



Legislative Appropriations Request

For

Fiscal Years 2016 and 2017

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

by the

TEXAS ALCOHOLIC BEVERAGE COMMISSION

August 11, 2014

José Cuevas, Jr., Presiding Officer
Steven M. Weinberg, MD, JD, Member
Ida Clement Steen, Member

November 15, 2015
November 15, 2017
November 15, 2019

Midland, Texas
Colleyville, Texas
San Antonio, Texas

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Administrator's Statement

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Administrator's Statement

The Texas Alcoholic Beverage Commission (TABC) was created by the legislature in November 1935, as the Texas Liquor Control Board, following the repeal of prohibition. TABC is charged with the responsibility to regulate and enforce all aspects of the alcoholic beverage industry in the state. The agency ensures that industry members across all three tiers (manufacturing, distributing/wholesaling and retailing) and three product categories (malt beverages, wine and distilled spirits) comply with all provisions of the Alcoholic Beverage Code to ensure the welfare, health, peace, temperance and safety of the citizens of the State of Texas. TABC is appropriated funds by the legislature from the revenue raised by levying fines, fees and surcharges on licensed industry members and expects to collect \$137.9 million in FY16-17. Existing revenue sources and rates were created and accepted by the industry in order to fund the regulatory mission of TABC. TABC's base budget and exceptional item appropriation request is approximately \$107.4 million for the biennium.

Organization Structure

The agency is overseen by a three-member board appointed by the Governor and confirmed by the Senate, the members are José Cuevas, Jr., Presiding Officer, of Midland whose term expires November 15, 2015; Steven M. Weinberg, MD, JD, of Colleyville, whose term expires November 15, 2017; and Ida Clement Steen of San Antonio, whose term expires November 15, 2019. The Commissioners in turn appoint an Executive Director to run day-to-day operations. The Executive Director carries out her duties with the support of a Deputy Executive Director, General Counsel, Communications/Governmental Relations Director, and Office of Professional Responsibility Director. TABC is authorized 646.8 FTEs, of which 251 are TCOLE-certified commissioned peace officers.

The core functions of the agency can be categorized into five areas: 1) Protect the health and safety of the public, 2) Ensure that only qualified entities are granted the privilege of an alcoholic beverage license, 3) Collect alcoholic beverage excise taxes for the State's treasury, 4) Develop and provide alcohol awareness education and prevention programs and materials, and 5) Maintain an orderly and stable alcoholic beverage marketplace by ensuring the integrity of the three-tier system and enforcing marketing practice prohibitions. These core functions of the agency are executed by seven line-of-business divisions including Enforcement, Audit and Investigations, Ports of Entry, Licensing, Excise Tax and Marketing Practices, Education and Prevention, and Legal which interface with external stakeholders. Four support divisions including Business Services, Information Resources, Human Resources, and Training provide core internal services to agency personnel.

In addition to our headquarters facility in Austin, the agency has field offices located across the state plus 30 permanent and temporary facilities for the collection of personal importation taxes on alcohol and cigarettes at the ports of entry from Mexico and the seaport at Galveston.

Key Organizational Events

In 2005, the Texas Sunset Advisory Commission recommended the modernization of TABC agency operations and a focus on public safety concerns. Although the Sunset bill did not pass until 2007, we began to strategically implement the recommendations almost immediately. The agency's risk-based approach to its enforcement and regulatory responsibility has resulted in more efficient use of personnel. Enforcement agents, compliance auditors and accounts examiners work together in leveraging all available resources to ensure public safety, and compliance of the rules and regulations governing the alcoholic beverage industry.

Nearly 10 years later, we remain committed to the two basic Sunset recommendations: (1) leveraging technology and (2) new ideas to increase efficiency, productivity and transparency. Capitalizing on this new path, the Commission has seen improvements, changes and events that have continued to mold and build the best regulatory agency possible.

In September 2013, TABC implemented NEOGOV, an online applicant tracking system, to streamline the recruitment process and increase TABC marketing effectiveness by linking with other job search worksites. In addition, TABC hired a recruiter to strategically focus on agency-specific needs using proactive efforts such

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as attending job fairs and leveraging social media to contact potential candidates.

Significant Changes in Policy

In January 2014, TABC began collecting personal importation taxes on cigarettes and alcoholic beverages coming into the state at the Port of Galveston. Due to the scheduling of the cruise ship arrivals, the agency chose a temporary work force model supervised by agency staff. Tax collections have been successful and the projected revenue is set to exceed operating expenses and the initial start-up costs through the end of FY14.

Partnering with federal, state and local law enforcement, TABC has increased efforts in accordance with new performance measures dealing with organized crime. The agency established a new Financial Crimes Unit (FCU) and Special Investigations Unit (SIU) for this purpose. The FCU focuses on prevention, investigation and detection of financial crimes related to TABC-licensed locations. Investigations include money laundering, prohibited tier relationships, tax fraud, business and corporate fraud. The SIU's primary function is to conduct operations involving organized criminal activity on licensed premises. The unit exercises administrative and criminal powers to suppress or dismantle organized criminal activity.

Significant Changes in Provisions of Service

With the intent to streamline the licensing process, the 83rd Legislature, Regular Session, passed Senate Bill 1035 amending the Alcoholic Beverage Code §61.31 and the authority granted the County Judge. All fees and surcharges that were previously submitted to the county tax assessor office will now be collected by the Commission. The authority of the County Judge to determine the granting of a license to sell beer in a county is now limited to only those applications that have a protest filed against them. These changes helped the agency to provide the ability for customers to renew TABC licenses and permits online, a significant time-saving advancement. In the near future, it will be possible to apply for new licenses and permits online as well.

In August 2013, the Ports of Entry Division successfully began accepting credit and debit cards as a form of payment for the personal importation tax for alcohol and cigarettes. Funding for this was provided through a grant from the Department of Criminal Justice Division at the Texas Governor's office. This additional convenience has provided the division's customers a better experience.

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. The most significant aspect of the *Granholm* case was the implicit basis of the court's ruling: that the 21st Amendment to the U. S. Constitution offers states no unique or broader regulatory rights over liquor than over other commercial products. This represents a significant shift in long held tenets of 21st 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 state's statutory and regulatory structure in litigation.

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 judicial precincts in Texas can hold an election and decide to legalize or prohibit the sale of various alcoholic beverage products.

Since the start of Fiscal Year 2008, 497 local option elections have been held in Texas. 287 jurisdictions in 126 counties have authorized or expanded sales of alcoholic beverages. More than 17.3 million people, approximately 65% of the state's population, have seen the local availability and selection of alcoholic beverage products enhanced as a consequence of local option elections held in their counties. The number of totally "dry" counties has declined from 39 to 11 since September 2008. Fewer

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than 41,000 Texans, less than 0.2% of the state population, live in counties that ban the sale of alcoholic beverages totally.

Several bills were passed by the 83rd Legislature that benefit craft beer and spirit manufacturers in Texas. For example, brewpubs were given the authority to sell their products for distribution, in addition to already being able to sell direct to consumers. Texas' craft distillers and small breweries were given the authority to sell direct to consumers, in addition to already being able to sell their products for distribution. These laws are exceptions to the state's regulatory three-tier system, and they are designed to encourage entrepreneurship and help small business to grow.

Nevertheless, the agency has concerns about the long-term effects of the continued erosion of the three-tier system. Whereas the post-Prohibition regulatory system was designed to have three distinct and separate tiers (manufacturers, distributors/wholesalers and retailers), the distinctions are reduced with every legislative session. In addition to these new laws, the agency has been facing challenges to various Code and Rule provisions, questioning the need for the separation of the tiers. Primary examples would be lawsuits attempting to allow retailers to participate in the manufacturing of products, and overlapping ownership of businesses in different tiers. At some point, the state will have to grapple with the importance of maintaining the three tiers. With the expansion of the exceptions, it becomes more difficult to justify the three-tier regulatory system.

Exceptional Items

I. Pay Increases for Civilian Employees

TABC is seeking funding to proactively address turnover and retention of non-supervisory positions by providing pay increases for Schedule A and B staff, continuing the agency's initiative to attract and retain quality employees. TABC faces significant challenges in hiring and retaining qualified civilian personnel. TABC's civilian employees are paid on average 14% less than employees in comparable positions at other agencies. In some state job classifications, they are paid as much as 20% less. We are limited in our ability to reward skilled employees with merit increases due to funding limitations within our current appropriations. TABC's lower salary rates also hinder recruitment efforts. The agency's success relies on being able to hire and retain skilled and professional employees. Due to low pay levels, the agency often fails to receive a sufficient pool of qualified applicants to proceed to interviews. Additionally, the agency has a unique challenge in that §5.05 of the Alcoholic Beverage Code prohibits employees, spouses or dependent children from working for any licensee including restaurants, grocery stores, and convenience stores, closing off a potential source of household income.

II. Facility Lease Increases

TABC's appropriated funds have fallen short of fully covering agency operating expenses for the past three legislative sessions. In addition to our headquarters facility in Austin, the agency has field offices located across the state, including five District Offices, 19 Area Offices and 13 Outposts. The agency also operates 30 permanent and temporary facilities for the collection of personal importation taxes on alcohol and cigarettes at the land ports of entry from Mexico and seaports at Galveston. The agency has developed excellent relationships with many local law enforcement organizations across the state and therefore we are fortunate to house many of our field offices within their facilities, free of charge. However, many other offices and ports of entry facilities (both private and federally owned) require the payment of rent and utilities. Rent expenses have been gradually increasing over the past four to six years, with no corresponding increase in rent appropriations. This is especially true in the economically booming areas of the state, including the oil patches and high-growth metro areas. If this funding is not received, approximately 7 public safety/support positions will be held vacant to fund it.

III. Fuel Cost Increases

The agency is requesting additional funds to offset the increase in fuel costs over the last six years. Our agents enforce the Alcoholic Beverage Code in the state's 48,000 licensed locations across the 268,820 square miles of Texas. Increasing fuel costs make it more difficult for personnel to get to the licensed locations and provide the

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regulatory presence which drives voluntary compliance by licensees. Over the course of the past six years, the price of fuel has increased significantly. Although the agency received a small increase in fuel appropriations during the 83rd Legislative Session, appropriations were not enough to cover the estimated cost budgeted for the FY16-17 biennium. If this funding is not received, approximately 4 public safety/support positions will be held vacant to fund it.

IV. Public Safety Programs

TABC has undergone significant changes in order to better fight organized crime in licensed locations. Partnering with federal, state and local law enforcement, TABC has increased efforts in accordance with new performance measures dealing with organized crime. The agency piloted a new Special Investigations Unit (SIU) and Financial Crimes Unit (FCU) for this purpose; however, the original scope was limited by available resources. Twelve enforcement agents were moved to develop the SIU, and 4 auditors to the new FCU for complex financial investigations.

The SIU and FCU are receiving more requests for assistance with crime related to licensed entities, including human trafficking, drug trafficking, Lone Star Card fraud, money laundering, etc. Based on the pilot's success, TABC will make the position transfers permanent. TABC is requesting 1 Sergeant and 5 Agents to replace reassigned Enforcement Agents needed to conduct inspections at licensed locations, respond to complaints, conduct undercover operations and minor stings. Similarly, TABC is requesting 4 auditors to replace positions moved to FCU. Auditors perform inspections and audits to ensure compliance and proper payment of taxes. They investigate protests, cash/credit law violations, subterfuge ownership, and marketing violations. Auditors perform inspections before new permits are issued.

Additionally, the agency is requesting an additional Sergeant and 5 Agents, enabling SIU to conduct additional public safety operations. Two of the agents would be placed in areas along the border and West Texas not covered by SIU, and three placed in metro areas to assist the SIU Agents currently working alone.

V. Public Safety Equipment – Radios

Each of TABC's 251 commissioned peace officers is required to have a radio which is interoperable with the law enforcement agencies within their operating area. The agency has been gradually migrating from legacy broadband mobile radios to modern narrowband APEX radios over the past several years, as capital budget appropriations have been approved. In order to meet standardization requirements set forth by the FCC, we are requesting funding to purchase 183 Mobile APX Radios and 125 Portable APX law enforcement radios. This procurement needs to be completed during the next biennium in order to ensure that our commissioned peace officers can call for assistance from local law enforcement agencies or respond to calls for assistance.

VI. Public Safety Equipment – Vehicles

TABC operates a fleet of vehicles that includes law enforcement vehicles assigned to our commissioned peace officers. Our baseline appropriation includes a capital budget item for the procurement of approximately 68 vehicles over the biennium. At the current rate of refresh, we are forced to run each of the vehicles in our fleet to approximately 120,000 miles prior to replacement. The standard established by the Comptroller of Public Accounts is for vehicles to be replaced at the 100,000 miles or seven years. A younger fleet translates into reduced maintenance costs, better fuel efficiency, and most importantly, less mission down-time for agents during repair and maintenance periods. Increasing our fleet procurement appropriation over the biennium by 20 vehicles will drop our replacement age from approximately 120,000 miles down to 100,000 miles over time.

VII. Information Technology Improvements

TABC has been successful in the use of technology to provide the public with better access to our information and services and to automate our internal processes in order to improve efficiency and protect personal information. First, Information Security Upgrades is an outcome of recommendations made by a DIR-funded assessment of TABC security infrastructure by Gartner Corporation in May 2013. This project will harden our infrastructure in order to further minimize the risk of loss or theft of licensee private information. Second, Excise Tax Automation, will update the manually-intensive processes that we use to review, reconcile and audit the reports and tax

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filings provided by alcoholic beverage industry members. The agency currently collects over \$200 million per year in alcoholic beverage excise taxes for the State's treasury using these processes. With alcohol sales volumes growing, this automation is necessary to keep up with that growth without increasing staffing numbers.

VIII. Centralized Accounting and Payroll/Personnel System (CAPPS)

TABC requests an appropriation for staff augmentation support during our planned transition to the Comptroller's CAPPS system in FY16/17. During this migration, several of our staff members in critical skill areas will be required to work extensively on the configuration and testing of the CAPPS system to support TABC systems and processes. This funding includes contract employees needed to back fill one full time accountant and one part time human resource specialist as the agency subject matter experts will invest time in working on the conversion. Also included is one FTE to serve as a project manager to steer the conversion project and will serve the agency as a CAPPS expert post implementation.

IX. Personnel Operating Costs – Longevity/Hazardous Duty/Lump Sum Pay

Several factors have increased TABC's operating expenses in the special pay categories of longevity, hazardous duty and lump sum upon termination. Over the course of the next 5 years, 25% of the agency's current workforce will be eligible for retirement. If they choose to remain with the agency, these tenured employees' monthly longevity and hazardous duty pay amount can be quite large. If they choose to retire and have accrued significant vacation leave balances, those balances must be paid out in cash disbursements from our operating budget. If this funding is not appropriated to the agency, approximately 6 public safety/support positions will be held vacant to fund it.

X. Personnel Operating Costs – Insurance/Retirement

Both the 82nd and 83rd Legislatures authorized additional payroll contributions to be made by agencies on behalf of employees for both Group Health Insurance and Retirement. This expense is levied at a rate of 1% of agency salary expenses for health insurance and 0.5% of agency salary expenses for retirement benefits. In FY16, it is projected that the combined cost to the agency's budget will be approximately \$525 thousand per year. If this funding is not received, approximately 12 public safety/support positions will be held vacant to fund it.

XI. Grayson College Reduction

During the 83rd Legislative Session, a total of \$100,000 over the current biennium was removed from the agency's budget to fund an educational program at Grayson County College. Section 205.03 of the Alcoholic Beverage Code authorizes this type of transfer and expires September 1, 2015. TABC is requesting that these funds be restored to our base appropriation in the expectation that the expiration date will be extended, that funds will be transferred to Grayson County College again. There is a possibility that an additional \$130,000 will be transferred to Texas Tech University under the same section of the Code during the FY 16-17 biennium.

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 proper equipment and resources to serve the People of Texas. The agency will continue to do its best in meeting its responsibilities and appreciates any consideration provided for our funding request.

Ten Percent Reduction

The agency philosophy in completing the Ten Percent Biennial Base Reduction Options Schedule was to look at agency programs in total instead of simply submitting a ten percent across-the-board reduction. To that end, the agency's reduction is submitted as three items.

Item one totals 5% of the reduction and affects 39 public safety/support positions across multiple strategies. This includes reductions in commissioned peace officers, field auditors, application processing staff, ports of entry staff and legal and support staff. With a 5% reduction in funding to the TABC, traditional public safety and

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regulatory enforcement activities would suffer. The number of inspections conducted by enforcement agents and auditors would decline, dropping from a combined total of 103,200 to 94,166. The number of audits and analyses conducted by field auditors would also drop, falling from approximately 1,500 to 1,266. This reduction would have a detrimental effect on the agency's public education initiatives, forcing the agency to severely curtail all educational programs except those targeting police officers, agency licensees and civic groups. Expected program attendance could drop from 85,300 persons to 74,650.

Field enforcement activities as described above and public education are the agency's chief means of detecting and preventing violations of the state's alcoholic beverage laws. Curtailing those activities will increase non-compliance and the threat to public safety. With fewer agents and auditors looking over their shoulders, more licensees/permittees are likely to succumb to temptation and to try to boost profits by over-serving customers, engaging in illegal/socially dangerous sales, and short-changing the state on the taxes and fees they legitimately owe. The loss of a significant portion of the agency's field auditors will force enforcement agents to take back some of the regulatory enforcement duties that auditors had assumed following a Sunset Committee recommendation that directed agents to focus their attention on public safety issues. While unavoidable under the circumstances, this means that the agency's public safety initiatives will have to be cut by more than would be required by the loss of agent positions alone. Also, expected at this level of funding are ten office closings, mostly involving TABC offices in the eastern half of the state. This translates into less customer service and longer drives for those needing to do business with the agency.

Items two and three total the remaining 5% reduction as required. Item two affects 24 public safety/support positions across multiple strategies. This includes reductions in commissioned peace officers, field auditors, application processing staff, ports of entry staff and legal staff. Cuts beyond 5% will simply exacerbate the problems described above. Funding at 92.5% of baseline will create significant staffing shortages; drive the total number of agent and auditor inspections down to 88,476 (a 14% of reduction from the combined baseline inspection target); reduce the number of audits conducted by agency personnel auditors to just 1,125 (75% of the baseline projection); and cut the outputs associated with the agency's public education programs by 20%. Also, the loss of additional auditor positions will force agents to assume an even greater portion of the regulatory enforcement duties, further decreasing their ability to focus on public safety issues.

As the volume of prevention and enforcement activities declines, agents become increasingly distracted by regulatory activities, as opposed to public safety issues. Non-compliance with the law will increase and the collective threat to public safety caused by individual acts of non-compliance will grow. Also at this level of funding, customer service will drop even more, the cumulative effect of reductions in the agency's licensing staff will begin to be felt, and applicants will experience longer delays in the processing of their applications.

Item three would fund the agency at 90% of our base request affecting 25 public safety/support positions across multiple strategies. This item includes reductions in commissioned peace officers, application processing staff, field auditors, ports of entry staff, legal staff, and education and prevention staff. At 90% funding, approximately 40-50 percent of the agency's field auditors will be gone, and the number of TABC enforcement agents will have been reduced by a total of 35 positions (almost 15%). In comparison with baseline, agency personnel will be capable of performing only 83,178 inspections (80% of baseline) and 896 audits (less than 60% of the baseline). In addition, the agency's ability to develop and deliver educational programs to the public, licensees and permittees, police officers and local officials will have also taken a hit, as its program development staff will be gone. Total instructional capacity will have been reduced to about 58,800 persons (69% of baseline).

The negative consequences are likely to include lower compliance rates for inspections and audits, a higher recidivism rate among agency licensees and permittees who violate the law, more incidents on licensed premises that pose a threat to public safety, and less focus on public safety issues. In addition, stakeholders can expect significant declines in customer service, application processing delays, delays in the handling of complaints, and fewer local offices for conducting business with the agency.

We appreciate your consideration of our budget request and are available to answer questions you may have.

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Sherry K. Cook
Executive Director

Presiding Officer's Statement

As Presiding Officer of the Texas Alcoholic Beverage Commission, I would like to state my full support of the agency's Legislative Appropriations Request. The Board has worked with staff to develop a Strategic Plan and Legislative Appropriations Request that we believe will benefit both the citizens of Texas and the industry we regulate. Funding of our baseline request and exceptional items will allow the agency to fully support our mission.

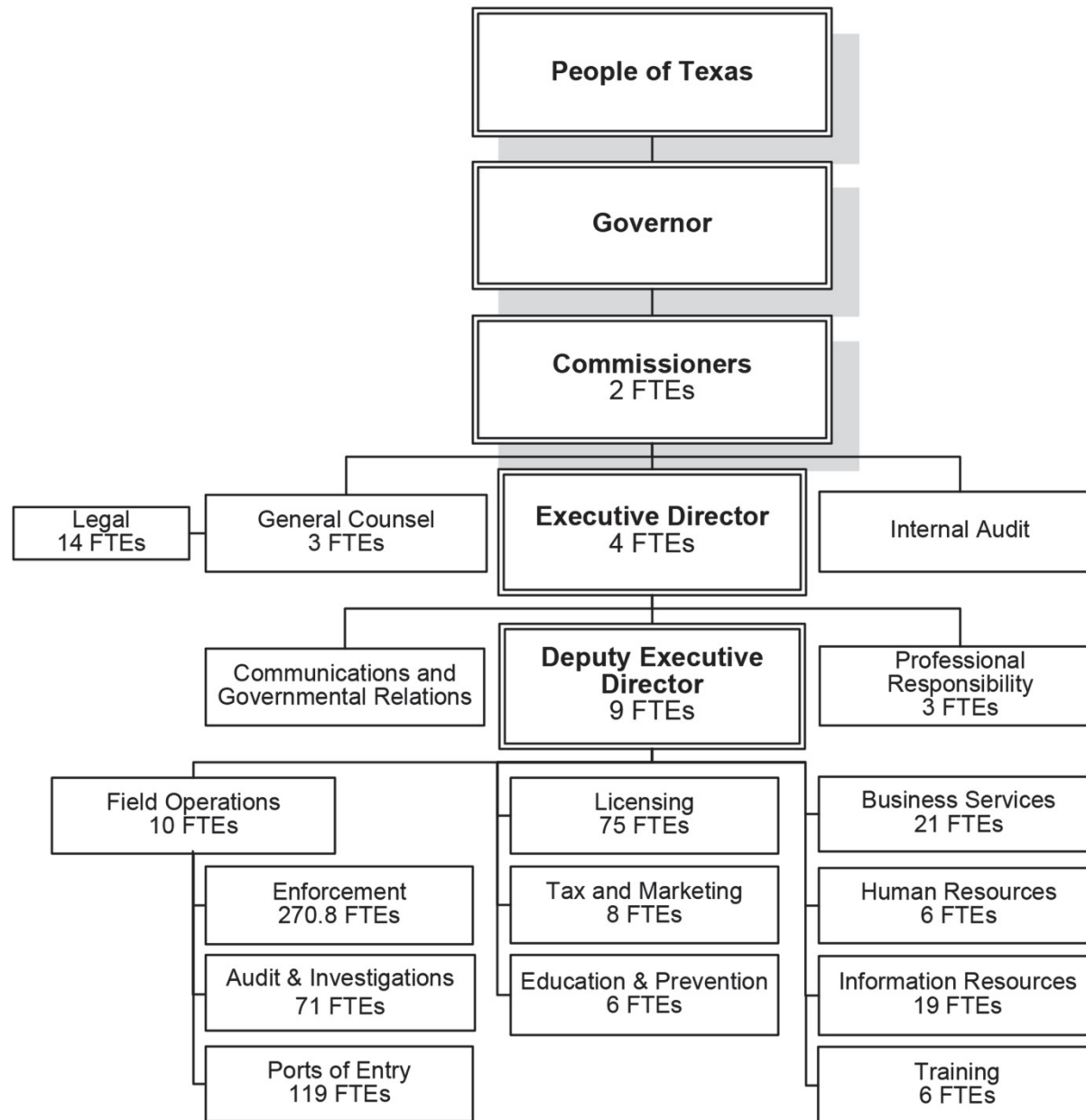
Our first exceptional item requests funding to enhance career ladders and provide a retention plan. TABC faces some significant challenges in hiring and retaining qualified civilian personnel. Agency appropriations currently only support paying employees at the low end of their respective classification levels. For those positions with comparable classifications in other state agencies, TABC's civilian employees are paid on average 14% less than employees at those agencies. The lower salary rate negatively impacts TABC's ability to recruit and retain qualified employees. TABC is unable to compete against other agencies when positions become vacant. Additionally, the agency has a unique challenge in that section 5.05 of the Alcoholic Beverage Code prohibits employees, spouses or dependent children from being employed by any licensee to include restaurants, grocery stores, and convenience stores, closing off a potential source of additional household income.

Finally, the Board would like to request that the agency be added to the listing of agencies in Article IX, Section 3.04 Exempt Positions that allows for the governing board to set the salary of the Executive Director. This provision would allow the board to set the salary of our Executive Director within the current Group 5 classification as approved by the Office of the Governor and the Legislative Budget Board. The board would request at this time that the executive director's pay be set at \$159,018. The Board feels this is critical due to the salary compression we are experiencing within our executive staff. If the opportunity is not provided for the Board to increase compensation to the Executive Director some of the executive staff's salaries could exceed that of the Executive Director.

We appreciate your consideration and support of our Legislative Appropriations Request. Should you have any questions for the Board or Staff, please do not hesitate to contact us. We look forward to working with you during the upcoming legislative session to develop a budget for the agency that meets the needs of the public and our industry.

José Cuevas, Jr.
Presiding Officer

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Executive Division

The **executive division** led by the Executive Director (Administrator), directs the daily operations of the Texas Alcoholic Beverage Commission. The Executive Director is responsible for employing staff to ensure that the policies established by the commission and the laws enacted by the legislature are implemented in an efficient and cost-effective manner.

The Executive Director provides oversight of the deputy executive director (assistant administrator), director of the office of professional responsibility, and the director of communications and government relations. Although the general counsel reports to the Commission, the office also has a dual reporting role with the executive office.

Field Operations: Enforcement, Audit and Investigations and Ports of Entry

The **field operations** division is the agency's largest and most visible division. Three divisions are under the oversight of the field operations division: enforcement, audit and investigations and the ports of entry divisions. Staff in field operations performs both enforcement and compliance functions involving criminal, regulatory and administrative enforcement of the state's alcoholic beverage laws as well as maintaining compliance with personal importation laws. The chief of field operations oversees an assistant chief of enforcement, an assistant chief of audit and investigations and the director of ports of entry.

In the **enforcement division**, 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. The Enforcement Division has divided the state into five districts, each supervised by a captain or a major, with the actual rank of the district supervisor dependent upon the number of employees supervised. The district supervisors report to the Assistant Chief of Enforcement. In each district, the enforcement agents, supervisors and support staff are responsible for agency law enforcement operations.

The **audit and investigations division** is divided into three units: Auditing, Financial Crimes Unit (FCU), and the Special Investigations Unit (SIU). FCU and SIU are focused on dismantling organized criminal activity related to TABC licensed entities.

Auditors conduct investigative audits and other financial reviews, conduct inspections and fee analysis during the initial phases of the licensing process, and assist the agents in various types of investigations. Auditors also play a role in monitoring seller training schools to ensure compliance with agency standards.

The **ports of entry division** operates port of entry facilities at the international bridges located along the state's border with Mexico and at the Galveston Seaport's cruise ship terminals. Tax Compliance Officers (TCOs) stationed at these facilities enforce the state laws that regulate importations of alcoholic beverages and cigarettes for personal consumption and collect the excise taxes and fees that the state levies on these importations.

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, and mail center operations.

Education and Prevention

The **education and prevention 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.

Human Resources Division

The **human resources division** manages employment-related activities, including recruitment, selection, benefits and compensation, employee relations, classification, risk management, and implementation of the agency's equal

employment opportunity program. This division also conducts background checks on prospective employees during the hiring process.

Information Resources Division

The **information resources division** is responsible for developing and maintaining the core technology applications for the agency, which includes licensing, enforcement, audit and investigations, 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.

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.

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. Over 60,000 licenses and permits are issued each year by division personnel.

Office of Professional Responsibility

The **office of professional responsibility** (internal affairs) oversees or conducts all internal investigations concerning the conduct of agency employees.

Excise Tax & Marketing Practices 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 is also responsible for overseeing the promotion of alcoholic beverage products as well as the testing and labeling of the products in Texas.

Training Division

The **training division** manages training and development activities for the agency. Training and development activities conducted by the division include management/supervisory development programs, comprehensive law enforcement training, computer training and required core training.

2.A. Summary of Base Request by Strategy

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>1</u> Promote the Health, Safety, and Welfare of the Public					
<u>1</u> Detect/Prevent Law Violations					
1 ENFORCEMENT	20,053,904	24,440,962	25,215,711	25,619,543	24,993,221
TOTAL, GOAL 1	\$20,053,904	\$24,440,962	\$25,215,711	\$25,619,543	\$24,993,221
<u>2</u> Process Applications and Issue Alcoholic Beverage Licenses & Permits					
<u>1</u> Process and Approve Applications in a Timely Manner					
1 LICENSING AND INVESTIGATION	4,188,137	4,504,153	4,548,407	4,521,170	4,581,788
TOTAL, GOAL 2	\$4,188,137	\$4,504,153	\$4,548,407	\$4,521,170	\$4,581,788
<u>3</u> Ensure Compliance with Fees & Taxes					
<u>1</u> Ensure Compliance with Alcoholic Beverage Code					
1 COMPLIANCE MONITORING	6,015,729	6,120,960	6,175,307	6,420,978	6,484,343
<u>2</u> Ensure Maximum Compliance with Importation Laws at Ports of Entry					
1 PORTS OF ENTRY	4,758,568	5,579,757	5,234,015	5,314,094	5,360,406

2.A. Summary of Base Request by Strategy

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal / Objective / STRATEGY			Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
TOTAL, GOAL 3			\$10,774,297	\$11,700,717	\$11,409,322	\$11,735,072	\$11,844,749
4 Indirect Administration							
1 Indirect Administration							
1 CENTRAL ADMINISTRATION			1,927,293	2,507,984	2,592,267	2,321,407	2,323,862
2 INFORMATION RESOURCES			2,308,470	2,577,526	2,634,068	2,612,055	2,642,213
3 OTHER SUPPORT SERVICES			483,745	559,584	554,907	551,943	555,573
TOTAL, GOAL 4			\$4,719,508	\$5,645,094	\$5,781,242	\$5,485,405	\$5,521,648
TOTAL, AGENCY STRATEGY REQUEST			\$39,735,846	\$46,290,926	\$46,954,682	\$47,361,190	\$46,941,406
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*						\$0	\$0
GRAND TOTAL, AGENCY REQUEST			\$39,735,846	\$46,290,926	\$46,954,682	\$47,361,190	\$46,941,406

2.A. Summary of Base Request by Strategy

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	38,502,750	45,713,344	46,934,682	47,341,190	46,921,406
SUBTOTAL	\$38,502,750	\$45,713,344	\$46,934,682	\$47,341,190	\$46,921,406
Federal Funds:					
555 Federal Funds	850,843	470,488	0	0	0
SUBTOTAL	\$850,843	\$470,488	\$0	\$0	\$0
Other Funds:					
444 Interagency Contracts - CJG	326,157	0	0	0	0
666 Appropriated Receipts	56,096	107,094	20,000	20,000	20,000
SUBTOTAL	\$382,253	\$107,094	\$20,000	\$20,000	\$20,000
TOTAL, METHOD OF FINANCING	\$39,735,846	\$46,290,926	\$46,954,682	\$47,361,190	\$46,941,406

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

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2.B. Summary of Base Request by Method of Finance

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458		Agency name: Alcoholic Beverage Commission				
METHOD OF FINANCING		Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>GENERAL REVENUE</u>						
<u>1</u> General Revenue Fund						
<i>REGULAR APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2012-13 GAA)						
		\$41,786,081	\$0	\$0	\$0	\$0
Comments: Matches Conference Committee Report (82R)						
Regular Appropriations from MOF Table (2014-15 GAA)						
		\$0	\$44,217,045	\$43,361,135	\$0	\$0
Comments: Matches Conference Committee Report (83R)						
Regular Appropriations from MOF Table (2016-2017 GAA)						
		\$0	\$0	\$0	\$47,341,190	\$46,921,406
<i>RIDER APPROPRIATION</i>						
Art IX, Sec 17.01(a), Data Center-Reductions for Cost of Living Adjustments (2012-13 GAA)						
		\$(69,044)	\$0	\$0	\$0	\$0
Comments: Matches Data Center Services Adjustments Report						
Art IX, Sec 17.01(b), Data Center-Reductions for Administrative Rate Charge (2012-13 GAA)						
		\$(6,767)	\$0	\$0	\$0	\$0

2.B. Summary of Base Request by Method of Finance

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
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GENERAL REVENUE**Comments:** Matches Data Center Services Adjustments Report

Art IX, Sec 18.46, Contingency Appropriation for HB 1936 Page IX-84 (2012-13 GAA)

\$12,750	\$0	\$0	\$0	\$0
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Comments: Confirmed by GAA (82R) and passage of HB1936

Art V, Contingency Rider, Page V-9 (2012-13 GAA)

\$250,000	\$0	\$0	\$0	\$0
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Comments: TABC Rider 11 (2012-13 GAA); appropriation to be transferred to Texas Department of Agriculture for the Texas Wine Marketing Assistance Program.

Art IX, Sec 17.08(b), Data Center Increases (2014-15 GAA)

\$0	\$302,957	\$455,503	\$0	\$0
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Comments: Per GAA (83R) - At appropriated levels; matches annual amounts in bill pattern footnotes. Also matches amounts in FY2014 and 2015 DIR Report.*TRANSFERS*

Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)

\$0	\$227,142	\$541,418	\$0	\$0
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Comments: LBB estimate for 2014-2015 statewide salary increase.

2.B. Summary of Base Request by Method of Finance
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
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GENERAL REVENUE

Art IX, Sec 17.07 Salary Increases for State Employees in Salary Schedule C (2014-15 GAA)

\$0	\$1,242,054	\$2,542,348	\$0	\$0
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Comments: Per GAA (83R) - At Appropriated Levels; matches annual amounts in bill pattern.

Art V, Contingency Rider, Page V-9 (2012-13 GAA)

\$(250,000)	\$0	\$0	\$0	\$0
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Comments: TABC Rider 11 (2012-13 GAA); transfer to Department of Agriculture for the Texas Wine Marketing Assistance Program.

LAPSED APPROPRIATIONS

Regular Appropriations from MOF Table (2012-13 GAA)

\$(3,870,394)	\$0	\$0	\$0	\$0
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Comments: Matches amounts listed in FY 2014 Operating Budget MOF Table. \$2.8 million of lapse is in Enforcement due to difficulty in filling positions in a timely manner; rest is in various strategies.

Art IX, Sec 17.08(b), Data Center Increases (2014-15 GAA)

\$0	\$(76,554)	\$(165,022)	\$0	\$0
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Comments: Lapsed appropriation authority for DCS Project based cost revisions submitted to DIR.

2.B. Summary of Base Request by Method of Finance

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

METHOD OF FINANCING		Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>GENERAL REVENUE</u>						
<i>UNEXPENDED BALANCES AUTHORITY</i>						
Art IX, Sec 14.03(j), Capital Budget UB (2012-13 GAA)						
		\$650,124	\$0	\$0	\$0	\$0
Comments: Unexpended Balances within biennium. Matches the UB report from the CPA.						
Art IX, Sec 14.03(i), Capital Budget UB (2014-15 GAA)						
		\$0	\$(199,300)	\$199,300	\$0	\$0
Comments: Unexpended Balances within Biennium. Per GAA (83R) - Estimated UB from PC Lease Capital Budget Line Item. This has been updated from the amount in the 2014 Operating Budget (\$46,657)						
TOTAL,	General Revenue Fund	\$38,502,750	\$45,713,344	\$46,934,682	\$47,341,190	\$46,921,406
TOTAL, ALL	GENERAL REVENUE	\$38,502,750	\$45,713,344	\$46,934,682	\$47,341,190	\$46,921,406

FEDERAL FUNDS555 Federal Funds*REGULAR APPROPRIATIONS*

Regular Appropriations from MOF Table (2012-13 GAA)

\$419,500	\$0	\$0	\$0	\$0
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2.B. Summary of Base Request by Method of Finance

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

METHOD OF FINANCING		Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>FEDERAL FUNDS</u>						
Comments: Matches Conference Committee Report (82R)						
<i>RIDER APPROPRIATION</i>						
Art IX, Sec 8.02, Federal Funds/Block Grants (2012-13 GAA)						
		\$431,343	\$0	\$0	\$0	\$0
Comments: FY 2013 Additional Grants Awarded: Marketing Practices Grant - \$267,776, Ports of Entry Grant - \$282,156, At Risk Grant - \$1,400. Grants not awarded but appropriated: Prevention Grant - \$50,000 or Brazos County Grant - \$500; EUDL Grant awarded \$69,489 less than appropriated. These adjustments total a positive \$431,343.						
Art IX, Sec 8.02, Federal Funds/Block Grants (2014-15 GAA)						
		\$0	\$470,488	\$0	\$0	\$0
Comments: FY 2014 Additional Grants Awarded: Enforcement Grant - \$287,800, Special Events Grant - \$110,825 and awarded balance of EUDL Grant \$59,639 and balance of Marketing Practices Grant - \$12,224. These additional funds total \$470,488.						
TOTAL,	Federal Funds	\$850,843	\$470,488	\$0	\$0	\$0
TOTAL, ALL	FEDERAL FUNDS	\$850,843	\$470,488	\$0	\$0	\$0

OTHER FUNDS444 Interagency Contracts - Criminal Justice Grants

2.B. Summary of Base Request by Method of Finance

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

METHOD OF FINANCING		Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>OTHER FUNDS</u>						
<i>REGULAR APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2012-13 GAA)		\$140,000	\$0	\$0	\$0	\$0
Comments: Matches Conference Committee Report (82R)						
<i>RIDER APPROPRIATION</i>						
Art IX, Sec 8.02, Federal Funds/Block Grants (2012-13 GAA)		\$186,157	\$0	\$0	\$0	\$0
Comments: FY 2013 increase in Spring Break Grant awarded from Governor's Office						
TOTAL,	Interagency Contracts - Criminal Justice Grants	\$326,157	\$0	\$0	\$0	\$0
<u>666</u>	Appropriated Receipts					
<i>REGULAR APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2012-13 GAA)		\$5,000	\$0	\$0	\$0	\$0
Comments: Matches Conference Committee Report (82R)						
Regular Appropriations from MOF Table (2014-15 GAA)		\$0	\$5,000	\$5,000	\$0	\$0

2.B. Summary of Base Request by Method of Finance

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458	Agency name: Alcoholic Beverage Commission				
METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>OTHER FUNDS</u>					
Comments: Matches Conference Committee Report (83R)					
Regular Appropriations from MOF Table (2016-17 GAA)					
	\$0	\$0	\$0	\$20,000	\$20,000
<i>RIDER APPROPRIATION</i>					
Art IX, Sec 8.03, Reimbursements and Payments (2012-13 GAA)					
	\$29,825	\$0	\$0	\$0	\$0
Comments: Per GAA (82R) - Includes Insurance Proceeds, Sale of Publications, Fees for Open Records Requests, and other miscellaneous sales					
Art IX, Sec 8.04, Surplus Property (2012-13 GAA)					
	\$9,112	\$0	\$0	\$0	\$0
Comments: Agency's 25% appropriated amount based on Sale of Surplus Property					
Art IX, Sec 8.11, Credit, Charge or Debit Card Service (2012-13 GAA)					
	\$9,661	\$0	\$0	\$0	\$0
Comments: Agency Implementing Credit Card On-Line Payments for Licenses and Permits					

2.B. Summary of Base Request by Method of Finance

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>OTHER FUNDS</u>					
Art IX, Sec 8.03, Reimbursements and Payments (2012-13 GAA)	\$36,330	\$0	\$0	\$0	\$0
Comments: Per GAA (82R) - Original Receipt of Seized Asset Funds					
Art IX, Sec 8.03, Reimbursements and Payments (2014-15 GAA)	\$0	\$16,094	\$0	\$0	\$0
Comments: Per GAA (83R) - Includes Insurance Proceeds, Sale of Publications, Fees for Open Records Requests, and other miscellaneous sales. Based on Actual Receipts as of April 2014					
Art IX, Sec 8.04, Surplus Property (2014-15 GAA)	\$0	\$14,827	\$0	\$0	\$0
Comments: Agency's 25% appropriated amount based on Sale of Surplus Property. Based on actual receipts as of April 2014.					
Art IX, Sec 8.11, Credit, Charge or Debit Card Service (2014-15 GAA)	\$0	\$15,000	\$15,000	\$0	\$0
Comments: Agency Continues Implementing Credit Card On-Line Payments for Licenses and Permits. Based on implementation as of April 2014.					

UNEXPENDED BALANCES AUTHORITY

Art V, Rider 10 - Appropriation: Seized Assets, Page V-10 (2012-13 GAA)

2.B. Summary of Base Request by Method of Finance

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458		Agency name: Alcoholic Beverage Commission				
METHOD OF FINANCING		Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>OTHER FUNDS</u>						
		\$22,341	\$0	\$0	\$0	\$0
Comments: UB within Biennium. UB from FY 2012 to FY 2013 Seized Assets for Law Enforcement Purposes.						
Art V, Rider 10 - Appropriation: Seized Assets, Page V-9 (2014-15 GAA)						
		\$(56,173)	\$56,173	\$0	\$0	\$0
Comments: UB between Biennia. UB from FY 2013 to FY 2014 of Seized Assets between Biennia used for Law Enforcement Purposes.						
TOTAL,	Appropriated Receipts					
		\$56,096	\$107,094	\$20,000	\$20,000	\$20,000
TOTAL, ALL	OTHER FUNDS					
		\$382,253	\$107,094	\$20,000	\$20,000	\$20,000
GRAND TOTAL		\$39,735,846	\$46,290,926	\$46,954,682	\$47,361,190	\$46,941,406

2.B. Summary of Base Request by Method of Finance

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2012-13 GAA)	631.8	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2014-15 GAA)	0.0	646.8	646.8	0.0	0.0
Regular Appropriations	0.0	0.0	0.0	646.8	646.8
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2012-13 GAA)	(61.6)	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2014-15 GAA)	0.0	(66.1)	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	570.2	580.7	646.8	646.8	646.8

**NUMBER OF 100% FEDERALLY
FUNDED FTEs**

2.C. Summary of Base Request by Object of Expense84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission					
OBJECT OF EXPENSE	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1001 SALARIES AND WAGES	\$27,423,454	\$31,243,226	\$33,760,475	\$35,049,191	\$35,599,071
1002 OTHER PERSONNEL COSTS	\$1,494,323	\$1,524,410	\$1,331,219	\$1,101,749	\$1,159,361
2001 PROFESSIONAL FEES AND SERVICES	\$1,004,676	\$1,292,320	\$1,321,890	\$893,342	\$904,468
2002 FUELS AND LUBRICANTS	\$728,945	\$1,022,910	\$1,008,560	\$812,218	\$812,218
2003 CONSUMABLE SUPPLIES	\$583,926	\$449,302	\$280,475	\$280,475	\$280,475
2004 UTILITIES	\$390,781	\$431,372	\$431,372	\$431,372	\$431,372
2005 TRAVEL	\$849,686	\$697,651	\$674,179	\$674,179	\$674,179
2006 RENT - BUILDING	\$2,092,798	\$2,142,833	\$2,172,123	\$1,910,352	\$1,908,745
2007 RENT - MACHINE AND OTHER	\$518,703	\$397,125	\$795,725	\$596,425	\$596,425
2009 OTHER OPERATING EXPENSE	\$3,864,532	\$5,286,027	\$4,479,139	\$3,870,569	\$3,875,567
4000 GRANTS	\$64,298	\$3,525	\$0	\$0	\$0
5000 CAPITAL EXPENDITURES	\$719,724	\$1,800,225	\$699,525	\$1,741,318	\$699,525
OOE Total (Excluding Riders)	\$39,735,846	\$46,290,926	\$46,954,682	\$47,361,190	\$46,941,406
OOE Total (Riders)					
Grand Total	\$39,735,846	\$46,290,926	\$46,954,682	\$47,361,190	\$46,941,406

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2.D. Summary of Base Request Objective Outcomes
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

458 Alcoholic Beverage Commission					
Goal/ Objective / Outcome	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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					
	86.08%	80.00%	80.00%	80.00%	80.00%
2 % of Administrative Cases Resulting in Administrative Sanctions					
	96.71%	98.00%	95.00%	95.00%	95.00%
3 Percentage of Complaint Investigations Closed within 60 Days					
	80.36%	85.00%	84.00%	84.00%	84.00%
4 Percentage of Priority Retail Locations Inspected by Enforcement					
	95.25%	93.67%	95.00%	95.00%	95.00%
5 Retailer Public Safety Compliance Rate					
	98.10%	96.24%	98.00%	98.00%	98.00%
6 Priority Retailer Public Safety Compliance Rate					
	93.89%	95.17%	96.00%	96.00%	96.00%
7 Recidivism Rate - Licensed Retailers					
	12.52%	15.33%	15.00%	15.00%	15.00%
2 Process Applications and Issue Alcoholic Beverage Licenses & Permits 1 <i>Process and Approve Applications in a Timely Manner</i>					
KEY 1 Avg Number of Days to Approve an Original Primary License/Permit					
	43.42	38.00	40.00	40.00	40.00

2.D. Summary of Base Request Objective Outcomes
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

458 Alcoholic Beverage Commission					
<i>Goal/ Objective / Outcome</i>	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
3 Ensure Compliance with Fees & Taxes					
1 <i>Ensure Compliance with Alcoholic Beverage Code</i>					
KEY 1 Percent Audits Found to be in Full Compliance					
	78.06%	80.00%	80.00%	80.00%	80.00%
2 Percent of Report Analyses Resulting in Correction Letters					
	15.44%	15.80%	15.50%	15.50%	15.50%
3 % of Inspections by Auditors Where Licensees were in Full Compliance					
	95.87%	96.39%	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					
	96.05%	102.00%	100.00%	100.00%	100.00%

2.E. Summary of Exceptional Items Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Priority	Item	2016			2017			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Career Ladder/Retention Plan	\$1,749,561	\$1,749,561		\$1,753,671	\$1,753,671		\$3,503,232	\$3,503,232
2	Facility Lease Increases	\$317,833	\$317,833		\$354,640	\$354,640		\$672,473	\$672,473
3	Fuel Cost Increases	\$196,342	\$196,342		\$196,342	\$196,342		\$392,684	\$392,684
4	Public Safety Programs	\$1,995,618	\$1,995,618	16.0	\$1,609,327	\$1,609,327	16.0	\$3,604,945	\$3,604,945
5	Public Safety Equipment - Radios	\$470,382	\$470,382		\$1,018,750	\$1,018,750		\$1,489,132	\$1,489,132
6	Public Safety Equipment - Vehicles	\$240,000	\$240,000		\$240,000	\$240,000		\$480,000	\$480,000
7	Information Technology Improvements	\$722,000	\$722,000		\$352,000	\$352,000		\$1,074,000	\$1,074,000
8	CAPPS Implementation	\$105,967	\$105,967	1.0	\$132,277	\$132,277	1.0	\$238,244	\$238,244
9	Personnel Costs-Long/Haz/Lump Sum	\$280,290	\$280,290		\$300,019	\$300,019		\$580,309	\$580,309
10	Personnel Costs - Ins/Retire	\$525,123	\$525,123		\$533,371	\$533,371		\$1,058,494	\$1,058,494
11	Grayson College	\$50,000	\$50,000		\$50,000	\$50,000		\$100,000	\$100,000
Total, Exceptional Items Request		\$6,653,116	\$6,653,116	17.0	\$6,540,397	\$6,540,397	17.0	\$13,193,513	\$13,193,513
Method of Financing									
	General Revenue	\$6,653,116	\$6,653,116		\$6,540,397	\$6,540,397		\$13,193,513	\$13,193,513
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$6,653,116	\$6,653,116		\$6,540,397	\$6,540,397		\$13,193,513	\$13,193,513
Full Time Equivalent Positions				17.0				17.0	

2.E. Summary of Exceptional Items Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458			Agency name: Alcoholic Beverage Commission						
Priority	Item	2016			2017			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458	Agency name: Alcoholic Beverage Commission					
Goal/Objective/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
1 Promote the Health, Safety, and Welfare of the Public						
1 <i>Detect/Prevent Law Violations</i>						
1 ENFORCEMENT	\$25,619,543	\$24,993,221	\$3,068,006	\$3,189,634	\$28,687,549	\$28,182,855
TOTAL, GOAL 1	\$25,619,543	\$24,993,221	\$3,068,006	\$3,189,634	\$28,687,549	\$28,182,855
2 Process Applications and Issue Alcoholic Beverage Licenses & Perm						
1 <i>Process and Approve Applications in a Timely Manner</i>						
1 LICENSING AND INVESTIGATION	4,521,170	4,581,788	510,104	514,253	5,031,274	5,096,041
TOTAL, GOAL 2	\$4,521,170	\$4,581,788	\$510,104	\$514,253	\$5,031,274	\$5,096,041
3 Ensure Compliance with Fees & Taxes						
1 <i>Ensure Compliance with Alcoholic Beverage Code</i>						
1 COMPLIANCE MONITORING	6,420,978	6,484,343	1,651,491	1,333,937	8,072,469	7,818,280
2 <i>Ensure Maximum Compliance with Importation Laws at Ports of Ent</i>						
1 PORTS OF ENTRY	5,314,094	5,360,406	543,298	551,112	5,857,392	5,911,518
TOTAL, GOAL 3	\$11,735,072	\$11,844,749	\$2,194,789	\$1,885,049	\$13,929,861	\$13,729,798

2.F. Summary of Total Request by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458	Agency name: Alcoholic Beverage Commission					
Goal/Objective/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
4 Indirect Administration						
1 <i>Indirect Administration</i>						
1 CENTRAL ADMINISTRATION	\$2,321,407	\$2,323,862	\$360,650	\$391,064	\$2,682,057	\$2,714,926
2 INFORMATION RESOURCES	2,612,055	2,642,213	473,548	512,774	3,085,603	3,154,987
3 OTHER SUPPORT SERVICES	551,943	555,573	46,019	47,623	597,962	603,196
TOTAL, GOAL 4	\$5,485,405	\$5,521,648	\$880,217	\$951,461	\$6,365,622	\$6,473,109
TOTAL, AGENCY STRATEGY REQUEST	\$47,361,190	\$46,941,406	\$6,653,116	\$6,540,397	\$54,014,306	\$53,481,803
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$47,361,190	\$46,941,406	\$6,653,116	\$6,540,397	\$54,014,306	\$53,481,803

2.F. Summary of Total Request by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458	Agency name: Alcoholic Beverage Commission					
Goal/Objective/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
General Revenue Funds:						
1 General Revenue Fund	\$47,341,190	\$46,921,406	\$6,653,116	\$6,540,397	\$53,994,306	\$53,461,803
	\$47,341,190	\$46,921,406	\$6,653,116	\$6,540,397	\$53,994,306	\$53,461,803
Federal Funds:						
555 Federal Funds	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0
Other Funds:						
444 Interagency Contracts - CJG	0	0	0	0	0	0
666 Appropriated Receipts	20,000	20,000	0	0	20,000	20,000
	\$20,000	\$20,000	\$0	\$0	\$20,000	\$20,000
TOTAL, METHOD OF FINANCING	\$47,361,190	\$46,941,406	\$6,653,116	\$6,540,397	\$54,014,306	\$53,481,803
FULL TIME EQUIVALENT POSITIONS	646.8	646.8	17.0	17.0	663.8	663.8

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2.G. Summary of Total Request Objective Outcomes
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

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

Goal/ Objective / Outcome

		BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
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						
		80.00%	80.00%	87.01%	87.01%	87.01%	87.01%
	2 % of Administrative Cases Resulting in Administrative Sanctions						
		95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
	3 Percentage of Complaint Investigations Closed within 60 Days						
		84.00%	84.00%	91.36%	91.36%	91.36%	91.36%
	4 Percentage of Priority Retail Locations Inspected by Enforcement						
		95.00%	95.00%	98.23%	98.23%	98.23%	98.23%
	5 Retailer Public Safety Compliance Rate						
		98.00%	98.00%	99.00%	99.00%	99.00%	99.00%
	6 Priority Retailer Public Safety Compliance Rate						
		96.00%	96.00%	97.32%	97.32%	97.32%	97.32%
	7 Recidivism Rate - Licensed Retailers						
		15.00%	15.00%	14.34%	14.34%	14.34%	14.34%
2	Process Applications and Issue Alcoholic Beverage Licenses & Permits						
1	<i>Process and Approve Applications in a Timely Manner</i>						

2.G. Summary of Total Request Objective Outcomes
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/5/2014
Time: 11:43:03AM

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

Goal/ Objective / Outcome

		BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
KEY	1 Avg Number of Days to Approve an Original Primary License/Permit						
		40.00	40.00	40.00	40.00	40.00	40.00
3	Ensure Compliance with Fees & Taxes						
1	<i>Ensure Compliance with Alcoholic Beverage Code</i>						
KEY	1 Percent Audits Found to be in Full Compliance						
		80.00%	80.00%	81.33%	81.33%	81.33%	81.33%
	2 Percent of Report Analyses Resulting in Correction Letters						
		15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
	3 % of Inspections by Auditors Where Licensees were in Full Compliance						
		96.00%	96.00%	96.67%	96.67%	96.67%	96.67%
2	<i>Ensure Maximum Compliance with Importation Laws at Ports of Entry</i>						
	1 Revenue As a Percent of Expenses						
		100.00%	100.00%	95.26%	95.21%	95.26%	95.21%

3.A. Strategy Request
84th Regular Session, Agency Submission, Version 1
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458 Alcoholic Beverage Commission

GOAL:	1	Promote the Health, Safety, and Welfare of the Public	Statewide Goal/Benchmark:	5	26
OBJECTIVE:	1	Detect/Prevent Law Violations	Service Categories:		
STRATEGY:	1	Enforcement	Service:	34	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Output Measures:						
KEY 1	Number of Inspections Conducted by Enforcement Agents	74,305.00	86,600.00	80,000.00	80,000.00	80,000.00
2	# Inspections Priority "At Risk" Retailers Conducted by Enforcement	21,824.00	44,600.00	46,000.00	46,000.00	46,000.00
3	Number of Persons Instructed by Enforcement Agents	52,765.00	41,800.00	30,000.00	30,000.00	30,000.00
4	Number of Licensees Attending Enforcement Education Programs	9,722.00	8,298.00	8,500.00	8,500.00	8,500.00
Efficiency Measures:						
KEY 1	Average Cost Per Enforcement Inspection	258.45	276.45	308.78	313.69	306.02
2	Average Cost Per Person Attending Enforcement Education Programs	11.02	11.97	17.20	17.48	17.05
3	Average Cost of Joint Operations Targeting Organized Crime	0.00	1,949.01	2,253.38	2,265.64	2,296.85
Explanatory/Input Measures:						
1	Number of Enforcement Cases Reaching Final Disposition	1,975.00	2,575.00	2,700.00	2,700.00	2,700.00
2	Number of Licensed Locations Subject to Inspection	52,959.00	55,134.00	55,376.00	55,619.00	55,863.00
3	Number of Complaint Investigations Opened	5,798.00	5,500.00	5,500.00	5,500.00	5,500.00
4	Number of Criminal Cases Filed	3,012.00	3,160.00	2,000.00	2,000.00	2,000.00

3.A. Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

GOAL:	1	Promote the Health, Safety, and Welfare of the Public	Statewide Goal/Benchmark:	5	26
OBJECTIVE:	1	Detect/Prevent Law Violations	Service Categories:		
STRATEGY:	1	Enforcement	Service: 34	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
5	Number of Administrative Cases Initiated by Enforcement Agents	2,237.00	2,765.00	2,700.00	2,700.00	2,700.00
6	Number of Priority Retail Locations	4,315.00	6,972.00	7,000.00	7,000.00	7,000.00
7	Number of Complaint Investigations Closed	5,790.00	5,450.00	5,450.00	5,450.00	5,450.00
8	Number of OCA/Trafficking Investigations Closed	64.00	100.00	100.00	100.00	100.00
9	# Multi-Agency/Joint Ops Targeting OCA/Trafficking in TABC's Border Re	84.00	360.00	360.00	360.00	360.00
10	Number of Joint Operations Targeting Organized Crime Statewide	0.00	440.00	440.00	440.00	440.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$13,739,785	\$16,495,297	\$18,285,805	\$18,864,691	\$19,251,873
1002	OTHER PERSONNEL COSTS	\$910,343	\$833,396	\$787,656	\$684,164	\$713,258
2001	PROFESSIONAL FEES AND SERVICES	\$210,238	\$289,918	\$410,851	\$82,407	\$82,407
2002	FUELS AND LUBRICANTS	\$707,145	\$995,925	\$981,575	\$785,233	\$785,233
2003	CONSUMABLE SUPPLIES	\$341,810	\$196,508	\$143,657	\$143,657	\$143,657
2004	UTILITIES	\$229,293	\$251,520	\$251,520	\$251,520	\$251,520
2005	TRAVEL	\$430,703	\$266,573	\$245,649	\$245,649	\$245,649
2006	RENT - BUILDING	\$887,379	\$924,732	\$925,661	\$810,960	\$810,155

3.A. Strategy Request
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458 Alcoholic Beverage Commission

GOAL:	1	Promote the Health, Safety, and Welfare of the Public	Statewide Goal/Benchmark:	5	26
OBJECTIVE:	1	Detect/Prevent Law Violations	Service Categories:		
STRATEGY:	1	Enforcement	Service: 34	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
2007	RENT - MACHINE AND OTHER	\$334,781	\$225,976	\$497,821	\$361,899	\$361,899
2009	OTHER OPERATING EXPENSE	\$1,692,687	\$2,196,472	\$1,985,991	\$1,648,045	\$1,648,045
5000	CAPITAL EXPENDITURES	\$569,740	\$1,764,645	\$699,525	\$1,741,318	\$699,525
TOTAL, OBJECT OF EXPENSE		\$20,053,904	\$24,440,962	\$25,215,711	\$25,619,543	\$24,993,221
Method of Financing:						
1	General Revenue Fund	\$19,685,048	\$24,063,892	\$25,210,711	\$25,614,543	\$24,988,221
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$19,685,048	\$24,063,892	\$25,210,711	\$25,614,543	\$24,988,221
Method of Financing:						
555	Federal Funds					
	20.601.000 Alcohol Traffic Safety an	\$1,400	\$0	\$0	\$0	\$0
	20.616.000 National Priority Safety Programs	\$0	\$287,800	\$0	\$0	\$0
CFDA Subtotal, Fund	555	\$1,400	\$287,800	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$1,400	\$287,800	\$0	\$0	\$0
Method of Financing:						
444	Interagency Contracts - CJG	\$326,157	\$0	\$0	\$0	\$0
666	Appropriated Receipts	\$41,299	\$89,270	\$5,000	\$5,000	\$5,000

3.A. Strategy Request
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458 Alcoholic Beverage Commission

GOAL:	1	Promote the Health, Safety, and Welfare of the Public	Statewide Goal/Benchmark:	5	26
OBJECTIVE:	1	Detect/Prevent Law Violations	Service Categories:		
STRATEGY:	1	Enforcement	Service: 34	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
SUBTOTAL, MOF (OTHER FUNDS)		\$367,456	\$89,270	\$5,000	\$5,000	\$5,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$25,619,543	\$24,993,221
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$20,053,904	\$24,440,962	\$25,215,711	\$25,619,543	\$24,993,221
FULL TIME EQUIVALENT POSITIONS:		254.5	265.9	293.9	293.9	293.9

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Alcoholic Beverage Code directs the commission to protect the public health and safety, through the consistent, fair and timely administration of the Code. TABC 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. This strategy directs and funds the administrative and criminal law enforcement activities needed to fulfill these mandates.

The commission seeks to protect public health and safety and to ensure voluntary compliance by using a broad array of law enforcement and educational tools. Also included in this strategy: a Special Investigations Unit whose primary function is to conduct operations involving organized criminal activity on licensed premises; the Special Response Team which is charged with responding to natural and man-made disasters; and the Warehouse and Fleet Operations. First priority is given to public safety issues, the 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 based on past experiences with the individual licensed establishment, its history of violations and complaints, and with other licensed entities engaged in the same basic type of business.

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458 Alcoholic Beverage Commission

GOAL:	1	Promote the Health, Safety, and Welfare of the Public	Statewide Goal/Benchmark:	5	26
OBJECTIVE:	1	Detect/Prevent Law Violations	Service Categories:		
STRATEGY:	1	Enforcement	Service: 34	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

External factors influencing this strategy include alcohol consumption, public attitudes concerning alcohol abuse, population changes, the volume of local option initiatives, the health of the state's economy, and the level of legislative appropriations.

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
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458 Alcoholic Beverage Commission

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Output Measures:						
	1 Number of Applications Processed	76,174.00	85,857.00	71,484.00	85,857.00	71,484.00
KEY 2	Number of Licenses/Permits Issued	60,988.00	72,760.00	60,580.00	72,760.00	60,580.00
Efficiency Measures:						
KEY 1	Average Cost Per License/Permit Processed	55.36	52.46	63.66	52.66	64.10
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,129,518	\$3,333,905	\$3,468,790	\$3,651,042	\$3,705,116
1002	OTHER PERSONNEL COSTS	\$154,009	\$263,585	\$166,369	\$120,157	\$127,262
2001	PROFESSIONAL FEES AND SERVICES	\$51,694	\$138,214	\$107,214	\$75,392	\$75,392
2002	FUELS AND LUBRICANTS	\$860	\$1,250	\$1,250	\$1,250	\$1,250
2003	CONSUMABLE SUPPLIES	\$27,124	\$27,231	\$27,231	\$27,231	\$27,231
2004	UTILITIES	\$20,475	\$21,130	\$21,130	\$21,130	\$21,130
2005	TRAVEL	\$50,357	\$42,491	\$42,491	\$42,491	\$42,491
2006	RENT - BUILDING	\$303,201	\$317,528	\$319,852	\$239,560	\$238,999
2007	RENT - MACHINE AND OTHER	\$43,660	\$39,187	\$72,271	\$55,729	\$55,729
2009	OTHER OPERATING EXPENSE	\$392,101	\$319,632	\$321,809	\$287,188	\$287,188
5000	CAPITAL EXPENDITURES	\$15,138	\$0	\$0	\$0	\$0

3.A. Strategy Request
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458 Alcoholic Beverage Commission

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
TOTAL, OBJECT OF EXPENSE		\$4,188,137	\$4,504,153	\$4,548,407	\$4,521,170	\$4,581,788
Method of Financing:						
1	General Revenue Fund	\$4,178,476	\$4,488,987	\$4,533,407	\$4,506,170	\$4,566,788
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,178,476	\$4,488,987	\$4,533,407	\$4,506,170	\$4,566,788
Method of Financing:						
666	Appropriated Receipts	\$9,661	\$15,166	\$15,000	\$15,000	\$15,000
SUBTOTAL, MOF (OTHER FUNDS)		\$9,661	\$15,166	\$15,000	\$15,000	\$15,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$4,521,170	\$4,581,788
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,188,137	\$4,504,153	\$4,548,407	\$4,521,170	\$4,581,788
FULL TIME EQUIVALENT POSITIONS:		74.2	75.2	82.5	82.5	82.5
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. Strategy Request
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458 Alcoholic Beverage Commission

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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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 72,000 licenses and permits throughout the state and world in FY14. A thorough and accurate review of applicants by division staff ensures those eligible will receive, maintain or renew one or more of the 73 different licenses, permits and certificates.

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

Licensing staff responds to customer needs for accurate and timely information about the qualifications for the many licenses and permits as well as complicated ownership structure reporting requirements. This coupled with the many inquiries of license and permit status puts demands on division's resources.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. Strategy Request
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458 Alcoholic Beverage Commission

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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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.

The Licensing Division has continued to make innovative changes in their processes. First they evolved into district team processing with the establishment of district supervisors throughout the 5 districts of the TABC. Team processing was enhanced by the dedication to the document imaging project. All original retail applications are imaged as they are received in our local offices throughout the state allowing teams to parallel process. Renewal applications are imaged when they are issued. Imaging has also provided statewide access to the entire license/permit file by all divisions. Licensing has recently completed a comprehensive computer system upgrade which includes an on-line interface to allow for processing of license/permit renewals. During these upcoming fiscal years Licensing will face many challenges which will not only increase the demands for technology but challenge employee retention. These demands will play a major role in the division's responsibilities to increase efficiencies in maintaining its performance measures.

3.A. Strategy Request
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458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Output Measures:						
	1 Number of Persons Instructed by Auditors	79,533.00	88,766.00	55,300.00	55,300.00	55,300.00
	2 # of Wholesale and Manufacturing Reports Analyzed	55,810.00	57,000.00	58,000.00	59,000.00	60,000.00
KEY	3 Number of Audits Conducted by Field Auditors	1,641.00	1,640.00	1,500.00	1,500.00	1,500.00
	4 Inspections Conducted by Field Auditors	25,146.00	24,200.00	23,200.00	23,200.00	23,200.00
Efficiency Measures:						
KEY	1 Average Cost per Audit	298.82	362.88	415.69	435.26	439.67
	2 Average Cost per Auditor Inspection	136.12	154.05	168.36	176.29	178.08
	3 Average Cost per Person at Educational Program	6.31	6.16	10.36	10.85	10.96
	4 Average Cost per Wholesale/Manufacturing Report Analyzed	28.90	21.95	18.55	18.27	18.12
Explanatory/Input Measures:						
	1 # of Lic Locations Subject to Inspection & Other Reg Enforcement Acts	52,959.00	55,134.00	55,376.00	55,619.00	55,863.00
	2 Number of Whole/Manu Licensees/Permittees Req to Submit Report	5,763.00	5,891.00	6,022.00	6,156.00	6,293.00
	3 Number of Administrative Actions by Audit Personnel	18,798.00	14,150.00	14,150.00	14,150.00	14,150.00

3.A. Strategy Request
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458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
	4 # Admin Actions from Analyses of Wholesale/Manufacturing Tier Reports	8,618.00	9,006.00	8,990.00	9,145.00	9,300.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$4,191,245	\$4,410,466	\$4,648,763	\$4,844,579	\$4,900,267
1002	OTHER PERSONNEL COSTS	\$124,446	\$184,426	\$139,315	\$109,583	\$117,501
2001	PROFESSIONAL FEES AND SERVICES	\$86,462	\$58,638	\$43,638	\$23,772	\$23,772
2002	FUELS AND LUBRICANTS	\$10,502	\$10,560	\$10,560	\$10,560	\$10,560
2003	CONSUMABLE SUPPLIES	\$127,767	\$151,764	\$35,788	\$35,788	\$35,788
2004	UTILITIES	\$30,547	\$40,252	\$40,252	\$40,252	\$40,252
2005	TRAVEL	\$255,150	\$270,917	\$268,369	\$268,369	\$268,369
2006	RENT - BUILDING	\$351,042	\$354,105	\$356,696	\$322,285	\$322,044
2007	RENT - MACHINE AND OTHER	\$73,173	\$58,675	\$114,479	\$86,577	\$86,577
2009	OTHER OPERATING EXPENSE	\$629,954	\$577,632	\$517,447	\$679,213	\$679,213
4000	GRANTS	\$64,298	\$3,525	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$71,143	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$6,015,729	\$6,120,960	\$6,175,307	\$6,420,978	\$6,484,343
Method of Financing:						
1	General Revenue Fund	\$5,447,857	\$5,938,206	\$6,175,307	\$6,420,978	\$6,484,343

3.A. Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

GOAL: 3 Ensure Compliance with Fees & Taxes
OBJECTIVE: 1 Ensure Compliance with Alcoholic Beverage Code
STRATEGY: 1 Conduct Inspections and Monitor Compliance

Statewide Goal/Benchmark: 4 8
Service Categories:
Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$5,447,857	\$5,938,206	\$6,175,307	\$6,420,978	\$6,484,343
Method of Financing:						
555	Federal Funds					
	16.727.000 COMBATING UNDERAGE DRINK	\$299,511	\$59,639	\$0	\$0	\$0
	20.600.000 State and Community Highw	\$267,776	\$12,224	\$0	\$0	\$0
	20.616.000 National Priority Safety Programs	\$0	\$110,825	\$0	\$0	\$0
CFDA Subtotal, Fund	555	\$567,287	\$182,688	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$567,287	\$182,688	\$0	\$0	\$0
Method of Financing:						
666	Appropriated Receipts	\$585	\$66	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$585	\$66	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$6,420,978	\$6,484,343
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$6,015,729	\$6,120,960	\$6,175,307	\$6,420,978	\$6,484,343
FULL TIME EQUIVALENT POSITIONS:		86.7	83.9	90.4	90.4	90.4

3.A. Strategy Request
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Automated Budget and Evaluation System of Texas (ABEST)

458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The Texas Alcoholic Beverage Commission plays a role in the initial licensing process through inspections, financial, tax and permit type audits 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, Audit Staff conduct inspections, investigative audits, regulatory compliance and tax financial permit reviews in various types of audits and investigations. Also, education and prevention personnel serve as an essential agency function to improve public safety and increase compliance with the alcoholic beverage law throughout Texas communities. 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 that will increase the number of inspections, analyses or compliance activities conducted; 2) an increase in the complexity and number of investigative audits, 3) an increase in the fluid complexity of Marketing Practices issues; 4) a decline in the business climate/economy could increase more compliance administrative actions issued; 5) increased public awareness of drinking patterns/abuse may affect alcoholic beverage sales and excise tax payments received; and 6) any legislative changes that add or reduce program administration. 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; recruitment and retention of qualified personnel and employee knowledge, skills, and ability levels. The quality of the programs offered by the agency and the accessibility of targeted audiences is also an important factor.

3.A. Strategy Request
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458 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:	17	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Output Measures:						
KEY 1	Number of Alcoholic Beverage Containers Stamped	1,103,155.00	1,171,992.00	1,255,235.00	1,260,271.00	1,260,331.00
KEY 2	Number of Cigarette Packages Stamped	421,770.00	417,274.00	440,150.00	401,997.00	364,788.00
Efficiency Measures:						
1	Average Cost Per Alcoholic Beverage Container/Cigarette Package	3.14	3.45	3.07	3.19	3.29
Explanatory/Input Measures:						
1	# Alcoholic Beverage Containers Disallowed	7,715.00	3,985.00	4,000.00	4,000.00	4,000.00
2	Number of Cigarette Packages Disallowed	13,573.00	21,913.00	1,900.00	1,900.00	1,900.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,525,766	\$3,845,582	\$4,007,531	\$4,248,714	\$4,286,527
1002	OTHER PERSONNEL COSTS	\$170,286	\$162,421	\$152,076	\$121,808	\$130,307
2001	PROFESSIONAL FEES AND SERVICES	\$146,391	\$65,382	\$45,382	\$24,060	\$24,060
2002	FUELS AND LUBRICANTS	\$6,124	\$10,000	\$10,000	\$10,000	\$10,000
2003	CONSUMABLE SUPPLIES	\$64,512	\$44,750	\$44,750	\$44,750	\$44,750
2004	UTILITIES	\$52,231	\$55,460	\$55,460	\$55,460	\$55,460
2005	TRAVEL	\$75,578	\$78,992	\$78,992	\$78,992	\$78,992
2006	RENT - BUILDING	\$206,497	\$207,658	\$229,471	\$209,647	\$209,647

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458 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: 17	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
2007	RENT - MACHINE AND OTHER	\$16,163	\$21,876	\$35,827	\$28,851	\$28,851
2009	OTHER OPERATING EXPENSE	\$481,741	\$1,062,636	\$574,526	\$491,812	\$491,812
5000	CAPITAL EXPENDITURES	\$13,279	\$25,000	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$4,758,568	\$5,579,757	\$5,234,015	\$5,314,094	\$5,360,406
Method of Financing:						
1	General Revenue Fund	\$4,476,412	\$5,579,757	\$5,234,015	\$5,314,094	\$5,360,406
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,476,412	\$5,579,757	\$5,234,015	\$5,314,094	\$5,360,406
Method of Financing:						
555	Federal Funds					
	16.738.000 Justice Assistance Grant	\$282,156	\$0	\$0	\$0	\$0
CFDA Subtotal, Fund	555	\$282,156	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$282,156	\$0	\$0	\$0	\$0

3.A. Strategy Request
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458 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: 17	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,314,094	\$5,360,406
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,758,568	\$5,579,757	\$5,234,015	\$5,314,094	\$5,360,406
FULL TIME EQUIVALENT POSITIONS:		102.2	101.6	119.0	119.0	119.0

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 to serve as a revenue tax collection and regulatory function.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

This strategy is affected by numerous external factors outside the agency's control, such as: (1) economic conditions in both the United States and Mexico, especially those affecting currency valuations, (2) higher fuel/gas prices limiting travel by vehicle into Mexico, (3) reduced travel to Mexico due to the public's safety concerns and fear of crime and violence along the border in Mexico, (4) weather issues such as hurricanes and fog along the Gulf of Mexico affecting the seaports, (5) increased expenses associated with building leases and existing port maintenance and modernization as well as safety improvements of port facilities, (6) Texas unemployment rate and strong private job market, making it challenging in recruiting and retaining employees to perform the job function, and (7) facility renovations, new port constructions, and operational changes to port facilities made by Customs and Border Protection (CBP) and the General Services Administration (GSA).

3.A. Strategy Request
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Automated Budget and Evaluation System of Texas (ABEST)

458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,446,682	\$1,739,523	\$1,818,631	\$1,857,336	\$1,857,336
1002	OTHER PERSONNEL COSTS	\$49,386	\$39,250	\$41,333	\$31,560	\$34,015
2001	PROFESSIONAL FEES AND SERVICES	\$12,416	\$14,476	\$14,476	\$8,316	\$8,316
2002	FUELS AND LUBRICANTS	\$2,942	\$3,945	\$3,945	\$3,945	\$3,945
2003	CONSUMABLE SUPPLIES	\$12,645	\$20,832	\$20,832	\$20,832	\$20,832
2004	UTILITIES	\$5,846	\$8,470	\$8,470	\$8,470	\$8,470
2005	TRAVEL	\$34,246	\$27,558	\$27,558	\$27,558	\$27,558
2006	RENT - BUILDING	\$192,740	\$183,803	\$184,606	\$178,324	\$178,324
2007	RENT - MACHINE AND OTHER	\$20,950	\$20,333	\$30,697	\$25,515	\$25,515
2009	OTHER OPERATING EXPENSE	\$145,724	\$449,794	\$441,719	\$159,551	\$159,551
5000	CAPITAL EXPENDITURES	\$3,716	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$1,927,293	\$2,507,984	\$2,592,267	\$2,321,407	\$2,323,862
Method of Financing:						
1	General Revenue Fund	\$1,923,845	\$2,505,703	\$2,592,267	\$2,321,407	\$2,323,862
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,923,845	\$2,505,703	\$2,592,267	\$2,321,407	\$2,323,862

3.A. Strategy Request
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458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Method of Financing:						
666	Appropriated Receipts	\$3,448	\$2,281	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$3,448	\$2,281	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,321,407	\$2,323,862
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,927,293	\$2,507,984	\$2,592,267	\$2,321,407	\$2,323,862
FULL TIME EQUIVALENT POSITIONS:		24.2	28.3	30.5	30.5	30.5
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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Central Administration includes the Executive, General Counsel, Public Information, Research and Planning, Human Resources, and Finance 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 Executive Director and Board Members involving agency policy and operations.

The Human Resources Division manages employment-related activities, including recruitment, selection, benefits and compensation, employee relations, classification, risk management, and implementation of the agency's equal employment opportunity program.

The Fiscal Services Department manages the areas of payroll, accounting, budgeting, time and leave, records retention and revenue processing for the agency. The Research and Planning Department assists management throughout the agency with trend and market analysis.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The Central Administration Strategy is impacted by new laws, changes to the Alcoholic Beverage Code, changes to TABC Rules, 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. Internal factors include the degree of automation and IT support made available to the division for managing its various responsibilities.

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458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,043,887	\$1,052,295	\$1,158,586	\$1,194,979	\$1,207,454
1002	OTHER PERSONNEL COSTS	\$48,056	\$25,868	\$28,033	\$22,113	\$23,672
2001	PROFESSIONAL FEES AND SERVICES	\$493,202	\$685,858	\$660,495	\$642,025	\$653,151
2002	FUELS AND LUBRICANTS	\$362	\$230	\$230	\$230	\$230
2003	CONSUMABLE SUPPLIES	\$6,208	\$4,497	\$4,497	\$4,497	\$4,497
2004	UTILITIES	\$50,775	\$52,550	\$52,550	\$52,550	\$52,550
2005	TRAVEL	\$1,898	\$7,626	\$7,626	\$7,626	\$7,626
2006	RENT - BUILDING	\$107,251	\$109,414	\$109,923	\$105,503	\$105,503
2007	RENT - MACHINE AND OTHER	\$22,456	\$24,244	\$33,412	\$28,828	\$28,828
2009	OTHER OPERATING EXPENSE	\$499,339	\$604,364	\$578,716	\$553,704	\$558,702
5000	CAPITAL EXPENDITURES	\$35,036	\$10,580	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,308,470	\$2,577,526	\$2,634,068	\$2,612,055	\$2,642,213
Method of Financing:						
1	General Revenue Fund	\$2,308,470	\$2,577,526	\$2,634,068	\$2,612,055	\$2,642,213
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,308,470	\$2,577,526	\$2,634,068	\$2,612,055	\$2,642,213

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458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,612,055	\$2,642,213
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,308,470	\$2,577,526	\$2,634,068	\$2,612,055	\$2,642,213
FULL TIME EQUIVALENT POSITIONS:		19.7	18.3	22.0	22.0	22.0

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, audit and investigations, training, 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 division also has an established project management office (PMO) to manage all agency projects and the project governance process. Information resources include 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 by the Legislature, IT datacenter services requirements by DIR and the 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 knowledge, skills, and ability levels; the quality and quantity of existing hardware/software; and the quality of agency planning and leadership.

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458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$346,571	\$366,158	\$372,369	\$387,850	\$390,498
1002	OTHER PERSONNEL COSTS	\$37,797	\$15,464	\$16,437	\$12,364	\$13,346
2001	PROFESSIONAL FEES AND SERVICES	\$4,273	\$39,834	\$39,834	\$37,370	\$37,370
2002	FUELS AND LUBRICANTS	\$1,010	\$1,000	\$1,000	\$1,000	\$1,000
2003	CONSUMABLE SUPPLIES	\$3,860	\$3,720	\$3,720	\$3,720	\$3,720
2004	UTILITIES	\$1,614	\$1,990	\$1,990	\$1,990	\$1,990
2005	TRAVEL	\$1,754	\$3,494	\$3,494	\$3,494	\$3,494
2006	RENT - BUILDING	\$44,688	\$45,593	\$45,914	\$44,073	\$44,073
2007	RENT - MACHINE AND OTHER	\$7,520	\$6,834	\$11,218	\$9,026	\$9,026
2009	OTHER OPERATING EXPENSE	\$22,986	\$75,497	\$58,931	\$51,056	\$51,056
5000	CAPITAL EXPENDITURES	\$11,672	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$483,745	\$559,584	\$554,907	\$551,943	\$555,573
Method of Financing:						
1	General Revenue Fund	\$482,642	\$559,273	\$554,907	\$551,943	\$555,573
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$482,642	\$559,273	\$554,907	\$551,943	\$555,573

3.A. Strategy Request
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458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Method of Financing:						
666	Appropriated Receipts	\$1,103	\$311	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$1,103	\$311	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$551,943	\$555,573
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$483,745	\$559,584	\$554,907	\$551,943	\$555,573
FULL TIME EQUIVALENT POSITIONS:		8.7	7.5	8.5	8.5	8.5
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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458 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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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 purchasing, mail operations, contract management, asset management, 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 purchasing, contract management, 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 the degree of automation and IT support made available to the division for managing its mail operations, purchasing program and fixed asset tracking systems.

3.A. Strategy Request
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SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$39,735,846	\$46,290,926	\$46,954,682	\$47,361,190	\$46,941,406
METHODS OF FINANCE (INCLUDING RIDERS):				\$47,361,190	\$46,941,406
METHODS OF FINANCE (EXCLUDING RIDERS):	\$39,735,846	\$46,290,926	\$46,954,682	\$47,361,190	\$46,941,406
FULL TIME EQUIVALENT POSITIONS:	570.2	580.7	646.8	646.8	646.8

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Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Shelby Eskew	Date: August 11, 2014	Request Level: Base Request
Current Rider Number	Page Number in 2014–15 GAA	Proposed Rider Language		

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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 designated key performance target levels associated with each item of appropriation.

	<u>2014</u>	<u>2016</u>	<u>2015</u>	<u>2017</u>
A. Goal: REGULATE DISTRIBUTION				
Outcome (Results/Impact):				
Percentage of Licensed Establishments Inspected Annually Data	80%	<u>80%</u>	80%	<u>80%</u>
A.1.1. Strategy: ENFORCEMENT				
Output (Volume):				
Number of Inspections Conducted by Enforcement Agents	75,200	<u>80,000</u>	75,200	<u>80,000</u>
Efficiencies:				
Average Cost Per Enforcement Inspection	\$308.92	<u>\$313.69</u>	\$298.34	<u>\$306.02</u>
B. Goal: LICENSING AND INVESTIGATION				
Outcome (Results/Impact):				
Average NUMBER OF Days to Approve an Original Primary License/Permit	44	<u>40</u>	42	<u>40</u>
B.1.1. Strategy: LICENSING AND INVESTIGATION				
Output (Volume):				
Number of License/Permits Issued	72,517	<u>72,760</u>	61,396	<u>60,580</u>
Efficiencies:				
Average Cost Per License/Permit Issued	\$58.20	<u>\$52.66</u>	\$69.40	<u>\$64.10</u>
C. Goal: COLLECT FEES AND TAXES				
Outcome (Results/Impact):				
The Percent of Audits and Analysis found to be in Full Compliance	80%	<u>80%</u>	80%	<u>80%</u>
C.1.1. Strategy: COMPLIANCE MONITORING				
Output (Volume):				
Number of Audits and Other Analyses Conducted by Field Auditors	1,450	<u>1,500</u>	1,450	<u>1,500</u>
Efficiencies:				
Average Cost of Audits and Analyses Conducted	\$373.48	<u>\$435.26</u>	\$378.94	<u>\$439.67</u>
C.2.1. Strategy: PORTS OF ENTRY				
Output (Volume):				
Number of Alcoholic Beverage Containers Stamped	1,541,293	<u>1,260,271</u>	1,541,293	<u>1,260,331</u>
Number of Cigarette Packages Stamped	673,300	<u>401,997</u>	673,300	<u>364,788</u>

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 provision of Government Code §1232.103.

	2014	2016	2015	2017
a. Acquisition of Information Resource Technologies				
(1) Agencywide PC Replacements and Mobile Data Computers – Leased	\$ 446,890	\$ 446,890	\$ 446,890	\$ 446,890
(2) Hardware/Software Acquisitions	422,148	422,148	427,148	427,148
(3) Ports of Entry Equipment Replacement	201,865	0	0	0
Total, Acquisition of Information Resource Technologies	\$1,070,913	\$869,038	\$874,038	\$874,038
b. Transportation Items				
(1) Fleet Acquisition – Replacement Vehicles	\$837,225	\$837,225	\$699,525	\$699,525
c. Acquisition of Capital Equipment and Items				
(1) Public Safety Equipment – Replacement	\$1,083,512	\$1,083,512	\$179,419	\$179,419
d. Data Center Consolidation				
(1) Data Center Consolidation	\$595,396	\$600,525	\$584,331	\$611,651
Total, Capital Budget	\$3,587,036	\$3,390,300	\$2,337,313	\$2,364,633
Method of Financing (Capital Budget):				
General Revenue Fund	\$3,587,036	\$3,390,300	\$2,337,313	\$2,364,633
Total, Method of Financing	\$3,587,036	\$3,390,300	\$2,337,313	\$2,364,633

9

V-4

Appropriation Transfers Between Fiscal Years – Gasoline Contingency. In addition to the transfer authority provided elsewhere in this Act, the Alcoholic Beverage Commission may transfer appropriations for fiscal year ~~2015~~ 2017 to fiscal year ~~2014~~ 2016, subject to the following conditions provided by this section:

- a. Transfers 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 ~~2014~~ 2016 exceeds \$3.96 per gallon;
- b. A request to transfer appropriations for fiscal year ~~2015~~ 2017 to fiscal year ~~2014~~ 2016 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 \$3.96 per gallon during the first six months of fiscal year ~~2014~~ 2016; and
- 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.

10

V-4

Appropriation: Seized Assets. All funds received under Chapter 59, Code of Criminal Procedure, and Chapter 71, Property Code, by the Alcoholic Beverage Commission are hereby appropriated above in Strategy A.1.1, Enforcement, to be used for law enforcement purposes. Any funds unexpended at the close of each fiscal year are appropriated for the following year (fiscal year ~~2013~~ 2015 unexpended balance estimated to be \$0).

11

V-4

Clothing Provisions.

- a. A commissioned officer who received a \$1,200 clothing allowance pursuant to the General Appropriations Act during the ~~2012-2013~~ 2014-15 biennium shall receive a \$1,200 clothing Allowance in the ~~2014-15~~ 2016-17 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.~~

Texas Wine Marketing Assistance Program. Included in the amounts appropriated above in Strategy ~~D.1.1, Central Administration~~ C.1.1, Compliance Monitoring is \$250,000 in fiscal year ~~2014~~ 2016 and \$250,000 in fiscal year ~~2015~~ 2017 out of the General Revenue Fund for the Texas Wine Marketing Assistance Program. The Texas Alcoholic Beverage Commission shall transfer these funds via inter-agency contract to the Department of Agriculture pursuant to §5.56, Alcoholic Beverage Code.

3.B. Rider Revisions and Additions Request

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Shelby Eskew	Date: August 11, 2014	Request Level: Exceptional Item Request
Current Rider Number	Page Number in 2014–15 GAA	Proposed Rider Language		

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

1

V-2

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 designated key performance target levels associated with each item of appropriation.

	<u>2014</u>	<u>2016</u>	<u>2015</u>	<u>2017</u>
A. Goal: REGULATE DISTRIBUTION				
Outcome (Results/Impact):				
Percentage of Licensed Establishments Inspected Annually Data	80%	<u>87.01%</u>	80%	<u>87.01%</u>
A.1.1. Strategy: ENFORCEMENT				
Output (Volume):				
Number of Inspections Conducted by Enforcement Agents	75,200	<u>87,304</u>	75,200	<u>87,304</u>
Efficiencies:				
Average Cost Per Enforcement Inspection	\$308.92	<u>\$321.86</u>	\$298.34	<u>\$316.20</u>
B. Goal: LICENSING AND INVESTIGATION				
Outcome (Results/Impact):				
Average NUMBER OF Days to Approve an Original Primary License/Permit	44	<u>40</u>	42	<u>40</u>
B.1.1. Strategy: LICENSING AND INVESTIGATION				
Output (Volume):				
Number of License/Permits Issued	72,517	<u>72,760</u>	61,396	<u>60,580</u>
Efficiencies:				
Average Cost Per License/Permit Issued	\$58.20	<u>\$58.60</u>	\$69.40	<u>71.29</u>
C. Goal: COLLECT FEES AND TAXES				
Outcome (Results/Impact):				
The Percent of Audits and Analysis found to be in Full Compliance	80%	<u>81.33%</u>	80%	<u>81.33%</u>
C.1.1. Strategy: COMPLIANCE MONITORING				
Output (Volume):				
Number of Audits and Other Analyses Conducted by Field Auditors	1,450	<u>1,568</u>	1,450	<u>1,568</u>
Efficiencies:				
Average Cost of Audits and Analyses Conducted	\$373.48	<u>\$474.52</u>	\$378.94	<u>\$484.82</u>
C.2.1. Strategy: PORTS OF ENTRY				
Output (Volume):				
Number of Alcoholic Beverage Containers Stamped	1,541,293	<u>1,323,283</u>	1,541,293	<u>1,323,349</u>
Number of Cigarette Packages Stamped	673,300	<u>422,097</u>	673,300	<u>383,028</u>

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

2

V-3

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 provision of Government Code §1232.103.

	2014	2016	2015	2017
a. Acquisition of Information Resource Technologies				
(1) Agencywide PC Replacements and Mobile Data Computers – Leased	\$ 446,890	\$ 457,465	\$ 446,890	\$ 457,465
(2) Hardware/Software Acquisitions	422,148	510,752	427,148	545,752
(3) Ports of Entry Equipment Replacement	<u>201,865</u>	0	0	0
(4) IT Enhancements		642,000		237,000
Total, Acquisition of Information Resource Technologies	<u>\$1,070,913</u>	<u>\$1,610,217</u>	<u>\$874,038</u>	<u>\$1,240,217</u>
b. Transportation Items				
(1) Fleet Acquisition – Replacement Vehicles	\$837,225	<u>\$1,365,225</u>	\$699,525	<u>\$939,525</u>
c. Acquisition of Capital Equipment and Items				
(1) Public Safety Equipment – Replacement	\$1,083,512	<u>\$1,720,634</u>	\$179,419	<u>\$1,198,169</u>
d. Data Center Consolidation				
(1) Data Center Consolidation	\$595,396	<u>\$600,525</u>	\$584,331	<u>\$611,651</u>
Total, Capital Budget	<u>\$3,587,036</u>	<u>\$5,296,601</u>	<u>\$2,337,313</u>	<u>\$3,989,562</u>
Method of Financing (Capital Budget):				
General Revenue Fund	\$3,587,036	<u>\$5,296,601</u>	\$2,337,313	<u>\$3,989,562</u>
Total, Method of Financing	<u>\$3,587,036</u>	<u>\$5,296,601</u>	<u>\$2,337,313</u>	<u>\$3,989,562</u>

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

NEW **Contingency Appropriation-Wine Related Revenue.** Pursuant to 205.03, the Alcoholic Beverage Code Authorizes funding to institutions of higher education for viticulture. This section of the code is due to expire September 1, 2015, however if the Eighty-fourth Legislature, Regular Session extends the funding, additional funding will be appropriated to the to the Texas Alcoholic Beverage Commission in the amount necessary to cover the transfer to other entities for each year of the biennium. Section 205.03 of the alcoholic Beverage Code authorizes up to \$495,000 in General Revenue in fiscal year 2016 and 2017.

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4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458** Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION		Excp 2016	Excp 2017
	Item Name:	Career Ladder/Retention 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		1,749,561	1,753,671
	TOTAL, OBJECT OF EXPENSE		\$1,749,561	\$1,753,671
METHOD OF FINANCING:				
1	General Revenue Fund		1,749,561	1,753,671
	TOTAL, METHOD OF FINANCING		\$1,749,561	\$1,753,671

DESCRIPTION / JUSTIFICATION:

TABC is seeking funding to proactively address turnover and retention of non-supervisory positions by providing pay increases for Schedule A and B staff, continuing the agency's initiative to attract and retain quality employees.

TABC faces significant challenges in hiring and retaining personnel. TABC's civilian employees are paid on average 14% less than employees in comparable positions at other agencies. In some state job classifications, they are paid as much as 20% less. When TABC fills a position, the slow pace of pay raises and lack of funding for step promotions within each classification tier severely hinders retention. Over 27% of employees have less than 5 years of experience with TABC. We are limited in our ability to reward skilled employees with merit increases due to funding limitations within our current appropriations.

TABC's lower salary rates also hinder recruitment efforts. Over the past few years, the agency has received nearly 500 applications for License and Permit Specialist positions. Of that number, only 3-4% are deemed qualified and ultimately hired. Only 1% remain with the TABC past 2 years. Over the course of the next 5 years, 25% of the agency's current workforce is eligible for retirement. The agency's success relies on being able to hire and retain skilled and professional employees. These factors, coupled with the higher qualifications required to understand and apply the Alcoholic Beverage Code, leave TABC in a difficult situation. Due to low pay levels, the agency often fails to receive a sufficient pool of qualified applicants to proceed to interviews.

The agency has a unique challenge in that §5.05 of the Alcoholic Beverage Code prohibits employees, spouses/dependent children from working at any licensed location

4.A. Exceptional Item Request Schedule
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Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE DESCRIPTION

Excp 2016

Excp 2017

including restaurants, grocery stores, and convenience stores, closing off a potential source of household income.

EXTERNAL/INTERNAL FACTORS:

1. The legislatively-mandated salary increases to employees in the C salary schedule for both FY 14 and FY 15 caused wage inequity within TABC.
2. TABC's civilian salary rates are non-competitive with similar positions at other state agencies.
3. Alcoholic Beverage Code restrictions on TABC employees and family members finding supplemental employment.
4. Retirement eligibility of current workforce.
5. Lack of tenured employees available to train new employees.

4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458** Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION		Excp 2016	Excp 2017
	Item Name:	Facility Lease Increases		
	Item Priority:	2		
	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:				
2006	RENT - BUILDING		317,833	354,640
	TOTAL, OBJECT OF EXPENSE		\$317,833	\$354,640
METHOD OF FINANCING:				
1	General Revenue Fund		317,833	354,640
	TOTAL, METHOD OF FINANCING		\$317,833	\$354,640

DESCRIPTION / JUSTIFICATION:

TABC's appropriated funds have fallen short of fully covering agency operating expenses for the past three legislative sessions. In addition to our headquarters facility in Austin, the agency has field offices located across the state, including five District Offices in Lubbock, Arlington, Houston, Austin and San Antonio; nineteen Area Offices in Amarillo, Odessa, Abilene, Wichita Falls, McKinney, Longview, Waco, Belton, Bryan, Conroe, Richmond, Brazoria, Georgetown, San Marcos, New Braunfels, Victoria, Corpus Christi, McAllen, and El Paso; and thirteen Outposts in San Angelo, Denton, Lufkin, Huntsville, Beaumont, Dickinson, Wharton, Llano, Fort Davis, Uvalde, Hondo, Laredo, and Cameron. The agency also operates thirty permanent and temporary facilities for the collection of personal importation taxes on alcohol and cigarettes at the land ports of entry from Mexico and seaports at Galveston. The agency has developed excellent relationships with many local law enforcement organizations across the state and therefore we are fortunate to house many of our field offices within their facilities, free of charge. However, all of our District Offices, many of our Area Offices, and our ports of entry facilities located at Rio Grande bridges (both private and federally owned) are all leased and require the payment of rent and utilities. These rent expenses have been gradually increasing over the past four to six years, with no corresponding increase in rent appropriations. This is especially true in the economically booming areas of the state, including the oil patches and high-growth metro areas. If this funding is not received, approximately seven public safety and support positions will be held vacant to fund these unbudgeted operating cost increases. This exceptional item will continue existing programs.

EXTERNAL/INTERNAL FACTORS:

Lease costs are driven by economic conditions and other factors outside of the direct control of the agency.

4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION	Excp 2016	Excp 2017
<p style="text-align: center;">Item Name: Fuel Cost Increases Item Priority: 3 Includes Funding for the Following Strategy or Strategies: 01-01-01 Enforcement</p>			
OBJECTS OF EXPENSE:			
2002	FUELS AND LUBRICANTS	196,342	196,342
TOTAL, OBJECT OF EXPENSE		\$196,342	\$196,342
METHOD OF FINANCING:			
1	General Revenue Fund	196,342	196,342
TOTAL, METHOD OF FINANCING		\$196,342	\$196,342

DESCRIPTION / JUSTIFICATION:

The agency is requesting additional funds to offset the increase in fuel costs over the last six years. Our agents enforce the Alcoholic Beverage Code in the state's 48,000 licensed locations across the 268,820 square miles of Texas. Without fuel for their vehicles, it is very difficult to meet the mission and vision of the agency. Increasing fuel costs make it more difficult for personnel to get to the licensed locations and provide the regulatory presence which drives voluntary compliance by licensees. Without voluntary compliance, a breakdown of the entire regulatory structure could ensue. Over the course of the past six years, the price of fuel has increased significantly. Although the agency received a small increase in fuel appropriations during the 83rd Legislative Session, it wasn't enough to cover the estimated cost budgeted for the FY16-17 biennium. If this funding is not received, approximately four public safety and support positions will be held vacant to fund these unbudgeted operating cost increases. This exceptional item will continue existing programs.

EXTERNAL/INTERNAL FACTORS:

Fuel costs are driven by economic conditions and other factors outside of the direct control of the agency.

4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION		Excp 2016	Excp 2017
	Item Name:	Public Safety Programs		
	Item Priority:	4		
	Includes Funding for the Following Strategy or Strategies:	01-01-01 Enforcement		
		03-01-01 Conduct Inspections and Monitor Compliance		
OBJECTS OF EXPENSE:				
1001	SALARIES AND WAGES		1,385,476	1,464,500
1002	OTHER PERSONNEL COSTS		0	1,440
2001	PROFESSIONAL FEES AND SERVICES		2,112	2,112
2002	FUELS AND LUBRICANTS		45,360	45,360
2003	CONSUMABLE SUPPLIES		8,000	8,000
2004	UTILITIES		13,200	9,600
2005	TRAVEL		40,000	40,000
2007	RENT - MACHINE AND OTHER		9,435	9,435
2009	OTHER OPERATING EXPENSE		77,459	28,880
5000	CAPITAL EXPENDITURES		414,576	0
TOTAL, OBJECT OF EXPENSE			\$1,995,618	\$1,609,327
METHOD OF FINANCING:				
1	General Revenue Fund		1,995,618	1,609,327
TOTAL, METHOD OF FINANCING			\$1,995,618	\$1,609,327
FULL-TIME EQUIVALENT POSITIONS (FTE):			16.00	16.00

DESCRIPTION / JUSTIFICATION:

TABC has undergone significant changes in order to better fight organized crime in licensed locations. Partnering with federal, state and local law enforcement, TABC has increased efforts in accordance with new performance measures dealing with organized crime. The agency piloted a new Special Investigations Unit (SIU) and Financial Crimes Unit (FCU) for this purpose; however, the original scope was limited by available resources. Twelve enforcement agents were moved to develop the SIU, and 4 auditors to the new FCU for complex financial investigations.

The SIU and FCU are receiving more requests for help with crime related to licensed entities, including human trafficking, drug trafficking, Lone Star Card fraud, money laundering, etc. Based on the pilot's success, TABC will make the position transfers permanent. TABC is requesting 1 Sergeant and 5 Agents to replace reassigned Enforcement Agents needed to conduct inspections at licensed locations, respond to complaints, conduct undercover operations and minor stings. Similarly, TABC is requesting 4 auditors to replace positions moved to FCU. Auditors perform inspections and audits to ensure compliance and proper payment of taxes. They investigate protests, cash/credit law violations, subterfuge ownership, and marketing violations. Auditors perform inspections before new permits are issued.

The agency is requesting an additional Sergeant and 5 Agents for SIU. The Sergeant will help supervise undercover operations in remote areas of the state, enabling SIU to

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Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION	Excp 2016	Excp 2017
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run more undercover operations and finish more investigations. Two of the agents would be placed in areas along the border and West Texas not covered by SIU, and three placed in metro areas to assist the SIU Agents working alone. These additional positions will also prevent SIU from using Enforcement Agents to supervise or provide support during SIU operations, which delays routine agency operations.

This exceptional item will continue existing programs.

EXTERNAL/INTERNAL FACTORS:

External factors that will affect this strategy are:

1. A robust Texas economy coupled with a steady increase in population results in more permits and licenses being issued which in turn requires an increase in enforcement activities related to the number of inspections and complaint driven investigations.
2. An economy that is becoming more global with out of state corporate ownership results in an increase in the number and complexity of investigative audits involving subterfuge and three tier related violations.
3. A downturn in the Texas economy may increase the number of administrative actions due to regulatory and public safety violations as existing businesses compete for a shrinking market share.
4. Legislative changes that affect agency operations.

Internal Factors that will affect this strategy are:

1. Staffing levels and staff allocations.
2. The agency's recruitment and retention plans to attract and retain qualified agents with the required skill sets.
3. The ability to offer competitive compensation that includes a career path.
4. The ability to secure grant funding which pays for public safety equipment, specialized training, certification costs, and education initiatives.
5. The quality and quantity of programs and initiatives in place for public and industry education will affect the agency's success in promoting the responsible sale, service, and consumption of alcoholic beverages.

4.A. Exceptional Item Request Schedule
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Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION	Excp 2016	Excp 2017
<p style="text-align: right;">Item Name: Public Safety Equipment - Radios</p> <p style="text-align: right;">Item Priority: 5</p> <p>Includes Funding for the Following Strategy or Strategies: 01-01-01 Enforcement</p>			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	470,382	1,018,750
TOTAL, OBJECT OF EXPENSE		\$470,382	\$1,018,750
METHOD OF FINANCING:			
1	General Revenue Fund	470,382	1,018,750
TOTAL, METHOD OF FINANCING		\$470,382	\$1,018,750

DESCRIPTION / JUSTIFICATION:

The Federal Communications Commission (FCC) sets timeframes and deadlines for requirements regarding narrow banding and radio frequencies. Each of TABC's commissioned peace officers is required to have a radio which is interoperable with the law enforcement agencies within their area. In order for our agency to meet these mandated requirements, we need to replace currently non-compliant radios used by our law enforcement officers. The agency continues to utilize outdated radios that use programming software that cannot be updated or replaced nor adapted to adhere to FCC requirements for radio communications usage.

The agency has been gradually migrating from our old legacy broadband mobile radios to modern narrowband APEX radios (both mobile and handheld) over the past several years, as capital budget appropriations have been approved. In order to meet standardization requirements set forth by the FCC, we are requesting funding to purchase 183 Mobile APX Radios and 125 Portable APX law enforcement radios. The procurement of this public safety equipment needs to be completed during the next biennium in order to ensure that our commissioned peace officers can call for assistance from local law enforcement agencies or respond to calls for assistance as needed. Without this communication, law enforcement officers lives are at risk. This exceptional item will continue existing programs.

EXTERNAL/INTERNAL FACTORS:

The external factor affecting this item is the Federal Communications Commission (FCC) who sets radio communication standards.

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Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION	Excp 2016	Excp 2017
<p style="text-align: right;">Item Name: Public Safety Equipment - Vehicles</p> <p style="text-align: right;">Item Priority: 6</p> <p>Includes Funding for the Following Strategy or Strategies: 01-01-01 Enforcement</p>			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	240,000	240,000
TOTAL, OBJECT OF EXPENSE		\$240,000	\$240,000
METHOD OF FINANCING:			
1	General Revenue Fund	240,000	240,000
TOTAL, METHOD OF FINANCING		\$240,000	\$240,000

DESCRIPTION / JUSTIFICATION:

This exceptional item seeks to continue existing programs by increasing the fleet procurement appropriations and replacing vehicles at 100,000 miles for safety and efficiency purposes.

TABC operates a fleet of vehicles that includes law enforcement vehicles assigned to our commissioned peace officers. Our baseline appropriation includes a capital budget item for the procurement of approximately 68 vehicles over the biennium. At the current rate of refresh, we are forced to run each of the vehicles in our fleet to approximately 120,000 miles prior to replacement. The standard established by the Comptroller of Public Accounts is for vehicles to be replaced at the 100,000 miles or seven years. Data has shown that as vehicle mileage increases so does the costs associated with operating the vehicle. A younger fleet translates into reduced maintenance costs, better fuel efficiency, and most importantly, less mission down-time for agents during repair and maintenance periods. Increasing our fleet procurement appropriation over the biennium by 20 vehicles will drop our replacement age from approximately 120,000 miles down to 100,000 miles over time.

EXTERNAL/INTERNAL FACTORS:

The agency currently replaces vehicles at 120,000 miles up from a replacement cycle of 7 years or 100,000 miles. This has resulted in an aging fleet. Beginning next biennium, the agency would like to return to replacing vehicles at 100,000 miles for safety and efficiency purposes. Data has shown that as vehicle mileage increases so does the costs associated with operating the vehicle. Data has shown that our vehicles with over 100,000 miles tend to get lower gas mileage and have increased repair costs.

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION		Excp 2016	Excp 2017
	Item Name:	Information Technology Improvements		
	Item Priority:	7		
	Includes Funding for the Following Strategy or Strategies:	03-01-01 Conduct Inspections and Monitor Compliance		
		04-01-02 Information Resources		
OBJECTS OF EXPENSE:				
2001	PROFESSIONAL FEES AND SERVICES		642,000	237,000
2009	OTHER OPERATING EXPENSE		30,000	65,000
5000	CAPITAL EXPENDITURES		50,000	50,000
TOTAL, OBJECT OF EXPENSE			\$722,000	\$352,000
METHOD OF FINANCING:				
1	General Revenue Fund		722,000	352,000
TOTAL, METHOD OF FINANCING			\$722,000	\$352,000

DESCRIPTION / JUSTIFICATION:

This exceptional item includes two projects that will improve security and will automate existing systems and require contracted professional services for information technology.

TABC maintains confidential data including personally identifiable information, legal data, corporate data, sales data, etc. TABC is the custodian of this data and must prevent unauthorized access/intrusion/use. As part of DIR's statewide Enterprise Security Program, TABC engaged Gartner in 2013 to evaluate the agency's IT Security Program, requirements, and current capabilities against industry leading practices. This funding request is in support of a portion of Gartner's recommendations for enhancing the TABC IT security program and addressing the identified strategic gaps. Without funding for this initiative, TABC's risk exposure to cybersecurity threats increases significantly.

The second project would provide an automated system to process approximately 36,000 Excise Tax reports manually analyzed each year. Reports are filed monthly and analysis takes approximately one month. The alcoholic beverage industry has requested the function be automated, as it is one of the final remaining paper-based processes for those businesses. Currently, they must print and ship hardcopy documentation of invoices and sales each month.

Excise Tax Automation would update the manually-intensive processes used to review, reconcile and audit the reports and tax filings provided by industry members, allowing the agency to use its resources more efficiently. Instead of submitting reports and invoices by mail, permittees would be able to submit required information electronically.

The agency currently collects over \$200 million per year in excise taxes for the state's treasury. With alcohol sales volumes growing, this automation is necessary to keep up with that growth without increasing staff.

4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE DESCRIPTION

Excp 2016

Excp 2017

EXTERNAL/INTERNAL FACTORS:

The external factor affecting this strategy is the volume of alcoholic beverage sales between businesses in the alcoholic beverage industry and is growing at a pace faster than the existing staff can manually inspect the documentation.

4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION			Excp 2016	Excp 2017
		Item Name:	Centralized Accounting and Payroll/Personnel System (CAPPS) Implementation		
		Item Priority:	8		
	Includes Funding for the Following Strategy or Strategies:	04-01-01	Central Administration		
OBJECTS OF EXPENSE:					
1001	SALARIES AND WAGES			65,000	65,000
2001	PROFESSIONAL FEES AND SERVICES			35,000	51,000
2004	UTILITIES			2,160	2,160
2005	TRAVEL			0	10,310
2007	RENT - MACHINE AND OTHER			1,140	1,140
2009	OTHER OPERATING EXPENSE			2,667	2,667
TOTAL, OBJECT OF EXPENSE				\$105,967	\$132,277
METHOD OF FINANCING:					
1	General Revenue Fund			105,967	132,277
TOTAL, METHOD OF FINANCING				\$105,967	\$132,277
FULL-TIME EQUIVALENT POSITIONS (FTE):				1.00	1.00

DESCRIPTION / JUSTIFICATION:

This exceptional item will support a current initiative mandated by the Comptroller of Public Accounts.

Pursuant to Government Code, Section 2101.036, the Comptroller of Public Accounts will identify state agencies to transition to the Centralized Accounting and Payroll Personnel System (CAPPS), formerly known as ProjectONE. During this migration, several of our staff members in critical skill areas (payroll, human resources, and information technology) will be required to work extensively on the configuration and testing of the CAPPS system to support TABC systems and processes. Due to the agency's small amount of FTEs in these areas, the employees identified as subject matter experts are also needed to operate daily functions in these business environments. The agency has been notified it will move to CAPPS in two stages, the financial module in September 2016 and the human resource module in September 2017. This funding includes contract employees needed to back fill one full time accountant and one part time human resource specialist as the agency subject matter experts will invest time in working on the conversion. Also included is one FTE to serve as a project manager to steer the conversion project and will serve the agency as a CAPPS expert post implementation.

EXTERNAL/INTERNAL FACTORS:

The Comptroller of Public Accounts determines the implementation schedule for the agency to transition to CAPPS and requires use of the agency's subject matter experts in the fields of accounting, finance, purchasing and human resources.

4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION		Excp 2016	Excp 2017
	Item Name:	Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination		
	Item Priority:	9		
	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		280,290	300,019
	TOTAL, OBJECT OF EXPENSE		\$280,290	\$300,019
METHOD OF FINANCING:				
1	General Revenue Fund		280,290	300,019
	TOTAL, METHOD OF FINANCING		\$280,290	\$300,019

DESCRIPTION / JUSTIFICATION:

Several factors have increased TABC's operating expenses in the special pay categories of longevity, hazardous duty and lump sum upon termination. Many of our more tenured employees have reached or are near their eligible retirement dates. Over the course of the next 5 years, 25% of the agency's current workforce is eligible for retirement. If they choose to remain with the agency, these tenured employees' monthly longevity and hazardous duty pay amount can be quite large. If they choose to retire from the agency and they have accrued significant vacation leave balances, those balances must be paid out in cash disbursements from our operating budget. If this funding is not received, approximately six public safety and support positions will be held vacant to fund these unbudgeted operating cost increases. This exceptional item seeks to continue existing programs.

EXTERNAL/INTERNAL FACTORS:

The external factors that will affect this strategy include the length of an employee's tenure, date of retirement, and accrued vacation leave balance is solely left to the discretion of the employee and must be budgeted based on historical information by the agency. Historically the agency has had significant expenditures in these categories.

4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458** Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION		Excp 2016	Excp 2017
	Item Name:	Personnel Operating Costs - Insurance and Retirement Payroll Costs		
	Item Priority:	10		
	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:				
2009	OTHER OPERATING EXPENSE		525,123	533,371
	TOTAL, OBJECT OF EXPENSE		\$525,123	\$533,371
METHOD OF FINANCING:				
1	General Revenue Fund		525,123	533,371
	TOTAL, METHOD OF FINANCING		\$525,123	\$533,371

DESCRIPTION / JUSTIFICATION:

Both the 82nd and 83rd Legislatures authorized additional payroll contributions to be made by agencies on behalf of employees for both Group Health Insurance and Retirement. This expense is levied at a rate of 1% of agency salary expenses for health insurance and 0.5% of agency salary expenses for retirement benefits. In FY16, it is projected that the combined cost to the agency's budget will be approximately \$525 thousand per year. If this funding is not received, approximately twelve public safety and support positions will be held vacant to fund these unbudgeted operating cost increases. This exceptional item seeks to continue existing programs.

EXTERNAL/INTERNAL FACTORS:

Factors affecting statewide healthcare and retirement costs are out of the control of the agency and are driven by many different economic factors.

4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION	Excp 2016	Excp 2017
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Item Name: Grayson College

Item Priority: 11

Includes Funding for the Following Strategy or Strategies: 04-01-01 Central Administration

OBJECTS OF EXPENSE:

2009	OTHER OPERATING EXPENSE	50,000	50,000
TOTAL, OBJECT OF EXPENSE		\$50,000	\$50,000

METHOD OF FINANCING:

1	General Revenue Fund	50,000	50,000
TOTAL, METHOD OF FINANCING		\$50,000	\$50,000

DESCRIPTION / JUSTIFICATION:

During the 83rd Legislative Session, a total of \$100,000 over the current biennium was removed from the agency's operating budget to fund an educational program at Grayson County College. Section 205.03 of the Alcoholic Beverage Code authorizes this type of transfer and expires September 1, 2015. TABC is requesting that these funds be restored to our base appropriation in the expectation that the expiration date will be extended, that funds will be transferred to Grayson County College again. Additionally, the agency has been made aware that a similar transfer will be requested by Texas Tech University under the same section of the Code during the FY 16-17 biennium in the amount of 130,000. This funding is related to taxes collected by the agency on behalf of the State Comptrollers Office and therefore should be taken from the General Revenue Fund, not TABC appropriations. This exceptional item seeks to continue existing programs.

EXTERNAL/INTERNAL FACTORS:

Based on current information, a total of \$495,000 in funds annually could be transferred to various institutions of higher education to help fund viticulture and enology programs under §205.03 of the Alcoholic Beverage Code. It is out of the agency's control whether these funds are transferred directly out of TABC's appropriations or are paid for with excise taxes collected by TABC which are deposited into the General Revenue Fund.

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:			
Career Ladder/Retention Plan			
Allocation to Strategy:			
1-1-1 Enforcement			
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Enforcement Inspection	316.69	309.05
<u>2</u>	Average Cost Per Person Attending Enforcement Education Programs	17.67	17.25
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	245,611	247,949
TOTAL, OBJECT OF EXPENSE		\$245,611	\$247,949
METHOD OF FINANCING:			
1	General Revenue Fund	245,611	247,949
TOTAL, METHOD OF FINANCING		\$245,611	\$247,949

4.B. Exceptional Items Strategy Allocation Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458		Agency name: Alcoholic Beverage Commission	
Code	Description	Excp 2016	Excp 2017
Item Name:		Career Ladder/Retention Plan	
Allocation to Strategy:		2-1-1	Licensing and Investigation
EFFICIENCY MEASURES:			
1 Average Cost Per License/Permit Processed		56.42	68.48
OBJECTS OF EXPENSE:			
1001 SALARIES AND WAGES		322,653	313,421
TOTAL, OBJECT OF EXPENSE		\$322,653	\$313,421
METHOD OF FINANCING:			
1 General Revenue Fund		322,653	313,421
TOTAL, METHOD OF FINANCING		\$322,653	\$313,421

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:			
Career Ladder/Retention Plan			
Allocation to Strategy:			
	3-1-1 Conduct Inspections and Monitor Compliance		
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost per Audit	463.63	468.43
<u>2</u>	Average Cost per Auditor Inspection	187.78	189.72
<u>3</u>	Average Cost per Person at Educational Program	11.56	11.68
<u>4</u>	Average Cost per Wholesale/Manufacturing Report Analyzed	19.19	19.04
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	402,031	407,721
TOTAL, OBJECT OF EXPENSE		\$402,031	\$407,721
METHOD OF FINANCING:			
1	General Revenue Fund	402,031	407,721
TOTAL, METHOD OF FINANCING		\$402,031	\$407,721

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:	Career Ladder/Retention Plan		
Allocation to Strategy:	3-2-1 Nontransferable		
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	Revenue As a Percent of Expenses	92.76%	92.76%
EFFICIENCY MEASURES:			
1	Average Cost Per Alcoholic Beverage Container/Cigarette Package	3.43	3.54
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	414,522	418,356
TOTAL, OBJECT OF EXPENSE		\$414,522	\$418,356
METHOD OF FINANCING:			
1	General Revenue Fund	414,522	418,356
TOTAL, METHOD OF FINANCING		\$414,522	\$418,356

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Code	Description	Excp 2016	Excp 2017
Item Name:			
	Career Ladder/Retention Plan		
Allocation to Strategy:			
	4-1-1 Central Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	159,070	159,070
TOTAL, OBJECT OF EXPENSE		\$159,070	\$159,070
METHOD OF FINANCING:			
1	General Revenue Fund	159,070	159,070
TOTAL, METHOD OF FINANCING		\$159,070	\$159,070

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Code	Description	Excp 2016	Excp 2017
Item Name:			
	Career Ladder/Retention Plan		
Allocation to Strategy:			
	4-1-2 Information Resources		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	172,236	173,448
TOTAL, OBJECT OF EXPENSE		\$172,236	\$173,448
METHOD OF FINANCING:			
1	General Revenue Fund	172,236	173,448
TOTAL, METHOD OF FINANCING		\$172,236	\$173,448

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Code	Description	Excp 2016	Excp 2017
Item Name:			
	Career Ladder/Retention Plan		
Allocation to Strategy:			
	4-1-3 Other Support Services		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	33,438	33,706
TOTAL, OBJECT OF EXPENSE		\$33,438	\$33,706
METHOD OF FINANCING:			
1	General Revenue Fund	33,438	33,706
TOTAL, METHOD OF FINANCING		\$33,438	\$33,706

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name: Facility Lease Increases			
Allocation to Strategy: 1-1-1 Enforcement			
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>1</u>	Percentage of Licensed Establishments Inspected Annually	80.96%	80.96%
<u>3</u>	Percentage of Complaint Investigations Closed within 60 Days	85.00%	85.00%
<u>4</u>	Percentage of Priority Retail Locations Inspected by Enforcement	95.44%	95.44%
<u>5</u>	Retailer Public Safety Compliance Rate	98.18%	98.18%
<u>6</u>	Priority Retailer Public Safety Compliance Rate	96.18%	96.18%
<u>7</u>	Recidivism Rate - Licensed Retailers	14.91%	14.91%
OUTPUT MEASURES:			
<u>1</u>	Number of Inspections Conducted by Enforcement Agents	960.00	960.00
<u>2</u>	# Inspections Priority "At Risk" Retailers Conducted by Enforcement	549.00	549.00
<u>3</u>	Number of Persons Instructed by Enforcement Agents	360.00	360.00
<u>4</u>	Number of Licensees Attending Enforcement Education Programs	99.00	99.00
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Enforcement Inspection	311.72	304.33
<u>2</u>	Average Cost Per Person Attending Enforcement Education Programs	17.40	16.99
EXPLANATORY/INPUT MEASURES:			
<u>1</u>	Number of Enforcement Cases Reaching Final Disposition	2,733.00	2,733.00
<u>4</u>	Number of Criminal Cases Filed	2,024.00	2,024.00
<u>5</u>	Number of Administrative Cases Initiated by Enforcement Agents	2,733.00	2,733.00
<u>6</u>	Number of Priority Retail Locations	7,023.00	7,023.00
OBJECTS OF EXPENSE:			
2006	RENT - BUILDING	145,819	161,388
TOTAL, OBJECT OF EXPENSE		\$145,819	\$161,388
METHOD OF FINANCING:			
1	General Revenue Fund	145,819	161,388
TOTAL, METHOD OF FINANCING		\$145,819	\$161,388

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	458	Agency name:	Alcoholic Beverage Commission		
Code	Description			Excp 2016	Excp 2017
Item Name:	Facility Lease Increases				
Allocation to Strategy:	2-1-1	Licensing and Investigation			
EFFICIENCY MEASURES:					
1	Average Cost Per License/Permit Processed			53.79	65.59
OBJECTS OF EXPENSE:					
2006	RENT - BUILDING			97,083	107,142
TOTAL, OBJECT OF EXPENSE				\$97,083	\$107,142
METHOD OF FINANCING:					
1	General Revenue Fund			97,083	107,142
TOTAL, METHOD OF FINANCING				\$97,083	\$107,142

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name: Facility Lease Increases			
Allocation to Strategy: 3-1-1 Conduct Inspections and Monitor Compliance			
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>1</u>	Percent Audits Found to be in Full Compliance	80.16%	80.16%
<u>3</u>	% of Inspections by Auditors Where Licensees were in Full Compliance	96.08%	96.08%
OUTPUT MEASURES:			
<u>1</u>	Number of Persons Instructed by Auditors	768.00	768.00
<u>3</u>	Number of Audits Conducted by Field Auditors	21.00	21.00
<u>4</u>	Inspections Conducted by Field Auditors	322.00	322.00
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost per Audit	432.59	437.29
<u>2</u>	Average Cost per Auditor Inspection	175.23	177.13
<u>3</u>	Average Cost per Person at Educational Program	10.78	10.90
EXPLANATORY/INPUT MEASURES:			
<u>3</u>	Number of Administrative Actions by Audit Personnel	14,346.00	14,346.00
OBJECTS OF EXPENSE:			
2006	RENT - BUILDING	41,607	45,918
TOTAL, OBJECT OF EXPENSE		\$41,607	\$45,918
METHOD OF FINANCING:			
1	General Revenue Fund	41,607	45,918
TOTAL, METHOD OF FINANCING		\$41,607	\$45,918

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	458	Agency name:	Alcoholic Beverage Commission
Code	Description	Excp 2016	Excp 2017
Item Name:	Facility Lease Increases		
Allocation to Strategy:	3-2-1 Nontransferable		
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>1</u>	Revenue As a Percent of Expenses	100.44%	100.44%
OUTPUT MEASURES:			
<u>1</u>	Number of Alcoholic Beverage Containers Stamped	10,502.00	10,503.00
<u>2</u>	Number of Cigarette Packages Stamped	3,350.00	3,040.00
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Alcoholic Beverage Container/Cigarette Package	3.17	3.27
EXPLANATORY/INPUT MEASURES:			
<u>1</u>	# Alcoholic Beverage Containers Disallowed	4,033.00	4,033.00
<u>2</u>	Number of Cigarette Packages Disallowed	1,916.00	1,916.00
OBJECTS OF EXPENSE:			
2006	RENT - BUILDING	20,781	21,188
TOTAL, OBJECT OF EXPENSE		\$20,781	\$21,188
METHOD OF FINANCING:			
1	General Revenue Fund	20,781	21,188
TOTAL, METHOD OF FINANCING		\$20,781	\$21,188

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Code	Description	Excp 2016	Excp 2017
Item Name:			
Facility Lease Increases			
Allocation to Strategy:			
	4-1-1 Central Administration		
OBJECTS OF EXPENSE:			
2006	RENT - BUILDING	6,282	9,518
TOTAL, OBJECT OF EXPENSE		\$6,282	\$9,518
METHOD OF FINANCING:			
1	General Revenue Fund	6,282	9,518
TOTAL, METHOD OF FINANCING		\$6,282	\$9,518

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Code	Description	Excp 2016	Excp 2017
Item Name:			
	Facility Lease Increases		
Allocation to Strategy:			
	4-1-2 Information Resources		
OBJECTS OF EXPENSE:			
	2006 RENT - BUILDING	4,420	6,696
TOTAL, OBJECT OF EXPENSE		\$4,420	\$6,696
METHOD OF FINANCING:			
	1 General Revenue Fund	4,420	6,696
TOTAL, METHOD OF FINANCING		\$4,420	\$6,696

4.B. Exceptional Items Strategy Allocation Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name: Facility Lease Increases			
Allocation to Strategy: 4-1-3 Other Support Services			
OBJECTS OF EXPENSE:			
2006	RENT - BUILDING	1,841	2,790
TOTAL, OBJECT OF EXPENSE		\$1,841	\$2,790
METHOD OF FINANCING:			
1	General Revenue Fund	1,841	2,790
TOTAL, METHOD OF FINANCING		\$1,841	\$2,790

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	458	Agency name:	Alcoholic Beverage Commission		
Code	Description			Excp 2016	Excp 2017
Item Name:	Fuel Cost Increases				
Allocation to Strategy:	1-1-1	Enforcement			
STRATEGY IMPACT ON OUTCOME MEASURES:					
<u>1</u>	Percentage of Licensed Establishments Inspected Annually			81.27%	81.27%
<u>3</u>	Percentage of Complaint Investigations Closed within 60 Days			85.34%	85.34%
<u>4</u>	Percentage of Priority Retail Locations Inspected by Enforcement			95.58%	95.58%
<u>5</u>	Retailer Public Safety Compliance Rate			98.24%	98.24%
<u>6</u>	Priority Retailer Public Safety Compliance Rate			96.24%	96.24%
<u>7</u>	Recidivism Rate - Licensed Retailers			14.88%	14.88%
OUTPUT MEASURES:					
<u>1</u>	Number of Inspections Conducted by Enforcement Agents			1,280.00	1,280.00
<u>2</u>	# Inspections Priority "At Risk" Retailers Conducted by Enforcement			732.00	732.00
<u>3</u>	Number of Persons Instructed by Enforcement Agents			480.00	480.00
<u>4</u>	Number of Licensees Attending Enforcement Education Programs			132.00	132.00
EFFICIENCY MEASURES:					
<u>1</u>	Average Cost Per Enforcement Inspection			311.11	303.56
<u>2</u>	Average Cost Per Person Attending Enforcement Education Programs			17.36	16.94
EXPLANATORY/INPUT MEASURES:					
<u>1</u>	Number of Enforcement Cases Reaching Final Disposition			2,744.00	2,744.00
<u>4</u>	Number of Criminal Cases Filed			2,032.00	2,032.00
<u>5</u>	Number of Administrative Cases Initiated by Enforcement Agents			2,744.00	2,744.00
<u>6</u>	Number of Priority Retail Locations			7,031.00	7,031.00
OBJECTS OF EXPENSE:					
	2002 FUELS AND LUBRICANTS			196,342	196,342
TOTAL, OBJECT OF EXPENSE				\$196,342	\$196,342
METHOD OF FINANCING:					
	1 General Revenue Fund			196,342	196,342
TOTAL, METHOD OF FINANCING				\$196,342	\$196,342

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	458	Agency name:	Alcoholic Beverage Commission
Code	Description	Excp 2016	Excp 2017
Item Name:	Public Safety Programs		
Allocation to Strategy:	1-1-1	Enforcement	
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>1</u>	Percentage of Licensed Establishments Inspected Annually	81.91%	81.91%
<u>3</u>	Percentage of Complaint Investigations Closed within 60 Days	86.01%	86.01%
<u>4</u>	Percentage of Priority Retail Locations Inspected by Enforcement	95.88%	95.88%
<u>5</u>	Retailer Public Safety Compliance Rate	98.36%	98.36%
<u>6</u>	Priority Retailer Public Safety Compliance Rate	96.36%	96.36%
<u>7</u>	Recidivism Rate - Licensed Retailers	14.82%	14.82%
OUTPUT MEASURES:			
<u>1</u>	Number of Inspections Conducted by Enforcement Agents	2,184.00	2,184.00
<u>2</u>	# Inspections Priority "At Risk" Retailers Conducted by Enforcement	1,362.00	1,362.00
<u>3</u>	Number of Persons Instructed by Enforcement Agents	720.00	720.00
<u>4</u>	Number of Licensees Attending Enforcement Education Programs	198.00	198.00
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Enforcement Inspection	321.43	308.49
<u>2</u>	Average Cost Per Person Attending Enforcement Education Programs	18.00	17.27
<u>3</u>	Average Cost of Joint Operations Targeting Organized Crime	2,422.04	2,112.21
EXPLANATORY/INPUT MEASURES:			
<u>1</u>	Number of Enforcement Cases Reaching Final Disposition	2,790.00	2,790.00
<u>4</u>	Number of Criminal Cases Filed	2,048.00	2,048.00
<u>5</u>	Number of Administrative Cases Initiated by Enforcement Agents	2,790.00	2,790.00
<u>6</u>	Number of Priority Retail Locations	7,063.00	7,063.00
<u>9</u>	# Multi-Agency/Joint Ops Targeting OCA/Trafficking in TABC's Border Re	576.00	576.00
<u>10</u>	Number of Joint Operations Targeting Organized Crime Statewide	704.00	704.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	775,700	775,700
1002	OTHER PERSONNEL COSTS	0	1,440
2001	PROFESSIONAL FEES AND SERVICES	1,584	1,584
2002	FUELS AND LUBRICANTS	45,360	45,360
2003	CONSUMABLE SUPPLIES	6,000	6,000
2004	UTILITIES	10,800	7,200
2005	TRAVEL	28,000	28,000
2007	RENT - MACHINE AND OTHER	7,915	7,915

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:			
Public Safety Programs			
Allocation to Strategy:			
	1-1-1 Enforcement		
2009	OTHER OPERATING EXPENSE	60,184	16,820
5000	CAPITAL EXPENDITURES	414,576	0
TOTAL, OBJECT OF EXPENSE		\$1,350,119	\$890,019
METHOD OF FINANCING:			
1	General Revenue Fund	1,350,119	890,019
TOTAL, METHOD OF FINANCING		\$1,350,119	\$890,019
FULL-TIME EQUIVALENT POSITIONS (FTE):		12.0	12.0

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458		Agency name: Alcoholic Beverage Commission	
Code	Description	Excp 2016	Excp 2017
Item Name: Public Safety Programs			
Allocation to Strategy: 3-1-1 Conduct Inspections and Monitor Compliance			
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>1</u>	Percent Audits Found to be in Full Compliance	80.66%	80.66%
<u>3</u>	% of Inspections by Auditors Where Licensees were in Full Compliance	33.96%	33.96%
OUTPUT MEASURES:			
<u>1</u>	Number of Persons Instructed by Auditors	3,072.00	3,072.00
<u>3</u>	Number of Audits Conducted by Field Auditors	84.00	84.00
<u>4</u>	Inspections Conducted by Field Auditors	1,288.00	1,288.00
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost per Audit	461.97	471.85
<u>2</u>	Average Cost per Auditor Inspection	187.20	191.20
<u>3</u>	Average Cost per Person at Educational Program	11.52	11.77
EXPLANATORY/INPUT MEASURES:			
<u>3</u>	Number of Administrative Actions by Audit Personnel	14,934.00	14,934.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	609,776	688,800
2001	PROFESSIONAL FEES AND SERVICES	528	528
2003	CONSUMABLE SUPPLIES	2,000	2,000
2004	UTILITIES	2,400	2,400
2005	TRAVEL	12,000	12,000
2007	RENT - MACHINE AND OTHER	1,520	1,520
2009	OTHER OPERATING EXPENSE	17,275	12,060
TOTAL, OBJECT OF EXPENSE		\$645,499	\$719,308
METHOD OF FINANCING:			
1	General Revenue Fund	645,499	719,308
TOTAL, METHOD OF FINANCING		\$645,499	\$719,308
FULL-TIME EQUIVALENT POSITIONS (FTE):		4.0	4.0

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:			
Public Safety Equipment - Radios			
Allocation to Strategy:			
1-1-1 Enforcement			
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Enforcement Inspection	319.44	318.48
<u>2</u>	Average Cost Per Person Attending Enforcement Education Programs	17.83	17.77
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	470,382	1,018,750
TOTAL, OBJECT OF EXPENSE		\$470,382	\$1,018,750
METHOD OF FINANCING:			
1	General Revenue Fund	470,382	1,018,750
TOTAL, METHOD OF FINANCING		\$470,382	\$1,018,750

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Public Safety Equipment - Vehicles	
Allocation to Strategy:		1-1-1	Enforcement
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Enforcement Inspection	316.62	308.95
<u>2</u>	Average Cost Per Person Attending Enforcement Education Programs	17.67	17.24
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	240,000	240,000
TOTAL, OBJECT OF EXPENSE		\$240,000	\$240,000
METHOD OF FINANCING:			
1	General Revenue Fund	240,000	240,000
TOTAL, METHOD OF FINANCING		\$240,000	\$240,000

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Information Technology Improvements	
Allocation to Strategy:		3-1-1 Conduct Inspections and Monitor Compliance	
EFFICIENCY MEASURES:			
	<u>4</u> Average Cost per Wholesale/Manufacturing Report Analyzed	25.90	18.87
OBJECTS OF EXPENSE:			
	2001 PROFESSIONAL FEES AND SERVICES	450,000	45,000
TOTAL, OBJECT OF EXPENSE		\$450,000	\$45,000
METHOD OF FINANCING:			
	1 General Revenue Fund	450,000	45,000
TOTAL, METHOD OF FINANCING		\$450,000	\$45,000

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Information Technology Improvements	
Allocation to Strategy:		4-1-2	Information Resources
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	192,000	192,000
2009	OTHER OPERATING EXPENSE	30,000	65,000
5000	CAPITAL EXPENDITURES	50,000	50,000
TOTAL, OBJECT OF EXPENSE		\$272,000	\$307,000
METHOD OF FINANCING:			
1	General Revenue Fund	272,000	307,000
TOTAL, METHOD OF FINANCING		\$272,000	\$307,000

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458		Agency name: Alcoholic Beverage Commission	
Code	Description	Excp 2016	Excp 2017
Item Name:		Centralized Accounting and Payroll/Personnel System (CAPPS) Implementation	
Allocation to Strategy:		4-1-1	Central Administration
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	65,000	65,000
2001	PROFESSIONAL FEES AND SERVICES	35,000	51,000
2004	UTILITIES	2,160	2,160
2005	TRAVEL	0	10,310
2007	RENT - MACHINE AND OTHER	1,140	1,140
2009	OTHER OPERATING EXPENSE	2,667	2,667
TOTAL, OBJECT OF EXPENSE		\$105,967	\$132,277
METHOD OF FINANCING:			
1	General Revenue Fund	105,967	132,277
TOTAL, METHOD OF FINANCING		\$105,967	\$132,277
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	458	Agency name:	Alcoholic Beverage Commission
Code	Description	Excp 2016	Excp 2017
Item Name:	Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination		
Allocation to Strategy:	1-1-1	Enforcement	
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>1</u>	Percentage of Licensed Establishments Inspected Annually	80.96%	80.96%
<u>3</u>	Percentage of Complaint Investigations Closed within 60 Days	85.00%	85.00%
<u>4</u>	Percentage of Priority Retail Locations Inspected by Enforcement	95.44%	95.44%
<u>5</u>	Retailer Public Safety Compliance Rate	98.18%	98.18%
<u>6</u>	Priority Retailer Public Safety Compliance Rate	96.18%	96.18%
<u>7</u>	Recidivism Rate - Licensed Retailers	14.91%	14.91%
OUTPUT MEASURES:			
<u>1</u>	Number of Inspections Conducted by Enforcement Agents	960.00	960.00
<u>2</u>	# Inspections Priority "At Risk" Retailers Conducted by Enforcement	549.00	549.00
<u>3</u>	Number of Persons Instructed by Enforcement Agents	360.00	360.00
<u>4</u>	Number of Licensees Attending Enforcement Education Programs	99.00	99.00
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Enforcement Inspection	311.62	304.16
<u>2</u>	Average Cost Per Person Attending Enforcement Education Programs	17.39	16.98
EXPLANATORY/INPUT MEASURES:			
<u>1</u>	Number of Enforcement Cases Reaching Final Disposition	2,733.00	2,733.00
<u>4</u>	Number of Criminal Cases Filed	2,024.00	2,024.00
<u>5</u>	Number of Administrative Cases Initiated by Enforcement Agents	2,733.00	2,733.00
<u>6</u>	Number of Priority Retail Locations	7,023.00	7,023.00
OBJECTS OF EXPENSE:			
	1002 OTHER PERSONNEL COSTS	137,062	146,709
TOTAL, OBJECT OF EXPENSE		\$137,062	\$146,709
METHOD OF FINANCING:			
	1 General Revenue Fund	137,062	146,709
TOTAL, METHOD OF FINANCING		\$137,062	\$146,709

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination	
Allocation to Strategy:		2-1-1	Licensing and Investigation
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per License/Permit Processed	53.07	64.63
OBJECTS OF EXPENSE:			
1002	OTHER PERSONNEL COSTS	35,681	38,192
TOTAL, OBJECT OF EXPENSE		\$35,681	\$38,192
METHOD OF FINANCING:			
1	General Revenue Fund	35,681	38,192
TOTAL, METHOD OF FINANCING		\$35,681	\$38,192

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination	
Allocation to Strategy:		3-1-1	Conduct Inspections and Monitor Compliance
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	Percent Audits Found to be in Full Compliance	80.16%	80.16%
3	% of Inspections by Auditors Where Licensees were in Full Compliance	96.08%	96.08%
OUTPUT MEASURES:			
1	Number of Persons Instructed by Auditors	768.00	768.00
3	Number of Audits Conducted by Field Auditors	21.00	21.00
4	Inspections Conducted by Field Auditors	322.00	322.00
EFFICIENCY MEASURES:			
1	Average Cost per Audit	432.29	436.87
2	Average Cost per Auditor Inspection	175.11	176.96
3	Average Cost per Person at Educational Program	10.78	10.89
EXPLANATORY/INPUT MEASURES:			
3	Number of Administrative Actions by Audit Personnel	14,346.00	14,346.00
OBJECTS OF EXPENSE:			
1002	OTHER PERSONNEL COSTS	39,773	42,573
TOTAL, OBJECT OF EXPENSE		\$39,773	\$42,573
METHOD OF FINANCING:			
1	General Revenue Fund	39,773	42,573
TOTAL, METHOD OF FINANCING		\$39,773	\$42,573

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	458	Agency name:	Alcoholic Beverage Commission		
Code	Description			Excp 2016	Excp 2017
Item Name:	Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination				
Allocation to Strategy:	3-2-1	Nontransferable			
STRATEGY IMPACT ON OUTCOME MEASURES:					
<u>1</u>	Revenue As a Percent of Expenses			100.86%	100.81%
OUTPUT MEASURES:					
<u>1</u>	Number of Alcoholic Beverage Containers Stamped			21,004.00	21,006.00
<u>2</u>	Number of Cigarette Packages Stamped			6,700.00	6,080.00
EFFICIENCY MEASURES:					
<u>1</u>	Average Cost Per Alcoholic Beverage Container/Cigarette Package			3.16	3.26
EXPLANATORY/INPUT MEASURES:					
<u>1</u>	# Alcoholic Beverage Containers Disallowed			4,066.00	4,066.00
<u>2</u>	Number of Cigarette Packages Disallowed			1,932.00	1,932.00
OBJECTS OF EXPENSE:					
1002	OTHER PERSONNEL COSTS			42,688	45,693
TOTAL, OBJECT OF EXPENSE				\$42,688	\$45,693
METHOD OF FINANCING:					
1	General Revenue Fund			42,688	45,693
TOTAL, METHOD OF FINANCING				\$42,688	\$45,693

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination	
Allocation to Strategy:		4-1-1 Central Administration	
OBJECTS OF EXPENSE:			
1002	OTHER PERSONNEL COSTS	12,333	13,201
TOTAL, OBJECT OF EXPENSE		\$12,333	\$13,201
METHOD OF FINANCING:			
1	General Revenue Fund	12,333	13,201
TOTAL, METHOD OF FINANCING		\$12,333	\$13,201

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination	
Allocation to Strategy:		4-1-2	Information Resources
OBJECTS OF EXPENSE:			
1002	OTHER PERSONNEL COSTS	7,820	8,371
TOTAL, OBJECT OF EXPENSE		\$7,820	\$8,371
METHOD OF FINANCING:			
1	General Revenue Fund	7,820	8,371
TOTAL, METHOD OF FINANCING		\$7,820	\$8,371

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination	
Allocation to Strategy:		4-1-3	Other Support Services
OBJECTS OF EXPENSE:			
1002	OTHER PERSONNEL COSTS	4,933	5,280
TOTAL, OBJECT OF EXPENSE		\$4,933	\$5,280
METHOD OF FINANCING:			
1	General Revenue Fund	4,933	5,280
TOTAL, METHOD OF FINANCING		\$4,933	\$5,280

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	458	Agency name:	Alcoholic Beverage Commission		
Code	Description			Excp 2016	Excp 2017
Item Name:	Personnel Operating Costs - Insurance and Retirement Payroll Costs				
Allocation to Strategy:	1-1-1	Enforcement			
STRATEGY IMPACT ON OUTCOME MEASURES:					
<u>1</u>	Percentage of Licensed Establishments Inspected Annually			81.91%	81.91%
<u>3</u>	Percentage of Complaint Investigations Closed within 60 Days			86.01%	86.01%
<u>4</u>	Percentage of Priority Retail Locations Inspected by Enforcement			95.88%	95.88%
<u>5</u>	Retailer Public Safety Compliance Rate			98.36%	98.36%
<u>6</u>	Priority Retailer Public Safety Compliance Rate			96.36%	96.36%
<u>7</u>	Recidivism Rate - Licensed Retailers			14.82%	14.82%
OUTPUT MEASURES:					
<u>1</u>	Number of Inspections Conducted by Enforcement Agents			1,920.00	1,920.00
<u>2</u>	# Inspections Priority "At Risk" Retailers Conducted by Enforcement			1,098.00	1,098.00
<u>3</u>	Number of Persons Instructed by Enforcement Agents			720.00	720.00
<u>4</u>	Number of Licensees Attending Enforcement Education Programs			198.00	198.00
EFFICIENCY MEASURES:					
<u>1</u>	Average Cost Per Enforcement Inspection			309.71	302.29
<u>2</u>	Average Cost Per Person Attending Enforcement Education Programs			17.29	16.87
EXPLANATORY/INPUT MEASURES:					
<u>1</u>	Number of Enforcement Cases Reaching Final Disposition			2,766.00	2,766.00
<u>4</u>	Number of Criminal Cases Filed			2,048.00	2,048.00
<u>5</u>	Number of Administrative Cases Initiated by Enforcement Agents			2,766.00	2,766.00
<u>6</u>	Number of Priority Retail Locations			7,046.00	7,046.00
OBJECTS OF EXPENSE:					
	2009	OTHER OPERATING EXPENSE		282,671	288,477
TOTAL, OBJECT OF EXPENSE				\$282,671	\$288,477
METHOD OF FINANCING:					
	1	General Revenue Fund		282,671	288,477
TOTAL, METHOD OF FINANCING				\$282,671	\$288,477

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Insurance and Retirement Payroll Costs	
Allocation to Strategy:		2-1-1	Licensing and Investigation
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per License/Permit Processed	53.30	64.87
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	54,687	55,498
TOTAL, OBJECT OF EXPENSE		\$54,687	\$55,498
METHOD OF FINANCING:			
1	General Revenue Fund	54,687	55,498
TOTAL, METHOD OF FINANCING		\$54,687	\$55,498

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	458	Agency name:	Alcoholic Beverage Commission		
Code	Description		Excp 2016	Excp 2017	
Item Name:	Personnel Operating Costs - Insurance and Retirement Payroll Costs				
Allocation to Strategy:	3-1-1	Conduct Inspections and Monitor Compliance			
STRATEGY IMPACT ON OUTCOME MEASURES:					
1	Percent Audits Found to be in Full Compliance		80.33%	80.33%	
3	% of Inspections by Auditors Where Licensees were in Full Compliance		96.16%	96.16%	
OUTPUT MEASURES:					
1	Number of Persons Instructed by Auditors		1,536.00	1,536.00	
3	Number of Audits Conducted by Field Auditors		42.00	42.00	
4	Inspections Conducted by Field Auditors		644.00	644.00	
EFFICIENCY MEASURES:					
1	Average Cost per Audit		428.25	432.60	
2	Average Cost per Auditor Inspection		173.49	175.25	
3	Average Cost per Person at Educational Program		10.68	10.79	
4	Average Cost per Wholesale/Manufacturing Report Analyzed		18.47	18.32	
EXPLANATORY/INPUT MEASURES:					
3	Number of Administrative Actions by Audit Personnel		14,542.00	14,542.00	
OBJECTS OF EXPENSE:					
2009	OTHER OPERATING EXPENSE		72,581	73,417	
TOTAL, OBJECT OF EXPENSE			\$72,581	\$73,417	
METHOD OF FINANCING:					
1	General Revenue Fund		72,581	73,417	
TOTAL, METHOD OF FINANCING			\$72,581	\$73,417	

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Insurance and Retirement Payroll Costs	
Allocation to Strategy:		3-2-1	Nontransferable
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	Revenue As a Percent of Expenses	101.26%	101.26%
OUTPUT MEASURES:			
1	Number of Alcoholic Beverage Containers Stamped	31,506.00	31,509.00
2	Number of Cigarette Packages Stamped	10,050.00	9,120.00
EFFICIENCY MEASURES:			
1	Average Cost Per Alcoholic Beverage Container/Cigarette Package	3.15	3.25
EXPLANATORY/INPUT MEASURES:			
1	# Alcoholic Beverage Containers Disallowed	4,099.00	4,099.00
2	Number of Cigarette Packages Disallowed	1,948.00	1,948.00
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	65,307	65,875
TOTAL, OBJECT OF EXPENSE		\$65,307	\$65,875
METHOD OF FINANCING:			
1	General Revenue Fund	65,307	65,875
TOTAL, METHOD OF FINANCING		\$65,307	\$65,875

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Insurance and Retirement Payroll Costs	
Allocation to Strategy:		4-1-1	Central Administration
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	26,998	26,998
TOTAL, OBJECT OF EXPENSE		\$26,998	\$26,998
METHOD OF FINANCING:			
1	General Revenue Fund	26,998	26,998
TOTAL, METHOD OF FINANCING		\$26,998	\$26,998

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Insurance and Retirement Payroll Costs	
Allocation to Strategy:		4-1-2	Information Resources
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	17,072	17,259
TOTAL, OBJECT OF EXPENSE		\$17,072	\$17,259
METHOD OF FINANCING:			
1	General Revenue Fund	17,072	17,259
TOTAL, METHOD OF FINANCING		\$17,072	\$17,259

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Code	Description	Excp 2016	Excp 2017
Item Name:		Personnel Operating Costs - Insurance and Retirement Payroll Costs	
Allocation to Strategy:		4-1-3	Other Support Services
OBJECTS OF EXPENSE:			
	2009 OTHER OPERATING EXPENSE	5,807	5,847
TOTAL, OBJECT OF EXPENSE		\$5,807	\$5,847
METHOD OF FINANCING:			
	1 General Revenue Fund	5,807	5,847
TOTAL, METHOD OF FINANCING		\$5,807	\$5,847

4.B. Exceptional Items Strategy Allocation Schedule

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Code	Description	Excp 2016	Excp 2017
Item Name:			
Grayson College			
Allocation to Strategy:			
4-1-1 Central Administration			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	50,000	50,000
TOTAL, OBJECT OF EXPENSE		\$50,000	\$50,000
METHOD OF FINANCING:			
1	General Revenue Fund	50,000	50,000
TOTAL, METHOD OF FINANCING		\$50,000	\$50,000

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
GOAL:	1 Promote the Health, Safety, and Welfare of the Public	Statewide Goal/Benchmark:	5 - 26
OBJECTIVE:	1 Detect/Prevent Law Violations	Service Categories:	
STRATEGY:	1 Enforcement	Service: 34 Income: A.2 Age: B.3	

CODE DESCRIPTION	Excp 2016	Excp 2017
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STRATEGY IMPACT ON OUTCOME MEASURES:

1 Percentage of Licensed Establishments Inspected Annually	87.01 %	87.01 %
2 % of Administrative Cases Resulting in Administrative Sanctions	95.00 %	95.00 %
3 Percentage of Complaint Investigations Closed within 60 Days	91.36 %	91.36 %
4 Percentage of Priority Retail Locations Inspected by Enforcement	98.23 %	98.23 %
5 Retailer Public Safety Compliance Rate	99.00 %	99.00 %
6 Priority Retailer Public Safety Compliance Rate	97.32 %	97.32 %
7 Recidivism Rate - Licensed Retailers	14.34 %	14.34 %

OUTPUT MEASURES:

1 Number of Inspections Conducted by Enforcement Agents	7,304.00	7,304.00
2 # Inspections Priority "At Risk" Retailers Conducted by Enforcement	4,290.00	4,290.00
3 Number of Persons Instructed by Enforcement Agents	2,640.00	2,640.00
4 Number of Licensees Attending Enforcement Education Programs	726.00	726.00

EFFICIENCY MEASURES:

1 Average Cost Per Enforcement Inspection	321.86	316.20
2 Average Cost Per Person Attending Enforcement Education Programs	18.02	17.70
3 Average Cost of Joint Operations Targeting Organized Crime	2,422.04	2,112.21

EXPLANATORY/INPUT MEASURES:

1 Number of Enforcement Cases Reaching Final Disposition	2,937.00	2,937.00
2 Number of Licensed Locations Subject to Inspection	55,619.00	55,863.00
3 Number of Complaint Investigations Opened	5,500.00	5,500.00
4 Number of Criminal Cases Filed	2,176.00	2,176.00
5 Number of Administrative Cases Initiated by Enforcement Agents	2,937.00	2,937.00
6 Number of Priority Retail Locations	7,169.00	7,169.00

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
GOAL:	1 Promote the Health, Safety, and Welfare of the Public	Statewide Goal/Benchmark:	5 - 26
OBJECTIVE:	1 Detect/Prevent Law Violations	Service Categories:	
STRATEGY:	1 Enforcement	Service: 34	Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2016	Excp 2017
<u>7</u>	Number of Complaint Investigations Closed	5,450.00	5,450.00
<u>8</u>	Number of OCA/Trafficking Investigations Closed	100.00	100.00
<u>9</u>	# Multi-Agency/Joint Ops Targeting OCA/Trafficking in TABC's Border Re	576.00	576.00
<u>10</u>	Number of Joint Operations Targeting Organized Crime Statewide	704.00	704.00

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	1,021,311	1,023,649
1002	OTHER PERSONNEL COSTS	137,062	148,149
2001	PROFESSIONAL FEES AND SERVICES	1,584	1,584
2002	FUELS AND LUBRICANTS	241,702	241,702
2003	CONSUMABLE SUPPLIES	6,000	6,000
2004	UTILITIES	10,800	7,200
2005	TRAVEL	28,000	28,000
2006	RENT - BUILDING	145,819	161,388
2007	RENT - MACHINE AND OTHER	7,915	7,915
2009	OTHER OPERATING EXPENSE	342,855	305,297
5000	CAPITAL EXPENDITURES	1,124,958	1,258,750
Total, Objects of Expense		\$3,068,006	\$3,189,634

METHOD OF FINANCING:

1	General Revenue Fund	3,068,006	3,189,634
Total, Method of Finance		\$3,068,006	\$3,189,634

FULL-TIME EQUIVALENT POSITIONS (FTE):

12.0 12.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Career Ladder/Retention Plan

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission		
GOAL:	1 Promote the Health, Safety, and Welfare of the Public	Statewide Goal/Benchmark:	5 - 26		
OBJECTIVE:	1 Detect/Prevent Law Violations	Service Categories:			
STRATEGY:	1 Enforcement	Service: 34	Income: A.2	Age: B.3	

CODE DESCRIPTION	Excp 2016	Excp 2017
Facility Lease Increases		
Fuel Cost Increases		
Public Safety Programs		
Public Safety Equipment - Radios		
Public Safety Equipment - Vehicles		
Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination		
Personnel Operating Costs - Insurance and Retirement Payroll Costs		

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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 and Approve Applications in a Timely Manner	Service Categories:			
STRATEGY:	1	Licensing and Investigation	Service:	17	Income:	A.2 Age: B.3

CODE	DESCRIPTION	Excp 2016	Excp 2017
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STRATEGY IMPACT ON OUTCOME MEASURES:

<u>1</u>	Avg Number of Days to Approve an Original Primary License/Permit	40.00	40.00
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OUTPUT MEASURES:

<u>1</u>	Number of Applications Processed	85,857.00	71,484.00
<u>2</u>	Number of Licenses/Permits Issued	72,760.00	60,580.00

EFFICIENCY MEASURES:

<u>1</u>	Average Cost Per License/Permit Processed	58.60	71.29
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OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	322,653	313,421
1002	OTHER PERSONNEL COSTS	35,681	38,192
2006	RENT - BUILDING	97,083	107,142
2009	OTHER OPERATING EXPENSE	54,687	55,498
Total, Objects of Expense		\$510,104	\$514,253

METHOD OF FINANCING:

1	General Revenue Fund	510,104	514,253
Total, Method of Finance		\$510,104	\$514,253

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Career Ladder/Retention Plan

Facility Lease Increases

Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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 and Approve Applications in a Timely Manner	Service Categories:					
STRATEGY:	1	Licensing and Investigation	Service:	17	Income:	A.2	Age:	B.3
CODE		DESCRIPTION	Excp 2016			Excp 2017		
Personnel Operating Costs - Insurance and Retirement Payroll Costs								

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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 2016	Excp 2017
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STRATEGY IMPACT ON OUTCOME MEASURES:

1 Percent Audits Found to be in Full Compliance	81.33 %	81.33 %
2 Percent of Report Analyses Resulting in Correction Letters	15.50 %	15.50 %
3 % of Inspections by Auditors Where Licensees were in Full Compliance	96.67 %	96.67 %

OUTPUT MEASURES:

3 Number of Audits Conducted by Field Auditors	168.00	168.00
4 Inspections Conducted by Field Auditors	2,576.00	2,576.00

EFFICIENCY MEASURES:

1 Average Cost per Audit	474.52	484.82
2 Average Cost per Auditor Inspection	192.36	196.53
3 Average Cost per Person at Educational Program	11.84	12.10
4 Average Cost per Wholesale/Manufacturing Report Analyzed	27.04	20.01

EXPLANATORY/INPUT MEASURES:

1 # of Lic Locations Subject to Inspection & Other Reg Enforcement Acts	55,619.00	55,863.00
2 Number of Whole/Manu Licensees/Permittees Req to Submit Report	6,156.00	6,293.00
3 Number of Administrative Actions by Audit Personnel	15,718.00	15,718.00
4 # Admin Actions from Analyses of Wholesale/Manufacturing Tier Reports	9,145.00	9,300.00

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	1,011,807	1,096,521
1002 OTHER PERSONNEL COSTS	39,773	42,573
2001 PROFESSIONAL FEES AND SERVICES	450,528	45,528
2003 CONSUMABLE SUPPLIES	2,000	2,000
2004 UTILITIES	2,400	2,400

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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 2016	Excp 2017
2005	TRAVEL	12,000	12,000
2006	RENT - BUILDING	41,607	45,918
2007	RENT - MACHINE AND OTHER	1,520	1,520
2009	OTHER OPERATING EXPENSE	89,856	85,477
Total, Objects of Expense		\$1,651,491	\$1,333,937

METHOD OF FINANCING:

1 General Revenue Fund	1,651,491	1,333,937
Total, Method of Finance	\$1,651,491	\$1,333,937

FULL-TIME EQUIVALENT POSITIONS (FTE):	4.0	4.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Career Ladder/Retention Plan

Facility Lease Increases

Public Safety Programs

Information Technology Improvements

Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination

Personnel Operating Costs - Insurance and Retirement Payroll Costs

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

CODE DESCRIPTION	Excp 2016	Excp 2017
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STRATEGY IMPACT ON OUTCOME MEASURES:

1 Revenue As a Percent of Expenses	95.26 %	95.21 %
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OUTPUT MEASURES:

1 Number of Alcoholic Beverage Containers Stamped	63,012.00	63,018.00
2 Number of Cigarette Packages Stamped	20,100.00	18,240.00

EFFICIENCY MEASURES:

1 Average Cost Per Alcoholic Beverage Container/Cigarette Package	3.34	3.45
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EXPLANATORY/INPUT MEASURES:

1 # Alcoholic Beverage Containers Disallowed	4,198.00	4,198.00
2 Number of Cigarette Packages Disallowed	1,996.00	1,996.00

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	414,522	418,356
1002 OTHER PERSONNEL COSTS	42,688	45,693
2006 RENT - BUILDING	20,781	21,188
2009 OTHER OPERATING EXPENSE	65,307	65,875
Total, Objects of Expense	\$543,298	\$551,112

METHOD OF FINANCING:

1 General Revenue Fund	543,298	551,112
Total, Method of Finance	\$543,298	\$551,112

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

CODE DESCRIPTION	Excp 2016	Excp 2017
Career Ladder/Retention Plan		
Facility Lease Increases		
Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination		
Personnel Operating Costs - Insurance and Retirement Payroll Costs		

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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 2016	Excp 2017
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	224,070	224,070
1002 OTHER PERSONNEL COSTS	12,333	13,201
2001 PROFESSIONAL FEES AND SERVICES	35,000	51,000
2004 UTILITIES	2,160	2,160
2005 TRAVEL	0	10,310
2006 RENT - BUILDING	6,282	9,518
2007 RENT - MACHINE AND OTHER	1,140	1,140
2009 OTHER OPERATING EXPENSE	79,665	79,665
Total, Objects of Expense	\$360,650	\$391,064

METHOD OF FINANCING:

1 General Revenue Fund	360,650	391,064
Total, Method of Finance	\$360,650	\$391,064

FULL-TIME EQUIVALENT POSITIONS (FTE):	1.0	1.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Career Ladder/Retention Plan

Facility Lease Increases

Centralized Accounting and Payroll/Personnel System (CAPPS) Implementation

Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination

Personnel Operating Costs - Insurance and Retirement Payroll Costs

Grayson College

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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 2016	Excp 2017
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	172,236	173,448
1002 OTHER PERSONNEL COSTS	7,820	8,371
2001 PROFESSIONAL FEES AND SERVICES	192,000	192,000
2006 RENT - BUILDING	4,420	6,696
2009 OTHER OPERATING EXPENSE	47,072	82,259
5000 CAPITAL EXPENDITURES	50,000	50,000
Total, Objects of Expense	\$473,548	\$512,774

METHOD OF FINANCING:

1 General Revenue Fund	473,548	512,774
Total, Method of Finance	\$473,548	\$512,774

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Career Ladder/Retention Plan

Facility Lease Increases

Information Technology Improvements

Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination

Personnel Operating Costs - Insurance and Retirement Payroll Costs

4.C. Exceptional Items Strategy Request
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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 2016	Excp 2017
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	33,438	33,706
1002 OTHER PERSONNEL COSTS	4,933	5,280
2006 RENT - BUILDING	1,841	2,790
2009 OTHER OPERATING EXPENSE	5,807	5,847
Total, Objects of Expense	\$46,019	\$47,623

METHOD OF FINANCING:

1 General Revenue Fund	46,019	47,623
Total, Method of Finance	\$46,019	\$47,623

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Career Ladder/Retention Plan

Facility Lease Increases

Personnel Operating Costs - Longevity/Hazardous Duty Pay/Lump Sum Termination

Personnel Operating Costs - Insurance and Retirement Payroll Costs

5.A. Capital Budget Project Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE			Est 2014	Bud 2015	BL 2016	BL 2017
5005 Acquisition of Information Resource Technologies						
<i>1/1 Agencywide PC Replacements and Mobile Data Computers - Leased</i>						
OBJECTS OF EXPENSE						
<u>Capital</u>						
General	2007	RENT - MACHINE AND OTHER	\$247,590	\$646,190	\$446,890	\$446,890
	Capital Subtotal OOE, Project	1	\$247,590	\$646,190	\$446,890	\$446,890
	Subtotal OOE, Project	1	\$247,590	\$646,190	\$446,890	\$446,890
TYPE OF FINANCING						
<u>Capital</u>						
General	CA	1 General Revenue Fund	\$247,590	\$646,190	\$446,890	\$446,890
	Capital Subtotal TOF, Project	1	\$247,590	\$646,190	\$446,890	\$446,890
	Subtotal TOF, Project	1	\$247,590	\$646,190	\$446,890	\$446,890
<i>4/4 Hardware/Software Acquisitions</i>						
OBJECTS OF EXPENSE						
<u>Capital</u>						
General	2009	OTHER OPERATING EXPENSE	\$452,148	\$427,148	\$422,148	\$427,148
	Capital Subtotal OOE, Project	4	\$452,148	\$427,148	\$422,148	\$427,148
	Subtotal OOE, Project	4	\$452,148	\$427,148	\$422,148	\$427,148
TYPE OF FINANCING						
<u>Capital</u>						
General	CA	1 General Revenue Fund	\$452,148	\$427,148	\$422,148	\$427,148

5.A. Capital Budget Project Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE			Est 2014	Bud 2015	BL 2016	BL 2017
Capital Subtotal TOF, Project			\$452,148	\$427,148	\$422,148	\$427,148
Subtotal TOF, Project			\$452,148	\$427,148	\$422,148	\$427,148
<i>5/5 Ports of Entry Equipment Replacement</i>						
OBJECTS OF EXPENSE						
<u>Capital</u>						
General	2009	OTHER OPERATING EXPENSE	\$249,797	\$0	\$0	\$0
Capital Subtotal OOE, Project			\$249,797	\$0	\$0	\$0
Subtotal OOE, Project			\$249,797	\$0	\$0	\$0
TYPE OF FINANCING						
<u>Capital</u>						
General	CA	1 General Revenue Fund	\$249,797	\$0	\$0	\$0
Capital Subtotal TOF, Project			\$249,797	\$0	\$0	\$0
Subtotal TOF, Project			\$249,797	\$0	\$0	\$0
<i>7/7 Telephone Equipment</i>						
OBJECTS OF EXPENSE						
<u>Capital</u>						
General	2009	OTHER OPERATING EXPENSE	\$105,537	\$0	\$0	\$0
Capital Subtotal OOE, Project			\$105,537	\$0	\$0	\$0
Subtotal OOE, Project			\$105,537	\$0	\$0	\$0
TYPE OF FINANCING						
<u>Capital</u>						
General	CA	1 General Revenue Fund	\$105,537	\$0	\$0	\$0

5.A. Capital Budget Project Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE		Est 2014	Bud 2015	BL 2016	BL 2017
Capital Subtotal TOF, Project	7	\$105,537	\$0	\$0	\$0
Subtotal TOF, Project	7	\$105,537	\$0	\$0	\$0
<i>8/8 Case Management</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General 2001 PROFESSIONAL FEES AND SERVICES		\$89,051	\$259,984	\$0	\$0
Capital Subtotal OOE, Project	8	\$89,051	\$259,984	\$0	\$0
Subtotal OOE, Project	8	\$89,051	\$259,984	\$0	\$0
TYPE OF FINANCING					
<u>Capital</u>					
General CA 1 General Revenue Fund		\$89,051	\$259,984	\$0	\$0
Capital Subtotal TOF, Project	8	\$89,051	\$259,984	\$0	\$0
Subtotal TOF, Project	8	\$89,051	\$259,984	\$0	\$0
<i>9/9 Information Technology Improvements</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General 2001 PROFESSIONAL FEES AND SERVICES		\$0	\$0	\$0	\$0
General 2009 OTHER OPERATING EXPENSE		\$0	\$0	\$0	\$0
General 5000 CAPITAL EXPENDITURES		\$0	\$0	\$0	\$0
Capital Subtotal OOE, Project	9	\$0	\$0	\$0	\$0
Subtotal OOE, Project	9	\$0	\$0	\$0	\$0
TYPE OF FINANCING					

5.A. Capital Budget Project Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE			Est 2014	Bud 2015	BL 2016	BL 2017
<u>Capital</u>						
General	CA	1 General Revenue Fund	\$0	\$0	\$0	\$0
Capital Subtotal TOF, Project			\$0	\$0	\$0	\$0
Subtotal TOF, Project			\$0	\$0	\$0	\$0
Capital Subtotal, Category			\$1,144,123	\$1,333,322	\$869,038	\$874,038
Informational Subtotal, Category						
Total, Category			\$1,144,123	\$1,333,322	\$869,038	\$874,038
5006 Transportation Items						
<i>3/3 Fleet Acquisition-Replacement Vehicles</i>						
OBJECTS OF EXPENSE						
<u>Capital</u>						
General	5000	CAPITAL EXPENDITURES	\$860,552	\$699,525	\$837,225	\$699,525
Capital Subtotal OOE, Project			\$860,552	\$699,525	\$837,225	\$699,525
Subtotal OOE, Project			\$860,552	\$699,525	\$837,225	\$699,525
TYPE OF FINANCING						
<u>Capital</u>						
General	CA	1 General Revenue Fund	\$837,225	\$699,525	\$837,225	\$699,525
General	CA	666 Appropriated Receipts	\$23,327	\$0	\$0	\$0
Capital Subtotal TOF, Project			\$860,552	\$699,525	\$837,225	\$699,525
Subtotal TOF, Project			\$860,552	\$699,525	\$837,225	\$699,525

5.A. Capital Budget Project Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE				Est 2014	Bud 2015	BL 2016	BL 2017	
			Capital Subtotal, Category	5006	\$860,552	\$699,525	\$837,225	\$699,525
			Informational Subtotal, Category	5006				
			Total, Category	5006	\$860,552	\$699,525	\$837,225	\$699,525
5007	Acquisition of Capital Equipment and Items							
	6/6 Public Safety Equipment - Replacement							
	OBJECTS OF EXPENSE							
	<u>Capital</u>							
General	2009	OTHER OPERATING EXPENSE			\$179,419	\$179,419	\$179,419	\$179,419
General	5000	CAPITAL EXPENDITURES			\$904,093	\$0	\$904,093	\$0
			Capital Subtotal OOE, Project	6	\$1,083,512	\$179,419	\$1,083,512	\$179,419
			Subtotal OOE, Project	6	\$1,083,512	\$179,419	\$1,083,512	\$179,419
	TYPE OF FINANCING							
	<u>Capital</u>							
General	CA	1	General Revenue Fund		\$1,083,512	\$179,419	\$1,083,512	\$179,419
			Capital Subtotal TOF, Project	6	\$1,083,512	\$179,419	\$1,083,512	\$179,419
			Subtotal TOF, Project	6	\$1,083,512	\$179,419	\$1,083,512	\$179,419
			Capital Subtotal, Category	5007	\$1,083,512	\$179,419	\$1,083,512	\$179,419
			Informational Subtotal, Category	5007				
			Total, Category	5007	\$1,083,512	\$179,419	\$1,083,512	\$179,419

7000 Data Center Consolidation

2/2 Data Center Consolidation

5.A. Capital Budget Project Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE		Est 2014	Bud 2015	BL 2016	BL 2017
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2001 PROFESSIONAL FEES AND SERVICES	\$597,258	\$615,089	\$600,525	\$611,651
	Capital Subtotal OOE, Project 2	\$597,258	\$615,089	\$600,525	\$611,651
	Subtotal OOE, Project 2	\$597,258	\$615,089	\$600,525	\$611,651
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$597,258	\$615,089	\$600,525	\$611,651
	Capital Subtotal TOF, Project 2	\$597,258	\$615,089	\$600,525	\$611,651
	Subtotal TOF, Project 2	\$597,258	\$615,089	\$600,525	\$611,651
	Capital Subtotal, Category 7000	\$597,258	\$615,089	\$600,525	\$611,651
	Informational Subtotal, Category 7000				
	Total, Category 7000	\$597,258	\$615,089	\$600,525	\$611,651

8000 Centralized Accounting and Payroll/Personnel System(CAPPS)

10/10 Centralized Accounting and Payroll

Personnel System Implementation

OBJECTS OF EXPENSE

Informational

General	1001 SALARIES AND WAGES	\$0	\$0	\$0	\$0
General	2001 PROFESSIONAL FEES AND SERVICES	\$0	\$0	\$0	\$0
General	2004 UTILITIES	\$0	\$0	\$0	\$0
General	2005 TRAVEL	\$0	\$0	\$0	\$0
General	2007 RENT - MACHINE AND OTHER	\$0	\$0	\$0	\$0

5.A. Capital Budget Project Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE				Est 2014	Bud 2015	BL 2016	BL 2017
General	2009	OTHER OPERATING EXPENSE		\$0	\$0	\$0	\$0
		Informational Subtotal OOE, Project	10	\$0	\$0	\$0	\$0
		Subtotal OOE, Project	10	\$0	\$0	\$0	\$0
TYPE OF FINANCING							
<u>Capital</u>							
General	CA	1	General Revenue Fund	\$0	\$0	\$0	\$0
		Capital Subtotal TOF, Project	10	\$0	\$0	\$0	\$0
		<u>Informational</u>					
General	CA	1	General Revenue Fund	\$0	\$0	\$0	\$0
		Informational Subtotal TOF, Project	10	\$0	\$0	\$0	\$0
		Subtotal TOF, Project	10	\$0	\$0	\$0	\$0
		Capital Subtotal, Category	8000	\$0	\$0	\$0	\$0
		Informational Subtotal, Category	8000	\$0	\$0	\$0	\$0
		Total, Category	8000	\$0	\$0	\$0	\$0
AGENCY TOTAL -CAPITAL				\$3,685,445	\$2,827,355	\$3,390,300	\$2,364,633
AGENCY TOTAL -INFORMATIONAL				\$0	\$0	\$0	\$0
AGENCY TOTAL				\$3,685,445	\$2,827,355	\$3,390,300	\$2,364,633

5.A. Capital Budget Project Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE		Est 2014	Bud 2015	BL 2016	BL 2017
METHOD OF FINANCING:					
<u>Capital</u>					
General	1 General Revenue Fund	\$3,662,118	\$2,827,355	\$3,390,300	\$2,364,633
General	666 Appropriated Receipts	\$23,327	\$0	\$0	\$0
Total, Method of Financing-Capital		\$3,685,445	\$2,827,355	\$3,390,300	\$2,364,633
<u>Informational</u>					
General	1 General Revenue Fund	\$0	\$0	\$0	\$0
Total, Method of Financing-Informational		\$0	\$0	\$0	\$0
Total, Method of Financing		\$3,685,445	\$2,827,355	\$3,390,300	\$2,364,633
TYPE OF FINANCING:					
<u>Capital</u>					
General	CA CURRENT APPROPRIATIONS	\$3,685,445	\$2,827,355	\$3,390,300	\$2,364,633
Total, Type of Financing-Capital		\$3,685,445	\$2,827,355	\$3,390,300	\$2,364,633
<u>Informational</u>					
General	CA CURRENT APPROPRIATIONS	\$0	\$0	\$0	\$0
Total, Type of Financing-Informational		\$0	\$0	\$0	\$0
Total,Type of Financing		\$3,685,445	\$2,827,355	\$3,390,300	\$2,364,633

5.B. Capital Budget Project Information
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	1	Project Name:	Agencywide PC/Mobile Data 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 Intel® Core™ Series Processor or better processor technology capable of supporting a graphical user interface, client/server applications, and multimedia applications to achieve enhanced employee productivity. This project also provides Mobile Data Computers, also commonly referred to as ruggedized laptops, tablets, 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 four year obligation on leasing of equipment.

Number of Units / Average Unit Cost PC desktop \$1,011; laptop \$1,754; Panasonic toughbooks \$2,462

Estimated Completion Date On-going

Additional Capital Expenditure Amounts Required	2018	2019
	446,890	446,890

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life On-going Baseline Request

Estimated/Actual Project Cost \$1,787,560

Length of Financing/ Lease Period 4 years

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2016	2017	2018	2019	Total over project life
446,890	446,890	446,890	446,890	1,787,560

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
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Explanation: Agency desktop technology refresh plan to replace the existing inventory of obsolete Intel-based personal computers (PC's), and laptops with Intel® Core™ Series Processor or better processor technology capable of supporting a graphical user interface, client/server applications, and multimedia applications to achieve enhanced employee productivity.

Project Location: All Texas Alcoholic Beverage Commission offices throughout the state.

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

Frequency of Use and External Factors Affecting Use:

Weekday use for non-law enforcement employees and 24 hours a day, 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
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
Category Number:	7000	Category Name:	Data Center Consolidation
Project number:	2	Project Name:	Data Center Consolidation

PROJECT DESCRIPTION

General Information

In December 2011, the Texas Department of Information Resources (DIR) signed three multi-year contracts to provide consolidated data center services to 28 state agencies. The first of the contracts was awarded to Capgemini North America, Inc. to act as a services integrator enabling the State to standardize processes and maximize the value of its information technology services. The six-year, approximately \$127 million contract includes service level management, service desk support, project management, IT security, business continuity, disaster recovery and financial management.

A second contract was signed with ACS State and Local Solutions, Inc., a wholly-owned subsidiary of Xerox Corporation, to provide infrastructure services in four areas: mainframes, servers, networks and data center operations. This eight-year, approximately \$1.1 billion contract emphasizes delivering improved customer services, stabilizing the State's IT infrastructure environment, and consolidating computer servers from legacy agency data centers to the State's two consolidated data centers.

The third contract was awarded to Xerox Corporation to provide bulk printing and mailing services. The six-year, approximately \$56 million deal will leverage the State's significant mail volumes to keep costs low, while providing more flexibility to state agencies to meet their business needs.

Services with the three service providers commenced July 1, 2012. Since that time, Mainframe and Print/Mail services have been consolidated into the two State data centers. Server consolidation is in progress: currently 53% of all servers in the program are consolidated. The target is to reach 75% consolidated by August 2016. Recently, 3 additional state agencies started receiving email services.

Number of Units / Average Unit Cost	Based on statewide contract						
Estimated Completion Date	On-going						
Additional Capital Expenditure Amounts Required	<table border="0"> <tr> <td></td> <td>2018</td> <td>2019</td> </tr> <tr> <td></td> <td align="center">0</td> <td align="center">0</td> </tr> </table>		2018	2019		0	0
	2018	2019					
	0	0					
Type of Financing	CA CURRENT APPROPRIATIONS						
Projected Useful Life	Length of State Contract						
Estimated/Actual Project Cost	\$0						
Length of Financing/ Lease Period	Length of State Contract						

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2016	2017	2018	2019	Total over project life
	0	0	0	0	1,212,176

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
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5.B. Capital Budget Project Information
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Explanation: In December 2011, the Texas Department of Information Resources (DIR) signed three multi-year contracts to provide consolidated data center services to 28 state agencies.

Project Location: Texas Alcoholic Beverage Commission offices throughout the state.

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission and the People of Texas.

Frequency of Use and External Factors Affecting Use:

Daily use and access to Texas Alcoholic Beverage Commission systems.

5.B. Capital Budget Project Information
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
Category Number:	5006	Category Name:	TRANSPORTATION ITEMS
Project number:	3	Project Name:	Fleet Acquisition

PROJECT DESCRIPTION

General Information

The agency needs to maintain a fleet of law enforcement vehicle and pool vehicles to ensure that the agency is able to fulfill its responsibilities to investigate violations of the Alcoholic Beverage Code. Our base request replaces vehicles that have reached the retirement mileage of approximately 120,000 miles. The agency plans to replace approximately 68 vehicles during the biennium.

Number of Units / Average Unit Cost	\$24,000 per vehicle
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Estimated Completion Date	On-going
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
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2099	
2100	

Additional Capital Expenditure Amounts Required	2018	2019
	0	0

Type of Financing	CA	CURRENT APPROPRIATIONS
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Projected Useful Life Goal of 7 years or 100,000 miles

Estimated/Actual Project Cost	\$0
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Length of Financing/ Lease Period On-going Baseline Request - items expended not financed.

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

<u>BT OBLIGATION PAYMENTS</u>				Total over project life
2016	2017	2018	2019	
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE</u>	<u>COST</u>	<u>FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
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Explanation: The agency needs to maintain a fleet of law enforcement vehicle and pool vehicles to ensure that the agency is able to fulfill its responsibilities to investigate violations of the Alcoholic Beverage Code. Our base request replaces vehicles that have reached the retirement mileage of approximately 120,000 miles. The agency plans to replace approximately 68 vehicles during the biennium.

Project Location: All Texas Alcoholic Beverage Commission offices throughout the state.

Beneficiaries: Texas Alcoholic Beverage Commission (TABC) Enforcement Agents and TABC stakeholders.

Frequency of Use and External Factors Affecting Use:

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

5.B. Capital Budget Project Information
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	4	Project Name:	Hardware/Software Acquisition

PROJECT DESCRIPTION

General Information

Agency wide IT equipment replacement and upgrade plan for personal computer printers and scanners, ongoing software licensing, 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. PC software upgrades for Microsoft Office through an enterprise license agreement. Network equipment upgrades includes the replacement of network infrastructure equipment including routers and switches.

Number of Units / Average Unit Cost Varies depending on type of unit purchased.

Estimated Completion Date On-going

Additional Capital Expenditure Amounts Required	2018	2019
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life Varies Depending on product purchased.

Estimated/Actual Project Cost \$0

Length of Financing/ Lease Period On-going Baseline Request - items expended not financed.

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2016	2017	2018	2019	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>
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Explanation: This project includes agency wide IT equipment replacement and upgrade plan for personal computer printers and scanners, ongoing software licensing, and network equipment upgrades.

Project Location: Texas Alcoholic Beverage Commission offices throughout the state.

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission and the People of Texas.

Frequency of Use and External Factors Affecting Use:

Daily access to printers, scanners, and software for all Texas Alcoholic Beverage Commission employees.

5.B. Capital Budget Project Information
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
Category Number:	5007	Category Name:	ACQUISITN CAP EQUIP ITEMS
Project number:	6	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); 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 commissioned law enforcement personnel.

Number of Units / Average Unit Cost	Varies depending on equipment purchased.
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Estimated Completion Date	On-going
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Additional Capital Expenditure Amounts Required	2018	2019
	0	0

Type of Financing	CA	CURRENT APPROPRIATIONS
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Projected Useful Life	Varies depending on item replaced
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Estimated/Actual Project Cost	\$0
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Length of Financing/ Lease Period On-going Baseline Request - items expended not financed.

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

<u>BT OBLIGATION PAYMENTS</u>				Total over project life
2016	2017	2018	2019	
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE</u>	<u>COST</u>	<u>FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
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Explanation: This project funds the replacment of obsolete and fully depreciated equipment for law enforcement officers.

Project Location: All Texas Alcoholic Beverage Commission offices throughout the state.

Beneficiaries: Texas Alcoholic Beverage Commission Agents and the agency stakeholders.

Frequency of Use and External Factors Affecting Use:

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

5.B. Capital Budget Project Information
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
Category Number:	8000	Category Name:	CAPPS Statewide ERP System
Project number:	10	Project Name:	CAPPS Implementation

PROJECT DESCRIPTION

General Information

Pursuant to Government Code, Section 2101.036, the Comptroller of Public Accounts will identify state agencies to transition to the Centralized Accounting and Payroll Personnel System (CAPPS), formerly known as ProjectONE. During this migration, several of our staff members in critical skill areas (payroll, human resources, and information technology) will be required to work extensively on the configuration and testing of the CAPPS system to support TABC systems and processes. The agency has been notified it will move to CAPPS in two stages, the financial module in September 2016 and the human resource module in September 2017. This funding includes contract employees needed to back fill one full time accountant and one part time human resource specialist as the agency subject matter experts will invest time in working on the conversion. Also included is one FTE to serve as a project manager to steer the conversion project and will serve the agency as a CAPPS expert post implementation.

Number of Units / Average Unit Cost

N/A

Estimated Completion Date

August 31, 2017

Additional Capital Expenditure Amounts Required

2018

2019

0

0

Type of Financing

CA CURRENT APPROPRIATIONS

Projected Useful Life

On-going

Estimated/Actual Project Cost

\$0

Length of Financing/ Lease Period

Items expended as operating costs.

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2016

2017

2018

2019

**Total over
project life**

0

0

0

0

0

REVENUE GENERATION / COST SAVINGS

REVENUE COST FLAG

MOF CODE

AVERAGE AMOUNT

Explanation: Pursuant to Government Code, Section 2101.036, the Comptroller of Public Accounts will identify state agencies to transition to the Centralized Accounting and Payroll Personnel System (CAPPS), formerly known as ProjectONE.

Project Location: Texas Alcoholic Beverage Commission offices throughout the state.

Beneficiaries: All Texas Alcoholic Beverage Commission employees and the People of Texas.

Frequency of Use and External Factors Affecting Use:

Systems are used daily by Texas Alcoholic Beverage Commission staff.

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5.C. Capital Budget Allocation to Strategies (Baseline)
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
5005 Acquisition of Information Resource Technologies						
1/1	Agencywide PC/Mobile Data Leased					
GENERAL BUDGET						
Capital	4-1-1	CENTRAL ADMINISTRATION	6,437	16,801	\$11,619	\$11,619
	4-1-2	INFORMATION RESOURCES	5,695	14,862	10,278	10,278
	4-1-3	OTHER SUPPORT SERVICES	2,723	7,108	4,916	4,916
	1-1-1	ENFORCEMENT	168,856	440,701	304,779	304,779
	2-1-1	LICENSING AND INVESTIGATION	20,550	53,634	37,092	37,092
	3-1-1	COMPLIANCE MONITORING	34,663	90,467	62,565	62,565
	3-2-1	PORTS OF ENTRY	8,666	22,617	15,641	15,641
TOTAL, PROJECT			\$247,590	\$646,190	\$446,890	\$446,890
4/4	Hardware/Software Acquisition					
GENERAL BUDGET						
Capital	4-1-2	INFORMATION RESOURCES	452,148	427,148	422,148	427,148
TOTAL, PROJECT			\$452,148	\$427,148	\$422,148	\$427,148
5/5	POE Equipment Replacement					
GENERAL BUDGET						
Capital	3-2-1	PORTS OF ENTRY	249,797	0	0	0
TOTAL, PROJECT			\$249,797	\$0	\$0	\$0

5.C. Capital Budget Allocation to Strategies (Baseline)
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
Capital	4-1-2	INFORMATION RESOURCES	105,537	0	\$0	\$0
TOTAL, PROJECT			\$105,537	\$0	\$0	\$0

8/8 Case Management

GENERAL BUDGET

Capital	1-1-1	ENFORCEMENT	89,051	259,984	0	0
TOTAL, PROJECT			\$89,051	\$259,984	\$0	\$0

9/9 IT Improvements

GENERAL BUDGET

Capital	4-1-2	INFORMATION RESOURCES	0	0	0	0
	3-1-1	COMPLIANCE MONITORING	0	0	0	0
TOTAL, PROJECT			\$0	\$0	\$0	\$0

5006 Transportation Items

3/3 Fleet Acquisition

GENERAL BUDGET

Capital	1-1-1	ENFORCEMENT	860,552	699,525	837,225	699,525
TOTAL, PROJECT			\$860,552	\$699,525	\$837,225	\$699,525

5007 Acquisition of Capital Equipment and Items

6/6 Public Safety Equip - Replacement

GENERAL BUDGET

5.C. Capital Budget Allocation to Strategies (Baseline)
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
Capital	1-1-1	ENFORCEMENT	1,083,512	179,419	\$1,083,512	\$179,419
TOTAL, PROJECT			\$1,083,512	\$179,419	\$1,083,512	\$179,419

7000 Data Center Consolidation

2/2 Data Center Consolidation

GENERAL BUDGET

Capital	4-1-2	INFORMATION RESOURCES	597,258	615,089	600,525	611,651
TOTAL, PROJECT			\$597,258	\$615,089	\$600,525	\$611,651

8000 Centralized Accounting and Payroll/Personnel System(CAPPS)

10/10 CAPPS Implementation

GENERAL BUDGET

Informational	4-1-1	CENTRAL ADMINISTRATION	0	0	0	0
TOTAL, PROJECT			\$0	\$0	\$0	\$0
TOTAL CAPITAL, ALL PROJECTS			\$3,685,445	\$2,827,355	\$3,390,300	\$2,364,633
TOTAL INFORMATIONAL, ALL PROJECTS			\$0	\$0	\$0	\$0
TOTAL, ALL PROJECTS			\$3,685,445	\$2,827,355	\$3,390,300	\$2,364,633

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5.E. Capital Budget Project-OOE and MOF Detail by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name					
<i>Project Sequence/Name</i>					
Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
5005 Acquisition of Information Resource Technologies					
1 Agencywide PC/Mobile Data Leased					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	168,856	440,701	304,779	304,779
2-1-1 LICENSING AND INVESTIGATION					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	20,550	53,634	37,092	37,092
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	34,663	90,467	62,565	62,565
3-2-1 PORTS OF ENTRY					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	8,666	22,617	15,641	15,641
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	6,437	16,801	11,619	11,619
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name					
<i>Project Sequence/Name</i>					
Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
1 Agencywide PC/Mobile Data Leased					
2007	RENT - MACHINE AND OTHER	5,695	14,862	10,278	10,278
4-1-3 OTHER SUPPORT SERVICES					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	2,723	7,108	4,916	4,916
TOTAL, OOE's		\$247,590	\$646,190	446,890	446,890
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	168,856	440,701	304,779	304,779
2-1-1 LICENSING AND INVESTIGATION					
<u>General Budget</u>					
1	General Revenue Fund	20,550	53,634	37,092	37,092
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
1	General Revenue Fund	34,663	90,467	62,565	62,565
3-2-1 PORTS OF ENTRY					
<u>General Budget</u>					
1	General Revenue Fund	8,666	22,617	15,641	15,641
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	6,437	16,801	11,619	11,619

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
1 Agencywide PC/Mobile Data Leased					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	5,695	14,862	10,278	10,278
4-1-3 OTHER SUPPORT SERVICES					
<u>General Budget</u>					
1	General Revenue Fund	2,723	7,108	4,916	4,916
TOTAL, GENERAL REVENUE FUNDS		\$247,590	\$646,190	446,890	446,890
TOTAL, MOFs		\$247,590	\$646,190	446,890	446,890
4 Hardware/Software Acquisition					
OOE					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	452,148	427,148	422,148	427,148
TOTAL, OOE's		\$452,148	\$427,148	422,148	427,148
MOF					
GENERAL REVENUE FUNDS					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	452,148	427,148	422,148	427,148
TOTAL, GENERAL REVENUE FUNDS		\$452,148	\$427,148	422,148	427,148
TOTAL, MOFs		\$452,148	\$427,148	422,148	427,148

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
5 POE Equipment Replacement					
OOE					
Capital					
3-2-1 PORTS OF ENTRY					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	249,797	0	0	0
TOTAL, OOE's		\$249,797	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
3-2-1 PORTS OF ENTRY					
<u>General Budget</u>					
1	General Revenue Fund	249,797	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$249,797	\$0	0	0
TOTAL, MOFs		\$249,797	\$0	0	0

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
7 Telephone Equipment					
OOE					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	105,537	0	0	0
TOTAL, OOE's		\$105,537	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	105,537	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$105,537	\$0	0	0
TOTAL, MOFs		\$105,537	\$0	0	0

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
84th Regular Session, Agency Submission, Version 1
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458 Alcoholic Beverage Commission

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
8 Case Management					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
2001	PROFESSIONAL FEES AND SERVICES	89,051	259,984	0	0
TOTAL, OOE's		\$89,051	\$259,984	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	89,051	259,984	0	0
TOTAL, GENERAL REVENUE FUNDS		\$89,051	\$259,984	0	0
TOTAL, MOFs		\$89,051	\$259,984	0	0

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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458 Alcoholic Beverage Commission

Category Code/Name					
Project Sequence/Name					
Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
9 IT Improvements					
OOE					
Capital					
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
2001	PROFESSIONAL FEES AND SERVICES	0	0	0	0
4-1-2 INFORMATION RESOURCES					
<u>General Budget</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
TOTAL, OOE's		\$0	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$0	\$0	0	0
TOTAL, MOFs		\$0	\$0	0	0

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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458 Alcoholic Beverage Commission

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
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5006 Transportation Items

3 Fleet Acquisition

OOE

Capital

1-1-1 ENFORCEMENT

General Budget

5000	CAPITAL EXPENDITURES	860,552	699,525	837,225	699,525
	TOTAL, OOE's	\$860,552	\$699,525	837,225	699,525

MOF

GENERAL REVENUE FUNDS

Capital

1-1-1 ENFORCEMENT

General Budget

1	General Revenue Fund	837,225	699,525	837,225	699,525
	TOTAL, GENERAL REVENUE FUNDS	\$837,225	\$699,525	837,225	699,525

OTHER FUNDS

Capital

1-1-1 ENFORCEMENT

General Budget

666	Appropriated Receipts	23,327	0	0	0
	TOTAL, OTHER FUNDS	\$23,327	\$0	0	0
	TOTAL, MOF's	\$860,552	\$699,525	837,225	699,525

5007 Acquisition of Capital Equipment and Items

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
6 Public Safety Equip - Replacement					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	179,419	179,419	179,419	179,419
5000	CAPITAL EXPENDITURES	904,093	0	904,093	0
TOTAL, OOE's		\$1,083,512	\$179,419	1,083,512	179,419
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	1,083,512	179,419	1,083,512	179,419
TOTAL, GENERAL REVENUE FUNDS		\$1,083,512	\$179,419	1,083,512	179,419
TOTAL, MOFs		\$1,083,512	\$179,419	1,083,512	179,419

7000 Data Center Consolidation

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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458 Alcoholic Beverage Commission

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
2 Data Center Consolidation					
OOE					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
2001	PROFESSIONAL FEES AND SERVICES	597,258	615,089	600,525	611,651
TOTAL, OOE's		\$597,258	\$615,089	600,525	611,651
MOF					
GENERAL REVENUE FUNDS					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	597,258	615,089	600,525	611,651
TOTAL, GENERAL REVENUE FUNDS		\$597,258	\$615,089	600,525	611,651
TOTAL, MOFs		\$597,258	\$615,089	600,525	611,651

8000 Centralized Accounting and Payroll/Personnel System(CAPPS)

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2014	Bud 2015	BL 2016	BL 2017
10 CAPPS Implementation					
OOE					
Informational					
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
1001	SALARIES AND WAGES	0	0	0	0
2001	PROFESSIONAL FEES AND SERVICES	0	0	0	0
2004	UTILITIES	0	0	0	0
2005	TRAVEL	0	0	0	0
2007	RENT - MACHINE AND OTHER	0	0	0	0
2009	OTHER OPERATING EXPENSE	0	0	0	0
TOTAL, OOE's		\$0	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Informational					
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$0	\$0	0	0
TOTAL, MOF's		\$0	\$0	0	0

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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458 Alcoholic Beverage Commission

	Est 2014	Bud 2015	BL 2016	BL 2017
CAPITAL				
<u>General Budget</u>				
GENERAL REVENUE FUNDS	\$3,662,118	\$2,827,355	3,390,300	2,364,633
OTHER FUNDS	\$23,327	\$0	0	0
TOTAL, GENERAL BUDGET	3,685,445	2,827,355	3,390,300	2,364,633
INFORMATIONAL				
<u>General Budget</u>				
GENERAL REVENUE FUNDS	\$0	\$0	0	0
TOTAL, GENERAL BUDGET	0	0	0	0
TOTAL, ALL PROJECTS	\$3,685,445	\$2,827,355	3,390,300	2,364,633

Capital Budget Project Schedule - Exceptional
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458 Alcoholic Beverage Commission

Category Code / Category Name			Excp 2016	Excp 2017
Project Number / Name				
OOE / TOF / MOF CODE				
5005	Acquisition of Information Resource Technologies			
<u>1</u>	<u>Agencywide PC/Mobile Data Leased</u>			
	Objects of Expense			
	2007 RENT - MACHINE AND OTHER		9,435	9,435
	Subtotal OOE, Project 1		9,435	9,435
	Type of Financing			
CA	1 General Revenue Fund		9,435	9,435
	Subtotal TOF, Project 1		9,435	9,435
<u>4</u>	<u>Hardware/Software Acquisition</u>			
	Objects of Expense			
	2009 OTHER OPERATING EXPENSE		8,604	8,604
	Subtotal OOE, Project 4		8,604	8,604
	Type of Financing			
CA	1 General Revenue Fund		8,604	8,604
	Subtotal TOF, Project 4		8,604	8,604
<u>9</u>	<u>IT Improvements</u>			
	Objects of Expense			
	2001 PROFESSIONAL FEES AND SERVICES		642,000	237,000
	2009 OTHER OPERATING EXPENSE		30,000	65,000
	5000 CAPITAL EXPENDITURES		50,000	50,000
	Subtotal OOE, Project 9		722,000	352,000
	Type of Financing			
CA	1 General Revenue Fund		722,000	352,000
	Subtotal TOF, Project 9		722,000	352,000

Capital Budget Project Schedule - Exceptional
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458 Alcoholic Beverage Commission			
Category Code / Category Name			
<i>Project Number / Name</i>			
OOE / TOF / MOF CODE		Excp 2016	Excp 2017
Subtotal Category	5005	740,039	370,039
5006 Transportation Items			
<u>3 Fleet Acquisition</u>			
Objects of Expense			
5000 CAPITAL EXPENDITURES		528,000	240,000
Subtotal OOE, Project	3	528,000	240,000
Type of Financing			
CA 1 General Revenue Fund		528,000	240,000
Subtotal TOF, Project	3	528,000	240,000
Subtotal Category	5006	528,000	240,000
5007 Acquisition of Capital Equipment and Items			
<u>6 Public Safety Equip - Replacement</u>			
Objects of Expense			
2009 OTHER OPERATING EXPENSE		40,164	0
5000 CAPITAL EXPENDITURES		596,958	1,018,750
Subtotal OOE, Project	6	637,122	1,018,750
Type of Financing			
CA 1 General Revenue Fund		637,122	1,018,750
Subtotal TOF, Project	6	637,122	1,018,750
Subtotal Category	5007	637,122	1,018,750
8000 Centralized Accounting and Payroll/Personnel System(CAPPS)			
<u>10 CAPPS Implementation</u>			
Objects of Expense			

Capital Budget Project Schedule - Exceptional
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458 Alcoholic Beverage Commission

Category Code / Category Name			
Project Number / Name			
OOE / TOF / MOF CODE		Excp 2016	Excp 2017
1001	SALARIES AND WAGES	65,000	65,000
2001	PROFESSIONAL FEES AND SERVICES	35,000	51,000
2004	UTILITIES	2,160	2,160
2005	TRAVEL	0	10,310
2007	RENT - MACHINE AND OTHER	1,140	1,140
2009	OTHER OPERATING EXPENSE	2,667	2,667
Subtotal OOE, Project	10	105,967	132,277
Type of Financing			
CA	1 General Revenue Fund	105,967	132,277
Subtotal TOF, Project	10	105,967	132,277
Subtotal Category	8000	105,967	132,277
AGENCY TOTAL		2,011,128	1,761,066
METHOD OF FINANCING:			
	1 General Revenue Fund	2,011,128	1,761,066
Total, Method of Financing		2,011,128	1,761,066
TYPE OF FINANCING:			
CA	CURRENT APPROPRIATIONS	2,011,128	1,761,066
Total, Type of Financing		2,011,128	1,761,066

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Capital Budget Allocation to Strategies by Project - Exceptional

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458 Alcoholic Beverage Commission

Category Code/Name

Project Number/Name

Goal/Obj/Str				Strategy Name	Excp 2016	Excp 2017
5005 Acquisition of Information Resource Technologies						
1	Agencywide PC/Mobile Data Leased					
1	1	1		ENFORCEMENT	7,915	7,915
3	1	1		COMPLIANCE MONITORING	1,520	1,520
				TOTAL, PROJECT	9,435	9,435
4	Hardware/Software Acquisition					
4	1	2		INFORMATION RESOURCES	8,604	8,604
				TOTAL, PROJECT	8,604	8,604
9	IT Improvements					
4	1	2		INFORMATION RESOURCES	192,000	192,000
4	1	2		INFORMATION RESOURCES	30,000	65,000
4	1	2		INFORMATION RESOURCES	50,000	50,000
3	1	1		COMPLIANCE MONITORING	450,000	45,000
				TOTAL, PROJECT	722,000	352,000
5006 Transportation Items						
3	Fleet Acquisition					
1	1	1		ENFORCEMENT	528,000	240,000
				TOTAL, PROJECT	528,000	240,000
5007 Acquisition of Capital Equipment and Items						
6	Public Safety Equip - Replacement					
1	1	1		ENFORCEMENT	40,164	0

Capital Budget Allocation to Strategies by Project - Exceptional

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458 Alcoholic Beverage Commission

Category Code/Name

Project Number/Name

Goal/Obj/Str				Strategy Name	Excp 2016	Excp 2017
1	1	1		ENFORCEMENT	596,958	1,018,750
TOTAL, PROJECT					637,122	1,018,750
8000 Centralized Accounting and Payroll/Personnel System(CAPPS)						
10	CAPPS Implementation					
4	1	1		CENTRAL ADMINISTRATION	65,000	65,000
4	1	1		CENTRAL ADMINISTRATION	35,000	51,000
4	1	1		CENTRAL ADMINISTRATION	2,160	2,160
4	1	1		CENTRAL ADMINISTRATION	0	10,310
4	1	1		CENTRAL ADMINISTRATION	1,140	1,140
4	1	1		CENTRAL ADMINISTRATION	2,667	2,667
TOTAL, PROJECT					105,967	132,277
TOTAL, ALL PROJECTS					2,011,128	1,761,066

6.A. Historically Underutilized Business Supporting Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2012 - 2013 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2012			Total Expenditures FY 2012	% Goal	HUB Expenditures FY 2013			Total Expenditures FY 2013
			% Actual	Diff	Actual \$			% Actual	Diff	Actual \$	
11.2%	Heavy Construction	11.2 %	0.0%	-11.2%	\$0	\$0	11.2 %	0.0%	-11.2%	\$0	\$0
21.1%	Building Construction	21.1 %	0.0%	-21.1%	\$0	\$0	21.1 %	0.0%	-21.1%	\$0	\$0
32.7%	Special Trade Construction	32.7 %	43.7%	11.0%	\$7,983	\$18,267	32.7 %	33.6%	0.9%	\$8,945	\$26,625
23.6%	Professional Services	23.6 %	0.0%	-23.6%	\$0	\$50,000	23.6 %	82.7%	59.1%	\$9,575	\$11,575
24.6%	Other Services	24.6 %	21.5%	-3.1%	\$360,807	\$1,677,820	24.6 %	12.1%	-12.5%	\$146,749	\$1,217,557
21.0%	Commodities	21.0 %	21.7%	0.7%	\$479,284	\$2,212,134	21.0 %	25.0%	4.0%	\$233,751	\$935,499
	Total Expenditures		21.4%		\$848,074	\$3,958,221		18.2%		\$399,020	\$2,191,256

B. Assessment of Fiscal Year 2012 - 2013 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceeded two of six, or 33% of the applicable statewide HUB procurement goals in FY 2012 and three of six, or 50% in FY 2013.

Applicability:

The “Heavy Construction” and “Building Construction” categories were not applicable to agency operations in FY 2012 and FY 2013 since the agency did not have expenditures related to those categories for the fiscal years listed. In both years the only “Professional Services” contract was for internal audit services. In FY 2012 the contract provider was not a HUB but in FY 2013 the contract provider was a HUB.

Factors Affecting Attainment:

In FY 2012 and FY 2013, the goal of “Other Services” was not met due to the fact that contracts in that category are heavily related to specialized maintenance contracts with a limited number of certified HUBs being available. As an efficiency, the agency field staff uses the state procurement card process and have been instructed to make a significant effort towards purchasing from HUBs even though the agency will not receive HUB credit for these purchases because there are no efficient means to capture the information.

"Good-Faith" Efforts:

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

- ensured that contract specifications, terms, quantities and conditions reflected 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,
- and regularly monitored the agency’s internal divisions and their specific requests and HUB participation capabilities.

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6.B. Current Biennium One-time Expenditure Schedule

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Shelby Eskew	Date: August 11, 2014	
Item	2014-15		2016-2017	
	Amount	MOF	Amount	MOF
Marketing Practices Grant	\$12,224	555		
Special Events Grant	\$110,825	555		
EUDL FFY13	\$59,639	555		
Source Investigations Grant	\$287,800	555		
Judgments	\$14,454	001		
Case Management	\$349,035	001		
Lump Sum Termination Pay	\$461,081	001		
Death Benefits	\$14,463	001		

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Marketing Practices Grant							
ALLOCATION TO STRATEGY: 3.1.1. Compliance Monitoring							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2003 2005 2009	Objects of Expense:						
	Consumable Supplies			\$10,224	\$0	\$0	\$0
	Travel			1,000	0	0	0
	Other Operating Expenses			1,000	0	0	0
Total, Objects of Expense				\$12,224	\$0	\$0	\$0
555	Method of Financing:						
	Federal Funds			\$12,224	\$0	\$0	\$0
	Total, Method of Financing			\$12,224	\$0	\$0	\$0

Description of Item for 2014-15

One-time grant awarded to educate industry regarding Marketing Practices.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Special Events Grant							
ALLOCATION TO STRATEGY: 3.1.1. Compliance Monitoring							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2003 2005 4000	Objects of Expense:						
	Consumable Supplies			\$105,752	\$0	\$0	\$0
	Travel			1,548	0	0	0
	Grants			3,525	0	0	0
	Total, Objects of Expense			\$110,825	\$0	\$0	\$0
555	Method of Financing:						
	Federal Funds			\$110,825	\$0	\$0	\$0
	Total, Method of Financing			\$110,825	\$0	\$0	\$0

Description of Item for 2014-15

One-time grant used to assist with funding for Education and Prevention department.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: EUDL FFY13							
ALLOCATION TO STRATEGY: 3.1.1. Compliance Monitoring							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2009	Objects of Expense:						
	Other Operating Expense			\$59,639	\$0	\$0	\$0
	Total, Objects of Expense			\$59,639	\$0	\$0	\$0
555	Method of Financing:						
	Federal Funds			\$59,639	\$0	\$0	\$0
	Total, Method of Financing			\$59,639	\$0	\$0	\$0

Description of Item for 2014-15

This is the final award of the Enforcement of Underage Drinking Laws grant that is no longer funded at the federal level.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Source Investigation Grant							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
1001 2003 2005	Objects of Expense:						
	Salaries and Wages			\$236,075	\$0	\$0	\$0
	Consumable Supplies			50,801	0	0	0
	Travel			924	0	0	0
	Total, Objects of Expense			\$287,800	\$0	\$0	\$0
555	Method of Financing:						
	Federal Funds			\$287,800	\$0	\$0	\$0
	Total, Method of Financing			\$287,800	\$0	\$0	\$0

Description of Item for 2014-15

This is a grant used to increase investigative efforts in our Enforcement division.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Judgments							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2009	Objects of Expense: Other Operating Expenses			\$14,454	\$0	0	0
	Total, Objects of Expense			\$14,454	\$0	\$0	\$0
001	Method of Financing: General Revenue Fund			\$14,454	\$0	\$0	\$0
	Total, Method of Financing			\$14,454	\$0	\$0	\$0

Description of Item for 2014-15

This funding was used for court settlements.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Case Management							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Professional Fees and Service			\$89,051	\$259,984	0	0
	Total, Objects of Expense			\$89,051	\$259,984	\$0	\$0
001	Method of Financing: General Revenue Fund			\$89,051	\$259,984	\$0	\$0
	Total, Method of Financing			\$89,051	\$259,984	\$0	\$0

Description of Item for 2014-15

Funding used within capital budget appropriations for improvements to TABC's automated systems.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Other Personnel Costs			\$141,314	\$60,896	\$0	\$0
	Total, Objects of Expense			\$141,314	\$60,896	\$0	\$0
001	Method of Financing: General Revenue Fund			\$141,314	\$60,896	\$0	\$0
	Total, Method of Financing			\$141,314	\$60,896	\$0	\$0

Description of Item for 2014-15

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 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 2.1.1. Licensing and Investigation							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Other Personnel Costs			\$93,087	\$39,176	\$0	\$0
	Total, Objects of Expense			\$93,087	\$39,176	\$0	\$0
001	Method of Financing: General Revenue Fund			\$93,087	\$39,176	\$0	\$0
	Total, Method of Financing			\$93,087	\$39,176	\$0	\$0

Description of Item for 2014-15

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 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 3.1.1. Compliance Monitoring							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Other Personnel Costs			\$56,244	\$32,172	\$0	\$0
	Total, Objects of Expense			\$56,244	\$32,172	\$0	\$0
001	Method of Financing: General Revenue Fund			\$56,244	\$32,172	\$0	\$0
	Total, Method of Financing			\$56,244	\$32,172	\$0	\$0

Description of Item for 2014-15

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 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 3.2.1. Ports of Entry							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Other Personnel Costs			\$13,856	\$12,168	\$0	\$0
	Total, Objects of Expense			\$13,856	\$12,168	\$0	\$0
001	Method of Financing: General Revenue Fund			\$13,856	\$12,168	\$0	\$0
	Total, Method of Financing			\$13,856	\$12,168	\$0	\$0

Description of Item for 2014-15

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 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 4.1.1. Central Administration							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Other Personnel Costs			\$3,235	\$2,747	\$0	\$0
	Total, Objects of Expense			\$3,235	\$2,747	\$0	\$0
001	Method of Financing: General Revenue Fund			\$3,235	\$2,747	\$0	\$0
	Total, Method of Financing			\$3,235	\$2,747	\$0	\$0

Description of Item for 2014-15

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 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 4.1.2. Information Resources							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Other Personnel Costs			\$2,051	\$1,742	\$0	\$0
	Total, Objects of Expense			\$2,051	\$1,742	\$0	\$0
001	Method of Financing: General Revenue Fund			\$2,051	\$1,742	\$0	\$0
	Total, Method of Financing			\$2,051	\$1,742	\$0	\$0

Description of Item for 2014-15

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 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 4.1.3. Support Services							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Other Personnel Costs			\$1,294	\$1,099	\$0	\$0
	Total, Objects of Expense			\$1,294	\$1,099	\$0	\$0
001	Method of Financing: General Revenue Fund			\$1,294	\$1,099	\$0	\$0
	Total, Method of Financing			\$1,294	\$1,099	\$0	\$0

Description of Item for 2014-15

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 2016-17 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Shelby Eskew		Date August 11, 2014	
PROJECT ITEM: Lump Sum Termination - Death Benefit							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
1002	Objects of Expense: Other Personnel Costs			\$14,463	\$0		
	Total, Objects of Expense			\$14,463	\$0	\$0	\$0
001	Method of Financing: General Revenue Fund			\$14,463	\$0		
	Total, Method of Financing			\$14,463	\$0	\$0	\$0

Description of Item for 2014-15

This funding was used to pay Lump Sum Termination Death Benefit for employees that died while employed with the agency.

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6.C. Federal Funds Supporting Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

		458 Alcoholic Beverage Commission				
CFDA NUMBER/ STRATEGY		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
16.727.000	COMBATING UNDERAGE DRINK					
3 - 1 - 1	COMPLIANCE MONITORING	299,511	59,639	0	0	0
	TOTAL, ALL STRATEGIES	\$299,511	\$59,639	\$0	\$0	\$0
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	\$299,511	\$59,639	\$0	\$0	\$0
	ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0	\$0	\$0
16.738.000	Justice Assistance Grant					
3 - 2 - 1	PORTS OF ENTRY	282,156	0	0	0	0
	TOTAL, ALL STRATEGIES	\$282,156	\$0	\$0	\$0	\$0
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	\$282,156	\$0	\$0	\$0	\$0
	ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0	\$0	\$0
20.600.000	State and Community Highw					
3 - 1 - 1	COMPLIANCE MONITORING	267,776	12,224	0	0	0
	TOTAL, ALL STRATEGIES	\$267,776	\$12,224	\$0	\$0	\$0
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	\$267,776	\$12,224	\$0	\$0	\$0
	ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0	\$0	\$0
20.601.000	Alcohol Traffic Safety an					
1 - 1 - 1	ENFORCEMENT	1,400	0	0	0	0
	TOTAL, ALL STRATEGIES	\$1,400	\$0	\$0	\$0	\$0
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	\$1,400	\$0	\$0	\$0	\$0
	ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0	\$0	\$0
20.616.000	National Priority Safety Programs					

6.C. Federal Funds Supporting Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission					
CFDA NUMBER/ STRATEGY	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1 - 1 - 1 ENFORCEMENT	0	287,800	0	0	0
3 - 1 - 1 COMPLIANCE MONITORING	0	110,825	0	0	0
TOTAL, ALL STRATEGIES	\$0	\$398,625	\$0	\$0	\$0
ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
TOTAL, FEDERAL FUNDS	\$0	\$398,625	\$0	\$0	\$0
ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0	\$0	\$0

6.C. Federal Funds Supporting Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

		458 Alcoholic Beverage Commission				
CFDA NUMBER/ STRATEGY		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<u>SUMMARY LISTING OF FEDERAL PROGRAM AMOUNTS</u>						
16.727.000	COMBATING UNDERAGE DRINK	299,511	59,639	0	0	0
16.738.000	Justice Assistance Grant	282,156	0	0	0	0
20.600.000	State and Community Highw	267,776	12,224	0	0	0
20.601.000	Alcohol Traffic Safety an	1,400	0	0	0	0
20.616.000	National Priority Safety Programs	0	398,625	0	0	0
TOTAL, ALL STRATEGIES		\$850,843	\$470,488	\$0	\$0	\$0
TOTAL , ADDL FED FUNDS FOR EMPL BENEFITS		0	0	0	0	0
TOTAL, FEDERAL FUNDS		\$850,843	\$470,488	\$0	\$0	\$0
TOTAL, ADDL GR FOR EMPL BENEFITS		\$0	\$0	\$0	\$0	\$0

SUMMARY OF SPECIAL CONCERNS/ISSUES

6.C. Federal Funds Supporting Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

CFDA NUMBER/ STRATEGY	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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Assumptions and Methodology:

The Texas Alcoholic Beverage Commission does not have any grant funding in our method of finance for FY2015-2017. Grants awarded to the agency in FY2014 were one time independent applications made by the agency after appropriations were made. The same will hold true for any future awards in outlying years.

In FY2013 and FY2014 the agency expended the last award directly from the federal government, CFDA#16.727. This grant had been received for many years by TABC, but the grant was not funded at the federal level.

Potential Loss:

In FY2013 and FY2014 the agency expended the last award directly from the federal government, CFDA#16.727. This grant had been received for many years by TABC, but the grant was not funded at the federal level.

6.E. Estimated Revenue Collections Supporting Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

FUND/ACCOUNT		Act 2013	Exp 2014	Exp 2015	Bud 2016	Est 2017
<u>1</u>	General Revenue Fund					
	Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
	Estimated Revenue:					
3103	Limited Sales & Use Tax-State	0	0	0	0	0
3143	Industrial Alcohol Mfg	800	0	800	0	800
3253	Liquor Tax	76,384,171	78,869,309	81,848,918	84,874,139	88,015,111
3254	Air/Train/Limousine Bev Tax	319,362	300,343	300,343	300,343	300,343
3256	Liquor Permit Fees	31,499,603	25,370,919	29,615,563	25,370,919	29,615,563
3257	License/Permit Sucharges-General	20,960,975	31,421,664	19,844,268	31,421,664	19,844,268
3258	Beer Tax	103,848,784	100,199,421	98,196,147	96,232,813	94,308,660
3259	Wine Tax	12,137,647	13,610,376	14,190,657	14,795,118	15,425,360
3261	Wine and Beer Permits	4,288,823	11,537,722	4,246,340	11,537,722	4,246,340
3263	Brew Pub License	24,709	23,000	26,000	23,000	26,000
3265	Malt Liquor (Ale) Tax	13,074,931	13,509,598	14,979,242	16,609,801	18,418,584
3266	Temp Charit Funct Permit-Alcohol	5,050	6,300	6,300	6,300	6,300
3268	Alcohol Bev Penalty Lieu Suspend	2,856,450	2,500,000	2,500,000	2,500,000	2,500,000
3269	Sale-Confiscated Alcohol Bevs	3,690	2,000	2,000	2,000	2,000
3271	Alcoholic Beverage Import Fee	3,482,630	3,515,976	3,765,705	3,780,813	3,780,993
3272	Alcoholic Bev Seller Trng Prog	704,980	670,646	670,646	670,646	670,646
3273	Alcoholic Bev - Samp & Labels Cert	485,670	511,842	510,247	510,247	510,247
3274	A B C Administrative Fees	55,875	30,900	30,900	30,900	30,900
3275	Cigarette Tax	661,111	625,911	660,225	602,995	547,182
3714	Judgments	362	750	750	750	750
3719	Fees/Copies or Filing of Records	3,970	3,000	3,000	3,000	3,000
3750	Sale of Furniture & Equipment	2,002	0	0	0	0
3752	Sale of Publications/Advertising	666	435	435	435	435
3754	Other Surplus/Salvage Property	10,750	0	0	0	0
3769	Forfeitures	455,819	400,000	400,000	400,000	400,000
3773	Insurance and Damages	823	0	0	0	0
3790	Deposit to Trust or Suspense	0	0	0	0	0
3795	Other Misc Government Revenue	180	454	200	200	200
3802	Reimbursements-Third Party	13,376	9,575	9,575	9,575	9,575
3839	Sale of Motor Vehicle/Boat/Aircraft	36,450	18,750	18,750	18,750	18,750

6.E. Estimated Revenue Collections Supporting Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

FUND/ACCOUNT	Act 2013	Exp 2014	Exp 2015	Bud 2016	Est 2017
3879 Credit Card and Related Fees	9,661	15,000	15,000	15,000	15,000
Subtotal: Actual/Estimated Revenue	271,329,320	283,153,891	271,842,011	289,717,130	278,697,007
Total Available	\$271,329,320	\$283,153,891	\$271,842,011	\$289,717,130	\$278,697,007
DEDUCTIONS:					
Unemployment Benefits	(9,881)	(10,000)	(10,000)	(10,000)	(10,000)
Health, OASI, Retirement	(7,567,834)	(7,600,000)	(7,600,000)	(7,600,000)	(7,600,000)
Benefit Replacement Pay	(100,799)	(95,000)	(95,000)	(95,000)	(95,000)
Salary Increase Art. IX, Sec. 17.06	0	(1,469,196)	(3,083,766)	0	0
Total, Deductions	\$(7,678,514)	\$(9,174,196)	\$(10,788,766)	\$(7,705,000)	\$(7,705,000)
Ending Fund/Account Balance	\$263,650,806	\$273,979,695	\$261,053,245	\$282,012,130	\$270,992,007

REVENUE ASSUMPTIONS:

The Texas Alcoholic Beverage Commission is required by Rider 7 of the agency bill pattern to cover its appropriation in addition to employee benefits using revenue codes: 3143, 3256, 3257, 3261, 3263, 3266, 3268, 3271, 3272, 3273, 3274, 3769 and 3879.

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. The fluctuation in license permit fees is due to the agency issuing 2-year permits which results in renewals happening every two years.

The Comptroller of Public Accounts projects steady growth for the state's population and its economy during the next five years. TABC estimates that the average annual growth rate for aggregate demand for alcoholic beverages during that time will be approximately 1.5%. The commission also expects the number of licensed retailers to increase during the next five years at an average annual rate of 1.4-1.6%, a rate consistent with the growth experienced over the most recently concluded five year period. Revenue collections during the upcoming biennium are expected to mirror the pattern and volume of collections observed during the current biennium. However, the revenue growth estimated during the next biennium is expected to be relatively small in keeping with the agency's projections for increases in aggregate demand and in the number of licensed retailers.

CONTACT PERSON:

Shelby Eskew

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458 Agency name: Alcoholic Beverage Commission

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	
1 5.0% Reduction of Staff and Office Closures							
Category: Programs - Service Reductions (FTEs-Layoffs)							
Item Comment: With a 5% reduction in funding to the TABC, traditional public safety and regulatory enforcement activities would suffer. The number of inspections conducted by enforcement agents and auditors would decline, dropping from a combined total of 103,200 to 94,166. The number of audits and analyses conducted by field auditors would also drop, falling from approximately 1,500 to 1,266. This reduction would have a detrimental effect on the agency's public education initiatives, forcing the agency to severely curtail all educational programs except those targeting police officers, agency licensees, and civic groups. Expected program attendance could drop from 85,300 persons to 74,650.							
Field enforcement activities as described above and public education are the agency's chief means of detecting and preventing violations of the state's alcoholic beverage laws. Curtailing those activities will increase non-compliance and the threat to public safety caused by non-compliance. With fewer agents and auditors looking over their shoulders, more licensees/permittees are likely to succumb to temptation and to try to boost profits by over-serving customers, engaging in illegal/socially dangerous sales, and short-changing the state on the taxes and fees they legitimately owe. The loss of a significant portion of the agency's field auditors will force enforcement agents to take back some of the regulatory enforcement duties that auditors had assumed following a Sunset Committee recommendation that directed agents to focus their attention on public safety issues. While unavoidable under the circumstances, this means that the agency's public safety initiatives will have to be cut by more than would be required by the loss of agent positions alone.							
Also, expected at this level of funding are ten office closings, mostly involving TABC offices in the eastern half of the state, which means less customer service and longer drives for those needing to do business with the agency.							
Strategy: 1-1-1 Enforcement							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$1,221,726	\$1,221,726	\$2,443,452	
General Revenue Funds Total	\$0	\$0	\$0	\$1,221,726	\$1,221,726	\$2,443,452	
Strategy: 2-1-1 Licensing and Investigation							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$188,310	\$188,310	\$376,620	
General Revenue Funds Total	\$0	\$0	\$0	\$188,310	\$188,310	\$376,620	

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

REVENUE LOSS				REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	2016	2017	Biennial Total	2016	2017	Biennial Total	
Strategy: 3-1-1 Conduct Inspections and Monitor Compliance							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$651,621	\$651,621	\$1,303,242	
General Revenue Funds Total	\$0	\$0	\$0	\$651,621	\$651,621	\$1,303,242	
Strategy: 3-2-1 Nontransferable							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$140,720	\$140,720	\$281,440	
General Revenue Funds Total	\$0	\$0	\$0	\$140,720	\$140,720	\$281,440	
Item Total	\$0	\$0	\$0	\$2,202,377	\$2,202,377	\$4,404,754	
FTE Reductions (From FY 2016 and FY 2017 Base Request)				39.0	39.0		

2 2.5% Reduction of Staff

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: Cuts beyond 5 percent will simply exacerbate the problems described above. Funding at 92.5 percent of baseline will create significant staffing shortages; drive the total number of agent and auditor inspections down to 88,476 (a 14 percent reduction from the combined baseline inspection target); reduce the number of audits conducted by agency personnel auditors to just 1,125 (75 percent of the baseline projection); and cut the outputs associated with the agency's public education programs by 20 percent. Also, the loss of additional auditor positions will force agents to assume an even greater portion of the regulatory enforcement duties, further decreasing their ability to focus on public safety issues.

As the volume of prevention and enforcement activities declines and agents become increasingly distracted by regulatory activities, as opposed to public safety issues, non-compliance with the law will increase and the collective threat to public safety caused by individual acts of non-compliance will grow. Also at this level of funding, customer service will drop even more, the cumulative effect of reductions in the agency's Licensing staff will begin to be felt, and applicants will experience longer delays in the processing of their applications.

Strategy: 1-1-1 Enforcement

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

84th Regular Session, Agency Submission, Version 1
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Agency code: **458** Agency name: **Alcoholic Beverage Commission**

REVENUE LOSS				REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	2016	2017	Biennial Total	2016	2017	Biennial Total	
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$645,709	\$645,709	\$1,291,418	
General Revenue Funds Total	\$0	\$0	\$0	\$645,709	\$645,709	\$1,291,418	
Strategy: 2-1-1 Licensing and Investigation							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$98,774	\$98,774	\$197,548	
General Revenue Funds Total	\$0	\$0	\$0	\$98,774	\$98,774	\$197,548	
Strategy: 3-1-1 Conduct Inspections and Monitor Compliance							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$272,273	\$272,273	\$544,546	
General Revenue Funds Total	\$0	\$0	\$0	\$272,273	\$272,273	\$544,546	
Strategy: 3-2-1 Nontransferable							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$84,432	\$84,432	\$168,864	
General Revenue Funds Total	\$0	\$0	\$0	\$84,432	\$84,432	\$168,864	
Item Total	\$0	\$0	\$0	\$1,101,188	\$1,101,188	\$2,202,376	
FTE Reductions (From FY 2016 and FY 2017 Base Request)				24.0	24.0		

3 2.5% Reduction of Staff

Category: Programs - Service Reductions (FTEs-Layoffs)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

REVENUE LOSS

REDUCTION AMOUNT

TARGET

Item Priority and Name/ Method of Financing

2016

2017

Biennial Total

2016

2017

Biennial Total

Item Comment: At 90% funding, approximately 40 – 50 percent of the agency’s field auditors will be gone, and the number of TABC enforcement agents will have been reduced by a total of 35 positions (almost 15 percent). In comparison with baseline, agency personnel will be capable of performing only 83,178 inspections (80 percent of baseline) and 896 audits (less than 60 percent of the baseline). In addition, the agency’s ability to develop and deliver educational programs to the public, to its licensees and permittees, and to police officers and local officials will have also taken a hit, as its program development staff will be gone, and its total instructional capacity will have been reduced to about 58,800 persons (69 percent of baseline).

The negative consequences are likely to include lower compliance rates for inspections, audits, etc., a higher recidivism rate among agency licensees and permittees who violate the law, more incidents on licensed premises that pose a threat to public safety, and less focus on public safety issues. In addition, stakeholders can expect significant declines in customer service, application processing delays, delays in the handling of complaints, and fewer local offices for conducting business with the agency.

Strategy: 1-1-1 Enforcement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$397,805	\$397,805	\$795,610
General Revenue Funds Total	\$0	\$0	\$0	\$397,805	\$397,805	\$795,610

Strategy: 2-1-1 Licensing and Investigation

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$96,029	\$96,029	\$192,058
General Revenue Funds Total	\$0	\$0	\$0	\$96,029	\$96,029	\$192,058

Strategy: 3-1-1 Conduct Inspections and Monitor Compliance

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$551,066	\$551,066	\$1,102,132
General Revenue Funds Total	\$0	\$0	\$0	\$551,066	\$551,066	\$1,102,132

Strategy: 3-2-1 Nontransferable

General Revenue Funds

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	
1 General Revenue Fund	\$0	\$0	\$0	\$56,288	\$56,288	\$112,576	
General Revenue Funds Total	\$0	\$0	\$0	\$56,288	\$56,288	\$112,576	
Item Total	\$0	\$0	\$0	\$1,101,188	\$1,101,188	\$2,202,376	
FTE Reductions (From FY 2016 and FY 2017 Base Request)				25.0	25.0		
AGENCY TOTALS							
General Revenue Total				\$4,404,753	\$4,404,753	\$8,809,506	\$8,809,506
Agency Grand Total	\$0	\$0	\$0	\$4,404,753	\$4,404,753	\$8,809,506	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2016 and FY 2017 Base Request)				88.0	88.0		

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7.A. Indirect Administrative and Support Costs

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Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission						
Strategy		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1-1-1	Enforcement					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$1,690,722	\$ 1,826,707	\$ 1,939,828	\$ 1,993,418	\$ 2,003,799
1002	OTHER PERSONNEL COSTS	80,110	46,395	49,322	38,081	40,936
2001	PROFESSIONAL FEES AND SERVICES	390,428	525,033	506,457	488,730	496,802
2002	FUELS AND LUBRICANTS	2,224	2,664	2,648	2,648	2,648
2003	CONSUMABLE SUPPLIES	12,926	15,660	15,581	15,581	15,581
2004	UTILITIES	43,018	43,408	43,374	43,375	43,375
2005	TRAVEL	19,172	21,212	21,112	21,112	21,112
2006	RENT - BUILDING	199,859	195,214	195,407	188,124	188,124
2007	RENT - MACHINE AND OTHER	31,401	31,307	45,270	38,245	38,245
2009	OTHER OPERATING EXPENSE	469,932	703,723	671,056	507,393	511,019
5000	CAPITAL EXPENDITURES	34,718	7,676	0	0	0
Total, Objects of Expense		\$2,974,510	\$3,418,999	\$3,490,055	\$3,336,707	\$3,361,641
METHOD OF FINANCING:						
1	General Revenue Fund	2,972,272	3,417,690	3,490,055	3,336,707	3,361,641
666	Appropriated Receipts	2,238	1,309	0	0	0
Total, Method of Financing		\$2,974,510	\$3,418,999	\$3,490,055	\$3,336,707	\$3,361,641
FULL TIME EQUIVALENT POSITIONS		31.5	31.4	35.6	35.6	35.6

7.A. Indirect Administrative and Support Costs
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1-1-1 Enforcement					
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 PC's supported for the direct strategies.

7.A. Indirect Administrative and Support Costs
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission						
Strategy		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
2-1-1	Licensing and Investigation					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$332,638	\$ 393,614	\$ 410,979	\$ 421,825	\$ 423,299
1002	OTHER PERSONNEL COSTS	15,977	10,097	10,614	8,141	8,763
2001	PROFESSIONAL FEES AND SERVICES	38,095	68,315	65,972	63,126	64,108
2002	FUELS AND LUBRICANTS	593	726	717	717	717
2003	CONSUMABLE SUPPLIES	2,815	3,903	3,856	3,856	3,856
2004	UTILITIES	4,745	6,134	6,114	6,114	6,114
2005	TRAVEL	5,298	5,108	5,048	5,048	5,048
2006	RENT - BUILDING	41,800	42,419	42,183	40,648	40,648
2007	RENT - MACHINE AND OTHER	5,707	6,020	8,855	7,412	7,412
2009	OTHER OPERATING EXPENSE	60,332	128,378	121,633	78,562	79,004
5000	CAPITAL EXPENDITURES	4,742	934	0	0	0
Total, Objects of Expense		\$512,742	\$665,648	\$675,971	\$635,449	\$638,969
METHOD OF FINANCING:						
1	General Revenue Fund	512,090	665,278	675,971	635,449	638,969
666	Appropriated Receipts	652	370	0	0	0
Total, Method of Financing		\$512,742	\$665,648	\$675,971	\$635,449	\$638,969
FULL TIME EQUIVALENT POSITIONS						
		6.1	6.7	7.4	7.4	7.4

7.A. Indirect Administrative and Support Costs
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
2-1-1 Licensing and Investigation					
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 PC's supported for the direct strategies.

7.A. Indirect Administrative and Support Costs
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission						
Strategy		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
3-1-1	Conduct Inspections and Monitor Compliance					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$427,839	\$ 492,217	\$ 510,558	\$ 524,338	\$ 526,604
1002	OTHER PERSONNEL COSTS	20,471	12,569	13,087	10,069	10,832
2001	PROFESSIONAL FEES AND SERVICES	63,017	110,802	106,750	102,669	104,326
2002	FUELS AND LUBRICANTS	706	822	797	797	797
2003	CONSUMABLE SUPPLIES	3,523	4,581	4,457	4,457	4,457
2004	UTILITIES	7,449	9,493	9,440	9,440	9,440
2005	TRAVEL	6,262	6,083	5,926	5,926	5,926
2006	RENT - BUILDING	52,866	52,843	51,934	50,022	50,022
2007	RENT - MACHINE AND OTHER	7,511	7,939	11,442	9,622	9,622
2009	OTHER OPERATING EXPENSE	89,230	173,703	163,426	114,957	115,701
5000	CAPITAL EXPENDITURES	6,856	1,576	0	0	0
Total, Objects of Expense		\$685,730	\$872,628	\$877,817	\$832,297	\$837,727
METHOD OF FINANCING:						
1	General Revenue Fund	684,968	872,215	877,817	832,297	837,727
666	Appropriated Receipts	762	413	0	0	0
Total, Method of Financing		\$685,730	\$872,628	\$877,817	\$832,297	\$837,727
FULL TIME EQUIVALENT POSITIONS		7.9	8.4	9.3	9.3	9.3

7.A. Indirect Administrative and Support Costs
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
3-1-1 Conduct Inspections and Monitor Compliance					
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 PC's supported for the direct strategies.

7.A. Indirect Administrative and Support Costs
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission						
Strategy		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
3-2-1	Nontransferable					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$385,944	\$ 445,444	\$ 488,221	\$ 500,584	\$ 501,587
1002	OTHER PERSONNEL COSTS	18,681	11,519	12,779	9,746	10,502
2001	PROFESSIONAL FEES AND SERVICES	18,350	36,017	35,626	33,186	33,600
2002	FUELS AND LUBRICANTS	791	963	1,013	1,013	1,013
2003	CONSUMABLE SUPPLIES	3,448	4,904	5,155	5,155	5,155
2004	UTILITIES	3,023	3,975	4,082	4,081	4,081
2005	TRAVEL	7,166	6,275	6,592	6,592	6,592
2006	RENT - BUILDING	50,154	48,333	50,921	49,106	49,106
2007	RENT - MACHINE AND OTHER	6,307	6,144	9,759	8,090	8,090
2009	OTHER OPERATING EXPENSE	48,554	123,851	123,251	63,399	63,585
5000	CAPITAL EXPENDITURES	4,108	394	0	0	0
Total, Objects of Expense		\$546,526	\$687,819	\$737,399	\$680,952	\$683,311
METHOD OF FINANCING:						
1	General Revenue Fund	545,627	687,319	737,399	680,952	683,311
666	Appropriated Receipts	899	500	0	0	0
Total, Method of Financing		\$546,526	\$687,819	\$737,399	\$680,952	\$683,311
FULL TIME EQUIVALENT POSITIONS						
		7.1	7.6	8.7	8.7	8.7

7.A. Indirect Administrative and Support Costs
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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 PC's supported for the direct strategies.

7.A. Indirect Administrative and Support Costs
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission					
	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$2,837,143	\$3,157,982	\$3,349,586	\$3,440,165	\$3,455,289
1002 OTHER PERSONNEL COSTS	\$135,239	\$80,580	\$85,802	\$66,037	\$71,033
2001 PROFESSIONAL FEES AND SERVICES	\$509,890	\$740,167	\$714,805	\$687,711	\$698,836
2002 FUELS AND LUBRICANTS	\$4,314	\$5,175	\$5,175	\$5,175	\$5,175
2003 CONSUMABLE SUPPLIES	\$22,712	\$29,048	\$29,049	\$29,049	\$29,049
2004 UTILITIES	\$58,235	\$63,010	\$63,010	\$63,010	\$63,010
2005 TRAVEL	\$37,898	\$38,678	\$38,678	\$38,678	\$38,678
2006 RENT - BUILDING	\$344,679	\$338,809	\$340,445	\$327,900	\$327,900
2007 RENT - MACHINE AND OTHER	\$50,926	\$51,410	\$75,326	\$63,369	\$63,369
2009 OTHER OPERATING EXPENSE	\$668,048	\$1,129,655	\$1,079,366	\$764,311	\$769,309
5000 CAPITAL EXPENDITURES	\$50,424	\$10,580	\$0	\$0	\$0
Total, Objects of Expense	\$4,719,508	\$5,645,094	\$5,781,242	\$5,485,405	\$5,521,648
Method of Financing					
1 General Revenue Fund	\$4,714,957	\$5,642,502	\$5,781,242	\$5,485,405	\$5,521,648
666 Appropriated Receipts	\$4,551	\$2,592	\$0	\$0	\$0
Total, Method of Financing	\$4,719,508	\$5,645,094	\$5,781,242	\$5,485,405	\$5,521,648
Full-Time-Equivalent Positions (FTE)	52.6	54.1	61.0	61.0	61.0

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7.B. Direct Administrative and Support Costs
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Strategy		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1-1-1	Enforcement					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$383,972	\$408,164	\$430,045	\$432,165	\$441,722
1002	OTHER PERSONNEL COSTS	10,688	8,740	9,630	10,300	10,300
2001	PROFESSIONAL FEES AND SERVICES	5,773	6,850	6,850	6,850	6,850
2002	FUELS AND LUBRICANTS	519	500	500	500	500
2003	CONSUMABLE SUPPLIES	2,568	3,860	3,860	3,860	3,860
2004	UTILITIES	566	1,817	1,817	1,817	1,817
2005	TRAVEL	13,289	13,950	13,950	13,950	13,950
2006	RENT - BUILDING	27,727	28,151	28,151	28,151	28,151
2007	RENT - MACHINE AND OTHER	713	1,948	1,948	1,948	1,948
2009	OTHER OPERATING EXPENSE	23,448	30,971	27,648	27,681	27,824
5000	CAPITAL EXPENDITURES	0	0	0	0	0
Total, Objects of Expense		\$469,263	\$504,951	\$524,399	\$527,222	\$536,922
METHOD OF FINANCING:						
1	General Revenue Fund	469,263	504,951	524,399	527,222	536,922
Total, Method of Financing		\$469,263	\$504,951	\$524,399	\$527,222	\$536,922
FULL-TIME-EQUIVALENT POSITIONS (FTE):		7.5	7.0	7.0	7.0	7.0
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
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Strategy		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
2-1-1 Licensing and Investigation						
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$268,780	\$285,716	\$301,031	\$302,517	\$309,206
1002	OTHER PERSONNEL COSTS	7,482	6,118	6,741	7,210	7,210
2001	PROFESSIONAL FEES AND SERVICES	4,041	4,795	4,795	4,795	4,795
2002	FUELS AND LUBRICANTS	363	350	350	350	350
2003	CONSUMABLE SUPPLIES	1,798	2,702	2,702	2,702	2,702
2004	UTILITIES	396	1,272	1,272	1,272	1,272
2005	TRAVEL	9,302	9,765	9,765	9,765	9,765
2006	RENT - BUILDING	19,409	19,706	19,706	19,706	19,706
2007	RENT - MACHINE AND OTHER	499	1,363	1,363	1,363	1,363
2009	OTHER OPERATING EXPENSE	16,414	21,679	19,354	19,376	19,477
5000	CAPITAL EXPENDITURES	0	0	0	0	0
Total, Objects of Expense		\$328,484	\$353,466	\$367,079	\$369,056	\$375,846
METHOD OF FINANCING:						
1	General Revenue Fund	328,484	353,466	367,079	369,056	375,846
Total, Method of Financing		\$328,484	\$353,466	\$367,079	\$369,056	\$375,846
FULL-TIME-EQUIVALENT POSITIONS (FTE):		5.2	4.9	4.9	4.9	4.9

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
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Strategy	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
3-1-1 Conduct Inspections and Monitor Compliance					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$115,192	\$122,450	\$129,015	\$129,651	\$132,518
1002 OTHER PERSONNEL COSTS	3,206	2,622	2,889	3,090	3,090
2001 PROFESSIONAL FEES AND SERVICES	1,732	2,055	2,055	2,055	2,055
2002 FUELS AND LUBRICANTS	156	150	150	150	150
2003 CONSUMABLE SUPPLIES	770	1,158	1,158	1,158	1,158
2004 UTILITIES	170	545	545	545	545
2005 TRAVEL	3,987	4,185	4,185	4,185	4,185
2006 RENT - BUILDING	8,318	8,445	8,445	8,445	8,445
2007 RENT - MACHINE AND OTHER	214	584	584	584	584
2009 OTHER OPERATING EXPENSE	7,034	9,291	8,294	8,304	8,347
5000 CAPITAL EXPENDITURES	0	0	0	0	0
Total, Objects of Expense	\$140,779	\$151,485	\$157,320	\$158,167	\$161,077
METHOD OF FINANCING:					
1 General Revenue Fund	140,779	151,485	157,320	158,167	161,077
Total, Method of Financing	\$140,779	\$151,485	\$157,320	\$158,167	\$161,077
FULL-TIME-EQUIVALENT POSITIONS (FTE):	2.2	2.1	2.1	2.1	2.1

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
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
GRAND TOTALS						
Objects of Expense						
1001	SALARIES AND WAGES	\$767,944	\$816,330	\$860,091	\$864,333	\$883,446
1002	OTHER PERSONNEL COSTS	\$21,376	\$17,480	\$19,260	\$20,600	\$20,600
2001	PROFESSIONAL FEES AND SERVICES	\$11,546	\$13,700	\$13,700	\$13,700	\$13,700
2002	FUELS AND LUBRICANTS	\$1,038	\$1,000	\$1,000	\$1,000	\$1,000
2003	CONSUMABLE SUPPLIES	\$5,136	\$7,720	\$7,720	\$7,720	\$7,720
2004	UTILITIES	\$1,132	\$3,634	\$3,634	\$3,634	\$3,634
2005	TRAVEL	\$26,578	\$27,900	\$27,900	\$27,900	\$27,900
2006	RENT - BUILDING	\$55,454	\$56,302	\$56,302	\$56,302	\$56,302
2007	RENT - MACHINE AND OTHER	\$1,426	\$3,895	\$3,895	\$3,895	\$3,895
2009	OTHER OPERATING EXPENSE	\$46,896	\$61,941	\$55,296	\$55,361	\$55,648
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
Total, Objects of Expense		\$938,526	\$1,009,902	\$1,048,798	\$1,054,445	\$1,073,845
Method of Financing						
1	General Revenue Fund	\$938,526	\$1,009,902	\$1,048,798	\$1,054,445	\$1,073,845
Total, Method of Financing		\$938,526	\$1,009,902	\$1,048,798	\$1,054,445	\$1,073,845
Full-Time-Equivalent Positions (FTE)		14.9	14.0	14.0	14.0	14.0