGY REQUEST | \$37,727,325 | \$40,878,681 | \$40,973,675 | \$40,855,097 | \$40,855,098 |
| TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST* | | | | \$0 | \$0 |
| GRAND TOTAL, AGENCY REQUEST | \$37,727,325 | \$40,878,681 | \$40,973,675 | \$40,855,097 | \$40,855,098 |
| METHOD OF FINANCING: | | | | | |
| General Revenue Funds: | | | | | |
| 1 General Revenue Fund | 37,088,221 | 40,190,211 | 40,177,225 | 40,350,147 | 40,350,148 |
| SUBTOTAL | \$37,088,221 | \$40,190,211 | \$40,177,225 | \$40,350,147 | \$40,350,148 |
| Federal Funds: | | | | | |
| 555 Federal Funds | 398,749 | 491,026 | 651,450 | 351,200 | 351,200 |
| SUBTOTAL | \$398,749 | \$491,026 | \$651,450 | \$351,200 | \$351,200 |
| Other Funds: | | | | | |
| 444 Criminal Justice Grants | 86,323 | 126,500 | 130,000 | 130,000 | 130,000 |
| 666 Appropriated Receipts | 154,032 | 70,944 | 15,000 | 23,750 | 23,750 |
| SUBTOTAL | \$240,355 | \$197,444 | \$145,000 | \$153,750 | \$153,750 |
| TOTAL, METHOD OF FINANCING | \$37,727,325 | \$40,878,681 | \$40,973,675 | \$40,855,097 | \$40,855,098 |

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
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DATE: **8/12/2008**
 TIME: **1:44:36PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| METHOD OF FINANCING | Exp 2007 | Est 2008 | Bud 2009 | Req 2010 | Req 2011 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <u>GENERAL REVENUE</u> | | | | | |
| <u>1</u> General Revenue Fund | | | | | |
| <i>REGULAR APPROPRIATIONS</i> | | | | | |
| | \$34,613,267 | \$39,194,055 | \$38,837,730 | \$40,350,147 | \$40,350,148 |
| <i>RIDER APPROPRIATION</i> | | | | | |
| Art V, Rider 12-Texas Wine Marketing Assist Prog Pg V-11 (2007-08 GAA) | \$(250,000) | \$0 | \$0 | \$0 | \$0 |
| Art V, Rider 14-Texas Wine Marketing Assist Prog, Pg V-8 (2006-07 GAA) | \$0 | \$(250,000) | \$(250,000) | \$0 | \$0 |
| Art V, Rider 17 - Gasoline Contingency, Page V-9 (2006-07 GAA) | \$220,000 | \$0 | \$0 | \$0 | \$0 |
| <i>TRANSFERS</i> | | | | | |
| Art IX, Sec 12.04, Lost Property | \$(219) | \$0 | \$0 | \$0 | \$0 |
| Art IX, Sec 13.17(a), Salary Increase (2006-07 GAA) | \$919,218 | \$0 | \$0 | \$0 | \$0 |
| Art IX, Sec 19.61, Schedule C Pay Raises (2008-09 GAA) | \$0 | \$867,835 | \$867,835 | \$0 | \$0 |

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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DATE: 8/12/2008
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Agency code: 458 Agency name: Alcoholic Beverage Commission

| METHOD OF FINANCING | Exp 2007 | Est 2008 | Bud 2009 | Req 2010 | Req 2011 |
|--|-------------|-------------|-------------|----------|----------|
| <u>GENERAL REVENUE</u> | | | | | |
| Art IX, Sec 19.62(a), Salary Increase (2008-09 GAA) | \$0 | \$269,294 | \$602,153 | \$0 | \$0 |
| Art IX, Sec 3.09, Schedule C Pay Raises and Stipends (2006-07 GAA) | \$2,041,994 | \$0 | \$0 | \$0 | \$0 |
| H.B. 3147, 79th Reg. Session | \$(33,480) | \$0 | \$0 | \$0 | \$0 |
| <i>SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS</i> | | | | | |
| Art IX, Sec 14.59 - Contingency S.B. 1850, Pg IX-92 (2006-07 GAA) | \$129,994 | \$0 | \$0 | \$0 | \$0 |
| Art IX, Sec 19.40 - Contingency S.B. 1217, Pg IX-79 (2008-09 GAA) | \$0 | \$382,199 | \$275,799 | \$0 | \$0 |
| HB 15, Data Center Consolidation, Sec 30(a) - Data Center Payments | \$0 | \$188,813 | \$188,813 | \$0 | \$0 |
| <i>LAPSED APPROPRIATIONS</i> | | | | | |
| Art V, Rider 10 - POE Anzalduas Bridge, Page V-11 (2008-09 GAA) | \$0 | \$(218,595) | \$(116,844) | \$0 | \$0 |
| Art V, Rider 11 - POE Donna Bridge, Page V-11 (2008-09 GAA) | \$0 | \$(243,390) | \$(228,261) | \$0 | \$0 |

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:44:43PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| METHOD OF FINANCING | Exp 2007 | Est 2008 | Bud 2009 | Req 2010 | Req 2011 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <u>GENERAL REVENUE</u> | | | | | |
| Art V, Rider 12 - POE Anzalduas Bridge, Pg V-8 (2006-07 GAA) | \$(119,803) | \$0 | \$0 | \$0 | \$0 |
| Art V, Rider 13 - POE Donna Bridge, Pg V-8 (2006-07 GAA) | \$(139,872) | \$0 | \$0 | \$0 | \$0 |
| Lapse Appropriations | \$(865,044) | \$0 | \$0 | \$0 | \$0 |
| <i>UNEXPENDED BALANCES AUTHORITY</i> | | | | | |
| Art IX, Sec 6.16(j), Capital Budget UB (2006-07 GAA) | \$572,166 | \$0 | \$0 | \$0 | \$0 |
| TOTAL, General Revenue Fund | \$37,088,221 | \$40,190,211 | \$40,177,225 | \$40,350,147 | \$40,350,148 |
| TOTAL, ALL GENERAL REVENUE | \$37,088,221 | \$40,190,211 | \$40,177,225 | \$40,350,147 | \$40,350,148 |

FEDERAL FUNDS

555 Federal Funds

REGULAR APPROPRIATIONS

| | | | | |
|-----------|-----------|-----------|-----------|-----------|
| \$360,000 | \$351,200 | \$351,200 | \$351,200 | \$351,200 |
|-----------|-----------|-----------|-----------|-----------|

RIDER APPROPRIATION

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:44:43PM**

| METHOD OF FINANCING | Exp 2007 | Est 2008 | Bud 2009 | Req 2010 | Req 2011 |
|---|------------------|------------------|------------------|------------------|------------------|
| Agency code: 458 Agency name: Alcoholic Beverage Commission | | | | | |
| <u>FEDERAL FUNDS</u> | | | | | |
| Art IX, Sec 8.02, Federal Funds/Block Grants (2006-07 GAA) | \$38,749 | \$0 | \$0 | \$0 | \$0 |
| Art IX, Sec 8.02, Federal Funds/Block Grants (2008-09 GAA) | \$0 | \$139,826 | \$300,250 | \$0 | \$0 |
| TOTAL, Federal Funds | \$398,749 | \$491,026 | \$651,450 | \$351,200 | \$351,200 |
| TOTAL, ALL FEDERAL FUNDS | \$398,749 | \$491,026 | \$651,450 | \$351,200 | \$351,200 |
| <u>OTHER FUNDS</u> | | | | | |
| 444 Criminal Justice Grants | | | | | |
| <i>REGULAR APPROPRIATIONS</i> | \$120,000 | \$100,000 | \$100,000 | \$130,000 | \$130,000 |
| <i>RIDER APPROPRIATION</i> | | | | | |
| Art IX, Sec 8.03, Reimbursements and Payments (2006-07 GAA) | \$(33,677) | \$0 | \$0 | \$0 | \$0 |
| Art IX, Sec 8.03, Reimbursements and Payments (2008-09 GAA) | \$0 | \$26,500 | \$30,000 | \$0 | \$0 |
| TOTAL, Criminal Justice Grants | \$86,323 | \$126,500 | \$130,000 | \$130,000 | \$130,000 |

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:44:43PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| METHOD OF FINANCING | Exp 2007 | Est 2008 | Bud 2009 | Req 2010 | Req 2011 |
|---|------------------|-----------------|-----------------|-----------------|-----------------|
| <u>OTHER FUNDS</u> | | | | | |
| <u>666</u> Appropriated Receipts | | | | | |
| <i>REGULAR APPROPRIATIONS</i> | | | | | |
| | \$5,000 | \$5,000 | \$5,000 | \$23,750 | \$23,750 |
| <i>RIDER APPROPRIATION</i> | | | | | |
| Art IX, Sec 8.03, Reimbursements and Payments (2006-07 GAA) | \$27,230 | \$0 | \$0 | \$0 | \$0 |
| Art IX, Sec 8.03, Reimbursements and Payments (2008-09 GAA) | \$0 | \$57,259 | \$0 | \$0 | \$0 |
| Art IX, Sec 8.04, Surplus Property (2006-07 GAA) | \$121,802 | \$0 | \$0 | \$0 | \$0 |
| Art IX, Sec 8.04, Surplus Property (2008-09 GAA) | \$0 | \$8,685 | \$10,000 | \$0 | \$0 |
| TOTAL, Appropriated Receipts | \$154,032 | \$70,944 | \$15,000 | \$23,750 | \$23,750 |
| <u>777</u> Interagency Contracts | | | | | |
| <i>REGULAR APPROPRIATIONS</i> | | | | | |
| | \$30,000 | \$0 | \$0 | \$0 | \$0 |

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:44:43PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| METHOD OF FINANCING | Exp 2007 | Est 2008 | Bud 2009 | Req 2010 | Req 2011 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| <u>OTHER FUNDS</u> | | | | | |
| <i>RIDER APPROPRIATION</i> | | | | | |
| Art IX, Sec 8.03, Reimbursements and Payments (2006-07 GAA) | | | | | |
| | \$(30,000) | \$0 | \$0 | \$0 | \$0 |
| TOTAL, Interagency Contracts | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL, ALL OTHER FUNDS | \$240,355 | \$197,444 | \$145,000 | \$153,750 | \$153,750 |
| GRAND TOTAL | \$37,727,325 | \$40,878,681 | \$40,973,675 | \$40,855,097 | \$40,855,098 |

FULL-TIME-EQUIVALENT POSITIONS

| | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| REGULAR APPROPRIATIONS | | | | | |
| Regular Appropriations | 700.7 | 693.7 | 693.7 | 684.3 | 684.3 |
| Art IX, Sec 18.02(c), Data Center | 0.0 | (1.7) | (1.7) | 0.0 | 0.0 |
| Consolidation FTE Reductions | | | | | |
| SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS | | | | | |
| Art IX, Sec 19.40 - Contingency S.B. 1217, Pg IX-79 (2008-09 GAA) | 0.0 | 7.0 | 7.0 | 0.0 | 0.0 |
| LAPSED APPROPRIATIONS | | | | | |
| Lapse POE Bridge Positions | (14.0) | (14.0) | (11.7) | 0.0 | 0.0 |
| Lapsed Appropriations | (39.3) | (42.9) | (3.0) | 0.0 | 0.0 |
| TOTAL, ADJUSTED FTES | 647.4 | 642.1 | 684.3 | 684.3 | 684.3 |

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
TIME: **1:44:43PM**

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

| METHOD OF FINANCING | Exp 2007 | Est 2008 | Bud 2009 | Req 2010 | Req 2011 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| NUMBER OF 100% FEDERALLY FUNDED FTEs | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

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2.C. SUMMARY OF BASE REQUEST BY OBJECT OF EXPENSE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:45:19PM**

| Agency code: 458 | Agency name: Alcoholic Beverage Commission | | | | |
|-------------------------------------|---|---------------------|---------------------|---------------------|---------------------|
| OBJECT OF EXPENSE | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
| 1001 SALARIES AND WAGES | \$27,472,764 | \$28,085,905 | \$30,620,320 | \$30,620,320 | \$30,620,320 |
| 1002 OTHER PERSONNEL COSTS | \$1,578,178 | \$1,732,016 | \$1,227,418 | \$1,335,903 | \$1,335,903 |
| 2001 PROFESSIONAL FEES AND SERVICES | \$794,762 | \$1,449,625 | \$843,668 | \$668,441 | \$668,441 |
| 2002 FUELS AND LUBRICANTS | \$597,053 | \$801,681 | \$913,649 | \$733,650 | \$733,650 |
| 2003 CONSUMABLE SUPPLIES | \$266,544 | \$466,177 | \$293,850 | \$290,872 | \$290,873 |
| 2004 UTILITIES | \$238,279 | \$395,074 | \$354,138 | \$362,878 | \$362,878 |
| 2005 TRAVEL | \$655,716 | \$654,608 | \$690,525 | \$690,315 | \$690,315 |
| 2006 RENT - BUILDING | \$1,839,060 | \$1,955,989 | \$1,991,121 | \$2,048,663 | \$2,048,663 |
| 2007 RENT - MACHINE AND OTHER | \$117,631 | \$131,062 | \$131,849 | \$131,849 | \$131,849 |
| 2009 OTHER OPERATING EXPENSE | \$2,426,064 | \$3,444,805 | \$2,980,270 | \$2,621,347 | \$2,621,347 |
| 4000 GRANTS | \$208,332 | \$266,585 | \$232,410 | \$238,875 | \$238,875 |
| 5000 CAPITAL EXPENDITURES | \$1,532,942 | \$1,495,154 | \$694,457 | \$1,111,984 | \$1,111,984 |
| 9999 NOT REL TO LBB TRACKING | \$0 | \$0 | \$0 | \$0 | \$0 |
| OOE Total (Excluding Riders) | \$37,727,325 | \$40,878,681 | \$40,973,675 | \$40,855,097 | \$40,855,098 |
| OOE Total (Riders) | | | | | |
| Grand Total | \$37,727,325 | \$40,878,681 | \$40,973,675 | \$40,855,097 | \$40,855,098 |

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2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : **8/12/2008**

Time: **1:45:50PM**

| Agency code: 458 | | Agency name: Alcoholic Beverage Commission | | | |
|--|---|---|----------|---------|---------|
| Goal/ Objective / Outcome | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
| 1 Promote the Health, Safety, and Welfare of the Public | | | | | |
| 1 Detect/Prevent Law Violations | | | | | |
| KEY | 1 Percentage of Licensed Establishments Inspected Annually | | | | |
| | 87.40% | 80.00% | 78.50% | 78.50% | 78.50% |
| | 2 % of Administrative Cases Resulting in Administrative Sanctions | | | | |
| | 95.12% | 95.00% | 95.00% | 95.00% | 95.00% |
| | 3 % Agency Contacts Rating Enforcement Actions As Satisfactory or Better | | | | |
| | 94.07% | 95.00% | 95.00% | 95.00% | 95.00% |
| | 4 Percentage of Complaint Investigations Closed within 60 Days | | | | |
| | 86.21% | 87.00% | 86.00% | 86.00% | 86.00% |
| | 5 Percentage of Priority Retail Locations Inspected by Enforcement | | | | |
| | 92.69% | 95.00% | 95.00% | 95.00% | 95.00% |
| | 6 Retailer Public Safety Compliance Rate | | | | |
| | 94.54 | 95.00 | 95.00 | 95.00 | 95.00 |
| | 7 Priority Retailer Public Safety Compliance Rate | | | | |
| | 92.65 | 93.00 | 93.00 | 93.00 | 93.00 |
| | 8 Recidivism Rate - Licensed Retailers | | | | |
| | 17.38 | 15.00 | 15.00 | 15.00 | 15.00 |
| 2 Process Applications and Issue Alcoholic Beverage Licenses & Permits | | | | | |
| 1 Process Applications within 14 Days | | | | | |
| KEY | 1 % of Original License/Permit Applications Processed within 14 Days | | | | |
| | 99.17% | 98.18% | 99.00% | 99.00% | 99.00% |

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/12/2008

Time: 1:45:57PM

Agency code: 458

Agency name: **Alcoholic Beverage Commission**

| Goal/ Objective / Outcome | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---|----------|----------|----------|---------|---------|
| 3 Ensure Compliance with Fees & Taxes | | | | | |
| 1 Ensure Compliance with Alcoholic Beverage Code | | | | | |
| KEY 1 % of Inspections Resulting in Administrative Actions | | | | | |
| | 33.20% | 19.50% | 19.50% | 19.50% | 19.50% |
| 2 Percent of Report Analyses Resulting in Admin or Compliance Actions | | | | | |
| | 18.22% | 17.00% | 17.00% | 17.00% | 17.00% |
| 3 % Contacts Expressing Satisfaction with Agency Auditors | | | | | |
| | 94.90% | 96.00% | 96.00% | 96.00% | 96.00% |
| 2 Ensure Maximum Compliance with Importation Laws at Ports of Entry | | | | | |
| 1 Revenue As a Percent of Expenses | | | | | |
| | 111.73% | 92.17% | 90.42% | 89.82% | 89.82% |

2.E. SUMMARY OF EXCEPTIONAL ITEMS REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:46:26PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

| Priority | Item | 2010 | | | 2011 | | | Biennium | |
|---|----------------------------------|------------------------|--------------------|-------------|---------------------|--------------------|-------------|---------------------|--------------------|
| | | GR and GR/GR Dedicated | All Funds | FTEs | GR and GR Dedicated | All Funds | FTEs | GR and GR Dedicated | All Funds |
| 1 | Retention/Succession Plan | \$1,201,475 | \$1,201,475 | | \$1,541,293 | \$1,541,293 | | \$2,742,768 | \$2,742,768 |
| 2 | Transfer to Dept. of Agriculture | \$250,000 | \$250,000 | | \$250,000 | \$250,000 | | \$500,000 | \$500,000 |
| 3 | Increased DCC Costs | \$231,227 | \$231,227 | | \$180,127 | \$180,127 | | \$411,354 | \$411,354 |
| 4 | IT Automation Enhancements | \$2,509,777 | \$2,509,777 | | \$694,492 | \$694,492 | | \$3,204,269 | \$3,204,269 |
| 5 | Ports of Entry Expansion | \$652,937 | \$652,937 | 17.7 | \$574,643 | \$574,643 | 17.7 | \$1,227,580 | \$1,227,580 |
| 6 | Miscellaneous Cost Increases | \$346,124 | \$346,124 | | \$346,124 | \$346,124 | | \$692,248 | \$692,248 |
| Total, Exceptional Items Request | | \$5,191,540 | \$5,191,540 | 17.7 | \$3,586,679 | \$3,586,679 | 17.7 | \$8,778,219 | \$8,778,219 |

Method of Financing

| | | | | | | | | |
|-----------------------------|--------------------|--------------------|--|--------------------|--------------------|--|--------------------|--------------------|
| General Revenue | \$5,191,540 | \$5,191,540 | | \$3,586,679 | \$3,586,679 | | \$8,778,219 | \$8,778,219 |
| General Revenue - Dedicated | | | | | | | | |
| Federal Funds | | | | | | | | |
| Other Funds | | | | | | | | |
| | \$5,191,540 | \$5,191,540 | | \$3,586,679 | \$3,586,679 | | \$8,778,219 | \$8,778,219 |

Full Time Equivalent Positions 17.7

Number of 100% Federally Funded FTEs 0.0

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2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/12/2008
 TIME : 1:46:55PM

| Agency code: 458 Agency name: Alcoholic Beverage Commission | | | | | | | |
|---|---|----------------------|----------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Goal/Objective/STRATEGY | | Base 2010 | Base 2011 | Exceptional 2010 | Exceptional 2011 | Total Request 2010 | Total Request 2011 |
| 1 | Promote the Health, Safety, and Welfare of the Public | | | | | | |
| | 1 <i>Detect/Prevent Law Violations</i> | | | | | | |
| | 1 ENFORCEMENT | \$22,668,553 | \$22,668,554 | \$646,047 | \$473,934 | \$23,314,600 | \$23,142,488 |
| | TOTAL, GOAL 1 | \$22,668,553 | \$22,668,554 | \$646,047 | \$473,934 | \$23,314,600 | \$23,142,488 |
| 2 | Process Applications and Issue Alcoholic Beverage Licenses & Perm | | | | | | |
| | 1 <i>Process Applications within 14 Days</i> | | | | | | |
| | 1 LICENSING AND INVESTIGATION | 4,113,514 | 4,113,514 | 896,503 | 137,456 | 5,010,017 | 4,250,970 |
| | TOTAL, GOAL 2 | \$4,113,514 | \$4,113,514 | \$896,503 | \$137,456 | \$5,010,017 | \$4,250,970 |
| 3 | Ensure Compliance with Fees & Taxes | | | | | | |
| | 1 <i>Ensure Compliance with Alcoholic Beverage Code</i> | | | | | | |
| | 1 COMPLIANCE MONITORING | 5,638,569 | 5,638,569 | 1,448,135 | 873,760 | 7,086,704 | 6,512,329 |
| | 2 <i>Ensure Maximum Compliance with Importation Laws at Ports of Ent</i> | | | | | | |
| | 1 PORTS OF ENTRY | 3,851,806 | 3,851,806 | 1,014,954 | 966,200 | 4,866,760 | 4,818,006 |
| | TOTAL, GOAL 3 | \$9,490,375 | \$9,490,375 | \$2,463,089 | \$1,839,960 | \$11,953,464 | \$11,330,335 |

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/12/2008
 TIME : 1:46:59PM

| Agency code: 458 | | Agency name: Alcoholic Beverage Commission | | | | |
|---|----------------------|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Goal/Objective/STRATEGY | Base 2010 | Base 2011 | Exceptional 2010 | Exceptional 2011 | Total Request 2010 | Total Request 2011 |
| 4 Indirect Administration | | | | | | |
| 1 <i>Indirect Administration</i> | | | | | | |
| 1 CENTRAL ADMINISTRATION | \$2,056,273 | \$2,056,273 | \$523,187 | \$426,039 | \$2,579,460 | \$2,482,312 |
| 2 INFORMATION RESOURCES | 1,907,323 | 1,907,323 | 644,757 | 679,946 | 2,552,080 | 2,587,269 |
| 3 OTHER SUPPORT SERVICES | 619,059 | 619,059 | 17,957 | 29,344 | 637,016 | 648,403 |
| TOTAL, GOAL 4 | \$4,582,655 | \$4,582,655 | \$1,185,901 | \$1,135,329 | \$5,768,556 | \$5,717,984 |
| TOTAL, AGENCY STRATEGY REQUEST | \$40,855,097 | \$40,855,098 | \$5,191,540 | \$3,586,679 | \$46,046,637 | \$44,441,777 |
| TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST | | | | | | |
| GRAND TOTAL, AGENCY REQUEST | \$40,855,097 | \$40,855,098 | \$5,191,540 | \$3,586,679 | \$46,046,637 | \$44,441,777 |

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/12/2008
 TIME : 1:46:59PM

| Agency code: 458 | | Agency name: Alcoholic Beverage Commission | | | | |
|---------------------------------------|----------------------|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <i>Goal/Objective/STRATEGY</i> | Base 2010 | Base 2011 | Exceptional 2010 | Exceptional 2011 | Total Request 2010 | Total Request 2011 |
| General Revenue Funds: | | | | | | |
| 1 General Revenue Fund | \$40,350,147 | \$40,350,148 | \$5,191,540 | \$3,586,679 | \$45,541,687 | \$43,936,827 |
| | \$40,350,147 | \$40,350,148 | \$5,191,540 | \$3,586,679 | \$45,541,687 | \$43,936,827 |
| Federal Funds: | | | | | | |
| 555 Federal Funds | 351,200 | 351,200 | 0 | 0 | \$351,200 | \$351,200 |
| | \$351,200 | \$351,200 | \$0 | \$0 | \$351,200 | \$351,200 |
| Other Funds: | | | | | | |
| 444 Criminal Justice Grants | 130,000 | 130,000 | 0 | 0 | \$130,000 | \$130,000 |
| 666 Appropriated Receipts | 23,750 | 23,750 | 0 | 0 | \$23,750 | \$23,750 |
| | \$153,750 | \$153,750 | \$0 | \$0 | \$153,750 | \$153,750 |
| TOTAL, METHOD OF FINANCING | \$40,855,097 | \$40,855,098 | \$5,191,540 | \$3,586,679 | \$46,046,637 | \$44,441,777 |
| FULL TIME EQUIVALENT POSITIONS | 684.3 | 684.3 | 17.7 | 17.7 | 702.0 | 702.0 |

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2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/12/2008
Time: 1:47:37PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

Goal/ Objective / Outcome

| | BL 2010 | BL 2011 | Excp 2010 | Excp 2011 | Total Request 2010 | Total Request 2011 |
|------------|---|--------------------|----------------------|----------------------|-----------------------------------|-----------------------------------|
| 1 | Promote the Health, Safety, and Welfare of the Public | | | | | |
| 1 | <i>Detect/Prevent Law Violations</i> | | | | | |
| KEY | 1 Percentage of Licensed Establishments Inspected Annually | | | | | |
| | 78.50% | 78.50% | 78.50% | 78.50% | 78.50% | 78.50% |
| | 2 % of Administrative Cases Resulting in Administrative Sanctions | | | | | |
| | 95.00% | 95.00% | 95.00% | 95.00% | 95.00% | 95.00% |
| | 3 % Agency Contacts Rating Enforcement Actions As Satisfactory or Better | | | | | |
| | 95.00% | 95.00% | 95.00% | 95.00% | 95.00% | 95.00% |
| | 4 Percentage of Complaint Investigations Closed within 60 Days | | | | | |
| | 86.00% | 86.00% | 86.00% | 86.00% | 86.00% | 86.00% |
| | 5 Percentage of Priority Retail Locations Inspected by Enforcement | | | | | |
| | 95.00% | 95.00% | 95.00% | 95.00% | 95.00% | 95.00% |
| | 6 Retailer Public Safety Compliance Rate | | | | | |
| | 95.00 | 95.00 | 95.00 | 95.00 | 95.00 | 95.00 |
| | 7 Priority Retailer Public Safety Compliance Rate | | | | | |
| | 93.00 | 93.00 | 93.00 | 93.00 | 93.00 | 93.00 |
| | 8 Recidivism Rate - Licensed Retailers | | | | | |
| | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| 2 | Process Applications and Issue Alcoholic Beverage Licenses & Permits | | | | | |

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/12/2008
Time: 1:47:42PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

Goal/ Objective / Outcome

| | BL 2010 | BL 2011 | Excp 2010 | Excp 2011 | Total Request 2010 | Total Request 2011 |
|---|--------------------|--------------------|----------------------|----------------------|-----------------------------------|-----------------------------------|
| 1 <i>Process Applications within 14 Days</i> | | | | | | |
| KEY 1 % of Original License/Permit Applications Processed within 14 Days | | | | | | |
| | 99.00% | 99.00% | 99.00% | 99.00% | 99.00% | 99.00% |
| 3 <i>Ensure Compliance with Fees & Taxes</i> | | | | | | |
| 1 <i>Ensure Compliance with Alcoholic Beverage Code</i> | | | | | | |
| KEY 1 % of Inspections Resulting in Administrative Actions | | | | | | |
| | 19.50% | 19.50% | 19.50% | 19.50% | 19.50% | 19.50% |
| 2 Percent of Report Analyses Resulting in Admin or Compliance Actions | | | | | | |
| | 17.00% | 17.00% | 17.00% | 17.00% | 17.00% | 17.00% |
| 3 % Contacts Expressing Satisfaction with Agency Auditors | | | | | | |
| | 96.00% | 96.00% | 96.00% | 96.00% | 96.00% | 96.00% |
| 2 <i>Ensure Maximum Compliance with Importation Laws at Ports of Entry</i> | | | | | | |
| 1 Revenue As a Percent of Expenses | | | | | | |
| | 89.82% | 89.82% | 70.20% | 71.08% | 70.20% | 71.08% |

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:01PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 1 Promote the Health, Safety, and Welfare of the Public

Statewide Goal/Benchmark: 5 25

OBJECTIVE: 1 Detect/Prevent Law Violations

Service Categories:

STRATEGY: 1 Enforcement

Service: 34 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|------------------------------------|--|--------------|--------------|--------------|--------------|--------------|
| Output Measures: | | | | | | |
| KEY 1 | Number of Inspections Conducted by Enforcement Agents | 137,539.00 | 128,000.00 | 128,000.00 | 128,000.00 | 128,000.00 |
| 2 | # Inspections Priority Retailers Conducted by Enforcement | 29,229.00 | 29,500.00 | 29,500.00 | 29,500.00 | 29,500.00 |
| 3 | Number of Persons Instructed by Enforcement Agents | 289,188.00 | 330,000.00 | 225,000.00 | 225,000.00 | 225,000.00 |
| 4 | Number of Licensees Attending Enforcement Education Programs | 15,401.00 | 16,000.00 | 15,500.00 | 15,500.00 | 15,500.00 |
| Efficiency Measures: | | | | | | |
| KEY 1 | Average Cost Per Enforcement Inspection | 148.58 | 171.79 | 172.45 | 171.79 | 171.79 |
| 2 | Average Cost Per Person Attending Enforcement Education Programs | 2.94 | 2.78 | 3.03 | 3.02 | 3.02 |
| Explanatory/Input Measures: | | | | | | |
| 1 | Number of Enforcement Cases Reaching Final Disposition | 3,442.00 | 3,200.00 | 3,100.00 | 3,100.00 | 3,100.00 |
| 2 | Number of Licensed Locations Subject to Inspection | 47,090.00 | 47,300.00 | 47,700.00 | 48,100.00 | 48,500.00 |
| 3 | Number of Complaint Investigations Opened | 7,963.00 | 8,000.00 | 8,000.00 | 8,000.00 | 8,000.00 |
| 4 | Number of Criminal Cases Filed | 15,380.00 | 13,800.00 | 14,000.00 | 14,000.00 | 14,000.00 |
| 5 | Number of Administrative Cases Initiated by Enforcement Agents | 3,273.00 | 3,000.00 | 3,100.00 | 3,100.00 | 3,100.00 |
| 6 | Number of Priority Retail Locations | 4,717.00 | 4,632.00 | 4,800.00 | 4,850.00 | 4,850.00 |
| 7 | Number of Complaint Investigations Closed | 7,476.00 | 8,000.00 | 8,000.00 | 8,000.00 | 8,000.00 |
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$15,631,295 | \$15,819,963 | \$16,933,332 | \$16,933,332 | \$16,933,332 |
| 1002 | OTHER PERSONNEL COSTS | \$1,003,361 | \$1,087,181 | \$821,037 | \$873,133 | \$873,133 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$175,867 | \$250,665 | \$48,528 | \$48,528 | \$48,528 |
| 2002 | FUELS AND LUBRICANTS | \$592,281 | \$794,315 | \$905,000 | \$725,001 | \$725,001 |
| 2003 | CONSUMABLE SUPPLIES | \$77,351 | \$242,056 | \$194,991 | \$193,501 | \$193,502 |

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 1 Promote the Health, Safety, and Welfare of the Public
 OBJECTIVE: 1 Detect/Prevent Law Violations
 STRATEGY: 1 Enforcement

Statewide Goal/Benchmark: 5 25
 Service Categories:
 Service: 34 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2004 | UTILITIES | \$92,952 | \$198,325 | \$161,385 | \$170,125 | \$170,125 |
| 2005 | TRAVEL | \$306,746 | \$290,857 | \$295,589 | \$295,379 | \$295,379 |
| 2006 | RENT - BUILDING | \$811,528 | \$937,399 | \$952,709 | \$980,915 | \$980,915 |
| 2007 | RENT - MACHINE AND OTHER | \$59,045 | \$67,161 | \$67,151 | \$67,151 | \$67,151 |
| 2009 | OTHER OPERATING EXPENSE | \$1,205,812 | \$1,887,314 | \$1,827,551 | \$1,442,134 | \$1,442,134 |
| 4000 | GRANTS | \$0 | \$25,502 | \$2,237 | \$0 | \$0 |
| 5000 | CAPITAL EXPENDITURES | \$1,331,374 | \$1,304,028 | \$546,672 | \$939,354 | \$939,354 |
| TOTAL, OBJECT OF EXPENSE | | \$21,287,612 | \$22,904,766 | \$22,756,182 | \$22,668,553 | \$22,668,554 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$21,051,884 | \$22,655,361 | \$22,304,982 | \$22,513,603 | \$22,513,604 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$21,051,884 | \$22,655,361 | \$22,304,982 | \$22,513,603 | \$22,513,604 |
| Method of Financing: | | | | | | |
| 555 | Federal Funds | | | | | |
| | 11.555.000 Interoperable Communications Grant | \$0 | \$0 | \$300,000 | \$0 | \$0 |
| | 20.600.000 State and Community Highw | \$962 | \$58,200 | \$6,200 | \$1,200 | \$1,200 |
| CFDA Subtotal, Fund | 555 | \$962 | \$58,200 | \$306,200 | \$1,200 | \$1,200 |
| SUBTOTAL, MOF (FEDERAL FUNDS) | | \$962 | \$58,200 | \$306,200 | \$1,200 | \$1,200 |
| Method of Financing: | | | | | | |
| 444 | Criminal Justice Grants | \$86,323 | \$126,500 | \$130,000 | \$130,000 | \$130,000 |
| 666 | Appropriated Receipts | \$148,443 | \$64,705 | \$15,000 | \$23,750 | \$23,750 |
| SUBTOTAL, MOF (OTHER FUNDS) | | \$234,766 | \$191,205 | \$145,000 | \$153,750 | \$153,750 |

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 1 Promote the Health, Safety, and Welfare of the Public

Statewide Goal/Benchmark: 5 25

OBJECTIVE: 1 Detect/Prevent Law Violations

Service Categories:

STRATEGY: 1 Enforcement

Service: 34 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|-------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$22,668,553 | \$22,668,554 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$21,287,612 | \$22,904,766 | \$22,756,182 | \$22,668,553 | \$22,668,554 |
| FULL TIME EQUIVALENT POSITIONS: | | 312.9 | 311.3 | 331.0 | 331.0 | 331.0 |

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Texas Alcoholic Beverage Code directs the commission to protect public safety by fostering voluntary compliance with the law, by detecting and deterring violations, and by promoting responsible alcohol consumption. The commission is also directed to investigate violations of the code and of other laws relating to alcoholic beverages and to “supervise and regulate licensees and permittees in their places of business in matters affecting the public.” It also empowers the agency to commission as state police officers “as many inspectors and representatives as are necessary” to enforce the Alcoholic Beverage Code and related laws. Strategy 01-01-01 directs and funds the administrative and criminal law enforcement activities needed to fulfill these mandates.

With this strategy, the commission seeks to protect public health and safety and to ensure voluntary compliance by using a broad array of law enforcement and educational methods. First priority is given to public safety issues, and amount of resources directed towards any specific licensee or permittee is based on the assessed risk of future public safety violations. Key elements of this risk assessment are the agency’s past experience with the individual licensed establishment — its history of violations and complaints - and with other licensed entities engaged in the same basic type of business.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Externals factors influencing this strategy include alcohol consumption patterns, public attitudes concerning alcohol abuse and its consequences, population changes, the volume of local option initiatives, the health of the state’s economy, and the level of legislative appropriation. Of increasing importance is the world price of oil and the market price of gasoline. Gasoline expense is an important component of the budget for this strategy and has been addressed through the request of an exceptional item.

In addition to the external factors discussed above, internal factors can also influence this strategy. These factors include staffing levels and staff allocation; recruitment and retention of the qualified peace officers; and employee knowledge, skills, and ability levels.

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 2 Process Applications and Issue Alcoholic Beverage Licenses & Permits

Statewide Goal/Benchmark: 4 8

OBJECTIVE: 1 Process Applications within 14 Days

Service Categories:

STRATEGY: 1 Licensing and Investigation

Service: 17 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Output Measures: | | | | | | |
| 1 | Number of Applications Processed | 114,785.00 | 114,800.00 | 114,800.00 | 82,700.00 | 68,300.00 |
| KEY 2 | Number of Licenses/Permits Issued | 106,646.00 | 106,800.00 | 106,800.00 | 74,700.00 | 60,300.00 |
| Efficiency Measures: | | | | | | |
| KEY 1 | Average Cost Per License/Permit Processed | 27.54 | 35.24 | 35.48 | 49.74 | 60.23 |
| Explanatory/Input Measures: | | | | | | |
| 1 | Avg Number of Days to Approve an Original Primary License/Permit | 76.39 | 74.48 | 74.00 | 74.00 | 74.00 |
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$2,319,345 | \$2,865,451 | \$3,272,475 | \$3,272,475 | \$3,272,475 |
| 1002 | OTHER PERSONNEL COSTS | \$94,057 | \$151,021 | \$110,399 | \$127,657 | \$127,657 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$135,107 | \$304,672 | \$14,522 | \$14,522 | \$14,522 |
| 2002 | FUELS AND LUBRICANTS | \$38 | \$725 | \$511 | \$510 | \$510 |
| 2003 | CONSUMABLE SUPPLIES | \$27,478 | \$49,146 | \$21,225 | \$21,225 | \$21,225 |
| 2004 | UTILITIES | \$14,524 | \$22,465 | \$25,725 | \$25,725 | \$25,725 |
| 2005 | TRAVEL | \$11,599 | \$22,753 | \$23,033 | \$23,033 | \$23,033 |
| 2006 | RENT - BUILDING | \$274,402 | \$330,045 | \$344,406 | \$351,834 | \$351,834 |
| 2007 | RENT - MACHINE AND OTHER | \$8,751 | \$11,623 | \$12,090 | \$12,090 | \$12,090 |
| 2009 | OTHER OPERATING EXPENSE | \$239,284 | \$237,862 | \$202,720 | \$212,527 | \$212,527 |
| 5000 | CAPITAL EXPENDITURES | \$36,454 | \$50,209 | \$45,601 | \$51,916 | \$51,916 |
| TOTAL, OBJECT OF EXPENSE | | \$3,161,039 | \$4,045,972 | \$4,072,707 | \$4,113,514 | \$4,113,514 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$3,160,762 | \$4,045,829 | \$4,072,707 | \$4,113,514 | \$4,113,514 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$3,160,762 | \$4,045,829 | \$4,072,707 | \$4,113,514 | \$4,113,514 |

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 2 Process Applications and Issue Alcoholic Beverage Licenses & Permits Statewide Goal/Benchmark: 4 8
 OBJECTIVE: 1 Process Applications within 14 Days Service Categories:
 STRATEGY: 1 Licensing and Investigation Service: 17 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Method of Financing: | | | | | | |
| 666 | Appropriated Receipts | \$277 | \$143 | \$0 | \$0 | \$0 |
| SUBTOTAL, MOF (OTHER FUNDS) | | \$277 | \$143 | \$0 | \$0 | \$0 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$4,113,514 | \$4,113,514 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$3,161,039 | \$4,045,972 | \$4,072,707 | \$4,113,514 | \$4,113,514 |
| FULL TIME EQUIVALENT POSITIONS: | | 78.6 | 82.4 | 89.8 | 89.8 | 89.8 |

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy supports the statewide goal of fostering economic opportunity, job creation and capital investments by promoting a favorable business climate through the issuance of licenses and permits to a variety of qualified businesses from the alcoholic beverage manufacturer to the retailer. To comply with the Texas Alcoholic Beverage Code, the Licensing Division regulates all phases of the alcoholic beverage industry involving manufacturing, sales, purchases, transportation, storage, and distribution through a licensing process that issued more than 100,000 licenses and permits throughout the state and world in FY07. A thorough and accurate review of applicants by division staff ensures those eligible will receive, maintain or renew one or more of the 65 different licenses and permits.

The Licensing Division investigates subterfuge ownership and other violations of the Texas Alcoholic Beverage Code. During criminal investigations, licensing staff assist other TABC divisions, and local, state and federal agencies.

Licensing staff meets customer needs for accurate and timely information about ownership and the status of licensing and permits, which puts demands on division's resources.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
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 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| | | | | | |
|------------|---|--|---------------------------|----|-------------------------|
| GOAL: | 2 | Process Applications and Issue Alcoholic Beverage Licenses & Permits | Statewide Goal/Benchmark: | 4 | 8 |
| OBJECTIVE: | 1 | Process Applications within 14 Days | Service Categories: | | |
| STRATEGY: | 1 | Licensing and Investigation | Service: | 17 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|

The state economy and population affects the number of businesses needing permits and the number of business failures or acquisitions requiring subsequent reporting to and action by Licensing. Local ordinances, procedures and policies also affect the processing of applications for permits.

In fiscal year 2009 the Texas Alcoholic Beverage Commission, as an agency, will be experiencing many changes within the licensing process. One of the biggest changes is the implementation of two year license/permit term, and total imaging of all of 100,000 plus license and permit files. All existing licensing information, approximately 36,110 inches of file space, will be transferred to images. We are dedicated to this imaging project and are moving forward utilizing our existing resources. With changes of this magnitude, Licensing will face many hurdles which will increase the demands on current division personnel and be a major factor and have a major impact on its performance measures.

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 3 Ensure Compliance with Fees & Taxes Statewide Goal/Benchmark: 4 8
 OBJECTIVE: 1 Ensure Compliance with Alcoholic Beverage Code Service Categories:
 STRATEGY: 1 Conduct Inspections and Monitor Compliance Service: 17 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|------------------------------------|--|-------------|-------------|-------------|-------------|-------------|
| Output Measures: | | | | | | |
| KEY 1 | Number of Inspections, Analyses, and Compliance Activities | 146,505.00 | 163,329.00 | 163,350.00 | 163,350.00 | 163,350.00 |
| 2 | # of Wholesale and Manufacturing Reports Analyzed | 38,407.00 | 42,376.00 | 42,400.00 | 42,400.00 | 42,400.00 |
| 3 | Audits and Other Analyses Conducted by Field Auditors | 778.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 |
| 4 | Inspections Conducted by Field Auditors | 19,866.00 | 19,985.00 | 20,000.00 | 20,000.00 | 20,000.00 |
| Efficiency Measures: | | | | | | |
| KEY 1 | Average Cost Per Compliance Activity | 31.47 | 27.27 | 27.19 | 27.40 | 27.40 |
| Explanatory/Input Measures: | | | | | | |
| 1 | # of Lic Locations Subject to Inspection & Other Reg Enforcement Acts | 47,090.00 | 47,300.00 | 47,700.00 | 48,100.00 | 48,500.00 |
| 2 | Number of Whole/Manu Licensees/Permittees Req to Submit Monthly Report | 3,681.00 | 3,850.00 | 3,850.00 | 3,850.00 | 3,850.00 |
| 3 | Number of Administrative Actions by Compliance and Tax | 55,638.00 | 39,062.00 | 39,108.00 | 39,108.00 | 39,108.00 |
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$4,093,383 | \$3,766,509 | \$4,257,351 | \$4,257,351 | \$4,257,351 |
| 1002 | OTHER PERSONNEL COSTS | \$247,803 | \$177,635 | \$109,402 | \$123,043 | \$123,043 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$140,983 | \$199,294 | \$19,958 | \$19,958 | \$19,958 |
| 2002 | FUELS AND LUBRICANTS | \$1,121 | \$1,650 | \$1,379 | \$1,379 | \$1,379 |
| 2003 | CONSUMABLE SUPPLIES | \$120,957 | \$93,491 | \$39,218 | \$37,730 | \$37,730 |
| 2004 | UTILITIES | \$30,027 | \$27,037 | \$34,580 | \$34,580 | \$34,580 |
| 2005 | TRAVEL | \$226,538 | \$268,799 | \$295,790 | \$295,790 | \$295,790 |
| 2006 | RENT - BUILDING | \$343,755 | \$243,622 | \$240,143 | \$248,815 | \$248,815 |
| 2007 | RENT - MACHINE AND OTHER | \$22,543 | \$18,686 | \$18,723 | \$18,723 | \$18,723 |
| 2009 | OTHER OPERATING EXPENSE | \$349,600 | \$517,857 | \$305,373 | \$313,699 | \$313,699 |
| 4000 | GRANTS | \$208,332 | \$241,083 | \$230,173 | \$238,875 | \$238,875 |

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 3 Ensure Compliance with Fees & Taxes Statewide Goal/Benchmark: 4 8
 OBJECTIVE: 1 Ensure Compliance with Alcoholic Beverage Code Service Categories:
 STRATEGY: 1 Conduct Inspections and Monitor Compliance Service: 17 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 5000 | CAPITAL EXPENDITURES | \$33,386 | \$54,390 | \$41,888 | \$48,626 | \$48,626 |
| TOTAL, OBJECT OF EXPENSE | | \$5,818,428 | \$5,610,053 | \$5,593,978 | \$5,638,569 | \$5,638,569 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$5,420,551 | \$5,177,086 | \$5,248,728 | \$5,288,569 | \$5,288,569 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$5,420,551 | \$5,177,086 | \$5,248,728 | \$5,288,569 | \$5,288,569 |
| Method of Financing: | | | | | | |
| 555 | Federal Funds | | | | | |
| | 16.727.000 COMBATING UNDERAGE DRINK | \$318,003 | \$353,226 | \$337,250 | \$350,000 | \$350,000 |
| | 20.601.000 Alcohol Traffic Safety an | \$79,784 | \$79,600 | \$8,000 | \$0 | \$0 |
| CFDA Subtotal, Fund | 555 | \$397,787 | \$432,826 | \$345,250 | \$350,000 | \$350,000 |
| SUBTOTAL, MOF (FEDERAL FUNDS) | | \$397,787 | \$432,826 | \$345,250 | \$350,000 | \$350,000 |
| Method of Financing: | | | | | | |
| 666 | Appropriated Receipts | \$90 | \$141 | \$0 | \$0 | \$0 |
| SUBTOTAL, MOF (OTHER FUNDS) | | \$90 | \$141 | \$0 | \$0 | \$0 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$5,638,569 | \$5,638,569 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$5,818,428 | \$5,610,053 | \$5,593,978 | \$5,638,569 | \$5,638,569 |
| FULL TIME EQUIVALENT POSITIONS: | | 99.0 | 90.8 | 95.8 | 95.8 | 95.8 |
| STRATEGY DESCRIPTION AND JUSTIFICATION: | | | | | | |

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
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Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| | | | | | |
|------------|---|--|---------------------------|----|-------------------------|
| GOAL: | 3 | Ensure Compliance with Fees & Taxes | Statewide Goal/Benchmark: | 4 | 8 |
| OBJECTIVE: | 1 | Ensure Compliance with Alcoholic Beverage Code | Service Categories: | | |
| STRATEGY: | 1 | Conduct Inspections and Monitor Compliance | Service: | 17 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|

The Texas Alcoholic Beverage Commission plays a role in the initial licensing process through inspections, fee analysis and marketing practice 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 in various types of investigations. Additionally, Education and Prevention personnel serve an essential agency function to improve public safety and increase compliance with the alcoholic beverage law through public education. The section consists of education, grants, seller/server training, research, and marketing communications. This strategy continues the compliance monitoring and education functions at the current services level.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

External factors which may affect this strategy are: 1) any increase in the number of permits & licenses will increase the number of inspections, analyses or compliance activities conducted; 2) a decline in the business climate/economy could increase more compliance administrative actions issued; and 3) increased public awareness of drinking patterns/abuse may affect alcoholic beverage sales and excise tax payments received. Additionally, public attitudes concerning alcohol abuse and its consequences, population and level of legislative funding impact this strategy. Internal factors influencing this strategy include staffing levels, and staff allocation; and employee knowledge, skills, and ability levels. Also important is the quality of the programs offered by the agency and the accessibility of targeted audiences.

3.A. STRATEGY REQUEST
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DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 3 Ensure Compliance with Fees & Taxes Statewide Goal/Benchmark: 4 8
 OBJECTIVE: 2 Ensure Maximum Compliance with Importation Laws at Ports of Entry Service Categories:
 STRATEGY: 1 Nontransferable Service: 03 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|------------------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Output Measures: | | | | | | |
| KEY 1 | Number of Alcoholic Beverage Containers and Cigarette Packages Stamped | 3,660,873.00 | 2,922,146.00 | 2,922,000.00 | 2,922,000.00 | 2,922,000.00 |
| Efficiency Measures: | | | | | | |
| 1 | Average Cost Per Alcoholic Beverage Container or Cigarette Package | 0.97 | 1.28 | 1.30 | 1.31 | 1.31 |
| Explanatory/Input Measures: | | | | | | |
| 1 | # Alcoholic Beverage Containers/Cigarette Pkgs Confiscated | 15,704.00 | 12,028.00 | 12,025.00 | 12,025.00 | 12,025.00 |
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$2,825,633 | \$2,975,170 | \$3,188,684 | \$3,188,684 | \$3,188,684 |
| 1002 | OTHER PERSONNEL COSTS | \$119,517 | \$150,084 | \$102,460 | \$118,836 | \$118,836 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$143,169 | \$15,504 | \$15,812 | \$15,812 | \$15,812 |
| 2002 | FUELS AND LUBRICANTS | \$249 | \$256 | \$384 | \$385 | \$385 |
| 2003 | CONSUMABLE SUPPLIES | \$15,799 | \$37,831 | \$12,516 | \$12,516 | \$12,516 |
| 2004 | UTILITIES | \$34,821 | \$58,372 | \$49,345 | \$49,345 | \$49,345 |
| 2005 | TRAVEL | \$65,603 | \$40,000 | \$41,073 | \$41,073 | \$41,073 |
| 2006 | RENT - BUILDING | \$123,037 | \$140,485 | \$142,772 | \$146,835 | \$146,835 |
| 2007 | RENT - MACHINE AND OTHER | \$1,099 | \$1,500 | \$3,085 | \$3,085 | \$3,085 |
| 2009 | OTHER OPERATING EXPENSE | \$221,151 | \$302,884 | \$246,552 | \$244,199 | \$244,199 |
| 5000 | CAPITAL EXPENDITURES | \$18,471 | \$31,501 | \$23,566 | \$31,036 | \$31,036 |
| TOTAL, OBJECT OF EXPENSE | | \$3,568,549 | \$3,753,587 | \$3,826,249 | \$3,851,806 | \$3,851,806 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$3,568,549 | \$3,753,587 | \$3,826,249 | \$3,851,806 | \$3,851,806 |

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 3 Ensure Compliance with Fees & Taxes Statewide Goal/Benchmark: 4 8
 OBJECTIVE: 2 Ensure Maximum Compliance with Importation Laws at Ports of Entry Service Categories:
 STRATEGY: 1 Nontransferable Service: 03 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|-------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$3,568,549 | \$3,753,587 | \$3,826,249 | \$3,851,806 | \$3,851,806 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$3,851,806 | \$3,851,806 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$3,568,549 | \$3,753,587 | \$3,826,249 | \$3,851,806 | \$3,851,806 |
| FULL TIME EQUIVALENT POSITIONS: | | 100.9 | 101.7 | 106.2 | 106.2 | 106.2 |

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is mandated under the Alcoholic Beverage Code to prevent illegal importations of alcoholic beverages and cigarettes, as well as serve as a revenue tax collection function. This strategy continues the operations at the ports of entry at the current level of service.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

This strategy is affected by numerous factors beyond the agency's control: 1) economic conditions in both the United States and Mexico, especially those affecting currency valuations; 2) perceptions concerning public safety in and around the border area; and 4) Texas tax rates all impact this strategy.

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 4 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Central Administration

Statewide Goal/Benchmark: 8 6
 Service Categories:
 Service: 09 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$1,360,020 | \$1,457,793 | \$1,617,699 | \$1,617,699 | \$1,617,699 |
| 1002 | OTHER PERSONNEL COSTS | \$59,833 | \$85,961 | \$43,300 | \$47,515 | \$47,515 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$7,899 | \$12,689 | \$12,020 | \$12,020 | \$12,020 |
| 2002 | FUELS AND LUBRICANTS | \$1,250 | \$2,372 | \$3,325 | \$3,325 | \$3,325 |
| 2003 | CONSUMABLE SUPPLIES | \$15,848 | \$24,179 | \$13,550 | \$13,550 | \$13,550 |
| 2004 | UTILITIES | \$5,545 | \$17,574 | \$18,515 | \$18,515 | \$18,515 |
| 2005 | TRAVEL | \$35,655 | \$24,270 | \$28,290 | \$28,290 | \$28,290 |
| 2006 | RENT - BUILDING | \$147,952 | \$154,150 | \$157,503 | \$162,111 | \$162,111 |
| 2007 | RENT - MACHINE AND OTHER | \$9,027 | \$11,986 | \$11,800 | \$11,800 | \$11,800 |
| 2009 | OTHER OPERATING EXPENSE | \$121,864 | \$153,580 | \$116,402 | \$119,730 | \$119,730 |
| 5000 | CAPITAL EXPENDITURES | \$17,146 | \$21,719 | \$19,576 | \$21,718 | \$21,718 |
| 9999 | NOT REL TO LBB TRACKING | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL, OBJECT OF EXPENSE | | \$1,782,039 | \$1,966,273 | \$2,041,980 | \$2,056,273 | \$2,056,273 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$1,777,798 | \$1,964,039 | \$2,041,980 | \$2,056,273 | \$2,056,273 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$1,777,798 | \$1,964,039 | \$2,041,980 | \$2,056,273 | \$2,056,273 |
| Method of Financing: | | | | | | |
| 666 | Appropriated Receipts | \$4,241 | \$2,234 | \$0 | \$0 | \$0 |
| SUBTOTAL, MOF (OTHER FUNDS) | | \$4,241 | \$2,234 | \$0 | \$0 | \$0 |

3.A. STRATEGY REQUEST
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 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 4 Indirect Administration

Statewide Goal/Benchmark: 8 6

OBJECTIVE: 1 Indirect Administration

Service Categories:

STRATEGY: 1 Central Administration

Service: 09 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|-------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$2,056,273 | \$2,056,273 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$1,782,039 | \$1,966,273 | \$2,041,980 | \$2,056,273 | \$2,056,273 |
| FULL TIME EQUIVALENT POSITIONS: | | 26.3 | 28.0 | 30.5 | 30.5 | 30.5 |

STRATEGY DESCRIPTION AND JUSTIFICATION:

Central Administration includes the Executive, General Counsel, Public Information, Human Resources, Staff Development, Finance, and Training functional activities. The agency's administrative duties and powers are authorized through the Alcoholic Beverage Code.

Currently there are no court orders or federal mandates pending in this strategy.

The Executive Division interacts with the Commissioners in establishing policy and direction related to the agency's programs and operations. Functions related to Public Information are included in the Executive Division.

General Counsel directs operations of the Legal Division while providing legal opinions to the Administrator and Board Members involving agency policy and operations.

The Human Resources Division manages the agencies personnel policies and procedures, risk management and provides staff development throughout the agency.

The Fiscal Services Department's responsibilities include payroll, accounting, budgeting, time/leave, records retention and revenue processing.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The Central Administration Strategy is impacted by new laws, changes to the Alcoholic Beverage Code, reviews conducted by oversight entities such as the Sunset Commission Governor's Office, Legislative Committees, Office of the Comptroller and Office of the State Auditor, public attitudes towards laws related to alcoholic beverage sales, economic cycles and demographic changes in the general population of the state.

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 4 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Information Resources

Statewide Goal/Benchmark: 8 6
 Service Categories:
 Service: 09 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$846,539 | \$806,014 | \$913,129 | \$913,129 | \$913,129 |
| 1002 | OTHER PERSONNEL COSTS | \$27,780 | \$55,500 | \$20,620 | \$23,274 | \$23,274 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$173,115 | \$612,005 | \$690,668 | \$515,441 | \$515,441 |
| 2002 | FUELS AND LUBRICANTS | \$553 | \$463 | \$600 | \$600 | \$600 |
| 2003 | CONSUMABLE SUPPLIES | \$2,930 | \$12,538 | \$9,500 | \$9,500 | \$9,500 |
| 2004 | UTILITIES | \$56,312 | \$65,492 | \$58,758 | \$58,758 | \$58,758 |
| 2005 | TRAVEL | \$7,371 | \$6,179 | \$5,000 | \$5,000 | \$5,000 |
| 2006 | RENT - BUILDING | \$90,835 | \$96,806 | \$98,969 | \$101,912 | \$101,912 |
| 2007 | RENT - MACHINE AND OTHER | \$10,763 | \$12,383 | \$12,000 | \$12,000 | \$12,000 |
| 2009 | OTHER OPERATING EXPENSE | \$261,524 | \$304,841 | \$247,787 | \$253,865 | \$253,865 |
| 5000 | CAPITAL EXPENDITURES | \$88,830 | \$22,263 | \$12,506 | \$13,844 | \$13,844 |
| TOTAL, OBJECT OF EXPENSE | | \$1,566,552 | \$1,994,484 | \$2,069,537 | \$1,907,323 | \$1,907,323 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$1,566,447 | \$1,994,484 | \$2,069,537 | \$1,907,323 | \$1,907,323 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$1,566,447 | \$1,994,484 | \$2,069,537 | \$1,907,323 | \$1,907,323 |
| Method of Financing: | | | | | | |
| 666 | Appropriated Receipts | \$105 | \$0 | \$0 | \$0 | \$0 |
| SUBTOTAL, MOF (OTHER FUNDS) | | \$105 | \$0 | \$0 | \$0 | \$0 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$1,907,323 | \$1,907,323 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$1,566,552 | \$1,994,484 | \$2,069,537 | \$1,907,323 | \$1,907,323 |
| FULL TIME EQUIVALENT POSITIONS: | | 18.0 | 16.9 | 19.0 | 19.0 | 19.0 |

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 4 Indirect Administration

Statewide Goal/Benchmark: 8 6

OBJECTIVE: 1 Indirect Administration

Service Categories:

STRATEGY: 2 Information Resources

Service: 09 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

STRATEGY DESCRIPTION AND JUSTIFICATION:

The information resources strategy is responsible for developing and maintaining the core technology applications for the agency, which includes licensing, enforcement, compliance, legal, and business services. Additionally, the division establishes and supports the technology infrastructure that facilitates agency operations, and is charged with researching and analyzing how to apply new technologies to solve business problems. Information resources includes costs such as daily operations, applications programmers, analysts, personal computer support, and data/voice telecommunications.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The information resources strategy is externally impacted by statute changes related to new contract management statutes passed in the 79th Legislature, IT consolidation requirements passed in the 79th Legislature, DIR oversight and reporting requirements, Sunset Commission recommendations, and State Auditor recommendations. Internal factors include the level of automation and IT support required within the agency, staffing levels and staff allocation; employee morale; employee knowledge, skills, and ability levels; the quality and quantity of existing hardware/software; and the quality of agency planning and leadership.

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 4 Indirect Administration

Statewide Goal/Benchmark: 8 6

OBJECTIVE: 1 Indirect Administration

Service Categories:

STRATEGY: 3 Other Support Services

Service: 09 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$396,549 | \$395,005 | \$437,650 | \$437,650 | \$437,650 |
| 1002 | OTHER PERSONNEL COSTS | \$25,827 | \$24,634 | \$20,200 | \$22,445 | \$22,445 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$18,622 | \$54,796 | \$42,160 | \$42,160 | \$42,160 |
| 2002 | FUELS AND LUBRICANTS | \$1,561 | \$1,900 | \$2,450 | \$2,450 | \$2,450 |
| 2003 | CONSUMABLE SUPPLIES | \$6,181 | \$6,936 | \$2,850 | \$2,850 | \$2,850 |
| 2004 | UTILITIES | \$4,098 | \$5,809 | \$5,830 | \$5,830 | \$5,830 |
| 2005 | TRAVEL | \$2,204 | \$1,750 | \$1,750 | \$1,750 | \$1,750 |
| 2006 | RENT - BUILDING | \$47,551 | \$53,482 | \$54,619 | \$56,241 | \$56,241 |
| 2007 | RENT - MACHINE AND OTHER | \$6,403 | \$7,723 | \$7,000 | \$7,000 | \$7,000 |
| 2009 | OTHER OPERATING EXPENSE | \$26,829 | \$40,467 | \$33,885 | \$35,193 | \$35,193 |
| 5000 | CAPITAL EXPENDITURES | \$7,281 | \$11,044 | \$4,648 | \$5,490 | \$5,490 |
| TOTAL, OBJECT OF EXPENSE | | \$543,106 | \$603,546 | \$613,042 | \$619,059 | \$619,059 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$542,230 | \$599,825 | \$613,042 | \$619,059 | \$619,059 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$542,230 | \$599,825 | \$613,042 | \$619,059 | \$619,059 |
| Method of Financing: | | | | | | |
| 666 | Appropriated Receipts | \$876 | \$3,721 | \$0 | \$0 | \$0 |
| SUBTOTAL, MOF (OTHER FUNDS) | | \$876 | \$3,721 | \$0 | \$0 | \$0 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$619,059 | \$619,059 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$543,106 | \$603,546 | \$613,042 | \$619,059 | \$619,059 |
| FULL TIME EQUIVALENT POSITIONS: | | 11.7 | 11.0 | 12.0 | 12.0 | 12.0 |

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:48:07PM

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 4 Indirect Administration

Statewide Goal/Benchmark: 8 6

OBJECTIVE: 1 Indirect Administration

Service Categories:

STRATEGY: 3 Other Support Services

Service: 09 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

STRATEGY DESCRIPTION AND JUSTIFICATION:

The strategy is an integral part of the agency that is authorized its administrative provisions and powers and duties from Subchapters A and B of the Alcoholic Beverage Code.

This strategy funds a section of the Business Services Division. The functional activities associated with this strategy include administrative support functions related to fleet management, purchasing, warehousing, mail operations, contract management, records retention and office space leasing. The strategy provides staffing for these functions as well as costs associated with general operating expenses of its staff and programs.

Currently there are no court orders or federal mandates pending in this strategy.

The section of the Business Services Division provides direct support for all other strategies assisting them in meeting their goals and objectives as well as TABC's mission. The strategy is directly involved in fostering efficient and accountable government through established policies that encourages energy conservation, efficient use of state resources, protection of state assets and high ethical standards of practice.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The section of the Business Services Division is externally impacted by statute changes related to new contract management statutes passed in the 80th Legislature, IT consolidation requirements passed in the 80th Legislature, HUB reporting requirements, Internal Audit recommendations, new energy conservation mandates from Office of the Governor, risk management recommendations made by the State Office of Risk Management, funding made available by the Legislature and rule changes made by the Office of the Comptroller. Internal factors include degree of automation and IT support made available to the division for managing its fleet and mail operations, records retention system, purchasing program and fixed asset tracking systems.

3.A. STRATEGY REQUEST
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
TIME: 1:48:07PM

SUMMARY TOTALS:

| | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| OBJECTS OF EXPENSE: | \$37,727,325 | \$40,878,681 | \$40,973,675 | \$40,855,097 | \$40,855,098 |
| METHODS OF FINANCE (INCLUDING RIDERS): | | | | \$40,855,097 | \$40,855,098 |
| METHODS OF FINANCE (EXCLUDING RIDERS): | \$37,727,325 | \$40,878,681 | \$40,973,675 | \$40,855,097 | \$40,855,098 |
| FULL TIME EQUIVALENT POSITIONS: | 647.4 | 642.1 | 684.3 | 684.3 | 684.3 |

3.B. Rider Revisions and Additions Request

| | | | | |
|---------------------|--|-------------------------------------|---------------------------------|---------------------------------------|
| Agency Code: | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date: August 13, 2008 | Request Level: Base Request |
|---------------------|--|-------------------------------------|---------------------------------|---------------------------------------|

| Current Rider Number | Page Number in 2008-09 GAA | Proposed Rider Language |
|-----------------------------|-----------------------------------|--------------------------------|
|-----------------------------|-----------------------------------|--------------------------------|

1

V-6

Performance Measure Targets. The following is a listing of the key performance target levels for the Alcoholic Beverage Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Alcoholic Beverage Commission. In order to achieve the objectives and service standards established by this Act, the Alcoholic Beverage Commission shall make every effort to attain the following designed key performance target levels associated with each item of appropriation.

3.B. Rider Revisions and Additions Request (continued)

| A. Goal: REGULATE DISTRIBUTION | <u>2008</u> | <u>2010</u> | <u>2009</u> | <u>2011</u> |
|--|----------------------|------------------|----------------------|------------------|
| Outcome (Results/Impact): | | | | |
| Percentage of Licensed Establishments Inspected Annually | 78.5% | <u>78.5%</u> | —— | <u>78.5%</u> |
| A.1.1. Strategy: ENFORCEMENT | | | | |
| Output (Volume): | | 78.5% | | |
| Number of Inspections Conducted by Enforcement Agents | 128,000 | <u>128,000</u> | —— | <u>128,000</u> |
| Efficiencies: | | | | |
| Average Cost Per Enforcement Inspection | —— | <u>171.79</u> | <u>128,000</u> | <u>171.79</u> |
| B. Goal: LICENSING AND INVESTIGATION | | | 175 | |
| Outcome (Results/Impact): | | | | |
| Percent of Original License/Permit Applications | 99.0% | <u>99.0%</u> | —— | <u>99.0%</u> |
| Processed within 14 days | | | 99.0% | |
| B.1.1. Strategy: LICENSING AND INVESTIGATION | | | | |
| Output (Volume) : | | 175 | | |
| Number of License/Permits Issued | —— | <u>74,700</u> | <u>100,000</u> | <u>60,300</u> |
| Efficiencies : | | | | |
| Average Cost Per License/Permit Processed | 24.22 | <u>49.74</u> | —— | <u>60.23</u> |
| | | | 24.22 | |
| C. Goal: COLLECTION FEES AND TAXES | | | | |
| Outcome (Results/Impact): | | | | |
| Percent of Inspections, Analyses, and Compliance | | | | |
| Activities Resulting in Administrative Actions 100,000 | 34.0% | <u>19.5%</u> | —— | <u>19.5%</u> |
| | | | 34.0% | |
| C.1.1. Strategy: COMPLIANCE MONITORING | | | | |
| Output (Volume) : | | | | |
| Number of Inspections, Analyses, and Compliance | 132,000 | <u>163,350</u> | 132,000 | <u>163,350</u> |
| Activities : | | | | |
| Efficiencies : | | | | |
| Average Cost Per Inspection, Analysis, and | 45.41 | <u>27.40</u> | —— | <u>27.40</u> |
| Compliance Activities | | | | |
| C.2.1. Strategy: PORTS OF ENTRY | | | 46.03 | |
| Output (Volume) : | | | | |
| Number of Alcoholic Beverage Containers and Cigarette | 5,500,000 | <u>2,922,000</u> | 5,500,000 | <u>2,922,000</u> |
| Packages Stamped | | | | |

3.B. Rider Revisions and Additions Request (continued)

2

V-7

Capital Budget: None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease purchase Program: or for items with an "(MLLP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code 1232.103.

| | <u> </u> | <u>FY 2010</u> | <u> </u> | <u>FY 2011</u> |
|---|-------------------------------|--------------------|-------------------------------|------------------------|
| a. Acquisition of Information Resource Technologies | | | | |
| (1) Computer Equipment – Leased | \$ 321,890 | \$ 446,890 | FY 2009 321,890 | \$ 446,890 |
| (2) Hardware/Software Acquisitions | <u> </u> | <u>187,000</u> | <u> </u> | <u>187,000</u> |
| (3) Data Center Consolidation | <u> </u> | <u>498,773</u> | <u> </u> | <u>493,873</u> |
| Total, Acquisition of Information Resource Technologies | <u>\$ 957,663</u> | <u> </u> | <u>187,000</u> | <u> </u> |
| | 187,000 | \$1,132,663 | 443,873 | \$1,127,763 |
| b. Transportation Items | | | | |
| (1) Fleet Acquisitions | \$1,005,000 | \$ 690,500 | 338,500 | \$ 690,500 |
| | | | \$ | |
| c. Acquisition of Capital Equipment and Items | 448,773 | | | |
| (1) Public Safety Equipment – Replacement | \$ 478,213 | <u>\$ 353,213</u> | \$ 478,213 | <u>\$ 353,213</u> |
| Total, Capital Budget | <u>\$2,440,876</u> | <u>\$2,176,376</u> | <u> </u> | <u>\$2,171,476</u> |
| | | | <u>\$1,769,476</u> | |
| Method of Financing (Capital Budget): | | | | |
| General Revenue Fund | <u>\$2,440,876</u> | <u>\$2,176,376</u> | <u>\$1,769,476</u> | <u>\$2,171,476</u> |
| Total, Method of Financing | <u>\$2,440,876</u> | <u>\$2,176,376</u> | <u> </u> | <u>\$2,171,476</u> |
| | | | <u>\$1,769,476</u> | |

8

V-8

Fleet of Motor Vehicles Authorized. From funds appropriated above, the Alcoholic Beverage Commission may purchase and maintain a fleet of vehicles. If these vehicles are unmarked for law enforcement purposes, these vehicles shall be utilized only by personnel who are commissioned peace officers or those persons responsible for the maintenance and repair of these vehicles. Vehicles which are properly marked pursuant to state requirements may be utilized for other legitimate agency purposes as needed by personnel employed in the Enforcement and Compliance Divisions by the agency.

3.B. Rider Revisions and Additions Request (continued)

- 9 V-8 **Clothing Provisions.**
- a. A commissioned officer who received a \$1,200 clothing allowance pursuant to the General Appropriations Act during the ~~2006-07~~ 2008-09 biennium shall receive a \$1,200 clothing allowance in the ~~2008-09~~ 2010-11 biennium.
 - b. No person shall receive a \$1,200 clothing allowance unless eligible in subsection (a).
 - c. An individual who is newly hired or newly commissioned after September 1, 1997, is eligible to receive a \$500 cleaning allowance. No rank other than that of agent is entitled to a \$500 cleaning allowance.
 - d. The Texas Alcoholic Beverage Commission may purchase uniforms for Tax Collectors at International Bridges.
- 10 V-8 ~~**Contingency Rider — Ports of Entry (Anzalduas Bridge).** Included in the amounts appropriated above in Strategy C.2.1., Ports of Entry, is \$218,595 in fiscal year 2008 and \$203,381 in fiscal year 2009 out of the General Revenue Fund for the purpose of regulating the personal importation of alcoholic beverages and cigarettes at the Anzalduas Bridge. These amounts represent 12 months of estimated operating cost per fiscal year. The appropriation of these funds is contingent upon the opening of the Anzalduas Bridge. In the event the bridge does not open prior to September 2007, the level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year.~~
- 11 V-8 ~~**Contingency Rider — Ports of Entry (Donna Bridge).** Included in the amounts appropriated above in Strategy C.2.1., Ports of Entry, is \$243,390 in fiscal year 2008 and \$228,261 in fiscal year 2009 out of the General Revenue Fund for the purpose of regulating the personal importation of alcoholic beverages and cigarettes at the Donna Bridge. These amounts represent 12 months of estimated operating cost per fiscal year. The appropriation of these funds is contingent upon the opening of the Donna Bridge. In the event the bridge does not open prior to September 2007, the level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year.~~
- 12 V-9 **Texas Wine Marketing Assistance Program.** Included in the amounts appropriated above in Strategy D.1.1, Central Administration, is \$250,000 in fiscal year ~~2008~~ 2010 and \$250,000 in fiscal year ~~2009~~ 2011 out of the General Revenue Fund for the Texas Wine marketing Assistance Program. The Texas Alcoholic Beverage Commission shall transfer these funds to the Department of Agriculture pursuant to 5.56, Alcoholic Beverage Code.
- 13 V-9 ~~**Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Alcoholic Beverage Commission are made contingent on the continuation of the Alcoholic Beverage Commission by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

3.B. Rider Revisions and Additions Request (continued)

15

V-9

~~**Appropriation Transfer Between Fiscal Year — Gasoline Contingency.** In addition to the transfer authority provided elsewhere in this Act, the Alcoholic Beverage Commission may transfer appropriations for fiscal year 2009-2011 to fiscal year 2008-2009, subject to the following conditions provided by this section:~~

- ~~a. Transfer under this section may be requested only if the average price per gallon of gasoline paid by the agency during the first six months of fiscal year 2008-2010 exceeds \$2.40-\$2.95 per gallon.~~
- ~~b. A request to transfer appropriations for fiscal year 2009-2011 to fiscal year 2008-2010 shall be submitted in writing to the Governor and the Legislative Budget Board. The request shall include a justification for the amount of funds to be transferred based on an estimate of the total gallons of gasoline consumed by the agency in a year and the average price per gallon paid over \$2.40-\$2.95 per gallon during the first six months of fiscal year 2008-2010.~~
- ~~c. A transfer authorized by this section must receive the prior approval of the Governor and the Legislative Budget Board.~~
- ~~d. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.~~

V

Gasoline Contingency

701

In additions to funds appropriated above and contingent upon certification by the Comptroller of Public Accounts, the Alcoholic Beverage Commission is hereby appropriated up to \$2,300 per year in General Revenue Funds for each cent increase in the average cost of gasoline per gallon to the agency above \$3.10 per gallon (estimated to be \$207,000 in fiscal year 2010 and \$207,000 in fiscal year 2011 from the General Revenue Fund). The level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year from the date of the certification by the Comptroller of Public Accounts.

V

Seized Funds.

702

Any funds unexpended in the Federal and/or Non-Federal Seizure Fund in Strategy A.1.1. at the close of each fiscal year are appropriated for the following year for use by the Enforcement Division for law enforcement purposes. Should there be fund balances at the end of the biennium, the funds are hereby appropriated for the next biennium for use by the Enforcement Division for law enforcement purposes.

3.B. Rider Revisions and Additions Request

| | | | | |
|---------------------|--|-------------------------------------|---------------------------------|--|
| Agency Code: | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date: August 13, 2008 | Request Level: Exceptional Request |
|---------------------|--|-------------------------------------|---------------------------------|--|

| Current Rider Number | Page Number in 2008-09 GAA | Proposed Rider Language |
|----------------------|----------------------------|-------------------------|
|----------------------|----------------------------|-------------------------|

2

V-7

Capital Budget: None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease purchase Program: or for items with an "(MLLP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code 1232.103.

| | | <u>FY 2010</u> | | <u>FY 2011</u> |
|---|------------|---------------------|-------------------------|---|
| a. Acquisition of Information Resource Technologies | | | | |
| (1) Computer Equipment – Leased | \$ 321,890 | 449,390 | 2001,890 | 449,390 |
| (2) Hardware/Software Acquisitions | \$ | 192,380 | \$ | 192,380 |
| (3) Data Center Consolidation | \$ | 851,691 | \$ | 836,198 |
| (4) <u>IT Automation Enhancements</u> | | 1,965,616 | 187,000 | 65,674 |
| Total, Acquisition of Information Resource Technologies | 187,000 | <u>\$ 957,663</u> | <u>\$ 3,459,077</u> | <u>\$ 952,763</u> \$ 1,543,642 |
| b. Transportation Items | | | | |
| (1) Fleet Acquisitions | 448,773 | \$ 1,005,000 | \$ 690,500 | 338,500 \$ 690,500 |
| c. Acquisition of Capital Equipment and Items | | | | |
| (1) Public Safety Equipment – Replacement | | \$ 478,213 | \$ 353,213 | \$ 478,213 \$ 353,213 |
| (2) <u>Ports of Entry Tax Automation</u> | | | 58,880 | |
| Total, Capital Budget | | <u>\$ 2,440,876</u> | \$ 4,561,670 | <u>\$ 1,769,476</u> <u>\$ 2,587,355</u> |
| Method of Financing (Capital Budget): | | | | |
| General Revenue Fund | | <u>\$ 2,440,876</u> | \$ 4,561,670 | <u>\$ 1,769,476</u> <u>\$ 2,587,355</u> |
| Total, Method of Financing | | <u>\$ 2,440,876</u> | \$ 4,561,670 | <u>\$ 1,769,476</u> <u>\$ 2,587,355</u> |

FY 2008

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:49:10PM**

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

| CODE | DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------|---|------------------|------------------|
| | Item Name: Retention/Succession Plan | | |
| | Item Priority: 1 | | |
| | Includes Funding for the Following Strategy or Strategies: | | |
| | 01-01-01 Enforcement | | |
| | 02-01-01 Licensing and Investigation | | |
| | 03-01-01 Conduct Inspections and Monitor Compliance | | |
| | 03-02-01 Nontransferable | | |
| | 04-01-01 Central Administration | | |
| | 04-01-02 Information Resources | | |
| | 04-01-03 Other Support Services | | |

OBJECTS OF EXPENSE:

| | | | |
|------|---------------------------------|--------------------|--------------------|
| 1001 | SALARIES AND WAGES | 1,201,475 | 1,541,293 |
| | TOTAL, OBJECT OF EXPENSE | \$1,201,475 | \$1,541,293 |

METHOD OF FINANCING:

| | | | |
|---|-----------------------------------|--------------------|--------------------|
| 1 | General Revenue Fund | 1,201,475 | 1,541,293 |
| | TOTAL, METHOD OF FINANCING | \$1,201,475 | \$1,541,293 |

DESCRIPTION / JUSTIFICATION:

This exceptional item is requested as a retention plan designed to reduce agency turnover. The plan utilizes two methods to reduce turnover in specific operational areas: the use of career ladders and a request for funds for salary increases for support positions. Reducing turnover would allow TABC to carry forth the agency mission of serving the people of Texas through consistent, fair and timely administration of the Alcoholic Beverage Code while fostering education, voluntary compliance and legal and responsible alcohol consumption. Although the overall turnover of the agency is within state averages, 59% of the civilian employees have less than ten years of tenure. 36% of the civilian employees have been employed by TABC for a period of 5 years or less.

The majority of agency turnover is experienced in positions that are directly related to the issuing of licenses for alcoholic beverage establishments, the collection of revenues from cigarettes and alcohol purchased in Mexico or facilitating compliance of administrative statutes found in the Alcoholic Beverage Code.

EXTERNAL/INTERNAL FACTORS:

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
TIME: **1:49:19PM**

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

| CODE | DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------|--------------------|------------------|------------------|
|-------------|--------------------|------------------|------------------|

Approximately 71% of employees in Salary Schedule A and B are paid in the first quartile of the salary grade. Progression across the salary grade is an inherent part of the State Auditor's Office compensation plan. Traditionally, the agency has utilized all available monies to fund the legislatively mandated career ladder of Schedule C employees.

During the last five years, accounts examiners and administrative staff involved in those front line operational activities comprised 42% of the employees in Schedule A or B that ended their employment with TABC. The agency has lost Ports of Entry staff to federal agencies focused on homeland security and immigration initiatives along the border regions where TABC positions are located. During the last five years, these positions comprised 19% of those employees in Schedule A or B that ended their employment with TABC. The agency loses auditors to other state agencies that offer higher salaries and career ladders such as the State Comptroller's Office. The entry-level salary of an auditor at the State Comptroller's office in the metro areas of the state is 21% higher than the entry-level salary offered by TABC. Auditor positions comprised 11.1% of those employees that terminated their employment with TABC during the last five years. Support staff salaries already lag other professional agency employee's salary in similar pay grades. The development of career ladder in operational positions without addressing the needs of the support positions would only increase the gap between those salaries.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:49:19PM**

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

| CODE | DESCRIPTION | Excp 2010 | Excp 2011 |
|-----------------------------|---|------------------|------------------|
| | Item Name: Transfer Wine Marketing Funds to Department of Agriculture | | |
| | Item Priority: 2 | | |
| | Includes Funding for the Following Strategy or Strategies: 04-01-01 Central Administration | | |
| OBJECTS OF EXPENSE: | | | |
| 9999 | NOT REL TO LBB TRACKING | 250,000 | 250,000 |
| | TOTAL, OBJECT OF EXPENSE | \$250,000 | \$250,000 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 250,000 | 250,000 |
| | TOTAL, METHOD OF FINANCING | \$250,000 | \$250,000 |

DESCRIPTION / JUSTIFICATION:

Funding is needed to ensure the agency has funds to transfer to the Texas Department of Agriculture for their Texas Wine Marketing Assistance Program. This program and funding was authorized in the 80th session. The funding for this program was deleted from the TABC's base budget amount.

EXTERNAL/INTERNAL FACTORS:

Passage of new legislation overriding previous legislation related to this program and/or the Department of Agriculture's need for this program determines whether or not this exceptional item is required.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:49:19PM**

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

| <u>CODE</u> | <u>DESCRIPTION</u> | <u>Excp 2010</u> | <u>Excp 2011</u> |
|-----------------------------|--|------------------|------------------|
| | Item Name: Increase in Data Center Consolidation Costs | | |
| | Item Priority: 3 | | |
| | Includes Funding for the Following Strategy or Strategies: 04-01-02 Information Resources | | |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 231,227 | 180,127 |
| | TOTAL, OBJECT OF EXPENSE | \$231,227 | \$180,127 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 231,227 | 180,127 |
| | TOTAL, METHOD OF FINANCING | \$231,227 | \$180,127 |

DESCRIPTION / JUSTIFICATION:

Funding is requested for unanticipated increases associated with the project. Cost overages have occurred in the areas of disk storage/tape, software renewals, and unfunded network connectivity costs to the state data center.

EXTERNAL/INTERNAL FACTORS:

The cost overages are due to under-reporting by TABC of the original base volumes for disk/tape storage, software, and networking. We are also projecting an increase in the estimated costs for software renewals over the biennium.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:49:19PM**

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

| CODE | DESCRIPTION | Excp 2010 | Excp 2011 |
|---------------------------------|---|--------------------|------------------|
| | Item Name: IT Automation Enhancements | | |
| | Item Priority: 4 | | |
| | Includes Funding for the Following Strategy or Strategies: | | |
| | 01-01-01 Enforcement | | |
| | 02-01-01 Licensing and Investigation | | |
| | 03-01-01 Conduct Inspections and Monitor Compliance | | |
| | 03-02-01 Nontransferable | | |
| | 04-01-01 Central Administration | | |
| | 04-01-02 Information Resources | | |
| | 04-01-03 Other Support Services | | |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 2,029,686 | 439,818 |
| 2004 | UTILITIES | 180,000 | 180,000 |
| 2009 | OTHER OPERATING EXPENSE | 14,850 | 30,280 |
| 5000 | CAPITAL EXPENDITURES | 285,241 | 44,394 |
| | TOTAL, OBJECT OF EXPENSE | \$2,509,777 | \$694,492 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 2,509,777 | 694,492 |
| | TOTAL, METHOD OF FINANCING | \$2,509,777 | \$694,492 |

DESCRIPTION / JUSTIFICATION:

Funding for this exceptional item would provide for automation projects to enhance agency operations, and improve overall IT security. Funding is requested for the following:

Excise Tax Automation - Funding would provide an automated system to process 36,000 excise tax reports that are manually analyzed each year. The new system will allow the agency to use its resources more efficiently.

On-Line Applications - Funding would allow for the upgrading of our regulatory licensing system to provide a more efficient, state-of-the-art system to support on-line applications for originals license, and renewal of existing licenses.

Case Management - Funding would allow for the replacement of our current case management system by adding the same functionality to a newly developed custom application know as ARTS.

Network Security – PDA technology - Funding would provide enterprise level information systems security and wireless service for 150 PDA devices.

HR System - Funding would implement a comprehensive, web-based HRIS management solution to replace an existing, in-house written, legacy HR System.

Re-engineer Seller/Server Training - Funding would implement a more effective means to educate the seller/servers of alcoholic beverages and to provide a system upgrade to the current method of reporting persons trained (trainees) in seller/server classes.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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DATE: **8/12/2008**
TIME: **1:49:19PM**

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

| CODE | DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------|--|------------------|------------------|
| | IT Staff Augmentation - Funding would provide IT staffing augmentation services to provide for additional programming support for in-house systems and websites. | | |

EXTERNAL/INTERNAL FACTORS:

Excise Tax Automation - Reports are filed monthly and the report analyzation process takes approximately one month. Reports and invoices are checked manually to determine tax liability, product label approval, and validity of shipper.

On-Line Applications - The agency needs an upgrade to an existing regulatory system to improve efficiency and deliver enhanced customer service for on-line license applications.

Case Management - Extensive enhancements and additional modules are needed to handle all aspects of case management. More comprehensive and sophisticated security and data protection features are needed.

Network Security – PDA technology - The agency needs enterprise level information systems security for all agency strategies to include mobile device and disk encryption, anti-spam, email encryption, anti-spyware, and monitoring/alerting on the security of all devices attached to the TABC network.

HR System - There is a need for a comprehensive web-based system that will automate all aspects of HR processes, integrating the functions of recruiting, performance evaluations, and training tacking, with employee, manager and candidate self-service portals.

Re-engineer Seller/Server Training - The current method of reporting persons trained (trainees) in seller/server classes is somewhat cumbersome which when coupled with the high volume of trainees has resulted in the need for a system upgrade and a streamlined method of submitting date electronically.

IT Staff Augmentation - Supporting the current application programs requires specific skill sets in .net and Lotus Notes programming that the agency is lacking.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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DATE: **8/12/2008**
 TIME: **1:49:19PM**

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

| CODE | DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------|--|------------------|------------------|
| | Item Name: Ports of Entry Expansion | | |
| | Item Priority: 5 | | |
| | Includes Funding for the Following Strategy or Strategies: 03-02-01 Nontransferable | | |
| | 04-01-02 Information Resources | | |

OBJECTS OF EXPENSE:

| | | | |
|---------------------------------|--------------------------------|------------------|------------------|
| 1001 | SALARIES AND WAGES | 483,118 | 483,118 |
| 2001 | PROFESSIONAL FEES AND SERVICES | 2,780 | 2,780 |
| 2003 | CONSUMABLE SUPPLIES | 10,584 | 10,584 |
| 2004 | UTILITIES | 8,025 | 8,025 |
| 2005 | TRAVEL | 5,367 | 5,367 |
| 2006 | RENT - BUILDING | 40,433 | 40,433 |
| 2007 | RENT - MACHINE AND OTHER | 7,725 | 7,725 |
| 2009 | OTHER OPERATING EXPENSE | 92,405 | 14,111 |
| 5000 | CAPITAL EXPENDITURES | 2,500 | 2,500 |
| TOTAL, OBJECT OF EXPENSE | | \$652,937 | \$574,643 |

METHOD OF FINANCING:

| | | | |
|-----------------------------------|----------------------|------------------|------------------|
| 1 | General Revenue Fund | 652,937 | 574,643 |
| TOTAL, METHOD OF FINANCING | | \$652,937 | \$574,643 |

FULL-TIME EQUIVALENT POSITIONS (FTE):

| | |
|-------|-------|
| 17.70 | 17.70 |
|-------|-------|

DESCRIPTION / JUSTIFICATION:

This exceptional item funds expansion at three international bridges.

El Paso Del Norte Bridge is undergoing extensive remodeling by the United States General Services Administration (GSA). Additional pedestrian and vehicular traffic lanes are being added to accommodate the daily influx of commuters. GSA has elected to place TABC in two vehicular booths, the additional booth will increase the need for additional manpower to cover the shifts. TABC will need three additional FTEs

The Progreso Bridge is undergoing extensive remodeling by the United States General Services Administration (GSA). The remodeling will displace TABC personnel from offices that are 55 feet in distance to a offices that are over 300 feet in distance. Current resources are insufficient to man both stations, thus requiring an additional three FTEs at this bridge.

Anzalduas Bridge and Donna Bridge were included in the legislative appropriations request for fiscal year 2006-07 when it was believed that the opening date of the bridge would

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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Agency name:

Alcoholic Beverage Commission

CODE DESCRIPTION

Excp 2010

Excp 2011

be January 2005. Delays in the building of this bridge have now set a new opening target date for Anzalduas for November 2009 Donna for Summer 2010. Funding would provide the placement of 7 FTEs and equipment for each new bridge the federal government is building at Anzalduas and Donna. Personnel must be strategically placed in order to maximize revenue and maintain a regulatory presence. There is not construction associated with this bridge, as we will be renting the facility. Please note, these dates have changed from our base reconciliation. Included in our base request are 2.3 FTEs and associated funding for the original opening date of June 2009 for the Analduas Bridge.

EXTERNAL/INTERNAL FACTORS:

This strategy is affected by numerous factors beyond the agency's control: 1. economic conditions in both the United States and Mexico, especially those affecting currency valuations; 2. perceptions concerning public safety in and around the border area; and 3. Texas tax rates all impact this strategy. In addition, any building delays will affect this strategy.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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DATE: **8/12/2008**
 TIME: **1:49:19PM**

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

| CODE | DESCRIPTION | Excp 2010 | Excp 2011 |
|---------------------------------|---|------------------|------------------|
| | Item Name: Miscellaneous Cost Increases | | |
| | Item Priority: 6 | | |
| | Includes Funding for the Following Strategy or Strategies: | | |
| | 01-01-01 Enforcement | | |
| | 02-01-01 Licensing and Investigation | | |
| | 03-01-01 Conduct Inspections and Monitor Compliance | | |
| | 03-02-01 Nontransferable | | |
| | 04-01-01 Central Administration | | |
| | 04-01-02 Information Resources | | |
| | 04-01-03 Other Support Services | | |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 78,077 | 78,077 |
| 2002 | FUELS AND LUBRICANTS | 207,000 | 207,000 |
| 2005 | TRAVEL | 61,047 | 61,047 |
| | TOTAL, OBJECT OF EXPENSE | \$346,124 | \$346,124 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 346,124 | 346,124 |
| | TOTAL, METHOD OF FINANCING | \$346,124 | \$346,124 |

DESCRIPTION / JUSTIFICATION:

The agency historically has been reimbursing its Compliance Officers mileage expense for their using personal vehicle to conduct their jobs. The base budget amount is based on FY2005/2006 average reimbursement rates or \$.37 per mile. The Compliance Division staff members will be expected to drive about 287,000 miles per year for conducting field operations and for training. Funding for this exceptional item will ensure that the division will not have to reduce a compliance officer's travel allotment and risk not meeting its key performance targets related to Strategy 03-01-01.

The agency maintains a fleet of over 300 vehicles used by law enforcement personnel to conduct field operations and for headquarters support. Currently the agency's base budget can cover gasoline costing \$3.10 per gallon. The Enforcement Division personnel are expected to use 230,000 gallons of gasoline per year in the biennium. Funding for this exceptional item will assist agents in continuing to meet performance targets related to inspections, education and public safety coverage for Strategy 01-01-01.

The agency has typically used salary lapse to cover longevity and hazardous duty pay increases. Funding for this item would allow the agency to budget all salaries into the salary budget instead of leaving position vacancies to fund these increases. The request crosses all strategies.

EXTERNAL/INTERNAL FACTORS:

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
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CODE DESCRIPTION

Excp 2010

Excp 2011

The price of gasoline will impact the dollars needed to adequately fund the agency for its enforcement division staff and its compliance officers.

Driving habits, amount of training required and the types of vehicles purchased based on fuel efficiency will also impact the dollars needed for gasoline and travel.

Staff turnover rates will impact the dollars needed to fund longevity and hazardous duty pay.

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:48PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|--|-----------------|------------------|
| Item Name: | Retention/Succession Plan | | |
| Allocation to Strategy: | 1-1-1 Enforcement | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | Percentage of Licensed Establishments Inspected Annually | 78.50% | 78.50% |
| <u>2</u> | % of Administrative Cases Resulting in Administrative Sanctions | 95.00% | 95.00% |
| <u>3</u> | % Agency Contacts Rating Enforcement Actions As Satisfactory or Better | 95.00% | 95.00% |
| <u>4</u> | Percentage of Complaint Investigations Closed within 60 Days | 86.00% | 86.00% |
| <u>5</u> | Percentage of Priority Retail Locations Inspected by Enforcement | 95.00% | 95.00% |
| <u>6</u> | Retailer Public Safety Compliance Rate | 95.00 | 95.00 |
| <u>7</u> | Priority Retailer Public Safety Compliance Rate | 93.00 | 93.00 |
| <u>8</u> | Recidivism Rate - Licensed Retailers | 15.00 | 15.00 |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Inspections Conducted by Enforcement Agents | 0.00 | 0.00 |
| <u>2</u> | # Inspections Priority Retailers Conducted by Enforcement | 0.00 | 0.00 |
| <u>3</u> | Number of Persons Instructed by Enforcement Agents | 0.00 | 0.00 |
| <u>4</u> | Number of Licensees Attending Enforcement Education Programs | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| <u>1</u> | Average Cost Per Enforcement Inspection | 172.51 | 172.79 |
| <u>2</u> | Average Cost Per Person Attending Enforcement Education Programs | 3.03 | 3.04 |
| EXPLANATORY/INPUT MEASURES: | | | |
| <u>1</u> | Number of Enforcement Cases Reaching Final Disposition | 3,100.00 | 3,100.00 |
| <u>2</u> | Number of Licensed Locations Subject to Inspection | 48,100.00 | 48,500.00 |
| <u>3</u> | Number of Complaint Investigations Opened | 8,000.00 | 8,000.00 |
| <u>4</u> | Number of Criminal Cases Filed | 14,000.00 | 14,000.00 |
| <u>5</u> | Number of Administrative Cases Initiated by Enforcement Agents | 3,100.00 | 3,100.00 |
| <u>6</u> | Number of Priority Retail Locations | 4,850.00 | 4,850.00 |
| <u>7</u> | Number of Complaint Investigations Closed | 8,000.00 | 8,000.00 |
| OBJECTS OF EXPENSE: | | | |
| | 1001 SALARIES AND WAGES | 94,572 | 131,861 |
| TOTAL, OBJECT OF EXPENSE | | \$94,572 | \$131,861 |
| METHOD OF FINANCING: | | | |
| | 1 General Revenue Fund | 94,572 | 131,861 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | | Excp 2010 | Excp 2011 |
|-----------------------------------|-------------|---------------------------|-----------------|------------------|
| Item Name: | | Retention/Succession Plan | | |
| Allocation to Strategy: | | 1-1-1 Enforcement | | |
| TOTAL, METHOD OF FINANCING | | | \$94,572 | \$131,861 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

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TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|--|-----------------|------------------|
| Item Name: | Retention/Succession Plan | | |
| Allocation to Strategy: | 2-1-1 Licensing and Investigation | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | % of Original License/Permit Applications Processed within 14 Days | 99.00% | 99.00% |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Applications Processed | 0.00 | 0.00 |
| <u>2</u> | Number of Licenses/Permits Issued | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| <u>1</u> | Average Cost Per License/Permit Processed | 50.51 | 61.75 |
| EXPLANATORY/INPUT MEASURES: | | | |
| <u>1</u> | Avg Number of Days to Approve an Original Primary License/Permit | 74.00 | 74.00 |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 63,715 | 104,112 |
| TOTAL, OBJECT OF EXPENSE | | \$63,715 | \$104,112 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 63,715 | 104,112 |
| TOTAL, METHOD OF FINANCING | | \$63,715 | \$104,112 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

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Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|--|---|------------------|------------------|
| Item Name: Retention/Succession Plan | | | |
| Allocation to Strategy: 3-1-1 Conduct Inspections and Monitor Compliance | | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| | <u>1</u> % of Inspections Resulting in Administrative Actions | 19.50% | 19.50% |
| | <u>2</u> Percent of Report Analyses Resulting in Admin or Compliance Actions | 17.00% | 17.00% |
| | <u>3</u> % Contacts Expressing Satisfaction with Agency Auditors | 96.00% | 96.00% |
| OUTPUT MEASURES: | | | |
| | <u>1</u> Number of Inspections, Analyses, and Compliance Activities | 0.00 | 0.00 |
| | <u>2</u> # of Wholesale and Manufacturing Reports Analyzed | 0.00 | 0.00 |
| | <u>3</u> Audits and Other Analyses Conducted by Field Auditors | 0.00 | 0.00 |
| | <u>4</u> Inspections Conducted by Field Auditors | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| | <u>1</u> Average Cost Per Compliance Activity | 30.00 | 30.61 |
| EXPLANATORY/INPUT MEASURES: | | | |
| | <u>1</u> # of Lic Locations Subject to Inspection & Other Reg Enforcement Acts | 48,100.00 | 48,500.00 |
| | <u>2</u> Number of Whole/Manu Licensees/Permittees Req to Submit Monthly Report | 3,850.00 | 3,850.00 |
| | <u>3</u> Number of Administrative Actions by Compliance and Tax | 39,108.00 | 39,108.00 |
| OBJECTS OF EXPENSE: | | | |
| | 1001 SALARIES AND WAGES | 535,269 | 661,377 |
| TOTAL, OBJECT OF EXPENSE | | \$535,269 | \$661,377 |
| METHOD OF FINANCING: | | | |
| | 1 General Revenue Fund | 535,269 | 661,377 |
| TOTAL, METHOD OF FINANCING | | \$535,269 | \$661,377 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|--|------------------|------------------|
| Item Name: | Retention/Succession Plan | | |
| Allocation to Strategy: | 3-2-1 Nontransferable | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | Revenue As a Percent of Expenses | 82.61% | 81.66% |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Alcoholic Beverage Containers and Cigarette Packages Stamped | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| <u>1</u> | Average Cost Per Alcoholic Beverage Container or Cigarette Package | 1.42 | 1.44 |
| EXPLANATORY/INPUT MEASURES: | | | |
| <u>1</u> | # Alcoholic Beverage Containers/Cigarette Pkgs Confiscated | 12,025.00 | 12,025.00 |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 336,077 | 384,625 |
| TOTAL, OBJECT OF EXPENSE | | \$336,077 | \$384,625 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 336,077 | 384,625 |
| TOTAL, METHOD OF FINANCING | | \$336,077 | \$384,625 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|-----------------------------------|------------------|------------------|
| Item Name: | Retention/Succession Plan | | |
| Allocation to Strategy: | 4-1-1 Central Administration | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 SALARIES AND WAGES | | 109,995 | 155,864 |
| TOTAL, OBJECT OF EXPENSE | | \$109,995 | \$155,864 |
| METHOD OF FINANCING: | | | |
| 1 General Revenue Fund | | 109,995 | 155,864 |
| TOTAL, METHOD OF FINANCING | | \$109,995 | \$155,864 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|----------------------------------|-----------------|-----------------|
| Item Name: | Retention/Succession Plan | | |
| Allocation to Strategy: | 4-1-2 Information Resources | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 SALARIES AND WAGES | | 48,878 | 76,867 |
| TOTAL, OBJECT OF EXPENSE | | \$48,878 | \$76,867 |
| METHOD OF FINANCING: | | | |
| 1 General Revenue Fund | | 48,878 | 76,867 |
| TOTAL, METHOD OF FINANCING | | \$48,878 | \$76,867 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|---------------------------------------|-----------------|-----------------|
| Item Name: | Retention/Succession Plan | | |
| Allocation to Strategy: | 4-1-3 Other Support Services | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 SALARIES AND WAGES | | 12,969 | 26,587 |
| TOTAL, OBJECT OF EXPENSE | | \$12,969 | \$26,587 |
| METHOD OF FINANCING: | | | |
| 1 General Revenue Fund | | 12,969 | 26,587 |
| TOTAL, METHOD OF FINANCING | | \$12,969 | \$26,587 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|--|------------------|------------------|
| Item Name: | Transfer Wine Marketing Funds to Department of Agriculture | | |
| Allocation to Strategy: | 4-1-1 Central Administration | | |
| OBJECTS OF EXPENSE: | | | |
| 9999 | NOT REL TO LBB TRACKING | 250,000 | 250,000 |
| TOTAL, OBJECT OF EXPENSE | | \$250,000 | \$250,000 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 250,000 | 250,000 |
| TOTAL, METHOD OF FINANCING | | \$250,000 | \$250,000 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|---|------------------|------------------|
| Item Name: | Increase in Data Center Consolidation Costs | | |
| Allocation to Strategy: | 4-1-2 Information Resources | | |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 231,227 | 180,127 |
| TOTAL, OBJECT OF EXPENSE | | \$231,227 | \$180,127 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 231,227 | 180,127 |
| TOTAL, METHOD OF FINANCING | | \$231,227 | \$180,127 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|--|--|------------------|-----------------|
| Item Name: IT Automation Enhancements | | | |
| Allocation to Strategy: 1-1-1 Enforcement | | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | Percentage of Licensed Establishments Inspected Annually | 78.50% | 78.50% |
| <u>2</u> | % of Administrative Cases Resulting in Administrative Sanctions | 95.00% | 95.00% |
| <u>3</u> | % Agency Contacts Rating Enforcement Actions As Satisfactory or Better | 95.00% | 95.00% |
| <u>4</u> | Percentage of Complaint Investigations Closed within 60 Days | 86.00% | 86.00% |
| <u>5</u> | Percentage of Priority Retail Locations Inspected by Enforcement | 95.00% | 95.00% |
| <u>6</u> | Retailer Public Safety Compliance Rate | 95.00 | 95.00 |
| <u>7</u> | Priority Retailer Public Safety Compliance Rate | 93.00 | 93.00 |
| <u>8</u> | Recidivism Rate - Licensed Retailers | 15.00 | 15.00 |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Inspections Conducted by Enforcement Agents | 0.00 | 0.00 |
| <u>2</u> | # Inspections Priority Retailers Conducted by Enforcement | 0.00 | 0.00 |
| <u>3</u> | Number of Persons Instructed by Enforcement Agents | 0.00 | 0.00 |
| <u>4</u> | Number of Licensees Attending Enforcement Education Programs | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| <u>1</u> | Average Cost Per Enforcement Inspection | 173.99 | 172.40 |
| <u>2</u> | Average Cost Per Person Attending Enforcement Education Programs | 3.06 | 3.03 |
| EXPLANATORY/INPUT MEASURES: | | | |
| <u>1</u> | Number of Enforcement Cases Reaching Final Disposition | 3,100.00 | 3,100.00 |
| <u>2</u> | Number of Licensed Locations Subject to Inspection | 48,100.00 | 48,500.00 |
| <u>3</u> | Number of Complaint Investigations Opened | 8,000.00 | 8,000.00 |
| <u>4</u> | Number of Criminal Cases Filed | 14,000.00 | 14,000.00 |
| <u>5</u> | Number of Administrative Cases Initiated by Enforcement Agents | 3,100.00 | 3,100.00 |
| <u>6</u> | Number of Priority Retail Locations | 4,850.00 | 4,850.00 |
| <u>7</u> | Number of Complaint Investigations Closed | 8,000.00 | 8,000.00 |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 145,600 | 0 |
| 2004 | UTILITIES | 58,800 | 58,800 |
| 2009 | OTHER OPERATING EXPENSE | 4,851 | 0 |
| 5000 | CAPITAL EXPENDITURES | 80,427 | 21,476 |
| TOTAL, OBJECT OF EXPENSE | | \$289,678 | \$80,276 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|----------------------------|------------------|-----------------|
| Item Name: | IT Automation Enhancements | | |
| Allocation to Strategy: | 1-1-1 Enforcement | | |
| METHOD OF FINANCING: | | | |
| | 1 General Revenue Fund | 289,678 | 80,276 |
| TOTAL, METHOD OF FINANCING | | \$289,678 | \$80,276 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|--|------------------|-----------------|
| Item Name: | IT Automation Enhancements | | |
| Allocation to Strategy: | 2-1-1 Licensing and Investigation | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | % of Original License/Permit Applications Processed within 14 Days | 99.00% | 99.00% |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Applications Processed | 0.00 | 0.00 |
| <u>2</u> | Number of Licenses/Permits Issued | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| <u>1</u> | Average Cost Per License/Permit Processed | 59.74 | 60.63 |
| EXPLANATORY/INPUT MEASURES: | | | |
| <u>1</u> | Avg Number of Days to Approve an Original Primary License/Permit | 74.00 | 74.00 |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 781,675 | 0 |
| 2004 | UTILITIES | 21,600 | 21,600 |
| 2009 | OTHER OPERATING EXPENSE | 1,782 | 0 |
| 5000 | CAPITAL EXPENDITURES | 21,811 | 5,824 |
| TOTAL, OBJECT OF EXPENSE | | \$826,868 | \$27,424 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 826,868 | 27,424 |
| TOTAL, METHOD OF FINANCING | | \$826,868 | \$27,424 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|--|------------------|------------------|
| Item Name: IT Automation Enhancements | | | |
| Allocation to Strategy: 3-1-1 Conduct Inspections and Monitor Compliance | | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | % of Inspections Resulting in Administrative Actions | 19.50% | 19.50% |
| <u>2</u> | Percent of Report Analyses Resulting in Admin or Compliance Actions | 17.00% | 17.00% |
| <u>3</u> | % Contacts Expressing Satisfaction with Agency Auditors | 96.00% | 96.00% |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Inspections, Analyses, and Compliance Activities | 0.00 | 0.00 |
| <u>2</u> | # of Wholesale and Manufacturing Reports Analyzed | 0.00 | 0.00 |
| <u>3</u> | Audits and Other Analyses Conducted by Field Auditors | 0.00 | 0.00 |
| <u>4</u> | Inspections Conducted by Field Auditors | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| <u>1</u> | Average Cost Per Compliance Activity | 31.51 | 28.10 |
| EXPLANATORY/INPUT MEASURES: | | | |
| <u>1</u> | # of Lic Locations Subject to Inspection & Other Reg Enforcement Acts | 48,100.00 | 48,500.00 |
| <u>2</u> | Number of Whole/Manu Licensees/Permittees Req to Submit Monthly Report | 3,850.00 | 3,850.00 |
| <u>3</u> | Number of Administrative Actions by Compliance and Tax | 39,108.00 | 39,108.00 |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 726,100 | 50,000 |
| 2004 | UTILITIES | 88,800 | 88,800 |
| 2009 | OTHER OPERATING EXPENSE | 7,326 | 0 |
| 5000 | CAPITAL EXPENDITURES | 23,273 | 6,216 |
| TOTAL, OBJECT OF EXPENSE | | \$845,499 | \$145,016 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 845,499 | 145,016 |
| TOTAL, METHOD OF FINANCING | | \$845,499 | \$145,016 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|--|-----------------|----------------|
| Item Name: | IT Automation Enhancements | | |
| Allocation to Strategy: | 3-2-1 Nontransferable | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| 1 | Revenue As a Percent of Expenses | 89.19% | 89.63% |
| OUTPUT MEASURES: | | | |
| 1 | Number of Alcoholic Beverage Containers and Cigarette Packages Stamped | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| 1 | Average Cost Per Alcoholic Beverage Container or Cigarette Package | 1.32 | 1.31 |
| EXPLANATORY/INPUT MEASURES: | | | |
| 1 | # Alcoholic Beverage Containers/Cigarette Pkgs Confiscated | 12,025.00 | 12,025.00 |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 0 | 0 |
| 2004 | UTILITIES | 1,200 | 1,200 |
| 2009 | OTHER OPERATING EXPENSE | 99 | 0 |
| 5000 | CAPITAL EXPENDITURES | 25,801 | 6,892 |
| TOTAL, OBJECT OF EXPENSE | | \$27,100 | \$8,092 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 27,100 | 8,092 |
| TOTAL, METHOD OF FINANCING | | \$27,100 | \$8,092 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|---|------------------|-----------------|
| Item Name: | IT Automation Enhancements | | |
| Allocation to Strategy: | 4-1-1 Central Administration | | |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 27,000 | 0 |
| 2004 | UTILITIES | 7,200 | 7,200 |
| 2009 | OTHER OPERATING EXPENSE | 594 | 9,000 |
| 5000 | CAPITAL EXPENDITURES | 126,398 | 1,975 |
| TOTAL, OBJECT OF EXPENSE | | \$161,192 | \$18,175 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 161,192 | 18,175 |
| TOTAL, METHOD OF FINANCING | | \$161,192 | \$18,175 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|--------------------------------|------------------|------------------|
| Item Name: | IT Automation Enhancements | | |
| Allocation to Strategy: | 4-1-2 Information Resources | | |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 349,311 | 389,818 |
| 2004 | UTILITIES | 1,200 | 1,200 |
| 2009 | OTHER OPERATING EXPENSE | 99 | 21,280 |
| 5000 | CAPITAL EXPENDITURES | 4,622 | 1,234 |
| TOTAL, OBJECT OF EXPENSE | | \$355,232 | \$413,532 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 355,232 | 413,532 |
| TOTAL, METHOD OF FINANCING | | \$355,232 | \$413,532 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|---|----------------|----------------|
| Item Name: | IT Automation Enhancements | | |
| Allocation to Strategy: | 4-1-3 Other Support Services | | |
| OBJECTS OF EXPENSE: | | | |
| 2004 | UTILITIES | 1,200 | 1,200 |
| 2009 | OTHER OPERATING EXPENSE | 99 | 0 |
| 5000 | CAPITAL EXPENDITURES | 2,909 | 777 |
| TOTAL, OBJECT OF EXPENSE | | \$4,208 | \$1,977 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 4,208 | 1,977 |
| TOTAL, METHOD OF FINANCING | | \$4,208 | \$1,977 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|---|------------------|------------------|
| Item Name: Ports of Entry Expansion | | | |
| Allocation to Strategy: 3-2-1 Nontransferable | | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| | <u>1</u> Revenue As a Percent of Expenses | 78.20% | 79.59% |
| OUTPUT MEASURES: | | | |
| | <u>1</u> Number of Alcoholic Beverage Containers and Cigarette Packages Stamped | 46,542.00 | 46,542.00 |
| EFFICIENCY MEASURES: | | | |
| | <u>1</u> Average Cost Per Alcoholic Beverage Container or Cigarette Package | 1.51 | 1.48 |
| EXPLANATORY/INPUT MEASURES: | | | |
| | <u>1</u> # Alcoholic Beverage Containers/Cigarette Pkgs Confiscated | 12,218.00 | 12,218.00 |
| OBJECTS OF EXPENSE: | | | |
| | 1001 SALARIES AND WAGES | 483,118 | 483,118 |
| | 2003 CONSUMABLE SUPPLIES | 10,584 | 10,584 |
| | 2004 UTILITIES | 8,025 | 8,025 |
| | 2005 TRAVEL | 5,367 | 5,367 |
| | 2006 RENT - BUILDING | 40,433 | 40,433 |
| | 2007 RENT - MACHINE AND OTHER | 7,725 | 7,725 |
| | 2009 OTHER OPERATING EXPENSE | 87,025 | 8,731 |
| | 5000 CAPITAL EXPENDITURES | 2,500 | 2,500 |
| TOTAL, OBJECT OF EXPENSE | | \$644,777 | \$566,483 |
| METHOD OF FINANCING: | | | |
| | 1 General Revenue Fund | 644,777 | 566,483 |
| TOTAL, METHOD OF FINANCING | | \$644,777 | \$566,483 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 17.7 | 17.7 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

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Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|--|----------------|----------------|
| Item Name: | Ports of Entry Expansion | | |
| Allocation to Strategy: | 4-1-2 Information Resources | | |
| OBJECTS OF EXPENSE: | | | |
| 2001 | PROFESSIONAL FEES AND SERVICES | 2,780 | 2,780 |
| 2009 | OTHER OPERATING EXPENSE | 5,380 | 5,380 |
| TOTAL, OBJECT OF EXPENSE | | \$8,160 | \$8,160 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 8,160 | 8,160 |
| TOTAL, METHOD OF FINANCING | | \$8,160 | \$8,160 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|--|------------------|------------------|
| Item Name: Miscellaneous Cost Increases | | | |
| Allocation to Strategy: 1-1-1 Enforcement | | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| 1 | Percentage of Licensed Establishments Inspected Annually | 78.50% | 78.50% |
| 2 | % of Administrative Cases Resulting in Administrative Sanctions | 95.00% | 95.00% |
| 3 | % Agency Contacts Rating Enforcement Actions As Satisfactory or Better | 95.00% | 95.00% |
| 4 | Percentage of Complaint Investigations Closed within 60 Days | 86.00% | 86.00% |
| 5 | Percentage of Priority Retail Locations Inspected by Enforcement | 95.00% | 95.00% |
| 6 | Retailer Public Safety Compliance Rate | 95.00 | 95.00 |
| 7 | Priority Retailer Public Safety Compliance Rate | 93.00 | 93.00 |
| 8 | Recidivism Rate - Licensed Retailers | 15.00 | 15.00 |
| OUTPUT MEASURES: | | | |
| 1 | Number of Inspections Conducted by Enforcement Agents | 0.00 | 0.00 |
| 2 | # Inspections Priority Retailers Conducted by Enforcement | 0.00 | 0.00 |
| 3 | Number of Persons Instructed by Enforcement Agents | 0.00 | 0.00 |
| 4 | Number of Licensees Attending Enforcement Education Programs | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| 1 | Average Cost Per Enforcement Inspection | 173.77 | 173.77 |
| 2 | Average Cost Per Person Attending Enforcement Education Programs | 3.05 | 3.05 |
| EXPLANATORY/INPUT MEASURES: | | | |
| 1 | Number of Enforcement Cases Reaching Final Disposition | 3,100.00 | 3,100.00 |
| 2 | Number of Licensed Locations Subject to Inspection | 48,100.00 | 48,500.00 |
| 3 | Number of Complaint Investigations Opened | 8,000.00 | 8,000.00 |
| 4 | Number of Criminal Cases Filed | 14,000.00 | 14,000.00 |
| 5 | Number of Administrative Cases Initiated by Enforcement Agents | 3,100.00 | 3,100.00 |
| 6 | Number of Priority Retail Locations | 4,850.00 | 4,850.00 |
| 7 | Number of Complaint Investigations Closed | 8,000.00 | 8,000.00 |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 54,797 | 54,797 |
| 2002 | FUELS AND LUBRICANTS | 207,000 | 207,000 |
| TOTAL, OBJECT OF EXPENSE | | \$261,797 | \$261,797 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 261,797 | 261,797 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

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Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|------------------------------|------------------|------------------|
| Item Name: | Miscellaneous Cost Increases | | |
| Allocation to Strategy: | 1-1-1 Enforcement | | |
| TOTAL, METHOD OF FINANCING | | \$261,797 | \$261,797 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

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Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|--|----------------|----------------|
| Item Name: | Miscellaneous Cost Increases | | |
| Allocation to Strategy: | 2-1-1 Licensing and Investigation | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| 1 | % of Original License/Permit Applications Processed within 14 Days | 99.00% | 99.00% |
| OUTPUT MEASURES: | | | |
| 1 | Number of Applications Processed | 0.00 | 0.00 |
| 2 | Number of Licenses/Permits Issued | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| 1 | Average Cost Per License/Permit Processed | 49.81 | 60.32 |
| EXPLANATORY/INPUT MEASURES: | | | |
| 1 | Avg Number of Days to Approve an Original Primary License/Permit | 74.00 | 74.00 |
| OBJECTS OF EXPENSE: | | | |
| | 1002 OTHER PERSONNEL COSTS | 5,920 | 5,920 |
| TOTAL, OBJECT OF EXPENSE | | \$5,920 | \$5,920 |
| METHOD OF FINANCING: | | | |
| | 1 General Revenue Fund | 5,920 | 5,920 |
| TOTAL, METHOD OF FINANCING | | \$5,920 | \$5,920 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|--|--|-----------------|-----------------|
| Item Name: Miscellaneous Cost Increases | | | |
| Allocation to Strategy: 3-1-1 Conduct Inspections and Monitor Compliance | | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | % of Inspections Resulting in Administrative Actions | 19.50% | 19.50% |
| <u>2</u> | Percent of Report Analyses Resulting in Admin or Compliance Actions | 17.00% | 17.00% |
| <u>3</u> | % Contacts Expressing Satisfaction with Agency Auditors | 96.00% | 96.00% |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Inspections, Analyses, and Compliance Activities | 0.00 | 0.00 |
| <u>2</u> | # of Wholesale and Manufacturing Reports Analyzed | 0.00 | 0.00 |
| <u>3</u> | Audits and Other Analyses Conducted by Field Auditors | 0.00 | 0.00 |
| <u>4</u> | Inspections Conducted by Field Auditors | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| <u>1</u> | Average Cost Per Compliance Activity | 27.73 | 27.73 |
| EXPLANATORY/INPUT MEASURES: | | | |
| <u>1</u> | # of Lic Locations Subject to Inspection & Other Reg Enforcement Acts | 48,100.00 | 48,500.00 |
| <u>2</u> | Number of Whole/Manu Licensees/Permittees Req to Submit Monthly Report | 3,850.00 | 3,850.00 |
| <u>3</u> | Number of Administrative Actions by Compliance and Tax | 39,108.00 | 39,108.00 |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 6,320 | 6,320 |
| 2005 | TRAVEL | 61,047 | 61,047 |
| TOTAL, OBJECT OF EXPENSE | | \$67,367 | \$67,367 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 67,367 | 67,367 |
| TOTAL, METHOD OF FINANCING | | \$67,367 | \$67,367 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|---|--|----------------|----------------|
| Item Name: | Miscellaneous Cost Increases | | |
| Allocation to Strategy: | 3-2-1 Nontransferable | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | Revenue As a Percent of Expenses | 89.66% | 89.66% |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Alcoholic Beverage Containers and Cigarette Packages Stamped | 0.00 | 0.00 |
| EFFICIENCY MEASURES: | | | |
| <u>1</u> | Average Cost Per Alcoholic Beverage Container or Cigarette Package | 1.31 | 1.31 |
| EXPLANATORY/INPUT MEASURES: | | | |
| <u>1</u> | # Alcoholic Beverage Containers/Cigarette Pkgs Confiscated | 12,025.00 | 12,025.00 |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 7,000 | 7,000 |
| TOTAL, OBJECT OF EXPENSE | | \$7,000 | \$7,000 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 7,000 | 7,000 |
| TOTAL, METHOD OF FINANCING | | \$7,000 | \$7,000 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|---|----------------|----------------|
| Item Name: | Miscellaneous Cost Increases | | |
| Allocation to Strategy: | 4-1-1 Central Administration | | |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 2,000 | 2,000 |
| TOTAL, OBJECT OF EXPENSE | | \$2,000 | \$2,000 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 2,000 | 2,000 |
| TOTAL, METHOD OF FINANCING | | \$2,000 | \$2,000 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|------------------------------|----------------|----------------|
| Item Name: | Miscellaneous Cost Increases | | |
| Allocation to Strategy: | 4-1-2 Information Resources | | |
| OBJECTS OF EXPENSE: | | | |
| 1002 OTHER PERSONNEL COSTS | | 1,260 | 1,260 |
| TOTAL, OBJECT OF EXPENSE | | \$1,260 | \$1,260 |
| METHOD OF FINANCING: | | | |
| 1 General Revenue Fund | | 1,260 | 1,260 |
| TOTAL, METHOD OF FINANCING | | \$1,260 | \$1,260 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/12/2008**

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: **1:50:56PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

| Code | Description | Excp 2010 | Excp 2011 |
|-----------------------------------|---|--------------|--------------|
| Item Name: | Miscellaneous Cost Increases | | |
| Allocation to Strategy: | 4-1-3 Other Support Services | | |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 780 | 780 |
| TOTAL, OBJECT OF EXPENSE | | \$780 | \$780 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 780 | 780 |
| TOTAL, METHOD OF FINANCING | | \$780 | \$780 |

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:46AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 1 Promote the Health, Safety, and Welfare of the Public Statewide Goal/Benchmark: 5 - 25
 OBJECTIVE: 1 Detect/Prevent Law Violations Service Categories:
 STRATEGY: 1 Enforcement Service: 34 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

STRATEGY IMPACT ON OUTCOME MEASURES:

| | | |
|---|---------|---------|
| <u>1</u> Percentage of Licensed Establishments Inspected Annually | 78.50 % | 78.50 % |
| <u>2</u> % of Administrative Cases Resulting in Administrative Sanctions | 95.00 % | 95.00 % |
| <u>3</u> % Agency Contacts Rating Enforcement Actions As Satisfactory or Better | 95.00 % | 95.00 % |
| <u>4</u> Percentage of Complaint Investigations Closed within 60 Days | 86.00 % | 86.00 % |
| <u>5</u> Percentage of Priority Retail Locations Inspected by Enforcement | 95.00 % | 95.00 % |
| <u>6</u> Retailer Public Safety Compliance Rate | 95.00 | 95.00 |
| <u>7</u> Priority Retailer Public Safety Compliance Rate | 93.00 | 93.00 |
| <u>8</u> Recidivism Rate - Licensed Retailers | 15.00 | 15.00 |

EFFICIENCY MEASURES:

| | | |
|---|--------|--------|
| <u>1</u> Average Cost Per Enforcement Inspection | 176.69 | 175.38 |
| <u>2</u> Average Cost Per Person Attending Enforcement Education Programs | 3.11 | 3.08 |

EXPLANATORY/INPUT MEASURES:

| | | |
|---|-----------|-----------|
| <u>1</u> Number of Enforcement Cases Reaching Final Disposition | 3,100.00 | 3,100.00 |
| <u>2</u> Number of Licensed Locations Subject to Inspection | 48,500.00 | 48,500.00 |
| <u>3</u> Number of Complaint Investigations Opened | 8,000.00 | 8,000.00 |
| <u>4</u> Number of Criminal Cases Filed | 14,000.00 | 14,000.00 |
| <u>5</u> Number of Administrative Cases Initiated by Enforcement Agents | 3,100.00 | 3,100.00 |
| <u>6</u> Number of Priority Retail Locations | 4,850.00 | 4,850.00 |
| <u>7</u> Number of Complaint Investigations Closed | 8,000.00 | 8,000.00 |

OBJECTS OF EXPENSE:

| | | |
|-------------------------------------|---------|---------|
| 1001 SALARIES AND WAGES | 94,572 | 131,861 |
| 1002 OTHER PERSONNEL COSTS | 54,797 | 54,797 |
| 2001 PROFESSIONAL FEES AND SERVICES | 145,600 | 0 |

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 1 Promote the Health, Safety, and Welfare of the Public Statewide Goal/Benchmark: 5 - 25
 OBJECTIVE: 1 Detect/Prevent Law Violations Service Categories:
 STRATEGY: 1 Enforcement Service: 34 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|----------------------------------|------------------|------------------|
| 2002 FUELS AND LUBRICANTS | 207,000 | 207,000 |
| 2004 UTILITIES | 58,800 | 58,800 |
| 2009 OTHER OPERATING EXPENSE | 4,851 | 0 |
| 5000 CAPITAL EXPENDITURES | 80,427 | 21,476 |
| Total, Objects of Expense | \$646,047 | \$473,934 |

METHOD OF FINANCING:

| | | |
|---------------------------------|------------------|------------------|
| 1 General Revenue Fund | 646,047 | 473,934 |
| Total, Method of Finance | \$646,047 | \$473,934 |

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- Retention/Succession Plan
- IT Automation Enhancements
- Miscellaneous Cost Increases

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 2 Process Applications and Issue Alcoholic Beverage Licenses & Permits Statewide Goal/Benchmark: 4 - 8
 OBJECTIVE: 1 Process Applications within 14 Days Service Categories:
 STRATEGY: 1 Licensing and Investigation Service: 17 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

STRATEGY IMPACT ON OUTCOME MEASURES:

| | | |
|---|---------|---------|
| <u>1</u> % of Original License/Permit Applications Processed within 14 Days | 99.00 % | 99.00 % |
|---|---------|---------|

EFFICIENCY MEASURES:

| | | |
|--|-------|-------|
| <u>1</u> Average Cost Per License/Permit Processed | 60.58 | 62.24 |
|--|-------|-------|

EXPLANATORY/INPUT MEASURES:

| | | |
|---|-------|-------|
| <u>1</u> Avg Number of Days to Approve an Original Primary License/Permit | 74.00 | 74.00 |
|---|-------|-------|

OBJECTS OF EXPENSE:

| | | |
|-------------------------------------|------------------|------------------|
| 1001 SALARIES AND WAGES | 63,715 | 104,112 |
| 1002 OTHER PERSONNEL COSTS | 5,920 | 5,920 |
| 2001 PROFESSIONAL FEES AND SERVICES | 781,675 | 0 |
| 2004 UTILITIES | 21,600 | 21,600 |
| 2009 OTHER OPERATING EXPENSE | 1,782 | 0 |
| 5000 CAPITAL EXPENDITURES | 21,811 | 5,824 |
| Total, Objects of Expense | \$896,503 | \$137,456 |

METHOD OF FINANCING:

| | | |
|---------------------------------|------------------|------------------|
| 1 General Revenue Fund | 896,503 | 137,456 |
| Total, Method of Finance | \$896,503 | \$137,456 |

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Retention/Succession Plan
 IT Automation Enhancements

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

| | | | |
|------------|--|----------------------------------|-------|
| GOAL: | 2 Process Applications and Issue Alcoholic Beverage Licenses & Permits | Statewide Goal/Benchmark: | 4 - 8 |
| OBJECTIVE: | 1 Process Applications within 14 Days | Service Categories: | |
| STRATEGY: | 1 Licensing and Investigation | Service: 17 Income: A.2 Age: B.3 | |

| | | |
|-------------------------|------------------|------------------|
| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------------------|------------------|------------------|

Miscellaneous Cost Increases

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 3 Ensure Compliance with Fees & Taxes Statewide Goal/Benchmark: 4 - 8
 OBJECTIVE: 1 Ensure Compliance with Alcoholic Beverage Code Service Categories:
 STRATEGY: 1 Conduct Inspections and Monitor Compliance Service: 17 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

STRATEGY IMPACT ON OUTCOME MEASURES:

| | | |
|--|---------|---------|
| <u>1</u> % of Inspections Resulting in Administrative Actions | 19.50 % | 19.50 % |
| <u>2</u> Percent of Report Analyses Resulting in Admin or Compliance Actions | 17.00 % | 17.00 % |
| <u>3</u> % Contacts Expressing Satisfaction with Agency Auditors | 96.00 % | 96.00 % |

EFFICIENCY MEASURES:

| | | |
|---|-------|-------|
| <u>1</u> Average Cost Per Compliance Activity | 34.44 | 31.65 |
|---|-------|-------|

EXPLANATORY/INPUT MEASURES:

| | | |
|---|-----------|-----------|
| <u>1</u> # of Lic Locations Subject to Inspection & Other Reg Enforcement Acts | 48,500.00 | 48,500.00 |
| <u>2</u> Number of Whole/Manu Licensees/Permittees Req to Submit Monthly Report | 3,850.00 | 3,850.00 |
| <u>3</u> Number of Administrative Actions by Compliance and Tax | 39,108.00 | 39,108.00 |

OBJECTS OF EXPENSE:

| | | |
|-------------------------------------|--------------------|------------------|
| 1001 SALARIES AND WAGES | 535,269 | 661,377 |
| 1002 OTHER PERSONNEL COSTS | 6,320 | 6,320 |
| 2001 PROFESSIONAL FEES AND SERVICES | 726,100 | 50,000 |
| 2004 UTILITIES | 88,800 | 88,800 |
| 2005 TRAVEL | 61,047 | 61,047 |
| 2009 OTHER OPERATING EXPENSE | 7,326 | 0 |
| 5000 CAPITAL EXPENDITURES | 23,273 | 6,216 |
| Total, Objects of Expense | \$1,448,135 | \$873,760 |

METHOD OF FINANCING:

| | | |
|---------------------------------|--------------------|------------------|
| 1 General Revenue Fund | 1,448,135 | 873,760 |
| Total, Method of Finance | \$1,448,135 | \$873,760 |

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 3 Ensure Compliance with Fees & Taxes Statewide Goal/Benchmark: 4 - 8
OBJECTIVE: 1 Ensure Compliance with Alcoholic Beverage Code Service Categories:
STRATEGY: 1 Conduct Inspections and Monitor Compliance Service: 17 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------|--------------------|------------------|------------------|
|-------------|--------------------|------------------|------------------|

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- Retention/Succession Plan
- IT Automation Enhancements
- Miscellaneous Cost Increases

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 3 Ensure Compliance with Fees & Taxes Statewide Goal/Benchmark: 4 - 8
 OBJECTIVE: 2 Ensure Maximum Compliance with Importation Laws at Ports of Entry Service Categories:
 STRATEGY: 1 Nontransferable Service: 03 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

STRATEGY IMPACT ON OUTCOME MEASURES:

| | | |
|---|---------|---------|
| <u>1</u> Revenue As a Percent of Expenses | 70.20 % | 71.08 % |
|---|---------|---------|

OUTPUT MEASURES:

| | | |
|---|-----------|-----------|
| <u>1</u> Number of Alcoholic Beverage Containers and Cigarette Packages Stamped | 46,542.00 | 46,542.00 |
|---|-----------|-----------|

EFFICIENCY MEASURES:

| | | |
|---|------|------|
| <u>1</u> Average Cost Per Alcoholic Beverage Container or Cigarette Package | 1.63 | 1.62 |
|---|------|------|

EXPLANATORY/INPUT MEASURES:

| | | |
|---|-----------|-----------|
| <u>1</u> # Alcoholic Beverage Containers/Cigarette Pkgs Confiscated | 12,218.00 | 12,218.00 |
|---|-----------|-----------|

OBJECTS OF EXPENSE:

| | | |
|----------------------------------|--------------------|------------------|
| 1001 SALARIES AND WAGES | 819,195 | 867,743 |
| 1002 OTHER PERSONNEL COSTS | 7,000 | 7,000 |
| 2003 CONSUMABLE SUPPLIES | 10,584 | 10,584 |
| 2004 UTILITIES | 9,225 | 9,225 |
| 2005 TRAVEL | 5,367 | 5,367 |
| 2006 RENT - BUILDING | 40,433 | 40,433 |
| 2007 RENT - MACHINE AND OTHER | 7,725 | 7,725 |
| 2009 OTHER OPERATING EXPENSE | 87,124 | 8,731 |
| 5000 CAPITAL EXPENDITURES | 28,301 | 9,392 |
| Total, Objects of Expense | \$1,014,954 | \$966,200 |

METHOD OF FINANCING:

| | | |
|------------------------|-----------|---------|
| 1 General Revenue Fund | 1,014,954 | 966,200 |
|------------------------|-----------|---------|

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 3 Ensure Compliance with Fees & Taxes Statewide Goal/Benchmark: 4 - 8
 OBJECTIVE: 2 Ensure Maximum Compliance with Importation Laws at Ports of Entry Service Categories:
 STRATEGY: 1 Nontransferable Service: 03 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|---------------------------------|--------------------|------------------|
| Total, Method of Finance | \$1,014,954 | \$966,200 |

FULL-TIME EQUIVALENT POSITIONS (FTE): 17.7 17.7

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- Retention/Succession Plan
- IT Automation Enhancements
- Ports of Entry Expansion
- Miscellaneous Cost Increases

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 4 Indirect Administration Statewide Goal/Benchmark: 8 - 6
 OBJECTIVE: 1 Indirect Administration Service Categories:
 STRATEGY: 1 Central Administration Service: 09 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

OBJECTS OF EXPENSE:

| | | |
|-------------------------------------|------------------|------------------|
| 1001 SALARIES AND WAGES | 109,995 | 155,864 |
| 1002 OTHER PERSONNEL COSTS | 2,000 | 2,000 |
| 2001 PROFESSIONAL FEES AND SERVICES | 27,000 | 0 |
| 2004 UTILITIES | 7,200 | 7,200 |
| 2009 OTHER OPERATING EXPENSE | 594 | 9,000 |
| 5000 CAPITAL EXPENDITURES | 126,398 | 1,975 |
| 9999 NOT REL TO LBB TRACKING | 250,000 | 250,000 |
| Total, Objects of Expense | \$523,187 | \$426,039 |

METHOD OF FINANCING:

| | | |
|---------------------------------|------------------|------------------|
| 1 General Revenue Fund | 523,187 | 426,039 |
| Total, Method of Finance | \$523,187 | \$426,039 |

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- Retention/Succession Plan
- Transfer Wine Marketing Funds to Department of Agriculture
- IT Automation Enhancements
- Miscellaneous Cost Increases

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 4 Indirect Administration Statewide Goal/Benchmark: 8 - 6
 OBJECTIVE: 1 Indirect Administration Service Categories:
 STRATEGY: 2 Information Resources Service: 09 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

OBJECTS OF EXPENSE:

| | | |
|-------------------------------------|------------------|------------------|
| 1001 SALARIES AND WAGES | 48,878 | 76,867 |
| 1002 OTHER PERSONNEL COSTS | 1,260 | 1,260 |
| 2001 PROFESSIONAL FEES AND SERVICES | 583,318 | 572,725 |
| 2004 UTILITIES | 1,200 | 1,200 |
| 2009 OTHER OPERATING EXPENSE | 5,479 | 26,660 |
| 5000 CAPITAL EXPENDITURES | 4,622 | 1,234 |
| Total, Objects of Expense | \$644,757 | \$679,946 |

METHOD OF FINANCING:

| | | |
|---------------------------------|------------------|------------------|
| 1 General Revenue Fund | 644,757 | 679,946 |
| Total, Method of Finance | \$644,757 | \$679,946 |

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- Retention/Succession Plan
- Increase in Data Center Consolidation Costs
- IT Automation Enhancements
- Ports of Entry Expansion
- Miscellaneous Cost Increases

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/13/2008
TIME: 8:20:56AM

Agency Code: **458** Agency name: **Alcoholic Beverage Commission**

GOAL: 4 Indirect Administration Statewide Goal/Benchmark: 8 - 6
 OBJECTIVE: 1 Indirect Administration Service Categories:
 STRATEGY: 3 Other Support Services Service: 09 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2010 | Excp 2011 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

OBJECTS OF EXPENSE:

| | | |
|----------------------------------|-----------------|-----------------|
| 1001 SALARIES AND WAGES | 12,969 | 26,587 |
| 1002 OTHER PERSONNEL COSTS | 780 | 780 |
| 2004 UTILITIES | 1,200 | 1,200 |
| 2009 OTHER OPERATING EXPENSE | 99 | 0 |
| 5000 CAPITAL EXPENDITURES | 2,909 | 777 |
| Total, Objects of Expense | \$17,957 | \$29,344 |

METHOD OF FINANCING:

| | | |
|---------------------------------|-----------------|-----------------|
| 1 General Revenue Fund | 17,957 | 29,344 |
| Total, Method of Finance | \$17,957 | \$29,344 |

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- Retention/Succession Plan
- IT Automation Enhancements
- Miscellaneous Cost Increases

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5.A. CAPITAL BUDGET PROJECT SCHEDULE
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
TIME: 1:51:56PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2008

Bud 2009

BL 2010

BL 2011

3/3 Other Hardware/Software Acquisitions

OBJECTS OF EXPENSE

Capital

| | | | | | |
|-------------------------------|---|------------------|------------------|------------------|------------------|
| 2004 UTILITIES | | \$9,588 | \$0 | \$0 | \$0 |
| 2009 OTHER OPERATING EXPENSE | | \$179,887 | \$187,000 | \$187,000 | \$187,000 |
| Capital Subtotal OOE, Project | 3 | \$189,475 | \$187,000 | \$187,000 | \$187,000 |
| Subtotal OOE, Project | 3 | \$189,475 | \$187,000 | \$187,000 | \$187,000 |

TYPE OF FINANCING

Capital

| | | | | | |
|-------------------------------|---|------------------|------------------|------------------|------------------|
| CA 1 General Revenue Fund | | \$189,475 | \$187,000 | \$187,000 | \$187,000 |
| Capital Subtotal TOF, Project | 3 | \$189,475 | \$187,000 | \$187,000 | \$187,000 |
| Subtotal TOF, Project | 3 | \$189,475 | \$187,000 | \$187,000 | \$187,000 |

6/6 Automation of Tax Collections and Reporting
for Ports of Entry.

OBJECTS OF EXPENSE

Capital

| | | | | | |
|-------------------------------------|---|------------------|------------|------------|------------|
| 2001 PROFESSIONAL FEES AND SERVICES | | \$6,600 | \$0 | \$0 | \$0 |
| 2009 OTHER OPERATING EXPENSE | | \$98,976 | \$0 | \$0 | \$0 |
| Capital Subtotal OOE, Project | 6 | \$105,576 | \$0 | \$0 | \$0 |
| Subtotal OOE, Project | 6 | \$105,576 | \$0 | \$0 | \$0 |

TYPE OF FINANCING

Capital

| | | | | | |
|-------------------------------|---|------------------|------------|------------|------------|
| CA 1 General Revenue Fund | | \$105,576 | \$0 | \$0 | \$0 |
| Capital Subtotal TOF, Project | 6 | \$105,576 | \$0 | \$0 | \$0 |
| Subtotal TOF, Project | 6 | \$105,576 | \$0 | \$0 | \$0 |

9/9 IT Automation Enhancements

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:51:56PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|
| OBJECTS OF EXPENSE | | | | |
| <u>Capital</u> | | | | |
| 2001 PROFESSIONAL FEES AND SERVICES | \$0 | \$0 | \$0 | \$0 |
| 2009 OTHER OPERATING EXPENSE | \$0 | \$0 | \$0 | \$0 |
| 5000 CAPITAL EXPENDITURES | \$0 | \$0 | \$0 | \$0 |
| Capital Subtotal OOE, Project 9 | \$0 | \$0 | \$0 | \$0 |
| <u>Informational</u> | | | | |
| 2001 PROFESSIONAL FEES AND SERVICES | \$0 | \$0 | \$0 | \$0 |
| 2004 UTILITIES | \$0 | \$0 | \$0 | \$0 |
| 2009 OTHER OPERATING EXPENSE | \$0 | \$0 | \$0 | \$0 |
| Informational Subtotal OOE, Project 9 | \$0 | \$0 | \$0 | \$0 |
| Subtotal OOE, Project 9 | \$0 | \$0 | \$0 | \$0 |
| TYPE OF FINANCING | | | | |
| <u>Capital</u> | | | | |
| CA 1 General Revenue Fund | \$0 | \$0 | \$0 | \$0 |
| Capital Subtotal TOF, Project 9 | \$0 | \$0 | \$0 | \$0 |
| <u>Informational</u> | | | | |
| CA 1 General Revenue Fund | \$0 | \$0 | \$0 | \$0 |
| Informational Subtotal TOF, Project 9 | \$0 | \$0 | \$0 | \$0 |
| Subtotal TOF, Project 9 | \$0 | \$0 | \$0 | \$0 |
| Capital Subtotal, Category 5005 | \$1,268,065 | \$1,239,014 | \$1,132,663 | \$1,127,763 |
| Informational Subtotal, Category 5005 | \$0 | \$0 | \$0 | \$0 |
| Total, Category 5005 | \$1,268,065 | \$1,239,014 | \$1,132,663 | \$1,127,763 |

5006 Transportation Items

4/4 Fleet Acquisition-Replacement Vehicles

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:51:56PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---------------------------------------|--------------------|------------------|------------------|------------------|
| OBJECTS OF EXPENSE | | | | |
| <u>Capital</u> | | | | |
| 5000 CAPITAL EXPENDITURES | \$1,062,204 | \$338,500 | \$690,500 | \$690,500 |
| Capital Subtotal OOE, Project 4 | \$1,062,204 | \$338,500 | \$690,500 | \$690,500 |
| Subtotal OOE, Project 4 | \$1,062,204 | \$338,500 | \$690,500 | \$690,500 |
| TYPE OF FINANCING | | | | |
| <u>Capital</u> | | | | |
| CA 1 General Revenue Fund | \$1,053,519 | \$328,500 | \$671,750 | \$671,750 |
| CA 666 Appropriated Receipts | \$8,685 | \$10,000 | \$18,750 | \$18,750 |
| Capital Subtotal TOF, Project 4 | \$1,062,204 | \$338,500 | \$690,500 | \$690,500 |
| Subtotal TOF, Project 4 | \$1,062,204 | \$338,500 | \$690,500 | \$690,500 |
| Capital Subtotal, Category 5006 | \$1,062,204 | \$338,500 | \$690,500 | \$690,500 |
| Informational Subtotal, Category 5006 | \$0 | \$0 | \$0 | \$0 |
| Total, Category 5006 | \$1,062,204 | \$338,500 | \$690,500 | \$690,500 |

5007 Acquisition of Capital Equipment and Items

5/5 Public Safety Equipment - Replacement

OBJECTS OF EXPENSE

Capital

| | | | | |
|---------------------------------|------------------|------------------|------------------|------------------|
| 2009 OTHER OPERATING EXPENSE | \$478,213 | \$478,213 | \$353,213 | \$353,213 |
| Capital Subtotal OOE, Project 5 | \$478,213 | \$478,213 | \$353,213 | \$353,213 |
| Subtotal OOE, Project 5 | \$478,213 | \$478,213 | \$353,213 | \$353,213 |

TYPE OF FINANCING

Capital

| | | | | |
|---------------------------|-----------|-----------|-----------|-----------|
| CA 1 General Revenue Fund | \$478,213 | \$478,213 | \$353,213 | \$353,213 |
|---------------------------|-----------|-----------|-----------|-----------|

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:51:56PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---|---|------------------|------------------|------------------|------------------|
| Capital Subtotal TOF, Project | 5 | \$478,213 | \$478,213 | \$353,213 | \$353,213 |
| Subtotal TOF, Project | 5 | \$478,213 | \$478,213 | \$353,213 | \$353,213 |
| <i>7/7 Acquisition of Radio Equipment</i> | | | | | |
| OBJECTS OF EXPENSE | | | | | |
| <u>Capital</u> | | | | | |
| 2009 OTHER OPERATING EXPENSE | | \$0 | \$300,000 | \$0 | \$0 |
| Capital Subtotal OOE, Project | 7 | \$0 | \$300,000 | \$0 | \$0 |
| Subtotal OOE, Project | 7 | \$0 | \$300,000 | \$0 | \$0 |
| TYPE OF FINANCING | | | | | |
| <u>Capital</u> | | | | | |
| CA 555 Federal Funds | | \$0 | \$300,000 | \$0 | \$0 |
| Capital Subtotal TOF, Project | 7 | \$0 | \$300,000 | \$0 | \$0 |
| Subtotal TOF, Project | 7 | \$0 | \$300,000 | \$0 | \$0 |
| <i>8/8 Acquisition of Capital Equipment and Items</i> | | | | | |
| OBJECTS OF EXPENSE | | | | | |
| <u>Capital</u> | | | | | |
| 2009 OTHER OPERATING EXPENSE | | \$273,045 | \$0 | \$0 | \$0 |
| Capital Subtotal OOE, Project | 8 | \$273,045 | \$0 | \$0 | \$0 |
| Subtotal OOE, Project | 8 | \$273,045 | \$0 | \$0 | \$0 |
| TYPE OF FINANCING | | | | | |
| <u>Capital</u> | | | | | |
| CA 1 General Revenue Fund | | \$273,045 | \$0 | \$0 | \$0 |
| Capital Subtotal TOF, Project | 8 | \$273,045 | \$0 | \$0 | \$0 |
| Subtotal TOF, Project | 8 | \$273,045 | \$0 | \$0 | \$0 |

5.A. CAPITAL BUDGET PROJECT SCHEDULE
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
TIME : 1:51:56PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|--------------------|--------------------|--------------------|--------------------|
| Capital Subtotal, Category 5007 | \$751,258 | \$778,213 | \$353,213 | \$353,213 |
| Informational Subtotal, Category 5007 | \$0 | \$0 | \$0 | \$0 |
| Total, Category 5007 | \$751,258 | \$778,213 | \$353,213 | \$353,213 |
| AGENCY TOTAL -CAPITAL | \$3,081,527 | \$2,355,727 | \$2,176,376 | \$2,171,476 |
| AGENCY TOTAL -INFORMATIONAL | \$0 | \$0 | \$0 | \$0 |
| AGENCY TOTAL | \$3,081,527 | \$2,355,727 | \$2,176,376 | \$2,171,476 |
| METHOD OF FINANCING: | | | | |
| <u>Capital</u> | | | | |
| 1 General Revenue Fund | \$3,072,842 | \$2,045,727 | \$2,157,626 | \$2,152,726 |
| 555 Federal Funds | \$0 | \$300,000 | \$0 | \$0 |
| 666 Appropriated Receipts | \$8,685 | \$10,000 | \$18,750 | \$18,750 |
| Total, Method of Financing-Capital | \$3,081,527 | \$2,355,727 | \$2,176,376 | \$2,171,476 |
| <u>Informational</u> | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$0 |
| Total, Method of Financing-Informational | \$0 | \$0 | \$0 | \$0 |
| Total, Method of Financing | \$3,081,527 | \$2,355,727 | \$2,176,376 | \$2,171,476 |

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:51:56PM**

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|--------------------|--------------------|--------------------|--------------------|
| TYPE OF FINANCING: | | | | |
| <u>Capital</u> | | | | |
| CA CURRENT APPROPRIATIONS | \$3,081,527 | \$2,355,727 | \$2,176,376 | \$2,171,476 |
| Total, Type of Financing-Capital | \$3,081,527 | \$2,355,727 | \$2,176,376 | \$2,171,476 |
| <u>Informational</u> | | | | |
| CA CURRENT APPROPRIATIONS | \$0 | \$0 | \$0 | \$0 |
| Total, Type of Financing-Informational | \$0 | \$0 | \$0 | \$0 |
| Total, Type of Financing | \$3,081,527 | \$2,355,727 | \$2,176,376 | \$2,171,476 |

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5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:52:58PM

| | | | |
|------------------|-------------|----------------|---|
| Agency Code: | 458 | Agency name: | Alcoholic Beverage Commission |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 1 | Project Name: | Agy Wide PCs Replacements (leased) |

PROJECT DESCRIPTION

General Information

Agency desktop technology refresh plan to replace the existing inventory of obsolete Intel-based personal computers (PC's), and laptops with Pentium IV or better processor technology capable of supporting a graphical user interface, client/server applications, and multimedia applications in order to achieve enhanced employee productivity. This project also provides Mobile Data Computers, also commonly referred to as ruggedized laptops or ToughBook computers, to allow our law enforcement employees in the field to remotely access and input data and information in near-to-real-time using wireless data communication. Request is based on annual funding needs for a three and four year obligation on leasing of equipment.

Number of Units / Average Unit Cost Desktops \$460/year; Laptops \$520/year; Toughbooks \$1,923/year

Estimated Completion Date 8/31/2011

| | | |
|--|-------------|-------------|
| Additional Capital Expenditure Amounts Required | 2012 | 2013 |
| | 0 | 0 |

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life 3 years on desktops and laptops; 4 years on toughbooks

Estimated/Actual Project Cost \$ 1,939,140

Length of Financing/ Lease Period 3-4 years

| | | | | |
|---|-------------|-------------|-------------|------------------------------------|
| <u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u> | | | | Total over project life |
| | 2010 | 2011 | 2012 | 2013 |
| | 0 | 0 | 0 | 0 |

| <u>REVENUE GENERATION / COST SAVINGS</u> | | |
|---|------------------------|------------------------------|
| <u>REVENUE COST FLAG</u> | <u>MOF CODE</u> | <u>AVERAGE AMOUNT</u> |
| | | |

Explanation:

Project Location: State-wide locations

Beneficiaries: TABC employees and the agency's public stakeholders.

Frequency of Use and External Factors Affecting Use:

Daily weekday use for non-law enforcement employees and 24-hour/7-days a week use by law enforcement employees. External factors include changes to quality and pricing of hardware.

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:52:58PM

| | | | |
|------------------|-------------|----------------|--------------------------------------|
| Agency Code: | 458 | Agency name: | Alcoholic Beverage Commission |
| Category Number: | 5006 | Category Name: | TRANSPORTATION ITEMS |
| Project number: | 4 | Project Name: | Fleet Acquisition |

PROJECT DESCRIPTION

General Information

Represents replacement of current fleet at 100,000 miles of use. The amount requested represents approximately 1/6 of the existing fleet which is based on a life expectancy of 5-6 years.

| | | | |
|--|---------|------------------------|-------------|
| Number of Units / Average Unit Cost | 20,500 | | |
| Estimated Completion Date | 8/31/11 | | |
| Additional Capital Expenditure Amounts Required | | 2012 | 2013 |
| | | 0 | 0 |
| Type of Financing | CA | CURRENT APPROPRIATIONS | |
| Projected Useful Life | N/A | | |
| Estimated/Actual Project Cost | \$ 0 | | |
| Length of Financing/ Lease Period | N/A | | |

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| | | | | | |
|--|-------------|-------------|-------------|-------------|------------------------------------|
| | 2010 | 2011 | 2012 | 2013 | Total over project life |
| | 0 | 0 | 0 | 0 | 0 |

REVENUE GENERATION / COST SAVINGS

| | | |
|---------------------------------|------------------------|------------------------------|
| <u>REVENUE COST FLAG</u> | <u>MOF_CODE</u> | <u>AVERAGE AMOUNT</u> |
|---------------------------------|------------------------|------------------------------|

Explanation:

Project Location: State-wide locations

Beneficiaries: TABC enforcement agents and the agency's public stakeholders.

Frequency of Use and External Factors Affecting Use:

Certified peace officers for the state are on call 24 hours a day 7 days per week. External factors include quality of equipment being acquired and the useful life of future products.

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:52:58PM

| | | | |
|------------------|-------------|----------------|--|
| Agency Code: | 458 | Agency name: | Alcoholic Beverage Commission |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 3 | Project Name: | Other Hardware/Software Acquisition |

PROJECT DESCRIPTION

General Information

Agency-wide IT equipment replacement and upgrade plan for personal computer printers and scanners, and network equipment upgrades. Printer replacements include both monochrome and color printers for personal/small workgroups, mid-sized workgroups, large workgroups, and multifunction all-in-one. Scanner replacements include personal/small workgroup and mid-sized workgroup. Network equipment upgrades includes the replacement of network infrastructure equipment including routers and switches.

Small workgroup printers average unit cost \$300; medium workgroup printers average unit cost \$800; small color workgroup printers average unit cost \$500; scanners totaling average unit cost \$1,300; network switches average unit cost \$1,100; network routers average unit cost \$1,500.

| | | | | |
|--|-----------|------------------------|--|-------------|
| Number of Units / Average Unit Cost | see above | | | |
| Estimated Completion Date | 8/31/2011 | | | |
| Additional Capital Expenditure Amounts Required | | 2012 | | 2013 |
| | | 0 | | 0 |
| Type of Financing | CA | CURRENT APPROPRIATIONS | | |
| Projected Useful Life | 5 years | | | |
| Estimated/Actual Project Cost | \$ 0 | | | |
| Length of Financing/ Lease Period | N/A | | | |

| | | | | | |
|---|-------------|-------------|-------------|-------------|------------------------------------|
| <u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u> | | | | | |
| | 2010 | 2011 | 2012 | 2013 | Total over project life |
| | 0 | 0 | 0 | 0 | 0 |

| <u>REVENUE GENERATION / COST SAVINGS</u> | | |
|---|------------------------|------------------------------|
| <u>REVENUE COST FLAG</u> | <u>MOF CODE</u> | <u>AVERAGE AMOUNT</u> |
| | | |

Explanation:

Project Location: Statewide

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission and people of Texas

Frequency of Use and External Factors Affecting Use:

Daily access to printers, scanners, routers, and switches for licensing, enforcement, and compliance related activities.

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:52:58PM

| | | | |
|------------------|-------------|----------------|--|
| Agency Code: | 458 | Agency name: | Alcoholic Beverage Commission |
| Category Number: | 5007 | Category Name: | ACQUISITN CAP EQUIP ITEMS |
| Project number: | 5 | Project Name: | Public Safety Equip - Replacement |

PROJECT DESCRIPTION

General Information

Replacement of obsolete and fully depreciated equipment includes such things as weapons (7 year life); mobile radios (6 year life); handheld radios (6 year life); base station repeaters (6 year life); body armor (5 year life) and digital cameras, breathalyzers, voice recorders, handcuffs, batons, flashlights, undercover recorders (5 year life), and other public safety equipment. This funding ensures regular replacement of fully depreciated equipment for field officers.

| | | | | | |
|--|---|-------------|-------------|---|---|
| Number of Units / Average Unit Cost | N/A | | | | |
| Estimated Completion Date | Perpetual | | | | |
| Additional Capital Expenditure Amounts Required | | | | | |
| | <table border="0"> <tr> <td>2012</td> <td>2013</td> </tr> <tr> <td align="center">0</td> <td align="center">0</td> </tr> </table> | 2012 | 2013 | 0 | 0 |
| 2012 | 2013 | | | | |
| 0 | 0 | | | | |
| Type of Financing | CA CURRENT APPROPRIATIONS | | | | |
| Projected Useful Life | N/A | | | | |
| Estimated/Actual Project Cost | \$ 0 | | | | |
| Length of Financing/ Lease Period | | | | | |

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| | 2010 | 2011 | 2012 | 2013 | Total over project life |
|--|------|------|------|------|----------------------------|
| | 0 | 0 | 0 | 0 | 0 |

REVENUE GENERATION / COST SAVINGS

| <u>REVENUE COST FLAG</u> | <u>MOF CODE</u> | <u>AVERAGE AMOUNT</u> |
|--------------------------|-----------------|-----------------------|
| | | |

Explanation:

Project Location: All TABC offices throughout the state.

Beneficiaries: TABC enforcement agents and the agency's public stakeholders

Frequency of Use and External Factors Affecting Use:

Certified peace officers for the state are on call 24 hours a day 7 days per week. External factors include quality of equipment being acquired and useful life of future products.

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:52:58PM

| | | | |
|------------------|-------------|----------------|--------------------------------------|
| Agency Code: | 458 | Agency name: | Alcoholic Beverage Commission |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 2 | Project Name: | Data Center Consolidation |

PROJECT DESCRIPTION

General Information

Server, storage, and mainframe consolidation to reduce maintenance and operations costs is a well established technology practice. In Texas, all information technology goods and services have historically been procured on an agency by agency basis -- without a coordinated sourcing strategy. When individual projects require new equipment, it is sometimes underutilized. When each agency selects software packages individually and negotiates based on their volume alone, common platforms and economies of scale are lost. At the start of the DCS program, more than 7,000 servers and 16 mainframes were in use in the participating state agencies. Agencies also have inconsistent levels of security, out of date technology and perform redundant activities. Texas Government Code §2054.375, Subchapter L. Statewide Technology Centers requires DIR to manage a statewide data center consolidation and identify agencies for participation.

| | | | | | | | |
|--|---|-------------|-------------|-------------|--|---|---|
| Number of Units / Average Unit Cost | multiple | | | | | | |
| Estimated Completion Date | 8/31/2014 | | | | | | |
| Additional Capital Expenditure Amounts Required | <table border="0"> <tr> <td></td> <td align="center">2012</td> <td align="center">2013</td> </tr> <tr> <td></td> <td align="center">0</td> <td align="center">0</td> </tr> </table> | | 2012 | 2013 | | 0 | 0 |
| | 2012 | 2013 | | | | | |
| | 0 | 0 | | | | | |
| Type of Financing | CA CURRENT APPROPRIATIONS | | | | | | |
| Projected Useful Life | 7 years | | | | | | |
| Estimated/Actual Project Cost | \$ 0 | | | | | | |
| Length of Financing/ Lease Period | N/A | | | | | | |

| | | | | |
|---|--------------------------------|-------------|-------------|----------|
| <u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u> | Total over project life | | | |
| 2010 | 2011 | 2012 | 2013 | 0 |
| 0 | 0 | 0 | 0 | |

| <u>REVENUE GENERATION / COST SAVINGS</u> | | |
|---|------------------------|------------------------------|
| <u>REVENUE COST FLAG</u> | <u>MOF CODE</u> | <u>AVERAGE AMOUNT</u> |
| | | |

Explanation:

Project Location: State Data Centers

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission and people of Texas

Frequency of Use and External Factors Affecting Use:

Daily use of servers, disk/tape storage, and network connections.

5.B. CAPITAL BUDGET PROJECT INFORMATION
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME: 1:52:58PM

| | | | |
|------------------|-------------|----------------|--------------------------------------|
| Agency Code: | 458 | Agency name: | Alcoholic Beverage Commission |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 9 | Project Name: | IT Automation Enhancements |

PROJECT DESCRIPTION

General Information

Funding for this exceptional item would provide for automation projects to enhance agency operations and improve overall IT security. Funding is requested for the following:

Excise Tax Automation - Funding would provide an automated system to process 36,000 excise tax reports that are manually analyzed each year. The new system will allow the agency to use its resources more efficiently.

On-Line Applications - Funding would allow for the upgrading of our regulatory licensing system to provide a more efficient, state-of-the-art system to support on-line applications for originals license, and renewal of existing licenses.

Case Management - Funding would allow for the replacement of our current case management system by adding the same functionality to a newly developed custom application know as ARTS.

Network Security – PDA technology - Funding would provide enterprise level information systems security and wireless service for 150 PDA devices.

HR System - Funding would implement a comprehensive, web-based HRIS management solution to replace an existing, in-house written, legacy HR System.

Re-engineer Seller/Server Training - Funding would implement a more effective means to educate the seller/servers of alcoholic beverages and to provide a system upgrade to the current method of reporting persons trained (trainees) in seller/server classes.

IT Staff Augmentation - Funding would provide IT staffing augmentation services to provide for additional programming support for in-house systems and websites.

| | | | |
|--|---------------------------|-------------|--|
| Number of Units / Average Unit Cost | Varies Across Projects | | |
| Estimated Completion Date | 8/31/11 | | |
| Additional Capital Expenditure Amounts Required | 2012 | 2013 | |
| | 0 | 0 | |
| Type of Financing | CA CURRENT APPROPRIATIONS | | |
| Projected Useful Life | 5-10 years | | |
| Estimated/Actual Project Cost | \$ 3,204,269 | | |

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| 2010 | 2011 | 2012 | 2013 | Total over project life |
|------|------|------|------|----------------------------|
| 0 | 0 | 0 | 0 | 0 |

REVENUE GENERATION / COST SAVINGS

| <u>REVENUE COST FLAG</u> | <u>MOF_CODE</u> | <u>AVERAGE AMOUNT</u> |
|--------------------------|-----------------|-----------------------|
| | | |

Explanation:

5.B. CAPITAL BUDGET PROJECT INFORMATION
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
TIME: **1:52:58PM**

Project Location: State-wide locations

Beneficiaries: TABC employees and the agency's public stakeholders.

Frequency of Use and External Factors Affecting Use:

Daily weekday use for non-law enforcement employees and 24-hour/7-days a week use by law enforcement employees. External factors include changes to quality and pricing of hardware.

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5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:53:32PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

Category Code/Name

Project Sequence/Project Id/Name

| | Goal/Obj/Str | Strategy Name | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|---------------------|--|-----------------|-----------------|----------------|----------------|
| 5005 Acquisition of Information Resource Technologies | | | | | | |
| | <i>1/1</i> | <i>Agy Wide PCs Replacements (leased)</i> | | | | |
| Capital | 4-1-1 | CENTRAL ADMINISTRATION | 19,576 | 19,576 | \$19,576 | \$19,576 |
| Capital | 4-1-2 | INFORMATION RESOURCES | 12,506 | 12,506 | 12,506 | 12,506 |
| Capital | 4-1-3 | OTHER SUPPORT SERVICES | 4,648 | 4,648 | 4,648 | 4,648 |
| Capital | 1-1-1 | ENFORCEMENT | 230,229 | 230,229 | 299,105 | 299,105 |
| Capital | 2-1-1 | LICENSING AND INVESTIGATION | 45,601 | 45,601 | 45,601 | 45,601 |
| Capital | 3-1-1 | COMPLIANCE MONITORING | 41,888 | 41,888 | 41,888 | 41,888 |
| Capital | 3-2-1 | PORTS OF ENTRY | 23,566 | 23,566 | 23,566 | 23,566 |
| | | TOTAL, PROJECT | \$378,014 | \$378,014 | \$446,890 | \$446,890 |
| | <i>2/2</i> | <i>Data Center Consolidation</i> | | | | |
| Capital | 4-1-2 | INFORMATION RESOURCES | 595,000 | 674,000 | 498,773 | 493,873 |
| | | TOTAL, PROJECT | \$595,000 | \$674,000 | \$498,773 | \$493,873 |
| | <i>3/3</i> | <i>Other Hardware/Software Acquisition</i> | | | | |
| Capital | 4-1-2 | INFORMATION RESOURCES | 189,475 | 187,000 | 187,000 | 187,000 |
| | | TOTAL, PROJECT | \$189,475 | \$187,000 | \$187,000 | \$187,000 |
| | <i>6/6</i> | <i>Ports of Entry Automation</i> | | | | |

5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:53:39PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

Category Code/Name

Project Sequence/Project Id/Name

| | Goal/Obj/Str | Strategy Name | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---------------|-----------------------------------|-----------------------------|------------------|-----------------|----------------|----------------|
| Capital | 3-2-1 | PORTS OF ENTRY | 105,576 | 0 | \$0 | \$0 |
| | | TOTAL, PROJECT | <u>\$105,576</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| | | | | | | |
| <i>9/9</i> | <i>IT Automation Enhancements</i> | | | | | |
| Capital | 4-1-1 | CENTRAL ADMINISTRATION | 0 | 0 | 0 | 0 |
| Capital | 4-1-2 | INFORMATION RESOURCES | 0 | 0 | 0 | 0 |
| Capital | 4-1-3 | OTHER SUPPORT SERVICES | 0 | 0 | 0 | 0 |
| Capital | 1-1-1 | ENFORCEMENT | 0 | 0 | 0 | 0 |
| Capital | 2-1-1 | LICENSING AND INVESTIGATION | 0 | 0 | 0 | 0 |
| Capital | 3-1-1 | COMPLIANCE MONITORING | 0 | 0 | 0 | 0 |
| Capital | 3-2-1 | PORTS OF ENTRY | 0 | 0 | 0 | 0 |
| Informational | 4-1-1 | CENTRAL ADMINISTRATION | 0 | 0 | 0 | 0 |
| Informational | 4-1-2 | INFORMATION RESOURCES | 0 | 0 | 0 | 0 |
| Informational | 4-1-3 | OTHER SUPPORT SERVICES | 0 | 0 | 0 | 0 |
| Informational | 1-1-1 | ENFORCEMENT | 0 | 0 | 0 | 0 |
| Informational | 2-1-1 | LICENSING AND INVESTIGATION | 0 | 0 | 0 | 0 |
| Informational | 3-1-1 | COMPLIANCE MONITORING | 0 | 0 | 0 | 0 |
| Informational | 3-2-1 | PORTS OF ENTRY | 0 | 0 | 0 | 0 |
| | | TOTAL, PROJECT | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

5006 Transportation Items

4/4 Fleet Acquisition

5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:53:39PM**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

Category Code/Name

Project Sequence/Project Id/Name

| | Goal/Obj/Str | Strategy Name | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|---------------------|--|--------------------|--------------------|--------------------|--------------------|
| Capital | 1-1-1 | ENFORCEMENT | 1,062,204 | 338,500 | \$690,500 | \$690,500 |
| | | TOTAL, PROJECT | \$1,062,204 | \$338,500 | \$690,500 | \$690,500 |
| 5007 Acquisition of Capital Equipment and Items | | | | | | |
| | <i>5/5</i> | <i>Public Safety Equip - Replacement</i> | | | | |
| Capital | 1-1-1 | ENFORCEMENT | 478,213 | 478,213 | 353,213 | 353,213 |
| | | TOTAL, PROJECT | \$478,213 | \$478,213 | \$353,213 | \$353,213 |
| | <i>7/7</i> | <i>Acquisition of Radio Equipment</i> | | | | |
| Capital | 1-1-1 | ENFORCEMENT | 0 | 300,000 | 0 | 0 |
| | | TOTAL, PROJECT | \$0 | \$300,000 | \$0 | \$0 |
| | <i>8/8</i> | <i>Capital Equipment and Items</i> | | | | |
| Capital | 4-1-1 | CENTRAL ADMINISTRATION | 23,230 | 0 | 0 | 0 |
| Capital | 1-1-1 | ENFORCEMENT | 127,592 | 0 | 0 | 0 |
| Capital | 2-1-1 | LICENSING AND INVESTIGATION | 4,830 | 0 | 0 | 0 |
| Capital | 3-1-1 | COMPLIANCE MONITORING | 117,393 | 0 | 0 | 0 |
| | | TOTAL, PROJECT | \$273,045 | \$0 | \$0 | \$0 |
| | | TOTAL CAPITAL, ALL PROJECTS | \$3,081,527 | \$2,355,727 | \$2,176,376 | \$2,171,476 |
| | | TOTAL INFORMATIONAL, ALL PROJECTS | \$0 | \$0 | \$0 | \$0 |
| | | TOTAL, ALL PROJECTS | \$3,081,527 | \$2,355,727 | \$2,176,376 | \$2,171,476 |

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CAPITAL BUDGET PROJECT SCHEDULE - EXCEPTIONAL
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:54:02PM**
 PAGE: **1 of 2**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Number / Name

OOE / TOF / MOF CODE

Excp 2010

Excp 2011

5005 Acquisition of Information Resource Technologies

2 Data Center Consolidation

Objects of Expense

2001 PROFESSIONAL FEES AND SERVICES

231,227

180,127

Subtotal OOE, Project 2

231,227

180,127

Type of Financing

CA 1 General Revenue Fund

231,227

180,127

Subtotal TOF, Project 2

231,227

180,127

9 IT Automation Enhancements

Objects of Expense

2001 PROFESSIONAL FEES AND SERVICES

2,029,686

439,818

2004 UTILITIES

180,000

180,000

2009 OTHER OPERATING EXPENSE

14,850

30,280

5000 CAPITAL EXPENDITURES

285,241

44,394

Subtotal OOE, Project 9

2,509,777

694,492

Type of Financing

CA 1 General Revenue Fund

425,250

469,400

CA 1 General Revenue Fund

2,084,527

225,092

Subtotal TOF, Project 9

2,509,777

694,492

Subtotal Category 5005

2,741,004

874,619

AGENCY TOTAL

2,741,004

874,619

METHOD OF FINANCING:

1 General Revenue Fund

2,741,004

874,619

Total, Method of Financing

2,741,004

874,619

CAPITAL BUDGET PROJECT SCHEDULE - EXCEPTIONAL
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:54:08PM**
 PAGE: **2 of 2**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Number / Name

OOE / TOF / MOF CODE

Excp 2010

Excp 2011

TYPE OF FINANCING:

CA CURRENT APPROPRIATIONS

2,741,004

874,619

Total, Type of Financing

2,741,004

874,619

CAPITAL BUDGET ALLOCATION TO STRATEGIES BY PROJECT - EXCEPTIONAL
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:54:21PM**
 PAGE: **1 of 2**

Agency code: **458** Agency name: **Alcoholic Beverage Commission**

Category Code/Name

Project Number/Name

| Goal/Obj/Str | Strategy Name | Excp 2010 | Excp 2011 |
|---|-----------------------------|-----------|-----------|
| 5005 Acquisition of Information Resource Technologies | | | |
| 2 | Data Center Consolidation | | |
| 4 1 2 | INFORMATION RESOURCES | 231,227 | 180,127 |
| TOTAL, PROJECT | | 231,227 | 180,127 |
| | | | |
| 9 | IT Automation Enhancements | | |
| 4 1 1 | CENTRAL ADMINISTRATION | 27,000 | 0 |
| 4 1 1 | CENTRAL ADMINISTRATION | 7,200 | 7,200 |
| 4 1 1 | CENTRAL ADMINISTRATION | 594 | 9,000 |
| 4 1 1 | CENTRAL ADMINISTRATION | 126,398 | 1,975 |
| 4 1 2 | INFORMATION RESOURCES | 118,911 | 159,418 |
| 4 1 2 | INFORMATION RESOURCES | 230,400 | 230,400 |
| 4 1 2 | INFORMATION RESOURCES | 1,200 | 1,200 |
| 4 1 2 | INFORMATION RESOURCES | 0 | 21,280 |
| 4 1 2 | INFORMATION RESOURCES | 99 | 0 |
| 4 1 2 | INFORMATION RESOURCES | 4,622 | 1,234 |
| 4 1 3 | OTHER SUPPORT SERVICES | 1,200 | 1,200 |
| 4 1 3 | OTHER SUPPORT SERVICES | 99 | 0 |
| 4 1 3 | OTHER SUPPORT SERVICES | 2,909 | 777 |
| 1 1 1 | ENFORCEMENT | 145,600 | 0 |
| 1 1 1 | ENFORCEMENT | 58,800 | 58,800 |
| 1 1 1 | ENFORCEMENT | 4,851 | 0 |
| 1 1 1 | ENFORCEMENT | 80,427 | 21,476 |
| 2 1 1 | LICENSING AND INVESTIGATION | 781,675 | 0 |
| 2 1 1 | LICENSING AND INVESTIGATION | 21,600 | 21,600 |
| 2 1 1 | LICENSING AND INVESTIGATION | 1,782 | 0 |
| 2 1 1 | LICENSING AND INVESTIGATION | 21,811 | 5,824 |
| 3 1 1 | COMPLIANCE MONITORING | 726,100 | 0 |

CAPITAL BUDGET ALLOCATION TO STRATEGIES BY PROJECT - EXCEPTIONAL
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:54:26PM**
 PAGE: **2 of 2**

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code/Name

Project Number/Name

| Goal/Obj/Str | Strategy Name | Excp 2010 | Excp 2011 |
|----------------------------|-----------------------|------------------|------------------|
| 3 1 1 | COMPLIANCE MONITORING | 0 | 50,000 |
| 3 1 1 | COMPLIANCE MONITORING | 88,800 | 88,800 |
| 3 1 1 | COMPLIANCE MONITORING | 7,326 | 0 |
| 3 1 1 | COMPLIANCE MONITORING | 23,273 | 6,216 |
| 3 2 1 | PORTS OF ENTRY | 1,200 | 1,200 |
| 3 2 1 | PORTS OF ENTRY | 99 | 0 |
| 3 2 1 | PORTS OF ENTRY | 25,801 | 6,892 |
| TOTAL, PROJECT | | 2,509,777 | 694,492 |
| TOTAL, ALL PROJECTS | | 2,741,004 | 874,619 |

6.A. HISTORICALLY UNDERUTILIZED BUSINESS SUPPORTING SCHEDULE

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/12/2008
Time: 1:55:16PM

Agency Code: 458 Agency: Alcoholic Beverage Commission

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2006 - 2007 HUB Expenditure Information

| Statewide HUB Goals | Procurement Category | <u>HUB Expenditures FY 2006</u> | | | Total Expenditures FY 2006 | <u>HUB Expenditures FY 2007</u> | | | Total Expenditures FY 2007 |
|------------------------|----------------------------|---------------------------------|--------------|--------------------|-------------------------------|---------------------------------|--------------|------------------|-------------------------------|
| | | % Goal | % Actual | Actual \$ | | % Goal | % Actual | Actual \$ | |
| 11.9% | Heavy Construction | 0.0 % | 0.0% | \$0 | \$0 | 0.0 % | 0.0% | \$0 | \$4,420 |
| 26.1% | Building Construction | 0.0 % | 0.0% | \$0 | \$0 | 0.0 % | 0.0% | \$0 | \$0 |
| 57.2% | Special Trade Construction | 38.3 % | 38.4% | \$35,418 | \$92,284 | 12.9 % | 13.0% | \$2,807 | \$21,639 |
| 20.0% | Professional Services | 0.0 % | 0.0% | \$0 | \$49,525 | 0.0 % | 0.0% | \$0 | \$42,668 |
| 33.0% | Other Services | 46.2 % | 46.3% | \$821,185 | \$1,774,431 | 37.3 % | 37.4% | \$493,478 | \$1,321,163 |
| 12.6% | Commodities | 11.9 % | 11.9% | \$251,185 | \$2,103,111 | 22.1 % | 22.2% | \$427,064 | \$1,925,239 |
| | Total Expenditures | | 27.6% | \$1,107,788 | \$4,019,351 | | 27.9% | \$923,349 | \$3,315,129 |

B. Assessment of Fiscal Year 2006 - 2007 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceeded one of four, or 25%, of the applicable statewide HUB procurement goals in FY 2006. The agency attained or exceeded two of the five, or 40%, of the applicable statewide HUB procurement goals in FY 2007.

Applicability:

The "Heavy Construction" and "Building Construction" categories are not applicable to agency operations in fiscal year 2006 and the "Building Construction" category is not applicable to agency operations in fiscal year 2007 since the agency did not have any expenditures related to these categories for the fiscal year listed.

Factors Affecting Attainment:

In both fiscal years 2006 and 2007, the goal of the "Other Services" category was not met due to the fact the contracts in that category are heavily related to specialized maintenance contracts with a limited number of certified HUBs being available. In fiscal year 2006 and 2007 the agency had only one contract in the "Professional Fees" category for Internal Audit services and this one contract was not a HUB. In fiscal year 2007, the agency also did not meet the goal for "Heavy Construction" as there was only one contract award for \$4,420. As an efficiency measure, field offices make use of the Mastercard Procurement Card Program and this has resulted in a decrease in the percentage of HUB participation in the "Commodities" procurement category. However, the agency's overall HUB procurement percentage rate for FY2006-2007 is over double the state-wide average.

"Good-Faith" Efforts:

The agency made the following good faith efforts to comply with statewide HUB procurement goals per 1 TAC Section 111.13(c):

- ensured that contract specifications, terms, quantities and conditions reflect the agency's actual requirements, were clearly stated, and did not impose unreasonable or unnecessary requirements.
- attended statewide economic opportunity forums and networked with businesses on the agency's procurement procedures and buying methods.
- regularly monitored the agency's internal divisions on the division's specification requests and HUB participation capabilities.
- prepared and distributed information on procurement procedures in a manner that encouraged participation in agency contracts by all businesses.

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6.B. Current Biennium One-time Expenditure Schedule

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | | Date: 8/13/2008 |
|--|--|-------------------------------------|-----------|---------------------------|
| Item | 2008-2009 | | 2010-2011 | |
| | Amount | MOF | Amount | MOF |
| Public Safety Interoperable Communications Grant | \$300,000 | 555 | | |
| Implementation of SB 1217 | \$106,400 | 001 | | |
| Manager Awareness Program - Grant | \$87,600 | 555 | | |
| Judgments | \$167,693 | 001 | | |
| POE Tax Collection Automation | \$105,576 | 001 | | |
| Lump Sum Termination Pay | \$407,143 | 001 | | |
| Acquisition of Capital Equipment and Items | \$273,045 | 001 | | |

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|---|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Public Safety Interoperable Communication Grant - CFDA #11.555 | | | | | |
| ALLOCATION TO STRATEGY: 1.1.1. Enforcement | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 2009 | Objects of Expense: Other Operating Expense | \$0 | \$300,000 | \$0 | \$0 |
| | Total, Objects of Expense | \$0 | \$300,000 | \$0 | \$0 |
| 555 | Method of Financing: Federal Funds: CFDA #11.555 | \$0 | \$300,000 | \$0 | \$0 |
| | Total, Method of Financing | \$0 | \$300,000 | \$0 | \$0 |

Description of Item for 2008-09

This funding was a one-time grant for the purchase of mobile radios for TABC Agents.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|---|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Implementation of SB 1217 | | | | | |
| ALLOCATION TO STRATEGY: 2.1.1. Licensing and Investigation | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| | Objects of Expense: | | | | |
| 2001 | Professional Fees | \$102,800 | \$0 | \$0 | \$0 |
| 2009 | Other Operating Expenses | 3,600 | | | |
| | Total, Objects of Expense | \$106,400 | \$0 | \$0 | \$0 |
| | Method of Financing: | | | | |
| 001 | General Revenue | \$106,400 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$106,400 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This was funding for programming changes needed for the agency licensing system to implement two-year permits.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|--|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Manager Awareness Program - CFDA#20.601 | | | | | |
| ALLOCATION TO STRATEGY: 3.1.1. Compliance Monitoring | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| | Objects of Expense: | | | | |
| 1001 | Salaries and Wages | \$16,984 | \$1,520 | \$0 | \$0 |
| 2003 | Consumable Supplies | 16,940 | 1,760 | | |
| 2005 | Travel | 216 | 0 | | |
| 2009 | Other Operating Expenses | 45,460 | 4,720 | | |
| | Total, Objects of Expense | \$79,600 | \$8,000 | \$0 | \$0 |
| | Method of Financing: | | | | |
| 555 | Federal Funds: CFDA #20.601 | \$79,600 | \$8,000 | \$0 | \$0 |
| | Total, Method of Financing | \$79,600 | \$8,000 | \$0 | \$0 |

Description of Item for 2008-09

Grant will not be awarded in future years.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|---|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Judgments | | | | | |
| ALLOCATION TO STRATEGY: 1.1.1. Enforcement | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| | Objects of Expense: | | | | |
| 2001 | Professional Fees | \$165,443 | \$0 | \$0 | \$0 |
| 2009 | Other Operating Expenses | 2,250 | | | |
| | Total, Objects of Expense | \$167,693 | \$0 | \$0 | \$0 |
| | Method of Financing: | | | | |
| 001 | General Revenue | \$167,693 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$167,693 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

\$160,000 expense associated with a judgment ruling against the State of Texas related to direct shipments of alcoholic beverages from out of state wineries. The additional expense is related to a court settlement.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|--|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: POE Tax Collection Automation | | | | | |
| ALLOCATION TO STRATEGY: 3.2.1. Ports of Entry | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| | Objects of Expense: | | | | |
| 2001 | Professional Fees | \$6,600 | \$0 | \$0 | \$0 |
| 2009 | Other Operating Expenses | 98,976 | | | |
| | Total, Objects of Expense | \$105,576 | \$0 | \$0 | \$0 |
| | Method of Financing: | | | | |
| 001 | General Revenue | \$105,576 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$105,576 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used to complete the POE Tax Collection Automation Capital Project from FY 2007.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|--|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Lump Sum Termination | | | | | |
| ALLOCATION TO STRATEGY: 1.1.1 Enforcement | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 1002 | Objects of Expense: Other Personnel Costs | \$250,842 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$250,842 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$250,842 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$250,842 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used to pay Lump Sum Terminations for employees that left the service of the state through retirement or resignation.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|---|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Lump Sum Termination | | | | | |
| ALLOCATION TO STRATEGY: 2.1.1. Licensing and Investigation | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 1002 | Objects of Expense: Other Personnel Costs | \$7,530 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$7,530 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$7,530 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$7,530 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used to pay Lump Sum Terminations for employees that left the service of the state through retirement or resignation.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|---|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Lump Sum Termination | | | | | |
| ALLOCATION TO STRATEGY: 3.1.1. Compliance Monitoring | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 1002 | Objects of Expense: Other Personnel Costs | \$59,686 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$59,686 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$59,686 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$59,686 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used to pay Lump Sum Terminations for employees that left the service of the state through retirement or resignation.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|--|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Lump Sum Termination | | | | | |
| ALLOCATION TO STRATEGY: 3.2.1. Ports of Entry | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 1002 | Objects of Expense: Other Personnel Costs | \$15,831 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$15,831 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$15,831 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$15,831 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used to pay Lump Sum Terminations for employees that left the service of the state through retirement or resignation.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|--|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Lump Sum Termination | | | | | |
| ALLOCATION TO STRATEGY: 4.1.1. Central Administration | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 1002 | Objects of Expense: Other Personnel Costs | \$42,315 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$42,315 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$42,315 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$42,315 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used to pay Lump Sum Terminations for employees that left the service of the state through retirement or resignation.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|---|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Lump Sum Termination | | | | | |
| ALLOCATION TO STRATEGY: 4.1.2. Information Resources | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 1002 | Objects of Expense: Other Personnel Costs | \$28,385 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$28,385 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$28,385 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$28,385 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used to pay Lump Sum Terminations for employees that left the service of the state through retirement or resignation.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|--|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Lump Sum Termination | | | | | |
| ALLOCATION TO STRATEGY: 4.1.3. Other Support Services | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 1002 | Objects of Expense: Other Personnel Costs | \$2,554 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$2,554 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$2,554 | \$0 | \$0 | \$0 |
| | Total, Method of Financing | \$2,554 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used to pay Lump Sum Terminations for employees that left the service of the state through retirement or resignation.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|---|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Acquisition of Captial Equipment/Items | | | | | |
| ALLOCATION TO STRATEGY: 1.1.1. Enforcement | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 2009 | Objects of Expense: Other Operating Expense | \$127,592 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$127,592 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$127,592 | | \$0 | \$0 |
| | Total, Method of Financing | \$127,592 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used for furnishings and equipment needed for field offices.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|---|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Acquisition of Captial Equipment/Items | | | | | |
| ALLOCATION TO STRATEGY: 2.1.1. Licensing and Investigation | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 2009 | Objects of Expense: Other Operating Expense | \$4,830 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$4,830 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$4,830 | | \$0 | \$0 |
| | Total, Method of Financing | \$4,830 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used for furnishings and equipment needed for the licensing division at headquarters.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|---|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Acquisition of Captial Equipment/Items | | | | | |
| ALLOCATION TO STRATEGY: 3.1.1. Compliance Monitoring | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 2009 | Objects of Expense: Other Operating Expense | \$117,393 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$117,393 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$117,393 | | \$0 | \$0 |
| | Total, Method of Financing | \$117,393 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used for furnishings and equipment needed for field offices.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2008-09 Biennium

| Agency Code: 458 | Agency Name: Texas Alcoholic Beverage Commission | Prepared By: Charlie Kerr | Date 8/13/08 | | |
|--|--|-------------------------------------|--------------------------|---------------------------|---------------------------|
| PROJECT ITEM: Acquisition of Captial Equipment/Items | | | | | |
| ALLOCATION TO STRATEGY: 4.1.1. Central Administration | | | | | |
| Code | Strategy Allocation | Estimated 2008 | Budgeted 2009 | Requested 2010 | Requested 2011 |
| 2009 | Objects of Expense: Other Operating Expense | \$23,230 | \$0 | \$0 | \$0 |
| | Total, Objects of Expense | \$23,230 | \$0 | \$0 | \$0 |
| 001 | Method of Financing: General Revenue | \$23,230 | | \$0 | \$0 |
| | Total, Method of Financing | \$23,230 | \$0 | \$0 | \$0 |

Description of Item for 2008-09

This funding was used for furnishings and equipment needed for central administration at headquarters.

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6.C. FEDERAL FUNDS SUPPORTING SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:56:08PM**

| Agency code: | 458 | Agency name: | Alcoholic Beverage Commission | | | | |
|-----------------------|------------------------------------|--------------|-------------------------------|------------------|------------------|------------------|------------------|
| CFDA NUMBER/ STRATEGY | | | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
| 11.555.000 | Interoperable Communications Grant | | | | | | |
| 1 - 1 - 1 | ENFORCEMENT | | 0 | 0 | 300,000 | 0 | 0 |
| | TOTAL, ALL STRATEGIES | | \$0 | \$0 | \$300,000 | \$0 | \$0 |
| | ADDL FED FNDS FOR EMPL BENEFITS | | 0 | 0 | 0 | 0 | 0 |
| | TOTAL, FEDERAL FUNDS | | \$0 | \$0 | \$300,000 | \$0 | \$0 |
| | ADDL GR FOR EMPL BENEFITS | | \$0 | \$0 | \$0 | \$0 | \$0 |
| 16.727.000 | COMBATING UNDERAGE DRINK | | | | | | |
| 3 - 1 - 1 | COMPLIANCE MONITORING | | 318,003 | 353,226 | 337,250 | 350,000 | 350,000 |
| | TOTAL, ALL STRATEGIES | | \$318,003 | \$353,226 | \$337,250 | \$350,000 | \$350,000 |
| | ADDL FED FNDS FOR EMPL BENEFITS | | 0 | 0 | 0 | 0 | 0 |
| | TOTAL, FEDERAL FUNDS | | \$318,003 | \$353,226 | \$337,250 | \$350,000 | \$350,000 |
| | ADDL GR FOR EMPL BENEFITS | | \$0 | \$0 | \$0 | \$0 | \$0 |
| 20.600.000 | State and Community Highw | | | | | | |
| 1 - 1 - 1 | ENFORCEMENT | | 962 | 58,200 | 6,200 | 1,200 | 1,200 |
| | TOTAL, ALL STRATEGIES | | \$962 | \$58,200 | \$6,200 | \$1,200 | \$1,200 |
| | ADDL FED FNDS FOR EMPL BENEFITS | | 0 | 0 | 0 | 0 | 0 |
| | TOTAL, FEDERAL FUNDS | | \$962 | \$58,200 | \$6,200 | \$1,200 | \$1,200 |
| | ADDL GR FOR EMPL BENEFITS | | \$0 | \$0 | \$0 | \$0 | \$0 |
| 20.601.000 | Alcohol Traffic Safety an | | | | | | |
| 3 - 1 - 1 | COMPLIANCE MONITORING | | 79,784 | 79,600 | 8,000 | 0 | 0 |

6.C. FEDERAL FUNDS SUPPORTING SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:56:16PM**

| Agency code: 458 | Agency name: Alcoholic Beverage Commission | | | | |
|--|--|-----------------|-----------------|----------------|----------------|
| CFDA NUMBER/ STRATEGY | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
| TOTAL, ALL STRATEGIES | \$79,784 | \$79,600 | \$8,000 | \$0 | \$0 |
| ADDL FED FNDS FOR EMPL BENEFITS | 0 | 0 | 0 | 0 | 0 |
| TOTAL, FEDERAL FUNDS | \$79,784 | \$79,600 | \$8,000 | \$0 | \$0 |
| ADDL GR FOR EMPL BENEFITS | \$0 | \$0 | \$0 | \$0 | \$0 |

6.C. FEDERAL FUNDS SUPPORTING SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME: **1:56:16PM**

| Agency code: 458 | Agency name: Alcoholic Beverage Commission | | | | | |
|--|--|------------------|------------------|------------------|------------------|------------------|
| CFDA NUMBER/ STRATEGY | | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
| <u>SUMMARY LISTING OF FEDERAL PROGRAM AMOUNTS</u> | | | | | | |
| 11.555.000 | Interoperable Communications Grant | 0 | 0 | 300,000 | 0 | 0 |
| 16.727.000 | COMBATING UNDERAGE DRINK | 318,003 | 353,226 | 337,250 | 350,000 | 350,000 |
| 20.600.000 | State and Community Highw | 962 | 58,200 | 6,200 | 1,200 | 1,200 |
| 20.601.000 | Alcohol Traffic Safety an | 79,784 | 79,600 | 8,000 | 0 | 0 |
| TOTAL, ALL STRATEGIES | | \$398,749 | \$491,026 | \$651,450 | \$351,200 | \$351,200 |
| TOTAL, ADDL FED FUNDS FOR EMPL BENEFITS | | 0 | 0 | 0 | 0 | 0 |
| TOTAL, FEDERAL FUNDS | | \$398,749 | \$491,026 | \$651,450 | \$351,200 | \$351,200 |
| TOTAL, ADDL GR FOR EMPL BENEFITS | | \$0 | \$0 | \$0 | \$0 | \$0 |

SUMMARY OF SPECIAL CONCERNS/ISSUES

Assumptions and Methodology:

The Texas Alcoholic Beverage Commission receives grants both directly from the federal government as well as pass-through funds from other state agencies. Grants are based on known awards and FY 2008 levels.

6.C. FEDERAL FUNDS SUPPORTING SCHEDULE
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
TIME: 1:56:16PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

CFDA NUMBER/ STRATEGY

Exp 2007

Est 2008

Bud 2009

BL 2010

BL 2011

Potential Loss:

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/12/2008

81st Regular Session, Agency Submission, Version 1

TIME: 1:56:50PM

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **458**

Agency name: **Alcoholic Beverage Commission**

| FUND/ACCOUNT | Act 2007 | Exp 2008 | Exp 2009 | Bud 2010 | Est 2011 |
|--|-------------|-------------|-------------|-------------|-------------|
| 1 General Revenue Fund | | | | | |
| Beginning Balance (Unencumbered): | \$0 | \$0 | \$0 | \$0 | \$0 |
| Estimated Revenue: | | | | | |
| 3103 Limited Sales & Use Tax-State | 0 | 73 | 75 | 0 | 0 |
| 3143 Industrial Alcohol Mfg | 400 | 900 | 500 | 500 | 500 |
| 3253 Liquor Tax | 60,579,041 | 64,199,782 | 65,804,777 | 67,449,896 | 69,136,144 |
| 3254 Air/Train/Limousine Bev Tax | 325,727 | 322,786 | 325,000 | 325,000 | 325,000 |
| 3256 Liquor Permit Fees | 22,009,686 | 23,269,983 | 33,419,283 | 25,073,652 | 30,390,111 |
| 3257 License/Permit Sucharges-General | 17,117,949 | 17,444,619 | 21,140,550 | 23,245,398 | 12,897,880 |
| 3258 Beer Tax | 103,882,313 | 107,285,663 | 109,967,804 | 112,716,999 | 115,534,924 |
| 3259 Wine Tax | 9,503,891 | 10,514,759 | 10,777,628 | 11,047,069 | 11,323,246 |
| 3261 Wine and Beer Permits | 6,113,188 | 6,141,025 | 6,553,878 | 9,325,736 | 811,699 |
| 3263 Brew Pub License | 12,625 | 13,773 | 15,000 | 27,000 | 27,000 |
| 3265 Malt Liquor (Ale) Tax | 6,252,575 | 7,176,939 | 7,356,363 | 7,540,272 | 7,728,779 |
| 3266 Temp Charit Funct Permit-Alcohol | 1,675 | 1,827 | 2,000 | 2,000 | 2,000 |
| 3268 Alcohol Bev Penalty Lieu Suspend | 3,689,591 | 3,747,500 | 5,996,000 | 6,295,800 | 6,610,590 |
| 3269 Sale-Confiscated Alcohol Bevs | 29,580 | 25,858 | 25,000 | 25,000 | 25,000 |
| 3271 Alcoholic Beverage Import Fee | 1,213,162 | 1,117,819 | 1,154,190 | 1,154,190 | 1,154,190 |
| 3272 Alcoholic Bev Seller Trng Prog | 491,866 | 592,494 | 600,000 | 600,000 | 600,000 |
| 3273 Alcoholic Bev - Samp & Labels Cert | 374,125 | 383,864 | 385,000 | 385,000 | 385,000 |
| 3274 A B C Administrative Fees | 147,050 | 39,927 | 40,000 | 40,000 | 40,000 |
| 3275 Cigarette Tax | 1,224,669 | 912,676 | 920,430 | 920,430 | 920,430 |
| 3714 Judgments | 2,213 | 614 | 1,500 | 1,500 | 1,500 |
| 3719 Fees/Copies or Filing of Records | 7,270 | 9,193 | 8,500 | 8,500 | 8,500 |
| 3752 Sale of Publications/Advertising | 50 | 4,612 | 1,000 | 1,200 | 1,200 |
| 3769 Forfeitures | 465,950 | 536,550 | 550,000 | 550,000 | 550,000 |
| 3773 Insurance and Damages | 20,469 | 51,573 | 20,000 | 20,000 | 20,000 |
| 3790 Deposit to Trust or Suspense | 187,841 | 293,958 | 200,000 | 220,000 | 220,000 |
| 3802 Reimbursements-Third Party | 36 | 1,089 | 0 | 0 | 0 |
| 3839 Sale of Motor Vehicle/Boat/Aircraft | 121,802 | 56,005 | 20,250 | 18,750 | 18,750 |

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/12/2008

81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: 1:56:55PM

Agency Code: **458**

Agency name: **Alcoholic Beverage Commission**

| FUND/ACCOUNT | Act 2007 | Exp 2008 | Exp 2009 | Bud 2010 | Est 2011 |
|---|-----------------------|----------------------|----------------------|----------------------|----------------------|
| Subtotal: Actual/Estimated Revenue | 233,774,744 | 244,145,861 | 265,284,728 | 266,993,892 | 258,732,443 |
| Total Available | \$233,774,744 | \$244,145,861 | \$265,284,728 | \$266,993,892 | \$258,732,443 |
| DEDUCTIONS: | | | | | |
| Salary Increases-Art IX, Sec 13.17 | (919,218) | 0 | 0 | 0 | 0 |
| Salary Increases-Art IX, Sec 19.62 | 0 | (269,294) | (602,153) | 0 | 0 |
| Unemployment Benefits | (25,720) | 0 | 0 | 0 | 0 |
| Expended (Health, FICA, Retirement) | (7,467,326) | (7,361,692) | (8,000,000) | (8,000,000) | (8,000,000) |
| Benefit Replacement Pay | (237,933) | (224,257) | (224,000) | (223,000) | (221,000) |
| Salary Increases-Art IX, Sec 3.09, Sch C | (2,041,994) | 0 | 0 | 0 | 0 |
| Salary Increases-Art IX, Sec 19.61, Sch C | 0 | (867,835) | (867,835) | 0 | 0 |
| Total, Deductions | \$(10,692,191) | \$(8,723,078) | \$(9,693,988) | \$(8,223,000) | \$(8,221,000) |
| Ending Fund/Account Balance | \$223,082,553 | \$235,422,783 | \$255,590,740 | \$258,770,892 | \$250,511,443 |

REVENUE ASSUMPTIONS:

The agency is required to cover its appropriation in addition to employee benefits using revenue codes: 3256,3257,3261,3263,3266,3268,3271,3272,3273,3274,3769.

Any increase in excess of the biennial revenue amount certified by the Comptroller of Public Accounts must be collected by the agency through increases in surcharges in amounts sufficient to cover the increase. The agency may, by rule, change surcharges at any time during the biennium. License and permit fees are set by statute and can only be changed by the Legislature.

Revenues associated with most taxes (3253, 3259, 3265) are predicted to increase slightly per year after FY2008. The biggest changes are reflected in most of the license and permit fees (3256,3257,3261,3263) because beginning 10/1/2008 the agency will begin issuing two-year license and permits collecting twice the one year fee and surcharge. The assumption was made that original and renewal applications for a two-year license or permit will be submitted at a rate of 90% of the number that are currently processed each year and that revenue will be 90% of the one year revenue amount multiplied by two.

Excise taxes, cigarette taxes and alcoholic beverage import fees have been declining steadily due to the violence along the Texas-Mexico border and a reduction is being shown based on this recent decline.

CONTACT PERSON:

Charlie Kerr

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount

\$7,776,032

"Approved Base" here refers to approved 2008-09 base AFTER policy letter exceptions have been excluded.

| Agency Code: | | Agency Name: | | | | | | | | | |
|--|----------------|--|---|--------------|-------------|-------------|--|-------------|---------------------|---|--------------|
| Rank | Reduction Item | | Biennial Application of 10% Percent Reduction | | | | FTE Reductions (FY 2010-11 Base Request Compared to Budgeted 2009) | | Revenue Impact? Y/N | Cumulative GR-related reduction as a % of Approved Base | |
| | Strat | Name | GR | GR-Dedicated | Federal | Other | All Funds | FY 08 | FY 09 | | |
| 1 | 4-2-2 | Other Hardware/Software-Capital | 361,778 | | | | \$ 361,778 | | | N | 0.5% |
| 2 | 1-1-1 | Public Safety Equipment-Capital | 925,170 | | | | \$ 925,170 | | | Y | 1.7% |
| 3 | 3-1-1 | Compliance Position Reclassification | 348,293 | | | | \$ 348,293 | | | Y | 2.1% |
| 4 | 3-1-1 | Public Education and Prevention | 330,893 | | | | \$ 330,893 | 5.0 | 5.0 | Y | 2.5% |
| 5 | 3-1-1 | Legal Division Support for Compliance | 56,109 | | | | \$ 56,109 | 0.4 | 0.4 | Y | 2.6% |
| 6 | 2-1-1 | Legal Division Support for Licensing | 130,922 | | | | \$ 130,922 | 1.0 | 1.0 | Y | 2.8% |
| 7 | 4-2-3 | Warehouse Operations | 38,569 | | | | \$ 38,569 | 0.6 | 0.6 | N | 2.8% |
| 8 | 4-2-2 | Help Desk Operations | 41,961 | | | | \$ 41,961 | 0.6 | 0.6 | N | 2.9% |
| 9 | 1-1-1 | Legal Division Support for Enforcement | 187,031 | | | | \$ 187,031 | 1.3 | 1.3 | Y | 3.1% |
| 10 | 4-1-1 | Agency Technical Writer | 40,470 | | | | \$ 40,470 | 0.6 | 0.6 | N | 3.2% |
| 11 | 4-1-1 | Office of Professional Responsibility | 48,384 | | | | \$ 48,384 | 0.6 | 0.6 | N | 3.2% |
| 12 | 4-1-1 | Executive Assistant-Executive Division | 44,504 | | | | \$ 44,504 | 1.0 | 1.0 | N | 3.3% |
| 13 | 2-1-1 | FTEs Licensing | 188,827 | | | | \$ 188,827 | 2.8 | 2.8 | Y | 3.5% |
| 14 | 3-1-1 | FTEs Compliance | 1,437,436 | | | | \$ 1,437,436 | 17.3 | 17.3 | Y | 5.4% |
| 15 | 1-1-1 | FTEs Enforcement | 3,595,686 | | | | \$ 3,595,686 | 32.9 | 32.9 | Y | 10.0% |
| Agency Biennial Total | | | \$ 7,776,032 | \$ - | \$ - | \$ - | \$ 7,776,032 | 64.1 | 64.1 | | 10.0% |
| Agency Biennial Total (GR + GR-D) | | | \$ 7,776,032 | | | | | | | | |

Rank / Name

Explanation of Impact to Programs and Revenue Collections

1 Other Hardware/Software-Capital

The reduction would result in the agency being unable to replace fully depreciated printers, routers, switches and scanners on a scheduled replacement plan. Network infrastructure failures could occur as well as equipment failures. Agency would not be able to meet its annual software licensing agreement obligations resulting in non-compliance with license renewal contracts.

2 Public Safety Equipment-Capital

Replacement of obsolete and fully depreciated equipment related to mobile radios, handheld radios, body armor, digital cameras, breathalyzers, voice recorders, handcuffs, flashlights and similar items used by peace officers could not be replaced on a regular cycle putting agents at risk and the agency in a situation where equipment shortages occur throughout the state.

3 Compliance Position Reclassification

Reduction in salaries will heavily impact agency's ability to recruit and retain qualified applicants and existing employees. Before this funding was appropriated, agency pay for auditors was far below industry standard and other state agencies. Quality of workers will impact quality and quantity of work provided in licensing new businesses, regulating industry practices and collecting excise taxes for the state.

4 Public Education and Prevention

The Education and Prevention Division serves as an essential agency function to improve public safety and increase compliance with the alcoholic beverage law through public education. The reduction would eliminate an education specialist, grant coordinator, research specialist, a technical writer, and other staff assisting in the division. The agency's educational efforts and grant oversight would be impacted greatly. Currently, we conduct training for colleges and universities to assist in strategies to enforce the underage drinking laws, prepare curriculum and monitor activities in trainings to retailers, as well as secure grant funding and oversee the grant budgets. The agency would have to consider elimination of the Enforcing Underage Drinking block grant of \$350,000 per year and Criminal Justice grant of \$130,000 per year.

Rank / Name

Explanation of Impact to Programs and Revenue Collections

5 Legal Division Support for Compliance

In August 2005, the legal division had only 4 attorneys assigned to a statewide docket of 1200 pending administrative cases. Two of these attorneys were located in Austin and one each were located in Dallas and Houston. These attorneys were assisted by a support staff of 3, all located in the headquarters office. Many of the pending cases were over three years old. 54% of all cases referred to the legal division resulted in the case being dismissed. The total amount of civil penalties collected in FY 2005 was \$593,525. In 2006, the legal division added 5 attorneys and 4 support staff to the administrative litigation team. In August 2007 the pending cases had dropped to 411 and the number of cases dismissed dropped to 29%. The amount of civil penalties collected in FY 2007 was \$1,110,241. Today the legal division has fewer than 300 pending cases. Dismissals have dropped to 23% and few cases are older than a year. The amount of civil penalties collected for FY 2008 through July is \$808,850.

6 Legal Division Support for Licensing

The reduction eliminates 1.0 attorney's position assigned to prosecuting cases brought by licensing actions. See #5.

7 Warehouse Operations

Reduction is related to .6 FTE from warehouse support staff. Eliminating \$19,284 per year from this position will impact the readying of enforcement division fleet and result in cost increases by having to pay outside contractors approximately \$28,000 per year to perform the same function.

8 Help Desk Operations

The general revenue reduction of \$41,961 for this strategy will result in the reduction of .5 divisional staff. This reduction would impact the efficient operation of our information resources help desk area to effectively execute the agency's core functions and business processes. These functions and processes require reliable support from the agency's help desk operations and network staff in order to accomplish the agency's mission.

9 Legal Division Support for Enforcement

The reduction eliminates 1.3 attorney's positions assigned to prosecuting cases brought by enforcement agents. See #5.

10 Agency Technical Writer

The agency is in the process of creating formal policies and procedures for all division. The technical writer assists all of our divisions in documenting their policies. Documenting those policies will allow the agency to operate with greater efficiency by identifying contradictions between policies, coordinating best practices between divisions and maintaining clearly articulated processes that are essential in training new employees. Without the technical writer position, the agency would have to utilize employees with other primary duties to document policies. This would result in a delay in the process and a greater workloads of other personnel.

11 Office of Professional Responsibility

Eliminating staff support for this section will result in the inability for the department to track complaints, prepare management reports and monitor statuses of pending investigations as required by the agency's recent Sunset Bill. Additionally, with reduced resources to investigate complaints the agency could see an increase in civil litigation. The costs associated with these civil cases would exceed the reduction taken with this cut. Prior to implementation of the requirements made by the Sunset Commission, this department was approximately 50 cases over due. With current staffing, the department is able to resolve investigations within the required 90 days. With this cut, this standard would be effected.

12 Executive Assistant-Executive Division

Eliminating the support staff person will reduce the effectiveness of the executive division's ability to gather and generate agency specific information for the Commission's Board members, the legislature and other oversight agencies.

13 FTEs Licensing

The revenue reduction for the licensing division in the amount of \$188,827 would result in the loss of 2.8 FTEs per fiscal year. The licensing division is dedicated to exemplary customer service, timely and efficient processing of applications and issuance of license and permits and strives to keep and maintain up-to-date information available to all customers. The loss of these FTEs would create delays in data entry and processing as well as an increase in correspondence and greater response time related to that correspondence putting undue demands on current staff. Additional outside factors beyond our control for example growth, local option elections, local constraints, and inter-agency policy and procedure changes would play a key role in defining the exact number of applications impacted.

14 FTEs Compliance

The reduction of FTEs will impact performance by reducing number of analysis and other activities by 13%, number of inspections by 27% and number of audits by 27%

15 FTEs Enforcement

The reduction in FTEs will impact performance by reducing number of criminal cases, administrative cases, inspections and persons instructed by 13.2%.

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:57:29PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

| Strategy | | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---------------------------------------|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 1-1-1 | Enforcement | | | | | |
| OBJECTS OF EXPENSE: | | | | | | |
| 1001 | SALARIES AND WAGES | \$ 1,446,228 | \$ 1,527,658 | \$ 1,708,352 | \$ 1,758,248 | \$ 1,758,248 |
| 1002 | OTHER PERSONNEL COSTS | 62,282 | 96,171 | 47,659 | 54,154 | 54,154 |
| 2001 | PROFESSIONAL FEES AND SERVICES | 119,728 | 448,694 | 494,717 | 404,675 | 404,675 |
| 2002 | FUELS AND LUBRICANTS | 1,825 | 2,581 | 3,474 | 3,507 | 3,507 |
| 2003 | CONSUMABLE SUPPLIES | 13,444 | 24,982 | 15,125 | 15,644 | 15,644 |
| 2004 | UTILITIES | 39,483 | 56,598 | 52,577 | 55,787 | 55,787 |
| 2005 | TRAVEL | 24,531 | 17,986 | 19,338 | 19,612 | 19,612 |
| 2006 | RENT - BUILDING | 158,897 | 175,567 | 179,501 | 190,366 | 190,366 |
| 2007 | RENT - MACHINE AND OTHER | 14,735 | 18,820 | 18,087 | 18,743 | 18,743 |
| 2009 | OTHER OPERATING EXPENSE | 238,346 | 308,694 | 247,028 | 267,464 | 267,464 |
| 5000 | CAPITAL EXPENDITURES | 67,159 | 32,417 | 21,311 | 24,556 | 24,556 |
| Total, Objects of Expense | | \$ 2,186,658 | \$ 2,710,168 | \$ 2,807,169 | \$ 2,812,756 | \$ 2,812,756 |
| METHOD OF FINANCING: | | | | | | |
| 1 | General Revenue Fund | 2,183,887 | 2,707,005 | 2,807,169 | 2,812,756 | 2,812,756 |
| 666 | Appropriated Receipts | 2,771 | 3,163 | 0 | 0 | 0 |
| Total, Method of Financing | | \$ 2,186,658 | \$ 2,710,168 | \$ 2,807,169 | \$ 2,812,756 | \$ 2,812,756 |
| FULL TIME EQUIVALENT POSITIONS | | 31.1 | 32.1 | 35.4 | 36.4 | 36.4 |
| Method of Allocation | | | | | | |

Central Administration and Other Support Services indirect costs are allocated to the direct strategies based on the percent of FTEs for the direct strategies. Information Resources indirect costs are allocated to the direct strategies based on the number of PCs supported for the direct strategies.

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:57:34PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

| Strategy | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| 2-1-1 Licensing and Investigation | | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$ 368,828 | \$ 368,137 | \$ 418,364 | \$ 397,876 | \$ 397,876 |
| 1002 OTHER PERSONNEL COSTS | 15,827 | 22,962 | 11,911 | 12,675 | 12,675 |
| 2001 PROFESSIONAL FEES AND SERVICES | 31,208 | 91,260 | 100,096 | 65,118 | 65,118 |
| 2002 FUELS AND LUBRICANTS | 462 | 662 | 913 | 899 | 899 |
| 2003 CONSUMABLE SUPPLIES | 3,396 | 6,049 | 3,634 | 3,421 | 3,421 |
| 2004 UTILITIES | 10,287 | 12,038 | 11,361 | 10,043 | 10,043 |
| 2005 TRAVEL | 6,210 | 4,483 | 4,999 | 4,887 | 4,887 |
| 2006 RENT - BUILDING | 40,509 | 42,121 | 43,809 | 42,814 | 42,814 |
| 2007 RENT - MACHINE AND OTHER | 3,772 | 4,425 | 4,314 | 4,045 | 4,045 |
| 2009 OTHER OPERATING EXPENSE | 61,583 | 68,008 | 54,779 | 50,563 | 50,563 |
| 5000 CAPITAL EXPENDITURES | 17,451 | 7,580 | 5,164 | 5,462 | 5,462 |
| Total, Objects of Expense | \$ 559,533 | \$ 627,725 | \$ 659,344 | \$ 597,803 | \$ 597,803 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 558,836 | 626,888 | 659,344 | 597,803 | 597,803 |
| 666 Appropriated Receipts | 697 | 837 | 0 | 0 | 0 |
| Total, Method of Financing | \$ 559,533 | \$ 627,725 | \$ 659,344 | \$ 597,803 | \$ 597,803 |
| FULL TIME EQUIVALENT POSITIONS | 7.9 | 7.7 | 8.7 | 8.2 | 8.2 |
| Method of Allocation | | | | | |

Central Administration and Other Support Services indirect costs are allocated to the direct strategies based on the percent of FTEs for the direct strategies. Information Resources indirect costs are allocated to the direct strategies based on the number of PCs supported for the direct strategies.

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:57:34PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

| Strategy | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---------------------------------------|---|-------------------|-------------------|-------------------|-------------------|
| 3-1-1 | Conduct Inspections and Monitor Compliance | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$ 418,402 | \$ 385,918 | \$ 428,231 | \$ 409,411 | \$ 409,411 |
| 1002 OTHER PERSONNEL COSTS | 18,420 | 23,943 | 12,298 | 13,138 | 13,138 |
| 2001 PROFESSIONAL FEES AND SERVICES | 29,870 | 85,568 | 93,104 | 60,974 | 60,974 |
| 2002 FUELS AND LUBRICANTS | 552 | 719 | 962 | 950 | 950 |
| 2003 CONSUMABLE SUPPLIES | 4,118 | 6,358 | 3,689 | 3,493 | 3,493 |
| 2004 UTILITIES | 9,886 | 11,660 | 10,957 | 9,746 | 9,746 |
| 2005 TRAVEL | 7,421 | 4,789 | 5,234 | 5,131 | 5,131 |
| 2006 RENT - BUILDING | 46,070 | 44,043 | 44,776 | 43,995 | 43,995 |
| 2007 RENT - MACHINE AND OTHER | 4,164 | 4,573 | 4,365 | 4,117 | 4,117 |
| 2009 OTHER OPERATING EXPENSE | 63,307 | 67,472 | 53,530 | 49,757 | 49,757 |
| 5000 CAPITAL EXPENDITURES | 17,138 | 7,807 | 5,261 | 5,599 | 5,599 |
| Total, Objects of Expense | \$ 619,348 | \$ 642,850 | \$ 662,407 | \$ 606,311 | \$ 606,311 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 618,476 | 641,928 | 662,407 | 606,311 | 606,311 |
| 666 Appropriated Receipts | 872 | 922 | 0 | 0 | 0 |
| Total, Method of Financing | \$ 619,348 | \$ 642,850 | \$ 662,407 | \$ 606,311 | \$ 606,311 |
| FULL TIME EQUIVALENT POSITIONS | 9.0 | 8.1 | 8.9 | 8.5 | 8.5 |
| Method of Allocation | | | | | |

Central Administration and Other Support Services indirect costs are allocated to the direct strategies based on the percent of FTEs for the direct strategies. Information Resources indirect costs are allocated to the direct strategies based on the number of PCs supported for the direct strategies.

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:57:34PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

| Strategy | | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---------------------------------------|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 3-2-1 | Nontransferable | | | | | |
| OBJECTS OF EXPENSE: | | | | | | |
| 1001 | SALARIES AND WAGES | \$ 369,650 | \$ 377,099 | \$ 413,531 | \$ 402,943 | \$ 402,943 |
| 1002 | OTHER PERSONNEL COSTS | 16,910 | 23,019 | 12,252 | 13,267 | 13,267 |
| 2001 | PROFESSIONAL FEES AND SERVICES | 18,831 | 53,968 | 56,930 | 38,854 | 38,854 |
| 2002 | FUELS AND LUBRICANTS | 525 | 773 | 1,026 | 1,019 | 1,019 |
| 2003 | CONSUMABLE SUPPLIES | 4,001 | 6,264 | 3,453 | 3,342 | 3,342 |
| 2004 | UTILITIES | 6,299 | 8,579 | 8,209 | 7,527 | 7,527 |
| 2005 | TRAVEL | 7,069 | 4,941 | 5,468 | 5,410 | 5,410 |
| 2006 | RENT - BUILDING | 40,862 | 42,707 | 43,005 | 43,089 | 43,089 |
| 2007 | RENT - MACHINE AND OTHER | 3,522 | 4,274 | 4,034 | 3,895 | 3,895 |
| 2009 | OTHER OPERATING EXPENSE | 46,981 | 54,715 | 42,737 | 41,004 | 41,004 |
| 5000 | CAPITAL EXPENDITURES | 11,508 | 7,221 | 4,994 | 5,435 | 5,435 |
| Total, Objects of Expense | | \$ 526,158 | \$ 583,560 | \$ 595,639 | \$ 565,785 | \$ 565,785 |
| METHOD OF FINANCING: | | | | | | |
| 1 | General Revenue Fund | 525,276 | 582,527 | 595,639 | 565,785 | 565,785 |
| 666 | Appropriated Receipts | 882 | 1,033 | 0 | 0 | 0 |
| Total, Method of Financing | | \$ 526,158 | \$ 583,560 | \$ 595,639 | \$ 565,785 | \$ 565,785 |
| FULL TIME EQUIVALENT POSITIONS | | 8.0 | 7.9 | 8.6 | 8.3 | 8.3 |
| Method of Allocation | | | | | | |

Central Administration and Other Support Services indirect costs are allocated to the direct strategies based on the percent of FTEs for the direct strategies. Information Resources indirect costs are allocated to the direct strategies based on the number of PCs supported for the direct strategies.

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/12/2008**
 TIME : **1:57:34PM**

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

| | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| GRAND TOTALS | | | | | |
| Objects of Expense | | | | | |
| 1001 SALARIES AND WAGES | \$2,603,108 | \$2,658,812 | \$2,968,478 | \$2,968,478 | \$2,968,478 |
| 1002 OTHER PERSONNEL COSTS | \$113,439 | \$166,095 | \$84,120 | \$93,234 | \$93,234 |
| 2001 PROFESSIONAL FEES AND SERVICES | \$199,637 | \$679,490 | \$744,847 | \$569,621 | \$569,621 |
| 2002 FUELS AND LUBRICANTS | \$3,364 | \$4,735 | \$6,375 | \$6,375 | \$6,375 |
| 2003 CONSUMABLE SUPPLIES | \$24,959 | \$43,653 | \$25,901 | \$25,900 | \$25,900 |
| 2004 UTILITIES | \$65,955 | \$88,875 | \$83,104 | \$83,103 | \$83,103 |
| 2005 TRAVEL | \$45,231 | \$32,199 | \$35,039 | \$35,040 | \$35,040 |
| 2006 RENT - BUILDING | \$286,338 | \$304,438 | \$311,091 | \$320,264 | \$320,264 |
| 2007 RENT - MACHINE AND OTHER | \$26,193 | \$32,092 | \$30,800 | \$30,800 | \$30,800 |
| 2009 OTHER OPERATING EXPENSE | \$410,217 | \$498,889 | \$398,074 | \$408,788 | \$408,788 |
| 5000 CAPITAL EXPENDITURES | \$113,256 | \$55,025 | \$36,730 | \$41,052 | \$41,052 |
| Total, Objects of Expense | \$3,891,697 | \$4,564,303 | \$4,724,559 | \$4,582,655 | \$4,582,655 |
| Method of Financing | | | | | |
| 1 General Revenue Fund | \$3,886,475 | \$4,558,348 | \$4,724,559 | \$4,582,655 | \$4,582,655 |
| 666 Appropriated Receipts | \$5,222 | \$5,955 | \$0 | \$0 | \$0 |
| Total, Method of Financing | \$3,891,697 | \$4,564,303 | \$4,724,559 | \$4,582,655 | \$4,582,655 |
| Full-Time-Equivalent Positions (FTE) | 56.0 | 55.8 | 61.6 | 61.4 | 61.4 |

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7.B. DIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:58:05PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

| Strategy | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1-1-1 Enforcement | | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$ 250,631 | \$ 343,613 | \$ 444,412 | \$ 444,412 | \$ 444,412 |
| 1002 OTHER PERSONNEL COSTS | 8,480 | 16,155 | 8,870 | 9,730 | 9,730 |
| 2001 PROFESSIONAL FEES AND SERVICES | 3,277 | 9,543 | 4,500 | 4,500 | 4,500 |
| 2002 FUELS AND LUBRICANTS | 305 | 271 | 300 | 300 | 300 |
| 2003 CONSUMABLE SUPPLIES | 28 | 3,225 | 3,000 | 3,000 | 3,000 |
| 2004 UTILITIES | 477 | 1,150 | 1,500 | 1,500 | 1,500 |
| 2005 TRAVEL | 3,459 | 12,100 | 11,000 | 11,000 | 11,000 |
| 2006 RENT - BUILDING | 13,111 | 15,636 | 16,104 | 16,587 | 16,587 |
| 2007 RENT - MACHINE AND OTHER | 480 | 3,456 | 3,451 | 3,451 | 3,451 |
| 2009 OTHER OPERATING EXPENSE | 12,858 | 18,118 | 19,782 | 19,782 | 19,782 |
| 5000 CAPITAL EXPENDITURES | 2,628 | 3,319 | 3,319 | 3,319 | 3,319 |
| Total, Objects of Expense | \$ 295,734 | \$ 426,586 | \$ 516,238 | \$ 517,581 | \$ 517,581 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 295,163 | 426,586 | 516,238 | 517,581 | 517,581 |
| 666 Appropriated Receipts | 571 | 0 | 0 | 0 | 0 |
| Total, Method of Financing | \$ 295,734 | \$ 426,586 | \$ 516,238 | \$ 517,581 | \$ 517,581 |
| FULL-TIME-EQUIVALENT POSITIONS (FTE): | 8.2 | 6.9 | 9.0 | 9.0 | 9.0 |
| DESCRIPTION | | | | | |
| Estimated based on hours of legal resources expended and/or budgeted on prosecuting and settling administrative cases for the direct strategies. | | | | | |

7.B. DIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:58:11PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

| Strategy | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| 2-1-1 Licensing and Investigation | | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$ 175,441 | \$ 240,529 | \$ 311,088 | \$ 311,088 | \$ 311,088 |
| 1002 OTHER PERSONNEL COSTS | 5,936 | 11,308 | 6,209 | 6,811 | 6,811 |
| 2001 PROFESSIONAL FEES AND SERVICES | 2,294 | 6,680 | 3,150 | 3,150 | 3,150 |
| 2002 FUELS AND LUBRICANTS | 214 | 190 | 210 | 210 | 210 |
| 2003 CONSUMABLE SUPPLIES | 20 | 2,258 | 2,100 | 2,100 | 2,100 |
| 2004 UTILITIES | 334 | 805 | 1,050 | 1,050 | 1,050 |
| 2005 TRAVEL | 2,421 | 8,470 | 7,700 | 7,700 | 7,700 |
| 2006 RENT - BUILDING | 9,178 | 10,945 | 11,273 | 11,611 | 11,611 |
| 2007 RENT - MACHINE AND OTHER | 336 | 2,419 | 2,415 | 2,415 | 2,415 |
| 2009 OTHER OPERATING EXPENSE | 8,999 | 12,683 | 13,848 | 13,848 | 13,848 |
| 5000 CAPITAL EXPENDITURES | 1,840 | 2,323 | 2,323 | 2,323 | 2,323 |
| Total, Objects of Expense | \$ 207,013 | \$ 298,610 | \$ 361,366 | \$ 362,306 | \$ 362,306 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 206,614 | 298,610 | 361,366 | 362,306 | 362,306 |
| 666 Appropriated Receipts | 399 | 0 | 0 | 0 | 0 |
| Total, Method of Financing | \$ 207,013 | \$ 298,610 | \$ 361,366 | \$ 362,306 | \$ 362,306 |
| FULL-TIME-EQUIVALENT POSITIONS (FTE): | 5.7 | 4.8 | 6.3 | 6.3 | 6.3 |
| DESCRIPTION | | | | | |
| Estimated based on hours of legal resources expended and/or budgeted on prosecuting and settling administrative cases for the direct strategies. | | | | | |

7.B. DIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:58:11PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

| Strategy | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|--|---|-------------------|-------------------|-------------------|-------------------|
| 3-1-1 | Conduct Inspections and Monitor Compliance | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$ 75,189 | \$ 103,084 | \$ 133,323 | \$ 133,323 | \$ 133,323 |
| 1002 OTHER PERSONNEL COSTS | 2,544 | 4,846 | 2,661 | 2,919 | 2,919 |
| 2001 PROFESSIONAL FEES AND SERVICES | 983 | 2,863 | 1,350 | 1,350 | 1,350 |
| 2002 FUELS AND LUBRICANTS | 92 | 81 | 90 | 90 | 90 |
| 2003 CONSUMABLE SUPPLIES | 8 | 968 | 900 | 900 | 900 |
| 2004 UTILITIES | 143 | 345 | 450 | 450 | 450 |
| 2005 TRAVEL | 1,038 | 3,630 | 3,300 | 3,300 | 3,300 |
| 2006 RENT - BUILDING | 3,933 | 4,691 | 4,831 | 4,976 | 4,976 |
| 2007 RENT - MACHINE AND OTHER | 144 | 1,037 | 1,035 | 1,035 | 1,035 |
| 2009 OTHER OPERATING EXPENSE | 3,857 | 5,435 | 5,935 | 5,935 | 5,935 |
| 5000 CAPITAL EXPENDITURES | 789 | 996 | 996 | 996 | 996 |
| Total, Objects of Expense | \$ 88,720 | \$ 127,976 | \$ 154,871 | \$ 155,274 | \$ 155,274 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 88,549 | 127,976 | 154,871 | 155,274 | 155,274 |
| 666 Appropriated Receipts | 171 | 0 | 0 | 0 | 0 |
| Total, Method of Financing | \$ 88,720 | \$ 127,976 | \$ 154,871 | \$ 155,274 | \$ 155,274 |
| FULL-TIME-EQUIVALENT POSITIONS (FTE): | 2.5 | 2.1 | 2.7 | 2.7 | 2.7 |
| DESCRIPTION | | | | | |
| Estimated based on hours of legal resources expended and/or budgeted on prosecuting and settling administrative cases for the direct strategies. | | | | | |

7.B. DIRECT ADMINISTRATIVE AND SUPPORT COSTS
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/12/2008
 TIME : 1:58:11PM

Agency code: 458

Agency name: Alcoholic Beverage Commission

| | Exp 2007 | Est 2008 | Bud 2009 | BL 2010 | BL 2011 |
|---|------------------|------------------|--------------------|--------------------|--------------------|
| GRAND TOTALS | | | | | |
| Objects of Expense | | | | | |
| 1001 SALARIES AND WAGES | \$501,261 | \$687,226 | \$888,823 | \$888,823 | \$888,823 |
| 1002 OTHER PERSONNEL COSTS | \$16,960 | \$32,309 | \$17,740 | \$19,460 | \$19,460 |
| 2001 PROFESSIONAL FEES AND SERVICES | \$6,554 | \$19,086 | \$9,000 | \$9,000 | \$9,000 |
| 2002 FUELS AND LUBRICANTS | \$611 | \$542 | \$600 | \$600 | \$600 |
| 2003 CONSUMABLE SUPPLIES | \$56 | \$6,451 | \$6,000 | \$6,000 | \$6,000 |
| 2004 UTILITIES | \$954 | \$2,300 | \$3,000 | \$3,000 | \$3,000 |
| 2005 TRAVEL | \$6,918 | \$24,200 | \$22,000 | \$22,000 | \$22,000 |
| 2006 RENT - BUILDING | \$26,222 | \$31,272 | \$32,208 | \$33,174 | \$33,174 |
| 2007 RENT - MACHINE AND OTHER | \$960 | \$6,912 | \$6,901 | \$6,901 | \$6,901 |
| 2009 OTHER OPERATING EXPENSE | \$25,714 | \$36,236 | \$39,565 | \$39,565 | \$39,565 |
| 5000 CAPITAL EXPENDITURES | \$5,257 | \$6,638 | \$6,638 | \$6,638 | \$6,638 |
| Total, Objects of Expense | \$591,467 | \$853,172 | \$1,032,475 | \$1,035,161 | \$1,035,161 |
| Method of Financing | | | | | |
| 1 General Revenue Fund | \$590,326 | \$853,172 | \$1,032,475 | \$1,035,161 | \$1,035,161 |
| 666 Appropriated Receipts | \$1,141 | \$0 | \$0 | \$0 | \$0 |
| Total, Method of Financing | \$591,467 | \$853,172 | \$1,032,475 | \$1,035,161 | \$1,035,161 |
| Full-Time-Equivalent Positions (FTE) | 16.4 | 13.8 | 18.0 | 18.0 | 18.0 |