



Legislative Appropriations

Request for Fiscal Years

2018 and 2019

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

by the

TEXAS ALCOHOLIC BEVERAGE COMMISSION

August 19, 2016

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

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

Midland, Texas
Colleyville, Texas
San Antonio, Texas

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85th Regular Session, Agency Submission, Version 1
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Administrator's Statement

The Texas Alcoholic Beverage Commission (TABC) is pleased to produce the agency's Legislative Appropriation Request for the 2018-2019 biennium. The agency's mission is to serve the people of Texas and protect the public health and safety through consistent, fair and timely administration of the Alcoholic Beverage Code. Ensuring the agency has the people, tools, and equipment to meet its mission was paramount during discussions regarding adjustments made to the agency's baseline request and exceptional items.

Rider 7 in the General Appropriations Act requires TABC to cover agency appropriations through fees, fines and surcharges. A conservative estimate for the 2018-2019 biennium is \$152 million in expected collections. The baseline request for TABC for the next biennium is \$96.2 million (and 635 FTEs, of which 257 are TCOLE-certified commissioned peace officers). Even with the agency's exceptional items and indirect expenses included, the \$140.4 million in General Revenue requested by the agency is \$11.6 million less than the agency's expected collections.

Overview of Adjustments to Baseline Request

The impact of the 2016-2017 Appropriations Bill (84th Legislature) on TABC was significant. The Texas Legislature optimized agency resources in terms of the number of FTEs and appropriations. The number of authorized FTEs was reduced, yet the funding was comparable to previous biennia. This allowed the agency to reduce vacancies from an average of 70 down to 15 FTEs over the biennia and eliminated the need to incur vacancies in order to have funds available to meet operating obligations.

With the agency right-sized in the 2016-2017 biennium, the approach taken by the agency to meet the baseline budget for the 2018-2019 biennium was similar to a zero-based budgeting process. We evaluated each expense category as to its inclusion in the 2017-2021 Strategic Plan; ancillary impact on mission if the item was removed, reduced or increased; and overall necessity to the agency. We based future expenditures on historical spend patterns and trend analyses, a low attrition rate among employees, and expected growth of the industry. The end result is a baseline budget of \$96,244,589 garnered through a series of increases and decreases to objects of expense based on the aforementioned considerations.

Considering the Policy Letter limits the 2018-2019 baseline request to 96 percent of the approved 2016-2017 budget, the agency cut 3 FTEs that are currently vacant and made adjustments to operating and capital budgets totaling \$3,960,832. No programs, as a whole, were affected by these adjustments. Considering the agency is very lean in that 75% of its budget is dedicated to salaries, the easiest option in terms of arithmetic would be to reduce the number of FTEs. As outlined in other sections of this statement, the number of authorized FTEs, especially commissioned peace officers, has been reduced over the last 10 years even though the state's population and the number of applications for licenses increased. The agency is concerned about this trend because of the impact a reduced number of Enforcement agents has on the safety of Texas communities and citizens. TABC regulates 72,922 license holders that contribute to a \$36.6 billion industry that pays \$223 million in excise taxes a year. Continued reductions in FTEs could disrupt the marketplace and hinder the agency's role in regulating a responsible and compliant alcoholic beverage industry.

These reductions will impact the functions of the agency and how employees fulfill daily responsibilities. The baseline request as is will not be able to absorb unexpected expenses without drastic consequences. However, the dedicated employees of the Texas Alcoholic Beverage Commission are committed to being fiscally responsible and accountable; providing excellent customer service, and serving the people of Texas.

Exceptions to Baseline Request Limitation

The 84th Legislature (House Bill 11) appropriated TABC \$1,184,618 for the 2016-2017 biennium to hire 6 Special Investigation Agents to address border security. Investigations of organized criminal activity are handled by TABC's Special Investigations Unit (SIU) and Financial Crimes Unit (FCU). TABC added six FTEs to the

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SIU to conduct covert and overt investigations of human smuggling, human trafficking, narcotics trafficking and other organized criminal activities in TABC-licensed premises on the border.

TABC has cancelled 25 TABC license holders and has more than 50 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 FY2018-2019. Although TABC is not requesting funds in the 2018-2019 biennium specific to border security, TABC's resolve to address border security in licensed locations will not wane. The agency has several performance measures related to efforts on the border, one of which has been made a key measure for 2018-2019. TABC continues to collaborate with federal, state and local governments on investigations on the border and throughout the state involving human smuggling, human trafficking, narcotics trafficking and money laundering.

Significant Changes in Policy

TABC initiated a statewide reorganization of its field offices in fiscal year 2016 to distribute the agency's resources in a way which allows us to more closely regulate a growing industry. Boundaries of some offices were realigned based on geographic area, number of licensees, type of licensees, and number of employees in order to more equitably distribute the number of license holders and staff. We believe this reorganization has improved our ability to provide superior customer service, created a more transparent management structure for employees, and allocated resources appropriately.

The Marketing Investigations Unit (MIU) was created in 2014 to investigate prohibited relationships (i.e., tied house provisions) of the Alcoholic Beverage Code, unlawful agreements and/or overlapping ownerships, illegal pricing and discount schemes, and other prohibited industry trade practices. Five auditors from the Audit & Investigations Division (one from each region) were selected to work part-time on high-profile cases. After only one year, the MIU issued fines approaching \$2 million. Considering the level of violations and growing case load, the five team members and a manager were assigned full-time to the MIU in FY2016. MIU investigations are complex in nature, require ample time to complete, and usually involve all three tiers of the alcoholic beverage industry. The MIU's role in assuring a fair and level playing field among license holders is paramount to a healthy and robust Texas marketplace.

A responsibility of TABC as provided in the Alcoholic Beverage Code is to create and maintain its Administrative Rules. In 2014 the agency developed a Rules Committee to schedule a review of all administrative rules beginning in 2015 and continuing through the current biennium. As a result of the review, at their bimonthly meetings the commissioners consider staff's recommendation to readopt, adopt with amendments, or repeal each rule. The expectation is to be on a four-year review schedule as required by Section 2001.039, Government Code by the end of the 2018-2019 biennium. Similarly, the agency established a Policy Committee to examine and make adjustments as needed to the agency's internal policies in order to stay current and applicable to the current workforce, technology and laws.

Significant Changes in Provision of Service

Technology enhancements include online renewals of existing alcoholic beverage licenses. Any TABC-licensed business can now initiate renewal of its two-year license online, which greatly reduces application errors, provides exact amount due, and offers convenient 24/7 access. As outlined in TABC's 2017-2021 Strategic Plan, we will expand online capabilities to applications for an original license.

License holders seeking to sell an alcoholic beverage product in Texas must have an approved label. Applications and payments may now be submitted online. Because online applications have fewer errors, payment is received faster and the process is more efficient for the industry and TABC employees, accelerating the approval process. This results in getting products to the marketplace faster. Another benefit is a complete digital database of all approved labels available to the public on the TABC website.

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In 2016 TABC:Mobile, a user-friendly smartphone application, will be launched. Users can easily locate a nearby TABC-licensed business using their phone's GPS sensor, search by category for certain licensed business, and view any violations of the business. The app can also be used to file a complaint against a licensed establishment and used by retailers to report a breach of the peace inside their business in accordance with Alcoholic Beverage Code requirements. Finally, the app may also be used by local governments and law enforcement to check an establishment's history of TABC violations. It is our belief that this app will provide an improved line of communication between TABC and the public we serve.

Significant Externalities

Multiple lawsuits filed against the agency have challenged several provisions of the Code with many of the suits threatening the viability of the three tier system itself. These cases have demanded considerable TABC resources in terms of money, FTEs, and time in defense of the Code. In addition, as the agency responsible for representing the state in trial, resources from the Office of the Attorney General (OAG) are required in 12 active lawsuits, 8 of which are pending at the trial court level. The judgments from these lawsuits will have an impact on the three tier system, but what is not as obvious is the effect on budgets and resources at multiple agencies over several biennia.

The agency has been the target of an incredible trend in consistently voluminous open records requests in the past year, often from a single entity. While typical requests involve the retrieval of a few specific documents, these requests have required the agency to turn over tens of thousands of pages of documents at a time. TABC's Office of General Counsel has been forced to adjust its staffing in order to adequately respond to the volume of open records requests. Yet during this timeframe, the legal division's normal workload has continued, requiring other employees to take on additional duties or work hours in order to meet the agency's obligations.

Additionally, TABC was required to retain outside counsel to represent TABC in lawsuits associated with certain open records requests. Hiring outside legal counsel was done at the request of the OAG due to the OAG attorneys' heavy workload. TABC is expected to spend more than \$600,000 in FY2016 on outside counsel, expert witnesses and temporary employees with the hope that this amount will diminish as cases are concluded and the OAG is able to represent TABC again.

Meanwhile, the growth of Texas' population (now exceeding 27 million) over the last two years has had a significant impact on the scope of TABC's mission. At present, the agency oversees more than 50,000 licensed locations in Texas, ranging from large-scale beverage manufacturers to small corner convenience stores. This growth has taken place without a commensurate growth in TABC's workforce, which still rests at 639 FTEs, 260 of which are commissioned peace officers. Keeping Texans safe is a critical part of TABC's mission. Without appropriate staffing levels of Enforcement agents, it is difficult to meet the demands of a growing population and alcoholic beverage industry.

Exceptional Items

I. Case Management

TABC currently maintains several systems used by Enforcement, Audit, Licensing and Legal Divisions to track criminal and administrative violations, append case files with activities and information, and monitor disposition of violations. These systems range from an in-house system to an adapted system to an off-the-shelf solution which, collectively, are outdated, no longer supported, and non-intuitive for end users. Additionally, because the systems cannot be altered to meet the more robust security protocols of certain federal agencies, TABC's Special Investigations Unit (SIU) and Financial Crimes Unit (FCU) cannot utilize the systems for case management when involved in task forces with federal partners for statewide operations or border security. Using three disparate systems is cumbersome and a great source of frustration, especially for peace officers who have to duplicate data entry because one system is for administrative cases and the other for criminal cases.

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The appropriation of \$2.2 million will allow TABC to purchase a modernized, off-the-shelf case management system. Functionality includes secure role-based access, staff management, document management, communication management, workflow management, calendar management, and reporting. TABC expects this case management system to help the agency better use, manage, consolidate, share, and protect information accessible through a centralized database.

We expect to realize significant time savings in terms of data entry and report writing. In fact, we estimate four hours per week saved per agent. Assuming approximately 169 agents regularly conduct operations and save four hours per week over the course of 50 weeks worked in a year, the result is a savings of 33,800 hours to the agency from the implementation of a new case management system. This represents a 10% increase in efficiency and a time savings equal to 17 peace officers. Having the administrative burden relieved and the inherent efficiencies of a new case management system realized, TABC could conduct an additional 400 undercover operations and an additional 1,100 minor stings per year without additional staff.

II. Enforcement Positions in the Field

Protecting public safety in licensed establishments is one of the most important aspects of TABC's mission. The significance of this role is reflected in the number of commissioned peace officers in the agency and the performance measures associated with public safety activities. Breaches of the law that indicate a risk to public safety are referred to as public safety violations and include incidents involving minors, intoxicated persons, drugs, prohibited hours of sale or service, breaches of the peace (fighting), and human trafficking. Detecting public safety violations of alcoholic beverage retailers is the responsibility of TABC's Enforcement Division, particularly those employees classified as Agents.

Based on TABC's FY18-19 baseline reconciliation, each Agent is assigned an average of 295 retail locations licensed by TABC. The ideal assignment is closer to 200 locations per Agent. The concerns with the growing difference between the current reality and the goal are an unmanageable workload, diminishing presence of Agents in retail locations, and a decrease in voluntary compliance by the license holders.

The request for \$7.783 million is to hire 41 Enforcement FTEs, more specifically commissioned peace officers, to be located across the state. Ultimately, 33 Agents will be deployed based on factors such as geographic area, number of license holders, and type of license holders. This will provide a more equitable distribution of workload among Agents, estimated at 247 retail locations per Agent. To provide supervision to the newly deployed Agents, six Sergeants and two Captains will be assigned to the field.

Enforcement conducts approximately 81,000 inspections annually of licensed premises. Inspections are Agents' primary law enforcement activity and range from undercover operations and minor stings to open inspections. Of the 15,000 undercover operations and minor stings conducted annually, approximately 10-14% of those inspections detected public safety violations. It is clear TABC can more effectively protect the public by increasing the number of these operations. However, they are resource-intensive, requiring multiple officers (1 Sergeant and 2-4 Agents) for each operation. With the addition of 33 Enforcement Agents and the implementation of case management, TABC could conduct an additional 800 undercover operations and 2,200 minor stings per year, dramatically enhancing the safety of communities across the state of Texas.

III. Licensing Positions

The Licensing Division processes annually more than 85,000 alcoholic beverage licenses. The number of applications has increased by 15.7% in the last three years and the trend is expected to continue. Another trend in the last few years has been the growing complexity of business structures of the applicants. The agency receives applications for original licenses as well as renewal applications every two years from existing license holders. Because an existing license holder can conduct business during the renewal application process, the focus has been on original applications and getting people in business. In order to meet the performance measure of 39 days to process an original application, the agency has relied on overtime pay and interns, neither of which are sustainable in terms of funding or employee satisfaction.

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The increase in productivity due to online processing of renewal applications has been appreciated and will continue as more license holders take advantage of it. Nevertheless, the focus on original applications has caused a backlog in renewal and supplemental applications that is expected to worsen. Five additional FTEs would dramatically reduce the number of days it takes to process renewal and supplemental applications. These FTEs would greatly reduce the need for paid overtime and increase the capacity of high-level Licensing staff by 25%, which would assure applicants--at all levels of complexity--meet the qualifications and allow the agency to meet its performance measure without paying overtime. Ultimately, this influx of employees would allow TABC to put the right people in business faster, which generates tax revenue, creates jobs, and supports the Texas economy.

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

TABC requests the appropriation granted in FY16-17 be extended to the 2018-2019 biennium for \$144,730 for an FTE to provide permanent support to the agency for its transition to the statewide ERP system. The agency project coordination with the Comptroller will begin September 2018 and implementation of the CAPPS Human Resource module is scheduled for July 2019. The requested 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 following implementation. Additional CAPPS support provided by the permanent FTE includes creating and supporting agency internal and external reporting, creating and documenting CAPPS business processes, and overall management of the TABC integrated financial and human resource operations.

V. Vehicles

To enforce public safety in more than 50,000 licensed locations, a fleet of law enforcement vehicles is required to cover the vast state of Texas. TABC's fleet has a significant number of older vehicles, some as old as 2006 models, with more than 120,000 miles on the odometer. Both descriptions go well beyond the standard established by the Comptroller of Public Accounts of replacing vehicles at 100,000 miles or seven years. Meeting the standard is important, otherwise the agency will incur increased maintenance costs, diminishing fuel efficiency, and most importantly, more mission down time for peace officers during repair and maintenance periods.

TABC's current capital budget appropriation for vehicle replacement funds approximately 25 new vehicles per year. At this rate, the fleet will be refreshed every 10.4 years, but there will still be many TABC vehicles exceeding 120,000 miles.

TABC requests \$420,000 in each year of the biennium to procure 15 additional new vehicles each year. This funding means the fleet will be refreshed every 6.5 years and the mileage on all vehicles will be less than 120,000 miles. This would decrease operating costs and, more importantly, increase availability of peace officers to fulfill the mission.

VI. Information Technology

TABC maintains confidential data including personally identifiable information, criminal violation history, legal data, corporate data (including ownership and revenue), sales data, and more. Statutorily, TABC is the custodian of this data and must prevent unauthorized access and use of the data. Based on a DIR-funded assessment of TABC security infrastructure in May 2013, the agency is requesting \$489,000 for the biennium to initiate improvements to TABC's cybersecurity maturity to protect against cybersecurity threats. Without funding for this initiative, TABC's risk exposure to cybersecurity threats is increasingly vulnerable. Additional funds will strengthen our infrastructure in order to further minimize the risk of loss or theft of private information of license holders.

As a participating agency in the Data Center Services contract, TABC has been notified by the Texas Department of Information Resources that TABC's allocation costs for overhead and contract management have increased by 24 percent for the 2018-2019 biennium. TABC has little or no influence on how these costs are allocated to participating agencies, but additional funding of \$621,298 for the biennium would offset the increase.

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Riders

Rider 1--Judgments and Settlements --TABC has 7 cases of active litigation in various stages in federal and state courts challenging the Alcoholic Beverage Code. If the state loses any of these cases in the biennium and is required to pay a judgment or settlement to the plaintiff, the rider directs the Comptroller to make the payment from funds other than those appropriated to TABC.

Rider 2--Grants—Because TABC receives grants and the funding may exceed our capital budget authority, the rider indicates a grant request shall be considered approved unless the Legislative Budget Board issues a written disapproval within 30 days of receipt of the request. The Legislative Budget Board may approve or disapprove a request prior to the completion of the 30 day period.

Ten Percent Base Reduction

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

Item one totals 5% of the reduction and affects 43 public safety and support positions across multiple strategies. This includes reductions in commissioned peace officers, field auditors, application processing staff, legal and support staff, and ports of entry staff. Also in this reduction item are ten office closings, located primarily in the eastern part of the state.

Item two is the remaining 5% reduction that affects 47 additional positions in the areas noted previously as well as staff in the Training Division, Education and Prevention Division, and Office of Professional Responsibility.

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 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 their citizens is jeopardized.

The reductions would also be felt in the Texas economy because people would not get in business as quickly and be delayed in introducing alcoholic beverage products to the marketplace. With fewer staff to work with the public and process applications, applicants would experience longer delays in the processing of their applications for a license and product label.

Background Checks

During the hiring process for commissioned peace officers, TABC carefully investigates candidates applying for these positions, as outlined in the Texas Commission on Law Enforcement rules and Sec. 1701.451, Occupations Code, on employment history, educational records, credit history and legal records. Applicants for civilian positions are subject to a check of the applicant's criminal history, a credit history, and a check of previous employment references as outlined in Sections 103.001 and 104.004(a), Texas Labor Code. Interns, volunteers and any contractors with access to the TABC network are subject to a criminal history check per Sec. 411.1405, Texas 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, Texas Alcoholic Beverage Code. All criminal history information received as part of the check 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

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The agency project coordination with the Comptroller will successfully implement the CAPPS Financials module in September 2016, which will provide a great benefit to the agency in its financial and budgeting processes and allow for enhanced financial reporting capabilities. The agency project coordination with the Comptroller of the CAPPS Human Resource module will begin September 2018 and implementation is scheduled for July 2019. Adequate funding of this project for the agency is critical to ensure successful planning and implementation phases of this coordinated project.

Governing Board

TABC regulates all phases of the alcoholic beverage industry in Texas, from sales, taxation, and importation to manufacturing, transporting, and advertising of alcoholic beverages. The agency is overseen by a three-member board appointed by the Governor and confirmed by the Texas Senate. The members are José Cuevas, Jr., Presiding Officer, of Midland whose term expires November 15, 2015; Steven M. Weinberg, MD, JD of Colleyville, whose term expires November 15, 2017; and Ida Clement Steen of San Antonio, whose term expires November 15, 2019. The commissioners appoint an Executive Director to run day-to-day operations.

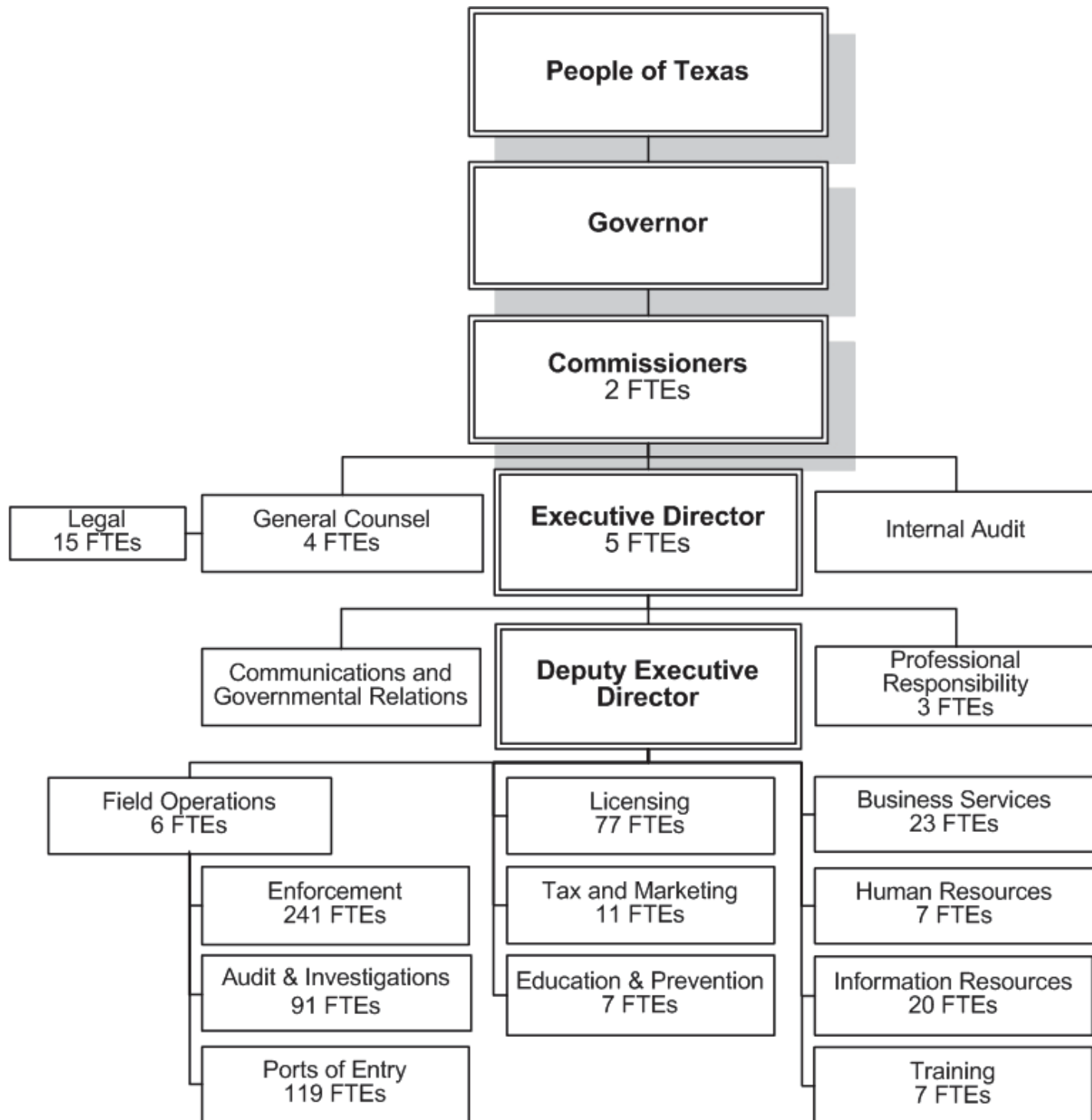
Exempt Position

Commissioners request that TABC be added to the list of agencies in General Appropriations Act, 2018–19 biennium, Article IX, Section 3.04, Scheduled Exempt Positions that allows the governing board to set the salary of the Executive Director within the range of the (current) Group 5 classification indicated in the agency's bill pattern. Otherwise, Commissioners request that the Executive Director's pay be set at the market average salary for similar executive positions, which is \$166,399 per the State Auditor's Office "Report on Executive Compensation at State Agencies" in August 2014. An increase to the salary needs to be made in order to address the salary compression TABC is experiencing within our executive staff. Without an increase, some of the executive staff's salaries could exceed that of the Executive Director.

As Chair of the Texas Alcoholic Beverage Commission, I fully support TABC's Legislative Appropriation Request for the 2018-2019 biennium. Commissioners have worked with staff to develop a Strategic Plan and Legislative Appropriations Request that benefits 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 the agency's mission.

José Cuevas, Jr.
Chair, Texas Alcoholic Beverage Commission

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Executive Division

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

The Executive Director provides oversight of the deputy executive director (assistant administrator), director of the office of professional responsibility, and the director of communications and government relations. Although the general counsel reports to the Commission, the office also has a dual reporting role with the executive office. The Executive Division is allocated 5 FTEs.

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

The field operations division is the agency's largest and most visible division. Three divisions are under the oversight of the field operations division: enforcement, audit and investigations and the ports of entry divisions. Staff in field operations performs both enforcement and compliance functions involving criminal, regulatory and administrative enforcement of the state's alcoholic beverage laws as well as maintaining compliance with personal importation laws. The chief of field operations oversees an assistant chief of enforcement, an assistant chief of audit and investigations, director of ports of entry, in addition to fleet management and warehousing. Field Operations is allocated 6 FTEs.

In the **enforcement division**, certified peace officers, known as TABC agents, inspect premises licensed by the agency and investigate alleged violations of the Alcoholic Beverage Code and other state laws. The Enforcement Division has divided the state into five regions, each supervised by a major that reports to the Assistant Chief of Enforcement. In each region, the enforcement agents, supervisors and support staff are responsible for agency law enforcement operations. Enforcement Division is allocated 241 FTEs.

The **audit and investigations division** is divided into three units: Auditing, Financial Crimes Unit (FCU), and the Special Investigations Unit (SIU). FCU and SIU are focused on dismantling organized criminal activity related to TABC licensed entities. Audit and Investigations is allocated 91 FTEs.

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

The **ports of entry division** operates port of entry facilities at the international bridges located along the state's border with Mexico and at the Galveston Seaport's cruise ship terminals. Tax Compliance Officers (TCOs) stationed at these facilities enforce the state laws that regulate importations of alcoholic beverages and cigarettes for personal consumption and collect the excise taxes and fees that the state levies on these importations. Ports of Entry is allocated 119 FTEs.

Business Services Division

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

Education and Prevention

The **education and prevention division** oversees agency programs involving educating the public, retailers, and their employees of the laws associated with consuming alcoholic beverages. They lead the agency's efforts to prevent illegal underage drinking, illegally making alcohol available to minors, as well as driving while intoxicated. The staff works with different statewide and local agencies, community coalitions and other groups to share information as well as participate in various programs to prevent underage drinking. The Education and Prevention Division is allocated 7 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 the agency'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 the agency, which includes licensing, enforcement, compliance, legal, and business services. Additionally, the division establishes and supports the technology infrastructure that facilitates agency operations, and is charged with researching and analyzing how to apply new technologies to solve business problems. The Information Resources Division is allocated 20 FTEs.

Legal Services / General Counsel Division

The agency's **legal services and general counsel division** prepares, processes, and prosecutes administrative cases dealing with violations of the Alcoholic Beverage Code. This division also reviews and prosecutes application protests by the commission, local authorities, and citizens to the issuance of licenses and permits. When violations by permittees and licensees throughout the state are alleged, a hearing is held by the State Office of Administrative Hearings. Outcomes of such hearings include recommendations to cancel, suspend, grant, or deny a license or permit. The Legal Division is allocated 15 positions. An additional 4 positions are allocated to General Counsel duties.

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 77 FTEs.

Office of Professional Responsibility

The **office of professional responsibility** (internal affairs) oversees or conducts all internal investigations concerning the conduct of agency employees. The Office of Professional Responsibility is allocated 3 FTEs.

Tax Division

The **tax division** is charged with the oversight of the taxing authority of the agency. Personnel receive, process and audit monthly excise tax reports to ensure taxes have been paid and that other reporting requirements are in adherence with the Alcoholic Beverage Code. The division 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.

Training Division

The **training division** manages training and development activities for the agency. Training and development activities conducted by the division include management/supervisory development programs, comprehensive law enforcement training, computer training and required core training. The Training Division is allocated 7 FTEs.

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	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2018-19
Goal: 1. Promote the Health, Safety, and Welfare of the Public											
1.1.1. Enforcement	54,012,350	50,235,893			811,625		217,718	36,000	55,041,693	50,271,893	10,897,571
Total, Goal	54,012,350	50,235,893			811,625		217,718	36,000	55,041,693	50,271,893	10,897,571
Goal: 2. Process Applications and Issue Alcoholic Beverage Licenses & Permits											
2.1.1. Licensing	9,881,246	9,756,543					278,488	278,000	10,159,734	10,034,543	446,258
Total, Goal	9,881,246	9,756,543					278,488	278,000	10,159,734	10,034,543	446,258
Goal: 3. Ensure Compliance with Fees & Taxes											
3.1.1. Compliance Monitoring	13,174,717	13,359,691							13,174,717	13,359,691	
3.2.1. Ports Of Entry	10,892,242	11,169,725							10,892,242	11,169,725	
Total, Goal	24,066,959	24,529,416							24,066,959	24,529,416	
Goal: 4. Indirect Administration											
4.1.1. Central Administration	5,806,324	5,573,052					60,501	4,000	5,866,825	5,577,052	144,730
4.1.2. Information Resources	5,354,395	5,127,227							5,354,395	5,127,227	1,110,298
4.1.3. Other Support Services	1,084,147	1,022,458							1,084,147	1,022,458	
Total, Goal	12,244,866	11,722,737					60,501	4,000	12,305,367	11,726,737	1,255,028
Total, Agency	100,205,421	96,244,589			811,625		556,707	318,000	101,573,753	96,562,589	12,598,857
Total FTEs									639.0	635.0	47.0

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2.A. Summary of Base Request by Strategy

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 Promote the Health, Safety, and Welfare of the Public					
1 Detect/Prevent Law Violations					
1 ENFORCEMENT	25,590,466	27,786,523	27,255,170	24,948,351	25,323,542
TOTAL, GOAL 1	\$25,590,466	\$27,786,523	\$27,255,170	\$24,948,351	\$25,323,542
2 Process Applications and Issue Alcoholic Beverage Licenses & Permits					
1 Process and Approve Applications in a Timely Manner					
1 LICENSING	4,588,538	4,910,542	5,249,192	5,004,855	5,029,688
TOTAL, GOAL 2	\$4,588,538	\$4,910,542	\$5,249,192	\$5,004,855	\$5,029,688
3 Ensure Compliance with Fees & Taxes					
1 Ensure Compliance with Alcoholic Beverage Code					
1 COMPLIANCE MONITORING	5,949,428	6,274,068	6,900,649	6,652,429	6,707,262
2 Ensure Maximum Compliance with Importation Laws at Ports of Entry					
1 PORTS OF ENTRY	5,131,089	5,160,659	5,731,583	5,577,837	5,591,888

2.A. Summary of Base Request by Strategy

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal / Objective / STRATEGY		Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
TOTAL, GOAL	3	\$11,080,517	\$11,434,727	\$12,632,232	\$12,230,266	\$12,299,150
4 Indirect Administration						
1 Indirect Administration						
1 CENTRAL ADMINISTRATION		2,383,293	2,935,860	2,930,965	2,785,821	2,791,231
2 INFORMATION RESOURCES		2,352,567	2,583,191	2,771,204	2,558,961	2,568,266
3 OTHER SUPPORT SERVICES		366,254	550,982	533,165	509,739	512,719
TOTAL, GOAL	4	\$5,102,114	\$6,070,033	\$6,235,334	\$5,854,521	\$5,872,216
TOTAL, AGENCY STRATEGY REQUEST		\$46,361,635	\$50,201,825	\$51,371,928	\$48,037,993	\$48,524,596
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*					\$0	\$0
GRAND TOTAL, AGENCY REQUEST		\$46,361,635	\$50,201,825	\$51,371,928	\$48,037,993	\$48,524,596

2.A. Summary of Base Request by Strategy

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	45,739,721	49,292,493	50,912,928	47,878,993	48,365,596
SUBTOTAL	\$45,739,721	\$49,292,493	\$50,912,928	\$47,878,993	\$48,365,596
Federal Funds:					
555 Federal Funds	468,941	511,625	300,000	0	0
SUBTOTAL	\$468,941	\$511,625	\$300,000	\$0	\$0
Other Funds:					
666 Appropriated Receipts	152,973	397,707	159,000	159,000	159,000
SUBTOTAL	\$152,973	\$397,707	\$159,000	\$159,000	\$159,000
TOTAL, METHOD OF FINANCING	\$46,361,635	\$50,201,825	\$51,371,928	\$48,037,993	\$48,524,596

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

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2.B. Summary of Base Request by Method of Finance
85th 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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE</u>					
<u>1</u> General Revenue Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2014-15 GAA)	\$43,361,135	\$0	\$0	\$0	\$0
Comments: Matches Conference Committee Report (83R)					
Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$49,598,030	\$49,634,348	\$0	\$0
Comments: Matches Conference Committee Report (84R)					
Regular Appropriations from MOF Table (2018 - 2019)	\$0	\$0	\$0	\$47,878,993	\$48,365,596
RIDER APPROPRIATION					
Art IX, Sec 17.08(b), Data Center Increases (2014-15 GAA)	\$455,503	\$0	\$0	\$0	\$0
Comments: Matches Data Center Services Adjustments Report.					
Article IX, Sec 18.03, CAPPs Deployment (2016-17 GAA)	\$0	\$105,967	\$132,277	\$0	\$0

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

85th 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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE</u>						
Comments: Per GAA (84R). Matches amounts in bill pattern.						
Art IX, Sec 14.03(i), Capital Budget UB (2014-15 GAA)						
		\$1,292,491	\$0	\$0	\$0	\$0
Comments: UB Within biennium. Matches the UB report from CPA.						
Art IX, Sec 14.03(i), Capital Budget UB (2016-17 GAA)						
		\$0	\$(296,483)	\$296,483	\$0	\$0
Comments: UB within the biennium. Estimated total amount of Capital Budget UB TABC will be moving forward to FY 2017 based on new PC lease projections.						
<i>TRANSFERS</i>						
Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)						
		\$568,311	\$0	\$0	\$0	\$0
Comments: Matches CPA reports.						
Art IX, Sec 17.07 Salary Increases for State Employees in Salary Schedule C (2014-15 GAA)						
		\$2,542,348	\$0	\$0	\$0	\$0
Comments: Matches CPA reports.						

2.B. Summary of Base Request by Method of Finance
85th 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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE</u>						
Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17)						
		\$0	\$847,431	\$847,431	\$0	\$0
Comments: Matches CPA estimate.						
Art IX, Sec 17.05, Salary Increases for State Employees in Salary Schedule C (2016-17)						
		\$0	\$2,389	\$2,389	\$0	\$0
Comments: Per GAA (84R). Matches amounts in bill pattern.						
LAPSED APPROPRIATIONS						
Regular Appropriations from MOF Table (2014-15 GAA)						
		\$(2,480,067)	\$(964,841)	\$0	\$0	\$0
Comments: 2015: \$1.7 million of lapse is for Enforcement salaries, wages and operating expenses. Remaining \$780,000 is for salaries and operating expenses for Ports of Entry, Compliance Monitoring, Central Administration, Information Resources, and Other Support Services. Licensing and Investigation had zero lapse.2016: \$832,699 of lapse is for Enforcement salaries, wages and operating expenses. Remaining \$132,141 is for salaries & operating expenses for Ports of Entry, Licensing and Investigation, and Compliance Monitoring.						
TOTAL,	General Revenue Fund	\$45,739,721	\$49,292,493	\$50,912,928	\$47,878,993	\$48,365,596
TOTAL, ALL	GENERAL REVENUE	\$45,739,721	\$49,292,493	\$50,912,928	\$47,878,993	\$48,365,596

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

85th 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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>FEDERAL FUNDS</u>						
<u>555</u>	Federal Funds					
	REGULAR APPROPRIATIONS					
	Regular Appropriations from MOF Table (2016-17 GAA)					
		\$0	\$300,000	\$300,000	\$0	\$0
	Comments: Matches Conference Committee Report (84R). This grant was used to enhance training for local law enforcement on alcoholic beverage laws and to increase the number of inspections at licensed retailers thereby increasing public safety and voluntary compliance.					
	This grant paid for a video series to assist in training local law enforcement on violations specific to the alcoholic beverage code and also paid for overtime worked by agents to increase their number of inspections.					
	Regular Appropriations from MOF Table (2014-15 GAA)					
		\$0	\$0	\$0	\$0	\$0
	Comments: Matches Conference Committee Report (83R)					
	RIDER APPROPRIATION					
	Art IX, Sec 8.02, Federal Funds/Block Grants (2014-15 GAA)					
		\$468,941	\$0	\$0	\$0	\$0
	Comments: FY 15 Grants Awarded: TXDOT Promoting Retailer Integrity - \$438,487. Grants expended include TDOT Promoting Retailer Integrity - \$401,557, Source Investigation Law Enforcement Grant - \$65,463, and TXDOT Special Events Grant - \$1920. These adjustments total \$468,941.					

2.B. Summary of Base Request by Method of Finance
85th 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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>FEDERAL FUNDS</u>						
Art IX, Sec 13.01, Federal Funds/Block Grants (2016-17 GAA)						
		\$0	\$211,625	\$0	\$0	\$0
Comments: FY 16 Grants awarded: TXDOT: TABC Promoting Retailer Integrity while Delivering Education - \$30,389. TXDOT: TABC Public Safety Project Grant - \$211,625.						
TOTAL,	Federal Funds	\$468,941	\$511,625	\$300,000	\$0	\$0
TOTAL, ALL	FEDERAL FUNDS	\$468,941	\$511,625	\$300,000	\$0	\$0
<u>OTHER FUNDS</u>						
<u>666</u>	Appropriated Receipts					
	REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2014-15 GAA)						
		\$5,000	\$0	\$0	\$0	\$0
Comments: Matches Conference Committee Report (83R)						
Regular Appropriations from MOF Table (2016-17 GAA)						
		\$0	\$35,000	\$35,000	\$0	\$0
Comments: Matches Conference Committee Report (84R)						

2.B. Summary of Base Request by Method of Finance
85th 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 2015	Est 2016	Bud 2017	Req 2018	Req 2019	
<u>OTHER FUNDS</u>						
Regular Appropriations from MOF Table (2018-19)	\$0	\$0	\$0	\$159,000	\$159,000	
<i>RIDER APPROPRIATION</i>						
Art IX, Sec 8.03, Reimbursements and Payments (2014-15 GAA)	\$25,477	\$0	\$0	\$0	\$0	
Comments: TABC collected \$21,868 in insurance for vehicles damaged, and \$3,609 in Miscellaneous Enforcement for a total of \$25,477.						
Art IX, Sec 8.04, Surplus Property (2014-15 GAA)	\$16,746	\$0	\$0	\$0	\$0	
Comments: TABC received proceeds of \$16,746 from sale of vehicles. This represents 25% of sale proceeds. It is difficult to estimate revenue for these sales because they fluctuate depending of vehicle conditions and mileage. TABC is maintaining vehicles over a longer period, so sales proceeds decline.						
Art IX, Sec 8.11, Credit, Charge or Debit Card Service (2014-15 GAA)	\$102,172	\$0	\$0	\$0	\$0	
Comments: TABC processed approximately 5,150 online transactions for a total of \$8.1 million. Of this \$8.1 million, the fees collected equal \$102,172. This amount is paid to DIR and Texas.gov for credit card and ACH fees.						

2.B. Summary of Base Request by Method of Finance
85th 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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>OTHER FUNDS</u>					
Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)	\$0	\$56,501	\$0	\$0	\$0
Comments: Includes insurance proceeds, sale of publications, fees for open records requests, and other miscellaneous sales.					
Art IX, Sec 8.03, Surplus Property (2016-17 GAA)	\$0	\$2,273	\$0	\$0	\$0
Comments: TABC received proceeds of \$2,273 from the sale of vehicles. This represents 25% of sale proceeds and is based on actual receipts as of May 2016.					
Art IX, Sec 8.10, Credit, Charge or Debit Card Service (2016-17 GAA)	\$0	\$124,488	\$124,000	\$0	\$0
Comments: Agency estimates receipts for credit card on-line payments for licenses and permits.					
Art IX, Sec 8.03, Reimbursements and Payments (2014-15 GAA)	\$127,733	\$0	\$0	\$0	\$0
Comments: Original Receipt of Seized Asset Funds					
Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)	\$0	\$34,434	\$0	\$0	\$0

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

85th 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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>OTHER FUNDS</u>						
Comments: Original receipt of seized asset funds.						
Art V, Rider 10 - Appropriation: Seized Assets, Page V-4 (2014 - 15 GAA).						
		\$20,856	\$0	\$0	\$0	\$0
Comments: FY 2015 UB of seized assets for law enforcement purposes.						
Art V, Rider 9 - Appropriation: Seized Assets, Page V-4 (2016 - 17 GAA).						
		\$(145,011)	\$145,011	\$0	\$0	\$0
Comments: FY 2016 UB of seized assets between biennia used for law enforcement purposes.						
TOTAL,	Appropriated Receipts	\$152,973	\$397,707	\$159,000	\$159,000	\$159,000
TOTAL, ALL	OTHER FUNDS	\$152,973	\$397,707	\$159,000	\$159,000	\$159,000
GRAND TOTAL		\$46,361,635	\$50,201,825	\$51,371,928	\$48,037,993	\$48,524,596

2.B. Summary of Base Request by Method of Finance
85th 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 2015	Est 2016	Bud 2017	Req 2018	Req 2019	
FULL-TIME-EQUIVALENT POSITIONS						
REGULAR APPROPRIATIONS						
Regular Appropriations from MOF Table (2016-17 GAA)	646.8	638.0	638.0	0.0	0.0	
Regular Appropriation from MOF Table (2018-19)	0.0	0.0	0.0	635.0	635.0	
RIDER APPROPRIATION						
Article IX, Sec. 18.03 Centralized Accounting and Payroll/Personnel Systems (2016-17 GAA)	0.0	1.0	1.0	0.0	0.0	
LAPSED APPROPRIATIONS						
Regular Appropriations from MOF Table (2014-15 GAA)	(39.4)	0.0	0.0	0.0	0.0	
Regular Appropriation from MOF Table (2016-17 GAA)	0.0	(15.0)	0.0	0.0	0.0	
TOTAL, ADJUSTED FTES	607.4	624.0	639.0	635.0	635.0	
NUMBER OF 100% FEDERALLY FUNDED FTEs						
	0.0	0.0	0.0	0.0	0.0	

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

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission					
OBJECT OF EXPENSE	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1001 SALARIES AND WAGES	\$32,811,891	\$35,616,742	\$36,837,476	\$36,669,758	\$36,921,730
1002 OTHER PERSONNEL COSTS	\$1,701,764	\$1,388,684	\$1,472,920	\$1,512,190	\$1,479,430
2001 PROFESSIONAL FEES AND SERVICES	\$1,025,347	\$1,496,234	\$1,208,269	\$793,139	\$783,989
2002 FUELS AND LUBRICANTS	\$806,363	\$562,559	\$825,730	\$595,730	\$700,000
2003 CONSUMABLE SUPPLIES	\$343,107	\$233,658	\$252,035	\$192,683	\$194,381
2004 UTILITIES	\$462,394	\$569,604	\$486,417	\$498,822	\$512,332
2005 TRAVEL	\$842,259	\$815,069	\$711,388	\$537,168	\$550,000
2006 RENT - BUILDING	\$2,195,894	\$2,335,493	\$2,334,191	\$2,347,809	\$2,434,296
2007 RENT - MACHINE AND OTHER	\$546,790	\$363,359	\$786,188	\$421,320	\$406,320
2009 OTHER OPERATING EXPENSE	\$3,922,448	\$4,048,169	\$4,559,620	\$3,640,430	\$3,663,174
4000 GRANTS	\$336	\$138	\$0	\$0	\$0
5000 CAPITAL EXPENDITURES	\$1,703,042	\$2,772,116	\$1,897,694	\$828,944	\$878,944
OOE Total (Excluding Riders)	\$46,361,635	\$50,201,825	\$51,371,928	\$48,037,993	\$48,524,596
OOE Total (Riders)					
Grand Total	\$46,361,635	\$50,201,825	\$51,371,928	\$48,037,993	\$48,524,596

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2.D. Summary of Base Request Objective Outcomes
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

458 Alcoholic Beverage Commission					
Goal/ Objective / Outcome	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1 Promote the Health, Safety, and Welfare of the Public					
1 Detect/Prevent Law Violations					
1 Percentage of Licensed Establishments Inspected Annually					
	76.47%	80.16%	82.00%	79.16%	79.16%
2 % of Administrative Cases Resulting in Administrative Sanctions					
	97.53%	97.95%	95.00%	95.00%	95.00%
KEY 3 Percentage of Priority Licensed Locations Inspected by Enforcement					
	90.69%	85.65%	95.00%	76.14%	76.14%
4 Retailer and Direct Sale Manufacturer Public Safety Compliance Rate					
	97.18%	97.42%	98.00%	97.25%	97.25%
5 Priority Licensed Location Public Safety Compliance Rate					
	95.17%	93.96%	96.00%	93.75%	93.75%
6 Recidivism Rate - Licensed Retailers					
	16.25%	12.86%	15.00%	13.25%	13.25%
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					
	36.99	35.50	39.00	35.98	35.98

2.D. Summary of Base Request Objective Outcomes
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

458 Alcoholic Beverage Commission

Goal/ Objective / Outcome		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
3	Ensure Compliance with Fees & Taxes					
	1 Ensure Compliance with Alcoholic Beverage Code					
KEY	1 Compliance Rate - Audits					
		81.31%	85.00%	80.00%	82.20%	82.20%
	2 Percent of Report Analyses Resulting in Correction Notices					
		22.09%	22.33%	15.50%	22.00%	22.00%
KEY	3 % of Inspections by Auditors Where Licensees were in Full Compliance					
		96.45%	95.00%	96.00%	95.00%	95.00%
	2 Ensure Maximum Compliance with Importation Laws at Ports of Entry					
	1 Revenue As a Percent of Expenses					
		111.94%	118.96%	100.00%	120.96%	120.66%

2.E. Summary of Exceptional Items Request
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Priority	Item	2018			2019			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Case Management	\$1,890,346	\$1,890,346	0.0	\$384,018	\$384,018	0.0	\$2,274,364	\$2,274,364
2	Public Safety Positions	\$4,515,890	\$4,515,890	41.0	\$3,267,317	\$3,267,317	41.0	\$7,783,207	\$7,783,207
3	Licensing	\$228,139	\$228,139	5.0	\$218,119	\$218,119	5.0	\$446,258	\$446,258
4	CAPPS	\$72,365	\$72,365	1.0	\$72,365	\$72,365	1.0	\$144,730	\$144,730
5	Vehicles	\$420,000	\$420,000		\$420,000	\$420,000		\$840,000	\$840,000
6	Information Technology	\$509,964	\$509,964		\$600,334	\$600,334		\$1,110,298	\$1,110,298
Total, Exceptional Items Request		\$7,636,704	\$7,636,704	47.0	\$4,962,153	\$4,962,153	47.0	\$12,598,857	\$12,598,857
Method of Financing									
	General Revenue	\$7,636,704	\$7,636,704		\$4,962,153	\$4,962,153		\$12,598,857	\$12,598,857
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$7,636,704	\$7,636,704		\$4,962,153	\$4,962,153		\$12,598,857	\$12,598,857
Full Time Equivalent Positions				47.0				47.0	
Number of 100% Federally Funded FTEs				0.0				0.0	

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2.F. Summary of Total Request by Strategy
85th 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 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
1 Promote the Health, Safety, and Welfare of the Public						
1 <i>Detect/Prevent Law Violations</i>						
1 ENFORCEMENT	\$24,948,351	\$25,323,542	\$6,826,236	\$4,071,335	\$31,774,587	\$29,394,877
TOTAL, GOAL 1	\$24,948,351	\$25,323,542	\$6,826,236	\$4,071,335	\$31,774,587	\$29,394,877
2 Process Applications and Issue Alcoholic Beverage Licenses & Perm						
1 <i>Process and Approve Applications in a Timely Manner</i>						
1 LICENSING	5,004,855	5,029,688	228,139	218,119	5,232,994	5,247,807
TOTAL, GOAL 2	\$5,004,855	\$5,029,688	\$228,139	\$218,119	\$5,232,994	\$5,247,807
3 Ensure Compliance with Fees & Taxes						
1 <i>Ensure Compliance with Alcoholic Beverage Code</i>						
1 COMPLIANCE MONITORING	6,652,429	6,707,262	0	0	6,652,429	6,707,262
2 <i>Ensure Maximum Compliance with Importation Laws at Ports of Ent</i>						
1 PORTS OF ENTRY	5,577,837	5,591,888	0	0	5,577,837	5,591,888
TOTAL, GOAL 3	\$12,230,266	\$12,299,150	\$0	\$0	\$12,230,266	\$12,299,150

2.F. Summary of Total Request by Strategy
85th 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 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
4 Indirect Administration						
1 <i>Indirect Administration</i>						
1 CENTRAL ADMINISTRATION	\$2,785,821	\$2,791,231	\$72,365	\$72,365	\$2,858,186	\$2,863,596
2 INFORMATION RESOURCES	2,558,961	2,568,266	509,964	600,334	3,068,925	3,168,600
3 OTHER SUPPORT SERVICES	509,739	512,719	0	0	509,739	512,719
TOTAL, GOAL 4	\$5,854,521	\$5,872,216	\$582,329	\$672,699	\$6,436,850	\$6,544,915
TOTAL, AGENCY STRATEGY REQUEST	\$48,037,993	\$48,524,596	\$7,636,704	\$4,962,153	\$55,674,697	\$53,486,749
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$48,037,993	\$48,524,596	\$7,636,704	\$4,962,153	\$55,674,697	\$53,486,749

2.F. Summary of Total Request by Strategy
85th 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 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
General Revenue Funds:							
1	General Revenue Fund	\$47,878,993	\$48,365,596	\$7,636,704	\$4,962,153	\$55,515,697	\$53,327,749
		\$47,878,993	\$48,365,596	\$7,636,704	\$4,962,153	\$55,515,697	\$53,327,749
Federal Funds:							
555	Federal Funds	0	0	0	0	0	0
		\$0	\$0	\$0	\$0	\$0	\$0
Other Funds:							
666	Appropriated Receipts	159,000	159,000	0	0	159,000	159,000
		\$159,000	\$159,000	\$0	\$0	\$159,000	\$159,000
TOTAL, METHOD OF FINANCING		\$48,037,993	\$48,524,596	\$7,636,704	\$4,962,153	\$55,674,697	\$53,486,749
FULL TIME EQUIVALENT POSITIONS		635.0	635.0	47.0	47.0	682.0	682.0

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2.G. Summary of Total Request Objective Outcomes
85th 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 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
1	Promote the Health, Safety, and Welfare of the Public						
1	Protect the Public Health, Safety, and Welfare of the Public						
	1 Percentage of Licensed Establishments Inspected Annually						
		79.16%	79.16%	5.72%	11.45%	5.72%	11.45%
	2 % of Administrative Cases Resulting in Administrative Sanctions						
		95.00%	95.00%			95.00%	95.00%
KEY	3 Percentage of Priority Licensed Locations Inspected by Enforcement						
		76.14%	76.14%	5.51%	11.01%	5.51%	11.01%
	4 Retailer and Direct Sale Manufacturer Public Safety Compliance Rate						
		97.25%	97.25%	0.25%	0.50%	0.25%	0.50%
	5 Priority Licensed Location Public Safety Compliance Rate						
		93.75%	93.75%	0.25%	0.50%	0.25%	0.50%
	6 Recidivism Rate - Licensed Retailers						
		13.25%	13.25%	-0.25%	-0.50%	-0.25%	-0.50%
2	Process Applications and Issue Alcoholic Beverage Licenses & Permits						
1	Process and Issue Alcoholic Beverage Licenses & Permits						
KEY	1 Avg Number of Days to Approve an Original Primary License/Permit						
		35.98	35.98	-2.19	-2.19	-2.19	-2.19
3	Ensure Compliance with Fees & Taxes						
1	Ensure Compliance with Alcoholic Beverage Code						

2.G. Summary of Total Request Objective Outcomes
85th 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 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
KEY						
1 Compliance Rate - Audits						
	82.20%	82.20%			82.20%	82.20%
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						
1 Revenue As a Percent of Expenses						
	120.96%	120.66%			120.96%	120.66%

3.A. Strategy Request
85th Regular Session, Agency Submission, Version 1
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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
KEY 1	Number of Inspections Conducted by Enforcement Agents	81,149.00	78,684.00	81,144.00	79,162.00	79,162.00
2	# Inspections Priority Licensed Locations Conducted by Enforcement	39,326.00	23,708.00	46,000.00	36,223.00	36,223.00
KEY 3	Number of OCA/Trafficking Investigations Closed	98.00	113.00	100.00	115.00	115.00
KEY 4	# Multi-Agency/Joint Ops for OCA on Border or GIWW	535.00	466.00	360.00	342.00	342.00
Efficiency Measures:						
KEY 1	Average Cost Per Enforcement Inspection	300.43	342.69	328.12	314.93	319.67
KEY 2	Average Cost of Joint Operations Targeting Organized Crime	1,558.73	2,482.80	2,296.85	2,312.19	2,328.15
Explanatory/Input Measures:						
1	Number of Enforcement Cases Reaching Final Disposition	2,305.00	2,291.00	2,700.00	2,276.00	2,276.00
2	Average Number of Days to Close a Complaint Investigation	46.97	46.38	0.00	46.87	46.87
3	Number of Licensed Locations Subject to Inspection	54,990.00	57,590.00	55,863.00	57,800.00	58,100.00
4	Number of Complaint Investigations Opened	4,998.00	5,687.00	5,500.00	5,687.00	5,687.00
5	Number of Criminal Cases Filed	2,348.00	1,773.00	2,000.00	1,756.00	1,756.00

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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
6	Number of Administrative Cases Initiated by Enforcement Agents	2,495.00	2,376.00	2,700.00	2,350.00	2,350.00
7	Number of Priority Locations	6,960.00	5,749.00	7,000.00	15,825.00	15,825.00
8	Number of Complaint Investigations Closed	5,034.00	5,588.00	5,450.00	5,517.00	5,517.00
9	Number of Joint Operations Targeting Organized Crime Statewide	734.00	604.00	440.00	600.00	600.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$17,954,695	\$19,036,084	\$19,325,891	\$19,117,324	\$19,308,269
1002	OTHER PERSONNEL COSTS	\$1,001,285	\$844,232	\$949,092	\$980,632	\$959,942
2001	PROFESSIONAL FEES AND SERVICES	\$311,827	\$453,964	\$221,600	\$75,400	\$75,400
2002	FUELS AND LUBRICANTS	\$773,747	\$544,294	\$799,179	\$569,479	\$673,749
2003	CONSUMABLE SUPPLIES	\$251,261	\$135,071	\$155,475	\$119,648	\$121,596
2004	UTILITIES	\$255,573	\$267,738	\$267,380	\$273,503	\$284,632
2005	TRAVEL	\$244,312	\$391,156	\$330,064	\$256,557	\$269,389
2006	RENT - BUILDING	\$936,520	\$1,039,197	\$999,196	\$982,671	\$1,024,963
2007	RENT - MACHINE AND OTHER	\$246,550	\$230,167	\$323,284	\$190,829	\$190,828
2009	OTHER OPERATING EXPENSE	\$2,019,773	\$2,117,935	\$1,986,315	\$1,553,364	\$1,535,830
5000	CAPITAL EXPENDITURES	\$1,594,923	\$2,726,685	\$1,897,694	\$828,944	\$878,944

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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, OBJECT OF EXPENSE		\$25,590,466	\$27,786,523	\$27,255,170	\$24,948,351	\$25,323,542
Method of Financing:						
1	General Revenue Fund	\$25,079,538	\$27,075,180	\$26,937,170	\$24,930,351	\$25,305,542
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$25,079,538	\$27,075,180	\$26,937,170	\$24,930,351	\$25,305,542
Method of Financing:						
555	Federal Funds					
	20.616.000 National Priority Safety Programs	\$467,020	\$511,625	\$300,000	\$0	\$0
CFDA Subtotal, Fund	555	\$467,020	\$511,625	\$300,000	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$467,020	\$511,625	\$300,000	\$0	\$0
Method of Financing:						
666	Appropriated Receipts	\$43,908	\$199,718	\$18,000	\$18,000	\$18,000
SUBTOTAL, MOF (OTHER FUNDS)		\$43,908	\$199,718	\$18,000	\$18,000	\$18,000

3.A. Strategy Request
85th Regular Session, Agency Submission, Version 1
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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$24,948,351	\$25,323,542
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$25,590,466	\$27,786,523	\$27,255,170	\$24,948,351	\$25,323,542
FULL TIME EQUIVALENT POSITIONS:		276.5	282.2	286.5	283.5	283.5

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Alcoholic Beverage Code directs the commission to protect the public health and safety, through the consistent, fair and timely administration of the Code. TABC is also directed to investigate violations of the code and of other laws relating to alcoholic beverages and to “supervise and regulate licensees and permittees in their places of business in matters affecting the public.” It also empowers the agency to commission as state police officers “as many inspectors and representatives as are necessary” to enforce the Alcoholic Beverage Code and related laws. This strategy directs and funds the administrative and criminal law enforcement activities needed to fulfill these mandates.

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

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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$55,041,693	\$50,271,893	\$(4,769,800)	\$(2,916,491)	Reduced Public Safety Equipment Replacement. All GR.
			\$233,885	Increase in salaries, personnel costs, and utilities. All GR.
			\$(2,087,194)	Reduced operating costs and 3.0 FTE reduction. All GR.
			\$(4,769,800)	Total of Explanation of Biennial Change

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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
1	Number of Applications Processed	74,822.00	88,555.00	71,484.00	89,750.00	75,725.00
KEY 2	Number of Licenses/Permits Issued	61,665.00	74,763.00	61,080.00	75,175.00	62,400.00
Efficiency Measures:						
KEY 1	Average Cost Per License/Permit Processed	59.20	55.60	64.10	54.22	64.58
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,406,545	\$3,888,919	\$4,048,065	\$4,036,409	\$4,059,184
1002	OTHER PERSONNEL COSTS	\$165,802	\$132,099	\$133,615	\$137,685	\$134,960
2001	PROFESSIONAL FEES AND SERVICES	\$47,221	\$97,719	\$92,920	\$30,250	\$30,250
2002	FUELS AND LUBRICANTS	\$3,775	\$1,623	\$1,850	\$1,850	\$1,850
2003	CONSUMABLE SUPPLIES	\$33,002	\$27,406	\$27,908	\$21,225	\$21,050
2004	UTILITIES	\$28,746	\$26,363	\$21,719	\$25,536	\$22,459
2005	TRAVEL	\$74,090	\$43,122	\$40,039	\$11,750	\$11,750
2006	RENT - BUILDING	\$336,339	\$316,482	\$328,713	\$330,765	\$341,775
2007	RENT - MACHINE AND OTHER	\$71,958	\$8,929	\$114,169	\$63,349	\$48,349
2009	OTHER OPERATING EXPENSE	\$376,966	\$360,555	\$440,194	\$346,036	\$358,061
5000	CAPITAL EXPENDITURES	\$44,094	\$7,325	\$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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, OBJECT OF EXPENSE		\$4,588,538	\$4,910,542	\$5,249,192	\$5,004,855	\$5,029,688
Method of Financing:						
1	General Revenue Fund	\$4,486,366	\$4,771,054	\$5,110,192	\$4,865,855	\$4,890,688
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,486,366	\$4,771,054	\$5,110,192	\$4,865,855	\$4,890,688
Method of Financing:						
666	Appropriated Receipts	\$102,172	\$139,488	\$139,000	\$139,000	\$139,000
SUBTOTAL, MOF (OTHER FUNDS)		\$102,172	\$139,488	\$139,000	\$139,000	\$139,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,004,855	\$5,029,688
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,588,538	\$4,910,542	\$5,249,192	\$5,004,855	\$5,029,688
FULL TIME EQUIVALENT POSITIONS:		79.4	82.2	82.3	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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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This strategy supports the statewide goal to serve the people of Texas, and protect the public health and safety. The division regulates all phases of the alcoholic beverage industry involving manufacturing, sales, purchases, transportation, storage, and distribution with 73 different licenses, permits, and certificates. The division investigates subterfuge ownership, tier violations, other violations, qualifications and local, state and federal agencies. Division staff provides customer service and is typically the sole staff supporting all office functions.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The state economy and population ultimately affects the number of new or failed a/b or business acquisitions requiring subsequent reporting and process action. The division has continued to seek and implement innovative changes in processes for both the applicant and the division. The upcoming FYs will be challenging: budgetary, new or enhanced technology and employee retention as public and state markets compete and complex business structures. These demands will play a major role in the division's responsibilities with an increase in licenses/permits.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL CHANGE	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$10,159,734	\$10,034,543	\$(125,191)	\$193,112	Increase in salaries, personnel costs, fuel, and building rent. No change in FTE's. All GR.
			\$(318,303)	Reduced other operating costs and no change in FTE's. All GR.
			\$(125,191)	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

Service Categories:

STRATEGY: 1 Conduct Inspections and Monitor Compliance

Service: 17

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
	1 Number of Persons Instructed by Auditors	77,261.00	62,640.00	55,300.00	46,900.00	46,900.00
	2 # of Wholesale and Manufacturing Reports Analyzed	49,193.00	51,984.00	60,000.00	52,400.00	52,400.00
KEY 3	Number of Audits Conducted	1,466.00	1,664.00	1,585.00	1,541.00	1,541.00
KEY 4	Inspections Conducted by Auditors	24,752.00	24,602.00	23,200.00	24,500.00	24,500.00
	5 Number of Trainees Obtaining Seller/Server Certification	358,974.00	369,149.00	0.00	369,150.00	369,150.00
Efficiency Measures:						
KEY 1	Average Cost per Audit	324.23	303.16	439.67	329.26	331.40
	2 Average Cost per Auditor Inspection	153.47	178.43	178.08	180.16	181.33
	3 Average Cost per Person at Educational Program	5.99	6.31	10.96	8.45	8.50
	4 Average Cost per Wholesale/Manufacturing Report Analyzed	23.31	24.60	18.12	16.26	16.64
	5 Average Cost Per Seller/Server Trainee Certification	1.22	1.38	0.00	1.31	1.31
Explanatory/Input Measures:						
	1 Number of Administrative Actions by Audit Personnel	13,223.00	13,087.00	14,150.00	13,100.00	13,100.00
	2 # Notices from Analyses of Wholesale/Manufacturing Tier Reports	10,867.00	12,585.00	9,300.00	11,530.00	11,530.00

Objects of Expense:

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

Service Categories:

STRATEGY: 1 Conduct Inspections and Monitor Compliance

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1001	SALARIES AND WAGES	\$4,438,014	\$4,824,994	\$5,243,943	\$5,259,078	\$5,288,114
1002	OTHER PERSONNEL COSTS	\$173,798	\$135,699	\$132,383	\$134,183	\$134,628
2001	PROFESSIONAL FEES AND SERVICES	\$67,763	\$85,203	\$86,112	\$25,603	\$25,602
2002	FUELS AND LUBRICANTS	\$20,313	\$9,158	\$12,181	\$12,181	\$12,181
2003	CONSUMABLE SUPPLIES	\$28,407	\$27,788	\$28,138	\$20,590	\$20,515
2004	UTILITIES	\$43,198	\$44,984	\$53,159	\$57,305	\$58,159
2005	TRAVEL	\$339,444	\$233,199	\$233,697	\$219,526	\$219,526
2006	RENT - BUILDING	\$357,212	\$368,739	\$372,070	\$380,956	\$393,229
2007	RENT - MACHINE AND OTHER	\$86,926	\$77,908	\$129,690	\$57,236	\$57,236
2009	OTHER OPERATING EXPENSE	\$345,293	\$453,546	\$609,276	\$485,771	\$498,072
4000	GRANTS	\$336	\$138	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$48,724	\$12,712	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$5,949,428	\$6,274,068	\$6,900,649	\$6,652,429	\$6,707,262
Method of Financing:						
1	General Revenue Fund	\$5,947,134	\$6,274,068	\$6,900,649	\$6,652,429	\$6,707,262
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$5,947,134	\$6,274,068	\$6,900,649	\$6,652,429	\$6,707,262

Method of Financing:

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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
555	Federal Funds					
	20.616.000 National Priority Safety Programs	\$1,921	\$0	\$0	\$0	\$0
CFDA Subtotal, Fund	555	\$1,921	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$1,921	\$0	\$0	\$0	\$0
Method of Financing:						
666	Appropriated Receipts	\$373	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$373	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$6,652,429	\$6,707,262
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$5,949,428	\$6,274,068	\$6,900,649	\$6,652,429	\$6,707,262
FULL TIME EQUIVALENT POSITIONS:		86.8	86.2	92.2	92.2	92.2

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

Service Categories:

STRATEGY: 1 Conduct Inspections and Monitor Compliance

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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This strategy is comprised of Audit, Tax & Marketing, Education & Prevention, and the Financial Crimes Unit. Audit performs various types of inspections; interviews licensing applicants; conducts investigative, regulatory, financial, marketing, & tax audits. Tax & Marketing processes and reviews monthly tax, shipping, & transport reports related to excise taxes; reviews & approves alcoholic beverage labels, and lab tests certain alcoholic beverages entering the Texas market. Section controls the issuance of identification stamps for distilled spirits sold through local distributions related to the gross receipts tax. Section monitors and responds to marketing issues & inquiries within the industry. Education & Prevention includes grants, seller training, & research; serves as an essential function to improve public safety & increase voluntary compliance with the alcoholic beverage code. The Financial Crimes Unit works in conjunction with the Special Investigations Unit to investigate organized criminal activities occurring with a nexus to the Alcoholic Beverage Industry. This strategy continues the compliance monitoring and education functions at the current services level.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

External factors which may affect this strategy are: 1) any increase in the number of permits & licenses will increase the number of inspections, analyses, reports & compliance activities conducted; 2) global economy increases the complexity and number of investigative audits, 3) upper tier battle for market share increases complexity of Marketing Practices issues; 4) decline in the business climate/economy may increase administrative & criminal actions, 5) increased public awareness of drinking patterns/abuse may affect alcoholic beverage sales and excise tax payments received; and 6) any legislative changes that add or reduce program administration. Additionally, public attitudes concerning alcohol abuse and its consequences, population and level of legislative funding impact this strategy. Internal factors influencing this strategy include staffing levels & allocation; recruitment and retention of qualified personnel and employee knowledge, skills, and ability levels. The quality of the education programs offered by the agency and the accessibility of targeted audiences is also an important factor.

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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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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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 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$13,174,717	\$13,359,691	\$184,974	\$532,704	Increase in salaries, personnel costs, utilities, fuel, and building rent. No change in FTE's. All GR.
			\$(347,730)	Decrease in other operating costs. No change in FTE's. All GR.
			\$184,974	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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
KEY 1	Number of Alcoholic Beverage Containers Stamped	1,409,168.00	1,703,640.00	1,306,795.00	1,686,604.00	1,686,604.00
KEY 2	Number of Cigarette Packages Stamped	413,107.00	415,859.00	380,960.00	411,700.00	411,700.00
Efficiency Measures:						
1	Average Cost Per Alcoholic Beverage Container/Cigarette Package	2.81	2.70	3.29	2.65	2.66
Explanatory/Input Measures:						
1	# Alcoholic Beverage Containers Disallowed	3,391.00	4,097.00	4,000.00	3,893.00	3,893.00
2	Number of Cigarette Packages Disallowed	1,311.00	1,423.00	1,900.00	1,367.00	1,367.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$4,015,374	\$4,247,761	\$4,549,370	\$4,568,257	\$4,574,692
1002	OTHER PERSONNEL COSTS	\$191,899	\$162,240	\$163,745	\$165,705	\$158,090
2001	PROFESSIONAL FEES AND SERVICES	\$132,917	\$120,137	\$75,920	\$20,000	\$15,000
2002	FUELS AND LUBRICANTS	\$4,698	\$4,281	\$6,000	\$6,000	\$6,000
2003	CONSUMABLE SUPPLIES	\$13,882	\$18,937	\$13,808	\$10,000	\$10,000
2004	UTILITIES	\$48,786	\$49,411	\$56,038	\$54,401	\$57,038
2005	TRAVEL	\$135,437	\$74,173	\$54,138	\$38,000	\$38,000
2006	RENT - BUILDING	\$214,621	\$252,615	\$269,110	\$265,000	\$278,172

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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

STRATEGY: 1 Ports of Entry

Service Categories:

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
2007	RENT - MACHINE AND OTHER	\$26,910	\$2,273	\$72,459	\$52,734	\$52,734
2009	OTHER OPERATING EXPENSE	\$336,622	\$228,831	\$470,995	\$397,740	\$402,162
5000	CAPITAL EXPENDITURES	\$9,943	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$5,131,089	\$5,160,659	\$5,731,583	\$5,577,837	\$5,591,888
Method of Financing:						
1	General Revenue Fund	\$5,131,089	\$5,160,659	\$5,731,583	\$5,577,837	\$5,591,888
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$5,131,089	\$5,160,659	\$5,731,583	\$5,577,837	\$5,591,888
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,577,837	\$5,591,888
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$5,131,089	\$5,160,659	\$5,731,583	\$5,577,837	\$5,591,888
FULL TIME EQUIVALENT POSITIONS:		111.0	116.4	119.0	119.0	119.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is mandated under the Alcoholic Beverage Code and state law to prevent the unrestricted flow of alcoholic beverages and cigarettes into the state by preventing illegal importations, and serves as a revenue 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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458 Alcoholic Beverage Commission

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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

This strategy is affected by external factors outside the agency's control, such as:

- 1) Economic conditions in the U.S. and Mexico, especially those affecting currency valuations.
- 2) Safety concerns and fear of crime and violence along the border in Mexico.
- 3) Severe weather issues along the Gulf of Mexico impacting operations.
- 4) Increased costs of building leases, existing port maintenance, and safety improvements of port facilities due to facility renovations and new port constructions.
- 5) Texas unemployment rate and strong private job market, making it a challenge in recruiting and retaining employees to perform the job 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 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$10,892,242	\$11,169,725	\$277,483	\$505,786	Increase in salaries, personnel costs, utilities, fuel, and building rent. No change in FTE's. All GR.
			\$(228,303)	Decrease in other operating costs. No change in FTE's. All GR.
			\$277,483	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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,644,546	\$2,039,712	\$2,053,441	\$2,071,924	\$2,071,924
1002	OTHER PERSONNEL COSTS	\$101,664	\$48,476	\$48,690	\$48,590	\$47,530
2001	PROFESSIONAL FEES AND SERVICES	\$14,563	\$156,425	\$33,949	\$14,349	\$14,349
2002	FUELS AND LUBRICANTS	\$3,057	\$2,155	\$5,210	\$4,910	\$4,910
2003	CONSUMABLE SUPPLIES	\$11,813	\$18,015	\$16,848	\$13,500	\$13,500
2004	UTILITIES	\$6,411	\$11,914	\$11,876	\$11,363	\$11,876
2005	TRAVEL	\$36,357	\$17,500	\$46,490	\$9,735	\$9,735
2006	RENT - BUILDING	\$193,124	\$197,699	\$200,790	\$202,290	\$206,095
2007	RENT - MACHINE AND OTHER	\$34,286	\$18,650	\$47,379	\$23,798	\$23,799
2009	OTHER OPERATING EXPENSE	\$335,662	\$425,314	\$466,292	\$385,362	\$387,513
5000	CAPITAL EXPENDITURES	\$1,810	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,383,293	\$2,935,860	\$2,930,965	\$2,785,821	\$2,791,231
Method of Financing:						
1	General Revenue Fund	\$2,376,773	\$2,877,359	\$2,928,965	\$2,783,821	\$2,789,231
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,376,773	\$2,877,359	\$2,928,965	\$2,783,821	\$2,789,231

3.A. Strategy Request
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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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Method of Financing:						
666	Appropriated Receipts	\$6,520	\$58,501	\$2,000	\$2,000	\$2,000
SUBTOTAL, MOF (OTHER FUNDS)		\$6,520	\$58,501	\$2,000	\$2,000	\$2,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,785,821	\$2,791,231
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,383,293	\$2,935,860	\$2,930,965	\$2,785,821	\$2,791,231
FULL TIME EQUIVALENT POSITIONS:		27.7	30.5	31.5	30.5	30.5
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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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Central Administration includes the Executive, General Counsel, Public Information, Research and Planning, Human Resources, and Finance functional activities. The agency's administrative duties and powers are authorized through the Alcoholic Beverage Code.

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

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

General Counsel directs operations of the Legal Hearings 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 Human Resources Division manages the agencies personnel policies and procedures and risk management.

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

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The Central Administration Strategy is impacted by new laws, changes to the Alcoholic Beverage Code, 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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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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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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 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$5,866,825	\$5,577,052	\$(289,773)	\$63,046	Increased salaries, fuel, and building rent and 1 FTE increase. All GR.
			\$(352,819)	Reduced operating costs. All GR.
			<u>\$(289,773)</u>	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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,094,211	\$1,221,398	\$1,246,443	\$1,246,443	\$1,249,224
1002	OTHER PERSONNEL COSTS	\$52,100	\$35,773	\$32,783	\$32,783	\$32,548
2001	PROFESSIONAL FEES AND SERVICES	\$438,336	\$580,002	\$687,728	\$625,537	\$621,388
2002	FUELS AND LUBRICANTS	\$829	\$380	\$310	\$310	\$310
2003	CONSUMABLE SUPPLIES	\$1,255	\$2,668	\$3,698	\$3,000	\$3,000
2004	UTILITIES	\$80,331	\$165,209	\$71,896	\$72,570	\$73,819
2005	TRAVEL	\$8,506	\$55,516	\$4,404	\$1,500	\$1,500
2006	RENT - BUILDING	\$111,584	\$113,478	\$115,611	\$137,626	\$137,626
2007	RENT - MACHINE AND OTHER	\$73,324	\$17,306	\$86,048	\$24,258	\$24,258
2009	OTHER OPERATING EXPENSE	\$490,817	\$384,596	\$522,283	\$414,934	\$424,593
5000	CAPITAL EXPENDITURES	\$1,274	\$6,865	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,352,567	\$2,583,191	\$2,771,204	\$2,558,961	\$2,568,266
Method of Financing:						
1	General Revenue Fund	\$2,352,567	\$2,583,191	\$2,771,204	\$2,558,961	\$2,568,266
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,352,567	\$2,583,191	\$2,771,204	\$2,558,961	\$2,568,266

3.A. Strategy Request
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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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,558,961	\$2,568,266
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,352,567	\$2,583,191	\$2,771,204	\$2,558,961	\$2,568,266
FULL TIME EQUIVALENT POSITIONS:		19.8	20.0	20.0	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, enforcement, compliance, legal, and business services. Additionally, the division establishes and supports the technology infrastructure that facilitates agency operations, and is charged with researching and analyzing how to apply new technologies to solve business problems. The division also has an established project management office (PMO) to manage all agency projects and the project governance process. Information resources include costs such as daily operations, applications programmers, analysts, personal computer support, and data/voice telecommunications.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

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458 Alcoholic Beverage Commission

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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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 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$5,354,395	\$5,127,227	\$(227,168)	\$73,989	Increase to salaries and building rent. No change in FTE's. All GR.
			\$(301,157)	Reduced operating costs including PC Lease. No change in FTE's. All GR.
			\$(227,168)	Total of Explanation of Biennial Change

3.A. Strategy Request
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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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$258,506	\$357,874	\$370,323	\$370,323	\$370,323
1002	OTHER PERSONNEL COSTS	\$15,216	\$30,165	\$12,612	\$12,612	\$11,732
2001	PROFESSIONAL FEES AND SERVICES	\$12,720	\$2,784	\$10,040	\$2,000	\$2,000
2002	FUELS AND LUBRICANTS	\$(56)	\$668	\$1,000	\$1,000	\$1,000
2003	CONSUMABLE SUPPLIES	\$3,487	\$3,773	\$6,160	\$4,720	\$4,720
2004	UTILITIES	\$(651)	\$3,985	\$4,349	\$4,144	\$4,349
2005	TRAVEL	\$4,113	\$403	\$2,556	\$100	\$100
2006	RENT - BUILDING	\$46,494	\$47,283	\$48,701	\$48,501	\$52,436
2007	RENT - MACHINE AND OTHER	\$6,836	\$8,126	\$13,159	\$9,116	\$9,116
2009	OTHER OPERATING EXPENSE	\$17,315	\$77,392	\$64,265	\$57,223	\$56,943
5000	CAPITAL EXPENDITURES	\$2,274	\$18,529	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$366,254	\$550,982	\$533,165	\$509,739	\$512,719
Method of Financing:						
1	General Revenue Fund	\$366,254	\$550,982	\$533,165	\$509,739	\$512,719
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$366,254	\$550,982	\$533,165	\$509,739	\$512,719

3.A. Strategy Request
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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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$509,739	\$512,719
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$366,254	\$550,982	\$533,165	\$509,739	\$512,719
FULL TIME EQUIVALENT POSITIONS:		6.2	6.5	7.5	7.5	7.5

STRATEGY DESCRIPTION AND JUSTIFICATION:

The strategy is an integral part of the agency's administrative duties and powers are 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.

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

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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This section of the Business Services Division is externally impacted by statute changes related to purchasing, contract management, HUB reporting requirements, Internal Audit recommendations, new energy conservation mandates from Office of the Governor, risk management recommendations made by the State Office of Risk Management, Office of the State Auditor recommendations, and funding made available by the Legislature and policy changes made by the Office of the Comptroller. Internal factors include the degree of automation and IT support made available to the division for managing its mail operations, purchasing program and fixed asset tracking systems.

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 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$1,084,147	\$1,022,458	\$(61,689)	\$(79,582)	Decreased operating cost and 1.0 FTE reduction. All GR.
			\$17,893	Increase in salaries, fuel, utilities, and building rent. All GR.
			<u>\$(61,689)</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
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SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$46,361,635	\$50,201,825	\$51,371,928	\$48,037,993	\$48,524,596
METHODS OF FINANCE (INCLUDING RIDERS):				\$48,037,993	\$48,524,596
METHODS OF FINANCE (EXCLUDING RIDERS):	\$46,361,635	\$50,201,825	\$51,371,928	\$48,037,993	\$48,524,596
FULL TIME EQUIVALENT POSITIONS:	607.4	624.0	639.0	635.0	635.0

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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: August 10, 2016						16-17 Base	Requested 2018	Requested 2019	Biennial Total 18-19	Biennial Difference	
Goal	Goal Name	Strategy	Strategy Name	Program	Program Name					\$	%
A	Regulate Distribution	A.1.1	Enforcement	A.1.1.1.	Criminal Investigation	\$55,041,685	\$31,774,587	\$29,394,876	\$61,169,463	\$6,127,778	11.1%
B	Licensing	B.1.1	Licensing	B.1.1.1	Licensing Businesses	\$10,159,734	\$5,232,994	\$5,247,807	\$10,480,801	\$321,067	3.2%
C	Collect Fees and Taxes	C.1.1	Compliance Monitoring	C.1.1.1	Regulatory Compliance	\$10,725,139	\$5,313,024	\$5,372,106	\$10,685,130	(\$40,009)	-0.4%
				C.1.1.2	Education and Prevention	\$898,660	\$473,667	\$474,867	\$948,534	\$49,874	5.5%
				C.1.1.3	Excise Tax Administration	\$1,550,920	\$838,739	\$860,289	\$1,699,028	\$148,108	9.5%
		C.1.2	Ports of Entry	C.1.2.1	Ports of Entry	\$10,892,242	\$5,577,837	\$5,591,888	\$11,169,725	\$277,483	2.5%
D	Indirect Administration	D.1.1	Central Administration	D.1.1.1	Central Administration	\$5,864,825	\$2,858,186	\$2,863,596	\$5,721,782	(\$143,043)	-2.4%
				D.1.1.2	Other Support Services	\$1,084,147	\$509,739	\$512,719	\$1,022,458	(\$61,689)	-5.7%
				D.1.1.3	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	\$5,301,134	\$3,068,925	\$3,168,600	\$6,237,525	\$936,391	17.7%

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3.B. Rider Revisions and Additions Request

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Paula Reed	Date: August 11, 2016	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>2016</u>	<u>2018</u>	<u>2017</u>	<u>2019</u>
A. Goal: REGULATE DISTRIBUTION				
Outcome (Results/Impact):				
Percentage of Licensed Establishments Inspected Annually Data	82%	<u>79.16%</u>	82%	<u>79.16%</u>
A.1.1. Strategy: ENFORCEMENT				
Output (Volume):				
Number of Inspections Conducted by Enforcement Agents	81,144	<u>79,162</u>	81,144	<u>79,162</u>
Efficiencies:				
Average Cost Per Enforcement Inspection	\$331.30	<u>\$314.93</u>	\$328.12	<u>\$319.67</u>
Average Cost of Multi-Agency/Joint Operations				
Targeting Organized Crime and Trafficking Statewide	\$2,400.73	<u>\$2,312.19</u>	\$2,296.85	<u>\$2,328.15</u>
B. Goal: LICENSING AND INVESTIGATION				
Outcome (Results/Impact):				
Average NUMBER OF Days to Approve an Original Primary License/Permit	39	<u>35.98</u>	39	<u>35.98</u>
B.1.1. Strategy: LICENSING AND INVESTIGATION				
Output (Volume):				
Number of License/Permits Issued	74,782	<u>75,175</u>	61,080	<u>62,400</u>
Efficiencies:				
Average Cost Per License/Permit Issued	\$52.66	<u>\$54.22</u>	\$64.10	<u>\$64.58</u>
C. Goal: COLLECT FEES AND TAXES				
Outcome (Results/Impact):				
The Percent of Audits and Analysis found to be in Full Compliance	80%	<u>82.20%</u>	80%	<u>82.20%</u>
C.1.1. Strategy: COMPLIANCE MONITORING				
Output (Volume):				
Number of Audits and Other Analyses Conducted by Field Auditors	4,585	<u>1,541</u>	4,585	<u>1,541</u>
Efficiencies:				
Average Cost of Audits and Analyses Conducted	\$435.26	<u>\$329.26</u>	\$439.67	<u>\$331.40</u>
C.2.1. Strategy: PORTS OF ENTRY				
Output (Volume):				

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

Number of Alcoholic Beverage Containers Stamped	1,306,735	1,686,604	1,306,795	1,686,604
Number of Cigarette Packages Stamped	418,169	411,700	380,960	411,700

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.

	2016	2018	2017	2019
a. Acquisition of Information Resource Technologies				
(1) Agencywide PC Replacements and Mobile Data Computers – Leased	\$ 456,015	<u>\$313,423</u>	\$ 456,015	<u>\$313,423</u>
(2) Hardware/Software Acquisitions	\$ 434,292	<u>\$339,292</u>	\$ 439,292	<u>\$339,292</u>
Total, Acquisition of Information Resource Technologies	\$ 890,307	<u>\$652,715</u>	\$ 895,307	<u>\$652,715</u>
b. Transportation Items				
(1) Fleet Acquisition – Replacement Vehicles	\$1,077,225	<u>\$699,525</u>	\$ 699,525	<u>\$699,525</u>
c. Acquisition of Capital Equipment and Items				
(1) Public Safety Equipment – Replacement	\$1,692,844	<u>\$129,419</u>	\$1,198,169	<u>\$179,419</u>
d. Data Center Consolidation				
(1) Data Center Consolidation	\$ 603,561	<u>\$614,687</u>	\$ 614,687	<u>\$614,687</u>
Total, Capital Budget	\$4,263,937	<u>\$2,096,346</u>	\$3,407,688	<u>\$2,146,346</u>
Method of Financing (Capital Budget):				
General Revenue Fund	\$4,263,937	<u>\$2,096,346</u>	\$3,407,688	<u>\$2,146,346</u>
Total, Method of Financing	\$4,263,937	<u>\$2,096,346</u>	\$3,407,688	<u>\$2,146,346</u>

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

10	V-4	<p>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 2015 <u>2017</u> unexpended balance estimated to be \$0).</p>
11	V-4	<p>Clothing Provisions.</p> <ul style="list-style-type: none"> a. A commissioned officer who received a \$1,200 clothing allowance pursuant to the General Appropriations Act during the 2014-2015 <u>2016-17</u> biennium shall receive a \$1,200 clothing Allowance in the 2016-17 <u>2018-19</u> 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.
701	V	<p><u>Judgements and Settlements.</u> <u>Payment of judgments or settlements, including attorney's fees and court costs, 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 as approved by the Office of the Attorney General, obtained against the Texas Alcoholic Beverage Commission or any individual(s) acting in their official capacity on behalf of the Texas Alcoholic Beverage Commission shall be paid by the Comptroller and not from funds appropriated herein to the Texas Alcoholic Beverage Commission.</u></p>
702	V	<p><u>Grants.</u> <u>To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements for the receipt and expenditure of federal funds, Texas Alcoholic Beverage Commission (TABC) is hereby exempt from the capital budget rider provisions contained in Article IX of this Act when gifts, grants, inter- local funds and federal funds are received in excess of the amount identified in the agency's capital rider and such funds are designated by the donor, grantor, state entity or federal agency solely for the repair or purchase of specific capital items. Amounts expended from these funding sources shall not count towards the limitations imposed by capital budget provisions elsewhere in this Act. TABC shall notify the Legislative Budget Board and the Governor upon receipt of such funds, of the amount received and the items to be purchased as approved by the donor, grantor,</u></p>

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

state entity or federal agency. It is the intent of the legislature that the expenditure of funds pursuant to this rider not create any ongoing operating cost. The request shall be considered approved unless the Legislative Budget Board issues a written disapproval within 30 days of receipt of the request. The Legislative Budget Board may approve or disapprove a request prior to the completion of the 30 day period.

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4.A. Exceptional Item Request Schedule
85th 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 2018	Excp 2019
<p style="text-align: right;"> Item Name: Case Management Item Priority: 1 IT Component: Yes Anticipated Out-year Costs: No Involve Contracts > \$50,000: Yes Includes Funding for the Following Strategy or Strategies: 01-01-01 Enforcement </p>			
2001	PROFESSIONAL FEES AND SERVICES	772,315	0
2009	OTHER OPERATING EXPENSE	230,000	384,018
5000	CAPITAL EXPENDITURES	888,031	0
TOTAL, OBJECT OF EXPENSE		\$1,890,346	\$384,018
METHOD OF FINANCING:			
1	General Revenue Fund	1,890,346	384,018
TOTAL, METHOD OF FINANCING		\$1,890,346	\$384,018

DESCRIPTION / JUSTIFICATION:

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

TABC maintains several systems in support of these activities:

1. Agency Reporting and Tracking System (ARTS) is a home-grown system to enter activities after they are completed. Activities are tracked by license/permit number, but not by case. The system is cumbersome to use.
 2. CrisNET is incident tracking system. Law enforcement personnel enter incidents after they are completed. Incident tracking includes information about an offense, including offender data, witness data, crime data, evidence data, location data, etc.
 3. Versa:Regulation (VR) is used for Licensing. VR is a commercial-off-the-shelf system developed and maintained by IronData. TABC determined that VR did not meet the agency's needs for Compliance and Enforcement. The Versa package is the software that allows permit holders to renew their permits online.
- TABC intends to invest in a strategic Case Management software solution rather than continually implement "piecemeal" improvements to its current case management software. Toward that end, TABC wishes to acquire software and or services to meet agency Case Management needs – either a Software as a Service (SaaS), Commercial Off-The-Shelf (COTS) solution, or through an Interagency Contract (IAC) with the Department of Public Safety to use their SPURS Case Management solution.

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 2018	Excp 2019
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EXTERNAL/INTERNAL FACTORS:

Data Management tools have been identified to be imperative to the successful implementation and user adoption of a new case management system. The migration of data from legacy systems can be extremely time and resource consuming without proper data integration technologies. In addition, to make the data collected prior to the implementation of a new case management system the most valuable that it can be for future cases, data quality techniques must be performed. Having a better understanding of data structures, and where similar data fields may reside within legacy databases is important for standardization and deduplication of historical data, giving the agency a single view of an entity, whether that be a license holder, offender, or business. While a new case management system will govern the collection and formatting of new data, without a data management toolset attached, there will be a heavier services lift for integration of legacy system data, and a reliance on the quality of that data that has not been vetted with the same level of governance that the new system and processes would require.

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

Case Management

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

NEW

PROPOSED SOFTWARE EXAMPLES (Client-side, server-side, Midrange and Mainframe)

SAS Memex Case Management System

PROPOSED HARDWARE EXAMPLES (Desktop, Laptop, Tablets, Servers, Mainframes, Printers and Monitors)

Servers provisioned through the Data Center Services program

DEVELOPMENT COST AND OTHER COSTS

Programming - DBITS (SAS)	\$772,315
IAC with DPS for infrastructure costs	\$300,000
Training (SAS)	\$80,000
SAS Memex software licenses (350 users)	\$401,250
SAS server license (16 cores)	\$486,781
Software Maintenance - SAS Memex	\$112,350
Software Maintenance - SAS Data Management	\$121,668
Total Cost of Exceptional Item	\$2,274,364

TYPE OF PROJECT

Licensing / Permitting / Monitoring / Enforcement

ALTERNATIVE ANALYSIS

Partial funding does not reap the forecasted productivity benefits. The solution has been architected as a comprehensive approach to modernize multiple TABC legacy systems.

If funding is not received, TABC will continue to use multiple current legacy systems that are not CJIS compliant, require workarounds, highly manual procedures, and integration across systems.

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 2018	Excp 2019
ESTIMATED IT COST								
2016	2017	2018	2019	2020	2021	2022	Total Over Life of Project	
\$0	\$0	\$1,890,346	\$384,018	\$0	\$0	\$0	\$2,274,364	

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

Acquisition off the DIR catalog of Software, e.g., user licenses

Acquisition of a DBITS Contract for Services, e.g., development, training and support.

Note: TABC is also investigating partnering with the Texas Department of Public Safety to become a tenant on their SPURS system (a Memex platform) to reduce overall state costs through economies of scale.

4.A. Exceptional Item Request Schedule
85th 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 2018	Excp 2019
<p>Item Name: Public Safety Positions Item Priority: 2 IT Component: Yes Anticipated Out-year Costs: No Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 01-01-01 Enforcement</p>			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,835,915	2,835,915
2001	PROFESSIONAL FEES AND SERVICES	10,332	10,332
2002	FUELS AND LUBRICANTS	123,000	123,000
2003	CONSUMABLE SUPPLIES	20,500	20,500
2004	UTILITIES	49,200	49,200
2005	TRAVEL	82,000	82,000
2006	RENT - BUILDING	123,000	123,000
2007	RENT - MACHINE AND OTHER	23,370	23,370
2009	OTHER OPERATING EXPENSE	182,573	0
5000	CAPITAL EXPENDITURES	1,066,000	0
TOTAL, OBJECT OF EXPENSE		\$4,515,890	\$3,267,317
METHOD OF FINANCING:			
1	General Revenue Fund	4,515,890	3,267,317
TOTAL, METHOD OF FINANCING		\$4,515,890	\$3,267,317
FULL-TIME EQUIVALENT POSITIONS (FTE):		41.00	41.00

DESCRIPTION / JUSTIFICATION:

The Enforcement Division is requesting 2 Captains, 6 Sergeants and 30 Agents for the biennium. Currently the state is divided into Sectors with a sergeant assigned to each. Each sergeant is responsible for 5-7 agents and reports to a lieutenant. Each agent is assigned a Service Area and is responsible for about 225 permits. Agents are required to conduct inspections at these locations, perform in an open and undercover capacity in Undercover Operations and conduct Minor Stings. Enforcement agents are tasked with protecting public safety within the state of Texas and seek to foster voluntary compliance with the Alcoholic Beverage Code. Enforcement agents investigate violations of the Code and supervise and regulate licensees and permittee's at their place of business in matters affecting the sale of alcohol to the public. To achieve these goals the agency is empowered to commission agents as state police officers to protect public health and safety and to ensure voluntary compliance by using a broad array of law enforcement and educational methods. For those licensees that refuse to operate a safe and reputable business, the Agency has developed a list of violations called Public Safety Violations. They are classified as Sales to Minors, Sales to Intoxicated Persons, Sales During Prohibited Hours, Breaches of the Peace (fights/assaults), Narcotics, and Human Trafficking. The amount of resources directed towards a specific licensee or permittee is based on the level of assessed risk. Risk is assessed based on the Agency's past experience with the licensed location. Agents routinely perform inspections of existing licenses and permits to ensure compliance with applicable statutes and agency rules.

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 2018	Excp 2019
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Enforcement agents communicate with local law enforcement agencies to identify locations that are contributing to public safety issues. Agents work complaints involving public safety issues and protests involving the retail tier of the alcoholic beverage industry.

EXTERNAL/INTERNAL FACTORS:

External factors 1) The current volatile climate towards Law Enforcement Officers has created an uncertainty for all Law Enforcement personnel as well as those operations that require law enforcement oversight. The Agency views this as an officer safety issue. Over the last 2 years, the number of permits has increased in all of the 3-tiers. Thus, our staff to permit ratio has increased significantly. As a result, a directive has been given to all TABC Agents to partner-up for all inspections. 2) A robust 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 compete for a shrinking market share 4) legislative changes that add or reduce program administration.

Internal Factors 1) staffing levels and staff allocations; 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 3) the quality of the programs and initiatives in place for public and industry education and their deployment to targeted audiences.

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

With the addition of new FTEs, these employees would be added to the current PC lease at an average cost of \$265 per year.

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

CURRENT

PROPOSED SOFTWARE EXAMPLES (Client-side, server-side, Midrange and Mainframe)

NA

PROPOSED HARDWARE EXAMPLES (Desktop, Laptop, Tablets, Servers, Mainframes, Printers and Monitors)

Hardware for new FTEs would include either a desktop, laptop or tablet depending on their job needs.

DEVELOPMENT COST AND OTHER COSTS

NA

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.

ESTIMATED IT COST

2016	2017	2018	2019	2020	2021	2022	Total Over Life of Project
\$0	\$0	\$265	\$265	\$265	\$265	\$265	\$1,325

4.A. Exceptional Item Request Schedule
85th 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 2018	Excp 2019
<p>Item Name: Licensing Item Priority: 3 IT Component: Yes Anticipated Out-year Costs: No Involve Contracts > \$50,000: No</p> <p>Includes Funding for the Following Strategy or Strategies: 02-01-01 Licensing</p>			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	193,459	193,459
2001	PROFESSIONAL FEES AND SERVICES	1,260	1,260
2003	CONSUMABLE SUPPLIES	2,500	2,500
2004	UTILITIES	3,000	3,000
2006	RENT - BUILDING	15,000	15,000
2007	RENT - MACHINE AND OTHER	1,325	1,325
2009	OTHER OPERATING EXPENSE	11,595	1,575
TOTAL, OBJECT OF EXPENSE		\$228,139	\$218,119
METHOD OF FINANCING:			
1	General Revenue Fund	228,139	218,119
TOTAL, METHOD OF FINANCING		\$228,139	\$218,119
FULL-TIME EQUIVALENT POSITIONS (FTE):		5.00	5.00

DESCRIPTION / JUSTIFICATION:

Variables are too multiple to avoid the highs and lows of the receipt of renewal of license/permit applications.

Effects on budget, revenue, workforce, industry, local governmental authorities, licensing services, and statutory restrictions, would make a change in the current process of two year renewal filing cycle impractical. It would be highly probable that it would be more costly than the current process in place.

The primary component of our ability to maintain the steady process of renewals as they are received is the volume of the receipt of original applications which are the primary focus of our division. Division focus remains on our performance measure which has decreased substantially to 39 days from receipt in our field offices to issuance of these original applications from HQ. Originals also have highs and lows based on outside variables; local option elections, area growth, etc. Because originals must remain the priority; staff will continue to juggle the highs and lows in both areas.

Although we have implemented an on-line renewal process, that process is solely the on-line submission of an application and associated fees and surcharges. The on-line renewal applications must also go through a manual (FTE) process to ensure the applicants still meet qualifications prior to approval and issuance of that license or permit renewal. As we move forward with the on-line submission of originals, we will experience the same process for the majority of license and permits. The benefit to the on-line application filing is the decreased error rate by the applicant which in turn makes the manual processing more efficient. It is not an automatic approval process of that application.

4.A. Exceptional Item Request Schedule
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Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION	Excp 2018	Excp 2019
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EXTERNAL/INTERNAL FACTORS:

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

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

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

With the addition of new FTEs, these employees would be added to the current PC lease at an average cost of \$265 per year.

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

CURRENT

PROPOSED SOFTWARE EXAMPLES (Client-side, server-side, Midrange and Mainframe)

NA

PROPOSED HARDWARE EXAMPLES (Desktop, Laptop, Tablets, Servers, Mainframes, Printers and Monitors)

Hardware for new FTEs would include either a desktop, laptop or tablet depending on their job needs.

DEVELOPMENT COST AND OTHER COSTS

NA

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.

ESTIMATED IT COST

2016	2017	2018	2019	2020	2021	2022	Total Over Life of Project
\$0	\$0	\$265	\$265	\$265	\$265	\$265	\$1,325

4.A. Exceptional Item Request Schedule
85th 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 2018	Excp 2019
Item Name: Centralized Accounting and Payroll/Personnel System (CAPPS) Item Priority: 4 IT Component: Yes Anticipated Out-year Costs: No Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 02-01-01 Licensing 04-01-01 Central Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	68,000	68,000
2003	CONSUMABLE SUPPLIES	500	500
2004	UTILITIES	600	600
2006	RENT - BUILDING	3,000	3,000
2007	RENT - MACHINE AND OTHER	265	265
TOTAL, OBJECT OF EXPENSE		\$72,365	\$72,365
METHOD OF FINANCING:			
1	General Revenue Fund	72,365	72,365
TOTAL, METHOD OF FINANCING		\$72,365	\$72,365
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.00	1.00

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. 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 of 2018 and will implement the CAPPS Human Resource module in July of 2019. This funding would include 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 the TABC integrated financial and human resource operations.

EXTERNAL/INTERNAL FACTORS:

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 amount of FTEs in these areas, the employees identified as subject matter experts are also needed to operate daily functions in these business environments.

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

Agency name:

Alcoholic Beverage Commission

CODE	DESCRIPTION	Excp 2018	Excp 2019
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DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

With the addition of new FTEs, these employees would be added to the current PC lease at an average cost of \$265 per year.

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

CURRENT

PROPOSED SOFTWARE EXAMPLES (Client-side, server-side, Midrange and Mainframe)

NA

PROPOSED HARDWARE EXAMPLES (Desktop, Laptop, Tablets, Servers, Mainframes, Printers and Monitors)

Hardware for new FTEs would include either a desktop, laptop or tablet depending on their job needs.

DEVELOPMENT COST AND OTHER COSTS

NA

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

2016	2017	2018	2019	2020	2021	2022	Total Over Life of Project
\$265	\$265	\$265	\$265	\$265	\$265	\$265	\$1,855

4.A. Exceptional Item Request Schedule
85th 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 2018	Excp 2019
	<p>Item Name: Vehicles</p> <p>Item Priority: 5</p> <p>IT Component: No</p> <p>Anticipated Out-year Costs: No</p> <p>Involve Contracts > \$50,000: No</p> <p>Includes Funding for the Following Strategy or Strategies: 01-01-01 Enforcement</p>		
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	420,000	420,000
	TOTAL, OBJECT OF EXPENSE	\$420,000	\$420,000
METHOD OF FINANCING:			
1	General Revenue Fund	420,000	420,000
	TOTAL, METHOD OF FINANCING	\$420,000	\$420,000

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 125,000 miles instead of 100,000 miles. The Agency has developed a plan that if implemented will place vehicle replacements on a 6.5 year replacement cycle.

EXTERNAL/INTERNAL FACTORS:

The agency currently replaces vehicles at 125,000 miles up from a replacement cycle of 7 years or 100,000 miles. This has resulted in an aging fleet. Beginning next biennium, the agency would like to return to replacing vehicles at 100,000 miles for safety and efficiency purposes. Data has shown that as vehicle mileage increases so does the costs associated with operating the vehicle. Data has also shown that our vehicles with over 100,000 miles tend to get lower gas mileage and have increased repair costs.

4.A. Exceptional Item Request Schedule
85th 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 2018	Excp 2019
	Item Name:	Information Technology		
	Item Priority:	6		
	IT Component:	Yes		
	Anticipated Out-year Costs:	No		
	Involve Contracts > \$50,000:	Yes		
	Includes Funding for the Following Strategy or Strategies:	01-01-01 Enforcement		
		04-01-02 Information Resources		
OBJECTS OF EXPENSE:				
2001	PROFESSIONAL FEES AND SERVICES		459,964	545,334
2009	OTHER OPERATING EXPENSE		0	5,000
5000	CAPITAL EXPENDITURES		50,000	50,000
	TOTAL, OBJECT OF EXPENSE		\$509,964	\$600,334
METHOD OF FINANCING:				
1	General Revenue Fund		509,964	600,334
	TOTAL, METHOD OF FINANCING		\$509,964	\$600,334

DESCRIPTION / JUSTIFICATION:

Cybersecurity:

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

As part of the state-wide Enterprise Security Program, TABC engaged Gartner to evaluate the IT Security Program, requirements, and current capabilities against industry leading practices. Gartner recommended 28 initiatives to improve TABC's cybersecurity maturity to protect against cybersecurity threats.

Texas, like many governmental and commercial organizations, has experienced security incidents involving sensitive and confidential data. These security incidents place the State at risk. To address this issue, a state-wide security program has been established aimed at strengthening security by assessing security and risk management at the State agency level. By taking a state-wide risk management approach to IT security, Texas is working aggressively to address the increasing threats faced by the State in the area of cyber security.

Data Center Services:

TABC's allocation costs for overhead and contract management have increased 24 percent, as advised by DIR, for the following cost factors:

- MSI Allocation
- Server Data Center Allocation

4.A. Exceptional Item Request Schedule
85th 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 2018	Excp 2019
•	Cross Functional Services (CSM) Allocation		
•	Cross Functional Services Allocation		

Transferring costs to the DCS from other capital projects for Microsoft Office365 email and SQL Server.

Seven servers previously unbilled by the vendor are now billable. Additional servers for Visual Analytics, disaster recovery, and other infrastructure needs. New Print/Mail services. Growth of storage due to litigation hold, open records, and similar record retention requirements.

EXTERNAL/INTERNAL FACTORS:

Security and Privacy programs are not investments resulting in payback or measurable benefit. Rather, they are tools to prevent and mitigate risks resulting from cybersecurity threats. In short, failure to adequately protect information and technology assets places the state at risk of unauthorized use or unintentional disclosure of private data. The number, types, and complexity of cybersecurity threats are increasing at a rate at which most state agencies are unable to adapt. Unfortunately, state agencies must advance their IT Security Programs to simply keep pace with advances in cybersecurity threats, much less get ahead of those threats to remove the risk entirely.

The consequence of not pursuing these projects is a greater likelihood of unauthorized use, unauthorized intrusion, and/or unauthorized disclosure of state information and technology, or malicious intent to disrupt agency business.

TABC is a participating agency in the Data Center Services contract. As such, TABC is statutorily required to participate in this initiative. The Texas Department of Information Resources manages the contract on behalf of state agencies and allocates overhead costs back to each agency. The cost model has been adjusted to accommodate the new hybrid cloud initiative. Therefore, TABC's costs – as defined by DIR – have increased 24 percent. TABC has little or no influence on how these costs are allocated to participating agencies.

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

Information Technology Improvements

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

NEW

PROPOSED SOFTWARE EXAMPLES (Client-side, server-side, Midrange and Mainframe)

Mobile Device Management Software #15

Vulnerability Scanning Software #4

Data masking utilities #11

Network monitoring tools for redundant network #18

Information Technology Forensics Software #19

Host Intrusion Detection System/Services #25

Identity and Access Management #18

Data-at-Rest Encryption #26

No additional software required for the DCS portion.

4.A. Exceptional Item Request Schedule
85th 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 2018	Excp 2019
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PROPOSED HARDWARE EXAMPLES (Desktop, Laptop, Tablets, Servers, Mainframes, Printers and Monitors)

Additional servers through DCS to accommodate software listed above.

Redundant network equipment #18

Additional servers through DCS to accommodate growth of storage due to litigation hold, open records, and similar record retention requirements.

DEVELOPMENT COST AND OTHER COSTS

Cyber Security

Security Hardware/Software \$100,000

Information Security Analyst II \$170,000

Rent, maintenance, overhead \$10,444

Funding for Cyber Security is based on staff augmentation to assist with 29 distinct recommendations.

DCS

Increase in costs due to increases in overhead allocation to TABC and additional services. \$506,784

Funding for DCS is based on forecasts provided by DIR based on allocated overhead and resource consumption.

TYPE OF PROJECT

Acquisition and Refresh of Hardware and Software

ALTERNATIVE ANALYSIS

TABC wishes to follow information security recommendations from Garter from the 2013 Enterprise Security Review sponsored by DIR.

TABC is statutorily required to participate in the DCS program, including paying for the agency's allocation of overhead.

ESTIMATED IT COST

2016	2017	2018	2019	2020	2021	2022	Total Over Life of Project
\$0	\$0	\$356,936	\$435,292	\$0	\$0	\$0	\$0

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

Cyber Security services will be acquired as temporary employees or staff augmentation through a DIR ITSAC contract.

DCS is already managed through an interagency agreement between TABC and DIR. DIR maintains the contract(s) with the DCS vendors. TABC is statutorily required to participate.

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4.B. Exceptional Items Strategy Allocation Schedule
85th 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 2018	Excp 2019
Item Name: Case Management			
Allocation to Strategy: 1-1-1 Enforcement			
EFFICIENCY MEASURES:			
1	Average Cost Per Enforcement Inspection	23.88	4.85
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	772,315	0
2009	OTHER OPERATING EXPENSE	230,000	384,018
5000	CAPITAL EXPENDITURES	888,031	0
TOTAL, OBJECT OF EXPENSE		\$1,890,346	\$384,018
METHOD OF FINANCING:			
1	General Revenue Fund	1,890,346	384,018
TOTAL, METHOD OF FINANCING		\$1,890,346	\$384,018
FULL-TIME EQUIVALENT POSITIONS (FTE):		0.0	0.0

4.B. Exceptional Items Strategy Allocation Schedule
85th 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 2018	Excp 2019
Item Name: Public Safety Positions			
Allocation to Strategy: 1-1-1 Enforcement			
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>1</u>	Percentage of Licensed Establishments Inspected Annually	5.72%	11.45%
<u>2</u>	% of Administrative Cases Resulting in Administrative Sanctions	0.00%	0.00%
<u>3</u>	Percentage of Priority Licensed Locations Inspected by Enforcement	5.51%	11.01%
<u>4</u>	Retailer and Direct Sale Manufacturer Public Safety Compliance Rate	0.25%	0.50%
<u>5</u>	Priority Licensed Location Public Safety Compliance Rate	0.25%	0.50%
<u>6</u>	Recidivism Rate - Licensed Retailers	-0.25%	-0.50%
OUTPUT MEASURES:			
<u>1</u>	Number of Inspections Conducted by Enforcement Agents	5,724.00	11,448.00
<u>2</u>	# Inspections Priority Licensed Locations Conducted by Enforcement	2,619.00	5,239.00
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Enforcement Inspection	31.96	-4.33
EXPLANATORY/INPUT MEASURES:			
<u>1</u>	Number of Enforcement Cases Reaching Final Disposition	165.00	329.00
<u>2</u>	Average Number of Days to Close a Complaint Investigation	-0.87	-1.74
<u>5</u>	Number of Criminal Cases Filed	127.00	254.00
<u>6</u>	Number of Administrative Cases Initiated by Enforcement Agents	170.00	340.00
<u>8</u>	Number of Complaint Investigations Closed	170.00	170.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,835,915	2,835,915
2001	PROFESSIONAL FEES AND SERVICES	10,332	10,332
2002	FUELS AND LUBRICANTS	123,000	123,000
2003	CONSUMABLE SUPPLIES	20,500	20,500
2004	UTILITIES	49,200	49,200
2005	TRAVEL	82,000	82,000
2006	RENT - BUILDING	123,000	123,000
2007	RENT - MACHINE AND OTHER	23,370	23,370
2009	OTHER OPERATING EXPENSE	182,573	0
5000	CAPITAL EXPENDITURES	1,066,000	0
TOTAL, OBJECT OF EXPENSE		\$4,515,890	\$3,267,317

METHOD OF FINANCING:

4.B. Exceptional Items Strategy Allocation Schedule

85th 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 2018	Excp 2019
<hr/>			
Item Name:	Public Safety Positions		
Allocation to Strategy:	1-1-1 Enforcement		
1 General Revenue Fund		4,515,890	3,267,317
TOTAL, METHOD OF FINANCING		<hr/> \$4,515,890	<hr/> \$3,267,317
FULL-TIME EQUIVALENT POSITIONS (FTE):		41.0	41.0

4.B. Exceptional Items Strategy Allocation Schedule
85th 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 2018	Excp 2019
Item Name: Licensing			
Allocation to Strategy: 2-1-1 Licensing			
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>1</u>	Avg Number of Days to Approve an Original Primary License/Permit	-2.19	-2.19
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per License/Permit Processed	2.54	2.88
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	193,459	193,459
2001	PROFESSIONAL FEES AND SERVICES	1,260	1,260
2003	CONSUMABLE SUPPLIES	2,500	2,500
2004	UTILITIES	3,000	3,000
2006	RENT - BUILDING	15,000	15,000
2007	RENT - MACHINE AND OTHER	1,325	1,325
2009	OTHER OPERATING EXPENSE	11,595	1,575
TOTAL, OBJECT OF EXPENSE		\$228,139	\$218,119
METHOD OF FINANCING:			
1	General Revenue Fund	228,139	218,119
TOTAL, METHOD OF FINANCING		\$228,139	\$218,119
FULL-TIME EQUIVALENT POSITIONS (FTE):		5.0	5.0

4.B. Exceptional Items Strategy Allocation Schedule

85th 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 2018	Excp 2019
Item Name:			
Centralized Accounting and Payroll/Personnel System (CAPPS)			
Allocation to Strategy:			
2-1-1 Licensing			
METHOD OF FINANCING:			
1 General Revenue Fund		0	0
TOTAL, METHOD OF FINANCING		\$0	\$0
FULL-TIME EQUIVALENT POSITIONS (FTE):		0.0	0.0

4.B. Exceptional Items Strategy Allocation Schedule
85th 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 2018	Excp 2019
Item Name: Centralized Accounting and Payroll/Personnel System (CAPPS)			
Allocation to Strategy: 4-1-1 Central Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	68,000	68,000
2003	CONSUMABLE SUPPLIES	500	500
2004	UTILITIES	600	600
2006	RENT - BUILDING	3,000	3,000
2007	RENT - MACHINE AND OTHER	265	265
TOTAL, OBJECT OF EXPENSE		\$72,365	\$72,365
METHOD OF FINANCING:			
1	General Revenue Fund	72,365	72,365
TOTAL, METHOD OF FINANCING		\$72,365	\$72,365
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

4.B. Exceptional Items Strategy Allocation Schedule
85th 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 2018	Excp 2019
Item Name: Vehicles			
Allocation to Strategy: 1-1-1 Enforcement			
EFFICIENCY MEASURES:			
<u>1</u>	Average Cost Per Enforcement Inspection	5.31	5.31
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	420,000	420,000
TOTAL, OBJECT OF EXPENSE		\$420,000	\$420,000
METHOD OF FINANCING:			
1	General Revenue Fund	420,000	420,000
TOTAL, METHOD OF FINANCING		\$420,000	\$420,000

4.B. Exceptional Items Strategy Allocation Schedule

85th 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 2018	Excp 2019
Item Name:		Information Technology	
Allocation to Strategy:		1-1-1	Enforcement
OBJECTS OF EXPENSE:			
2009 OTHER OPERATING EXPENSE		0	0
TOTAL, OBJECT OF EXPENSE		\$0	\$0
METHOD OF FINANCING:			
1 General Revenue Fund		0	0
TOTAL, METHOD OF FINANCING		\$0	\$0

4.B. Exceptional Items Strategy Allocation Schedule

85th 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 2018	Excp 2019
Item Name: Information Technology			
Allocation to Strategy: 4-1-2 Information Resources			
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	459,964	545,334
2009	OTHER OPERATING EXPENSE	0	5,000
5000	CAPITAL EXPENDITURES	50,000	50,000
TOTAL, OBJECT OF EXPENSE		\$509,964	\$600,334
METHOD OF FINANCING:			
1	General Revenue Fund	509,964	600,334
TOTAL, METHOD OF FINANCING		\$509,964	\$600,334

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4.C. Exceptional Items Strategy Request
85th 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	Service Categories:	
STRATEGY:	1 Enforcement	Service: 34	Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2018	Excp 2019
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STRATEGY IMPACT ON OUTCOME MEASURES:

1 Percentage of Licensed Establishments Inspected Annually	5.72 %	11.45 %
3 Percentage of Priority Licensed Locations Inspected by Enforcement	5.51 %	11.01 %
4 Retailer and Direct Sale Manufacturer Public Safety Compliance Rate	0.25 %	0.50 %
5 Priority Licensed Location Public Safety Compliance Rate	0.25 %	0.50 %
6 Recidivism Rate - Licensed Retailers	(0.25) %	(0.50) %

OUTPUT MEASURES:

1 Number of Inspections Conducted by Enforcement Agents	5,724.00	11,448.00
2 # Inspections Priority Licensed Locations Conducted by Enforcement	2,619.00	5,239.00

EFFICIENCY MEASURES:

1 Average Cost Per Enforcement Inspection	61.15	5.83
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EXPLANATORY/INPUT MEASURES:

1 Number of Enforcement Cases Reaching Final Disposition	165.00	329.00
2 Average Number of Days to Close a Complaint Investigation	(0.87)	(1.74)
5 Number of Criminal Cases Filed	127.00	254.00
6 Number of Administrative Cases Initiated by Enforcement Agents	170.00	340.00
8 Number of Complaint Investigations Closed	170.00	170.00

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	2,835,915	2,835,915
2001 PROFESSIONAL FEES AND SERVICES	782,647	10,332
2002 FUELS AND LUBRICANTS	123,000	123,000
2003 CONSUMABLE SUPPLIES	20,500	20,500
2004 UTILITIES	49,200	49,200

4.C. Exceptional Items Strategy Request
85th 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 2018	Excp 2019
2005	TRAVEL	82,000	82,000
2006	RENT - BUILDING	123,000	123,000
2007	RENT - MACHINE AND OTHER	23,370	23,370
2009	OTHER OPERATING EXPENSE	412,573	384,018
5000	CAPITAL EXPENDITURES	2,374,031	420,000
Total, Objects of Expense		\$6,826,236	\$4,071,335

METHOD OF FINANCING:

1 General Revenue Fund

6,826,236 4,071,335

Total, Method of Finance

\$6,826,236 \$4,071,335

FULL-TIME EQUIVALENT POSITIONS (FTE):

41.0

41.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Case Management

Public Safety Positions

Vehicles

Information Technology

4.C. Exceptional Items Strategy Request
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

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

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	Excp 2018	Excp 2019
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STRATEGY IMPACT ON OUTCOME MEASURES:

1 Avg Number of Days to Approve an Original Primary License/Permit	(2.19)	(2.19)
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EFFICIENCY MEASURES:

1 Average Cost Per License/Permit Processed	2.54	2.88
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	193,459	193,459
2001 PROFESSIONAL FEES AND SERVICES	1,260	1,260
2003 CONSUMABLE SUPPLIES	2,500	2,500
2004 UTILITIES	3,000	3,000
2006 RENT - BUILDING	15,000	15,000
2007 RENT - MACHINE AND OTHER	1,325	1,325
2009 OTHER OPERATING EXPENSE	11,595	1,575

Total, Objects of Expense

	\$228,139	\$218,119
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METHOD OF FINANCING:

1 General Revenue Fund	228,139	218,119
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Total, Method of Finance

	\$228,139	\$218,119
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FULL-TIME EQUIVALENT POSITIONS (FTE):

	5.0	5.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Licensing

Centralized Accounting and Payroll/Personnel System (CAPPS)

4.C. Exceptional Items Strategy Request
85th 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: 1 Central Administration

Service Categories:

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

CODE	DESCRIPTION	Excp 2018	Excp 2019
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	68,000	68,000
2003	CONSUMABLE SUPPLIES	500	500
2004	UTILITIES	600	600
2006	RENT - BUILDING	3,000	3,000
2007	RENT - MACHINE AND OTHER	265	265
Total, Objects of Expense		\$72,365	\$72,365

METHOD OF FINANCING:

1 General Revenue Fund	72,365	72,365
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Total, Method of Finance	\$72,365	\$72,365
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FULL-TIME EQUIVALENT POSITIONS (FTE):

1.0	1.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Centralized Accounting and Payroll/Personnel System (CAPPS)

4.C. Exceptional Items Strategy Request
85th 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 2018	Excp 2019
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	459,964	545,334
2009	OTHER OPERATING EXPENSE	0	5,000
5000	CAPITAL EXPENDITURES	50,000	50,000
Total, Objects of Expense		\$509,964	\$600,334

METHOD OF FINANCING:

1 General Revenue Fund

509,964 600,334

Total, Method of Finance

\$509,964 \$600,334

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Information Technology

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5.A. Capital Budget Project Schedule
85th 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 2016	Bud 2017	BL 2018	BL 2019
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		\$137,820	\$680,640	\$313,423	\$313,423
		Capital Subtotal OOE, Project	1	\$137,820	\$680,640	\$313,423	\$313,423
<u>Informational</u>							
General	1001	SALARIES AND WAGES		\$0	\$0	\$0	\$0
		Informational Subtotal OOE, Project	1	\$0	\$0	\$0	\$0
		Subtotal OOE, Project	1	\$137,820	\$680,640	\$313,423	\$313,423
TYPE OF FINANCING							
<u>Capital</u>							
General	CA	1 General Revenue Fund		\$137,820	\$680,640	\$313,423	\$313,423
		Capital Subtotal TOF, Project	1	\$137,820	\$680,640	\$313,423	\$313,423
		Subtotal TOF, Project	1	\$137,820	\$680,640	\$313,423	\$313,423
<i>4/4 Hardware/Software Acquisitions</i>							
OBJECTS OF EXPENSE							
<u>Capital</u>							
General	2001	PROFESSIONAL FEES AND SERVICES		\$11,822	\$0	\$0	\$0
General	2003	CONSUMABLE SUPPLIES		\$110	\$0	\$0	\$0
General	2004	UTILITIES		\$45,061	\$0	\$0	\$0
General	2009	OTHER OPERATING EXPENSE		\$264,942	\$449,269	\$339,292	\$339,292

5.A. Capital Budget Project Schedule
85th 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 2016	Bud 2017	BL 2018	BL 2019
Capital Subtotal OOE, Project	4		\$321,935	\$449,269	\$339,292	\$339,292
Subtotal OOE, Project	4		\$321,935	\$449,269	\$339,292	\$339,292
TYPE OF FINANCING						
<u>Capital</u>						
General CA 1 General Revenue Fund			\$321,935	\$449,269	\$339,292	\$339,292
Capital Subtotal TOF, Project	4		\$321,935	\$449,269	\$339,292	\$339,292
Subtotal TOF, Project	4		\$321,935	\$449,269	\$339,292	\$339,292
<i>6/6 Case Management</i>						
OBJECTS OF EXPENSE						
<u>Capital</u>						
General 2001 PROFESSIONAL FEES AND SERVICES			\$0	\$0	\$0	\$0
General 2009 OTHER OPERATING EXPENSE			\$0	\$0	\$0	\$0
General 5000 CAPITAL EXPENDITURES			\$0	\$0	\$0	\$0
Capital Subtotal OOE, Project	6		\$0	\$0	\$0	\$0
Subtotal OOE, Project	6		\$0	\$0	\$0	\$0
TYPE OF FINANCING						
<u>Capital</u>						
General CA 1 General Revenue Fund			\$0	\$0	\$0	\$0
Capital Subtotal TOF, Project	6		\$0	\$0	\$0	\$0
Subtotal TOF, Project	6		\$0	\$0	\$0	\$0

8/8 Information Technology

OBJECTS OF EXPENSE

5.A. Capital Budget Project Schedule
85th 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 2016	Bud 2017	BL 2018	BL 2019	
<u>Capital</u>							
General	2001	PROFESSIONAL FEES AND SERVICES		\$0	\$0	\$0	\$0
General	2009	OTHER OPERATING EXPENSE		\$0	\$0	\$0	\$0
General	5000	CAPITAL EXPENDITURES		\$0	\$0	\$0	\$0
Capital Subtotal OOE, Project				8	\$0	\$0	\$0
Subtotal OOE, Project				8	\$0	\$0	\$0
TYPE OF FINANCING							
<u>Capital</u>							
General	CA	1	General Revenue Fund	\$0	\$0	\$0	\$0
Capital Subtotal TOF, Project				8	\$0	\$0	\$0
Subtotal TOF, Project				8	\$0	\$0	\$0
Capital Subtotal, Category				5005	\$459,755	\$1,129,909	\$652,715
Informational Subtotal, Category				5005			\$652,715
Total, Category				5005	\$459,755	\$1,129,909	\$652,715
5006 Transportation Items							
3/3 Acquisition of Replacement and Additional Vehicles for Fleet							
OBJECTS OF EXPENSE							
<u>Capital</u>							
General	5000	CAPITAL EXPENDITURES		\$1,330,134	\$699,525	\$699,525	\$699,525
Capital Subtotal OOE, Project				3	\$1,330,134	\$699,525	\$699,525
Subtotal OOE, Project				3	\$1,330,134	\$699,525	\$699,525

5.A. Capital Budget Project Schedule
85th 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 2016	Bud 2017	BL 2018	BL 2019
TYPE OF FINANCING						
<u>Capital</u>						
General	CA	1 General Revenue Fund	\$1,330,134	\$699,525	\$699,525	\$699,525
Capital Subtotal TOF, Project			\$1,330,134	\$699,525	\$699,525	\$699,525
Subtotal TOF, Project			\$1,330,134	\$699,525	\$699,525	\$699,525
Capital Subtotal, Category			\$1,330,134	\$699,525	\$699,525	\$699,525
Informational Subtotal, Category						
Total, Category			\$1,330,134	\$699,525	\$699,525	\$699,525
5007 Acquisition of Capital Equipment and Items						
<i>5/5 Public Safety Equipment - Replacement</i>						
OBJECTS OF EXPENSE						
<u>Capital</u>						
General	2009	OTHER OPERATING EXPENSE	\$165,040	\$0	\$0	\$0
General	5000	CAPITAL EXPENDITURES	\$1,373,955	\$1,198,169	\$129,419	\$179,419
Capital Subtotal OOE, Project			\$1,538,995	\$1,198,169	\$129,419	\$179,419
Subtotal OOE, Project			\$1,538,995	\$1,198,169	\$129,419	\$179,419
TYPE OF FINANCING						
<u>Capital</u>						
General	CA	1 General Revenue Fund	\$1,538,995	\$1,198,169	\$129,419	\$179,419
Capital Subtotal TOF, Project			\$1,538,995	\$1,198,169	\$129,419	\$179,419
Subtotal TOF, Project			\$1,538,995	\$1,198,169	\$129,419	\$179,419

5.A. Capital Budget Project Schedule
85th 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 2016	Bud 2017	BL 2018	BL 2019
<i>9/9 Building Security Projects</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2009 OTHER OPERATING EXPENSE	\$32,408	\$0	\$0	\$0
General	5000 CAPITAL EXPENDITURES	\$61,162	\$0	\$0	\$0
Capital Subtotal OOE, Project		\$93,570	\$0	\$0	\$0
Subtotal OOE, Project		\$93,570	\$0	\$0	\$0
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$93,570	\$0	\$0	\$0
Capital Subtotal TOF, Project		\$93,570	\$0	\$0	\$0
Subtotal TOF, Project		\$93,570	\$0	\$0	\$0
Capital Subtotal, Category		\$1,632,565	\$1,198,169	\$129,419	\$179,419
Informational Subtotal, Category					
Total, Category		\$1,632,565	\$1,198,169	\$129,419	\$179,419
7000 Data Center Consolidation					
<i>2/2 Data Center Consolidation</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2001 PROFESSIONAL FEES AND SERVICES	\$541,680	\$676,568	\$614,687	\$614,687
Capital Subtotal OOE, Project		\$541,680	\$676,568	\$614,687	\$614,687
Subtotal OOE, Project		\$541,680	\$676,568	\$614,687	\$614,687

5.A. Capital Budget Project Schedule
85th 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 2016	Bud 2017	BL 2018	BL 2019
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$541,680	\$676,568	\$614,687	\$614,687
	Capital Subtotal TOF, Project 2	\$541,680	\$676,568	\$614,687	\$614,687
	Subtotal TOF, Project 2	\$541,680	\$676,568	\$614,687	\$614,687
	Capital Subtotal, Category 7000	\$541,680	\$676,568	\$614,687	\$614,687
	Informational Subtotal, Category 7000				
	Total, Category 7000	\$541,680	\$676,568	\$614,687	\$614,687

8000 Centralized Accounting and Payroll/Personnel System (CAPPS)

*7/7 Centralized Accounting and Payroll Personnel
System Implementation*

OBJECTS OF EXPENSE

Capital

General	1001 SALARIES AND WAGES	\$42,750	\$58,425	\$0	\$0
General	1002 OTHER PERSONNEL COSTS	\$310	\$240	\$0	\$0
General	2001 PROFESSIONAL FEES AND SERVICES	\$20,063	\$0	\$0	\$0
General	2002 FUELS AND LUBRICANTS	\$0	\$300	\$0	\$0
General	2003 CONSUMABLE SUPPLIES	\$371	\$200	\$0	\$0
General	2004 UTILITIES	\$0	\$0	\$0	\$0
General	2005 TRAVEL	\$51	\$20,000	\$0	\$0
General	2006 RENT - BUILDING	\$0	\$0	\$0	\$0
General	2007 RENT - MACHINE AND OTHER	\$0	\$500	\$0	\$0
General	2009 OTHER OPERATING EXPENSE	\$2,575	\$52,612	\$0	\$0

5.A. Capital Budget Project Schedule
85th 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 2016	Bud 2017	BL 2018	BL 2019
Capital Subtotal OOE, Project	7		\$66,120	\$132,277	\$0	\$0
Subtotal OOE, Project	7		\$66,120	\$132,277	\$0	\$0
TYPE OF FINANCING						
<u>Capital</u>						
General CA 1	General Revenue Fund		\$66,120	\$132,277	\$0	\$0
Capital Subtotal TOF, Project	7		\$66,120	\$132,277	\$0	\$0
Subtotal TOF, Project	7		\$66,120	\$132,277	\$0	\$0
Capital Subtotal, Category	8000		\$66,120	\$132,277	\$0	\$0
Informational Subtotal, Category	8000					
Total, Category	8000		\$66,120	\$132,277	\$0	\$0
AGENCY TOTAL -CAPITAL			\$4,030,254	\$3,836,448	\$2,096,346	\$2,146,346
AGENCY TOTAL -INFORMATIONAL						
AGENCY TOTAL			\$4,030,254	\$3,836,448	\$2,096,346	\$2,146,346
METHOD OF FINANCING:						
<u>Capital</u>						
General 1	General Revenue Fund		\$4,030,254	\$3,836,448	\$2,096,346	\$2,146,346
Total, Method of Financing-Capital			\$4,030,254	\$3,836,448	\$2,096,346	\$2,146,346
<u>Informational</u>						
Total, Method of Financing-Informational						

5.A. Capital Budget Project Schedule
85th 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 2016	Bud 2017	BL 2018	BL 2019
TYPE OF FINANCING:					
<u>Capital</u>					
General	CA CURRENT APPROPRIATIONS	\$4,030,254	\$3,836,448	\$2,096,346	\$2,146,346
Total, Type of Financing-Capital		\$4,030,254	\$3,836,448	\$2,096,346	\$2,146,346
<u>Informational</u>					
Total, Type of Financing-Informational					
Total,Type of Financing		\$4,030,254	\$3,836,448	\$2,096,346	\$2,146,346

5.B. Capital Budget Project Information
85th 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), and laptops with Intel® Core™ Series Processor or better processor technology capable of supporting a graphical user interface, client/server applications, and multimedia applications to achieve enhanced employee productivity. This project also provides 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.

Number of Units / Average Unit Cost PC desktop \$1,011; laptop \$1754; tablet \$1662

Estimated Completion Date On-going

Additional Capital Expenditure Amounts Required	2020	2021
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life On-going baseline request

Estimated/Actual Project Cost \$0

Length of Financing/ Lease Period 4 years

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2018	2019	2020	2021	Total over project life
	313,423	321,314	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 computer, laptops 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 and People of Texas.

Frequency of Use and External Factors Affecting Use:

Weekday use for non-law enforcement employees and 24 hours a day, 7 days a week use by law enforcement employees. External factors include changes to quality and pricing of hardware.

5.B. Capital Budget Project Information
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

PROJECT DESCRIPTION

General Information

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

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

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

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

Number of Units / Average Unit Cost	Based on statewide contract
Estimated Completion Date	On-going
Additional Capital Expenditure Amounts Required	<div style="display: flex; justify-content: space-between; width: 100%;"> 2020 2021 </div> <div style="display: flex; justify-content: space-between; width: 100%;"> 0 0 </div>
Type of Financing	CA CURRENT APPROPRIATIONS
Projected Useful Life	Length of contract
Estimated/Actual Project Cost	\$0
Length of Financing/ Lease Period	Length of contract; baseline request contract expended not financed.

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2018	2019	2020	2021	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

5.B. Capital Budget Project Information
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

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

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

Frequency of Use and External Factors Affecting Use:
Daily use and access to Texas Alcoholic Beverage Commission systems.

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

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

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

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5.B. Capital Budget Project Information
85th 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:	6	Project Name:	Case Management

PROJECT DESCRIPTION

General Information

TABC seeks to acquire or subscribe to a system to manage activities performed by Field Operations and other Divisions in support of identifying violations and disposing of those violations. This includes functions traditionally found in Code Enforcement Systems, Law Enforcement Systems, and Legal Case Management Systems. TABC also seeks supporting functions of staff management, document management, communication management, workflow management, calendar management, and management reporting. TABC intends the Case Management System to help TABC better use, manage, consolidate, share, and protect information accessible through a centralized database.

Number of Units / Average Unit Cost Contracted for Professional services through DIR contracts

Estimated Completion Date 08/31/2019

Additional Capital Expenditure Amounts Required	2020	2021
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life On going

Estimated/Actual Project Cost \$2,274,364

Length of Financing/ Lease Period Item expended not financed.

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2018	2019	2020	2021	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 intends to invest in a strategic Case Management software solution rather than continually implement “piecemeal” improvements to its current case management software. Toward that end, TABC wishes to acquire software and or services to meet agency Case Management needs – either a Software as a Service (SaaS), Commercial Off-The-Shelf (COTS) solution, or through an Interagency Contract (IAC) with the Department of Public Safety to use their SPURS Case Management solution.

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

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

Frequency of Use and External Factors Affecting Use:

Daily use by Texas Alcoholic Beverage Commission employees.

5.B. Capital Budget Project Information
85th 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:	7	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 of 2018 and will implement the CAPPS Human Resource module in July of 2019. This funding would include 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 the TABC 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 amount of FTEs in these areas, the employees identified as subject matter experts are also needed to operate daily functions in these business environments.

Number of Units / Average Unit Cost	NA			
Estimated Completion Date	September 2019			
Additional Capital Expenditure Amounts Required		2020		2021
		0		0
Type of Financing	CA	CURRENT APPROPRIATIONS		
Projected Useful Life	On-going			
Estimated/Actual Project Cost	\$0			
Length of Financing/ Lease Period	Items expended as operating costs.			

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2018	2019	2020	2021	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
85th 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
85th 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:	Information Technology

PROJECT DESCRIPTION

General Information

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

Number of Units / Average Unit Cost Contracted for Professional services through DIR contracts

Estimated Completion Date August 31, 2019

Additional Capital Expenditure Amounts Required	2020	2021
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life On-going

Estimated/Actual Project Cost \$0

Length of Financing/ Lease Period Item expended not financed.

<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>		Total over project life
	2018	2019
	0	0
	2020	2021
	0	0

REVENUE GENERATION / COST SAVINGS

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

Explanation: Project will improve agency security of sensitive information and automate manual processes.

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

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

Frequency of Use and External Factors Affecting Use:

Daily use by Texas Alcoholic Beverage Commission employees.

5.B. Capital Budget Project Information
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	458	Agency name:	Alcoholic Beverage Commission
Category Number:	5007	Category Name:	ACQUISITN CAP EQUIP ITEMS
Project number:	9	Project Name:	Building Security Projects

PROJECT DESCRIPTION

General Information

Projects included increasing the overall security of our Houston, San Antonio, Lubbock and Austin HQ offices by enhancing security equipment and providing security awareness. These improvements will allow TABC to monitor / review activities within and around the building. The new security equipment should help deter criminal activity and improve in the protection of TABC assets and employees.

Number of Units / Average Unit Cost Need from IRD

Estimated Completion Date 08/31/2017

Additional Capital Expenditure Amounts Required	2020	2021
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life 10 years

Estimated/Actual Project Cost \$0

Length of Financing/ Lease Period Items expended not financed.

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2018	2019	2020	2021	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: Project will improve security of TABC offices and employees.

Project Location: TABC regional offices located in Lubbock, Arlington, Houston, Austin and San Antonio.

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

Frequency of Use and External Factors Affecting Use:

Daily use by TABC employees.

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5.C. Capital Budget Allocation to Strategies (Baseline)
85th 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 2016	Bud 2017	BL 2018	BL 2019
5005 Acquisition of Information Resource Technologies						
	<i>1/1</i>	<i>Agencywide PC/Tablets Leased</i>				
<u>GENERAL BUDGET</u>						
Capital	4-1-1	CENTRAL ADMINISTRATION	6,069	36,874	\$13,790	\$13,791
	4-1-2	INFORMATION RESOURCES	2,514	70,535	8,745	8,745
	4-1-3	OTHER SUPPORT SERVICES	5,516	9,559	5,516	5,516
	1-1-1	ENFORCEMENT	88,779	279,642	153,264	153,263
	2-1-1	LICENSING	549	101,465	39,899	39,899
	3-1-1	COMPLIANCE MONITORING	33,410	115,106	44,475	44,475
	3-2-1	PORTS OF ENTRY	983	67,459	47,734	47,734
Informational	1-1-1	ENFORCEMENT	0	0	0	0
TOTAL, PROJECT			\$137,820	\$680,640	\$313,423	\$313,423
	<i>4/4</i>	<i>Hardware/Software Acquisition</i>				
<u>GENERAL BUDGET</u>						
Capital	4-1-2	INFORMATION RESOURCES	321,935	449,269	339,292	339,292
TOTAL, PROJECT			\$321,935	\$449,269	\$339,292	\$339,292
	<i>6/6</i>	<i>Case Management</i>				
<u>GENERAL BUDGET</u>						
Capital	1-1-1	ENFORCEMENT	0	0	0	0
TOTAL, PROJECT			\$0	\$0	\$0	\$0

5.C. Capital Budget Allocation to Strategies (Baseline)
85th 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 2016	Bud 2017	BL 2018	BL 2019
8/8		Information Technology				
<u>GENERAL BUDGET</u>						
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	4-1-3	OTHER SUPPORT SERVICES	18,529	0	0	0
	1-1-1	ENFORCEMENT	1,311,605	699,525	699,525	699,525
		TOTAL, PROJECT	\$1,330,134	\$699,525	\$699,525	\$699,525

5007 Acquisition of Capital Equipment and Items

5/5 **Public Safety Equip - Replacement**

GENERAL BUDGET

Capital	1-1-1	ENFORCEMENT	1,538,995	1,198,169	129,419	179,419
		TOTAL, PROJECT	\$1,538,995	\$1,198,169	\$129,419	\$179,419

9/9 **Building Security Projects**

GENERAL BUDGET

Capital	1-1-1	ENFORCEMENT	62,514	0	0	0
	2-1-1	LICENSING	10,890	0	0	0
	3-1-1	COMPLIANCE MONITORING	20,166	0	0	0

5.C. Capital Budget Allocation to Strategies (Baseline)
85th 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 2016	Bud 2017	BL 2018	BL 2019
	TOTAL, PROJECT	\$93,570	\$0	\$0	\$0

7000 Data Center Consolidation

2/2 Data Center Consolidation

GENERAL BUDGET

Capital	4-1-2	INFORMATION RESOURCES	541,680	676,568	\$614,687	\$614,687
		TOTAL, PROJECT	\$541,680	\$676,568	\$614,687	\$614,687

8000 Centralized Accounting and Payroll/Personnel System (CAPPS)

7/7 CAPPS Implementation

GENERAL BUDGET

Capital	4-1-1	CENTRAL ADMINISTRATION	66,120	132,277	0	0
		TOTAL, PROJECT	\$66,120	\$132,277	\$0	\$0
TOTAL CAPITAL, ALL PROJECTS			\$4,030,254	\$3,836,448	\$2,096,346	\$2,146,346
TOTAL INFORMATIONAL, ALL PROJECTS			\$0	\$0	\$0	\$0
TOTAL, ALL PROJECTS			\$4,030,254	\$3,836,448	\$2,096,346	\$2,146,346

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5.E. Capital Budget Project-OOE and MOF Detail by Strategy
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name					
<i>Project Sequence/Name</i>					
Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
5005 Acquisition of Information Resource Technologies					
1 Agencywide PC/Tablets Leased					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	88,779	279,642	153,264	153,263
2-1-1 LICENSING					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	549	101,465	39,899	39,899
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	33,410	115,106	44,475	44,475
3-2-1 PORTS OF ENTRY					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	983	67,459	47,734	47,734
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	6,069	36,874	13,790	13,791
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					

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 2016	Bud 2017	BL 2018	BL 2019
1 Agencywide PC/Tablets Leased					
2007	RENT - MACHINE AND OTHER	2,514	70,535	8,745	8,745
4-1-3 OTHER SUPPORT SERVICES					
<u>General Budget</u>					
2007	RENT - MACHINE AND OTHER	5,516	9,559	5,516	5,516
Informational					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1001	SALARIES AND WAGES	0	0	0	0
TOTAL, OOE's		\$137,820	\$680,640	313,423	313,423
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	88,779	279,642	153,264	153,263
2-1-1 LICENSING					
<u>General Budget</u>					
1	General Revenue Fund	549	101,465	39,899	39,899
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
1	General Revenue Fund	33,410	115,106	44,475	44,475
3-2-1 PORTS OF ENTRY					

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 2016	Bud 2017	BL 2018	BL 2019
1 Agencywide PC/Tablets Leased					
<u>General Budget</u>					
1	General Revenue Fund	983	67,459	47,734	47,734
4-1-1 CENTRAL ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	6,069	36,874	13,790	13,791
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	2,514	70,535	8,745	8,745
4-1-3 OTHER SUPPORT SERVICES					
<u>General Budget</u>					
1	General Revenue Fund	5,516	9,559	5,516	5,516
Informational					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$137,820	\$680,640	313,423	313,423
TOTAL, MOFs		\$137,820	\$680,640	313,423	313,423

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 2016	Bud 2017	BL 2018	BL 2019
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4 Hardware/Software Acquisition

OOE

Capital

4-1-2 INFORMATION RESOURCES

General Budget

2001	PROFESSIONAL FEES AND SERVICES	11,822	0	0	0
2003	CONSUMABLE SUPPLIES	110	0	0	0
2004	UTILITIES	45,061	0	0	0
2009	OTHER OPERATING EXPENSE	264,942	449,269	339,292	339,292
TOTAL, OOE's		\$321,935	\$449,269	339,292	339,292

MOF

GENERAL REVENUE FUNDS

Capital

4-1-2 INFORMATION RESOURCES

General Budget

1	General Revenue Fund	321,935	449,269	339,292	339,292
TOTAL, GENERAL REVENUE FUNDS		\$321,935	\$449,269	339,292	339,292
TOTAL, MOF's		\$321,935	\$449,269	339,292	339,292

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

Category Code/Name		Est 2016	Bud 2017	BL 2018	BL 2019
<i>Project Sequence/Name</i>					
Goal/Obj/Str	Strategy Name				
6 Case Management					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
2001	PROFESSIONAL FEES AND SERVICES	0	0	0	0
2009	OTHER OPERATING EXPENSE	0	0	0	0
5000	CAPITAL EXPENDITURES	0	0	0	0
TOTAL, OOE's		\$0	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$0	\$0	0	0
TOTAL, MOF's		\$0	\$0	0	0

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

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
--------------	---------------	----------	----------	---------	---------

8 Information Technology

OOE

Capital

4-1-2 INFORMATION RESOURCES

General Budget

2001	PROFESSIONAL FEES AND SERVICES	0	0	0	0
2009	OTHER OPERATING EXPENSE	0	0	0	0
5000	CAPITAL EXPENDITURES	0	0	0	0
	TOTAL, OOE's	\$0	\$0	0	0

MOF

GENERAL REVENUE FUNDS

Capital

4-1-2 INFORMATION RESOURCES

General Budget

1	General Revenue Fund	0	0	0	0
	TOTAL, GENERAL REVENUE FUNDS	\$0	\$0	0	0
	TOTAL, MOF's	\$0	\$0	0	0

5006 Transportation Items

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 2016	Bud 2017	BL 2018	BL 2019
3 Fleet Acquisitions					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	1,311,605	699,525	699,525	699,525
4-1-3 OTHER SUPPORT SERVICES					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	18,529	0	0	0
TOTAL, OOE's		\$1,330,134	\$699,525	699,525	699,525
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	1,311,605	699,525	699,525	699,525
4-1-3 OTHER SUPPORT SERVICES					
<u>General Budget</u>					
1	General Revenue Fund	18,529	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$1,330,134	\$699,525	699,525	699,525
TOTAL, MOF's		\$1,330,134	\$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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Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
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5 Public Safety Equip - Replacement

OOE

Capital

1-1-1 ENFORCEMENT

General Budget

2009	OTHER OPERATING EXPENSE	165,040	0	0	0
5000	CAPITAL EXPENDITURES	1,373,955	1,198,169	129,419	179,419
	TOTAL, OOE's	\$1,538,995	\$1,198,169	129,419	179,419

MOF

GENERAL REVENUE FUNDS

Capital

1-1-1 ENFORCEMENT

General Budget

1	General Revenue Fund	1,538,995	1,198,169	129,419	179,419
	TOTAL, GENERAL REVENUE FUNDS	\$1,538,995	\$1,198,169	129,419	179,419
	TOTAL, MOF's	\$1,538,995	\$1,198,169	129,419	179,419

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		Est 2016	Bud 2017	BL 2018	BL 2019
<i>Project Sequence/Name</i>					
Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
9 Building Security Projects					
OOE					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	21,389	0	0	0
5000	CAPITAL EXPENDITURES	41,125	0	0	0
2-1-1 LICENSING					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	3,565	0	0	0
5000	CAPITAL EXPENDITURES	7,325	0	0	0
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	7,454	0	0	0
5000	CAPITAL EXPENDITURES	12,712	0	0	0
TOTAL, OOE's		\$93,570	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	62,514	0	0	0
2-1-1 LICENSING					

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 2016	Bud 2017	BL 2018	BL 2019
9 Building Security Projects					
<u>General Budget</u>					
1	General Revenue Fund	10,890	0	0	0
3-1-1 COMPLIANCE MONITORING					
<u>General Budget</u>					
1	General Revenue Fund	20,166	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$93,570	\$0	0	0
TOTAL, MOFs		\$93,570	\$0	0	0
7000 Data Center Consolidation					
2 Data Center Consolidation					
OOE					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
2001	PROFESSIONAL FEES AND SERVICES	541,680	676,568	614,687	614,687
TOTAL, OOE's		\$541,680	\$676,568	614,687	614,687
MOF					
GENERAL REVENUE FUNDS					
Capital					
4-1-2 INFORMATION RESOURCES					
<u>General Budget</u>					
1	General Revenue Fund	541,680	676,568	614,687	614,687
TOTAL, GENERAL REVENUE FUNDS		\$541,680	\$676,568	614,687	614,687
TOTAL, MOFs		\$541,680	\$676,568	614,687	614,687

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 2016

Bud 2017

BL 2018

BL 2019

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 2016	Bud 2017	BL 2018	BL 2019
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7 CAPPS Implementation

OOE

Capital

4-1-1 CENTRAL ADMINISTRATION

General Budget

1001	SALARIES AND WAGES	42,750	58,425	0	0
1002	OTHER PERSONNEL COSTS	310	240	0	0
2001	PROFESSIONAL FEES AND SERVICES	20,063	0	0	0
2002	FUELS AND LUBRICANTS	0	300	0	0
2003	CONSUMABLE SUPPLIES	371	200	0	0
2004	UTILITIES	0	0	0	0
2005	TRAVEL	51	20,000	0	0
2006	RENT - BUILDING	0	0	0	0
2007	RENT - MACHINE AND OTHER	0	500	0	0
2009	OTHER OPERATING EXPENSE	2,575	52,612	0	0
TOTAL, OOE's		\$66,120	\$132,277	0	0

MOF

GENERAL REVENUE FUNDS

Capital

4-1-1 CENTRAL ADMINISTRATION

General Budget

1	General Revenue Fund	66,120	132,277	0	0
TOTAL, GENERAL REVENUE FUNDS		\$66,120	\$132,277	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 2016	Bud 2017	BL 2018	BL 2019
7 CAPPS Implementation					
TOTAL, MOFs		\$66,120	\$132,277	\$0	\$0

5.E. Capital Budget Project-OOE and MOF Detail by Strategy
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

		Est 2016	Bud 2017	BL 2018	BL 2019
CAPITAL					
<u>General Budget</u>					
GENERAL REVENUE FUNDS		\$4,030,254	\$3,836,448	2,096,346	2,146,346
TOTAL, GENERAL BUDGET		4,030,254	3,836,448	2,096,346	2,146,346
INFORMATIONAL					
<u>General Budget</u>					
GENERAL REVENUE FUNDS		\$0	\$0	0	0
TOTAL, GENERAL BUDGET		0	0	0	0
TOTAL, ALL PROJECTS		\$4,030,254	\$3,836,448	2,096,346	2,146,346

Capital Budget Project Schedule - Exceptional
85th Regular Session, Agency Submission, Version 1
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458 Alcoholic Beverage Commission			
Category Code / Category Name			
Project Number / Name			
OOE / TOF / MOF CODE		Excp 2018	Excp 2019
5005	Acquisition of Information Resource Technologies		
	<u>6 Case Management</u>		
	Objects of Expense		
	2001 PROFESSIONAL FEES AND SERVICES	772,315	0
	2009 OTHER OPERATING EXPENSE	230,000	384,018
	5000 CAPITAL EXPENDITURES	888,031	0
Subtotal OOE, Project	6	1,890,346	384,018
	Type of Financing		
CA	1 General Revenue Fund	1,890,346	384,018
Subtotal TOF, Project	6	1,890,346	384,018
	<u>8 Information Technology</u>		
	Objects of Expense		
	2001 PROFESSIONAL FEES AND SERVICES	192,000	192,000
	2009 OTHER OPERATING EXPENSE	0	5,000
	5000 CAPITAL EXPENDITURES	50,000	50,000
Subtotal OOE, Project	8	242,000	247,000
	Type of Financing		
CA	1 General Revenue Fund	242,000	247,000
Subtotal TOF, Project	8	242,000	247,000
Subtotal Category	5005	2,132,346	631,018
5006	Transportation Items		
	<u>3 Fleet Acquisitions</u>		
	Objects of Expense		
	5000 CAPITAL EXPENDITURES	420,000	420,000
Subtotal OOE, Project	3	420,000	420,000

Capital Budget Project Schedule - Exceptional
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Category Code / Category Name		Excp 2018	Excp 2019
<i>Project Number / Name</i>			
OOE / TOF / MOF CODE			
Type of Financing			
CA	1 General Revenue Fund	420,000	420,000
Subtotal TOF, Project	3	420,000	420,000
Subtotal Category	5006	420,000	420,000
5007	Acquisition of Capital Equipment and Items		
<u>5</u>	<u>Public Safety Equip - Replacement</u>		
Objects of Expense			
5000	CAPITAL EXPENDITURES	116,973	0
Subtotal OOE, Project	5	116,973	0
Type of Financing			
CA	1 General Revenue Fund	116,973	0
Subtotal TOF, Project	5	116,973	0
Subtotal Category	5007	116,973	0
7000	Data Center Consolidation		
<u>2</u>	<u>Data Center Consolidation</u>		
Objects of Expense			
2001	PROFESSIONAL FEES AND SERVICES	267,964	353,334
Subtotal OOE, Project	2	267,964	353,334
Type of Financing			
CA	1 General Revenue Fund	267,964	353,334
Subtotal TOF, Project	2	267,964	353,334
Subtotal Category	7000	267,964	353,334

Capital Budget Project Schedule - Exceptional
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458 Alcoholic Beverage Commission				
Category Code / Category Name				
Project Number / Name				
OOE / TOF / MOF CODE			Excp 2018	Excp 2019
8000	Centralized Accounting and Payroll/Personnel System (CAPPS)			
7	CAPPS Implementation			
Objects of Expense				
1001	SALARIES AND WAGES		68,000	68,000
2003	CONSUMABLE SUPPLIES		500	500
2004	UTILITIES		600	600
2006	RENT - BUILDING		3,000	3,000
2007	RENT - MACHINE AND OTHER		265	265
Subtotal OOE, Project		7	72,365	72,365
Type of Financing				
CA	1 General Revenue Fund		72,365	72,365
Subtotal TOF, Project		7	72,365	72,365
Subtotal Category		8000	72,365	72,365
AGENCY TOTAL			3,009,648	1,476,717
METHOD OF FINANCING:				
	1 General Revenue Fund		3,009,648	1,476,717
Total, Method of Financing			3,009,648	1,476,717
TYPE OF FINANCING:				
CA	CURRENT APPROPRIATIONS		3,009,648	1,476,717
Total, Type of Financing			3,009,648	1,476,717

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Capital Budget Allocation to Strategies by Project - Exceptional

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458 Alcoholic Beverage Commission**Category Code/Name****Project Number/Name**

Goal/Obj/Str				Strategy Name	Excp 2018	Excp 2019
5005 Acquisition of Information Resource Technologies						
6	Case Management					
1	1	1		ENFORCEMENT	772,315	0
1	1	1		ENFORCEMENT	230,000	384,018
1	1	1		ENFORCEMENT	888,031	0
TOTAL, PROJECT					1,890,346	384,018
8 Information Technology						
4	1	2		INFORMATION RESOURCES	192,000	192,000
4	1	2		INFORMATION RESOURCES	0	5,000
4	1	2		INFORMATION RESOURCES	50,000	50,000
TOTAL, PROJECT					242,000	247,000
5006 Transportation Items						
3	Fleet Acquisitions					
1	1	1		ENFORCEMENT	420,000	420,000
TOTAL, PROJECT					420,000	420,000
5007 Acquisition of Capital Equipment and Items						
5	Public Safety Equip - Replacement					
1	1	1		ENFORCEMENT	116,973	0
TOTAL, PROJECT					116,973	0
7000 Data Center Consolidation						

Capital Budget Allocation to Strategies by Project - Exceptional

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Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Category Code/Name

Project Number/Name

Goal/Obj/Str				Strategy Name	Excp 2018	Excp 2019
2	Data Center Consolidation					
4	1	2		INFORMATION RESOURCES	267,964	353,334
TOTAL, PROJECT					267,964	353,334
8000 Centralized Accounting and Payroll/Personnel System (CAPPS)						
7	CAPPS Implementation					
4	1	1		CENTRAL ADMINISTRATION	68,000	68,000
4	1	1		CENTRAL ADMINISTRATION	500	500
4	1	1		CENTRAL ADMINISTRATION	600	600
4	1	1		CENTRAL ADMINISTRATION	3,000	3,000
4	1	1		CENTRAL ADMINISTRATION	265	265
TOTAL, PROJECT					72,365	72,365
TOTAL, ALL PROJECTS					3,009,648	1,476,717

6.A. Historically Underutilized Business Supporting Schedule
85th Regular Session, Agency Submission, Version 1
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Agency Code: **458** Agency: **Alcoholic Beverage Commission**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2014 - 2015 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2014			Total Expenditures FY 2014	% Goal	HUB Expenditures FY 2015			Total Expenditures FY 2015
			% Actual	Diff	Actual \$			% Actual	Diff	Actual \$	
11.2%	Heavy Construction	11.2 %	0.0%	-11.2%	\$0	\$0	11.2 %	0.0%	-11.2%	\$0	\$0
21.1%	Building Construction	21.1 %	0.0%	-21.1%	\$0	\$0	21.1 %	0.0%	-21.1%	\$0	\$0
32.9%	Special Trade	32.9 %	27.5%	-5.4%	\$10,245	\$37,293	32.9 %	0.5%	-32.4%	\$320	\$58,815
23.7%	Professional Services	23.7 %	100.0%	76.3%	\$50,560	\$50,560	23.7 %	100.0%	76.3%	\$50,425	\$50,425
26.0%	Other Services	26.0 %	14.5%	-11.5%	\$286,901	\$1,979,284	26.0 %	18.1%	-7.9%	\$362,322	\$2,002,522
21.1%	Commodities	21.1 %	22.6%	1.5%	\$732,524	\$3,248,221	21.1 %	27.4%	6.3%	\$602,956	\$2,202,300
	Total Expenditures		20.3%		\$1,080,230	\$5,315,358		23.6%		\$1,016,023	\$4,314,062

B. Assessment of Fiscal Year 2014 - 2015 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceeded two of six, or 33% of the applicable statewide HUB procurement goals in FY 2014 and two of six, or 33% in FY 2015.

Applicability:

The “Heavy Construction” and “Building Construction” categories were not applicable to agency operations in FY 2014 and FY 2015 since the agency did not have expenditures related to those categories for the fiscal years listed. In both years the only “Professional Services” contract was for internal audit services.

Factors Affecting Attainment:

In FY 2014 and FY 2015, the goal of “Other Services” was not met due to the agency not receiving grant money for promotional products. Utilizing an exempt statute, we previously obtained quotes only from HUB vendors. Direct thermal labels used by Ports of Entry POETCS printers were discontinued due to upgrade of equipment. As an efficiency, the agency field staff uses the state procurement card process and have been instructed to make a significant effort towards purchasing from HUBs, even though the agency will not receive HUB credit for these purchases because there are no efficient means to capture the information.

"Good-Faith" Efforts:

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

- ensured that contract specifications, terms, quantities and conditions reflected the agency’s actual requirements, were clearly stated, and did not impose unreasonable or unnecessary requirements,
- attended statewide economic opportunity forums and networked with businesses on the agency’s procurement procedures and buying methods,
- and regularly monitored the agency’s internal divisions and their specific requests and HUB participation capabilities.

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6.B. Current Biennium One-time Expenditure Schedule

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Tiffany Forister	Date: July 26, 2016	
Item	2016-2017		2018-2019	
	Amount	MOF	Amount	MOF
Promoting Retailer Integrity Grant	\$31,240	555		
Public Safety Project Grant	\$462,870	555		
Legal Costs	\$609,056	001		
Building Security	\$101,656	001		
Judgments	\$9,356	001		
Special Response Team Expenses - Floods	\$38,242	001		
Lump Sum Termination Pay	\$378,127	001		
Death Benefits	\$0	001		

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6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2018-19 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Promoting Retailer Pride Grant							
ALLOCATION TO STRATEGY: 1.1.1 Enforcement							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
	Objects of Expense:						
1001	Salaries			\$13,870	\$0	\$0	\$0
2003	Consumable Supplies			3,707	0	0	0
2005	Travel			9,873	0	0	0
2009	Other Operating Expenses			3,790			
	Total, Objects of Expense			\$31,240	\$0	\$0	\$0
	Method of Financing:						
555	Federal Funds			\$31,240	\$0	\$0	\$0
	Total, Method of Financing			\$31,240	\$0	\$0	\$0

Description of Item for 2016-17

Grant to increase the number of inspections completed by Enforcement Agents.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2017-18 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Public Safety Project Grant							
ALLOCATION TO STRATEGY: 1.1.1 Enforcement							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
1001 2003 2005 2009	Objects of Expense:						
	Salaries			\$205,764	\$60,000	\$0	\$0
	Consumable Supplies			18,829	0	0	0
	Travel			26,988	2,600	0	0
	Other Operating Expenses			\$101,929	\$46,760		
	Total, Objects of Expense			\$353,510	\$109,360	\$0	\$0
555	Method of Financing:						
	Federal Funds			\$353,510	\$109,360	\$0	\$0
	Total, Method of Financing			\$353,510	\$109,360	\$0	\$0

Description of Item for 2016-17

Grant to enhance training on alcoholic beverage laws and increase the number of inspections completed by Enforcement Agents.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2017-18 Biennium

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Tiffany Forister	Date July 26, 2016		
PROJECT ITEM: Legal Costs					
ALLOCATION TO STRATEGY: 1.1.1 Enforcement					
Code	Strategy Allocation	Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
	Objects of Expense:				
1001	Salaries and Wages	\$35,917	\$0	\$0	\$0
2001	Professional Fees and Services	\$268,611			
	Total, Objects of Expense	\$304,528	\$0	\$0	\$0
	Method of Financing:				
001	General Revenue Fund	\$304,528	\$0	\$0	\$0
	Total, Method of Financing	\$304,528	\$0	\$0	\$0
Description of Item for 2016-17					
Legal Costs include outside counsel, temporary employment agency payments, and non permanent employee salaries.					

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

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Legal Costs							
ALLOCATION TO STRATEGY: 2.1.1 Licensing							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
1001 2001	Objects of Expense:						
	Salaries and Wages			\$25,142	\$0	\$0	\$0
	Professional Fees and Services			188,028	0	0	0
					0	0	0
	Total, Objects of Expense			\$213,170	\$0	\$0	\$0
001	Method of Financing:						
	General Revenue Fund			\$213,170	\$0	\$0	\$0
	Total, Method of Financing			\$213,170	\$0	\$0	\$0

Description of Item for 2016-17

Legal Costs include outside counsel, Temporary Employment Agency payments, and non permanent employee salaries.

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

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Legal Costs							
ALLOCATION TO STRATEGY: 2.1.1 Licensing							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
1001 2001	Objects of Expense:						
	Salaries and Wages			\$10,775	\$0	\$0	\$0
	Professional Fees and Services			80,583	0	0	0
					0	0	0
	Total, Objects of Expense			\$91,358	\$0	\$0	\$0
001	Method of Financing:						
	General Revenue Fund			\$91,358	\$0	\$0	\$0
	Total, Method of Financing			\$91,358	\$0	\$0	\$0

Description of Item for 2016-17

Legal Costs include outside counsel, Temporary Employment Agency payments, and non permanent employee salaries.

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

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Judgments							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
2009	Objects of Expense: Other Operating Expenses			\$9,356	\$0	0	0
	Total, Objects of Expense			\$9,356	\$0	\$0	\$0
001	Method of Financing: General Revenue Fund			\$9,356	\$0	\$0	\$0
	Total, Method of Financing			\$9,356	\$0	\$0	\$0

Description of Item for 2016-17

This funding was used for court settlements.

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

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Tiffany Forister	Date July 26, 2016		
PROJECT ITEM: Building Security					
ALLOCATION TO STRATEGY: 1.1.1. Enforcement					
Code	Strategy Allocation	Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
2009	Objects of Expense: Other Operating Expense	\$68,357	\$0	0	0
	Total, Objects of Expense	\$68,357	\$0	\$0	\$0
001	Method of Financing: General Revenue Fund	\$68,357	\$0	\$0	\$0
	Total, Method of Financing	\$68,357	\$0	\$0	\$0
Description of Item for 2018-19					
Funding used within capital budget appropriations for building security.					

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

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Building Security							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
2009	Objects of Expense: Other Operating Expenses			\$12,460	\$0	0	0
	Total, Objects of Expense			\$12,460	\$0	\$0	\$0
001	Method of Financing: General Revenue Fund			\$12,460	\$0	\$0	\$0
	Total, Method of Financing			\$12,460	\$0	\$0	\$0

Description of Item for 2018-19

Funding used within capital budget appropriations for building security.

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

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Building Security							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
2009	Objects of Expense: Other Operating Expense			\$20,839	\$0	0	0
	Total, Objects of Expense			\$20,839	\$0	\$0	\$0
001	Method of Financing: General Revenue Fund			\$20,839	\$0	\$0	\$0
	Total, Method of Financing			\$20,839	\$0	\$0	\$0

Description of Item for 2018-19

Funding used within capital budget appropriations for building security.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2018-19 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: SRT - Flood Assistance							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
1001 2005	Objects of Expense:						
	Salaries			\$27,570	\$0	0	0
				10,672			
	Total, Objects of Expense			\$38,242	\$0	\$0	\$0
001	Method of Financing:						
	General Revenue Fund			\$38,242	\$0	\$0	\$0
	Total, Method of Financing			\$38,242	\$0	\$0	\$0

Description of Item for 2016-17

Cost to deploy SRT team to assist with floods in Fort Bend County.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2018-19 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 1.1.1. Enforcement							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
1002	Objects of Expense: Other Personnel Costs			\$86,039	\$60,896	\$0	\$0
	Total, Objects of Expense			\$86,039	\$60,896	\$0	\$0
001	Method of Financing: General Revenue Fund			\$86,039	\$60,896	\$0	\$0
	Total, Method of Financing			\$86,039	\$60,896	\$0	\$0

Description of Item for 2018-19

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

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2018-19 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 2.1.1. Licensing and Investigation							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
2001	Objects of Expense: Other Personnel Costs			\$16,338	\$39,176	\$0	\$0
	Total, Objects of Expense			\$16,338	\$39,176	\$0	\$0
001	Method of Financing: General Revenue Fund			\$16,338	\$39,176	\$0	\$0
	Total, Method of Financing			\$16,338	\$39,176	\$0	\$0

Description of Item for 2016-17

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

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2018-19 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 3.1.1. Compliance Monitoring							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Other Personnel Costs			\$24,841	\$32,172	\$0	\$0
	Total, Objects of Expense			\$24,841	\$32,172	\$0	\$0
001	Method of Financing: General Revenue Fund			\$24,841	\$32,172	\$0	\$0
	Total, Method of Financing			\$24,841	\$32,172	\$0	\$0

Description of Item for 2016-17

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

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2018-19 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 3.2.1. Ports of Entry							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
2001	Objects of Expense: Other Personnel Costs			\$69,052	\$12,168	\$0	\$0
	Total, Objects of Expense			\$69,052	\$12,168	\$0	\$0
001	Method of Financing: General Revenue Fund			\$69,052	\$12,168	\$0	\$0
	Total, Method of Financing			\$69,052	\$12,168	\$0	\$0

Description of Item for 2016-17

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

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2018-19 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 4.1.1. Central Administration							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
2001	Objects of Expense: Other Personnel Costs			\$10,992	\$2,747	\$0	\$0
	Total, Objects of Expense			\$10,992	\$2,747	\$0	\$0
001	Method of Financing: General Revenue Fund			\$10,992	\$2,747	\$0	\$0
	Total, Method of Financing			\$10,992	\$2,747	\$0	\$0

Description of Item for 2016-17

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

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2018-19 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 4.1.2. Information Resources							
Code	Strategy Allocation			Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2001	Objects of Expense: Other Personnel Costs			\$1,057	\$1,742	\$0	\$0
	Total, Objects of Expense			\$1,057	\$1,742	\$0	\$0
001	Method of Financing: General Revenue Fund			\$1,057	\$1,742	\$0	\$0
	Total, Method of Financing			\$1,057	\$1,742	\$0	\$0

Description of Item for 2016-17

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

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2018-19 Biennium

Agency Code: 458		Agency Name: Texas Alcoholic Beverage Commission		Prepared By: Tiffany Forister		Date July 26, 2016	
PROJECT ITEM: Lump Sum Termination							
ALLOCATION TO STRATEGY: 4.1.3. Support Services							
Code	Strategy Allocation			Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019
2001	Objects of Expense: Other Personnel Costs			\$19,808	\$1,099	\$0	\$0
	Total, Objects of Expense			\$19,808	\$1,099	\$0	\$0
001	Method of Financing: General Revenue Fund			\$19,808	\$1,099	\$0	\$0
	Total, Method of Financing			\$19,808	\$1,099	\$0	\$0

Description of Item for 2016-17

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

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

Agency Code: 458	Agency Name: Texas Alcoholic Beverage Commission	Prepared By: Tiffany Forister	Date July 26, 2016		
PROJECT ITEM: Lump Sum Termination - Death Benefit					
ALLOCATION TO STRATEGY: 1.1.1. Enforcement					
Code	Strategy Allocation	Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
1002	Objects of Expense: Other Personnel Costs		\$0		
	Total, Objects of Expense	\$0	\$0	\$0	\$0
001	Method of Financing: General Revenue Fund	\$0	\$0		
	Total, Method of Financing	\$0	\$0	\$0	\$0
Description of Item for 2014-15					
This funding was used to pay Lump Sum Termination Death Benefit for employees that died while employed with the agency.					

6.C. Federal Funds Supporting Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

		458 Alcoholic Beverage Commission				
CFDA NUMBER/ STRATEGY		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
20.616.000	National Priority Safety Programs					
1 - 1 - 1	ENFORCEMENT	467,020	511,625	300,000	0	0
3 - 1 - 1	COMPLIANCE MONITORING	1,921	0	0	0	0
TOTAL, ALL STRATEGIES		\$468,941	\$511,625	\$300,000	\$0	\$0
ADDL FED FNDS FOR EMPL BENEFITS		0	0	0	0	0
TOTAL, FEDERAL FUNDS		\$468,941	\$511,625	\$300,000	\$0	\$0
ADDL GR FOR EMPL BENEFITS		\$0	\$0	\$0	\$0	\$0

6.C. Federal Funds Supporting Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

		458 Alcoholic Beverage Commission				
CFDA NUMBER/ STRATEGY		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
<u>SUMMARY LISTING OF FEDERAL PROGRAM AMOUNTS</u>						
20.616.000	National Priority Safety Programs	468,941	511,625	300,000	0	0
TOTAL, ALL STRATEGIES		\$468,941	\$511,625	\$300,000	\$0	\$0
TOTAL , ADDL FED FUNDS FOR EMPL BENEFITS		0	0	0	0	0
TOTAL, FEDERAL FUNDS		\$468,941	\$511,625	\$300,000	\$0	\$0
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 FY2018-2019. Grants awarded to the agency in FY2016 were one time independent applications made by the agency after appropriations were made. The same will hold true for any future awards in outlying years.

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

Potential Loss:

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

6.E. Estimated Revenue Collections Supporting Schedule
85th 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 2015	Exp 2016	Exp 2017	Bud 2018	Est 2019
1	General Revenue Fund					
	Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
	Estimated Revenue:					
3143	Industrial Alcohol Mfg	600	1,067	600	600	600
3253	Liquor Tax	85,257,521	86,482,544	87,952,747	87,952,747	87,952,747
3254	Air/Train/Limousine Bev Tax	328,042	0	0	0	0
3256	Liquor Permit Fees	32,599,407	32,190,461	32,500,000	35,425,000	32,945,250
3257	License/Permit Sucharges-General	22,288,172	30,671,149	22,900,000	30,662,000	23,185,000
3258	Beer Tax	103,089,829	104,615,110	104,615,110	104,615,110	104,615,110
3259	Wine Tax	13,699,594	15,581,025	15,845,902	15,845,902	15,845,902
3261	Wine and Beer Permits	4,642,316	9,905,812	5,500,000	6,000,000	5,580,000
3263	Brew Pub License	64,800	75,503	75,000	75,000	75,000
3265	Malt Liquor (Ale) Tax	14,391,228	15,014,047	15,269,286	15,269,286	15,269,286
3266	Temp Charit Funct Permit-Alcohol	5,075	7,167	5,000	5,000	5,000
3268	Alcohol Bev Penalty Lieu Suspend	4,664,400	2,869,467	2,500,000	2,500,000	2,500,000
3271	Alcoholic Beverage Import Fee	4,364,059	4,718,592	4,500,000	4,500,000	4,500,000
3272	Alcoholic Bev Seller Trng Prog	758,540	789,677	790,000	790,000	790,000
3273	Alcoholic Bev - Samp & Labels Cert	580,235	538,273	543,475	543,475	543,475
3274	A B C Administrative Fees	18,700	23,420	19,785	24,143	20,022
3275	Cigarette Tax	619,760	651,956	623,000	623,000	623,000
3714	Judgments	350	13	0	0	0
3719	Fees/Copies or Filing of Records	3,103	22,028	5,000	5,000	5,000
3769	Forfeitures	432,733	385,911	300,000	300,000	300,000
3773	Insurance and Damages	21,868	42,596	0	0	0
3790	Deposit to Trust or Suspense	1,509,838	2,145,196	0	0	0
3795	Other Misc Government Revenue	1,036	153	0	0	0
3802	Reimbursements-Third Party	7,267	25,912	7,000	7,000	0
3839	Sale of Motor Vehicle/Boat/Aircraft	66,982	9,120	15,000	15,000	15,000
3879	Credit Card and Related Fees	102,000	123,000	140,000	140,000	140,000
Subtotal: Actual/Estimated Revenue		289,517,455	306,889,199	294,106,905	305,298,263	294,910,392
Total Available		\$289,517,455	\$306,889,199	\$294,106,905	\$305,298,263	\$294,910,392

6.E. Estimated Revenue Collections Supporting Schedule

85th 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 2015	Exp 2016	Exp 2017	Bud 2018	Est 2019
DEDUCTIONS:					
Unemployment Benefits	(18,000)	(10,000)	(10,000)	(10,000)	(10,000)
Health, OASI, Retirement	(9,376,408)	(11,400,000)	(11,400,000)	(11,400,000)	(11,400,000)
Benefit Replacement Pay	(71,096)	(64,000)	(64,000)	(64,000)	(64,000)
Salary Increase Art. IX, Sec 17.05 & 18.02	(3,109,094)	(848,000)	(848,000)	0	0
Total, Deductions	\$(12,574,598)	\$(12,322,000)	\$(12,322,000)	\$(11,474,000)	\$(11,474,000)
Ending Fund/Account Balance	\$276,942,857	\$294,567,199	\$281,784,905	\$293,824,263	\$283,436,392

REVENUE ASSUMPTIONS:

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

Any increase in excess of the biennial revenue amount certified by the Comptroller of Public Accounts must be collected by the agency through increases in surcharges in amounts sufficient to cover the increase. The agency may, by rule, change surcharges at any time during the biennium. License and permit fees are set by statute and can only be changed by the Legislature. The fluctuation in license permit fees is due to the agency issuing 2-year permits which results in renewals happening every two years.

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

CONTACT PERSON:

Vanessa Mayo

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458 Agency name: Alcoholic Beverage Commission

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	
1 5% Reduction of Staff and Office Closures							
Category: Programs - Service Reductions (FTEs-Layoffs)							
Item Comment: Item one totals 5% of the reduction and affects 43 public safety/support positions across multiple strategies. This includes reductions in commissioned peace officers, field auditors, application processing staff, legal and support, and ports of entry staff. With a 5% reduction in funding to the TABC, traditional public safety and regulatory enforcement activities would suffer. This reduction would have a detrimental effect on the agency's public education initiatives, forcing the agency to severely curtail all educational programs except those targeting police officers, agency licensees and civic groups. Field enforcement activities as described above and public education are the agency's chief means of detecting and preventing violations of the state's alcoholic beverage laws. Curtailing those activities will increase non-compliance and the threat to public safety. With fewer agents and auditors looking over their shoulders, more licensees/permittees are likely to succumb to temptation and to try to boost profits by over-serving customers, engaging in illegal/socially dangerous sales, and short-changing the state on the taxes and fees they legitimately owe.							
The loss of a significant portion of the agency's field auditors will force enforcement agents to take back some of the regulatory enforcement duties that auditors had assumed following a Sunset Committee recommendation that directed agents to focus their attention on public safety issues. While unavoidable under the circumstances, this means that the agency's public safety initiatives will have to be cut by more than would be required by the loss of agent positions alone.							
Also, expected at this level of funding are ten office closings, mostly involving TABC offices in the eastern half of the state. This translates into less customer service and longer drives for those needing to do business with the agency.							
Strategy: 1-1-1 Enforcement							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$1,056,622	\$1,056,622	\$2,113,244	
General Revenue Funds Total	\$0	\$0	\$0	\$1,056,622	\$1,056,622	\$2,113,244	
Strategy: 2-1-1 Licensing							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$370,222	\$370,222	\$740,444	
General Revenue Funds Total	\$0	\$0	\$0	\$370,222	\$370,222	\$740,444	

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	2018	2019	Biennial Total	2018	2019	Biennial Total	
Strategy: 3-1-1 Conduct Inspections and Monitor Compliance							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$727,160	\$727,160	\$1,454,320	
General Revenue Funds Total	\$0	\$0	\$0	\$727,160	\$727,160	\$1,454,320	
Strategy: 3-2-1 Ports of Entry							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$222,495	\$222,496	\$444,991	
General Revenue Funds Total	\$0	\$0	\$0	\$222,495	\$222,496	\$444,991	
Item Total	\$0	\$0	\$0	\$2,376,499	\$2,376,500	\$4,752,999	
FTE Reductions (From FY 2018 and FY 2019 Base Request)				43.0	43.0		

2 5% Reduction of Staff and Office Closures

Category: Programs - Service Reductions (FTEs-Layoffs)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 458 Agency name: Alcoholic Beverage Commission

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	

Item Comment: Item two is the remaining 5% reduction as required. This affects 47 additional public safety/support positions across multiple strategies. This includes reductions in commissioned peace officers, field auditors, application processing staff, ports of entry staff, training, education and prevention, legal staff and the office of the professional responsibility. Cuts beyond 5% will simply exacerbate the problems described above. Funding at 90% of baseline will create significant staffing shortages; drive the total number of agent and auditor inspections down; reduce the number of audits conducted by agency personnel; and cut the outputs associated with the agency's public education programs Also, the loss of additional auditor positions will force agents to assume an even greater portion of the regulatory enforcement duties, further decreasing their ability to focus on public safety issues.

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

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: 1-1-1 Enforcement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$1,062,420	\$1,062,420	\$2,124,840
General Revenue Funds Total	\$0	\$0	\$0	\$1,062,420	\$1,062,420	\$2,124,840

Strategy: 2-1-1 Licensing

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$260,070	\$260,070	\$520,140
General Revenue Funds Total	\$0	\$0	\$0	\$260,070	\$260,070	\$520,140

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

General Revenue Funds

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
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Agency code: **458** Agency name: **Alcoholic Beverage Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	
1 General Revenue Fund	\$0	\$0	\$0	\$831,514	\$831,514	\$1,663,028	
General Revenue Funds Total	\$0	\$0	\$0	\$831,514	\$831,514	\$1,663,028	
Strategy: 3-2-1 Ports of Entry							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$222,495	\$222,495	\$444,990	
General Revenue Funds Total	\$0	\$0	\$0	\$222,495	\$222,495	\$444,990	
Item Total	\$0	\$0	\$0	\$2,376,499	\$2,376,499	\$4,752,998	
FTE Reductions (From FY 2018 and FY 2019 Base Request)				47.0	47.0		
AGENCY TOTALS							
General Revenue Total				\$4,752,998	\$4,752,999	\$9,505,997	\$9,505,997
Agency Grand Total	\$0	\$0	\$0	\$4,752,998	\$4,752,999	\$9,505,997	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2018 and FY 2019 Base Request)				90.0	90.0		

7.A. Indirect Administrative and Support Costs
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458 Alcoholic Beverage Commission						
Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1-1-1	Enforcement					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$1,408,782	\$ 2,081,535	\$ 1,808,433	\$ 2,104,294	\$ 2,106,311
1002	OTHER PERSONNEL COSTS	80,070	64,645	43,239	53,856	52,732
2001	PROFESSIONAL FEES AND SERVICES	200,776	503,611	375,601	461,879	458,869
2002	FUELS AND LUBRICANTS	1,839	1,681	3,189	3,129	3,129
2003	CONSUMABLE SUPPLIES	8,104	12,482	11,985	11,129	11,129
2004	UTILITIES	37,171	128,109	34,271	60,271	61,530
2005	TRAVEL	23,651	49,298	27,403	5,921	5,921
2006	RENT - BUILDING	166,193	204,450	178,455	223,074	226,877
2007	RENT - MACHINE AND OTHER	51,668	25,913	28,327	33,772	33,772
2009	OTHER OPERATING EXPENSE	382,424	476,604	550,536	517,522	525,450
5000	CAPITAL EXPENDITURES	2,564	14,214	12,382	0	0
Total, Objects of Expense		\$2,363,242	\$3,562,542	\$3,073,821	\$3,474,847	\$3,485,720
METHOD OF FINANCING:						
1	General Revenue Fund	2,360,991	3,561,252	3,073,821	3,474,847	3,485,720
666	Appropriated Receipts	2,251	1,290	0	0	0
Total, Method of Financing		\$2,363,242	\$3,562,542	\$3,073,821	\$3,474,847	\$3,485,720
FULL TIME EQUIVALENT POSITIONS		25.1	30.5	26.3	29.7	29.7

7.A. Indirect Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
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458 Alcoholic Beverage Commission

Strategy	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1-1-1 Enforcement					
Method of Allocation					

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

7.A. Indirect Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission						
Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
2-1-1	Licensing					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$517,979	\$ 353,273	\$ 559,750	\$ 457,984	\$ 458,229
1002	OTHER PERSONNEL COSTS	28,398	11,437	13,395	11,614	11,316
2001	PROFESSIONAL FEES AND SERVICES	102,979	30,542	131,076	57,563	57,196
2002	FUELS AND LUBRICANTS	614	401	923	869	869
2003	CONSUMABLE SUPPLIES	2,459	3,086	3,597	2,861	2,861
2004	UTILITIES	18,980	4,559	11,688	8,617	8,830
2005	TRAVEL	7,677	3,292	8,131	1,534	1,534
2006	RENT - BUILDING	59,299	35,937	55,080	47,880	48,983
2007	RENT - MACHINE AND OTHER	22,424	3,997	9,307	6,831	6,831
2009	OTHER OPERATING EXPENSE	160,618	67,188	178,380	99,404	100,524
5000	CAPITAL EXPENDITURES	869	2,694	3,552	0	0
Total, Objects of Expense		\$922,296	\$516,406	\$974,879	\$695,157	\$697,173
METHOD OF FINANCING:						
1	General Revenue Fund	921,649	516,043	974,879	695,157	697,173
666	Appropriated Receipts	647	363	0	0	0
Total, Method of Financing		\$922,296	\$516,406	\$974,879	\$695,157	\$697,173
FULL TIME EQUIVALENT POSITIONS		9.3	4.8	8.3	6.2	6.2

7.A. Indirect Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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 FTEs for the direct strategies. Information Resources indirect costs are allocated to the direct strategies based on the number of PC's supported for the direct strategies.

7.A. Indirect Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
3-1-1 Conduct Inspections and Monitor Compliance						
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$574,450	\$ 676,511	\$ 633,192	\$ 576,316	\$ 576,731
1002	OTHER PERSONNEL COSTS	31,389	20,948	15,154	14,673	14,327
2001	PROFESSIONAL FEES AND SERVICES	117,157	170,976	149,840	95,781	95,163
2002	FUELS AND LUBRICANTS	675	531	1,037	992	992
2003	CONSUMABLE SUPPLIES	2,675	3,928	4,057	3,361	3,361
2004	UTILITIES	21,587	43,920	13,335	13,289	13,590
2005	TRAVEL	8,412	16,697	9,161	1,797	1,797
2006	RENT - BUILDING	65,581	66,283	62,291	60,615	61,854
2007	RENT - MACHINE AND OTHER	25,216	8,475	10,585	8,878	8,878
2009	OTHER OPERATING EXPENSE	180,154	156,720	202,628	132,277	134,015
5000	CAPITAL EXPENDITURES	956	4,582	3,989	0	0
Total, Objects of Expense		\$1,028,252	\$1,169,571	\$1,105,269	\$907,979	\$910,708
METHOD OF FINANCING:						
1	General Revenue Fund	1,027,553	1,169,171	1,105,269	907,979	910,708
666	Appropriated Receipts	699	400	0	0	0
Total, Method of Financing		\$1,028,252	\$1,169,571	\$1,105,269	\$907,979	\$910,708
FULL TIME EQUIVALENT POSITIONS		10.3	10.0	9.4	7.9	7.9

7.A. Indirect Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
3-1-1 Conduct Inspections and Monitor Compliance					
Method of Allocation	<hr/>				
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Central Administration and Other Support Services indirect costs are allocated to the direct strategies based on the percent of FTEs for the direct strategies. Information Resources indirect costs are allocated to the direct strategies based on the number of PC's supported for the direct strategies.

7.A. Indirect Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
3-2-1	Ports of Entry					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$496,053	\$ 507,665	\$ 583,018	\$ 550,097	\$ 550,200
1002	OTHER PERSONNEL COSTS	29,123	16,490	13,892	13,843	13,434
2001	PROFESSIONAL FEES AND SERVICES	44,707	37,402	60,161	26,663	26,508
2002	FUELS AND LUBRICANTS	702	590	1,291	1,230	1,230
2003	CONSUMABLE SUPPLIES	3,317	4,548	4,325	3,869	3,869
2004	UTILITIES	8,352	4,521	6,609	5,900	6,095
2005	TRAVEL	9,236	4,132	10,275	2,084	2,084
2006	RENT - BUILDING	60,129	51,789	58,171	56,847	58,444
2007	RENT - MACHINE AND OTHER	15,138	5,696	6,917	7,691	7,692
2009	OTHER OPERATING EXPENSE	116,823	94,933	144,689	106,315	107,061
5000	CAPITAL EXPENDITURES	969	3,904	5,143	0	0
Total, Objects of Expense		\$784,549	\$731,670	\$894,491	\$774,539	\$776,617
METHOD OF FINANCING:						
1	General Revenue Fund	783,595	731,131	894,491	774,539	776,617
666	Appropriated Receipts	954	539	0	0	0
Total, Method of Financing		\$784,549	\$731,670	\$894,491	\$774,539	\$776,617
FULL TIME EQUIVALENT POSITIONS						
		8.8	6.8	8.0	7.1	7.1

7.A. Indirect Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission

	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Method of Allocation					

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

7.A. Indirect Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

458 Alcoholic Beverage Commission						
		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
GRAND TOTALS						
Objects of Expense						
1001	SALARIES AND WAGES	\$2,997,264	\$3,618,984	\$3,584,393	\$3,688,691	\$3,691,471
1002	OTHER PERSONNEL COSTS	\$168,980	\$113,520	\$85,680	\$93,986	\$91,809
2001	PROFESSIONAL FEES AND SERVICES	\$465,619	\$742,531	\$716,678	\$641,886	\$637,736
2002	FUELS AND LUBRICANTS	\$3,830	\$3,203	\$6,440	\$6,220	\$6,220
2003	CONSUMABLE SUPPLIES	\$16,555	\$24,044	\$23,964	\$21,220	\$21,220
2004	UTILITIES	\$86,090	\$181,109	\$65,903	\$88,077	\$90,045
2005	TRAVEL	\$48,976	\$73,419	\$54,970	\$11,336	\$11,336
2006	RENT - BUILDING	\$351,202	\$358,459	\$353,997	\$388,416	\$396,158
2007	RENT - MACHINE AND OTHER	\$114,446	\$44,081	\$55,136	\$57,172	\$57,173
2009	OTHER OPERATING EXPENSE	\$840,019	\$795,445	\$1,076,233	\$855,518	\$867,050
5000	CAPITAL EXPENDITURES	\$5,358	\$25,394	\$25,066	\$0	\$0
Total, Objects of Expense		\$5,098,339	\$5,980,189	\$6,048,460	\$5,852,522	\$5,870,218
Method of Financing						
1	General Revenue Fund	\$5,093,788	\$5,977,597	\$6,048,460	\$5,852,522	\$5,870,218
666	Appropriated Receipts	\$4,551	\$2,592	\$0	\$0	\$0
Total, Method of Financing		\$5,098,339	\$5,980,189	\$6,048,460	\$5,852,522	\$5,870,218
Full-Time-Equivalent Positions (FTE)		53.5	52.1	52.0	50.9	50.9

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7.B. Direct Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1-1-1	Enforcement					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$429,064	\$490,080	\$526,232	\$492,765	\$496,443
1002	OTHER PERSONNEL COSTS	10,116	9,500	11,120	11,120	11,720
2001	PROFESSIONAL FEES AND SERVICES	1,890	93,425	10,000	7,500	7,500
2002	FUELS AND LUBRICANTS	315	100	500	500	500
2003	CONSUMABLE SUPPLIES	2,726	1,500	1,750	1,750	1,500
2004	UTILITIES	516	1,404	1,620	1,620	1,620
2005	TRAVEL	7,491	5,619	5,574	2,500	2,500
2006	RENT - BUILDING	39,930	31,026	30,141	35,141	35,141
2007	RENT - MACHINE AND OTHER	7,395	1,000	1,500	1,500	1,500
2009	OTHER OPERATING EXPENSE	27,550	25,578	32,278	25,184	25,542
Total, Objects of Expense		\$526,993	\$659,232	\$620,715	\$579,580	\$583,966
METHOD OF FINANCING:						
1	General Revenue Fund	526,993	659,232	620,715	579,580	583,966
Total, Method of Financing		\$526,993	\$659,232	\$620,715	\$579,580	\$583,966
FULL-TIME-EQUIVALENT POSITIONS (FTE):		7.5	7.5	7.5	7.5	7.5
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
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
2-1-1	Licensing					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$300,346	\$343,057	\$368,362	\$344,936	\$347,510
1002	OTHER PERSONNEL COSTS	7,081	6,650	7,784	7,784	8,204
2001	PROFESSIONAL FEES AND SERVICES	1,323	65,397	7,000	5,250	5,250
2002	FUELS AND LUBRICANTS	220	70	350	350	350
2003	CONSUMABLE SUPPLIES	1,908	1,050	1,225	1,225	1,050
2004	UTILITIES	361	983	1,134	1,134	1,134
2005	TRAVEL	5,243	3,933	3,901	1,750	1,750
2006	RENT - BUILDING	27,951	21,718	21,098	24,598	24,598
2007	RENT - MACHINE AND OTHER	5,177	700	1,050	1,050	1,050
2009	OTHER OPERATING EXPENSE	19,285	17,904	22,594	17,629	17,879
Total, Objects of Expense		\$368,895	\$461,462	\$434,498	\$405,706	\$408,775
METHOD OF FINANCING:						
1	General Revenue Fund	368,895	461,462	434,498	405,706	408,775
Total, Method of Financing		\$368,895	\$461,462	\$434,498	\$405,706	\$408,775
FULL-TIME-EQUIVALENT POSITIONS (FTE):		5.3	5.3	5.3	5.3	5.3

DESCRIPTION

Estimated based on hours of legal resources expended and/or budgeted on prosecuting and settling administrative cases for the direct strategies.

7.B. Direct Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

Strategy	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
3-1-1					
Conduct Inspections and Monitor Compliance					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$128,719	\$147,024	\$157,869	\$147,830	\$148,933
1002 OTHER PERSONNEL COSTS	3,035	2,850	3,336	3,336	3,516
2001 PROFESSIONAL FEES AND SERVICES	567	28,027	3,000	2,250	2,250
2002 FUELS AND LUBRICANTS	94	30	150	150	150
2003 CONSUMABLE SUPPLIES	818	450	525	525	450
2004 UTILITIES	155	421	486	486	486
2005 TRAVEL	2,247	1,686	1,672	750	750
2006 RENT - BUILDING	11,979	9,308	9,042	10,542	10,542
2007 RENT - MACHINE AND OTHER	2,219	300	450	450	450
2009 OTHER OPERATING EXPENSE	8,265	7,673	9,683	7,555	7,662
Total, Objects of Expense	\$158,098	\$197,769	\$186,213	\$173,874	\$175,189
METHOD OF FINANCING:					
1 General Revenue Fund	158,098	197,769	186,213	173,874	175,189
Total, Method of Financing	\$158,098	\$197,769	\$186,213	\$173,874	\$175,189
FULL-TIME-EQUIVALENT POSITIONS (FTE):	2.3	2.3	2.3	2.3	2.3

DESCRIPTION

Estimated based on hours of legal resources expended and/or budgeted on prosecuting and settling administrative cases for the direct strategies.

7.B. Direct Administrative and Support Costs
85th Regular Session, Agency Submission, Version 1
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Agency code: **458**

Agency name: **Alcoholic Beverage Commission**

		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
GRAND TOTALS						
Objects of Expense						
1001	SALARIES AND WAGES	\$858,129	\$980,161	\$1,052,463	\$985,531	\$992,886
1002	OTHER PERSONNEL COSTS	\$20,232	\$19,000	\$22,240	\$22,240	\$23,440
2001	PROFESSIONAL FEES AND SERVICES	\$3,780	\$186,849	\$20,000	\$15,000	\$15,000
2002	FUELS AND LUBRICANTS	\$629	\$200	\$1,000	\$1,000	\$1,000
2003	CONSUMABLE SUPPLIES	\$5,452	\$3,000	\$3,500	\$3,500	\$3,000
2004	UTILITIES	\$1,032	\$2,808	\$3,240	\$3,240	\$3,240
2005	TRAVEL	\$14,981	\$11,238	\$11,147	\$5,000	\$5,000
2006	RENT - BUILDING	\$79,860	\$62,052	\$60,281	\$70,281	\$70,281
2007	RENT - MACHINE AND OTHER	\$14,791	\$2,000	\$3,000	\$3,000	\$3,000
2009	OTHER OPERATING EXPENSE	\$55,100	\$51,155	\$64,555	\$50,368	\$51,083
Total, Objects of Expense		\$1,053,986	\$1,318,463	\$1,241,426	\$1,159,160	\$1,167,930
Method of Financing						
1	General Revenue Fund	\$1,053,986	\$1,318,463	\$1,241,426	\$1,159,160	\$1,167,930
Total, Method of Financing		\$1,053,986	\$1,318,463	\$1,241,426	\$1,159,160	\$1,167,930
Full-Time-Equivalent Positions (FTE)		15.1	15.1	15.1	15.1	15.1

