



TEXAS ALCOHOLIC BEVERAGE COMMISSION

Texans Helping Businesses & Protecting Communities

Legislative Appropriations

Request

for Fiscal Years 2020 and 2021

**Submitted to the
Office of the Governor, Budget Division,
and the Legislative Budget Board**

by the

TEXAS ALCOHOLIC BEVERAGE COMMISSION

August 10, 2018

Kevin J. Lilly, Presiding Officer
Ida Clement Steen, Member

November 15, 2021
November 15, 2019

Houston, Texas
San Antonio, Texas

Legislative Appropriations

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Administrator's Statement

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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The Texas Alcoholic Beverage Commission (TABC) is pleased to present this Legislative Appropriations Request (LAR) for the 2020-2021 biennium. The agency's mission is to serve the people of Texas by protecting the public health and safety through consistent, fair and timely administration of the Alcoholic Beverage Code, while providing outstanding customer service and helping to grow the Texas economy. This request outlines the agency's budget priorities necessary to achieve its public safety mission (including border security) while providing customer service.

Rider 7 of the General Appropriations Act requires TABC to cover agency appropriations, including indirect costs, through fees and surcharges. A conservative estimate for collections in the 2020-2021 biennium is \$162 million. TABC's baseline funding request for the next biennium is \$96 million and 634 FTEs, including 225 commissioned peace officers (CPOs) serving as agents in the Law Enforcement Division. We expect to generate income of \$33 million in excess of our total baseline request and estimated indirect costs. Additionally, we will collect an estimated \$476 million in alcohol excise taxes, which is remitted directly to the state. In all, TABC generates an estimated \$637 million every biennium against its \$128 million total budget, meaning a \$1 investment in the agency returns more than \$5 to Texas taxpayers.

Over the last year, TABC has adjusted its focus to place greater emphasis on collaboration with, and education of, the industry it regulates. With the appointment of a new chairman and executive director, we have encouraged open and transparent engagement with the alcoholic beverage industry with the goal of furthering compliance with the law and clarifying complex sections of the Alcoholic Beverage Code.

The additional funding requested by the TABC in this LAR is necessary to ensure compliance with federal and state mandates for regulation and law enforcement. It will enable the continuance of our regulatory, public safety, and educational outreach programs and permit the timely development of new ideas to bolster continued growth in the \$40 billion alcoholic beverage industry. It will also allow TABC to respond to emergency events such as Hurricane Harvey which presented unexpected funding challenges that negatively impacted the agency's ability to conduct normal enforcement and licensing operations. Our requested contingency rider for disaster recovery funding will ensure that TABC remains a viable resource available to assist Texas in future emergency situations.

The alcoholic beverage industry in Texas is experiencing incredible growth, while the agency's appropriation and number of appropriated employees have remained roughly unchanged. Since 2008, the alcoholic beverage industry has added more than 11,000 locations across the state, bringing the total to more than 53,000 licensed locations serving more than 28 million Texans. Additionally, the agency issues 5,400 licenses annually to out-of-state producers, carriers, importers and others to do business in Texas. Furthermore, the legal structures of the entities applying for licenses continue to grow increasingly complex. This, combined with the projected increase in the number of products introduced annually into the Texas marketplace, demonstrates there is a clear need for additional TABC personnel to maintain the high standards of customer service and public safety that Texans expect. Further, new technologies are required to increase efficiencies at all levels of regulation, ensuring that entrepreneurs are able to get into business more quickly while remaining in compliance with state alcohol laws. Meeting these challenges ensures that TABC will continue to protect Texas communities while enabling the industry to continue to contribute hundreds of millions of dollars to the state's treasury, and ensure TABC remains a self-funded, customer-focused agency.

KEEPING TEXANS SAFE

Border Security and Public Safety

Since 2008, the alcoholic beverage industry in Texas has grown by more than 26% to more than 53,000 active licensed locations. However, during this same period, the agency's force of law enforcement agents has been reduced by 23% due to state-mandated budget cuts and the reassignment of personnel to process and issue licenses to keep up with industry growth.

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Texas covers an area of 268,597 square miles. Recent figures show that the population of Texas is roughly 28.3 million people. TABC has 225 law enforcement agents to cover the entire state, which calculates to 1,194 square miles per agent and 125,777 people per agent. The other two state agencies with a significant police force are the Texas Parks and Wildlife Department with 574 game wardens (468 square miles per warden and 49,303 people per warden) and the Texas Department of Public Safety with 4,297 troopers (62 square miles per trooper and 6,586 people per trooper).

This lack of manpower places public safety at risk. TABC's role as the sole regulator of the alcoholic beverage industry encompasses far more than simply inspecting businesses for compliance. TABC's right of access into any licensed business allows our agents to inspect, at any time, locations suspected of engaging in organized crime such as human trafficking, narcotics trafficking, and money laundering. TABC regularly partners with other local, state, and federal officers on joint task force operations particularly on long-term investigations involving the border region. Since 2013, the agency has found success closing more than 100 businesses with ties to organized crime in the border region and throughout Texas. It should also be noted that organized crime is not purely a border concern. Each TABC agent, no matter their station, is responsible for investigating and reporting any suspected organized crime in their area. However, with the growth of the industry and the rising threat of cross-border criminal cartels infiltrating legitimate Texas businesses, the need for additional agents is critical.

The agency's day-to-day public safety operations are labor-intensive. TABC has greater success in discovering violations of the Alcoholic Beverage Code through the use of undercover operations as opposed to open inspections. On average, undercover operations discover violations approximately 14% of the time as opposed to less than 1% for open inspections. The agency now conducts more than 16,000 undercover operations per year. These operations include discreet inspections, minor stings (involving a minor-aged person attempting to purchase alcohol), and other long-term investigations. These types of operations, while successful, require more personnel (on average, approximately five agents) in order to maintain both effectiveness and the safety of TABC agents and employees of licensed businesses.

TABC is requesting approximately \$12 million in funding for 64 additional law enforcement personnel to serve in high-priority locations currently posing significant risks to public safety. Some will be stationed along the Texas-Mexico border and others will assist TABC's Special Investigations Unit (SIU) in investigating and interdicting suspected organized criminal activity, including human trafficking and drug trafficking, at TABC-licensed businesses. TABC is also seeking a further \$924,000 to upgrade its aging vehicle fleet. These additional funds would allow us to replace each vehicle every seven years, as opposed to the nearly 10-year replacement cycle.

Public Safety Technology Replacement

TABC currently relies upon numerous software solutions intended to assist with investigations, from initial violation to evidence processing and adjudication.

TABC's current systems, either designed in-house over time or adapted from off-the-shelf technology, are inadequate, unsecure, and have reached end-of-life status. This piecemeal approach has resulted in an infrastructure unable to meet security protocols required by certain federal agencies and prohibits TABC from accessing information maintained by those agencies. All TABC's law enforcement agents use these systems on a daily basis, and failure to properly record evidence and classify sensitive case information could have a negative long-term impact on the agency's ability to successfully prosecute public safety violations.

The \$6.1 million being requested for Public Safety Technology Replacement will allow the purchase of a solution which meets the TABC's law enforcement and legal requirements, eliminates duplicative software systems, and provides mandated security protocols. This upgrade will allow staff to spend less time on administration (i.e., data entry) and more time on their core mission of upholding public safety.

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Initial time-saving estimates upon implementation of this technology is a minimum of four hours per week per agent. This represents a 10% increase in efficiency and time saving equal to the cost of 19 peace officers during a year. Having four hours of time back for each agent would enable TABC to conduct more than 400 additional undercover operations and 1,700 additional minor stings annually.

ENHANCING CUSTOMER SERVICE: SERVING TEXANS

The people of Texas deserve a regulatory agency which is focused on meeting the challenge of a dynamic and growing industry that contributes tens of billions of dollars to the state's economy each year. For that reason, TABC's primary focus throughout 2018 has been to greatly enhance its customer service by removing unnecessary regulatory barriers which prevent business owners from achieving success in the industry. As part of this effort, TABC changed several service delivery processes to increase efficiency, enhance user experience, and reduce costs. These changes are necessary to keep pace with the tremendous growth of the industry and the Texas population.

One of TABC's primary functions is the issuance of licenses and permits to authorize businesses to produce, distribute and sell alcoholic beverages in Texas. Aging technology and industry growth have made it difficult to meet industry demands. For the 2020-2021 biennium, TABC is requesting approximately \$7.3 million in additional funding to replace its licensing and tax collection technology.

TABC currently processes more than 16,000 original, first-time license applications per year for entities to do business in the Texas alcoholic beverage marketplace. Current technical limitations require these applications to be submitted on paper. This practice is costly and inconvenient for the industry and results in delays which could be avoided by employing readily available technological tools. Our aging technology has resulted in some unforeseen near-disasters. Earlier in 2018, TABC nearly had to cease accepting credit card payments due to security concerns tied to the old technology. Fortunately, we were able to work with the Department of Information Resources (DIR) to find a workaround solution; however, this is illustrative of the issues which repeatedly arise due to TABC's aging software.

Businesses seeking to enter the industry are hampered by the antiquated paper processes which inherently involve long wait times for approval. Replacing outdated licensing and tax collection technology, made up of multiple inefficient software systems that are costly to maintain and unable to cross-communicate, will help TABC meet industry expectations and provide a transparent process to submit, pay for, and track applications. In addition, overall approval time will be cut, generating tax revenue more quickly. The new software would also allow the agency to institute other much-needed customer-focused programs, such as a self or virtual inspection intended to reduce the need for in-person inspections at low-risk locations. Replacing the agency's licensing and tax collection technology will place TABC firmly within the 21st century and provide the ease of use and value that Texans expect and deserve.

The agency's ability to collect excise tax revenue is also negatively impacted. At present, there is no dedicated system for TABC personnel to use when receiving and logging excise tax reports from industry members. Business owners must submit their reports manually, which are then entered manually by agency staff. This outdated process creates additional paperwork for industry members and reduces the agency's effectiveness by requiring employees to spend dozens of hours per week purely on data entry instead of auditing these tax filings to ensure compliance with the law.

CYBERSECURITY: PROTECTING TEXANS' INFORMATION

TABC is requesting \$748,393 to implement additional cybersecurity enhancements to reduce the risk of exposure to cybersecurity threats. Statutorily, TABC is custodian of a vast amount of confidential data submitted by applicant businesses, legal entities, and individuals. That information includes personally identifiable information,

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criminal violation history, legal documents, corporate structures, and sales data, all of which must be guarded against unauthorized access and use.

This request would add an additional FTE and one contractor to allow TABC to properly secure itself from the growing threat of cyberattack. All too often, malicious actors use their technological know-how to impact business and government. TABC has a duty to safeguard the information entrusted to us by those we regulate. This request would ensure TABC's ability to serve customers, uphold public safety, and generate revenue for Texas.

RIDERS

In addition to the exceptional items listed above, TABC is requesting five riders for the 2020-2021 biennium. These requests will ensure the agency's ability to generate revenue for Texas while allowing our personnel to focus their efforts on providing outstanding customer service while upholding public safety.

Rider 1: Unexpended Balances within the Biennium. If TABC had the ability to move appropriated funds from the first year of the biennium to the next, the agency could continue large projects that span a biennium rather than be limited to completing projects within one fiscal year. Many agency projects have been put on hold due to the length of time or lack of funds. This authority would give TABC the capability to complete important projects within the biennium and grant the agency greater flexibility when planning expenditures.

Rider 2: Capital Budget Expenditures from Federal Awards. The lack of this rider has prevented and will continue to prevent the agency from maximizing federal funds and fulfilling grant requirements for the receipt and expenditure of federal funds in a timely manner. If TABC was exempted from capital budget rider limitations, when federal grants are received in excess of the amount identified in the agency's capital rider, the agency could expeditiously procure capital items for law enforcement and public safety projects and initiatives to meet agency goals. The exemption would allow the agency to maximize federal funds and save General Revenue funding for the state. TABC would still be required to notify the Legislative Budget Board and the Office of the Governor of the amount of grant funding received and the items to be purchased.

Rider 3: Disaster and Emergency Contingency. If such a rider were in place as with other agencies with a statewide police force, TABC could respond to emergency events promptly without limitations placed on funding and without creating concerns regarding funding sources available to reimburse the redirected agency funds. Currently, if an emergency or disaster occurs late in a fiscal year, lack of funding could force TABC to decline to provide assistance. This rider would allow TABC to use funds from the fees and surcharges collected from the industry to temporarily cover the costs of disaster assistance. TABC would then repay the state once it is reimbursed for the expenses.

Rider 4: Potential Litigation Contingency. In the event the Office of the Attorney General (OAG) recommends resources beyond TABC's appropriated funds to defend the state in lawsuits challenging the Alcoholic Beverage Code, this rider allows TABC to use funds from the fees and surcharges paid by the industry to cover unforeseen litigation costs.

This request stems from a number of high-profile and expensive lawsuits faced by TABC and OAG in recent years and the inability to accurately predict which lawsuits will be filed and the resources required to adequately respond.

Rider 5: Contingency for Removal of Public Corporation Ban on Package Store Licenses. TABC is involved in litigation with Walmart concerning the prohibition under the Alcoholic Beverage Code for public corporations to operate package stores. If judgment is in favor of Walmart, or if similar legislation is passed, with an estimated 508

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Walmart stores and 85 Sam's Clubs, the TABC Licensing Division likely will be suddenly inundated with license applications. Licensed retailers similar to Walmart would likely also apply for a package store license within the same general time period. Hundreds of applications, arriving simultaneously, would cause a tremendous strain on Licensing personnel tasked with issuing licenses in a timely manner. TABC compliance and law enforcement personnel across the state would also be heavily impacted by the requirement to audit and monitor so many new license holders on a sudden and ongoing basis.

This contingency rider would allow TABC to use the funds from fees and surcharges paid by industry to hire staff to handle the increased demand and workload resulting from such a ruling. In so doing, the agency will be able to adequately respond to increased demand for services without generating excessive delays in application processing times.

Exceptions to Baseline Request Limitation

The 84th Legislature (House Bill 11) appropriated an additional \$1,184,618 to the TABC for the 2016-2017 biennium to hire six additional Special Investigation Unit agents to address border security. Investigations of organized criminal activity are handled by TABC's Special Investigations Unit (SIU). TABC added six FTEs to the SIU to conduct covert and overt investigations of human smuggling, human trafficking, narcotics trafficking and other organized criminal activities in TABC-licensed premises on or near the border. Additionally, the 85th Legislature (Senate Bill 1) earmarked \$5.7 million of Baseline Expenditures in the A.1.1. Enforcement Strategy as Border Security funding for the 2018-2019 biennium. TABC completes Border Security reporting to the Legislative Budget Board as required by the General Appropriations Act, Article IX, Section 7.11.

TABC has cancelled 51 license holders and has more than 60 open investigations of organized criminal activity in the border area. The resources granted to TABC in FY2016-2017 through House Bill 11 for border security are an exception to the baseline request limitation for FY2020-2021. Although TABC is not requesting additional funds in the 2020-2021 biennium specific to border security, the agency's resolve to address border security in licensed locations will not wane. TABC continues to collaborate with federal, state, and local governments on investigations involving human smuggling, human trafficking, narcotics trafficking and money laundering, both on the border and throughout the state.

Ten Percent Base Reduction

The agency's philosophy in completing the Ten Percent Biennial Base Reduction Options Schedule was to evaluate 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 two options in 2.5% increments.

Option one totals 10% of the reduction and eliminates 84 positions across multiple strategies. Submitted in priority order, reductions would be applied to commissioned peace officers and field auditors; and staff conducting application processing, training, legal, human resources, and ports of entry functions. Also in this reduction item are ten office closings, two ports of entry closures, and the elimination of the Education and Prevention Division.

Option two totals 10% of the reduction and eliminates 92 positions across multiple strategies. Submitted in priority order, this includes reductions in commissioned peace officers and field auditors; and application processing, training, education, and ports of entry staff. Also in this reduction item are ten office closings.

Funding at 90% of baseline would create significant staffing shortages in enforcement, regulatory, and support divisions of the agency. There would be fewer auditors to inspect records of TABC-licensed businesses and fewer law enforcement agents to conduct investigations and minor stings, leading to an increase in non-compliance and more incidents on licensed premises that pose a threat to public safety. The impact of a decreased physical presence in licensed locations would be most noticeable in local communities because the safety of citizens is jeopardized.

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The reductions would also be felt in the Texas economy because the approval process for licenses and labels would be delayed due to fewer staff processing those applications, thereby hindering the timely opening of a businesses and the introduction of alcoholic beverage products to the marketplace.

Background Checks

During the hiring process for commissioned peace officers, TABC carefully investigates candidates pursuant to Texas Commission on Law Enforcement rules and Sec. 1701.451, Occupations Code, concerning employment history, educational records, credit history, and legal records. Applicants for civilian positions are subject to a check of the applicant's criminal history and credit history, and a check of previous employment references, as outlined in Sections 103.001 and 104.004(a), Labor Code. Interns, volunteers, and contractors with access to the TABC network are subject to a criminal history check per Sec. 411.1405, Government Code. When processing applications for an alcoholic beverage license, the agency conducts criminal background checks on persons named on the application as outlined in Sec. 109.532, Alcoholic Beverage Code. All criminal history information received as part of these investigations is kept confidential, and all such records are destroyed after a determination is made regarding the applicant's eligibility to hold a license.

CAPPS Transition

A request for \$300,964 in additional funding is included for the TABC's transition to the Centralized Accounting and Payroll/Personnel System (CAPPS), as required by the Comptroller of Public Accounts. The agency successfully implemented the CAPPS Financials module in September 2017, providing a great benefit to the agency in its financial and budgeting processes. Agency project coordination with the Comptroller of the CAPPS Human Resources module will launch in July 2019.

Currently, processes related to payroll, time and leave, purchasing, asset management, accounts payable, budget, legislative reporting, audit inquiries, and configuration support of the financial system are supported by TABC's Business Services Division. That staff also provides subject-matter expertise for those functions. Funding is requested for two permanent FTEs, one to serve as ongoing project manager supporting CAPPS upgrades and required testing; the other as a business analyst/Level 1 CAPPS expert to also support agency customer service and reporting needs.

Governing Board

The TABC is overseen by a three-member board, appointed by the Governor and confirmed by the Texas Senate. Current members are Kevin J. Lilly, Presiding Officer, of Houston, whose term expires November 15, 2021; and Ida Clement Steen of San Antonio, whose term expires November 15, 2019. The third seat is currently vacant. The commissioners appoint the Executive Director to run day-to-day operations.

Exempt Position

TABC Commissioners request that TABC Executive Director be added to the list in the General Appropriations Act, 2018–19 biennium, Article IX, Section 3.04, Scheduled Exempt Positions, allowing the governing board to set the salary of the Executive Director within Group 6, between \$140,000 and \$227,000 annually.

TABC's Executive Director is compensated at an amount significantly lower than the state average for commensurate positions within other law enforcement and regulatory agencies. The other two state agencies with a significant number of commissioned peace officers have a total of 59 individuals with salaries higher than TABC's executive director. Several regulatory agencies with substantially fewer employees pay six or more employees a salary higher than \$153,503 paid to TABC's executive director. Additionally, it should be noted that these other directors may hold similar duties but are not responsible for regulating a controlled product and a police force.

An increase to the Executive Director's salary is needed not only to ensure the best candidates apply for the job in future, but to also ensure a fair and competitive pay

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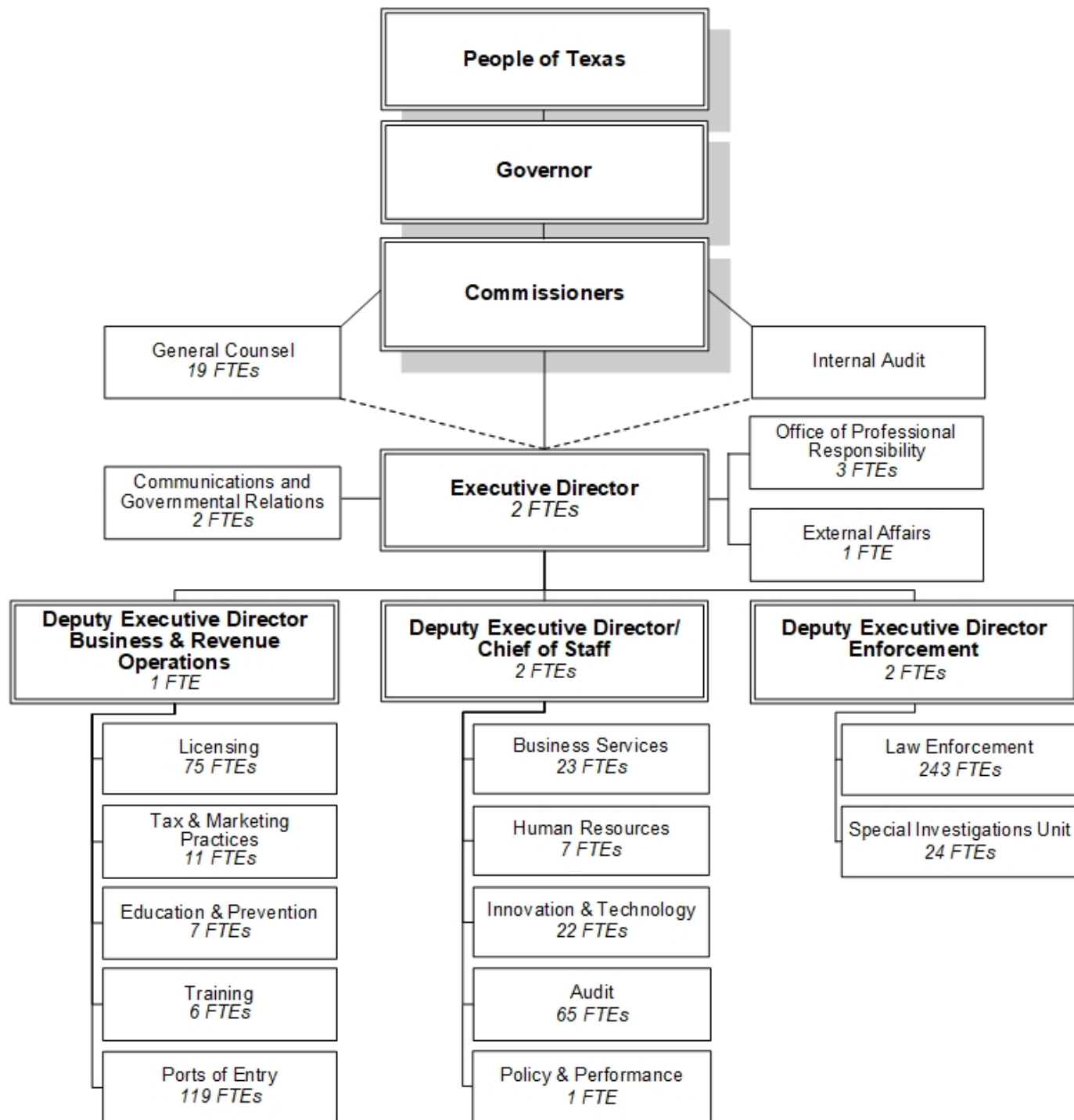
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scale for all TABC employees.

As Chair of the Texas Alcoholic Beverage Commission, I fully support the TABC's Legislative Appropriations Request for the 2020-2021 biennium. Commissioners have worked with staff to develop a Strategic Plan and Legislative Appropriations Request that 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 its mission.

Kevin J. Lilly
Chair, Texas Alcoholic Beverage Commission



Executive Division

The **Executive Division**, led by the Executive Director (administrator), directs the daily operations of the Texas Alcoholic Beverage Commission (TABC). 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, Chief of Staff; Director of Office of Professional Responsibility; Director of Communications and Government Relations; Director of External Affairs; Deputy Executive Director of Business & Revenue Operations; and Deputy Executive Director of Enforcement. Although the Office of the General Counsel reports to TABC's Chairman and Commissioners, it also has a dual reporting role with the Executive Office. The Executive Division is allocated 5 FTEs.

Office of the General Counsel

The **Office of the General Counsel (OGC)** oversees the Legal Division and the preparation, processing, and prosecution of administrative cases dealing with violations of the Alcoholic Beverage Code (Code). The OGC also reviews and prosecutes application protests to the issuance of licenses and permits that are brought by TABC, local authorities, and citizens, and responds to all agency Open Records Requests. When violations by permittees and licensees throughout the state are alleged, a hearing is conducted by staff of the Legal Division, before the State Office of Administrative Hearings. Outcomes of such hearings include recommendations to cancel, suspend, grant, or deny a license or permit and / or to impose a monetary civil penalty. The OGC and Legal Services/ Division are allocated 19 FTEs.

Office of Professional Responsibility

The **Office of Professional Responsibility** oversees or conducts all internal investigations concerning the conduct of agency employees, and is allocated 3 FTEs.

Business & Revenue Operations

Deputy Executive Director of **Business & Revenue Operations** oversees the divisions responsible for assessing and collecting the bulk of the more than \$300 million brought in annually by TABC. These divisions include Licensing; Tax & Marketing Practices; Education and Prevention; Training; and Ports of Entry. These divisions interface directly with the tens of thousands of Texans which currently do business within the alcoholic beverage industry, or are planning to do so. The Deputy Executive Director of Business & Revenue Operations is allocated 1 FTE.

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. The Licensing Division is allocated 75 FTEs.

Tax & Marketing Practices Division

The **Tax & Marketing Practices Division** is charged with the oversight of the taxing authority of the agency. Personnel receive, process, and audit monthly excise tax reports to ensure that proper taxes have been paid and that businesses are in compliance with the 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. The Tax Division is allocated 11 FTEs.

Education and Prevention

The **Education and Prevention Division** develops and oversees agency programs to educate the public, retailers, and their employees concerning the laws, rules, and regulations 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, and participates in various programs to prevent underage drinking. The Education and Prevention Division is allocated 7 FTEs.

Training Division

The **Training Division** manages training and development activities for the agency, including management and supervisory development programs, comprehensive law enforcement training, computer training, and required core training. The Training Division is allocated 6 FTEs.

Ports of Entry Division

The **Ports of Entry Division** operates tax collection facilities at international bridges located along the state's border with Mexico and at the Galveston Seaport's cruise ship terminal. Tax Compliance Officers stationed at these facilities enforce state laws that regulate the importation of alcoholic beverages and cigarettes for personal consumption, and collect the excise taxes and fees that the state levies on these importations. The Ports of Entry Division is allocated 119 FTEs.

Support Operations

The Deputy Executive Director, Chief of Staff oversees the support operations divisions, comprised of Business Services; Human Resources; Innovation and Technology; and the Policy and Performance Division, which provides support to the agency as needed to conduct its day-to-day mission.

Also reporting to the Chief of Staff are the Audit Division and the Marketing Investigations Unit. These employees provide the critical service of ensuring that TABC licensed businesses adhere to the regulatory requirements of the Code. The Chief of Staff is allocated 3 FTEs.

Business Services Division

The **Business Services Division** is responsible for all fiscal operations of the agency, including revenue processing, accounts payable, payroll, time and leave accounting, maintenance of the general ledger, and research and planning, as well as preparation and oversight of the agency's legislative appropriations request, annual financial reports, and all performance reporting. 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. The Business Services Division is allocated 23 FTEs.

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 TABC's equal employment opportunity program. This division also conducts background checks on prospective employees during the hiring process. The Human Resources Division is allocated 7 FTEs.

Information Resources Division

The **Information Resources Division** is responsible for developing and maintaining the core technology applications for agency divisions, which includes Enforcement, Licensing, Audit, Legal, and business services. Additionally, the division establishes and supports the technology infrastructure that facilitates agency operations, and is charged with researching and analyzing how to apply new technologies to solve business problems. The Information Resources Division is allocated 22 FTEs.

Audit Division

The **Audit Division** conducts investigative audits and other financial reviews; conducts inspections and prepares fee analyses during the initial phases of the licensing process; and assists agents in various types of investigations. Auditors also play a role in monitoring seller training schools to ensure compliance with agency standards.

Included in the Audit Division is the Marketing Investigative Unit which investigates complaints related to prohibited relationships within the three-tier system of the alcoholic beverage industry. Investigations are complex in nature, are often time-consuming, and usually involve all three tiers of the alcoholic beverage industry. This unit is charged with enforcing the Tied House provisions of the Code. The Audit Division is allocated 65 FTEs.

Enforcement Operations

The Deputy Executive Director of Enforcement oversees enforcement operations involving alleged criminal, regulatory, and administrative violations of the Code and state laws. Additionally, the Deputy oversees the agency's vehicle fleet and warehouse operations. The Deputy Executive Director of Enforcement is allocated 5 FTEs.

Law Enforcement Division

The **Law Enforcement Division** consists of TABC agents who are Certified Peace Officers, responsible for inspecting premises licensed by the agency and investigating alleged violations of the Code and other state laws. The Enforcement Division is divided across the state into five regions, including the Texas-Mexico border area, each of which is supervised by a major who reports to the Chief of Enforcement. Enforcement agents, supervisors, and support staff are responsible for all agency law enforcement operations. The Enforcement Division is allocated 240 FTEs.

Investigations Division

The **Investigations Division** consists of the Special Investigations Unit (SIU) and Financial Crimes Unit (FCU).

The SIU is responsible for identifying and investigating, through covert operations, habitual patterns of at-risk behavior by employees and the general public at entities with a nexus to the alcoholic beverage industry. This unit exercises administrative and criminal powers to investigate and suppress or dismantle organized criminal activity and administrative crimes relating to the functions of TABC.

The FCU focuses on prevention, investigation and detection of financial crimes. FCU investigations include money laundering, prohibited tier relationships, tax fraud, business and corporate fraud, and other organized financial crimes activity committed by people and entities having a license or permit issued by TABC. The investigations division is allocated 24 FTEs.



C E R T I F I C A T E

Agency Name Texas Alcoholic Beverage Commission

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Governor's Office Budget Division (Governor's Office) is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Governor's Office will be notified in writing in accordance with Article IX, Section 7.01 (2018-19 GAA).

Chief Executive Officer or Presiding Judge


Signature

A. Bentley Nettles
Printed Name

Executive Director
Title

August 10, 2018
Date

Board or Commission Chair


Signature

Kevin J. Lilly
Printed Name

Presiding Officer
Title

August 10, 2018
Date

Chief Financial Officer


Signature

Vanessa Mayo
Printed Name

Chief Financial Officer
Title

August 10, 2018
Date

Budget Overview - Biennial Amounts
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Appropriation Years: 2020-21											
	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2020-21
Goal: 1. Promote the Health, Safety, and Welfare of the Public											
1.1.1. Enforcement	50,089,067	50,284,130			1,083,515		1,934,567	200,000	53,107,149	50,484,130	13,021,626
Total, Goal	50,089,067	50,284,130			1,083,515		1,934,567	200,000	53,107,149	50,484,130	13,021,626
Goal: 2. Process Applications and Issue Alcoholic Beverage Licenses & Permits											
2.1.1. Licensing	9,789,208	10,164,634					221,452		10,010,660	10,164,634	
Total, Goal	9,789,208	10,164,634					221,452		10,010,660	10,164,634	
Goal: 3. Ensure Compliance with Fees & Taxes											
3.1.1. Compliance Monitoring	13,463,706	12,580,801					15		13,463,721	12,580,801	
3.2.1. Ports Of Entry	11,047,004	11,067,352							11,047,004	11,067,352	
Total, Goal	24,510,710	23,648,153					15		24,510,725	23,648,153	
Goal: 4. Indirect Administration											
4.1.1. Central Administration	5,209,882	5,406,816					11,021	5,876	5,220,903	5,412,692	300,964
4.1.2. Information Resources	5,595,155	5,865,953							5,595,155	5,865,953	14,273,559
4.1.3. Other Support Services	1,047,798	872,134							1,047,798	872,134	
Total, Goal	11,852,835	12,144,903					11,021	5,876	11,863,856	12,150,779	14,574,523
Total, Agency	96,241,820	96,241,820			1,083,515		2,167,055	205,876	99,492,390	96,447,696	27,596,149
Total FTEs									635.0	634.0	77.0

2.A. Summary of Base Request by Strategy

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
1 Promote the Health, Safety, and Welfare of the Public					
1 Detect/Prevent Law Violations					
1 ENFORCEMENT	26,802,104	26,455,817	26,651,332	25,194,494	25,289,636
TOTAL, GOAL 1	\$26,802,104	\$26,455,817	\$26,651,332	\$25,194,494	\$25,289,636
2 Process Applications and Issue Alcoholic Beverage Licenses & Permits					
1 Process and Approve Applications in a Timely Manner					
1 LICENSING	4,361,275	4,844,421	5,166,239	5,103,770	5,060,864
TOTAL, GOAL 2	\$4,361,275	\$4,844,421	\$5,166,239	\$5,103,770	\$5,060,864
3 Ensure Compliance with Fees & Taxes					
1 Ensure Compliance with Alcoholic Beverage Code					
1 COMPLIANCE MONITORING	6,141,534	6,649,584	6,814,137	6,299,171	6,281,630
2 Ensure Maximum Compliance with Importation Laws at Ports of Entry					
1 PORTS OF ENTRY	5,265,196	5,563,618	5,483,386	5,541,881	5,525,471

2.A. Summary of Base Request by Strategy

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal / Objective / STRATEGY			Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
TOTAL, GOAL 3			\$11,406,730	\$12,213,202	\$12,297,523	\$11,841,052	\$11,807,101
4 Indirect Administration							
1 Indirect Administration							
1 CENTRAL ADMINISTRATION			2,749,460	2,792,778	2,428,125	2,696,525	2,716,167
2 INFORMATION RESOURCES			2,637,792	2,814,545	2,780,610	2,936,963	2,928,990
3 OTHER SUPPORT SERVICES			480,347	508,629	539,169	431,584	440,550
TOTAL, GOAL 4			\$5,867,599	\$6,115,952	\$5,747,904	\$6,065,072	\$6,085,707
TOTAL, AGENCY STRATEGY REQUEST			\$48,437,708	\$49,629,392	\$49,862,998	\$48,204,388	\$48,243,308
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*						\$0	\$0
GRAND TOTAL, AGENCY REQUEST			\$48,437,708	\$49,629,392	\$49,862,998	\$48,204,388	\$48,243,308

2.A. Summary of Base Request by Strategy

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	47,355,739	47,801,848	48,439,972	48,101,450	48,140,370
SUBTOTAL	\$47,355,739	\$47,801,848	\$48,439,972	\$48,101,450	\$48,140,370
Federal Funds:					
555 Federal Funds	865,125	583,515	500,000	0	0
SUBTOTAL	\$865,125	\$583,515	\$500,000	\$0	\$0
Other Funds:					
666 Appropriated Receipts	216,844	230,871	324,524	102,938	102,938
8000 Disaster/Deficiency/Emergency Grant	0	1,013,158	598,502	0	0
SUBTOTAL	\$216,844	\$1,244,029	\$923,026	\$102,938	\$102,938
TOTAL, METHOD OF FINANCING	\$48,437,708	\$49,629,392	\$49,862,998	\$48,204,388	\$48,243,308

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

2.B. Summary of Base Request by Method of Finance
86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE</u>						
<u>1</u>	General Revenue Fund					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2016-17 GAA)					
		\$49,634,348	\$0	\$0	\$0	\$0
	Comments: Matches Conference Committee Report (2016-2017)					
	Regular Appropriations from MOF Table (2018-19 GAA)					
		\$0	\$47,887,926	\$48,353,894	\$0	\$0
	Comments: Matches Conference Committee Report (2018-2019)					
	Regular Appropriations from MOF Table (2020 - 2021)					
		\$0	\$0	\$0	\$48,101,450	\$48,140,370
	<i>RIDER APPROPRIATION</i>					
	Article IX, Sec 18.03, Centralized Accounting and Payroll/Personnel Systems Deployments					
		\$132,277	\$0	\$0	\$0	\$0
	Comments: Matches Conference Committee Report (2016-2017)					
	<i>TRANSFERS</i>					
	Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17)					

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

86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE</u>						
		\$689,008	\$0	\$0	\$0	\$0
Comments: Matches CPA Report Last Updated 12/12/2017						
Art IX, Sec 17.05, Salary Increases for State Employees in Salary Schedule C (2016-17)						
		\$2,389	\$0	\$0	\$0	\$0
Comments: Matches Conference Committee Report (2016-2017)						
<i>LAPSED APPROPRIATIONS</i>						
Regular Appropriation from MOF Table (2016-17 GAA)						
		\$(2,899,203)	\$0	\$0	\$0	\$0
Comments: Matches CPA Report if Added to Hiring Freeze lapse amount						
Savings due to Hiring Freeze						
		\$(647,887)	\$0	\$0	\$0	\$0
Comments: Matches CPA if added to Regular Appropriations Lapse						
Regular Appropriations from MOF Table (2018-19 GAA)						
		\$0	\$0	\$0	\$0	\$0
Comments: Estimated Lapse						
<i>UNEXPENDED BALANCES AUTHORITY</i>						

2.B. Summary of Base Request by Method of Finance
86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE</u>						
Art IX, Sec 14.03(i), Capital Budget UB (2016-17 GAA)		\$401,458	\$0	\$0	\$0	\$0
Comments: Matches CPA report when added to CAPPS UB Forward						
Art IX, Sec 14.05, UB Authority within the Same Biennium (2016-17 GAA)		\$43,349	\$0	\$0	\$0	\$0
Comments: Matches CPA report when added to Capital Budget UB						
Art IX, Sec 14.03(i), Capital Budget UB (2018-19 GAA)		\$0	\$(86,078)	\$86,078	\$0	\$0
Comments: Estimated UB of Capital Budget						
TOTAL,	General Revenue Fund	\$47,355,739	\$47,801,848	\$48,439,972	\$48,101,450	\$48,140,370
TOTAL, ALL	GENERAL REVENUE	\$47,355,739	\$47,801,848	\$48,439,972	\$48,101,450	\$48,140,370

FEDERAL FUNDS

555 Federal Funds

REGULAR APPROPRIATIONS

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

86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>FEDERAL FUNDS</u>						
Regular Appropriations from MOF Table (2016-17 GAA)		\$300,000	\$0	\$0	\$0	\$0
Comments: Matches Conference Committee Report (2016-2017)						
Art IX, Sec 13.11, Earned Federal Funds (2018-19 GAA)		\$0	\$500,000	\$500,000	\$0	\$0
Comments: Matches Conference Committee Report (2018-2019)						
<i>RIDER APPROPRIATION</i>						
Art IX, Sec 13.01, Federal Funds/Block Grants (2016-17 GAA)		\$792,202	\$0	\$0	\$0	\$0
Comments: FY17 Grants Awarded - Edward Byrne Memorial Justice Assistance Grant Effective: 10/1/16 - 1/31/17 - \$507,716. National Priority Safety Programs (Marketing Practices Education Project) Effective 10/1/16 - 9/30/17 - \$522,738. Public Safety Grant (FY 16 Award): \$61,748 GAA appropriated \$300,000 in federal funds. This adjustment totals \$792,202.						
Art IX, Sec 13.01, Federal Funds/Block Grants (2018-19 GAA)		\$0	\$48,840	\$0	\$0	\$0
Comments: FY18 Grants Awarded: Under 21 Community Education Project Grant (National Priority Safety Programs) Effective 10/1/17 - 9/30/18: \$548,840. 2018 GAA appropriated \$500,000 in federal funds. This adjustment totals \$48,840.						

LAPSED APPROPRIATIONS

2.B. Summary of Base Request by Method of Finance
86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>FEDERAL FUNDS</u>					
Art IX, Sec 13.01, Federal Funds/Block Grants (2016-17 GAA)					
	\$(47,044)	\$0	\$0	\$0	\$0
Comments: Edward Byrne Memorial Justice Assistance Grant Awarded: \$507,716 Expended: \$460,672 Unexpended at grant expiration 1/31/17: \$47,044					
Art IX, Sec 13.01, Federal Funds/Block Grants (2018-19 GAA)					
	\$0	\$(145,358)	\$0	\$0	\$0
Comments: Marketing Practices Education Grant (2017 Award)Remaining: \$180,033 Expended:\$36,675 Unexpended at grant expiration 9/30/17: \$145,358					
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Art IX, Sec 13.09, Unexpended Balance (2016-17 GAA)					
	\$(180,033)	\$0	\$0	\$0	\$0
Comments: FY17 Marketing Practices Education Grant Awarded: \$522,738. Expended: \$342,705. Remaining UB: \$180,033					
Art IX, Sec 13.09, Unexpended Balance (2018-19 GAA)					
	\$0	\$180,033	\$0	\$0	\$0
Comments: FY17 Marketing Practices Education Grant Unexpended Balance Forward					

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

86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>FEDERAL FUNDS</u>						
TOTAL,	Federal Funds					
		\$865,125	\$583,515	\$500,000	\$0	\$0
TOTAL, ALL	FEDERAL FUNDS					
		\$865,125	\$583,515	\$500,000	\$0	\$0
<u>OTHER FUNDS</u>						
<u>666</u>	Appropriated Receipts					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2016-17 GAA)					
		\$35,000	\$0	\$0	\$0	\$0
	Comments: Matches Conference Committee Report (2016-2017)					
	Regular Appropriations from MOF Table (2016-17 GAA)					
		\$0	\$252,696	\$252,696	\$0	\$0
	Comments: Matches Conference Committee Report (2018-2019)					
	Regular Appropriations from MOF Table (2020 - 2021)					
		\$0	\$0	\$0	\$102,938	\$102,938
	<i>RIDER APPROPRIATION</i>					
	Art IX, Sec 8.03, Surplus Property (2016-17 GAA)					

2.B. Summary of Base Request by Method of Finance
86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>					
	\$12,150	\$0	\$0	\$0	\$0
Comments: Vehicle Sales. TABC received proceeds of \$12,150 from sale of vehicles. This represents 25% of total sale proceeds.					
Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)					
	\$14,637	\$0	\$0	\$0	\$0
Comments: Insurance recovery for damaged vehicles					
Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)					
	\$829	\$0	\$0	\$0	\$0
Comments: Fees for copies and sale of publications.					
Article V, Rider 9 Appropriation: Seized Assets. (2016-17 GAA)					
	\$10,286	\$0	\$0	\$0	\$0
Comments: Funds received from investigations under Chapter 59, Code of Criminal Procedure, and Chapter 71, Property Code to be used for law enforcement purposes.					
Art IX, Sec 8.03, Surplus Property (2018-19 GAA)					
	\$0	\$41,253	\$0	\$0	\$0
Comments: Vehicle Sales. This represents 25% of total sale proceeds.					

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

86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
Art IX, Sec 8.02, Reimbursements and Payments (2018-19 GAA)						
		\$0	\$19,304	\$0	\$0	\$0
Comments: Insurance recovery for damaged vehicles.						
Art IX, Sec 8.02, Reimbursements and Payments (2018-19 GAA)						
		\$0	\$8,099	\$0	\$0	\$0
Comments: Fees for copies and sale of publications.						
Article V, Rider 9 Appropriation: Seized Assets (2018-19 GAA)						
		\$0	\$31,012	\$0	\$0	\$0
Comments: Funds received from investigations under Chapter 59, Code of Criminal Procedure, and Chapter 71, Property Code to be used for law enforcement purposes.						
<i>LAPSED APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2018-19 GAA)						
		\$0	\$(116,788)	\$0	\$0	\$0
Comments: Estimated uncollected revenue - appropriated receipts.						
<i>UNEXPENDED BALANCES AUTHORITY</i>						
Article V, Rider 9 Appropriation: Seized Assets (2016-17 GAA)						

2.B. Summary of Base Request by Method of Finance
86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
		\$211,065	\$0	\$0	\$0	\$0
	Comments: UB of seized assets from FY16 for law enforcement purposes.					
	Article V, Rider 9 Appropriation: Seized Assets (2016-17 GAA)					
		\$(67,123)	\$0	\$0	\$0	\$0
	Comments: UB of seized assets from FY17 to FY18 for law enforcement purposes.					
	Article V, Rider 9 Appropriation: Seized Assets (2018-19 GAA)					
		\$0	\$67,123	\$0	\$0	\$0
	Comments: UB of seized assets to FY18 for law enforcement purposes.					
	Article V, Rider 9 Appropriation: Seized Assets (2018-19 GAA)					
		\$0	\$(71,828)	\$71,828	\$0	\$0
	Comments: Estimated UB of seized assets from FY18 to FY19.					
TOTAL,	Appropriated Receipts					
		\$216,844	\$230,871	\$324,524	\$102,938	\$102,938
<u>8000</u>	Governor's Disaster/Deficiency/Emergency Grant					
	<i>RIDER APPROPRIATION</i>					

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

86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
Article I, Trusteed Programs, Rider 2 (2018-19 GAA)		\$0	\$1,611,660	\$0	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>						
Article IX, Sec, 14.04, Disaster Related Transfer Authority (2018-19 GAA)		\$0	\$(598,502)	\$598,502	\$0	\$0
TOTAL,	Governor's Disaster/Deficiency/Emergency Grant	\$0	\$1,013,158	\$598,502	\$0	\$0
TOTAL, ALL	OTHER FUNDS	\$216,844	\$1,244,029	\$923,026	\$102,938	\$102,938
GRAND TOTAL		\$48,437,708	\$49,629,392	\$49,862,998	\$48,204,388	\$48,243,308

2.B. Summary of Base Request by Method of Finance
86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2016-17 GAA) Comments: Matches Conference Committee Report (2016-2017)	638.0	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2018-19 GAA) Comments: Matches Conference Committee Report (2018-2019)	0.0	635.0	635.0	0.0	0.0
RIDER APPROPRIATION					
Article IX, Sec. 18.03 Centralized Accounting and Payroll/Personnel Systems (84R) Comments: Matches Conference Committee Report (2016-17)	1.0	0.0	0.0	0.0	0.0
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2016-17 GAA) Comments: Matches SAO report.	(17.0)	0.0	0.0	634.0	634.0
Savings due to Hiring Freeze (84R)	(19.4)	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2018-19 GAA)	0.0	(55.0)	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	602.6	580.0	635.0	634.0	634.0

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

86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
NUMBER OF 100% FEDERALLY FUNDED FTEs		0.0	0.0	0.0	0.0	0.0

2.C. Summary of Base Request by Object of Expense

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission					
OBJECT OF EXPENSE	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1001 SALARIES AND WAGES	\$34,977,105	\$36,373,913	\$38,525,604	\$37,153,923	\$37,255,111
1002 OTHER PERSONNEL COSTS	\$1,936,462	\$1,650,482	\$1,378,748	\$1,362,392	\$1,362,392
2001 PROFESSIONAL FEES AND SERVICES	\$1,182,291	\$1,688,109	\$1,286,918	\$1,201,635	\$1,201,635
2002 FUELS AND LUBRICANTS	\$485,449	\$439,136	\$699,700	\$776,445	\$770,509
2003 CONSUMABLE SUPPLIES	\$244,812	\$205,190	\$136,885	\$138,250	\$107,750
2004 UTILITIES	\$488,004	\$497,537	\$427,450	\$445,388	\$450,189
2005 TRAVEL	\$729,796	\$760,864	\$564,659	\$363,250	\$375,250
2006 RENT - BUILDING	\$2,269,077	\$2,360,545	\$2,366,621	\$2,366,621	\$2,356,495
2007 RENT - MACHINE AND OTHER	\$225,452	\$308,305	\$316,523	\$316,523	\$318,623
2009 OTHER OPERATING EXPENSE	\$3,408,869	\$4,484,028	\$3,280,946	\$3,201,017	\$3,166,410
5000 CAPITAL EXPENDITURES	\$2,490,391	\$861,283	\$878,944	\$878,944	\$878,944
OOE Total (Excluding Riders)	\$48,437,708	\$49,629,392	\$49,862,998	\$48,204,388	\$48,243,308
OOE Total (Riders)					
Grand Total	\$48,437,708	\$49,629,392	\$49,862,998	\$48,204,388	\$48,243,308

2.D. Summary of Base Request Objective Outcomes
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

458 Alcoholic Beverage Commission					
<i>Goal/ Objective / Outcome</i>	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1 Promote the Health, Safety, and Welfare of the Public					
<i>1 Detect/Prevent Law Violations</i>					
1 Percentage of Licensed Establishments Inspected Annually					
	77.92%	70.79%	79.16%	73.98%	73.98%
2 % of Administrative Cases Resulting in Administrative Sanctions					
	95.90%	97.28%	95.00%	96.91%	96.91%
KEY 3 Percentage of Priority Licensed Locations Inspected by Enforcement					
	97.55%	83.72%	76.14%	87.88%	87.88%
4 Retailer and Direct Sale Manufacturer Public Safety Compliance Rate					
	97.33%	97.07%	97.25%	97.20%	97.20%
5 Priority Licensed Location Public Safety Compliance Rate					
	94.47%	97.23%	93.75%	95.75%	95.75%
6 Recidivism Rate - Licensed Retailers					
	13.63%	13.35%	13.25%	13.23%	13.23%
2 Process Applications and Issue Alcoholic Beverage Licenses & Permits					
<i>1 Process and Approve Applications in a Timely Manner</i>					
KEY 1 Avg Number of Days to Approve an Original Primary License/Permit					
	40.66	49.00	35.98	49.00	49.00

Automated Budget and Evaluation system of Texas (ABEST)

Goal/ Objective / Outcome		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
3	Ensure Compliance with Fees & Taxes					
	1 Ensure Compliance with Alcoholic Beverage Code					
KEY	1 Compliance Rate - Audits					
		84.13%	86.01%	82.20%	85.44%	85.44%
	2 Percent of Report Analyses Resulting in Correction Notices					
		19.97%	21.50%	22.00%	22.00%	22.00%
KEY	3 % of Inspections by Auditors Where Licensees were in Full Compliance					
		96.38%	97.82%	95.00%	95.00%	95.00%
	2 Ensure Maximum Compliance with Importation Laws at Ports of Entry					
	1 Revenue As a Percent of Expenses					
		137.07%	145.00%	120.66%	139.72%	139.72%

2.E. Summary of Exceptional Items Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Priority	Item	2020			2021			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Public Safety IT Replacement	\$3,383,172	\$3,383,172	5.0	\$2,752,948	\$2,752,948	5.0	\$6,136,120	\$6,136,120
2	Licensing and Tax IT Replacement	\$4,177,273	\$4,177,273	5.0	\$3,211,773	\$3,211,773	5.0	\$7,389,046	\$7,389,046
3	Border Security and Public Safety	\$7,117,803	\$7,117,803	64.0	\$4,979,823	\$4,979,823	64.0	\$12,097,626	\$12,097,626
4	Law Enforcement Vehicles	\$462,000	\$462,000		\$462,000	\$462,000		\$924,000	\$924,000
5	Cybersecurity	\$506,027	\$506,027	1.0	\$242,366	\$242,366	1.0	\$748,393	\$748,393
6	CAPPS Support	\$151,232	\$151,232	2.0	\$149,732	\$149,732	2.0	\$300,964	\$300,964
Total, Exceptional Items Request		\$15,797,507	\$15,797,507	77.0	\$11,798,642	\$11,798,642	77.0	\$27,596,149	\$27,596,149

Method of Financing

General Revenue	\$15,797,507	\$15,797,507		\$11,798,642	\$11,798,642		\$27,596,149	\$27,596,149
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	\$15,797,507	\$15,797,507		\$11,798,642	\$11,798,642		\$27,596,149	\$27,596,149

Full Time Equivalent Positions **77.0** **77.0**

Number of 100% Federally Funded FTEs **0.0** **0.0**

2.F. Summary of Total Request by Strategy
86th 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 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
1 Promote the Health, Safety, and Welfare of the Public						
1 <i>Detect/Prevent Law Violations</i>						
1 ENFORCEMENT	\$25,194,494	\$25,289,636	\$7,579,803	\$5,441,823	\$32,774,297	\$30,731,459
TOTAL, GOAL 1	\$25,194,494	\$25,289,636	\$7,579,803	\$5,441,823	\$32,774,297	\$30,731,459
2 Process Applications and Issue Alcoholic Beverage Licenses & Permi						
1 <i>Process and Approve Applications in a Timely Manner</i>						
1 LICENSING	5,103,770	5,060,864	0	0	5,103,770	5,060,864
TOTAL, GOAL 2	\$5,103,770	\$5,060,864	\$0	\$0	\$5,103,770	\$5,060,864
3 Ensure Compliance with Fees & Taxes						
1 <i>Ensure Compliance with Alcoholic Beverage Code</i>						
1 COMPLIANCE MONITORING	6,299,171	6,281,630	0	0	6,299,171	6,281,630
2 <i>Ensure Maximum Compliance with Importation Laws at Ports of Ent</i>						
1 PORTS OF ENTRY	5,541,881	5,525,471	0	0	5,541,881	5,525,471
TOTAL, GOAL 3	\$11,841,052	\$11,807,101	\$0	\$0	\$11,841,052	\$11,807,101

2.F. Summary of Total Request by Strategy
86th 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 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
4 Indirect Administration						
1 <i>Indirect Administration</i>						
1 CENTRAL ADMINISTRATION	\$2,696,525	\$2,716,167	\$151,232	\$149,732	\$2,847,757	\$2,865,899
2 INFORMATION RESOURCES	2,936,963	2,928,990	8,066,472	6,207,087	11,003,435	9,136,077
3 OTHER SUPPORT SERVICES	431,584	440,550	0	0	431,584	440,550
TOTAL, GOAL 4	\$6,065,072	\$6,085,707	\$8,217,704	\$6,356,819	\$14,282,776	\$12,442,526
TOTAL, AGENCY STRATEGY REQUEST	\$48,204,388	\$48,243,308	\$15,797,507	\$11,798,642	\$64,001,895	\$60,041,950
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$48,204,388	\$48,243,308	\$15,797,507	\$11,798,642	\$64,001,895	\$60,041,950

2.F. Summary of Total Request by Strategy
86th 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 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
General Revenue Funds:							
1	General Revenue Fund	\$48,101,450	\$48,140,370	\$15,797,507	\$11,798,642	\$63,898,957	\$59,939,012
		\$48,101,450	\$48,140,370	\$15,797,507	\$11,798,642	\$63,898,957	\$59,939,012
Federal Funds:							
555	Federal Funds	0	0	0	0	0	0
		\$0	\$0	\$0	\$0	\$0	\$0
Other Funds:							
666	Appropriated Receipts	102,938	102,938	0	0	102,938	102,938
8000	Disaster/Deficiency/Emergency Grant	0	0	0	0	0	0
		\$102,938	\$102,938	\$0	\$0	\$102,938	\$102,938
TOTAL, METHOD OF FINANCING		\$48,204,388	\$48,243,308	\$15,797,507	\$11,798,642	\$64,001,895	\$60,041,950
FULL TIME EQUIVALENT POSITIONS		634.0	634.0	77.0	77.0	711.0	711.0

2.G. Summary of Total Request Objective Outcomes
86th 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 2020	BL 2021	Excp 2020	Excp 2021	Total Request 2020	Total Request 2021
1	Promote the Health, Safety, and Welfare of the Public						
1	Detect/Prevent Law Violations						
	1 Percentage of Licensed Establishments Inspected Annually						
		73.98%	73.98%			73.98%	73.98%
	2 % of Administrative Cases Resulting in Administrative Sanctions						
		96.91%	96.91%			96.91%	96.91%
KEY	3 Percentage of Priority Licensed Locations Inspected by Enforcement						
		87.88%	87.88%	91.44%	95.00%	91.44%	95.00%
	4 Retailer and Direct Sale Manufacturer Public Safety Compliance Rate						
		97.20%	97.20%			97.20%	97.20%
	5 Priority Licensed Location Public Safety Compliance Rate						
		95.75%	95.75%			95.75%	95.75%
	6 Recidivism Rate - Licensed Retailers						
		13.23%	13.23%			13.23%	13.23%
2	Process Applications and Issue Alcoholic Beverage Licenses & Permits						
1	Process and Approve Applications in a Timely Manner						
KEY	1 Avg Number of Days to Approve an Original Primary License/Permit						
		49.00	49.00			49.00	49.00
3	Ensure Compliance with Fees & Taxes						
1	Ensure Compliance with Alcoholic Beverage Code						

2.G. Summary of Total Request Objective Outcomes
86th 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 2020	BL 2021	Excp 2020	Excp 2021	Total Request 2020	Total Request 2021
KEY	1 Compliance Rate - Audits						
		85.44%	85.44%			85.44%	85.44%
	2 Percent of Report Analyses Resulting in Correction Notices						
		22.00%	22.00%			22.00%	22.00%
KEY	3 % of Inspections by Auditors Where Licensees were in Full Compliance						
		95.00%	95.00%			95.00%	95.00%
2	<i>Ensure Maximum Compliance with Importation Laws at Ports of Entry</i>						
	1 Revenue As a Percent of Expenses						
		139.72%	139.72%			139.72%	139.72%

3.A. Strategy Request
86th 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
OBJECTIVE: 1 Detect/Prevent Law Violations
STRATEGY: 1 Enforcement

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Output Measures:						
KEY 1	Number of Inspections Conducted by Enforcement Agents	84,312.00	64,019.00	79,162.00	40,000.00	40,000.00
KEY 2	# Inspections Priority Licensed Locations Conducted by Enforcement	27,215.00	31,594.00	36,223.00	35,342.00	35,342.00
KEY 3	Number of OCA/Trafficking Investigations Closed	122.00	153.00	115.00	130.00	130.00
KEY 4	# Multi-Agency/Joint Ops for OCA on Border or GIWW	520.00	421.00	342.00	400.00	400.00
KEY 5	Number of Undercover Operations Conducted	0.00	0.00	0.00	17,386.00	17,386.00
Efficiency Measures:						
KEY 1	Average Cost Per Enforcement Inspection	296.40	342.79	319.67	627.12	629.49
KEY 2	Average Cost of Joint Operations Targeting Organized Crime	2,320.32	1,804.65	2,328.15	2,099.44	2,125.29
Explanatory/Input Measures:						
1	Average Number of Days to Close a Complaint Investigation	46.42	54.74	46.87	50.51	50.51
2	Number of Licensed Locations Subject to Inspection	57,971.00	58,899.00	58,100.00	59,841.00	60,798.00
3	Number of Criminal Cases Filed	1,480.00	1,311.00	1,756.00	1,738.00	1,738.00
4	Number of Administrative Cases Initiated by Enforcement Agents	2,457.00	1,924.00	2,350.00	2,177.00	2,177.00

3.A. Strategy Request
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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
5	Number of Priority Locations	5,508.00	13,000.00	15,825.00	13,208.00	13,419.00
6	Number of Complaint Investigations Closed	6,103.00	5,330.00	5,517.00	5,648.00	5,648.00
7	Number of Joint Operations Targeting Organized Crime Statewide	641.00	740.00	600.00	650.00	650.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$18,814,806	\$19,523,354	\$20,992,794	\$19,637,712	\$19,715,934
1002	OTHER PERSONNEL COSTS	\$1,141,567	\$912,756	\$854,134	\$793,828	\$793,828
2001	PROFESSIONAL FEES AND SERVICES	\$290,433	\$559,781	\$47,500	\$47,500	\$47,500
2002	FUELS AND LUBRICANTS	\$458,808	\$407,202	\$671,050	\$753,413	\$747,477
2003	CONSUMABLE SUPPLIES	\$168,373	\$157,809	\$91,250	\$91,650	\$71,900
2004	UTILITIES	\$296,864	\$284,216	\$214,754	\$229,616	\$236,691
2005	TRAVEL	\$400,100	\$413,329	\$260,750	\$173,250	\$184,250
2006	RENT - BUILDING	\$993,156	\$1,002,555	\$1,005,650	\$1,005,650	\$1,041,000
2007	RENT - MACHINE AND OTHER	\$181,846	\$133,052	\$199,010	\$199,010	\$200,110
2009	OTHER OPERATING EXPENSE	\$1,800,483	\$2,228,142	\$1,435,496	\$1,383,921	\$1,372,002
5000	CAPITAL EXPENDITURES	\$2,255,668	\$833,621	\$878,944	\$878,944	\$878,944
TOTAL, OBJECT OF EXPENSE		\$26,802,104	\$26,455,817	\$26,651,332	\$25,194,494	\$25,289,636

3.A. Strategy Request
86th 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
OBJECTIVE: 1 Detect/Prevent Law Violations
STRATEGY: 1 Enforcement

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Method of Financing:						
1	General Revenue Fund	\$25,722,265	\$24,636,371	\$25,452,696	\$25,094,494	\$25,189,636
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$25,722,265	\$24,636,371	\$25,452,696	\$25,094,494	\$25,189,636
Method of Financing:						
555	Federal Funds					
	16.738.000 Justice Assistance Grant	\$460,672	\$0	\$0	\$0	\$0
	20.616.000 National Priority Safety Programs	\$404,453	\$583,515	\$500,000	\$0	\$0
CFDA Subtotal, Fund	555	\$865,125	\$583,515	\$500,000	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$865,125	\$583,515	\$500,000	\$0	\$0
Method of Financing:						
666	Appropriated Receipts	\$214,714	\$222,773	\$100,134	\$100,000	\$100,000
8000	Disaster/Deficiency/Emergency Grant	\$0	\$1,013,158	\$598,502	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$214,714	\$1,235,931	\$698,636	\$100,000	\$100,000

3.A. Strategy Request
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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$25,194,494	\$25,289,636
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$26,802,104	\$26,455,817	\$26,651,332	\$25,194,494	\$25,289,636
FULL TIME EQUIVALENT POSITIONS:		266.7	262.5	289.1	287.5	287.5

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Alcoholic Beverage Code directs the commission to protect public safety by fostering voluntary compliance with the law, by detecting and deterring violations, and by promoting responsible alcohol consumption. The commission is also directed to investigate violations of the Alcoholic Beverage Code and other laws relating to alcoholic beverages and to “supervise and regulate licensees and permittees in their places of business in matters affecting the public.” The Alcoholic Beverage Code also empowers the agency to commission “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.

Included in this strategy is the Special Investigations Unit (SIU) whose primary function is to conduct reactive and proactive covert operations to disrupt and dismantle organized criminal activity on licensed premises throughout the state. The Financial Crimes Unit (FCU) works in conjunction with SIU to investigate organized criminal activities occurring within and connected to the alcoholic beverage industry. The Special Response Team (SRT) which is charged with responding to natural and man-made disasters with a special emphasis on searching an affected area and conducting rescue efforts within that area. Fleet Operations, which includes the TABC warehouse, also falls within this strategy. The Enforcement function uses a risk-based approach to best direct its resources.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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458 Alcoholic Beverage Commission

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

OBJECTIVE: 1 Detect/Prevent Law Violations

Service Categories:

STRATEGY: 1 Enforcement

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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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 commissioned peace officers, and employee knowledge, skill, and ability levels.

3.A. Strategy Request
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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL CHANGE	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2018 + Bud 2019)	Baseline Request (BL 2020 + BL 2021)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$53,107,149	\$50,484,130	\$(2,623,019)	\$(1,083,515)	Reduced biennial funding by \$1,083,515 Federal Funds.
			\$(122,907)	Reduced biennial funding by \$122,907 Appropriated Receipts.
			\$(1,611,660)	Reduced biennial funding by \$1,611,660 Disaster/Deficiency/Emergency Grant.
			\$(578,401)	Reduced General Revenue in other personnel costs, professional fees and services, consumable supplies, utilities, travel, and other operating.
			\$773,464	Increased General Revenue and 1.4 FTE's in salaries, fuel, rent, rent machine other, and capital expenditures.
			\$(2,623,019)	Total of Explanation of Biennial Change

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
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458 Alcoholic Beverage Commission

GOAL: 2 Process Applications and Issue Alcoholic Beverage Licenses & Permits
OBJECTIVE: 1 Process and Approve Applications in a Timely Manner
STRATEGY: 1 Licensing

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Output Measures:						
1	Number of Applications Processed	78,440.00	88,481.00	75,725.00	90,547.00	82,103.00
KEY 2	Number of Licenses/Permits Issued	64,115.00	76,658.00	62,400.00	78,448.00	68,606.00
Efficiency Measures:						
KEY 1	Average Cost Per License/Permit Processed	61.88	55.43	64.58	56.31	61.58
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,540,647	\$3,781,197	\$4,308,764	\$4,235,170	\$4,234,486
1002	OTHER PERSONNEL COSTS	\$209,174	\$196,683	\$139,224	\$150,452	\$150,452
2001	PROFESSIONAL FEES AND SERVICES	\$13,514	\$90,534	\$30,250	\$30,250	\$30,250
2002	FUELS AND LUBRICANTS	\$1,387	\$1,599	\$1,675	\$1,859	\$1,859
2003	CONSUMABLE SUPPLIES	\$22,325	\$9,195	\$10,875	\$10,875	\$8,350
2004	UTILITIES	\$13,232	\$24,711	\$25,002	\$25,827	\$26,679
2005	TRAVEL	\$20,029	\$26,319	\$12,100	\$12,100	\$12,800
2006	RENT - BUILDING	\$325,657	\$348,233	\$346,700	\$346,700	\$328,700
2007	RENT - MACHINE AND OTHER	\$5,935	\$11,343	\$26,353	\$26,353	\$27,353
2009	OTHER OPERATING EXPENSE	\$151,061	\$354,282	\$265,296	\$264,184	\$239,935
5000	CAPITAL EXPENDITURES	\$58,314	\$325	\$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
OBJECTIVE: 1 Process and Approve Applications in a Timely Manner
STRATEGY: 1 Licensing

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
TOTAL, OBJECT OF EXPENSE		\$4,361,275	\$4,844,421	\$5,166,239	\$5,103,770	\$5,060,864
Method of Financing:						
1	General Revenue Fund	\$4,361,275	\$4,844,421	\$4,944,787	\$5,103,770	\$5,060,864
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,361,275	\$4,844,421	\$4,944,787	\$5,103,770	\$5,060,864
Method of Financing:						
666	Appropriated Receipts	\$0	\$0	\$221,452	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$0	\$0	\$221,452	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,103,770	\$5,060,864
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,361,275	\$4,844,421	\$5,166,239	\$5,103,770	\$5,060,864
FULL TIME EQUIVALENT POSITIONS:		78.1	69.3	83.4	82.3	82.3
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
OBJECTIVE: 1 Process and Approve Applications in a Timely Manner Service Categories:
STRATEGY: 1 Licensing Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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This strategy supports the statewide goal of serving the people of Texas and protecting public health and safety through consistent, fair and timely administration of the Alcoholic Beverage Code, fostering of economic opportunities, job creation and capital investments by promoting a favorable business climate resulting from the timely issuance of licenses and permits to a variety of qualified businesses within the alcoholic beverage industry.

The Licensing Division regulates all phases of the alcoholic beverage industry involving manufacturing, sales, purchases, transportation, storage, and distribution through a licensing process that's expected to issue more than 75,000 licenses and permits throughout Texas and the world during FY2018. A thorough and accurate review of applicants by division staff ensures those who are eligible can receive one or more of the 73 licenses, permits, or certificates currently available to all three tiers of the industry.

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

Licensing staff respond to customer needs in five regional offices and numerous area offices throughout the state to provide accurate and timely information about the qualifications and reporting requirements.

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
OBJECTIVE: 1 Process and Approve Applications in a Timely Manner
STRATEGY: 1 Licensing

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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The state's economy and population ultimately affects the number of businesses requesting permits as well as the number of business closures or acquisitions requiring subsequent reporting to the Licensing Division and process action by Licensing staff.

Keeping these internal and external factors at the forefront, the Licensing Division has continued to seek and implement innovative changes in their processes. These innovations include reducing wait times, parallel processing, digitization of applications, online renewals for all license/permit types, online filing of original applications for Agents licenses and permits, and online interviews explaining the responsibilities for holding a license/permit. The Licensing Division is continually looking ahead for innovative ways to assist both the applicant and the division.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$10,010,660	\$10,164,634	\$153,974	\$(221,452)	Biennium reduction of \$221,452 in appropriated receipts.
			\$(129,509)	Reduced general revenue and .7 FTE's in other personnel costs, professional fees and services, consumables, travel, rent-building, and capital expenditures.
			\$504,935	Increased general revenue in salaries, fuel, utilities, rent-machine other, and other operating expenses.
			\$153,974	Total of Explanation of Biennial Change

3.A. Strategy Request
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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

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Output Measures:						
	1 Number of Persons Instructed by Auditors	56,410.00	60,395.00	46,900.00	46,900.00	46,900.00
	2 # of Wholesale and Manufacturing Reports Analyzed	57,809.00	59,000.00	52,400.00	60,000.00	60,000.00
KEY 3	Number of Audits Conducted	1,600.00	1,563.00	1,541.00	1,832.00	1,832.00
KEY 4	Inspections Conducted by Auditors	24,252.00	25,054.00	24,500.00	51,879.00	51,879.00
Efficiency Measures:						
KEY 1	Average Cost per Audit	261.10	320.95	331.40	547.61	546.78
	2 Average Cost per Auditor Inspection	187.37	173.83	181.33	70.27	70.16
	3 Average Cost per Person at Educational Program	4.96	5.26	8.50	6.62	6.61
	4 Average Cost per Wholesale/Manufacturing Report Analyzed	19.51	13.55	16.64	14.21	14.07
Explanatory/Input Measures:						
	1 Number of Administrative Actions by Audit Personnel	12,936.00	11,358.00	13,100.00	11,500.00	11,500.00
	2 # Notices from Analyses of Wholesale/Manufacturing Tier Reports	11,547.00	12,685.00	11,530.00	13,200.00	13,200.00
	3 Number of Trainees Obtaining Seller/Server Certification	400,859.00	389,608.00	369,150.00	389,000.00	389,000.00
	4 Average Cost Per Seller/Server Trainee Certification	1.18	1.26	1.31	1.24	1.24
Objects of Expense:						

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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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1001	SALARIES AND WAGES	\$4,899,688	\$5,107,852	\$5,480,796	\$5,108,801	\$5,108,039
1002	OTHER PERSONNEL COSTS	\$165,750	\$170,260	\$126,848	\$129,274	\$129,274
2001	PROFESSIONAL FEES AND SERVICES	\$30,023	\$107,061	\$46,250	\$46,250	\$46,250
2002	FUELS AND LUBRICANTS	\$10,300	\$13,398	\$12,775	\$5,633	\$5,633
2003	CONSUMABLE SUPPLIES	\$19,776	\$10,632	\$13,525	\$13,125	\$10,400
2004	UTILITIES	\$54,865	\$61,425	\$59,878	\$53,587	\$55,283
2005	TRAVEL	\$217,503	\$233,763	\$214,400	\$101,900	\$102,200
2006	RENT - BUILDING	\$346,331	\$361,069	\$361,055	\$361,055	\$349,055
2007	RENT - MACHINE AND OTHER	\$10,714	\$45,127	\$44,652	\$44,652	\$44,652
2009	OTHER OPERATING EXPENSE	\$288,699	\$538,997	\$453,958	\$434,894	\$430,844
5000	CAPITAL EXPENDITURES	\$97,885	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$6,141,534	\$6,649,584	\$6,814,137	\$6,299,171	\$6,281,630
Method of Financing:						
1	General Revenue Fund	\$6,141,534	\$6,649,569	\$6,814,137	\$6,299,171	\$6,281,630
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$6,141,534	\$6,649,569	\$6,814,137	\$6,299,171	\$6,281,630
Method of Financing:						
666	Appropriated Receipts	\$0	\$15	\$0	\$0	\$0

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458 Alcoholic Beverage Commission

GOAL: 3 Ensure Compliance with Fees & Taxes

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 2017	Est 2018	Bud 2019	BL 2020	BL 2021
SUBTOTAL, MOF (OTHER FUNDS)		\$0	\$15	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$6,299,171	\$6,281,630
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$6,141,534	\$6,649,584	\$6,814,137	\$6,299,171	\$6,281,630
FULL TIME EQUIVALENT POSITIONS:		89.2	84.2	92.5	87.4	87.4

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is composed of the Audit, Tax & Marketing Practices, and Education & Prevention divisions.

The Audit Division performs various types of inspections, interviews applicants for licenses and permits, and conducts investigative, regulatory, financial, marketing, and tax audits.

The Tax & Marketing Practices Division processes and reviews monthly tax, shipping, and transport reports related to excise taxes; reviews and approves alcoholic beverage labels; and tests certain alcoholic beverages using its on-site laboratory. The division also controls the issuance of identification stamps for distilled spirits sold through local distributors to comply with requirements of the gross receipts tax. Finally, division staff is also responsible for researching trends and responding to marketing inquiries from the alcoholic beverage industry.

The Education & Prevention Division includes the agency's grant application and seller training functions and improves public safety and voluntary compliance with the Alcoholic Beverage Code through a number of public- and retailer-focused education campaigns and curricula.

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GOAL: 3 Ensure Compliance with Fees & Taxes

OBJECTIVE: 1 Ensure Compliance with Alcoholic Beverage Code

STRATEGY: 1 Conduct Inspections and Monitor Compliance

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

External factors which may affect this strategy include changes in state law or other legislative action, as well as overall growth of the industry increasing the need for inspections, analyses and reports. Additionally, growth of the global economy may increase the need for comprehensive research and reporting on trends which could impact the local Texas market. Changes in upper-tier (manufacturing) market share and acquisitions could increase the complexity of various marketing practices issues while a decline in the overall economy could lead to possible administrative and criminal actions within the alcoholic beverage industry.

Internal factors influencing this strategy include staffing levels and allocation; recruitment and retention of qualified personnel; and employee knowledge, skill, and ability levels. The quality of the education programs offered by the agency and the accessibility of targeted audiences is also an important factor.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$13,463,721	\$12,580,801	\$(882,920)	\$(882,920)	Reduce general revenue and 5.1 FTE's in salaries, other personnel costs, professional fees, fuel, consumables, utilities, travel, rent-building, rent-machine other, and other operating expenses.
			<u>\$(882,920)</u>	Total of Explanation of Biennial Change

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458 Alcoholic Beverage Commission

GOAL: 3 Ensure Compliance with Fees & Taxes

OBJECTIVE: 2 Ensure Maximum Compliance with Importation Laws at Ports of Entry

Service Categories:

STRATEGY: 1 Ports of Entry

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Output Measures:						
KEY 1	Number of Alcoholic Beverage Containers Stamped	1,782,717.00	1,829,865.00	1,686,604.00	1,878,260.00	1,927,935.00
KEY 2	Number of Cigarette Packages Stamped	404,726.00	405,900.00	411,700.00	407,077.00	408,258.00
Efficiency Measures:						
1	Average Cost Per Alcoholic Beverage Container/Cigarette Package	2.35	2.23	2.66	2.41	2.35
Explanatory/Input Measures:						
1	# Alcoholic Beverage Containers Disallowed	10,497.00	11,313.00	3,893.00	9,865.00	9,865.00
2	Number of Cigarette Packages Disallowed	1,935.00	3,244.00	1,367.00	1,935.00	1,935.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$4,240,803	\$4,356,339	\$4,561,886	\$4,605,022	\$4,617,413
1002	OTHER PERSONNEL COSTS	\$224,419	\$183,929	\$165,891	\$181,417	\$181,417
2001	PROFESSIONAL FEES AND SERVICES	\$97,519	\$109,000	\$107,199	\$107,199	\$107,199
2002	FUELS AND LUBRICANTS	\$8,705	\$14,754	\$12,200	\$13,542	\$13,542
2003	CONSUMABLE SUPPLIES	\$22,110	\$18,287	\$13,000	\$13,000	\$10,000
2004	UTILITIES	\$45,067	\$53,062	\$52,700	\$54,310	\$57,060
2005	TRAVEL	\$64,614	\$63,545	\$55,000	\$55,000	\$55,000
2006	RENT - BUILDING	\$242,658	\$265,476	\$265,476	\$265,476	\$250,000

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458 Alcoholic Beverage Commission

GOAL: 3 Ensure Compliance with Fees & Taxes

OBJECTIVE: 2 Ensure Maximum Compliance with Importation Laws at Ports of Entry

Service Categories:

STRATEGY: 1 Ports of Entry

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
2007	RENT - MACHINE AND OTHER	\$161	\$1,153	\$8,221	\$8,221	\$8,221
2009	OTHER OPERATING EXPENSE	\$295,537	\$498,073	\$241,813	\$238,694	\$225,619
5000	CAPITAL EXPENDITURES	\$23,603	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$5,265,196	\$5,563,618	\$5,483,386	\$5,541,881	\$5,525,471
Method of Financing:						
1	General Revenue Fund	\$5,265,196	\$5,563,618	\$5,483,386	\$5,541,881	\$5,525,471
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$5,265,196	\$5,563,618	\$5,483,386	\$5,541,881	\$5,525,471
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,541,881	\$5,525,471
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$5,265,196	\$5,563,618	\$5,483,386	\$5,541,881	\$5,525,471
FULL TIME EQUIVALENT POSITIONS:		114.6	113.0	119.9	119.8	119.8

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is mandated under the Alcoholic Beverage Code and other state laws to prevent the unrestricted flow of alcoholic beverages and cigarettes into the state by preventing illegal importations, and serve a tax collection and regulatory function. This strategy continues operations at current levels of service at ports of entry along the Texas-Mexico border and the Galveston Seaport.

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GOAL: 3 Ensure Compliance with Fees & Taxes

OBJECTIVE: 2 Ensure Maximum Compliance with Importation Laws at Ports of Entry

STRATEGY: 1 Ports of Entry

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

This strategy is affected by external factors outside the agency's control, such as: economic conditions in the U.S. and Mexico, especially those affecting currency valuations. Other concerns include public safety and fear of crime and violence along the border in Mexico; severe weather issues along the Gulf of Mexico which could impact operations; increased costs related to port maintenance, safety improvements, and building leases.

Internal factors include the low Texas unemployment rate and strong job market creating challenges in recruiting a highly qualified and capable workforce to perform the Ports of Entry function.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$11,047,004	\$11,067,352	\$20,348	\$330,030	Increase in general revenue in salaries, other personnel costs, fuel, utilities, and rent-machine other. Increased by .3 FTE.
			\$(309,682)	Decrease in general revenue in professional fees and services, consumables, travel, rent-building, and other operating expenses.
			\$20,348	Total of Explanation of Biennial Change

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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,944,273	\$2,074,825	\$1,759,585	\$2,012,408	\$2,024,673
1002	OTHER PERSONNEL COSTS	\$145,282	\$77,131	\$47,115	\$56,095	\$56,095
2001	PROFESSIONAL FEES AND SERVICES	\$15,939	\$6,068	\$3,500	\$3,500	\$3,500
2002	FUELS AND LUBRICANTS	\$3,820	\$1,018	\$700	\$555	\$555
2003	CONSUMABLE SUPPLIES	\$6,780	\$6,625	\$6,235	\$6,600	\$5,100
2004	UTILITIES	\$8,995	\$9,872	\$8,076	\$7,905	\$8,095
2005	TRAVEL	\$26,845	\$22,218	\$20,409	\$19,000	\$19,000
2006	RENT - BUILDING	\$196,811	\$199,197	\$203,725	\$203,725	\$203,725
2007	RENT - MACHINE AND OTHER	\$11,333	\$16,863	\$15,596	\$15,596	\$15,596
2009	OTHER OPERATING EXPENSE	\$372,027	\$377,985	\$363,184	\$371,141	\$379,828
5000	CAPITAL EXPENDITURES	\$17,355	\$976	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,749,460	\$2,792,778	\$2,428,125	\$2,696,525	\$2,716,167
Method of Financing:						
1	General Revenue Fund	\$2,747,341	\$2,784,695	\$2,425,187	\$2,693,587	\$2,713,229
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,747,341	\$2,784,695	\$2,425,187	\$2,693,587	\$2,713,229

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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Method of Financing:						
666	Appropriated Receipts	\$2,119	\$8,083	\$2,938	\$2,938	\$2,938
SUBTOTAL, MOF (OTHER FUNDS)		\$2,119	\$8,083	\$2,938	\$2,938	\$2,938
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,696,525	\$2,716,167
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,749,460	\$2,792,778	\$2,428,125	\$2,696,525	\$2,716,167
FULL TIME EQUIVALENT POSITIONS:		28.5	27.5	26.9	31.0	31.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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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 the Public Information Act are included in the Executive Division.

General Counsel directs operations of the Legal Division providing legal advice and counsel to Commission staff, the Executive Director and Commission members involving litigation, provision of its Code, Commission rules, policies, and operations. The General Counsel is appointed by, and reports directly to, the Commissioners.

The Human Resources Division manages the agency's personnel policies and procedures and risk management.

The Business Services Division manages the agency's payroll, accounting, budgeting, travel, time/leave, records retention, property management, mail operations, and revenue policies and processing. The Research and Planning Department assists management throughout the agency with trend and market analysis and performance reporting.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$5,220,903	\$5,412,692	\$191,789	\$(144,730)	Reduce biennial funds by \$144,730 in general revenue and 1 FTE for CAPPS Implementation.
			\$(15,501)	Decrease general revenue funds in other personnel, professional fees, fuel, utilities, travel, rent-machine other and capital expenses.
			\$357,165	Increase general revenue funds in salaries, rent-building, and other operating. Increase by 2.3 FTE's.
			\$(5,145)	Reduce biennial funds by \$5,145 in appropriated receipts.
			\$191,789	Total of Explanation of Biennial Change

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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,202,913	\$1,196,792	\$1,028,192	\$1,259,330	\$1,259,180
1002	OTHER PERSONNEL COSTS	\$33,783	\$72,589	\$32,365	\$36,963	\$36,963
2001	PROFESSIONAL FEES AND SERVICES	\$728,527	\$804,335	\$1,046,514	\$960,436	\$960,436
2002	FUELS AND LUBRICANTS	\$1,553	\$747	\$800	\$888	\$888
2003	CONSUMABLE SUPPLIES	\$1,462	\$392	\$1,000	\$1,000	\$1,000
2004	UTILITIES	\$65,307	\$63,238	\$65,702	\$72,748	\$64,926
2005	TRAVEL	\$51	\$0	\$1,000	\$1,000	\$1,000
2006	RENT - BUILDING	\$116,092	\$129,220	\$129,220	\$129,220	\$129,220
2007	RENT - MACHINE AND OTHER	\$12,905	\$96,325	\$17,554	\$17,554	\$17,554
2009	OTHER OPERATING EXPENSE	\$445,269	\$424,546	\$458,263	\$457,824	\$457,823
5000	CAPITAL EXPENDITURES	\$29,930	\$26,361	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,637,792	\$2,814,545	\$2,780,610	\$2,936,963	\$2,928,990
Method of Financing:						
1	General Revenue Fund	\$2,637,792	\$2,814,545	\$2,780,610	\$2,936,963	\$2,928,990
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,637,792	\$2,814,545	\$2,780,610	\$2,936,963	\$2,928,990

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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,936,963	\$2,928,990
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,637,792	\$2,814,545	\$2,780,610	\$2,936,963	\$2,928,990
FULL TIME EQUIVALENT POSITIONS:		19.0	19.0	17.0	20.0	20.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The information resources strategy is responsible for developing and maintaining the core technology applications for the agency, which includes Licensing, Law Enforcement, Audit, Legal, and Business Services. Additionally, the division establishes and supports the technology infrastructure which facilitates agency operations and is charged with researching and analyzing ways to apply new technologies to solve business problems and maintaining effective security of agency data. 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 contract management statutes passed by the Legislature, IT data center services requirements by the Department of Information Resources (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 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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GOAL: 4 Indirect Administration
OBJECTIVE: 1 Indirect Administration
STRATEGY: 2 Information Resources

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2018 + Bud 2019)	Baseline Request (BL 2020 + BL 2021)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$5,595,155	\$5,865,953	\$270,798	\$(136,160)	Reduce general revenue in other personnel costs, rent-machine other, and capital expenditures.
			\$406,958	Increase general revenue in salaries, professional fees, fuel, consumables, utilities, travel, and other operating. Increased by 1.5 FTE's.
			\$270,798	Total of Explanation of Biennial Change

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458 Alcoholic Beverage Commission

GOAL: 4 Indirect Administration
OBJECTIVE: 1 Indirect Administration
STRATEGY: 3 Other Support Services

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1001	SALARIES AND WAGES	\$333,975	\$333,554	\$393,587	\$295,480	\$295,386
1002	OTHER PERSONNEL COSTS	\$16,487	\$37,134	\$13,171	\$14,363	\$14,363
2001	PROFESSIONAL FEES AND SERVICES	\$6,336	\$11,330	\$5,705	\$6,500	\$6,500
2002	FUELS AND LUBRICANTS	\$876	\$418	\$500	\$555	\$555
2003	CONSUMABLE SUPPLIES	\$3,986	\$2,250	\$1,000	\$2,000	\$1,000
2004	UTILITIES	\$3,674	\$1,013	\$1,338	\$1,395	\$1,455
2005	TRAVEL	\$654	\$1,690	\$1,000	\$1,000	\$1,000
2006	RENT - BUILDING	\$48,372	\$54,795	\$54,795	\$54,795	\$54,795
2007	RENT - MACHINE AND OTHER	\$2,558	\$4,442	\$5,137	\$5,137	\$5,137
2009	OTHER OPERATING EXPENSE	\$55,793	\$62,003	\$62,936	\$50,359	\$60,359
5000	CAPITAL EXPENDITURES	\$7,636	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$480,347	\$508,629	\$539,169	\$431,584	\$440,550
Method of Financing:						
1	General Revenue Fund	\$480,336	\$508,629	\$539,169	\$431,584	\$440,550
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$480,336	\$508,629	\$539,169	\$431,584	\$440,550

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GOAL: 4 Indirect Administration
OBJECTIVE: 1 Indirect Administration
STRATEGY: 3 Other Support Services

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Method of Financing:						
666	Appropriated Receipts	\$11	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$11	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$431,584	\$440,550
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$480,347	\$508,629	\$539,169	\$431,584	\$440,550
FULL TIME EQUIVALENT POSITIONS:		6.5	4.5	6.2	6.0	6.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

GOAL: 4 Indirect Administration
OBJECTIVE: 1 Indirect Administration
STRATEGY: 3 Other Support Services

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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The strategy is an integral part of the agency's administrative duties and powers as authorized through 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.

This 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 in purchasing and contract management.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

This section of the Business Services Division is externally impacted by statute changes related to purchasing, contract management, historically underutilized business (HUB) reporting requirements, internal audit recommendations, energy conservation mandates from Office of the Governor, risk management recommendations made by the State Office of Risk Management, Office of the State Auditor recommendations, funding made available by the Legislature, and policy changes made by the Office of the Comptroller.

Internal factors include the degree of automation and CAPPS support made available for managing purchasing, and fixed asset tracking.

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

GOAL: 4 Indirect Administration
OBJECTIVE: 1 Indirect Administration
STRATEGY: 3 Other Support Services

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2018 + Bud 2019)	Baseline Request (BL 2020 + BL 2021)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$1,047,798	\$872,134	\$(175,664)	\$(177,050)	Reduce general revenue in salaries, other personnel, professional fees, consumables, travel, and other operating. Reduce by .9 FTE.
			\$1,386	Increase general revenue in fuel, utilities, and rent-machine other.
			<u>\$(175,664)</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$48,437,708	\$49,629,392	\$49,862,998	\$48,204,388	\$48,243,308
METHODS OF FINANCE (INCLUDING RIDERS):				\$48,204,388	\$48,243,308
METHODS OF FINANCE (EXCLUDING RIDERS):	\$48,437,708	\$49,629,392	\$49,862,998	\$48,204,388	\$48,243,308
FULL TIME EQUIVALENT POSITIONS:	602.6	580.0	635.0	634.0	634.0

3.A.1. PROGRAM-LEVEL REQUEST SCHEDULE
85th Regular Session, Agency Submission, Version 1

Agency Code: 458		Agency: Texas Alcoholic Beverage Commission				Prepared By: Tiffany Forister					
Date: 8/3/2018						18-19 Base	Requested 2020	Requested 2021	Biennial Total 20-21	Biennial Difference	
Goal	Goal Name	Strategy	Strategy Name	Program	Program Name					\$	%
A	Regulate Distribution	A.1.1	Enforcement	A.1.1.1	Criminal Investigation	\$51,922,531	\$24,602,185	\$24,697,327	\$49,299,512	(\$2,623,019)	-5.1%
				A.1.1.1	Border Security Investigations	\$1,184,618	\$592,309	\$592,309	\$1,184,618	\$0	0.0%
B	Licensing	B.1.1	Licensing	B.1.1.1	Licensing Businesses	\$10,010,660	\$5,103,770	\$5,060,864	\$10,164,634	\$153,974	1.5%
C	Collect Fees and Taxes	C.1.1	Compliance Monitoring	C.1.1.1	Regulatory Compliance	\$10,820,701	\$4,963,837	\$4,956,541	\$9,920,378	(\$900,323)	-8.3%
				C.1.1.2	Education and Prevention	\$936,656	\$482,742	\$480,952	\$963,694	\$27,038	2.9%
				C.1.1.3	Excise Tax Administration	\$1,706,364	\$852,592	\$844,137	\$1,696,729	(\$9,635)	-0.6%
		C.1.2	Ports of Entry	C.1.2.1	Ports of Entry	\$11,047,004	\$5,541,881	\$5,525,471	\$11,067,352	\$20,348	0.2%
D	Indirect Administration	D.1.1	Central Administration	D.1.1.1	Central Administration	\$4,720,903	\$2,696,525	\$2,716,167	\$5,412,692	\$691,789	14.7%
				D.1.1.2	Wine Marketing Program	\$500,000	\$250,000	\$250,000	\$500,000	\$0	0.0%
		D.1.2	Information Resources	D.1.2.1	Information Resources	\$5,595,155	\$2,936,963	\$2,928,990	\$5,865,953	\$270,798	4.8%
		D.1.3	Other Support Services	D.1.3.1	Other Support Services	\$1,047,798	\$431,584	\$440,550	\$872,134	(\$175,664)	-16.8%

3.B. Rider Revisions and Additions Request

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Luis Arellano	Date: July 30, 2018	Request Level: Base Request
Current Rider Number	Page Number in 2016–17 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>2018</u>	<u>2020</u>	<u>2019</u>	<u>2021</u>
A. Goal: REGULATE DISTRIBUTION				
Outcome (Results/Impact):				
Percentage of Priority Licensed Locations Inspected by Enforcement Agents	76.14%	<u>87.88%</u>	76.14%	<u>87.88%</u>
A.1.1. Strategy: ENFORCEMENT				
Output (Volume):				
Number of Inspections Conducted by Enforcement Agents	79,162	<u>40,000</u>	79,162	<u>40,000</u>
Number of Inspections of Priority Licensed Locations Conducted by Enforcement Agents	36,223	<u>35,342</u>	36,223	<u>35,342</u>
Number of OCA/Trafficking Investigations Closed	115	<u>130</u>	115	<u>130</u>
Number of Multi-Agency/Joint Operations Targeting OCA/Trafficking on Border or GIWW	342	<u>400</u>	342	<u>400</u>
Number of Undercover Operations Conducted	N/A	<u>17,386</u>	N/A	<u>17,386</u>
Efficiencies:				
Average Cost Per Enforcement Inspection	\$311.37	<u>\$627.12</u>	\$319.67	<u>\$629.49</u>
Average Cost of Joint Operations Targeting Organized Crime	\$2,312.19	<u>\$2,099.44</u>	\$2,328.15	<u>\$2,125.29</u>
B. Goal: LICENSING AND INVESTIGATION				
Outcome (Results/Impact):				
Average Number of Days to Approve an Original Primary License/Permit	35.98	<u>49</u>	35.98	<u>49</u>
B.1.1. Strategy: LICENSING AND INVESTIGATION				
Output (Volume):				
Number of Licenses/Permits Issued	75,175	<u>78,448</u>	62,400	<u>68,606</u>
Efficiencies:				
Average Cost Per License/Permit Processed	\$54.22	<u>\$56.31</u>	\$64.58	<u>\$61.58</u>
C. Goal: COLLECT FEES AND TAXES				
Outcome (Results/Impact):				
Compliance Rate - Audits	82.2%	<u>85.44%</u>	82.2%	<u>85.44%</u>
Percent of Inspections by Auditors Where Licensees were In Full Compliance	95%	<u>95.00%</u>	95%	<u>95.00%</u>

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

C.1.1. Strategy: COMPLIANCE MONITORING

Output (Volume):

Number of Audits Conducted	1,541	<u>1,832</u>	1,541	<u>1,832</u>
Inspections Conducted by Auditors	24,500	<u>51,879</u>	24,500	<u>51,879</u>

Efficiencies:

Average Cost per Audit	\$329.26	<u>\$547.61</u>	\$331.4	<u>\$546.78</u>
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C.2.1. Strategy: PORTS OF ENTRY

Output (Volume):

Number of Alcoholic Beverage Containers Stamped	1,686,604	<u>1,878,260</u>	1,686,604	<u>1,927,935</u>
Number of Cigarette Packages Stamped	411,700	<u>407,077</u>	411,700	<u>408,258</u>

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.

	<u>2018</u>	<u>2020</u>	<u>2019</u>	<u>2021</u>
a. Acquisition of Information Resource Technologies				
(1) Agencywide PC Replacements and Mobile Data Computers – Leased	\$ 235,323	<u>\$235,323</u>	\$ 235,323	<u>\$235,323</u>
(2) Hardware/Software Acquisitions	\$ 339,292	<u>\$339,292</u>	\$ 339,292	<u>\$339,292</u>
Total, Acquisition of Information Resource Technologies	\$ 574,615	<u>\$574,615</u>	\$ 574,615	<u>\$574,615</u>
b. Transportation Items				
(1) Acquisition of Replacement and Additional Vehicles for Fleet	\$ 699,525	<u>\$699,525</u>	\$ 699,525	<u>\$699,525</u>
c. Acquisition of Capital Equipment and Items				
(1) Public Safety Equipment – Replacement	\$ 129,419	<u>\$179,419</u>	\$179,419	<u>\$179,419</u>
d. Data Center Consolidation				
(1) Data Center Consolidation	\$ 872,566	<u>\$957,936</u>	\$ 957,936	<u>\$957,936</u>

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

~~e. Centralized Accounting and Payroll/Personnel Systems (CAPPS)~~

~~(1) Centralized Accounting and Payroll/Personnel
Personnel System Implementation~~

~~\$ 72,365~~

~~\$ 72,365~~

Total, Capital Budget

\$2,348,490

\$2,411,495

~~\$2,483,860~~

\$2,411,495

Method of Financing (Capital Budget):

General Revenue Fund

\$2,348,490

\$2,411,495

~~\$2,483,860~~

\$2,411,495

Total, Method of Financing

\$2,348,490

\$2,411,495

~~\$2,483,860~~

\$2,411,495

9

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 ~~2019~~ 2021 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 ~~2016-2017~~ 2018-19 biennium shall receive a \$1,200 clothing Allowance in the ~~2018-19~~ 2020-21 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.

13

~~V-4~~

~~Limit on Travel and Activities.~~

- ~~a. The Texas Alcoholic Beverage Commission may not spend money appropriated to the agency by this Act for use during the state fiscal biennium ending August 31, 2019.~~

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

- (1) ~~for travel outside the state, other than for bona fide and documented law enforcement or investigative activities; or~~
- (2) ~~to attend or participate in an event, training, conference, class, or similar activity outside the state.~~

b. ~~The Texas Alcoholic Beverage Commission and employees of the commission may not accept payments from or spending authority on behalf of any trade, professional, or industry organization for any purpose or in any form, including a travel subsidy, payment of travel or other expenses for conference presenters, prepaid meals, or lodging.~~

701	V	<u>Unexpended Balances within Biennium.</u> Any unexpended balances as of August 31, 2020, in appropriations made to the Texas Alcoholic Beverage Commission are appropriated for the same purposes for the fiscal year beginning September 1, 2020.
702	V	<u>Capital Budget Expenditures from Federal Awards.</u> To maximize the use of federal funds and to fulfill grant requirements for the receipt and expenditure of federal funds, the Texas Alcoholic Beverage Commission shall notify the Legislative Budget Board and the Governor of the amount received and the items to be purchased as approved by the donor, grantee, state entity or federal agency. The expenditure of funds pursuant to this rider shall not create any ongoing operating cost.
703	V	<u>Disaster and Emergency Contingency.</u> Contingent upon the receipt of federal funds and the approval of the Legislative Budget Board and the Governor, the Texas Alcoholic Beverage Commission is appropriated on a temporary basis, additional funds to be transferred to the appropriate federal fund in an amount not to exceed \$5,000,000 in each fiscal year of the biennium. The request to access the additional funds by the Texas Alcoholic Beverage Commission shall include justification for the additional funds. The additional amounts authorized in excess of the Texas Alcoholic Beverage Commissions method of finance must be repaid upon receipt of federal reimbursement and shall be used only for the purpose of temporary cash flow needs. All additional funds authorized by this rider within a fiscal year must be repaid by November 30 of the following fiscal year. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be in accordance with procedures established by the Comptroller of Public Accounts.
704	V	<u>Potential Litigation Contingency.</u> Payment of attorney's fees and expert witness fees, resulting from actions or claims challenging the validity or constitutionality of the Texas Alcoholic Beverage Code and defended by the Office of the Attorney General or outside counsel, filed against the Texas Alcoholic Beverage Commission or any individual(s) acting in their official capacity on behalf of the Texas Alcoholic Beverage Commission totaling in

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

excess of \$1,000,000 shall be paid by the Comptroller from the fees and surcharges collected by the Texas Alcoholic Beverage Commission and not from funds appropriated herein. Such fees must be approved or recommended to be incurred by the Office of the Attorney General.

705

V

Contingency for Removal of Public Corporation Ban on Package Store Permits. Contingent upon litigation or legislation that would serve to remove the public corporation ban on package store permits, the Texas Alcoholic Beverage Commission is appropriated \$8,705,000 in General Revenue in fiscal year 2020 and \$8,705,000 in General Revenue in fiscal year 2021 to implement the provisions of the legislation or effectuate the court's decision. In addition, the "number of Full-Time-Equivalents (FTEs)" in the agency's bill pattern is increased by 127 FTEs in fiscal year 2020 and by 127 FTEs in fiscal year 2021. This appropriation is contingent upon the Texas Alcoholic Beverage Commission collecting fees sufficient to cover the costs, in addition to those revenue requirements found elsewhere in this Act.

4.A. Exceptional Item Request Schedule
86th 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 2020	Excp 2021
		Item Name:	Public Safety Technology Replacement	
		Item Priority:	1	
		IT Component:	Yes	
		Anticipated Out-year Costs:	Yes	
		Involve Contracts > \$50,000:	Yes	
	Includes Funding for the Following Strategy or Strategies:	04-01-02	Information Resources	
OBJECTS OF EXPENSE:				
1001	SALARIES AND WAGES		350,050	350,050
2001	PROFESSIONAL FEES AND SERVICES		2,890,052	2,267,328
2003	CONSUMABLE SUPPLIES		2,500	2,500
2004	UTILITIES		5,220	5,220
2005	TRAVEL		10,000	10,000
2006	RENT - BUILDING		15,000	15,000
2009	OTHER OPERATING EXPENSE		7,500	0
5000	CAPITAL EXPENDITURES		102,850	102,850
TOTAL, OBJECT OF EXPENSE			\$3,383,172	\$2,752,948
METHOD OF FINANCING:				
1	General Revenue Fund		3,383,172	2,752,948
TOTAL, METHOD OF FINANCING			\$3,383,172	\$2,752,948
FULL-TIME EQUIVALENT POSITIONS (FTE):			5.00	5.00

DESCRIPTION / JUSTIFICATION:

The TABC serves a large, continuously growing constituency of manufacturers, distributors, and retailers of alcoholic beverages in the State of Texas. In order to maintain at least a minimum level of service to, as well as enforcement oversight of, this constituency, TABC must follow a 4 - 6 year technology transformation plan that will provide higher levels of internal efficiencies, increased levels of strategic enforcement, audit, and legal capabilities, and much needed self-service capabilities to the constituency. This exceptional funding request seeks to acquire systems and solutions to manage activities performed by Field Operations, Auditing, and Legal in support of identifying violations and disposing of those violations. This includes functions traditionally found in Code Enforcement Systems, Law Enforcement Systems, and Legal Lifecycle Management Systems. TABC also seeks supporting functions of staff management, document management, communication management, workflow management, calendar management, and management reporting. TABC intends the Lifecycle Management Systems to help TABC better use, manage, consolidate, share, and protect information accessible through a centralized database.

EXTERNAL/INTERNAL FACTORS:

Interruption of implementation could pose possible risk to field staff (i.e. Commissioned Peace Officers, Agents, Auditors, etc.) if they are unable to access real-time data during enforcement and investigations. Interruption of implementation also poses possible risk to audit cases.

4.A. Exceptional Item Request Schedule
86th 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 2020	Excp 2021
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Interrupted access to data hosted at DCS could pose risk during disasters as well as in daily business operations.

Limited involvement by executive sponsors and stakeholders poses potential risk for successful completion of the project.

Limited availability of technologically experienced workforce in highly-competitive Austin poses potential risk for successful completion of the project.

PCLS TRACKING KEY:

PCLS_86R_458_429713

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

This exceptional item targets the replacement of legacy technology at end-of-life, staff workflow inefficiencies surrounding public safety efforts in the field through legal and/or administrative results, and allow the agency to properly operate securely and without externally-driven business disruptions.

Proposed Software

Platform as a Service (PaaS) - Salesforce and Azure in DCS

Customization and Configuration in Professional Fees listed below (in millions)

\$0.875	FY20 - Lifecycle Management - Enforcement
\$0.225	FY20 - Seized & Purchased Evidence (SAPE)
\$0.525	FY20 - Lifecycle Management - Legal
\$0.292	FY20 - Enterprise Content Management System
\$0.113	FY20 - Public Inquiry
\$0.075	FY20 - Data Repository
\$0.125	FY20 - Statewide Data Portal (tying into with TABC data)
\$0.293	FY20 - Website & Mobile App Refresh
\$0.525	FY21 - Lifecycle Management - Audit
\$0.225	FY21 - Cash Credit Law
\$0.550	FY21 - Self Inspections - Industry
\$0.375	FY21 - Data Management

IS THIS IT COMPONENT RELATED TO A NEW OR CURRENT PROJECT?

NEW

STATUS:

NA

OUTCOMES:

Audit Life Cycle Management: This application will provide a streamlined workflow, create greater staff efficiency, allow for real-time updates and tracking of cases, reduce duplicative data entry, and allow for maintenance of digital evidence in accordance with retention policy.

4.A. Exceptional Item Request Schedule
86th 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 2020	Excp 2021
	Cash Credit Law Replacement: This application will increase employee and industry satisfaction, improve collaboration across divisions, and provide a streamlined workflow.		
	Mobile Self-Inspection: This application will allow 100% of retail permittees and licensees to submit self-inspections, saving TABC Auditors and Agents time spent in the field conducting inspections, allow TABC Auditors and Agents increased time to review audits and reduce TABC Auditors and Agents time spent on data entry.		
	Enforcement Life Cycle Management: This application will provide a streamlined workflow, allow for ease of investigations of violations tied to multiple locations, allow for real-time updates and tracking of cases, and reduce duplicative data entry.		
	Seized & Purchased Evidence Replacement: The agency will notice a reduction in the amount of time spent in disposal of evidence when administrative and criminal cases have been adjudicated, have access to better reporting capabilities showing where evidence is being held (Lab for Testing, Submitted to Court, etc.), and allow for reduced data entry and more standardized reporting.		
	Legal Life Cycle Management: This application will prevent unintentional document release, allow users to view and manage cases from a single dashboard, allow for role-based access, allow users access to real-time case data from a mobile application in any location with internet service, and allow reporting in multiple formats.		
	Enterprise Content Management: Single platform, disparate systems are phased out, workflow is streamlined, support for system upgrades is decreased (hardware and software), and support in managing user security is decreased.		
	Public Inquiries: Reduced staff support for ad hoc queries and reports, streamlined workflow, increased real-time data, ability to identify trends and problem areas to protect the public.		
	Data Management: Completion of this milestone will allow for reduction in support of data replication, data redundancy, manual retention policies, and provide for an automated workflow leading to much higher levels of staff efficiency.		
	Data Repository: Completion of this milestone will allow for improved access to data and improved data security with roles-based access.		
	Use of Statewide Data Portal: Completion of this milestone will increase positive stakeholder feedback and reduce time spent on public information requests concerning public data related to manufacturer, distributor, and retailer information in the alcoholic beverage industry.		
	Mobile / Website Replacement: This replacement should provide an enhanced and unified experience for all users, provide enhanced organization of content, and allow for increased availability of industry's self-service features as requested in other projects within this LAR.		

OUTPUTS:

Increase in the number of targeted audits of high-risk locations.

Increase in revenue remediation regarding Cash/Credit Law among Industry Partners.

Increase in the number of viable audits conducted.

4.A. Exceptional Item Request Schedule
86th 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 2020	Excp 2021
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Increase in the number of completed reports from onsite investigative locations.

Increase in the number of requester-driven gathering of data in lieu of staff responses to open records requests.

Decrease in agency staff time for routine tasks that can be shifted to Industry Partners for self-inspections and self-reporting.

TYPE OF PROJECT

Licensing / Permitting / Monitoring / Enforcement

ALTERNATIVE ANALYSIS

Keep the Status Quo

Technology changes are necessary due to near end-of-life systems currently in use.

Other State or Agency Solutions

TABC services a unique industry requiring specific needs related only to those processes. No other state or agency solutions exist that are tailored to the custom requirements imposed by state rules and business requirements

Reuse of existing Agency systems

To not implement this project would require the Agency to continue to spend staff time tracking duplicative data through manual methods, in addition to applying patchwork fixes to existing systems. The continued use of existing systems poses major risk of data error, and data security.

ESTIMATED IT COST

2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project
\$0	\$0	\$3,383,172	\$2,752,948	\$744,696	\$744,696	\$744,696	\$8,370,208

SCALABILITY

2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

FTE

2018	2019	2020	2021	2022	2023	2024
0.0	0.0	5.0	5.0	5.0	5.0	5.0

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Costs include FTE salaries, annual DCS operational and DCS licensing costs.

4.A. Exceptional Item Request Schedule
86th 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 2020

Excp 2021

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2022	2023	2024
\$1,119,954	\$1,119,954	\$1,119,954

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 87.00%

CONTRACT DESCRIPTION :

DBITS and possibly ITSAC and DIR coop.
Duration through the biennium.

4.A. Exceptional Item Request Schedule
86th 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 2020	Excp 2021
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Item Name: Licensing and Tax Collection Technology Replacement

Item Priority: 2

IT Component: Yes

Anticipated Out-year Costs: Yes

Involve Contracts > \$50,000: Yes

Includes Funding for the Following Strategy or Strategies: 04-01-02 Information Resources

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	340,235	340,235
2001	PROFESSIONAL FEES AND SERVICES	3,693,968	2,735,968
2003	CONSUMABLE SUPPLIES	2,500	2,500
2004	UTILITIES	5,220	5,220
2005	TRAVEL	10,000	10,000
2006	RENT - BUILDING	15,000	15,000
2009	OTHER OPERATING EXPENSE	7,500	0
5000	CAPITAL EXPENDITURES	102,850	102,850
TOTAL, OBJECT OF EXPENSE		\$4,177,273	\$3,211,773

METHOD OF FINANCING:

1	General Revenue Fund	4,177,273	3,211,773
TOTAL, METHOD OF FINANCING		\$4,177,273	\$3,211,773

FULL-TIME EQUIVALENT POSITIONS (FTE):

	5.00	5.00
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DESCRIPTION / JUSTIFICATION:

The TABC serves a large, continuously growing constituency of manufacturers, distributors, and retailers of alcoholic beverages in the State of Texas. In order to maintain at least a minimum level of service to, as well as enforcement oversight of, this constituency, TABC must follow a 4 - 6 year technology transformation plan that will provide higher levels of internal efficiencies, increased levels of strategic enforcement, audit, and legal capabilities, and much needed self-service capabilities to the constituency.

For permit applications, external users will be able to submit original license applications and fees online through a user-friendly experience. Once submitted, application information is then made available to business users automatically. License specialists will have the ability to receive and review application information categorized by license type. Internal and external users will be able to upload or import organizational charts and supplemental information, eliminating a significant amount of up-front data entry.

This exceptional item also includes an automated reconciliation process for approximately 36,000 monthly excise tax reports. External users will be able to pay online and submit their monthly excise tax reports and supplemental information directly through the system. A user-friendly experience will guide the user through the process and provide real-time feedback prior to inaccurate submissions.

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Alcoholic Beverage Commission

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After information is submitted, the system will automatically reconcile reports among appropriate parties and flag any anomalies for the Tax team to review. If the Tax team determines a more thorough investigation is required, the Audit Division can be notified, and the appropriate information will be readily available.

EXTERNAL/INTERNAL FACTORS:

Interruption of implementation could pose possible risk to field staff (i.e. Commissioned Peace Officers, Agents, Auditors, etc.) if they are unable to access real-time data during enforcement and investigations. Interruption of implementation also poses possible risk to audit cases.

Interrupted access to data hosted at DCS could pose risk during disasters as well as in daily business operations.

Limited involvement by executive sponsors and stakeholders poses potential risk for successful completion of the project.

Limited availability of technologically experienced workforce in highly-competitive Austin poses potential risk for successful completion of the project.

PCLS TRACKING KEY:

PCLS_86R_458_429714

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

This exceptional item targets the replacement of legacy technology at end-of-life, staff workflow inefficiencies, adverse effects on the industry's ability to generate Sales Tax revenue in an expedited manner once open for business, and allows the agency to properly operate securely and without externally-driven business disruptions.

Proposed Software

Platform as a Service (PaaS) - Salesforce and Azure in DCS

Customization and Configuration in Professional Fees listed below (in millions)

\$0.875	FY20 - Excise Tax & Marketing Suite
\$0.450	FY20 - Marketing Labels App
\$0.375	FY20 - Misc. Orders Management System
\$0.750	FY20 - Port of Entry Tax Collections including devices & accessories
\$0.293	FY20 - Enterprise Content Management System
\$0.112	FY20 - Public Inquiry
\$0.075	FY20 - Data Repository
\$0.125	FY20 - Statewide Data Portal (tying into with TABC data)
\$0.292	FY20 - Website & Mobile App Refresh
\$1.150	FY21 - Licensing - New Applications
\$0.650	FY21 - Licensing - Renewals
\$0.375	FY21 - Data Management

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Agency name:

Alcoholic Beverage Commission

CODE DESCRIPTION

Excp 2020

Excp 2021

IS THIS IT COMPONENT RELATED TO A NEW OR CURRENT PROJECT?

NEW

STATUS:

NA

OUTCOMES:

Licensing - New Applications: Estimated up to 36 Field FTEs and 8-10 HQ FTEs will be able to enhance their focus on investigations and processing applications in lieu of data entry; Projected decrease in number of days to process applications which, in turn, should allow for greater tax revenue to be generated by the applicant once in business; uniform tracking, assigning and reporting system; and more accurate payments resulting in less refunds and adjustments and quicker deposit of revenue into state account.

Licensing - Renewal Applications: Projected decrease in the number of days to process applications which in turn, should allow for greater tax revenue to be generated by the applicant once in business; more accurate payments, resulting in less refunds and adjustments; and quicker deposit of revenue into the state's account.

Excise Tax Pilot Suite: Estimated up to three FTEs will be able to concentrate their focus on analysis, compliance, and industry partner assistance in lieu of data entry; enhanced customer experience; automating reports to be easily created for analyzing and comparing data for monitoring compliance with statutory thresholds; uniform tracking, assigning, reporting and notification system; and automatic detection of anomalies; and more accurate payments resulting in less refunds and adjustments and quicker deposit of revenue into the state's account.

Marketing Labels: projected decrease in the number of days to process applications which in turn, may allow for products to get to market more quickly; uniform tracking, assigning and reporting system; projected decrease in the number of manual processes performed by TABC marketing staff; real-time communication with industry partners; reduced applicant submission errors; enhanced customer experience; and more accurate payments, resulting in less refunds and adjustments and quicker deposit of revenue into the state's account.

Miscellaneous Orders Management System (MOMS): uniform tracking and reporting system; enhanced customer experience; enable real-time reporting; and more accurate payments, resulting in less refunds and adjustments and quicker deposit of revenue into the state's account.

Ports of Entry (POE) Suite: quicker and more accurate receipt of revenue using point-of-sale (POS) system; enhanced customer experience; reduction in error rates; reduced credit card liability exposure; increased employee satisfaction; quicker and more accurate receipt of revenue using a POS system; enhanced customer experience; and readily available data for use by other TABC divisions.

Enterprise Content Management: single platform, disparate systems are phased out, streamlined workflow, decreased support for system upgrades (hardware and software), and decreased support in managing user security.

Public Inquiries: reduced staff support for ad hoc queries and reports, streamlined workflow, increased real-time data, and the ability to identify trends and problem areas to protect the public.

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Data Management: completion of this milestone will allow for a reduction in data replication, data redundancy and manual retention policies, and will provide for an automated workflow leading to much higher levels of staff efficiency.

Data Repository: completion of this milestone will allow for improved access to data and improved data security with role-based access.

Use of Statewide Data Portal: completion of this milestone will increase positive stakeholder experience and reduce time spent on public information requests for public data related to manufacturer, distributor, and retailer information in the alcoholic beverage industry.

Mobile/Website Modernization: this modernization should provide an enhanced and unified experience for all users, provide highly improved organization of content, and allow for increased availability of the industry's self-service features, as requested in other projects within this LAR.

OUTPUTS:

- Increase in the number of targeted investigations.
- Increase in the number of new license applications processed annually.
- Decrease in the number of days to issue a license to a new applicant.
- Increase in the number of accurate payments when the payment is initially processed.
- Increase in the number of license renewals processed annually.

TYPE OF PROJECT

Licensing / Permitting / Monitoring / Enforcement

ALTERNATIVE ANALYSIS

Status Quo

Technology changes are necessary due to near end-of-life systems currently in use.

Other State or Agency Solutions

TABC services a unique industry that requires specific needs that relate only to those processes. No other state or agency solutions exist that are tailored to the custom requirements imposed by state rules and business requirements

Reuse of existing Agency systems

To not implement this project would require the Agency to continue to spend staff time tracking duplicative data manually, in addition to applying patchwork fixes to existing systems.

The continued use of existing systems poses major risk of data error, and data breach.

ESTIMATED IT COST

2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project
\$0	\$0	\$4,177,273	\$3,211,773	\$731,434	\$731,434	\$731,434	\$9,583,348

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

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION						Excp 2020	Excp 2021
SCALABILITY								
2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project	
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

FTE

2018	2019	2020	2021	2022	2023	2024
0.0	0.0	5.0	5.0	5.0	5.0	5.0

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Costs include FTE salaries, annual DCS operational and DCS licensing costs.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2022	2023	2024
\$1,119,954	\$1,119,954	\$1,119,954

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 90.00%

CONTRACT DESCRIPTION :

DBITS and possibly ITSAC and DIR coop.

Duration through the biennium.

4.A. Exceptional Item Request Schedule
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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION			Excp 2020	Excp 2021
		Item Name:	Border Security and Public Safety		
		Item Priority:	3		
		IT Component:	Yes		
		Anticipated Out-year Costs:	Yes		
		Involve Contracts > \$50,000:	No		
	Includes Funding for the Following Strategy or Strategies:	01-01-01	Enforcement		
OBJECTS OF EXPENSE:					
1001	SALARIES AND WAGES			4,328,399	4,328,399
2001	PROFESSIONAL FEES AND SERVICES			16,128	16,128
2002	FUELS AND LUBRICANTS			180,000	180,000
2003	CONSUMABLE SUPPLIES			32,000	32,000
2004	UTILITIES			66,816	66,816
2005	TRAVEL			128,000	128,000
2006	RENT - BUILDING			192,000	192,000
2009	OTHER OPERATING EXPENSE			289,980	0
5000	CAPITAL EXPENDITURES			1,884,480	36,480
TOTAL, OBJECT OF EXPENSE				\$7,117,803	\$4,979,823
METHOD OF FINANCING:					
1	General Revenue Fund			7,117,803	4,979,823
TOTAL, METHOD OF FINANCING				\$7,117,803	\$4,979,823
FULL-TIME EQUIVALENT POSITIONS (FTE):				64.00	64.00

DESCRIPTION / JUSTIFICATION:

The Enforcement Division is requesting 64 additional FTEs for the biennium, 18 of which are specifically for the agency's Special Investigations Unit (SIU). Currently, the state is divided into sectors with a sergeant assigned to each. Each sergeant is responsible for 5-8 agents and reports to a lieutenant. Each agent is responsible for about 235 permits. Agents are required to conduct inspections at these locations, perform in both an open and undercover capacity in undercover operations and conduct minor stings. Enforcement agents are tasked with protecting public safety in the state of Texas and seek to foster voluntary compliance with the Alcoholic Beverage Code (Code). These agents investigate violations of the Code and supervise and regulate licensees and permittees at their place of business in matters affecting the sale of alcohol. For licensees who refuse to operate a safe and reputable business, the Agency has developed a list of Public Safety Violations. They are classified as age-related violations, intoxication issues relating to licensed locations, acts of violence at licensed premises, prohibited hours, narcotics, and human trafficking. The resources directed to a specific licensee or permittee is based on the level of assessed risk based on the Agency's past experience with the location. Agents routinely perform inspections of licensed and permitted locations to ensure compliance with applicable statutes. Enforcement agents communicate with local law enforcement agencies to identify locations contributing to public safety issues. Agents work complaints involving public safety issues and protests involving the retail tier of the alcoholic beverage industry. SIU conducts long-term investigations and operations statewide to detect, disrupt and dismantle organized criminal activity that have a nexus to the alcoholic beverage industry.

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Agency name:

Alcoholic Beverage Commission

CODE DESCRIPTION

Excp 2020

Excp 2021

EXTERNAL/INTERNAL FACTORS:

External factors 1) In the past decade, the number of permits in Texas has grown by over 26% while the number of Enforcement Agents were reduced by 23%. This significantly increased our staff to permit ratio; 2) A robust and strong Texas economy coupled with a steady increase in population will result 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; 3) any downturn in the Texas economy may increase the number of administrative actions due to public safety violations as existing businesses competing for a shrinking market share ; and 4) legislative changes that add or reduce program administration.

Internal Factors 1) Staffing levels and staff allocations which includes dedicating more resources toward the agency's Special Investigations Unit (SIU); 2) The agency's recruitment and retention of trained agents; 3) The ability to secure grants to supplement the acquisition of public safety equipment, specialized training; and 4) The agency's effort to significantly increase undercover operations which statistically are proven to be the most effective method of detecting violations committed by permittees but are manpower intensive.

PCLS TRACKING KEY:

N/A

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

With the addition of new FTEs, the current PC lease will increase an average of \$570 per year per FTE.

IS THIS IT COMPONENT RELATED TO A NEW OR CURRENT PROJECT?

CURRENT

STATUS:

PC lease is a current project paid with a capital line item funded with general revenue.

OUTCOMES:

Hardware for new FTEs would include a tablet due to their job requirements.

OUTPUTS:

Hardware for new FTEs would include a tablet due to their job requirements.

TYPE OF PROJECT

Acquisition and Refresh of Hardware and Software

ALTERNATIVE ANALYSIS

There are no alternative available for this component. All FTEs must have access to PC hardware to complete their job functions.

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<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2020</u>	<u>Excp 2021</u>
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ESTIMATED IT COST

2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project
\$0	\$0	\$36,480	\$36,480	\$36,480	\$36,480	\$36,480	\$182,400

SCALABILITY

2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

FTE

2018	2019	2020	2021	2022	2023	2024
0.0	0.0	0.0	0.0	0.0	0.0	0.0

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Continued funding for requested FTEs.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2022	2023	2024
\$4,979,823	\$4,979,823	\$4,979,823

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Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION	Excp 2020	Excp 2021
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Item Name: Enforcement Vehicles

Item Priority: 4

IT Component: No

Anticipated Out-year Costs: No

Involve Contracts > \$50,000: No

Includes Funding for the Following Strategy or Strategies: 01-01-01 Enforcement

OBJECTS OF EXPENSE:

5000 CAPITAL EXPENDITURES

	462,000	462,000
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TOTAL, OBJECT OF EXPENSE

	\$462,000	\$462,000
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METHOD OF FINANCING:

1 General Revenue Fund

	462,000	462,000
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TOTAL, METHOD OF FINANCING

	\$462,000	\$462,000
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DESCRIPTION / JUSTIFICATION:

This funding includes the purchase of approximately 30 additional vehicles over the agency's base request. This would allow the agency to replace a total of 80 vehicles during the biennium. Due to past budget cuts, the agency began replacing law enforcement vehicles at 130,000 miles and 9-10 years old. The Agency has developed a plan that if implemented, will place vehicle replacements on a 120,000 miles and 7 year replacement cycle.

EXTERNAL/INTERNAL FACTORS:

The agency currently replaces vehicles at 135,000 miles up from a previous replacement cycle of 100,000 miles which has resulted in an aging fleet. The Office of Fleet Management recommends replacement at 100,000 miles. Beginning next biennium, the agency would like to replace vehicles at 120,000 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 also shown that our vehicles with over 120,000 miles tend to get lower gas mileage.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
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Agency name:

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CODE	DESCRIPTION	Excp 2020	Excp 2021
<p style="text-align: right;"> Item Name: Cybersecurity Item Priority: 5 IT Component: Yes Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: Yes Includes Funding for the Following Strategy or Strategies: 04-01-02 Information Resources </p>			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	85,000	85,000
2001	PROFESSIONAL FEES AND SERVICES	263,913	252
2003	CONSUMABLE SUPPLIES	500	500
2004	UTILITIES	1,044	1,044
2005	TRAVEL	2,000	2,000
2006	RENT - BUILDING	3,000	3,000
5000	CAPITAL EXPENDITURES	150,570	150,570
TOTAL, OBJECT OF EXPENSE		\$506,027	\$242,366
METHOD OF FINANCING:			
1	General Revenue Fund	506,027	242,366
TOTAL, METHOD OF FINANCING		\$506,027	\$242,366
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.00	1.00

DESCRIPTION / JUSTIFICATION:

TABC maintains confidential data including personally identifiable information, criminal violation history, legal data, corporate data, and sales data. Statutorily, TABC is the custodian of this data and must prevent unauthorized access, intrusion, and use. Without funding for this initiative, TABC's risk exposure to cybersecurity threats increases significantly.

As part of DIR's state-wide Enterprise Security Program, TABC engaged NTT Data, Inc. in 2018 to evaluate the agency's IT Security Program, requirements, and current capabilities against industry-leading practices.

This exceptional funding request is in support of a portion of NTT Data's integrated security process and technology recommendations for enhancing the TABC IT security program and addressing the identified strategic gaps

EXTERNAL/INTERNAL FACTORS:

TABC is focused on regulating sales, taxation, importation, manufacturing, transporting, and advertising of alcoholic beverages. During the course of performing these services, TABC is exposed to and creates sensitive information pertaining to the individuals for whom they provide these services. Protecting this sensitive information is

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essential to protecting the privacy of these individuals. Data may include but is not limited to social security numbers, financial information, and personally identifiable information (PII), all of which is considered to be extremely sensitive data and must be protected as mandated by the Texas Administrative Code (TAC) and the Public Information Act.

PCLS TRACKING KEY:

PCLS_86R_458_429711

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

TABC maintains confidential data including personally identifiable information, criminal violation history, legal data, corporate data, and sales data. Statutorily TABC is the custodian of this data and must prevent unauthorized access, intrusion, and use. Without funding for this initiative, TABC's risk exposure to cybersecurity threats increases significantly. Funding is requested for the following:

- Salaries 1 FTE - Information Security Analyst II at \$85,000/year
- Professional Fees - ITSAC cybersecurity contractor at \$263,660 to assist with NTT Data technology recommendations.
- Software as a Service (SaaS). Costs for security related services in support of the NTT Data's technology recommendations. \$150,000 per year in security related SaaS costs.

IS THIS IT COMPONENT RELATED TO A NEW OR CURRENT PROJECT?

NEW

STATUS:

N/A

OUTCOMES:

Security and Privacy programs are not investments resulting in payback or measurable benefit. Rather, they are tools to prevent and mitigate risks from cybersecurity threats. Failure to adequately protect information and technology assets places the state at risk of unauthorized use and disclosure of private data. The number, types, and complexity of cybersecurity threats are increasing at a rate to which most state agencies are unable to adapt. State agencies must advance IT Security Programs simply to keep pace with advances in cybersecurity threats to protect data to the extent possible.

The consequence of not pursuing these projects is a greater likelihood of unauthorized use, intrusion, disclosure of state information and technology, and malicious attempts to disrupt agency operations. Recent reports show an increase in the average cost of breach remediation between \$3.5 and \$350 million.

OUTPUTS:

More IT security projects completed, along with improved scoring on our next security assessment. TABC lags behind other assessed agencies in 22 of 40 objectives with an average score of 2 of 5.

TYPE OF PROJECT

Cyber Security

ALTERNATIVE ANALYSIS

If this project is not completed next biennium, agency security personnel will continue to not be able to monitor several aspects of network, server and workstation activity. This forces the agency to be responsive to most malicious activity. Several of these deficiencies were noted as critical or priority in the agency 2018 NTT security report. Without proper staffing and funding, TABC will continue to be unable to follow several of the recommendations made in the NTT report.

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CODE	DESCRIPTION	Excp 2020	Excp 2021
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program and addressing the identified strategic gaps.

ESTIMATED IT COST

2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project
\$0	\$0	\$506,027	\$242,366	\$150,570	\$150,570	\$150,570	\$750,103

SCALABILITY

2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

FTE

2018	2019	2020	2021	2022	2023	2024
0.0	0.0	1.0	1.0	1.0	1.0	1.0

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Continued funding for the requested FTE and software as a service to provide on-going information security and to maintain the cybersecurity initiative.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2022	2023	2024
\$242,366	\$242,366	\$242,366

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 35.00%

CONTRACT DESCRIPTION :

ITSAC cybersecurity contractor at \$263,660 to assist with NTT Data technology recommendations.

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CODE	DESCRIPTION	Excp 2020	Excp 2021
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Item Name: Centralized Accounting and Payroll Personnel System (CAPPS) Support

Item Priority: 6

IT Component: Yes

Anticipated Out-year Costs: Yes

Involve Contracts > \$50,000: No

Includes Funding for the Following Strategy or Strategies:

04-01-01	Central Administration
04-01-02	Information Resources

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	135,000	135,000
2001	PROFESSIONAL FEES AND SERVICES	504	504
2003	CONSUMABLE SUPPLIES	1,000	1,000
2004	UTILITIES	2,088	2,088
2005	TRAVEL	4,000	4,000
2006	RENT - BUILDING	6,000	6,000
2009	OTHER OPERATING EXPENSE	1,500	0
5000	CAPITAL EXPENDITURES	1,140	1,140
TOTAL, OBJECT OF EXPENSE		\$151,232	\$149,732

METHOD OF FINANCING:

1	General Revenue Fund	151,232	149,732
TOTAL, METHOD OF FINANCING		\$151,232	\$149,732

FULL-TIME EQUIVALENT POSITIONS (FTE):

2.00	2.00
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DESCRIPTION / JUSTIFICATION:

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. The agency went live with CAPPS Financials in September 2017 and will go live with CAPPS HR in July 2019. Business Services staff serve as agency subject-matter experts for all processes related to payroll, time and leave, purchasing, asset management, accounts payable, budget, and configuration support of the financial system. In addition, Business Services provides all financial reporting for legislative and audit inquiries. This funding would include two permanent FTEs; one to serve as an ongoing Project Manager to support the Comptroller CAPPS upgrades testing efforts of the systems; and one as a Business Analyst to support agency reporting needs and serve as a Level 1 CAPPS expert.

EXTERNAL/INTERNAL FACTORS:

Business Services provides all financial reporting for legislative, comptroller and audit inquiries for the agency. This funding would provide two permanent FTEs to support critical reporting requests and internal reporting requirements for executive management, in addition to continuing support of CAPPS upgrades and testing efforts of the system. TABC's current FTE allocation cannot absorb this critical function.

4.A. Exceptional Item Request Schedule
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Agency code: **458** Agency name: **Alcoholic Beverage Commission**

CODE	DESCRIPTION	Excp 2020	Excp 2021
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PCLS TRACKING KEY:

N/A

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

With the addition of new FTEs, the current PC lease will increase an average of \$570 per year per FTE.

IS THIS IT COMPONENT RELATED TO A NEW OR CURRENT PROJECT?

CURRENT

STATUS:

PC lease is a current project paid with a capital line item funded with general revenue.

OUTCOMES:

Hardware for new FTEs would include a tablet due to their job requirements.

OUTPUTS:

Hardware for new FTEs would include a tablet due to their job requirements.

TYPE OF PROJECT

CAPPS

ALTERNATIVE ANALYSIS

There are no alternative available for this component. All FTEs must have access to PC hardware to complete their job functions.

ESTIMATED IT COST

2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project
\$570	\$570	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$6,840

SCALABILITY

2018	2019	2020	2021	2022	2023	2024	Total Over Life of Project
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

FTE

2018	2019	2020	2021	2022	2023	2024
1.0	1.0	2.0	2.0	2.0	2.0	2.0

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CODE DESCRIPTION

Excp 2020

Excp 2021

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Continued funding for two requested FTEs to provide on-going support and testing of the CAPPs program.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2022	2023	2024
\$149,732	\$149,732	\$149,732

4.B. Exceptional Items Strategy Allocation Schedule

86th Regular Session, Agency Submission, Version 1

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

Code	Description	Excp 2020	Excp 2021
Item Name: Public Safety Technology Replacement			
Allocation to Strategy: 4-1-2 Information Resources			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	350,050	350,050
2001	PROFESSIONAL FEES AND SERVICES	2,890,052	2,267,328
2003	CONSUMABLE SUPPLIES	2,500	2,500
2004	UTILITIES	5,220	5,220
2005	TRAVEL	10,000	10,000
2006	RENT - BUILDING	15,000	15,000
2009	OTHER OPERATING EXPENSE	7,500	0
5000	CAPITAL EXPENDITURES	102,850	102,850
TOTAL, OBJECT OF EXPENSE		\$3,383,172	\$2,752,948
METHOD OF FINANCING:			
1	General Revenue Fund	3,383,172	2,752,948
TOTAL, METHOD OF FINANCING		\$3,383,172	\$2,752,948
FULL-TIME EQUIVALENT POSITIONS (FTE):		5.0	5.0

4.B. Exceptional Items Strategy Allocation Schedule

86th Regular Session, Agency Submission, Version 1

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

Code	Description	Excp 2020	Excp 2021
Item Name:		Licensing and Tax Collection Technology Replacement	
Allocation to Strategy:		4-1-2	Information Resources
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	340,235	340,235
2001	PROFESSIONAL FEES AND SERVICES	3,693,968	2,735,968
2003	CONSUMABLE SUPPLIES	2,500	2,500
2004	UTILITIES	5,220	5,220
2005	TRAVEL	10,000	10,000
2006	RENT - BUILDING	15,000	15,000
2009	OTHER OPERATING EXPENSE	7,500	0
5000	CAPITAL EXPENDITURES	102,850	102,850
TOTAL, OBJECT OF EXPENSE		\$4,177,273	\$3,211,773
METHOD OF FINANCING:			
1 General Revenue Fund		4,177,273	3,211,773
TOTAL, METHOD OF FINANCING		\$4,177,273	\$3,211,773
FULL-TIME EQUIVALENT POSITIONS (FTE):		5.0	5.0

4.B. Exceptional Items Strategy Allocation Schedule

86th 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 2020	Excp 2021
Item Name: Border Security and Public Safety			
Allocation to Strategy: 1-1-1 Enforcement			
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>3</u>	Percentage of Priority Licensed Locations Inspected by Enforcement	91.44%	95.00%
OUTPUT MEASURES:			
<u>1</u>	Number of Inspections Conducted by Enforcement Agents	44,200.00	48,400.00
<u>2</u>	# Inspections Priority Licensed Locations Conducted by Enforcement	39,053.00	42,764.00
<u>3</u>	Number of OCA/Trafficking Investigations Closed	177.00	225.00
<u>4</u>	# Multi-Agency/Joint Ops for OCA on Border or GIWW	544.00	688.00
<u>5</u>	Number of Undercover Operations Conducted	19,211.00	21,037.00
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Enforcement Inspection	728.57	623.13
<u>2</u>	Average Cost of Joint Operations Targeting Organized Crime	3,190.02	2,140.94
EXPLANATORY/INPUT MEASURES:			
<u>3</u>	Number of Criminal Cases Filed	1,920.00	2,103.00
<u>4</u>	Number of Administrative Cases Initiated by Enforcement Agents	2,406.00	2,634.00
<u>7</u>	Number of Joint Operations Targeting Organized Crime Statewide	888.00	1,125.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	4,328,399	4,328,399
2001	PROFESSIONAL FEES AND SERVICES	16,128	16,128
2002	FUELS AND LUBRICANTS	180,000	180,000
2003	CONSUMABLE SUPPLIES	32,000	32,000
2004	UTILITIES	66,816	66,816
2005	TRAVEL	128,000	128,000
2006	RENT - BUILDING	192,000	192,000
2009	OTHER OPERATING EXPENSE	289,980	0
5000	CAPITAL EXPENDITURES	1,884,480	36,480
TOTAL, OBJECT OF EXPENSE		\$7,117,803	\$4,979,823
METHOD OF FINANCING:			
1	General Revenue Fund	7,117,803	4,979,823
TOTAL, METHOD OF FINANCING		\$7,117,803	\$4,979,823
FULL-TIME EQUIVALENT POSITIONS (FTE):		64.0	64.0

4.B. Exceptional Items Strategy Allocation Schedule

86th 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 2020	Excp 2021
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Item Name: Border Security and Public Safety

Allocation to Strategy: 1-1-1 Enforcement

4.B. Exceptional Items Strategy Allocation Schedule

86th 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 2020	Excp 2021
Item Name: Enforcement Vehicles			
Allocation to Strategy: 1-1-1 Enforcement			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	462,000	462,000
TOTAL, OBJECT OF EXPENSE		\$462,000	\$462,000
METHOD OF FINANCING:			
1	General Revenue Fund	462,000	462,000
TOTAL, METHOD OF FINANCING		\$462,000	\$462,000

4.B. Exceptional Items Strategy Allocation Schedule

86th 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 2020	Excp 2021
Item Name:			
Cybersecurity			
Allocation to Strategy:			
4-1-2 Information Resources			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	85,000	85,000
2001	PROFESSIONAL FEES AND SERVICES	263,913	252
2003	CONSUMABLE SUPPLIES	500	500
2004	UTILITIES	1,044	1,044
2005	TRAVEL	2,000	2,000
2006	RENT - BUILDING	3,000	3,000
5000	CAPITAL EXPENDITURES	150,570	150,570
TOTAL, OBJECT OF EXPENSE		\$506,027	\$242,366
METHOD OF FINANCING:			
1 General Revenue Fund		506,027	242,366
TOTAL, METHOD OF FINANCING		\$506,027	\$242,366
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

4.B. Exceptional Items Strategy Allocation Schedule

86th 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 2020	Excp 2021
Item Name: Centralized Accounting and Payroll Personnel System (CAPPS) Support			
Allocation to Strategy: 4-1-1 Central Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	135,000	135,000
2001	PROFESSIONAL FEES AND SERVICES	504	504
2003	CONSUMABLE SUPPLIES	1,000	1,000
2004	UTILITIES	2,088	2,088
2005	TRAVEL	4,000	4,000
2006	RENT - BUILDING	6,000	6,000
2009	OTHER OPERATING EXPENSE	1,500	0
5000	CAPITAL EXPENDITURES	1,140	1,140
TOTAL, OBJECT OF EXPENSE		\$151,232	\$149,732
METHOD OF FINANCING:			
1 General Revenue Fund		151,232	149,732
TOTAL, METHOD OF FINANCING		\$151,232	\$149,732
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	2.0

4.B. Exceptional Items Strategy Allocation Schedule

86th 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 2020	Excp 2021
<hr/>			
Item Name:	Centralized Accounting and Payroll Personnel System (CAPPS) Support		
Allocation to Strategy:	4-1-2	Information Resources	
FULL-TIME EQUIVALENT POSITIONS (FTE):		0.0	0.0

4.C. Exceptional Items Strategy Request
86th 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

OBJECTIVE: 1 Detect/Prevent Law Violations

STRATEGY: 1 Enforcement

Service Categories:

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

CODE DESCRIPTION	Excp 2020	Excp 2021
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STRATEGY IMPACT ON OUTCOME MEASURES:

3 Percentage of Priority Licensed Locations Inspected by Enforcement	91.44 %	95.00 %
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OUTPUT MEASURES:

1 Number of Inspections Conducted by Enforcement Agents	44,200.00	48,400.00
2 # Inspections Priority Licensed Locations Conducted by Enforcement	39,053.00	42,764.00
3 Number of OCA/Trafficking Investigations Closed	177.00	225.00
4 # Multi-Agency/Joint Ops for OCA on Border or GIWW	544.00	688.00
5 Number of Undercover Operations Conducted	19,211.00	21,037.00

EFFICIENCY MEASURES:

1 Average Cost Per Enforcement Inspection	728.57	623.13
2 Average Cost of Joint Operations Targeting Organized Crime	3,190.02	2,140.94

EXPLANATORY/INPUT MEASURES:

3 Number of Criminal Cases Filed	1,920.00	2,103.00
4 Number of Administrative Cases Initiated by Enforcement Agents	2,406.00	2,634.00
7 Number of Joint Operations Targeting Organized Crime Statewide	888.00	1,125.00

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	4,328,399	4,328,399
2001 PROFESSIONAL FEES AND SERVICES	16,128	16,128
2002 FUELS AND LUBRICANTS	180,000	180,000
2003 CONSUMABLE SUPPLIES	32,000	32,000
2004 UTILITIES	66,816	66,816
2005 TRAVEL	128,000	128,000
2006 RENT - BUILDING	192,000	192,000

4.C. Exceptional Items Strategy Request
86th 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

OBJECTIVE: 1 Detect/Prevent Law Violations

STRATEGY: 1 Enforcement

Service Categories:

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

CODE	DESCRIPTION	Excp 2020	Excp 2021
2009	OTHER OPERATING EXPENSE	289,980	0
5000	CAPITAL EXPENDITURES	2,346,480	498,480
Total, Objects of Expense		\$7,579,803	\$5,441,823

METHOD OF FINANCING:

1	General Revenue Fund	7,579,803	5,441,823
Total, Method of Finance		\$7,579,803	\$5,441,823

FULL-TIME EQUIVALENT POSITIONS (FTE):

64.0 64.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Border Security and Public Safety

Enforcement Vehicles

4.C. Exceptional Items Strategy Request
86th 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		
OBJECTIVE: 1 Indirect Administration		Service Categories:
STRATEGY: 1 Central Administration		Service: 09 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2020	Excp 2021
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	135,000	135,000
2001 PROFESSIONAL FEES AND SERVICES	504	504
2003 CONSUMABLE SUPPLIES	1,000	1,000
2004 UTILITIES	2,088	2,088
2005 TRAVEL	4,000	4,000
2006 RENT - BUILDING	6,000	6,000
2009 OTHER OPERATING EXPENSE	1,500	0
5000 CAPITAL EXPENDITURES	1,140	1,140
Total, Objects of Expense	\$151,232	\$149,732

METHOD OF FINANCING:

1 General Revenue Fund	151,232	149,732
Total, Method of Finance	\$151,232	\$149,732

FULL-TIME EQUIVALENT POSITIONS (FTE):	2.0	2.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Centralized Accounting and Payroll Personnel System (CAPPS) Support

4.C. Exceptional Items Strategy Request
86th 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

OBJECTIVE: 1 Indirect Administration

STRATEGY: 2 Information Resources

Service Categories:

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

CODE DESCRIPTION	Excp 2020	Excp 2021
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	775,285	775,285
2001 PROFESSIONAL FEES AND SERVICES	6,847,933	5,003,548
2003 CONSUMABLE SUPPLIES	5,500	5,500
2004 UTILITIES	11,484	11,484
2005 TRAVEL	22,000	22,000
2006 RENT - BUILDING	33,000	33,000
2009 OTHER OPERATING EXPENSE	15,000	0
5000 CAPITAL EXPENDITURES	356,270	356,270
Total, Objects of Expense	\$8,066,472	\$6,207,087

METHOD OF FINANCING:

1 General Revenue Fund	8,066,472	6,207,087
Total, Method of Finance	\$8,066,472	\$6,207,087

FULL-TIME EQUIVALENT POSITIONS (FTE):

	11.0	11.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Public Safety Technology Replacement

Licensing and Tax Collection Technology Replacement

Cybersecurity

Centralized Accounting and Payroll Personnel System (CAPPS) Support

5.A. Capital Budget Project Schedule
86th 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 2018	Bud 2019	BL 2020	BL 2021
5005 Acquisition of Information Resource Technologies					
<i>1/1 Agencywide PC Replacements and Tablet Computers - Leased</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2007 RENT - MACHINE AND OTHER	\$217,801	\$235,323	\$235,323	\$235,323
General	5000 CAPITAL EXPENDITURES	\$32,531	\$0	\$0	\$0
Capital Subtotal OOE, Project 1		\$250,332	\$235,323	\$235,323	\$235,323
Subtotal OOE, Project 1		\$250,332	\$235,323	\$235,323	\$235,323
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$250,332	\$235,323	\$235,323	\$235,323
Capital Subtotal TOF, Project 1		\$250,332	\$235,323	\$235,323	\$235,323
Subtotal TOF, Project 1		\$250,332	\$235,323	\$235,323	\$235,323
<i>2/2 Hardware/Software Acquisitions</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2001 PROFESSIONAL FEES AND SERVICES	\$6,198	\$0	\$0	\$0
General	2009 OTHER OPERATING EXPENSE	\$307,058	\$339,292	\$339,292	\$339,292
General	5000 CAPITAL EXPENDITURES	\$26,036	\$0	\$0	\$0
Capital Subtotal OOE, Project 2		\$339,292	\$339,292	\$339,292	\$339,292
Subtotal OOE, Project 2		\$339,292	\$339,292	\$339,292	\$339,292
TYPE OF FINANCING					

5.A. Capital Budget Project Schedule
86th 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 2018	Bud 2019	BL 2020	BL 2021	
<u>Capital</u>							
General	CA	1	General Revenue Fund	\$339,292	\$339,292	\$339,292	\$339,292
Capital Subtotal TOF, Project 2				\$339,292	\$339,292	\$339,292	\$339,292
Subtotal TOF, Project 2				\$339,292	\$339,292	\$339,292	\$339,292
7/7 Public Safety Technology Replacement							
OBJECTS OF EXPENSE							
<u>Capital</u>							
General	1001	SALARIES AND WAGES		\$0	\$0	\$0	\$0
General	2001	PROFESSIONAL FEES AND SERVICES		\$0	\$0	\$0	\$0
General	2003	CONSUMABLE SUPPLIES		\$0	\$0	\$0	\$0
General	2004	UTILITIES		\$0	\$0	\$0	\$0
General	2005	TRAVEL		\$0	\$0	\$0	\$0
General	2006	RENT - BUILDING		\$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 7				\$0	\$0	\$0	\$0
Subtotal OOE, Project 7				\$0	\$0	\$0	\$0
TYPE OF FINANCING							
<u>Capital</u>							
General	CA	1	General Revenue Fund	\$0	\$0	\$0	\$0
Capital Subtotal TOF, Project 7				\$0	\$0	\$0	\$0
<u>Informational</u>							
General	CA	1	General Revenue Fund	\$0	\$0	\$0	\$0

5.A. Capital Budget Project Schedule
86th 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 2018	Bud 2019	BL 2020	BL 2021
Informational Subtotal TOF, Project			\$0	\$0	\$0	\$0
Subtotal TOF, Project			\$0	\$0	\$0	\$0
<i>8/8 Licensing & Tax Technology Replacement</i>						
OBJECTS OF EXPENSE						
<u>Capital</u>						
General	1001	SALARIES AND WAGES	\$0	\$0	\$0	\$0
General	2001	PROFESSIONAL FEES AND SERVICES	\$0	\$0	\$0	\$0
General	2003	CONSUMABLE SUPPLIES	\$0	\$0	\$0	\$0
General	2004	UTILITIES	\$0	\$0	\$0	\$0
General	2005	TRAVEL	\$0	\$0	\$0	\$0
General	2006	RENT - BUILDING	\$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			\$0	\$0	\$0	\$0
Subtotal OOE, Project			\$0	\$0	\$0	\$0
TYPE OF FINANCING						
<u>Capital</u>						
General	CA	1 General Revenue Fund	\$0	\$0	\$0	\$0
Capital Subtotal TOF, Project			\$0	\$0	\$0	\$0
<u>Informational</u>						
General	CA	1 General Revenue Fund	\$0	\$0	\$0	\$0
Informational Subtotal TOF, Project			\$0	\$0	\$0	\$0

5.A. Capital Budget Project Schedule
86th 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 2018	Bud 2019	BL 2020	BL 2021
Subtotal TOF, Project 8		\$0	\$0	\$0	\$0
Capital Subtotal, Category 5005		\$589,624	\$574,615	\$574,615	\$574,615
Informational Subtotal, Category 5005		\$0	\$0	\$0	\$0
Total, Category 5005		\$589,624	\$574,615	\$574,615	\$574,615
5006 Transportation Items					
3/3 Acquisition of Replacement and Additional Vehicles for Fleet					
OBJECTS OF EXPENSE					
Capital					
General	5000 CAPITAL EXPENDITURES	\$740,778	\$699,525	\$699,525	\$699,525
Capital Subtotal OOE, Project 3		\$740,778	\$699,525	\$699,525	\$699,525
Subtotal OOE, Project 3		\$740,778	\$699,525	\$699,525	\$699,525
TYPE OF FINANCING					
Capital					
General	CA 1 General Revenue Fund	\$699,525	\$699,525	\$699,525	\$699,525
General	CA 666 Appropriated Receipts	\$41,253	\$0	\$0	\$0
Capital Subtotal TOF, Project 3		\$740,778	\$699,525	\$699,525	\$699,525
Subtotal TOF, Project 3		\$740,778	\$699,525	\$699,525	\$699,525
Capital Subtotal, Category 5006		\$740,778	\$699,525	\$699,525	\$699,525
Informational Subtotal, Category 5006		\$0	\$0	\$0	\$0
Total, Category 5006		\$740,778	\$699,525	\$699,525	\$699,525
5007 Acquisition of Capital Equipment and Items					

5.A. Capital Budget Project Schedule
86th 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 2018	Bud 2019	BL 2020	BL 2021
4/4 Public Safety Equipment - Replacement					
OBJECTS OF EXPENSE					
Capital					
General	2009	OTHER OPERATING EXPENSE	\$161,248	\$179,419	\$179,419
Capital Subtotal OOE, Project			4	\$161,248	\$179,419
Subtotal OOE, Project			4	\$161,248	\$179,419
TYPE OF FINANCING					
Capital					
General	CA	1 General Revenue Fund	\$161,248	\$179,419	\$179,419
Capital Subtotal TOF, Project			4	\$161,248	\$179,419
Subtotal TOF, Project			4	\$161,248	\$179,419
Capital Subtotal, Category			5007	\$161,248	\$179,419
Informational Subtotal, Category			5007	\$0	\$0
Total, Category			5007	\$161,248	\$179,419
7000 Data Center Consolidation					
5/5 Data Center Consolidation					
OBJECTS OF EXPENSE					
Capital					
General	2001	PROFESSIONAL FEES AND SERVICES	\$786,488	\$1,044,014	\$957,936
Capital Subtotal OOE, Project			5	\$786,488	\$957,936
Subtotal OOE, Project			5	\$786,488	\$957,936

5.A. Capital Budget Project Schedule
86th 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 2018	Bud 2019	BL 2020	BL 2021	
TYPE OF FINANCING										
Capital										
General	CA	1	General Revenue Fund			\$786,488	\$1,044,014	\$957,936	\$957,936	
Capital Subtotal TOF, Project						5	\$786,488	\$1,044,014	\$957,936	\$957,936
Subtotal TOF, Project						5	\$786,488	\$1,044,014	\$957,936	\$957,936
Capital Subtotal, Category						7000	\$786,488	\$1,044,014	\$957,936	\$957,936
Informational Subtotal, Category						7000	\$0	\$0	\$0	\$0
Total, Category						7000	\$786,488	\$1,044,014	\$957,936	\$957,936
8000 Centralized Accounting and Payroll/Personnel System (CAPPS)										
6/6 Centralized Accounting and Payroll Personnel System Implementation										
OBJECTS OF EXPENSE										
Capital										
General	1001	SALARIES AND WAGES				\$68,000	\$68,000	\$0	\$0	
General	1002	OTHER PERSONNEL COSTS				\$300	\$480	\$0	\$0	
General	2003	CONSUMABLE SUPPLIES				\$1,076	\$500	\$0	\$0	
General	2004	UTILITIES				\$759	\$456	\$0	\$0	
General	2005	TRAVEL				\$0	\$1,409	\$0	\$0	
General	2009	OTHER OPERATING EXPENSE				\$2,230	\$1,520	\$0	\$0	
Capital Subtotal OOE, Project						6	\$72,365	\$72,365	\$0	\$0
Subtotal OOE, Project						6	\$72,365	\$72,365	\$0	\$0
TYPE OF FINANCING										
Capital										

5.A. Capital Budget Project Schedule
86th 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 2018	Bud 2019	BL 2020	BL 2021
General	CA	1 General Revenue Fund	\$72,365	\$72,365	\$0	\$0
		Capital Subtotal TOF, Project 6	\$72,365	\$72,365	\$0	\$0
		Subtotal TOF, Project 6	\$72,365	\$72,365	\$0	\$0
<i>10/10 Centralized Accounting and Payroll/Personnel System (CAPPS) Support</i>						
OBJECTS OF EXPENSE						
<u>Capital</u>						
General	1001	SALARIES AND WAGES	\$0	\$0	\$0	\$0
General	2001	PROFESSIONAL FEES AND SERVICES	\$0	\$0	\$0	\$0
General	2003	CONSUMABLE SUPPLIES	\$0	\$0	\$0	\$0
General	2004	UTILITIES	\$0	\$0	\$0	\$0
General	2005	TRAVEL	\$0	\$0	\$0	\$0
General	2006	RENT - BUILDING	\$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 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

5.A. Capital Budget Project Schedule
86th 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 2018	Bud 2019	BL 2020	BL 2021
Informational Subtotal TOF, Project	10	\$0	\$0	\$0	\$0
Subtotal TOF, Project	10	\$0	\$0	\$0	\$0
Capital Subtotal, Category	8000	\$72,365	\$72,365	\$0	\$0
Informational Subtotal, Category	8000	\$0	\$0	\$0	\$0
Total, Category	8000	\$72,365	\$72,365	\$0	\$0

9000 Cybersecurity

9/9 Cybersecurity Program

OBJECTS OF EXPENSE

Capital

General	1001	SALARIES AND WAGES	\$0	\$0	\$0	\$0
General	2001	PROFESSIONAL FEES AND SERVICES	\$0	\$0	\$0	\$0
General	2003	CONSUMABLE SUPPLIES	\$0	\$0	\$0	\$0
General	2004	UTILITIES	\$0	\$0	\$0	\$0
General	2005	TRAVEL	\$0	\$0	\$0	\$0
General	2006	RENT - BUILDING	\$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

Capital

General	CA	1	General Revenue Fund	\$0	\$0	\$0	\$0
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Capital Subtotal TOF, Project	9	\$0	\$0	\$0	\$0
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5.A. Capital Budget Project Schedule
86th 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 2018	Bud 2019	BL 2020	BL 2021
<u>Informational</u>						
General	CA	1	General Revenue Fund	\$0	\$0	\$0
Informational Subtotal TOF, Project 9				\$0	\$0	\$0
Subtotal TOF, Project 9				\$0	\$0	\$0
Capital Subtotal, Category 9000				\$0	\$0	\$0
Informational Subtotal, Category 9000				\$0	\$0	\$0
Total, Category 9000				\$0	\$0	\$0
AGENCY TOTAL -CAPITAL				\$2,350,503	\$2,569,938	\$2,411,495
AGENCY TOTAL -INFORMATIONAL				\$0	\$0	\$0
AGENCY TOTAL				\$2,350,503	\$2,569,938	\$2,411,495
METHOD OF FINANCING:						
<u>Capital</u>						
General	1	General Revenue Fund		\$2,309,250	\$2,569,938	\$2,411,495
General	666	Appropriated Receipts		\$41,253	\$0	\$0
Total, Method of Financing-Capital				\$2,350,503	\$2,569,938	\$2,411,495
<u>Informational</u>						
General	1	General Revenue Fund		\$0	\$0	\$0
Total, Method of Financing-Informational				\$0	\$0	\$0
Total, Method of Financing				\$2,350,503	\$2,569,938	\$2,411,495

5.A. Capital Budget Project Schedule
86th 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 2018

Bud 2019

BL 2020

BL 2021

TYPE OF FINANCING:

Capital

General CA CURRENT APPROPRIATIONS

\$2,350,503

\$2,569,938

\$2,411,495

\$2,411,495

Total, Type of Financing-Capital

\$2,350,503

\$2,569,938

\$2,411,495

\$2,411,495

Informational

General CA CURRENT APPROPRIATIONS

\$0

\$0

\$0

\$0

Total, Type of Financing-Informational

\$0

\$0

\$0

\$0

Total, Type of Financing

\$2,350,503

\$2,569,938

\$2,411,495

\$2,411,495

5.B. Capital Budget Project Information
86th 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/Tablets Leased

PROJECT DESCRIPTION

General Information

Agency desktop technology refresh plan to replace the existing inventory of obsolete Intel-based personal computers (PC's), 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 notebook and tablet computers for field operations and law enforcement, to allow employees in the field to remotely access and input data and information in near-to-real-time using wireless data communication. Request is based on annual funding needs for a three and four year obligation on leasing of equipment.

PLCS Tracking Key	NA
Number of Units / Average Unit Cost	PC desktop \$1,055; tablet \$1,855
Estimated Completion Date	Ongoing

Additional Capital Expenditure Amounts Required	2022	2023
	0	0
Type of Financing	CA CURRENT APPROPRIATIONS	
Projected Useful Life	Ongoing baseline request.	
Estimated/Actual Project Cost	\$0	
Length of Financing/ Lease Period	4 years	

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2020	2021	2022	2023	Total over project life
	328,136	356,261	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
R	1	0.00

Explanation: This project includes agency wide PC replacement and upgrade plan for personal computers, and tablets used by staff to complete job functions.

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

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission, the alcoholic beverage industry and the 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
86th 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:	2	Project Name:	Hardware/Software Acquisition

PROJECT DESCRIPTION

General Information

Agency wide IT equipment replacement and upgrade plan for personal computer scanners, ongoing software licensing, and network equipment upgrades. 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.

PLCS Tracking Key

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

Estimated Completion Date Ongoing

Additional Capital Expenditure Amounts Required	2022	2023
	0	0

Type of Financing CA CURRENT APPROPRIATIONS
Projected Useful Life Varies depending on the product purchased.

Estimated/Actual Project Cost \$0

Length of Financing/ Lease Period Ongoing baseline request - items expended not financed.

<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>				Total over project life
2020	2021	2022	2023	
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE</u>	<u>COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
R		1	0.00

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

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

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission, the alcoholic beverage industry and the people of Texas.

Frequency of Use and External Factors Affecting Use:

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

5.B. Capital Budget Project Information
86th 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 Acquisitions

PROJECT DESCRIPTION

General Information

The agency needs to maintain a fleet of law enforcement 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 135,000 miles. The agency plans to replace approximately 54 vehicles during the biennium.

PLCS Tracking Key

Number of Units / Average Unit Cost \$25,750 per vehicle

Estimated Completion Date Ongoing

Additional Capital Expenditure Amounts Required	2022	2023
	0	0

Type of Financing CA CURRENT APPROPRIATIONS
Projected Useful Life Goal of 6.5 years or 100,000 miles

Estimated/Actual Project Cost \$0

Length of Financing/ Lease Period Ongoing baseline request - items expended not financed

<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>				Total over project life
2020	2021	2022	2023	
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: The agency needs to maintain a fleet of law enforcement vehicles and pool vehicles to ensure that the agency is able to fulfill its responsibilities to investigate violations of the Alcoholic Beverage Code. The base request replaces vehicles that have reached the retirement mileage of approximately 125,000. The agency plans to replace 54 vehicles during the biennium.

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

Beneficiaries: Texas Alcoholic Beverage Commission's civilian employees, its commissioned peace officers and 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.

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
Category Number:	5007	Category Name:	ACQUISITN CAPE EQUIP ITEMS
Project number:	4	Project Name:	Public Safety Equip - Replacement

5.B. Capital Budget Project Information
86th 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:	6	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 project coordination with the Comptroller will begin September 2018 and will implement the CAPPS Human Resource module in July 2019. This funding includes a permanent FTE to serve as a project manager for the conversion project of CAPPS HR, in addition to serving as the CAPPS Financials/HR Level 1 support post-implementation. Additional support provided by the FTE would include creating and supporting agency internal and external reporting, creating and documenting CAPPS business processes and overall management of TABC's integrated financial and human resource operations.

The Comptroller of Public Accounts determines the implementation schedule for the agency to transition to CAPPS and will require use of the agency's subject-matter experts in the fields of payroll accounting, position budget and human resources. Due to the agency's small number of FTE's in these areas, the employees identified as subject-matter experts are also needed to operate daily functions in these business environments.

PLCS Tracking Key	NA
Number of Units / Average Unit Cost	NA
Estimated Completion Date	July 2019

Additional Capital Expenditure Amounts Required	2022	2023	
	0	0	
Type of Financing	CA CURRENT APPROPRIATIONS		
Projected Useful Life	Ongoing		
Estimated/Actual Project Cost	\$0		
Length of Financing/ Lease Period	Items expended as operating costs.		

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2020	2021	2022	2023	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>
R	1	0.00

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.

5.B. Capital Budget Project Information
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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.

5.B. Capital Budget Project Information
86th 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:	7	Project Name:	Public Safety Technology

PROJECT DESCRIPTION

General Information

The TABC serves a large, continuously growing constituency of manufacturers, distributors, and retailers of alcoholic beverages in the state of Texas. In order to maintain at least a minimum level of service to, as well as enforcement oversight of, this constituency, TABC must follow a 4 - 6 year technology transformation plan that will provide higher levels of internal efficiency, increased levels of strategic enforcement, audit, and legal capabilities, and much needed self-service capabilities to the licensed constituency.

This exceptional funding request seeks to acquire systems and solutions to manage activities performed by Field Operations, Auditing, and Legal in support of identifying violations and disposing of those violations. This includes functions traditionally found in Code Enforcement Systems, Law Enforcement Systems, and Legal Lifecycle Management Systems. TABC also seeks supporting functions of staff management, document management, communication management, workflow management, calendar management, and management reporting. TABC intends the Lifecycle Management Systems to help TABC better use, manage, consolidate, share, and protect information accessible through a centralized database.

PLCS Tracking Key

Number of Units / Average Unit Cost	NA
Estimated Completion Date	Ongoing

Additional Capital Expenditure Amounts Required	2022	2023
	744,696	744,696

Type of Financing	CA	CURRENT APPROPRIATIONS
Projected Useful Life	Ongoing	
Estimated/Actual Project Cost	\$0	
Length of Financing/ Lease Period	Item expended not financed.	

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2020	2021	2022	2023	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>
R	1	0.00

Explanation: In order to maintain at least a minimum level of service to, as well as enforcement oversight of, this constituency, TABC must follow a 4 - 6 year technology transformation plan that will provide higher levels of internal efficiency, increased levels of strategic enforcement, audit, and legal capabilities, and much needed self-service capabilities to the licensed constituency.

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

5.B. Capital Budget Project Information
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission, the alcoholic beverage industry and the people of Texas.

Frequency of Use and External Factors Affecting Use:

Systems are used daily by TABC staff. Interruption of implementation could pose possible risk to field staff (i.e. Commissioned Peace Officers, Agents, Auditors, etc.) if they are unable to access real-time data during enforcement and investigations. Interruption of implementation also poses possible risk to audit cases. Interrupted access to data hosted at DCS could pose risk during disasters as well as in daily business operations.

5.B. Capital Budget Project Information
86th 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:	8	Project Name:	Licensing & Tax Technology

PROJECT DESCRIPTION

General Information

The TABC serves a large, continuously growing constituency of manufacturers, distributors, and retailers of alcoholic beverages in the state of Texas. In order to maintain at least a minimum level of service to, as well as enforcement oversight of, this constituency, TABC must follow a 4 - 6 year technology transformation plan that will provide higher levels of internal efficiency, increased levels of strategic enforcement, audit, and legal capabilities, and much needed self-service capabilities to the licensed constituency.

For permit applications, external users will be able to submit original license applications and fees online through a user-friendly experience. After submission, application information is then automatically made available to business users. License specialists will have the ability to receive and review application information categorized by license type. Internal and external users will be able to upload or import organizational charts and supplemental information, reducing up-front data entry significantly.

This exceptional item also includes an automated reconciliation process for approximately 36,000 monthly excise tax reports. External users will be able to pay online and submit their monthly excise tax reports and supplemental information directly through the system. A user-friendly experience will guide the user through the process and provide real-time feedback helping to avoid inaccurate submissions.

After submission, the system will automatically reconcile reports among appropriate parties, and flag any anomalies for the Tax team to review. If the Tax team determines a more thorough investigation is required, the Audit Division can be notified, and the appropriate information will be readily available.

PLCS Tracking Key

Number of Units / Average Unit Cost

NA

Estimated Completion Date

Ongoing

Additional Capital Expenditure Amounts Required

2022

2023

731,434

731,434

Type of Financing

CA CURRENT APPROPRIATIONS

Projected Useful Life

Ongoing

Estimated/Actual Project Cost

\$0

Length of Financing/ Lease Period

Item expended not financed.

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2020

2021

2022

2023

**Total over
project life**

0

0

0

0

0

5.B. Capital Budget Project Information
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

<u>REVENUE GENERATION / COST SAVINGS</u>		
<u>REVENUE_COST_FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE_AMOUNT</u>
R	1	0.00

Explanation: In order to maintain at least a minimum level of service to, as well as enforcement oversight of, this constituency, TABC must follow a 4 - 6 year technology transformation plan that will provide higher levels of internal efficiency, increased levels of strategic enforcement, audit, and legal capabilities, and much needed self-service capabilities to the licensed constituency.

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

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission, the alcoholic beverage industry and the people of Texas.

Frequency of Use and External Factors Affecting Use:

Daily use by TABC employees. Interruption of implementation could pose possible risk to staff if they are unable to access real-time data while performing their assignments. Interruption of implementation also poses possible risk to audit cases. Interrupted access to data hosted at DCS could pose risk during disasters as well as in daily business operations.

5.B. Capital Budget Project Information
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
Category Number:	9000	Category Name:	Cybersecurity
Project number:	9	Project Name:	Cybersecurity

PROJECT DESCRIPTION

General Information

TABC maintains confidential data including personally identifiable information, criminal violation history, legal data, corporate data and sales data. Statutorily, TABC is the custodian of this data and must prevent unauthorized access, intrusion, and use. Without funding for this initiative, TABC's risk exposure to cybersecurity threats increases significantly.

As part of DIR's state-wide Enterprise Security Program, TABC engaged NTT Data, Inc. in 2018 to evaluate the agency's IT Security Program, requirements, and current capabilities against industry-leading practices.

This exceptional funding request is in support of a portion of NTT Data's integrated security process and technology recommendations for enhancing the TABC IT security program and addressing the identified strategic gaps.

PLCS Tracking Key

Number of Units / Average Unit Cost	NA
Estimated Completion Date	Ongoing

Additional Capital Expenditure Amounts Required	2022	2023
	150,570	150,570

Type of Financing	CA
Projected Useful Life	Ongoing
Estimated/Actual Project Cost	\$0
Length of Financing/ Lease Period	Item expended not financed.

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2020	2021	2022	2023	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>
R	1	0.00

Explanation: TABC maintains confidential data including personally identifiable information, criminal violation history, legal data, corporate data and sales data. Statutorily TABC is the custodian of this data and must prevent unauthorized access, intrusion, and use.

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

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission, the alcoholic beverage industry and the people of Texas.

Frequency of Use and External Factors Affecting Use:

Daily use by Texas Alcoholic Beverage Commission employees.

5.B. Capital Budget Project Information
86th 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 Support

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. The agency went live with CAPPS Financials September 2017 and will go live with CAPPS HR in July 2019. Business Services staff members serve as agency subject-matter experts for all processes related to payroll, time and leave, purchasing, asset management, accounts payable, budget and configuration support of the financial system. In addition, Business Services provides all financial reporting for legislative and audit inquiries. This funding would include two permanent FTEs; one to serve as an ongoing Project Manager to support the Comptroller CAPPS upgrades testing efforts of the systems; and one as a Business Analyst to support agency reporting needs and serve as a Level 1 CAPPS expert.

PLCS Tracking Key	N/A
Number of Units / Average Unit Cost	NA
Estimated Completion Date	Ongoing

Additional Capital Expenditure Amounts Required	2022	2023
	1,140	1,140
Type of Financing	CA CURRENT APPROPRIATIONS	
Projected Useful Life	Ongoing	
Estimated/Actual Project Cost	\$0	
Length of Financing/ Lease Period	Items expended as operating costs.	

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2020	2021	2022	2023	Total over project life
	0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE</u>	<u>COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
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Explanation: This funding would provide two permanent FTEs to support critical reporting requests and internal reporting requirements for executive management, in addition to continued support of the ongoing CAPPS upgrades and testing efforts of the system. The current FTE allocation cannot absorb this critical function for the agency.

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

Beneficiaries: Employees of the Texas Alcoholic Beverage Commission, the alcoholic beverage industry and the people of Texas

Frequency of Use and External Factors Affecting Use:

Systems are used daily by the Texas Alcoholic Beverage Commission staff.

5.C. Capital Budget Allocation to Strategies (Baseline)
86th 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 2018	Bud 2019	BL 2020	BL 2021
5005 Acquisition of Information Resource Technologies						
1/1	Agencywide PC/Tablets Leased					
GENERAL BUDGET						
Capital	4-1-1	CENTRAL ADMINISTRATION	8,528	5,996	\$5,996	\$5,996
	4-1-2	INFORMATION RESOURCES	87,425	5,304	5,304	5,304
	4-1-3	OTHER SUPPORT SERVICES	1,604	2,537	2,537	2,537
	1-1-1	ENFORCEMENT	115,620	160,460	160,460	160,460
	2-1-1	LICENSING	3,233	19,688	19,688	19,688
	3-1-1	COMPLIANCE MONITORING	32,957	33,267	33,267	33,267
	3-2-1	PORTS OF ENTRY	965	8,071	8,071	8,071
TOTAL, PROJECT			\$250,332	\$235,323	\$235,323	\$235,323
2/2	Hardware/Software Acquisition					
GENERAL BUDGET						
Capital	4-1-2	INFORMATION RESOURCES	339,292	339,292	339,292	339,292
TOTAL, PROJECT			\$339,292	\$339,292	\$339,292	\$339,292
7/7	Public Safety Technology					
GENERAL BUDGET						
Capital	4-1-2	INFORMATION RESOURCES	0	0	0	0
TOTAL, PROJECT			\$0	\$0	\$0	\$0

5.C. Capital Budget Allocation to Strategies (Baseline)
86th 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 2018	Bud 2019	BL 2020	BL 2021
Capital	4-1-2	INFORMATION RESOURCES	0	0	\$0	\$0
TOTAL, PROJECT			\$0	\$0	\$0	\$0

5006 Transportation Items

3/3 Fleet Acquisitions

GENERAL BUDGET

Capital	1-1-1	ENFORCEMENT	740,778	699,525	699,525	699,525
TOTAL, PROJECT			\$740,778	\$699,525	\$699,525	\$699,525

5007 Acquisition of Capital Equipment and Items

4/4 Public Safety Equip - Replacement

GENERAL BUDGET

Capital	1-1-1	ENFORCEMENT	161,248	179,419	179,419	179,419
TOTAL, PROJECT			\$161,248	\$179,419	\$179,419	\$179,419

7000 Data Center Consolidation

5/5 Data Center Consolidation

GENERAL BUDGET

Capital	4-1-2	INFORMATION RESOURCES	786,488	1,044,014	957,936	957,936
TOTAL, PROJECT			\$786,488	\$1,044,014	\$957,936	\$957,936

8000 Centralized Accounting and Payroll/Personnel System (CAPPS)

5.C. Capital Budget Allocation to Strategies (Baseline)
86th 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 2018	Bud 2019	BL 2020	BL 2021
6/6		CAPPS Implementation				
<u>GENERAL BUDGET</u>						
Capital	4-1-1	CENTRAL ADMINISTRATION	72,365	72,365	\$0	\$0
		TOTAL, PROJECT	<u>\$72,365</u>	<u>\$72,365</u>	<u>\$0</u>	<u>\$0</u>
10/10		CAPPS Support				
<u>GENERAL BUDGET</u>						
Capital	4-1-1	CENTRAL ADMINISTRATION	0	0	0	0
		TOTAL, PROJECT	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
9000 Cybersecurity						
9/9		Cybersecurity				
<u>GENERAL BUDGET</u>						
Capital	4-1-2	INFORMATION RESOURCES	0	0	0	0
		TOTAL, PROJECT	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
		TOTAL CAPITAL, ALL PROJECTS	\$2,350,503	\$2,569,938	\$2,411,495	\$2,411,495
		TOTAL INFORMATIONAL, ALL PROJECTS				
		TOTAL, ALL PROJECTS	<u>\$2,350,503</u>	<u>\$2,569,938</u>	<u>\$2,411,495</u>	<u>\$2,411,495</u>

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
86th 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 2018	Bud 2019	BL 2020	BL 2021
5005 Acquisition of Information Resource Technologies					
<i>1 Agencywide PC/Tablets Leased</i>					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	84,715	160,460	160,460	160,460
5000	CAPITAL EXPENDITURES	30,905	0	0	0
2-1-1 LICENSING					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	2,908	19,688	19,688	19,688
5000	CAPITAL EXPENDITURES	325	0	0	0
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	32,957	33,267	33,267	33,267
3-2-1 PORTS OF ENTRY					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	965	8,071	8,071	8,071
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	7,552	5,996	5,996	5,996

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

Category Code/Name					
<i>Project Sequence/Name</i>					
Goal/Obj/Str	Strategy Name	Est 2018	Bud 2019	BL 2020	BL 2021
1 Agencywide PC/Tablets Leased					
5000	CAPITAL EXPENDITURES	976	0	0	0
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	87,100	5,304	5,304	5,304
5000	CAPITAL EXPENDITURES	325	0	0	0
4-1-3 OTHER SUPPORT SERVICES					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	1,604	2,537	2,537	2,537
TOTAL, OOE's		\$250,332	\$235,323	235,323	235,323
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	115,620	160,460	160,460	160,460
2-1-1 LICENSING					
<u>General Budget</u>					
1	General Revenue Fund	3,233	19,688	19,688	19,688
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
1	General Revenue Fund	32,957	33,267	33,267	33,267
3-2-1 PORTS OF ENTRY					

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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Category Code/Name					
<i>Project Sequence/Name</i>					
Goal/Obj/Str	Strategy Name	Est 2018	Bud 2019	BL 2020	BL 2021
1 Agencywide PC/Tablets Leased					
<u>General Budget</u>					
1	General Revenue Fund	965	8,071	8,071	8,071
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	8,528	5,996	5,996	5,996
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	87,425	5,304	5,304	5,304
4-1-3 OTHER SUPPORT SERVICES					
<u>General Budget</u>					
1	General Revenue Fund	1,604	2,537	2,537	2,537
TOTAL, GENERAL REVENUE FUNDS		\$250,332	\$235,323	235,323	235,323
TOTAL, MOFs		\$250,332	\$235,323	235,323	235,323

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2018	Bud 2019	BL 2020	BL 2021
2 Hardware/Software Acquisition					
OOE					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
2001	PROFESSIONAL FEES AND SERVICES	6,198	0	0	0
2009	OTHER OPERATING EXPENSE	307,058	339,292	339,292	339,292
5000	CAPITAL EXPENDITURES	26,036	0	0	0
TOTAL, OOE's		\$339,292	\$339,292	339,292	339,292
MOF					
GENERAL REVENUE FUNDS					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	339,292	339,292	339,292	339,292
TOTAL, GENERAL REVENUE FUNDS		\$339,292	\$339,292	339,292	339,292
TOTAL, MOF's		\$339,292	\$339,292	339,292	339,292

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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Category Code/Name		Est 2018	Bud 2019	BL 2020	BL 2021
<i>Project Sequence/Name</i>					
Goal/Obj/Str	Strategy Name	Est 2018	Bud 2019	BL 2020	BL 2021
7 Public Safety Technology					
OOE					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1001	SALARIES AND WAGES	0	0	0	0
2001	PROFESSIONAL FEES AND SERVICES	0	0	0	0
2003	CONSUMABLE SUPPLIES	0	0	0	0
2004	UTILITIES	0	0	0	0
2005	TRAVEL	0	0	0	0
2006	RENT - BUILDING	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					
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, MOF's		\$0	\$0	0	0

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2018	Bud 2019	BL 2020	BL 2021
8 Licensing & Tax Technology					
OOE					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1001	SALARIES AND WAGES	0	0	0	0
2001	PROFESSIONAL FEES AND SERVICES	0	0	0	0
2003	CONSUMABLE SUPPLIES	0	0	0	0
2004	UTILITIES	0	0	0	0
2005	TRAVEL	0	0	0	0
2006	RENT - BUILDING	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					
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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Category Code/Name		Est 2018	Bud 2019	BL 2020	BL 2021
Project Sequence/Name					
Goal/Obj/Str	Strategy Name				
5006 Transportation Items					
3 Fleet Acquisitions					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	740,778	699,525	699,525	699,525
TOTAL, OOE's		\$740,778	\$699,525	699,525	699,525
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	699,525	699,525	699,525	699,525
TOTAL, GENERAL REVENUE FUNDS		\$699,525	\$699,525	699,525	699,525
OTHER FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
666	Appropriated Receipts	41,253	0	0	0
TOTAL, OTHER FUNDS		\$41,253	\$0	0	0
TOTAL, MOF's		\$740,778	\$699,525	699,525	699,525
5007 Acquisition of Capital Equipment and Items					

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
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Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2018	Bud 2019	BL 2020	BL 2021
4 Public Safety Equip - Replacement					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	161,248	179,419	179,419	179,419
TOTAL, OOE's		\$161,248	\$179,419	179,419	179,419
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	161,248	179,419	179,419	179,419
TOTAL, GENERAL REVENUE FUNDS		\$161,248	\$179,419	179,419	179,419
TOTAL, MOF's		\$161,248	\$179,419	179,419	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 2018	Bud 2019	BL 2020	BL 2021
5 Data Center Consolidation					
OOE					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
2001	PROFESSIONAL FEES AND SERVICES	786,488	1,044,014	957,936	957,936
TOTAL, OOE's		\$786,488	\$1,044,014	957,936	957,936
MOF					
GENERAL REVENUE FUNDS					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	786,488	1,044,014	957,936	957,936
TOTAL, GENERAL REVENUE FUNDS		\$786,488	\$1,044,014	957,936	957,936
TOTAL, MOF's		\$786,488	\$1,044,014	957,936	957,936

8000 Centralized Accounting and Payroll/Personnel System (CAPPS)

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 2018	Bud 2019	BL 2020	BL 2021
6 CAPPS Implementation					
OOE					
Capital					
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
1001	SALARIES AND WAGES	68,000	68,000	0	0
1002	OTHER PERSONNEL COSTS	300	480	0	0
2003	CONSUMABLE SUPPLIES	1,076	500	0	0
2004	UTILITIES	759	456	0	0
2005	TRAVEL	0	1,409	0	0
2009	OTHER OPERATING EXPENSE	2,230	1,520	0	0
TOTAL, OOE's		\$72,365	\$72,365	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	72,365	72,365	0	0
TOTAL, GENERAL REVENUE FUNDS		\$72,365	\$72,365	0	0
TOTAL, MOF's		\$72,365	\$72,365	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 2018	Bud 2019	BL 2020	BL 2021
10 CAPPS Support					
OOE					
Capital					
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
2003	CONSUMABLE SUPPLIES	0	0	0	0
2004	UTILITIES	0	0	0	0
2005	TRAVEL	0	0	0	0
2006	RENT - BUILDING	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					
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, MOFs		\$0	\$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 2018	Bud 2019	BL 2020	BL 2021
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9000 Cybersecurity

9 Cybersecurity

OOE

Capital

4-1-2 INFORMATION RESOURCES

General Budget

1001	SALARIES AND WAGES	0	0	0	0
2001	PROFESSIONAL FEES AND SERVICES	0	0	0	0
2003	CONSUMABLE SUPPLIES	0	0	0	0
2004	UTILITIES	0	0	0	0
2005	TRAVEL	0	0	0	0
2006	RENT - BUILDING	0	0	0	0
5000	CAPITAL EXPENDITURES	0	0	0	0
TOTAL, OOE's		\$0	\$0	0	0

MOF

GENERAL REVENUE FUNDS

Capital

4-1-2 INFORMATION RESOURCES

General Budget

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

	Est 2018	Bud 2019	BL 2020	BL 2021
CAPITAL				
<u>General Budget</u>				
GENERAL REVENUE FUNDS	\$2,309,250	\$2,569,938	2,411,495	2,411,495
OTHER FUNDS	\$41,253	\$0	0	0
TOTAL, GENERAL BUDGET	2,350,503	2,569,938	2,411,495	2,411,495
TOTAL, ALL PROJECTS	\$2,350,503	\$2,569,938	2,411,495	2,411,495

Capital Budget Project Schedule - Exceptional
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458 Alcoholic Beverage Commission

Category Code / Category Name		Excp 2020	Excp 2021
Project Number / Name			
OOE / TOF / MOF CODE			
5005	Acquisition of Information Resource Technologies		
7	<u>Public Safety Technology</u>		
	Objects of Expense		
1001	SALARIES AND WAGES	350,050	350,050
2001	PROFESSIONAL FEES AND SERVICES	2,890,052	2,267,328
2003	CONSUMABLE SUPPLIES	2,500	2,500
2004	UTILITIES	5,220	5,220
2005	TRAVEL	10,000	10,000
2006	RENT - BUILDING	15,000	15,000
2009	OTHER OPERATING EXPENSE	7,500	0
5000	CAPITAL EXPENDITURES	102,850	102,850
Subtotal OOE, Project	7	3,383,172	2,752,948
	Type of Financing		
CA	1 General Revenue Fund	3,383,172	2,752,948
Subtotal TOF, Project	7	3,383,172	2,752,948
8	<u>Licensing & Tax Technology</u>		
	Objects of Expense		
1001	SALARIES AND WAGES	340,235	340,235
2001	PROFESSIONAL FEES AND SERVICES	3,693,968	2,735,968
2003	CONSUMABLE SUPPLIES	2,500	2,500
2004	UTILITIES	5,220	5,220
2005	TRAVEL	10,000	10,000
2006	RENT - BUILDING	15,000	15,000
2009	OTHER OPERATING EXPENSE	7,500	0
5000	CAPITAL EXPENDITURES	102,850	102,850
Subtotal OOE, Project	8	4,177,273	3,211,773
	Type of Financing		
CA	1 General Revenue Fund	4,177,273	3,211,773

Capital Budget Project Schedule - Exceptional
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458 Alcoholic Beverage Commission				
Category Code / Category Name			Excp 2020	Excp 2021
<i>Project Number / Name</i>				
OOE / TOF / MOF CODE				
Subtotal TOF, Project	8		4,177,273	3,211,773
Subtotal Category	5005		7,560,445	5,964,721
5006 Transportation Items				
3 <u>Fleet Acquisitions</u>				
Objects of Expense				
5000 CAPITAL EXPENDITURES			462,000	462,000
Subtotal OOE, Project	3		462,000	462,000
Type of Financing				
CA 1 General Revenue Fund			462,000	462,000
Subtotal TOF, Project	3		462,000	462,000
Subtotal Category	5006		462,000	462,000
8000 Centralized Accounting and Payroll/Personnel System (CAPPS)				
10 <u>CAPPS Support</u>				
Objects of Expense				
1001 SALARIES AND WAGES			135,000	135,000
2001 PROFESSIONAL FEES AND SERVICES			504	504
2003 CONSUMABLE SUPPLIES			1,000	1,000
2004 UTILITIES			2,088	2,088
2005 TRAVEL			4,000	4,000
2006 RENT - BUILDING			6,000	6,000
2009 OTHER OPERATING EXPENSE			1,500	0
5000 CAPITAL EXPENDITURES			1,140	1,140
Subtotal OOE, Project	10		151,232	149,732
Type of Financing				

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 2020	Excp 2021
CA	1 General Revenue Fund	151,232	149,732
Subtotal TOF, Project	10	151,232	149,732
Subtotal Category	8000	151,232	149,732
9000	Cybersecurity		
<u>9</u>	<u>Cybersecurity</u>		
Objects of Expense			
1001	SALARIES AND WAGES	85,000	85,000
2001	PROFESSIONAL FEES AND SERVICES	263,913	252
2003	CONSUMABLE SUPPLIES	500	500
2004	UTILITIES	1,044	1,044
2005	TRAVEL	2,000	2,000
2006	RENT - BUILDING	3,000	3,000
5000	CAPITAL EXPENDITURES	150,570	150,570
Subtotal OOE, Project	9	506,027	242,366
Type of Financing			
CA	1 General Revenue Fund	506,027	242,366
Subtotal TOF, Project	9	506,027	242,366
Subtotal Category	9000	506,027	242,366
AGENCY TOTAL		8,679,704	6,818,819
METHOD OF FINANCING:			
	1 General Revenue Fund	8,679,704	6,818,819
Total, Method of Financing		8,679,704	6,818,819

Capital Budget Project Schedule - Exceptional
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Category Code / Category Name		Excp 2020	Excp 2021
Project Number / Name			
OOE / TOF / MOF CODE			
TYPE OF FINANCING:			
CA	CURRENT APPROPRIATIONS	8,679,704	6,818,819
Total,Type of Financing		8,679,704	6,818,819

Capital Budget Allocation to Strategies by Project - Exceptional

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Category Code/Name

Project Number/Name

				Excp 2020	Excp 2021
5005 Acquisition of Information Resource Technologies					
7	Public Safety Technology				
4	1	2	INFORMATION RESOURCES	350,050	350,050
4	1	2	INFORMATION RESOURCES	2,890,052	2,267,328
4	1	2	INFORMATION RESOURCES	2,500	2,500
4	1	2	INFORMATION RESOURCES	5,220	5,220
4	1	2	INFORMATION RESOURCES	10,000	10,000
4	1	2	INFORMATION RESOURCES	15,000	15,000
4	1	2	INFORMATION RESOURCES	7,500	0
4	1	2	INFORMATION RESOURCES	102,850	102,850
TOTAL, PROJECT				3,383,172	2,752,948
8	Licensing & Tax Technology				
4	1	2	INFORMATION RESOURCES	340,235	340,235
4	1	2	INFORMATION RESOURCES	3,693,968	2,735,968
4	1	2	INFORMATION RESOURCES	2,500	2,500
4	1	2	INFORMATION RESOURCES	5,220	5,220
4	1	2	INFORMATION RESOURCES	10,000	10,000
4	1	2	INFORMATION RESOURCES	15,000	15,000
4	1	2	INFORMATION RESOURCES	7,500	0
4	1	2	INFORMATION RESOURCES	102,850	102,850
TOTAL, PROJECT				4,177,273	3,211,773
5006 Transportation Items					
3	Fleet Acquisitions				
1	1	1	ENFORCEMENT	462,000	462,000

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 2020	Excp 2021
TOTAL, PROJECT					462,000	462,000
8000 Centralized Accounting and Payroll/Personnel System (CAPPS)						
10	CAPPS Support					
4	1	1		CENTRAL ADMINISTRATION	135,000	135,000
4	1	1		CENTRAL ADMINISTRATION	504	504
4	1	1		CENTRAL ADMINISTRATION	1,000	1,000
4	1	1		CENTRAL ADMINISTRATION	2,088	2,088
4	1	1		CENTRAL ADMINISTRATION	4,000	4,000
4	1	1		CENTRAL ADMINISTRATION	6,000	6,000
4	1	1		CENTRAL ADMINISTRATION	1,500	0
4	1	1		CENTRAL ADMINISTRATION	1,140	1,140
TOTAL, PROJECT					151,232	149,732
9000 Cybersecurity						
9	Cybersecurity					
4	1	2		INFORMATION RESOURCES	85,000	85,000
4	1	2		INFORMATION RESOURCES	263,913	252
4	1	2		INFORMATION RESOURCES	500	500
4	1	2		INFORMATION RESOURCES	1,044	1,044
4	1	2		INFORMATION RESOURCES	2,000	2,000
4	1	2		INFORMATION RESOURCES	3,000	3,000
4	1	2		INFORMATION RESOURCES	150,570	150,570
TOTAL, PROJECT					506,027	242,366
TOTAL, ALL PROJECTS					8,679,704	6,818,819

6.A. Historically Underutilized Business Supporting Schedule
86th 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 2016 - 2017 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2016			Total Expenditures		% Goal	HUB Expenditures FY 2017			Total Expenditures	
			% Actual	Diff	Actual \$	FY 2016			% Actual	Diff	Actual \$	FY 2017	
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	
32.9%	Special Trade	32.9 %	30.0%	-2.9%	\$9,422	\$31,356		32.9 %	0.0%	-32.9%	\$0	\$7,695	
23.7%	Professional Services	23.7 %	97.4%	73.7%	\$50,837	\$52,192		23.7 %	100.0%	76.3%	\$46,601	\$46,601	
26.0%	Other Services	26.0 %	15.2%	-10.8%	\$313,093	\$2,053,235		26.0 %	8.0%	-18.0%	\$152,375	\$1,912,706	
21.1%	Commodities	21.1 %	9.0%	-12.1%	\$242,643	\$2,686,933		21.1 %	28.6%	7.5%	\$832,389	\$2,907,264	
	Total Expenditures		12.8%		\$615,995	\$4,823,716			21.2%		\$1,031,365	\$4,874,266	

B. Assessment of Fiscal Year 2016 - 2017 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceeded one of six by more than triple the applicable statewide HUB procurement goals in FY 2016 and two of six, or 33% in FY 2017.

Applicability:

The “Heavy Construction” and “Building Construction” categories were not applicable to agency operations in FY 2016 and FY 2017 since the agency did not have expenditures related to those categories for the fiscal years listed.

Factors Affecting Attainment:

As an efficiency in FY 2016 and FY 2017, 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.

The “Heavy Construction” and “Building Construction” categories were not applicable to agency operations in FY 2016 and FY 2017 since the agency did not have expenditures related to those categories for the fiscal years listed.

"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 .

6.B. Current Biennium One-time Expenditure Schedule

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Heather Nevill	Date: June 28, 2018	
Item	2018-2019		2020-2021	
	Amount	MOF	Amount	MOF
Marketing Practices Education Project Grant	\$36,034	555		
TABC Under 21 Community Education Project	\$547,660	555		
Special Response Team Expenses - Harvey	\$968,457	001		
CAPPS	\$144,730	001		

\$1,696,881

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2020-2021 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Michelle McInnis		Date June 27, 2018	
PROJECT ITEM: Marketing Practices Public Education Project							
ALLOCATION TO STRATEGY: 1.1.1 Enforcement							
Code	Strategy Allocation			Estimated 2018	Budgeted 2019	Requested 2020	Requested 2021
1001 2003 2005 2009	Objects of Expense:						
	Salaries			\$19,125	\$0	\$0	\$0
	Consumable Supplies					0	0
	Travel					0	0
	Other Operating Expenses			\$16,909	\$0		
Total, Objects of Expense				\$36,034	\$0	\$0	\$0
555	Method of Financing:						
	Federal Funds			\$36,034	\$0	\$0	\$0
	Total, Method of Financing			\$36,034	\$0	\$0	\$0

Description of Item for 2018-19

To develop and distribute public information and educational items which include information about alcoholic beverage laws, drinking and driving laws and how to file a complaint against a TABC licensed location that commits AB violations.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2020-2021 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Michelle McInnis		Date June 27, 2018	
PROJECT ITEM: TABC Under 21 Community Education Project							
ALLOCATION TO STRATEGY: 1.1.1 Enforcement							
Code	Strategy Allocation			Estimated 2018	Budgeted 2019	Requested 2020	Requested 2021
1001 2003 2005 2009	Objects of Expense:						
	Salaries			\$179,216	\$59,208	\$0	\$0
	Consumable Supplies			169		0	0
	Travel			4,627	1,740	0	0
	Other Operating Expenses			\$274,700	\$28,000		
Total, Objects of Expense				\$458,713	\$88,948	\$0	\$0
555	Method of Financing:						
	Federal Funds			\$458,713	\$88,948	\$0	\$0
Total, Method of Financing				\$458,713	\$88,948	\$0	\$0

Description of Item for 2018-19

To develop and distribute educational information for retailers and their employees that contains information and educational items that will increase knowledge about alcoholic beverage laws and responsible services and Marketing Practices statewide.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2020-2021 Biennium

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Heather Nevill	Date July 25, 2018		
PROJECT ITEM: SRT - Harvey Flood Assistance					
ALLOCATION TO STRATEGY: 1.1.1. Enforcement					
Code	Strategy Allocation	Estimated 2018	Budgeted 2019	Requested 2020	Requested 2021
	Objects of Expense:				
1001	Salaries	\$766,414	\$0	0	0
2001	Professional Fees and Services	32,677			
2002	Fuels and Lubricants	19,900			
2003	Consumable Supplies	143			
2005	Travel	148,164			
2009	Other Operating Expense	\$1,159			
	Total, Objects of Expense	\$968,457	\$0	\$0	\$0
	Method of Financing:				
001	General Revenue Fund	\$968,457	\$0	\$0	\$0
	Total, Method of Financing	\$968,457	\$0	\$0	\$0
Description of Item for 2018-19					
Cost to deploy SRT team to assist with floods caused by Hurricane Harvey.					

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2020-2021 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Heather Nevill		Date July 25, 2018	
PROJECT ITEM: CAPPS							
ALLOCATION TO STRATEGY: 4.1.1. Central Administration							
Code	Strategy Allocation			Estimated 2018	Budgeted 2019	Requested 2020	Requested 2021
1001 2003 2004 2005 2009	Objects of Expense:						
	Salaries			\$68,000	\$68,000	\$0	\$0
	Consumable Supplies			500	500		
	Utilities			\$509	\$456		
	Travel			\$0	\$1,409		
	Other Operating Expenses			\$3,356	\$2,000		
	Total, Objects of Expense			\$72,365	\$72,365	\$0	\$0
001	Method of Financing:						
	General Revenue Fund			\$72,365	\$72,365	\$0	\$0
	Total, Method of Financing			\$72,365	\$72,365	\$0	\$0

Description of Item for 2018-19

This funding was used to pay salaries, consumables, travel, and operating expenses for Centralized Accounting and Payroll/Personnel System (CAPPS) implementations

6.C. Federal Funds Supporting Schedule

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

		458 Alcoholic Beverage Commission				
CFDA NUMBER/ STRATEGY		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
16.738.000	Justice Assistance Grant					
1 - 1 - 1	ENFORCEMENT	460,672	0	0	0	0
TOTAL, ALL STRATEGIES		\$460,672	\$0	\$0	\$0	\$0
ADDL FED FNDS FOR EMPL BENEFITS		0	0	0	0	0
TOTAL, FEDERAL FUNDS		\$460,672	\$0	\$0	\$0	\$0
ADDL GR FOR EMPL BENEFITS		\$0	\$0	\$0	\$0	\$0
20.616.000	National Priority Safety Programs					
1 - 1 - 1	ENFORCEMENT	404,453	583,515	500,000	0	0
TOTAL, ALL STRATEGIES		\$404,453	\$583,515	\$500,000	\$0	\$0
ADDL FED FNDS FOR EMPL BENEFITS		0	0	0	0	0
TOTAL, FEDERAL FUNDS		\$404,453	\$583,515	\$500,000	\$0	\$0
ADDL GR FOR EMPL BENEFITS		\$0	\$0	\$0	\$0	\$0

6.C. Federal Funds Supporting Schedule
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

		458 Alcoholic Beverage Commission				
CFDA NUMBER/ STRATEGY		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
<u>SUMMARY LISTING OF FEDERAL PROGRAM AMOUNTS</u>						
16.738.000	Justice Assistance Grant	460,672	0	0	0	0
20.616.000	National Priority Safety Programs	404,453	583,515	500,000	0	0
TOTAL, ALL STRATEGIES		\$865,125	\$583,515	\$500,000	\$0	\$0
TOTAL, ADDL FED FUNDS FOR EMPL BENEFITS		0	0	0	0	0
TOTAL, FEDERAL FUNDS		<u>\$865,125</u>	<u>\$583,515</u>	<u>\$500,000</u>	<u>\$0</u>	<u>\$0</u>
TOTAL, ADDL GR FOR EMPL BENEFITS		\$0	\$0	\$0	\$0	\$0

SUMMARY OF SPECIAL CONCERNS/ISSUES

Assumptions and Methodology:

The Texas Alcoholic Beverage Commission does not have any grant funding in our method of finance for FY 2020-2021. Grants awarded to the agency in FY2018 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.

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

86th 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 2017	Exp 2018	Exp 2019	Bud 2020	Est 2021
<u>1</u>	General Revenue Fund					
	Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
	Estimated Revenue:					
	3143 Industrial Alcohol Mfg	1,000	800	800	800	800
	3253 Liquor Tax	88,978,371	96,727,869	99,146,065	101,624,717	104,165,335
	3256 Liquor Permit Fees	34,156,278	33,394,087	35,420,060	34,162,151	36,553,502
	3257 License/Permit Sucharges-General	24,397,666	31,315,151	25,373,572	32,035,400	26,185,527
	3258 Beer Tax	104,474,742	103,253,987	103,460,495	103,460,495	103,460,495
	3259 Wine Tax	17,733,019	14,859,951	15,231,450	15,612,236	16,002,542
	3261 Wine and Beer Permits	5,449,681	9,770,996	5,651,319	7,672,500	5,781,300
	3263 Brew Pub License	118,545	119,267	119,000	119,000	119,000
	3265 Malt Liquor (Ale) Tax	14,924,171	14,294,565	14,580,456	14,872,065	15,169,506
	3266 Temp Charit Funct Permit-Alcohol	6,200	9,633	6,000	6,000	6,000
	3268 Alcohol Bev Penalty Lieu Suspend	2,957,300	2,231,200	2,000,000	2,000,000	2,000,000
	3269 Sale-Confiscated Alcohol Bevs	270	52,759	0	0	0
	3271 Alcoholic Beverage Import Fee	5,401,955	5,489,595	5,562,167	5,634,780	5,783,805
	3272 Alcoholic Bev Seller Trng Prog	861,016	809,267	809,500	809,500	809,500
	3273 Alcoholic Bev - Samp & Labels Cert	621,395	596,440	602,404	602,404	602,404
	3274 A B C Administrative Fees	33,300	43,100	34,532	44,091	35,637
	3275 Cigarette Tax	614,466	632,190	609,733	610,616	612,387
	3719 Fees/Copies or Filing of Records	2,119	11,743	5,000	5,000	5,000
	3752 Sale of Publications/Advertising	11	0	0	0	0
	3754 Other Surplus/Salvage Property	15	584	0	0	0
	3769 Forfeitures	236,286	346,208	300,000	300,000	300,000
	3773 Insurance and Damages	33,100	14,567	0	0	0
	3790 Deposit to Trust or Suspense	1,506,904	2,439,321	0	0	0
	3795 Other Misc Government Revenue	20	180	0	0	0
	3802 Reimbursements-Third Party	63,755	51,528	7,000	7,000	7,000
	3839 Sale of Motor Vehicle/Boat/Aircraft	111,738	50,812	15,000	15,000	15,000
	3879 Credit Card and Related Fees	151,078	310,018	140,000	140,000	140,000

6.E. Estimated Revenue Collections Supporting Schedule

86th 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 2017	Exp 2018	Exp 2019	Bud 2020	Est 2021
Subtotal: Actual/Estimated Revenue	302,834,401	316,825,818	309,074,553	319,733,755	317,754,740
Total Available	\$302,834,401	\$316,825,818	\$309,074,553	\$319,733,755	\$317,754,740
DEDUCTIONS:					
Unemployment Benefits	(29,035)	(50,000)	(40,000)	(40,000)	(40,000)
Health, OASI, Retirement	(11,038,748)	(11,200,000)	(11,400,000)	(11,400,000)	(11,400,000)
Benefit Replacement Pay	(49,951)	(35,988)	(35,000)	(35,000)	(35,000)
Total, Deductions	\$(11,117,734)	\$(11,285,988)	\$(11,475,000)	\$(11,475,000)	\$(11,475,000)
Ending Fund/Account Balance	\$291,716,667	\$305,539,830	\$297,599,553	\$308,258,755	\$306,279,740

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 two-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 1.85%. 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.

CONTACT PERSON:

Vanessa Mayo

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

1 Option A; 2.5% Reduction of Staff and Office Closures

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: Item one totals 2.5% of the reduction and eliminates 9 (nine) commissioned peace officers and 5 (five) tax compliance officers. With a 2.5% reduction in funding to the TABC, traditional public safety and regulatory enforcement activities will suffer. Field enforcement activities 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 to monitor their operations, more licensees and permittees are likely to succumb to temptation and to try to boost profits by over-serving customers, engaging in illegal and socially dangerous sales, and short-changing the state on the taxes and fees they legitimately owe. At this level of funding, 10 (ten) office closings are anticipated, affecting the public's access to TABC staff in person. This translates into less customer service and longer drives for those who need to do business with the agency. Also, two Ports of Entry locations would be closed, resulting in an estimated loss of \$1.2 million in revenue collections.

Strategy: 1-1-1 Enforcement

General Revenue Funds

1 General Revenue Fund	\$1,151,077	\$1,185,609	\$2,336,686	\$437,810	\$437,810	\$875,620	\$24,602,185	\$24,697,327	\$49,299,512
General Revenue Funds Total	\$1,151,077	\$1,185,609	\$2,336,686	\$437,810	\$437,810	\$875,620	\$24,602,185	\$24,697,327	\$49,299,512

Strategy: 3-2-1 Ports of Entry

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$120,321	\$120,321	\$240,642	\$5,541,881	\$5,525,471	\$11,067,352
General Revenue Funds Total	\$0	\$0	\$0	\$120,321	\$120,321	\$240,642	\$5,541,881	\$5,525,471	\$11,067,352

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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 <u>Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
Item Total	\$1,151,077	\$1,185,609	\$2,336,686	\$558,131	\$558,131	\$1,116,262	\$30,144,066	\$30,222,798	\$60,366,864

FTE Reductions (From FY 2020 and FY 2021 Base Request)

7.0 7.0

2 Option A; 2.5% Reduction of Staff and Eliminate Program

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: Item two totals a 2.5% reduction as required and eliminates 17 (seventeen) FTEs. This affects additional public safety and support positions across multiple strategies. Eliminated are 10 (ten) commissioned peace officers, 1 (one) legal secretary and 1 (one) human resources position. The Education and Prevention Division with 5 (five) FTEs would be entirely eliminated, as well. This division oversees programs educating the public, retailers, and their employees.

These cuts would further contribute to a reduction in field enforcement activities diminishing the agency's ability to reach its performance measures. Elimination of the Education and Prevention Division affects the agency's ability to create education and outreach programs for retailers and the general public.

Strategy: 1-1-1 Enforcement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$351,810	\$351,810	\$703,620	\$24,602,185	\$24,697,327	\$49,299,512
General Revenue Funds Total	\$0	\$0	\$0	\$351,810	\$351,810	\$703,620	\$24,602,185	\$24,697,327	\$49,299,512

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

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$184,941	\$184,941	\$369,882	\$482,742	\$480,952	\$963,694
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6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
General Revenue Funds Total	\$0	\$0	\$0	\$184,941	\$184,941	\$369,882	\$482,742	\$480,952	\$963,694

Strategy: 4-1-1 Central Administration

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$21,478	\$21,478	\$42,956	\$2,695,525	\$2,716,167	\$5,411,692
General Revenue Funds Total	\$0	\$0	\$0	\$21,478	\$21,478	\$42,956	\$2,695,525	\$2,716,167	\$5,411,692
Item Total	\$0	\$0	\$0	\$558,229	\$558,229	\$1,116,458	\$27,780,452	\$27,894,446	\$55,674,898

FTE Reductions (From FY 2020 and FY 2021 Base Request)

8.5 8.5

3 Option A; 2.5% Reduction of Staff

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: Item three totals another 2.5% reduction and 27 (twenty-seven) FTEs including 1 (one) commissioned peace officer, 9 (nine) field auditors, 15 (fifteen) ports of entry staff, and 2 (two) training specialists. These cuts will exacerbate the problems previously described; would drive the total number of agent and auditor inspections down; and reduce the number of audits conducted by agency personnel. Reducing ports of entry staff would affect the agency's ability to collect revenue.

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.

Strategy: 1-1-1 Enforcement

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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 <u>Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
General <u>Revenue Funds</u>									
1 General Revenue Fund	\$0	\$0	\$0	\$91,877	\$91,877	\$183,754	\$24,602,185	\$24,697,327	\$49,299,512
General Revenue Funds Total	\$0	\$0	\$0	\$91,877	\$91,877	\$183,754	\$24,602,185	\$24,697,327	\$49,299,512
Strategy: 3-1-1 Conduct Inspections and Monitor Compliance									
General <u>Revenue Funds</u>									
1 General Revenue Fund	\$0	\$0	\$0	\$241,121	\$241,121	\$482,242	\$4,963,837	\$4,956,541	\$9,920,378
General Revenue Funds Total	\$0	\$0	\$0	\$241,121	\$241,121	\$482,242	\$4,963,837	\$4,956,541	\$9,920,378
Strategy: 3-2-1 Ports of Entry									
General <u>Revenue Funds</u>									
1 General Revenue Fund	\$0	\$0	\$0	\$225,231	\$225,231	\$450,462	\$5,541,881	\$5,525,471	\$11,067,352
General Revenue Funds Total	\$0	\$0	\$0	\$225,231	\$225,231	\$450,462	\$5,541,881	\$5,525,471	\$11,067,352
Item Total	\$0	\$0	\$0	\$558,229	\$558,229	\$1,116,458	\$35,107,903	\$35,179,339	\$70,287,242
FTE Reductions (From FY 2020 and FY 2021 Base Request)					13.5	13.5			

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

4 Option A; 2.5% Reduction of Staff

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: Item four totals 2.5% and 26 (twenty-six) FTEs. These reductions include 13 (thirteen) additional auditor positions and 13 (thirteen) licensing positions. At this level of funding, audits completed by the agency will be further reduced, customer service will drop even more, the 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.

Funding at 90% (ninety percent) of baseline will create significant issues. 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.

Strategy: 2-1-1 Licensing

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$304,022	\$304,022	\$608,044	\$5,103,770	\$5,060,864	\$10,164,634
General Revenue Funds Total	\$0	\$0	\$0	\$304,022	\$304,022	\$608,044	\$5,103,770	\$5,060,864	\$10,164,634

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

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$254,207	\$254,207	\$508,414	\$4,963,837	\$4,956,541	\$9,920,378
General Revenue Funds Total	\$0	\$0	\$0	\$254,207	\$254,207	\$508,414	\$4,963,837	\$4,956,541	\$9,920,378

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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 <u>Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
Item Total	\$0	\$0	\$0	\$558,229	\$558,229	\$1,116,458	\$10,067,607	\$10,017,405	\$20,085,012

FTE Reductions (From FY 2020 and FY 2021 Base Request)

13.0 13.0

5 Option B; 2.5% Reduction of Staff and Office Closures

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: Item five totals 2.5% and 13 (thirteen) public safety positions. Traditional public safety and regulatory enforcement activities would suffer. Field enforcement activities 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 monitoring industry operations, more licensees and permittees are likely to succumb to temptation and to try to boost profits by over-serving customers, engaging in illegal and socially dangerous sales, and short-changing the state on the taxes and fees they legitimately owe.

At this level of funding are 10 (ten) office closings, affecting the public's access to TABC offices. This translates into less customer service and longer drives for those who need to do business with the agency.

Strategy: 1-1-1 Enforcement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$558,229	\$558,229	\$1,116,458	\$24,602,185	\$24,697,327	\$49,299,512
General Revenue Funds Total	\$0	\$0	\$0	\$558,229	\$558,229	\$1,116,458	\$24,602,185	\$24,697,327	\$49,299,512
Item Total	\$0	\$0	\$0	\$558,229	\$558,229	\$1,116,458	\$24,602,185	\$24,697,327	\$49,299,512

FTE Reductions (From FY 2020 and FY 2021 Base Request)

6.5 6.5

6 Option B; 2.5% Reduction of Staff

Category: Programs - Service Reductions (FTEs-Layoffs)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

Item Comment: Item six totals 2.5% and 25 (twenty-five) FTEs. This includes reductions of 9 (nine) commissioned peace officers, 14 (fourteen) ports of entry positions, and 2 (two) in the education and prevention division. Field enforcement activities would continue to decline and revenue collections would be affected. Reductions in the education division would affect the agency's ability to secure grant funding.

Strategy: 1-1-1 Enforcement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$292,014	\$292,014	\$584,028	\$24,602,185	\$24,697,327	\$49,299,512
General Revenue Funds Total	\$0	\$0	\$0	\$292,014	\$292,014	\$584,028	\$24,602,185	\$24,697,327	\$49,299,512

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

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$58,650	\$58,650	\$117,300	\$482,742	\$480,952	\$963,694
General Revenue Funds Total	\$0	\$0	\$0	\$58,650	\$58,650	\$117,300	\$482,742	\$480,952	\$963,694

Strategy: 3-2-1 Ports of Entry

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$207,662	\$207,662	\$415,324	\$5,541,881	\$5,525,471	\$11,067,352
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6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
General Revenue Funds Total	\$0	\$0	\$0	\$207,662	\$207,662	\$415,324	\$5,541,881	\$5,525,471	\$11,067,352
Item Total	\$0	\$0	\$0	\$558,326	\$558,326	\$1,116,652	\$30,626,808	\$30,703,750	\$61,330,558

FTE Reductions (From FY 2020 and FY 2021 Base Request)

12.5 12.5

7 Option B; 2.5% Reduction of Staff

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: Item seven totals 2.5% and 29 (twenty-nine) FTEs. This further reduces ports of entry staff by 16 (sixteen) more positions, eliminates a training position, and reduces audit positions by 12 (twelve). This would drive the total number of auditor inspections down and reduce the number of audits conducted by agency personnel. The loss of auditor positions will force agents to assume an even greater portion of regulatory duties, further decreasing their ability to focus on public safety issues. Reducing ports of entry staff would affect the agency's ability to collect revenue.

Strategy: 1-1-1 Enforcement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$29,715	\$29,715	\$59,430	\$24,602,185	\$24,697,327	\$49,299,512
General Revenue Funds Total	\$0	\$0	\$0	\$29,715	\$29,715	\$59,430	\$24,602,185	\$24,697,327	\$49,299,512

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

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$293,185	\$293,185	\$586,370	\$4,963,837	\$4,956,541	\$9,920,378
General Revenue Funds Total	\$0	\$0	\$0	\$293,185	\$293,185	\$586,370	\$4,963,837	\$4,956,541	\$9,920,378

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
Strategy: 3-2-1 Ports of Entry									
<u>General Revenue Funds</u>									
1 General Revenue Fund	\$0	\$0	\$0	\$235,328	\$235,328	\$470,656	\$5,541,881	\$5,525,471	\$11,067,352
General Revenue Funds Total	\$0	\$0	\$0	\$235,328	\$235,328	\$470,656	\$5,541,881	\$5,525,471	\$11,067,352
Item Total	\$0	\$0	\$0	\$558,228	\$558,228	\$1,116,456	\$35,107,903	\$35,179,339	\$70,287,242
FTE Reductions (From FY 2020 and FY 2021 Base Request)					14.5	14.5			

8 Option B; 2.5% Reduction of Staff

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: Item eight totals 2.5% and 25 (twenty-five) FTEs. This further reduces auditor positions by 12 (twelve) and 13 (thirteen) licensing positions are lost to the reduction. Funding at 90% (ninety percent) of baseline will create significant issues for the agency. As the volume of prevention and enforcement activities declines, agents become increasingly involved with 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.

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 overall. In addition, stakeholders can expect significant declines in customer service, long application processing delays, delays in the handling of complaints, and fewer local offices for conducting business in person with the agency.

Strategy: 2-1-1 Licensing

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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			PROGRAM AMOUNT		TARGET	
Item Priority and Name/ Method of <u>Financing</u>	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total	
General <u>Revenue Funds</u>										
1 General Revenue Fund	\$0	\$0	\$0	\$334,228	\$334,228	\$668,456	\$5,103,770	\$5,060,864	\$10,164,634	
General Revenue Funds Total	\$0	\$0	\$0	\$334,228	\$334,228	\$668,456	\$5,103,770	\$5,060,864	\$10,164,634	
Strategy: 3-1-1 Conduct Inspections and Monitor Compliance										
General <u>Revenue Funds</u>										
1 General Revenue Fund	\$0	\$0	\$0	\$224,001	\$224,001	\$448,002	\$4,963,837	\$4,956,541	\$9,920,378	
General Revenue Funds Total	\$0	\$0	\$0	\$224,001	\$224,001	\$448,002	\$4,963,837	\$4,956,541	\$9,920,378	
Item Total	\$0	\$0	\$0	\$558,229	\$558,229	\$1,116,458	\$10,067,607	\$10,017,405	\$20,085,012	
FTE Reductions (From FY 2020 and FY 2021 Base Request)					12.5	12.5				
AGENCY TOTALS										
General Revenue Total	\$1,151,077	\$1,185,609	\$2,336,686	\$4,465,830	\$4,465,830	\$8,931,660	\$203,504,531	\$203,911,809	\$407,416,340	\$8,931,660
Agency Grand Total	\$1,151,077	\$1,185,609	\$2,336,686	\$4,465,830	\$4,465,830	\$8,931,660	\$203,504,531	\$203,911,809	\$407,416,340	\$8,931,660
Difference, Options Total Less Target										
Agency FTE Reductions (From FY 2020 and FY 2021 Base Request)				88.0	88.0					

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th 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			PROGRAM AMOUNT			TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total	
Article Total				\$4,465,830	\$4,465,830	\$8,931,660	\$203,504,531	\$203,911,809	\$407,416,340	
Statewide Total				\$4,465,830	\$4,465,830	\$8,931,660	\$203,504,531	\$203,911,809	\$407,416,340	

7.A. Indirect Administrative and Support Costs

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission						
Strategy		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1-1-1	Enforcement					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$1,979,037	\$ 2,062,124	\$ 1,798,589	\$ 2,062,451	\$ 2,068,408
1002	OTHER PERSONNEL COSTS	103,118	109,289	54,857	61,890	61,890
2001	PROFESSIONAL FEES AND SERVICES	538,625	591,350	779,586	700,791	700,791
2002	FUELS AND LUBRICANTS	3,408	1,254	1,420	1,196	1,196
2003	CONSUMABLE SUPPLIES	6,293	4,688	5,645	5,010	3,764
2004	UTILITIES	53,472	51,215	52,574	57,338	51,796
2005	TRAVEL	13,405	11,864	12,538	10,691	10,691
2006	RENT - BUILDING	203,300	219,652	216,998	222,446	222,446
2007	RENT - MACHINE AND OTHER	16,102	80,357	25,970	23,049	23,049
2009	OTHER OPERATING EXPENSE	530,568	525,901	540,624	541,730	551,043
5000	CAPITAL EXPENDITURES	33,833	19,582	0	0	0
Total, Objects of Expense		\$3,481,161	\$3,677,276	\$3,488,801	\$3,686,592	\$3,695,074
METHOD OF FINANCING:						
1	General Revenue Fund	3,480,126	3,673,265	3,487,343	3,685,134	3,693,616
666	Appropriated Receipts	1,035	4,011	1,458	1,458	1,458
Total, Method of Financing		\$3,481,161	\$3,677,276	\$3,488,801	\$3,686,592	\$3,695,074
FULL TIME EQUIVALENT POSITIONS		30.8	29.6	28.6	32.9	32.9

7.A. Indirect Administrative and Support Costs
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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 FTE's 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

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
2-1-1 Licensing						
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$431,264	\$ 421,658	\$ 395,482	\$ 441,206	\$ 442,930
1002	OTHER PERSONNEL COSTS	26,033	21,411	11,942	13,338	13,338
2001	PROFESSIONAL FEES AND SERVICES	67,930	73,775	99,206	86,800	86,800
2002	FUELS AND LUBRICANTS	807	254	314	237	237
2003	CONSUMABLE SUPPLIES	1,663	1,197	1,509	1,316	959
2004	UTILITIES	7,609	7,046	7,276	7,793	7,134
2005	TRAVEL	3,919	3,130	3,498	2,942	2,942
2006	RENT - BUILDING	45,224	44,736	47,093	48,369	48,369
2007	RENT - MACHINE AND OTHER	3,125	11,351	5,385	4,518	4,518
2009	OTHER OPERATING EXPENSE	100,486	95,336	100,942	100,831	103,498
5000	CAPITAL EXPENDITURES	6,218	2,471	0	0	0
Total, Objects of Expense		\$694,278	\$682,365	\$672,647	\$707,350	\$710,725
METHOD OF FINANCING:						
1	General Revenue Fund	693,975	681,307	672,262	706,965	710,340
666	Appropriated Receipts	303	1,058	385	385	385
Total, Method of Financing		\$694,278	\$682,365	\$672,647	\$707,350	\$710,725
FULL TIME EQUIVALENT POSITIONS		6.7	5.9	6.2	7.1	7.1

7.A. Indirect Administrative and Support Costs
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
2-1-1 Licensing					
Method of Allocation					

Central Administration and Other Support Services indirect costs are allocated to the direct strategies based on the percent of FTE's 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

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
3-1-1 Conduct Inspections and Monitor Compliance						
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$551,108	\$ 563,322	\$ 491,610	\$ 538,573	\$ 540,393
1002	OTHER PERSONNEL COSTS	31,377	29,101	14,912	16,219	16,219
2001	PROFESSIONAL FEES AND SERVICES	113,045	123,581	164,039	145,771	145,771
2002	FUELS AND LUBRICANTS	997	341	389	301	301
2003	CONSUMABLE SUPPLIES	1,970	1,472	1,725	1,452	1,074
2004	UTILITIES	11,869	11,232	11,460	12,335	11,198
2005	TRAVEL	4,478	3,808	3,931	3,178	3,178
2006	RENT - BUILDING	57,302	59,860	58,890	58,550	58,550
2007	RENT - MACHINE AND OTHER	4,197	17,861	6,877	5,776	5,776
2009	OTHER OPERATING EXPENSE	136,440	133,840	135,590	132,581	135,411
5000	CAPITAL EXPENDITURES	8,559	4,115	0	0	0
Total, Objects of Expense		\$921,342	\$948,533	\$889,423	\$914,736	\$917,871
METHOD OF FINANCING:						
1	General Revenue Fund	920,996	947,246	888,955	914,268	917,403
666	Appropriated Receipts	346	1,287	468	468	468
Total, Method of Financing		\$921,342	\$948,533	\$889,423	\$914,736	\$917,871
FULL TIME EQUIVALENT POSITIONS		8.5	8.0	7.8	8.6	8.6

7.A. Indirect Administrative and Support Costs
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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 FTE's 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

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
3-2-1 Ports of Entry						
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$519,752	\$ 558,067	\$ 474,463	\$ 524,987	\$ 527,508
1002	OTHER PERSONNEL COSTS	35,024	27,053	14,206	15,973	15,973
2001	PROFESSIONAL FEES AND SERVICES	31,202	33,027	47,018	37,074	37,074
2002	FUELS AND LUBRICANTS	1,038	334	378	263	263
2003	CONSUMABLE SUPPLIES	2,302	1,910	2,077	1,822	1,303
2004	UTILITIES	5,026	4,630	4,457	4,582	4,348
2005	TRAVEL	5,746	5,107	4,936	4,188	4,188
2006	RENT - BUILDING	55,448	58,964	55,879	58,375	58,375
2007	RENT - MACHINE AND OTHER	3,372	8,061	6,136	4,944	4,944
2009	OTHER OPERATING EXPENSE	105,597	109,456	103,221	104,183	108,063
5000	CAPITAL EXPENDITURES	6,311	1,169	0	0	0
Total, Objects of Expense		\$770,818	\$807,778	\$712,771	\$756,391	\$762,039
METHOD OF FINANCING:						
1	General Revenue Fund	770,373	806,051	712,143	755,763	761,411
666	Appropriated Receipts	445	1,727	628	628	628
Total, Method of Financing		\$770,818	\$807,778	\$712,771	\$756,391	\$762,039
FULL TIME EQUIVALENT POSITIONS		8.0	7.5	7.4	8.4	8.4

7.A. Indirect Administrative and Support Costs
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Method of Allocation					

Central Administration and Other Support Services indirect costs are allocated to the direct strategies based on the percent of FTE's 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

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission						
		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
GRAND TOTALS						
Objects of Expense						
1001	SALARIES AND WAGES	\$3,481,161	\$3,605,171	\$3,160,144	\$3,567,217	\$3,579,239
1002	OTHER PERSONNEL COSTS	\$195,552	\$186,854	\$95,917	\$107,420	\$107,420
2001	PROFESSIONAL FEES AND SERVICES	\$750,802	\$821,733	\$1,089,849	\$970,436	\$970,436
2002	FUELS AND LUBRICANTS	\$6,250	\$2,183	\$2,501	\$1,997	\$1,997
2003	CONSUMABLE SUPPLIES	\$12,228	\$9,267	\$10,956	\$9,600	\$7,100
2004	UTILITIES	\$77,976	\$74,123	\$75,767	\$82,048	\$74,476
2005	TRAVEL	\$27,548	\$23,909	\$24,903	\$20,999	\$20,999
2006	RENT - BUILDING	\$361,274	\$383,212	\$378,860	\$387,740	\$387,740
2007	RENT - MACHINE AND OTHER	\$26,796	\$117,630	\$44,368	\$38,287	\$38,287
2009	OTHER OPERATING EXPENSE	\$873,091	\$864,533	\$880,377	\$879,325	\$898,015
5000	CAPITAL EXPENDITURES	\$54,921	\$27,337	\$0	\$0	\$0
Total, Objects of Expense		\$5,867,599	\$6,115,952	\$5,763,642	\$6,065,069	\$6,085,709
Method of Financing						
1	General Revenue Fund	\$5,865,470	\$6,107,869	\$5,760,703	\$6,062,130	\$6,082,770
666	Appropriated Receipts	\$2,129	\$8,083	\$2,939	\$2,939	\$2,939
Total, Method of Financing		\$5,867,599	\$6,115,952	\$5,763,642	\$6,065,069	\$6,085,709
Full-Time-Equivalent Positions (FTE)		54.0	51.0	50.0	57.0	57.0

7.B. Direct Administrative and Support Costs
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Strategy		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1-1-1	Enforcement					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$551,012	\$557,247	\$610,054	\$610,054	\$610,054
1002	OTHER PERSONNEL COSTS	11,472	14,832	10,910	11,570	11,570
2001	PROFESSIONAL FEES AND SERVICES	109,355	53,206	7,500	7,500	7,500
2002	FUELS AND LUBRICANTS	195	142	250	278	278
2003	CONSUMABLE SUPPLIES	841	1,244	1,250	1,250	500
2004	UTILITIES	1,380	2,371	2,075	2,163	2,240
2005	TRAVEL	6,376	5,000	3,000	3,000	4,000
2006	RENT - BUILDING	30,287	33,581	31,000	31,000	31,000
2007	RENT - MACHINE AND OTHER	1,781	1,172	950	950	950
2009	OTHER OPERATING EXPENSE	66,708	18,712	28,846	28,844	31,345
Total, Objects of Expense		\$779,407	\$687,507	\$695,835	\$696,609	\$699,437
METHOD OF FINANCING:						
1	General Revenue Fund	779,407	687,507	695,835	696,609	699,437
Total, Method of Financing		\$779,407	\$687,507	\$695,835	\$696,609	\$699,437
FULL-TIME-EQUIVALENT POSITIONS (FTE):		8.0	8.0	8.0	8.0	8.0

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
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Strategy		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
2-1-1 Licensing						
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$385,708	\$390,073	\$427,037	\$427,037	\$427,037
1002	OTHER PERSONNEL COSTS	8,030	10,382	7,637	8,099	8,099
2001	PROFESSIONAL FEES AND SERVICES	76,549	37,244	5,250	5,250	5,250
2002	FUELS AND LUBRICANTS	137	99	175	194	194
2003	CONSUMABLE SUPPLIES	589	871	875	875	350
2004	UTILITIES	966	1,659	1,453	1,514	1,568
2005	TRAVEL	4,463	3,500	2,100	2,100	2,800
2006	RENT - BUILDING	21,201	23,507	21,700	21,700	21,700
2007	RENT - MACHINE AND OTHER	1,247	820	665	665	665
2009	OTHER OPERATING EXPENSE	46,694	13,099	20,192	20,192	21,943
Total, Objects of Expense		\$545,584	\$481,254	\$487,084	\$487,626	\$489,606
METHOD OF FINANCING:						
1	General Revenue Fund	545,584	481,254	487,084	487,626	489,606
Total, Method of Financing		\$545,584	\$481,254	\$487,084	\$487,626	\$489,606
FULL-TIME-EQUIVALENT POSITIONS (FTE):		5.6	5.6	5.6	5.6	5.6
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
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Strategy		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
3-1-1 Conduct Inspections and Monitor Compliance						
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$165,303	\$167,174	\$183,016	\$183,016	\$183,016
1002	OTHER PERSONNEL COSTS	3,441	4,450	3,273	3,471	3,471
2001	PROFESSIONAL FEES AND SERVICES	32,807	15,962	2,250	2,250	2,250
2002	FUELS AND LUBRICANTS	59	43	75	83	83
2003	CONSUMABLE SUPPLIES	252	373	375	375	150
2004	UTILITIES	414	711	623	649	672
2005	TRAVEL	1,913	1,500	900	900	1,200
2006	RENT - BUILDING	9,086	10,074	9,300	9,300	9,300
2007	RENT - MACHINE AND OTHER	534	352	285	285	285
2009	OTHER OPERATING EXPENSE	20,013	5,613	8,653	8,654	9,404
Total, Objects of Expense		\$233,822	\$206,252	\$208,750	\$208,983	\$209,831
METHOD OF FINANCING:						
1	General Revenue Fund	233,822	206,252	208,750	208,983	209,831
Total, Method of Financing		\$233,822	\$206,252	\$208,750	\$208,983	\$209,831
FULL-TIME-EQUIVALENT POSITIONS (FTE):		2.4	2.4	2.4	2.4	2.4
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
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
GRAND TOTALS						
Objects of Expense						
1001	SALARIES AND WAGES	\$1,102,023	\$1,114,494	\$1,220,107	\$1,220,107	\$1,220,107
1002	OTHER PERSONNEL COSTS	\$22,943	\$29,664	\$21,820	\$23,140	\$23,140
2001	PROFESSIONAL FEES AND SERVICES	\$218,711	\$106,412	\$15,000	\$15,000	\$15,000
2002	FUELS AND LUBRICANTS	\$391	\$284	\$500	\$555	\$555
2003	CONSUMABLE SUPPLIES	\$1,682	\$2,488	\$2,500	\$2,500	\$1,000
2004	UTILITIES	\$2,760	\$4,741	\$4,151	\$4,326	\$4,480
2005	TRAVEL	\$12,752	\$10,000	\$6,000	\$6,000	\$8,000
2006	RENT - BUILDING	\$60,574	\$67,162	\$62,000	\$62,000	\$62,000
2007	RENT - MACHINE AND OTHER	\$3,562	\$2,344	\$1,900	\$1,900	\$1,900
2009	OTHER OPERATING EXPENSE	\$133,415	\$37,424	\$57,691	\$57,690	\$62,692
Total, Objects of Expense		\$1,558,813	\$1,375,013	\$1,391,669	\$1,393,218	\$1,398,874
Method of Financing						
1	General Revenue Fund	\$1,558,813	\$1,375,013	\$1,391,669	\$1,393,218	\$1,398,874
Total, Method of Financing		\$1,558,813	\$1,375,013	\$1,391,669	\$1,393,218	\$1,398,874
Full-Time-Equivalent Positions (FTE)		16.0	16.0	16.0	16.0	16.0



**TEXAS ALCOHOLIC
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