

Legislative Appropriations Requests

For Fiscal Years 2012 and 2013

Submitted to the
Governor's Office of Budget, Planning & Policy
And the Legislative Budget Board

By

Texas State Board of Pharmacy

August 2, 2010

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ADMINISTRATOR'S STATEMENT
 82nd REGULAR SESSION, AGENCY SUBMISSION, VERSION 1
 Automated Budget and Evaluation System of Texas

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| Agency Code: 515 | Agency Name: Board of Pharmacy |
|------------------|--------------------------------|

| Board Member | Dates of Term | Hometown |
|-------------------------------------|---------------------|------------|
| Buford T. Abeltd, Sr., R.Ph. | 05/09/08 - 08/31/13 | Lufkin |
| Rosemary F. Combs | 11/10/99 - 08/31/11 | El Paso |
| W. Benjamin Fry, R.Ph., FIACP, FACS | 04/14/04 - 08/31/15 | San Benito |
| L. Suzan Kedron | 05/09/08 - 08/31/13 | Dallas |
| Alice G. Mendoza, R.Ph. | 08/10/06 - 08/31/11 | Kingsville |
| Joyce Tipton, R.Ph., MBA | 01/06/10 - 08/31/15 | Houston |
| Jeanne D. Waggener, R.Ph. | 08/10/06 - 08/31/11 | Waco |
| Charles F. Wetherbee | 01/06/10 - 08/31/15 | Boerne |
| Dennis F. Wiesner, R.Ph. | 05/09/08 - 08/31/13 | Austin |

The Texas State Board of Pharmacy (TSBP) is the agency responsible for the protection of the citizens of the state through the regulation of the practice of pharmacy in Texas, including the licensing/registration of pharmacists, pharmacist-interns, pharmacy technicians & the licensing of pharmacies engaged in dispensing or distribution of prescription drugs & devices.

One key factor that continues to affect the ability of the agency to serve & protect the public interest is the increased demand for agency services in every area of its operation as indicated below.

Licensing - Since FY04, the agency has experienced a 202% increases in the number of licensees/registrants. This increase is directly related to the registration of pharmacy technicians & pharmacy technician trainees as can be seen by comparing the number of licenses in FY03, the year before the agency began registration of pharmacy technicians (28,064), with the number in FY09 (84,689).

Enforcement – The increase in number of licensees is directly related to the number of complaints received & resolved & the number of disciplinary orders entered. In FY03, the agency received 1,893 complaints, resolved 1,850 complaints, & entered 213 disciplinary orders while in FY09, the agency received 5,226 complaints (a 176% increase), resolved 6,120 complaints (a 231% increase) & entered 737 disciplinary orders (a 246% increase).

The agency supported the registration of these individuals & we continue to believe that pharmacy technicians must be regulated in part because we have data to show that pharmacy technicians are responsible for a large percentage of the diversion of prescription drugs from pharmacies.

Another key factor that affects the agency's ability to serve & protect the public interest is the growing abuse of prescription painkillers & other prescription drugs. On July 17, 2010, the Center for Disease Control (CDC) & the Substance Abuse & Mental Health Services Administration (SAMHSA) co-released a study titled: *Substance Abuse Treatment Admissions Involving Abuse of Pain Relievers: 1998 & 2008*. This report compared emergency room admission data for non-medical use of narcotic pain relievers in 1998 & 2008. In the report, R. Gil Kerlikowske, Director of National Drug Control Policy stated that the "abuse of prescription drugs is our country's fastest growing drug problem."

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A 2009 study highlights the problem in Texas. This study used data from the Harris County Medical Examiner's Office (HCME) and looked at deaths directly caused by either prescription drugs, illegal narcotics or both. This study indicated that in Houston, prescription drugs killed more people than cocaine (66% of the deaths from prescription drugs & only 44% of the deaths from cocaine). A July 19, 2010, Houston Chronicle article included an analysis of the HCME data. This analysis indicated that the drugs associated with the most deaths were: Hydrocodone (Vicodin®, Lorcet®, Narco®), Alprazolam (Xanax®) & Carisoprodol (Soma®). The cocktail of these three drugs is often called "The Trio" or "The Trinity." The problem is so bad in Houston the Director of the National Drug Control Policy, R. Gil Kerikowske, recently told a U.S. Senate committee that Houston, along with Los Angeles & South Florida, has been identified as one of three "major hubs" for drug diversion operating in the US.

The Board of Pharmacy has & continues to investigate & discipline pharmacist & pharmacy owners who operate "pill mills" that primarily operate to dispense prescriptions for these three drugs from physicians who operate illegal "pain clinics." We believe these pharmacists & pharmacies are essentially "drug dealers" & we are working daily with the federal Drug Enforcement Administration, Federal Bureau of Investigation, local, county & state law enforcement agencies to close these pharmacies & discipline & criminally prosecute the pharmacists & pharmacy owners. However, because the problem in the Houston area is so immense, the agency is overwhelmed by the number of cases. The agency is challenged not only by the large numbers of these types of cases, but also by the complexity of the cases which increases the time to investigate and successfully prosecute the cases.

As you review our exceptional item request, we ask that you consider the two key factors indicated above & recognize that they are having a huge impact on this agency. The 5% budget reduction for the FY10 & FY11 biennium & the possible future decreases for FY12-13 will hamper the agency's ability to provide quality customer service & information, & protection to the citizens of Texas will be severely tested.

The members of the Board have voted to approve the entire supplemental budget request & understand that additional revenue may need to be generated, if the exceptional items are funded. The TSBP generates all of its revenue through fees & we have the authority & mechanisms necessary to generate the revenue needed to support this request.

I. TECHNOLOGY (REPLACEMENT & NEW) (\$169,418)

Information Resource Technologies Replacement

This exceptional item request will replace aged & obsolete technology. The agency replacement schedule is in compliance with DIR's life cycle guidelines. Technology that is not replaced at the end of its life cycle becomes a liability to the agency due to frequent down time, increased support requirements & compatibility issues.

New Technology

The agency is requesting funds to purchase wireless internet access cards for agency field staff. The wireless access will increase the efficiency of the field staff by allowing them to access TSBP email, file & database systems, remotely in real-time. In addition, the agency is requesting funds for a Scan Station to convert paper documents into electronic files that will be stored in our existing imaging system.

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Shared Regulatory Database

In FY10-11, the agency was awarded funding along with 5 other agencies to purchase a Shared Regulatory Database system. This exceptional item is requesting an increase in funding for the ongoing annual maintenance costs of the Shared Regulatory Database System described in Article VIII, Sec. 7. This increase is due to increased Data Center costs & an increased cost for system maintenance.

II. VEHICLES REPLACEMENT (\$67,273)

TSBP has the authority to purchase vehicles under the Occ. Code, Sec. 554.009. Vehicles are routinely purchased & replaced when necessary, generally at 100,000 miles. The agency currently has 15 vehicles, & 6 of that number will reach estimated mileages between 127,000 & 188,000 in the next biennium and need to be replaced. The total cost for these 6 vehicles is \$117,000. The current funding budget includes \$49,727. Therefore, this exceptional item request is for \$67,273 which is the difference in the total cost of the vehicles less the amount included in the current funding budget.

If the vehicles are not replaced, field investigators would not be able to conduct investigations of complaints alleging serious violations of pharmacy laws & rules, such as diversion of controlled substances & dispensing errors causing harm or injury to Texas patients.

In addition, if the vehicles are not replaced, field compliance staff will not be able to conduct inspections of pharmacies, resulting in fewer Texas pharmacies being inspected. TSBP has only a minimal number of staff (7 FTEs) to inspect the 6,084 pharmacies located in Texas. With this number of staff, TSBP is able to inspect only one-third of the in-state pharmacies each year. Having inoperable vehicles will decrease the number of inspections and lengthen the time between inspections.

III. RECLASSIFICATION OF CHIEF INVESTIGATOR (\$17,492)

This exceptional item request would allow the TSBP to reclassify its Chief of Investigations to a level that is commensurate with his duties. The TSBP Chief Investigator is required to be a commissioned peace officer. He manages, trains, directs, & oversees the day-to-day work of a staff of 12 investigators, including 7 field investigators (who are required to be a commissioned peace officer) & 5 in-house investigators who conduct criminal background investigations of applicants and licensees. In addition, the Chief Investigator personally conducts field investigations, particularly the more complex investigations & joint investigations with federal & other state law enforcement agencies.

Investigators conduct complex investigations of complaints alleging serious violations of pharmacy laws & rules, such as diversion of controlled substances & dispensing errors causing harm or injury to Texas patients. According to the World Health Organization, prescription drugs are now the drug of choice for first time abusers of drugs. Because of this demand, the number of schemes & the complexity of those schemes to divert drugs from pharmacies have increased dramatically and the diversion of drugs from pharmacies is an increasing problem. In order for TSBP to help prevent drugs from being sold on the streets of Texas cities, TSBP must have a competent Chief Investigator to manage the investigative case load.

Recent market data shows that the salaries of Chief Investigators of other Health Regulatory Boards are in a range of \$59,000 to \$74,000. This reclassification would bring the Chief Investigator to an annual salary of \$70,000.

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IV. ADDITIONAL STAFF TO MAINTAIN SERVICES (\$624,198)

This exceptional item will fund the following 6 positions:

- 1 Administrative Assistant;
- 2 Field Investigators;
- 1 Network Specialist;
- 1 Attorney; &
- 1 Legal Assistant

In order for the Board to continue to protect the citizens of Texas, it must be adequately funded & staffed. As indicated in the opening statement, the agency has been dramatically affected by the unprecedented growth of registrants as a result of legislation requiring the registration of pharmacy technicians & pharmacy technician trainees. Since FY03, the licensee population has increased 202%. In addition, since FY03, the agency has experienced an explosive growth in the number of complaints received with a 176% increase in the number of complaints, and a 246% increase in the number of disciplinary orders.

Also, as indicated in the opening of the Administrator's statement, the problem of drug diversion in the Houston area is so immense; the agency is overwhelmed by the number of cases.

To address this problem, we are requesting 6 FTE's,

Without these additional staff, & given the current & anticipated growth in the licensee population and increasing numbers of drug diversion cases, we expect the TSBP to experience critical slowdowns in the areas of complaint resolution/prosecution, issuance of licenses & a deterioration of services to our customers & the citizens of Texas. Ultimately, this will have a detrimental impact on the health & safety of the public.

Investigations/Disciplinary Actions

4 FTEs are requested in the Enforcement area (2 field investigators, 1 attorney, and 1 legal assistant). As indicated in the opening of this Administrator's Statement, the agency has seen a drastic increase in criminal activity involving the illegal diversion of prescription drugs from pharmacies.

In addition, health care providers & insurers have forecasted that pharmacies will be dispensing more prescriptions each year given the large segment of the US population that take more prescriptions as they grow older. As a result, the state will continue to see an increase in the numbers of pharmacies, pharmacists & technicians. As the number of licensees increase the number of complaints filed against these licensees will increase.

Growth in Requests for Agency Records

1 Administrative Assistant is requested to assist with the growing number of Open Record requests. The agency experienced a 40% increase in the number of open record requests in FY09 when compared to FY08. In addition, since FY05 there has been a 124% increase in the number of requests for agency

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records. With the ongoing increase in requests for records, additional personnel is needed for the agency to continue to provide timely & accurate responses in compliance with the Open Records Act.

Technology Growth

1 Network Specialist is requested to assist in supporting the growing number of computers and devices used by agency personnel. The total number of devices supported by our I.T. Staff has increased by 62% since 2001. In addition, security concerns with hackers and attempts to infect the systems with a virus have increased dramatically. For example, in FY09 a total of 3,182,780 spam & bad mail was blocked. Increased use of technology by the field staff and management of their connectivity issues has also dramatically increased the demands on our current I.T. support staff. Additional personnel are necessary for the agency to maintain a secure and efficiently operating I.T. system.

V. EXECUTIVE DIRECTOR'S SALARY (\$0)

This request does not ask for any additional funding. The members of the Board of Pharmacy are asking to be able to set the salary of the Executive Director within the range for a Group 4 position within the Schedule of Exempt Positions. The range for Group 4 is currently \$106,500-\$167,500. The salary for the ED of the Board of Pharmacy, who has 28 years experience with the agency, including 13 years as ED, is set at the minimum level for Group 4 or \$106,500. The members currently conduct a formal performance review of the ED annually and they ask to be able to set the Salary of the ED at a level appropriate for her experience and performance.

If the agency is to accomplish its mission & be *proactive* rather than *reactive* in its mission to protect the public health, it must be funded at an adequate level. Failure to receive this funding will severely impact the agency's ability to provide quality customer service, information, & protection to the citizens of Texas.

IMPACT ON THE AGENCY OF AN ADDITIONAL 10% BUDGET REDUCTION (\$1,077,475)

To achieve an additional 10% cut in the agency's baseline budget, the agency would have to reduce spending by \$1,077,475. The majority of this cut can be achieved with the elimination of the remaining \$482,899 budgeted to the agency for implementation of a shared regulatory database in FY10-11. It's important to note that if the 10% reduction does not occur, this appropriation (\$482,899) can be used to fund a portion of the exceptional item listed above.

If the 10% budget is adopted, the remaining amount of \$594,576 will be achieved by the reduction of the following:

1. Per Diem of Board Members (\$6,000)

The per diem of state board members currently consists of compensatory per diem of \$30 per day for each day a board member conducts the business of the board. This amount has been reduced due to a corresponding reduced travel budget of the board.

2. Printing/Postage Newsletter (\$19,802)

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The agency will no longer be able to publish a paper newsletter. Prior to the budget cuts of FY03, the agency published four annual paper Newsletters, which were mailed to all licensees (pharmacists & pharmacies). As a part of those cuts, TSBP began publishing & printing only two paper issues of the Newsletter & mails these issues to pharmacies only. Comments received from the agency's customer service survey indicate that even though the Newsletter is available online, licensees prefer a printed version.

The Newsletter is a valuable educational tool for pharmacists, pharmacy technicians, & pharmacy owners. The TSBP Newsletter provides information such as updates to the rules, articles regarding practice issues, & disciplinary actions taken against licensees & registrants. Without this educational tool, pharmacists & pharmacy technicians may not be aware of new rules or changes to the rules & thus be more likely to not be in compliance with the rules & laws.

3. Educational Brochure (Printing & Postage) \$28,917

This budget reduction would eliminate the publication of an Educational Brochure aimed at Pharmacy Technicians & Technician Trainees. The Brochure will provide education regarding the Technician's role as a member of the health care team, their training & registration requirements, compliance with pharmacy drug laws & rules, & most importantly, their responsibilities to the public. The TSBP has no funding for a formal education program – this Educational Brochure was a modest attempt to fill this gap.

4. Peer Assistance Program (\$19,690)

The establishment of a peer assistance program is authorized by Chapter 564 of the Texas Pharmacy Act. Currently, TSBP contracts with the Professional Recovery Network (PRN) to provide program services to pharmacists & eligible pharmacy students who are impaired by chemical abuse, or mental or physical illness.

SAMHSA statistics show during the last year 7.3% of all individuals 12 years & older are either diagnosed as impaired by drugs or alcohol. A loss of income in the peer assistance program will lessen PRN's ability to provide intervention, referral & monitoring of recovering pharmacists since staff resources will be further stretched to monitor & provide support to individuals in the program.

A cut to the budget might also mean a reduction in the quality & a less intensive level of evaluations by addiction professionals. In light of the current economic status of our country, the cost of evaluations is increasing due to the added expenses the practitioners are incurring. The ability to provide skilled, highly qualified clinicians is one of the assurances that participants are receiving not only the best evaluations to address their issues but also protecting the public by recognizing subtleties which might go unrecognized by less expensive & less qualified practitioners.

Put very simply, this budget reduction would reduce the ability of PRN to provide the level & quality of monitoring needed to assure the public safety is protected.

5. Additional Printing (\$10,640)

This reduction reduces the agency's contracted amount with its imaging document vendor. If the agency is unable to image its anticipated documents,

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additional file and/or storage space will become necessary.

6. Testing of Compounded Products (\$100,000)

Testing of pharmacy compounded products was authorized by the SB 492 passed by the 79th session. The agency was appropriated funding in FY08-09 & additional funding in FY10-11 to carry-out the legislation. The impact of a 10% reduction reduces the amount necessary for the testing of compounded products by 50%.

The term "compounding" means the preparation, mixing, assembling, packaging, or labeling of a drug or device. These drugs or devices are compounded pursuant to a prescription for administration to a patient. Compounded products often include injectable sterile products – again, for the ultimate administration to a patient. The agency believes it is imperative that we randomly test these compounded products for potency & that we test sterile compounded products for pyrogenicity & sterility. Any problem with these products could have a dramatic & potentially life threatening effects on the patient.

7. Training/Registration Fees (\$30,046)

One key factor influencing employee motivation & retention is the opportunity to continue to grow & develop job & career enhancing skills. The 10% reduction plan reduces education & training for board and staff by 50%. As a result, board and staff would not be able to receive the necessary ongoing training &/or education needed to help them improve their skills.

8. Conference Travel Board & Staff (\$37,200)

Conference travel for board members & staff was reduced by 50%. The impact on the agency will be a reduction in required continuing education for staff pharmacists, attorneys, & pharmacy technicians that can be obtained at professional meetings. The agency generally conducts Board Forums attended by several Board members and staff to educate licensees, an agency educational exhibit, & representation at the annual National Association of Boards of Pharmacy meetings. The NABP meeting allows members to discuss and learn methods to better operate the agency and protect the public and to continue its national leadership role in progressive pharmacy regulation.

9. Testing of Compounded Products (\$100,000)

As noted in Item #7, this reduction reduces the amount necessary for the testing of compounded products by the remaining 50%, resulting in the 100% elimination of the funding necessary for the testing of compounded products.

10. Training/Registration Fees (\$30,046)

As noted in Item #8, this cut reduces training and registration fees for board and staff by the remaining 50%, resulting in the 100% elimination of this budget item.

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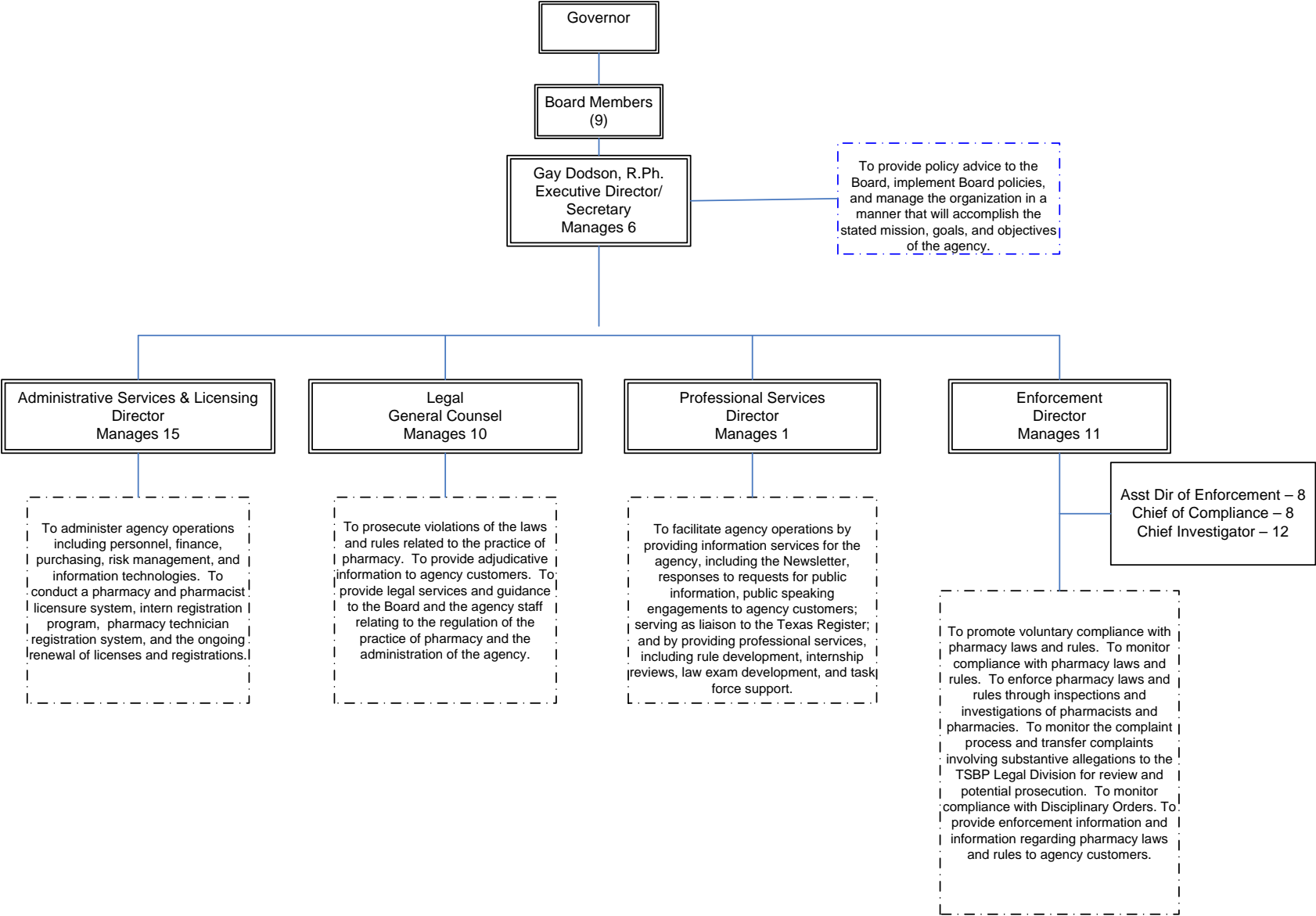
11. Conference Travel Board & Staff (\$37,200)

As noted in Item #9, this cut reduces conference travel for board and staff by the remaining 50%, resulting in the 100% elimination of this budget item.

12. Merit Increases (\$175,035)

This reduction will eliminate 100% of merit increases for eligible employees. TSBP was appropriated funds by the 81st Leg Session to support a merit increase system which rewards high-performing employees. Without this legislative funding the agency will not be able to provide employees a merit based on an evaluation of the employee's performance.

Texas State Board of Pharmacy 72 FTEs



2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:20:17PM**

Agency code: **515** Agency name: **Board of Pharmacy**

| Goal / Objective / STRATEGY | Exp 2009 | Est 2010 | Bud 2011 | Req 2012 | Req 2013 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| 1 Establish and Maintain Standards for Pharmacy Education and Practice | | | | | |
| 1 <i>Operate Licensure System to Ensure that Minimal Standards Are Met</i> | | | | | |
| 1 LICENSING | 564,711 | 1,619,970 | 767,496 | 1,208,260 | 729,226 |
| 2 TEXASONLINE | 221,880 | 217,345 | 221,785 | 217,345 | 221,785 |
| TOTAL, GOAL 1 | \$786,591 | \$1,837,315 | \$989,281 | \$1,425,605 | \$951,011 |
| 2 Protect Public Health by Enforcing All Laws Relating to Practice | | | | | |
| 1 <i>Decrease Violations by Inspections, Education, Resolving Complaints</i> | | | | | |
| 1 ENFORCEMENT | 2,558,566 | 3,197,179 | 3,155,206 | 3,449,710 | 3,255,000 |
| 2 PEER ASSISTANCE | 183,032 | 185,626 | 182,208 | 189,044 | 189,044 |
| TOTAL, GOAL 2 | \$2,741,598 | \$3,382,805 | \$3,337,414 | \$3,638,754 | \$3,444,044 |
| 3 Indirect Administration | | | | | |
| 1 <i>Indirect Administration</i> | | | | | |
| 1 LICENSING - INDIRECT ADMINISTRATION | 98,079 | 91,692 | 90,724 | 93,368 | 93,413 |
| 2 ENFORCEMENT-INDIRECT ADMINISTRATION | 563,546 | 563,246 | 557,253 | 570,233 | 573,786 |
| TOTAL, GOAL 3 | \$661,625 | \$654,938 | \$647,977 | \$663,601 | \$667,199 |
| TOTAL, AGENCY STRATEGY REQUEST | \$4,189,814 | \$5,875,058 | \$4,974,672 | \$5,727,960 | \$5,062,254 |
| TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST* | | | | \$0 | \$0 |
| GRAND TOTAL, AGENCY REQUEST | \$4,189,814 | \$5,875,058 | \$4,974,672 | \$5,727,960 | \$5,062,254 |

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
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| Goal / Objective / STRATEGY | Exp 2009 | Est 2010 | Bud 2011 | Req 2012 | Req 2013 |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <u>METHOD OF FINANCING:</u> | | | | | |
| General Revenue Funds: | | | | | |
| 1 General Revenue Fund | 4,182,472 | 5,867,328 | 4,966,942 | 5,720,230 | 5,054,524 |
| SUBTOTAL | \$4,182,472 | \$5,867,328 | \$4,966,942 | \$5,720,230 | \$5,054,524 |
| Other Funds: | | | | | |
| 666 Appropriated Receipts | 7,342 | 7,730 | 7,730 | 7,730 | 7,730 |
| SUBTOTAL | \$7,342 | \$7,730 | \$7,730 | \$7,730 | \$7,730 |
| TOTAL, METHOD OF FINANCING | \$4,189,814 | \$5,875,058 | \$4,974,672 | \$5,727,960 | \$5,062,254 |

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

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:20:46PM**

Agency code: **515** Agency name: **Board of Pharmacy**

| METHOD OF FINANCING | Exp 2009 | Est 2010 | Bud 2011 | Req 2012 | Req 2013 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <u>GENERAL REVENUE</u> | | | | | |
| <u>1</u> General Revenue Fund | | | | | |
| <i>REGULAR APPROPRIATIONS</i> | | | | | |
| Regular Appropriations from MOF Table (2008-09 GAA) | \$4,063,076 | \$0 | \$0 | \$0 | \$0 |
| Regular Appropriations from MOF Table (2010-11 GAA) | \$0 | \$6,042,181 | \$5,089,109 | \$5,720,230 | \$5,054,524 |
| <i>RIDER APPROPRIATION</i> | | | | | |
| Art. IX, Sec 17.114, Contingency Approp. for S.B. 1853 (2010-11 GAA) | \$0 | \$61,060 | \$44,231 | \$0 | \$0 |
| Art. VIII, Sec 4, TxOnline Authority Appropriations (2008-09 GAA) | \$9,270 | \$0 | \$0 | \$0 | \$0 |
| Art.VIII, Sec 3, Controlled Substance Forfeiture Program (2010-11 GAA) | \$0 | \$100,002 | \$0 | \$0 | \$0 |
| <i>TRANSFERS</i> | | | | | |
| Art IX, Sec 19.62(a), Salary Increase (2008-09 GAA) | \$110,383 | \$0 | \$0 | \$0 | \$0 |
| HB 4586, Sec 89, Retention Payments (2008-09 GAA) | \$47,200 | \$0 | \$0 | \$0 | \$0 |
| <i>LAPSED APPROPRIATIONS</i> | | | | | |

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:20:46PM**

Agency code: **515** Agency name: **Board of Pharmacy**

| METHOD OF FINANCING | Exp 2009 | Est 2010 | Bud 2011 | Req 2012 | Req 2013 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| <u>GENERAL REVENUE</u> | | | | | |
| Five Percent Reduction (2010-11 Biennium) | \$0 | \$(335,915) | \$(166,398) | \$0 | \$0 |
| Regular Appropriations from MOF Table (2008-09 GAA) | \$(60,910) | \$0 | \$0 | \$0 | \$0 |
| <i>UNEXPENDED BALANCES AUTHORITY</i> | | | | | |
| Art IX, Sec 14.03(j), Capital Budget UB (2008-09 GAA) | \$13,453 | \$0 | \$0 | \$0 | \$0 |
| TOTAL, General Revenue Fund | \$4,182,472 | \$5,867,328 | \$4,966,942 | \$5,720,230 | \$5,054,524 |
| TOTAL, ALL GENERAL REVENUE | \$4,182,472 | \$5,867,328 | \$4,966,942 | \$5,720,230 | \$5,054,524 |

OTHER FUNDS

666 Appropriated Receipts

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2008-09 GAA)

\$7,730 \$0 \$0 \$0 \$0

Regular Appropriations from MOF Table (2010-11 GAA)

\$0 \$7,730 \$7,730 \$7,730 \$7,730

RIDER APPROPRIATION

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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 TIME: **5:20:46PM**

Agency code: **515** Agency name: **Board of Pharmacy**

| METHOD OF FINANCING | Exp 2009 | Est 2010 | Bud 2011 | Req 2012 | Req 2013 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| <u>OTHER FUNDS</u> | | | | | |
| Art IX, Sec 8.03, Reimbursements and Payments (2008-09 GAA) | \$0 | \$0 | \$0 | \$0 | \$0 |
| Art IX, Sec 8.04, Surplus Property (2008-09 GAA) | \$2,587 | \$0 | \$0 | \$0 | \$0 |
| <i>LAPSED APPROPRIATIONS</i> | | | | | |
| Regular Appropriations from MOF Table (2008-09 GAA) | \$(2,975) | \$0 | \$0 | \$0 | \$0 |
| TOTAL, Appropriated Receipts | \$7,342 | \$7,730 | \$7,730 | \$7,730 | \$7,730 |
| TOTAL, ALL OTHER FUNDS | \$7,342 | \$7,730 | \$7,730 | \$7,730 | \$7,730 |
| GRAND TOTAL | \$4,189,814 | \$5,875,058 | \$4,974,672 | \$5,727,960 | \$5,062,254 |

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:20:46PM**

Agency code: **515**

Agency name: **Board of Pharmacy**

| METHOD OF FINANCING | Exp 2009 | Est 2010 | Bud 2011 | Req 2012 | Req 2013 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| FULL-TIME-EQUIVALENT POSITIONS | | | | | |
| REGULAR APPROPRIATIONS | | | | | |
| Regular Appropriations from MOF Table (2008-09 GAA) | 62.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Regular Appropriations from MOF Table (2010-11 GAA) | 0.0 | 71.0 | 71.0 | 72.0 | 72.0 |
| RIDER APPROPRIATION | | | | | |
| Art. IX, Sec 17.114, Contingency Appropriation for S. B. 1853 | 0.0 | 1.0 | 1.0 | 0.0 | 0.0 |
| LAPSED APPROPRIATIONS | | | | | |
| Regular Appropriations from MOF Table (2008-09 GAA) | (1.2) | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL, ADJUSTED FTES | 60.8 | 72.0 | 72.0 | 72.0 | 72.0 |
| NUMBER OF 100% FEDERALLY FUNDED FTES | | | | | |
| | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

2.C. SUMMARY OF BASE REQUEST BY OBJECT OF EXPENSE
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
TIME: **5:33:15PM**

Agency code: **515**

Agency name: **Board of Pharmacy**

| OBJECT OF EXPENSE | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 1001 SALARIES AND WAGES | \$3,011,640 | \$3,478,378 | \$3,621,662 | \$3,611,662 | \$3,611,662 |
| 1002 OTHER PERSONNEL COSTS | \$184,122 | \$85,187 | \$109,601 | \$198,415 | \$169,606 |
| 2001 PROFESSIONAL FEES AND SERVICES | \$309,432 | \$430,591 | \$228,718 | \$245,463 | \$244,713 |
| 2002 FUELS AND LUBRICANTS | \$22,678 | \$31,804 | \$35,200 | \$35,200 | \$35,200 |
| 2003 CONSUMABLE SUPPLIES | \$27,060 | \$32,012 | \$32,012 | \$32,012 | \$32,012 |
| 2004 UTILITIES | \$7,273 | \$8,726 | \$8,726 | \$8,726 | \$8,726 |
| 2005 TRAVEL | \$121,475 | \$134,463 | \$152,493 | \$168,033 | \$168,033 |
| 2006 RENT - BUILDING | \$3,283 | \$4,072 | \$2,800 | \$2,800 | \$2,800 |
| 2007 RENT - MACHINE AND OTHER | \$9,695 | \$7,300 | \$7,300 | \$7,300 | \$7,300 |
| 2009 OTHER OPERATING EXPENSE | \$493,156 | \$1,574,164 | \$743,160 | \$1,347,378 | \$744,202 |
| 5000 CAPITAL EXPENDITURES | \$0 | \$88,361 | \$33,000 | \$70,971 | \$38,000 |
| OOE Total (Excluding Riders) | \$4,189,814 | \$5,875,058 | \$4,974,672 | \$5,727,960 | \$5,062,254 |
| OOE Total (Riders) | | | | | |
| Grand Total | \$4,189,814 | \$5,875,058 | \$4,974,672 | \$5,727,960 | \$5,062,254 |

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

Date : 8/4/2010

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Time: 5:21:16PM

Agency code: 515

Agency name: Board of Pharmacy

| Goal/ Objective / Outcome | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|----------|----------|----------|---------|---------|
| 1 Establish and Maintain Standards for Pharmacy Education and Practice | | | | | |
| 1 Operate Licensure System to Ensure that Minimal Standards Are Met | | | | | |
| KEY 1 Percent of Licensees with No Recent Violations | 95.70% | 95.00% | 95.00% | 95.00% | 95.00% |
| KEY 2 Percent of Licensees Who Renew Online | 89.66% | 87.00% | 86.00% | 86.00% | 86.00% |
| 3 Percent of New Individual Licenses Issued Online | 83.59 | 82.00 | 81.00 | 81.00 | 81.00 |
| 2 Protect Public Health by Enforcing All Laws Relating to Practice | | | | | |
| 1 Decrease Violations by Inspections, Education, Resolving Complaints | | | | | |
| KEY 1 Percent of Complaints Resulting in Disciplinary Action | 11.80% | 11.00% | 11.00% | 11.00% | 11.00% |
| 2 Recidivism Rate of Those Receiving Disciplinary Action | 4.20 | 6.00 | 6.00 | 6.00 | 6.00 |
| 3 Percent of Documented Complaints Resolved within Six Months | 59.00% | 50.00% | 50.00% | 50.00% | 50.00% |
| 4 Recidivism Rate for Peer Assistance Programs | 15.00% | 30.00% | 30.00% | 30.00% | 30.00% |
| 5 One-year Completion Rate for Peer Assistance Programs | 81.39% | 75.00% | 75.00% | 75.00% | 75.00% |

2.E. SUMMARY OF EXCEPTIONAL ITEMS REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME : 5:32:52PM

Agency code: 515

Agency name: Board of Pharmacy

| Priority | Item | 2012 | | | 2013 | | | Biennium | |
|---|-----------------------------|------------------------|------------------|------------|---------------------|------------------|------------|---------------------|------------------|
| | | GR and GR/GR Dedicated | All Funds | FTEs | GR and GR Dedicated | All Funds | FTEs | GR and GR Dedicated | All Funds |
| 1 | Technology | \$78,952 | \$78,952 | | \$90,466 | \$90,466 | | \$169,418 | \$169,418 |
| 2 | Vehicles | \$41,773 | \$41,773 | | \$25,500 | \$25,500 | | \$67,273 | \$67,273 |
| 3 | Reclassification | \$8,746 | \$8,746 | | \$8,746 | \$8,746 | | \$17,492 | \$17,492 |
| 4 | Maintain Services | \$324,382 | \$324,382 | 6.0 | \$299,816 | \$299,816 | 6.0 | \$624,198 | \$624,198 |
| Total, Exceptional Items Request | | \$453,853 | \$453,853 | 6.0 | \$424,528 | \$424,528 | 6.0 | \$878,381 | \$878,381 |
| Method of Financing | | | | | | | | | |
| | General Revenue | \$453,853 | \$453,853 | | \$424,528 | \$424,528 | | \$878,381 | \$878,381 |
| | General Revenue - Dedicated | | | | | | | | |
| | Federal Funds | | | | | | | | |
| | Other Funds | | | | | | | | |
| | | \$453,853 | \$453,853 | | \$424,528 | \$424,528 | | \$878,381 | \$878,381 |
| Full Time Equivalent Positions | | | | 6.0 | | | | 6.0 | |
| Number of 100% Federally Funded FTEs | | | | 0.0 | | | | 0.0 | |

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/4/2010
 TIME : 5:22:12PM

| Agency code: 515 | Agency name: Board of Pharmacy | | | | | | |
|--|--------------------------------|--------------------|-------------------------|-------------------------|---------------------------|---------------------------|--|
| Goal/Objective/STRATEGY | Base 2012 | Base 2013 | Exceptional 2012 | Exceptional 2013 | Total Request 2012 | Total Request 2013 | |
| 1 Establish and Maintain Standards for Pharmacy Education and Practic | | | | | | | |
| 1 <i>Operate Licensure System to Ensure that Minimal Standards Are Me</i> | | | | | | | |
| 1 LICENSING | \$1,208,260 | \$729,226 | \$64,332 | \$56,146 | \$1,272,592 | \$785,372 | |
| 2 TEXASONLINE | 217,345 | 221,785 | 0 | 0 | 217,345 | 221,785 | |
| TOTAL, GOAL 1 | \$1,425,605 | \$951,011 | \$64,332 | \$56,146 | \$1,489,937 | \$1,007,157 | |
| 2 Protect Public Health by Enforcing All Laws Relating to Practice | | | | | | | |
| 1 <i>Decrease Violations by Inspections, Education, Resolving Complain</i> | | | | | | | |
| 1 ENFORCEMENT | 3,449,710 | 3,255,000 | 333,397 | 313,253 | 3,783,107 | 3,568,253 | |
| 2 PEER ASSISTANCE | 189,044 | 189,044 | 0 | 0 | 189,044 | 189,044 | |
| TOTAL, GOAL 2 | \$3,638,754 | \$3,444,044 | \$333,397 | \$313,253 | \$3,972,151 | \$3,757,297 | |
| 3 Indirect Administration | | | | | | | |
| 1 <i>Indirect Administration</i> | | | | | | | |
| 1 LICENSING - INDIRECT ADMINISTRATION | 93,368 | 93,413 | 7,857 | 7,717 | 101,225 | 101,130 | |
| 2 ENFORCEMENT-INDIRECT ADMINISTRATION | 570,233 | 573,786 | 48,267 | 47,412 | 618,500 | 621,198 | |
| TOTAL, GOAL 3 | \$663,601 | \$667,199 | \$56,124 | \$55,129 | \$719,725 | \$722,328 | |
| TOTAL, AGENCY STRATEGY REQUEST | \$5,727,960 | \$5,062,254 | \$453,853 | \$424,528 | \$6,181,813 | \$5,486,782 | |
| TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST | | | | | | | |
| GRAND TOTAL, AGENCY REQUEST | \$5,727,960 | \$5,062,254 | \$453,853 | \$424,528 | \$6,181,813 | \$5,486,782 | |

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/4/2010
 TIME : 5:22:12PM

| Agency code: 515 Agency name: Board of Pharmacy | | | | | | | |
|--|--|----------------------|----------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Goal/Objective/STRATEGY | | Base 2012 | Base 2013 | Exceptional 2012 | Exceptional 2013 | Total Request 2012 | Total Request 2013 |
| General Revenue Funds: | | | | | | | |
| 1 General Revenue Fund | | \$5,720,230 | \$5,054,524 | \$453,853 | \$424,528 | \$6,174,083 | \$5,479,052 |
| | | \$5,720,230 | \$5,054,524 | \$453,853 | \$424,528 | \$6,174,083 | \$5,479,052 |
| Other Funds: | | | | | | | |
| 666 Appropriated Receipts | | 7,730 | 7,730 | 0 | 0 | 7,730 | 7,730 |
| | | \$7,730 | \$7,730 | \$0 | \$0 | \$7,730 | \$7,730 |
| TOTAL, METHOD OF FINANCING | | \$5,727,960 | \$5,062,254 | \$453,853 | \$424,528 | \$6,181,813 | \$5,486,782 |
| FULL TIME EQUIVALENT POSITIONS | | 72.0 | 72.0 | 6.0 | 6.0 | 78.0 | 78.0 |

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/4/2010

Time: 5:32:05PM

Agency code: 515

Agency name: Board of Pharmacy

Goal/ Objective / Outcome

| | | BL 2012 | BL 2013 | Excp 2012 | Excp 2013 | Total Request 2012 | Total Request 2013 |
|------------|--|--------------------|--------------------|----------------------|----------------------|-----------------------------------|-----------------------------------|
| 1 | Establish and Maintain Standards for Pharmacy Education and Practice | | | | | | |
| 1 | <i>Operate Licensure System to Ensure that Minimal Standards Are Met</i> | | | | | | |
| KEY | 1 Percent of Licensees with No Recent Violations | | | | | | |
| | | 95.00% | 95.00% | | | 95.00% | 95.00% |
| KEY | 2 Percent of Licensees Who Renew Online | | | | | | |
| | | 86.00% | 86.00% | | | 86.00% | 86.00% |
| | 3 Percent of New Individual Licenses Issued Online | | | | | | |
| | | 81.00 | 81.00 | | | 81.00 | 81.00 |
| 2 | Protect Public Health by Enforcing All Laws Relating to Practice | | | | | | |
| 1 | <i>Decrease Violations by Inspections, Education, Resolving Complaints</i> | | | | | | |
| KEY | 1 Percent of Complaints Resulting in Disciplinary Action | | | | | | |
| | | 11.00% | 11.00% | | | 11.00% | 11.00% |
| | 2 Recidivism Rate of Those Receiving Disciplinary Action | | | | | | |
| | | 6.00 | 6.00 | | | 6.00 | 6.00 |
| | 3 Percent of Documented Complaints Resolved within Six Months | | | | | | |
| | | 50.00% | 50.00% | | | 50.00% | 50.00% |
| | 4 Recidivism Rate for Peer Assistance Programs | | | | | | |
| | | 30.00% | 30.00% | | | 30.00% | 30.00% |

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/4/2010
Time: 5:32:05PM

Agency code: 515 Agency name: **Board of Pharmacy**

Goal/ Objective / Outcome

| | BL 2012 | BL 2013 | Excp 2012 | Excp 2013 | Total Request 2012 | Total Request 2013 |
|--|--------------------|--------------------|----------------------|----------------------|-----------------------------------|-----------------------------------|
| 5 One-year Completion Rate for Peer Assistance Programs | 75.00% | 75.00% | | | 75.00% | 75.00% |

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

GOAL: 1 Establish and Maintain Standards for Pharmacy Education and Practice Statewide Goal/Benchmark: 7 2
 OBJECTIVE: 1 Operate Licensure System to Ensure that Minimal Standards Are Met Service Categories:
 STRATEGY: 1 Operate an Application and Renewal Licensure System Service: 16 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|------------------------------------|---|-----------|-------------|-----------|-----------|-----------|
| Output Measures: | | | | | | |
| KEY 1 | Number of New Licenses Issued to Individuals | 1,207.00 | 1,390.00 | 1,300.00 | 1,300.00 | 1,300.00 |
| KEY 2 | Number of Licenses Renewed (Individuals) | 13,026.00 | 13,074.00 | 13,834.00 | 13,857.00 | 14,715.00 |
| 3 | Number of New Registrations Issued to Individuals | 12,892.00 | 11,500.00 | 11,500.00 | 11,600.00 | 11,600.00 |
| 4 | Number of Registrations Renewed (Individuals) | 13,975.00 | 12,000.00 | 13,000.00 | 12,000.00 | 13,000.00 |
| Efficiency Measures: | | | | | | |
| 1 | Percent New Licenses Issued within Ten Days | 100.00 % | 100.00 % | 98.00 % | 99.00 % | 99.00 % |
| 2 | Percent of Individual License Renewals Issued within Seven Days | 100.00 % | 100.00 % | 98.00 % | 99.00 % | 99.00 % |
| Explanatory/Input Measures: | | | | | | |
| 1 | Total Number of Individuals Licensed | 25,507.00 | 25,850.00 | 26,500.00 | 27,400.00 | 28,300.00 |
| KEY 2 | Total Number of Business Facilities Licensed | 6,516.00 | 6,708.00 | 6,775.00 | 6,842.00 | 6,910.00 |
| 3 | Total Number of Individuals Registered | 51,584.00 | 52,000.00 | 52,000.00 | 52,000.00 | 52,000.00 |
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$361,746 | \$404,174 | \$409,718 | \$403,340 | \$403,340 |
| 1002 | OTHER PERSONNEL COSTS | \$21,882 | \$11,080 | \$12,300 | \$25,887 | \$22,267 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$113,788 | \$167,436 | \$41,211 | \$469 | \$376 |
| 2002 | FUELS AND LUBRICANTS | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2003 | CONSUMABLE SUPPLIES | \$4,259 | \$4,502 | \$4,502 | \$4,502 | \$4,502 |
| 2004 | UTILITIES | \$801 | \$1,759 | \$1,759 | \$1,759 | \$1,759 |
| 2005 | TRAVEL | \$1,966 | \$2,612 | \$2,612 | \$2,612 | \$2,612 |
| 2006 | RENT - BUILDING | \$14 | \$375 | \$0 | \$0 | \$0 |
| 2007 | RENT - MACHINE AND OTHER | \$1,220 | \$1,220 | \$1,220 | \$1,220 | \$1,220 |
| 2009 | OTHER OPERATING EXPENSE | \$59,035 | \$1,026,812 | \$294,174 | \$768,471 | \$292,538 |
| 5000 | CAPITAL EXPENDITURES | \$0 | \$0 | \$0 | \$0 | \$612 |

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

GOAL: 1 Establish and Maintain Standards for Pharmacy Education and Practice Statewide Goal/Benchmark: 7 2
 OBJECTIVE: 1 Operate Licensure System to Ensure that Minimal Standards Are Met Service Categories:
 STRATEGY: 1 Operate an Application and Renewal Licensure System Service: 16 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|-----------------------|------------------|--------------------|------------------|--------------------|------------------|
| TOTAL, OBJECT OF EXPENSE | | \$564,711 | \$1,619,970 | \$767,496 | \$1,208,260 | \$729,226 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$564,683 | \$1,619,681 | \$767,207 | \$1,207,971 | \$728,937 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$564,683 | \$1,619,681 | \$767,207 | \$1,207,971 | \$728,937 |
| Method of Financing: | | | | | | |
| 666 | Appropriated Receipts | \$28 | \$289 | \$289 | \$289 | \$289 |
| SUBTOTAL, MOF (OTHER FUNDS) | | \$28 | \$289 | \$289 | \$289 | \$289 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$1,208,260 | \$729,226 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$564,711 | \$1,619,970 | \$767,496 | \$1,208,260 | \$729,226 |
| FULL TIME EQUIVALENT POSITIONS: | | 7.7 | 8.8 | 8.8 | 8.8 | 8.8 |
| STRATEGY DESCRIPTION AND JUSTIFICATION: | | | | | | |

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|--|---------------------------|----|---------------------------|
| GOAL: | 1 | Establish and Maintain Standards for Pharmacy Education and Practice | Statewide Goal/Benchmark: | 7 | 2 |
| OBJECTIVE: | 1 | Operate Licensure System to Ensure that Minimal Standards Are Met | Service Categories: | | |
| STRATEGY: | 1 | Operate an Application and Renewal Licensure System | Service: | 16 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

TSBP is solely responsible for the regulation of the practice of pharmacy under the Texas Pharmacy Act (Occ Code, Sec 551-569) & Texas Dangerous Drug Act (Health & Safety Code, Chap 483).

Strategy 01 contributes directly to the statewide goal to ensure that communities are served by high quality professionals & businesses & in fact, licensure of pharmacists & pharmacies by TSBP is a prerequisite to other agencies' jurisdiction & regulation. This strategy, as well as strategies 02-01-01 & 02-01-02, are critical to TSBP's mission to promote, preserve, & protect the public health, safety, & welfare by fostering the provision of quality pharmaceutical care to the citizens of Texas, through the regulation of the practice of pharmacy, the operation of pharmacies & the distribution of prescription drugs in the public interest.

Key services include:

Issuing:

- licenses to qualified applicants for initial pharmacist licensure;
- registrations to qualified applicants for pharmacy technician & technician trainee registration;
- licenses to qualified applicants for initial licensure of pharmacies;
- registrations to qualified applicants to provide remote pharmacy services;
- registrations to qualified pharmacist-interns;
- certifications to qualified pharmacist-preceptors;

Renewing:

- licenses of pharmacists & pharmacies;
- registrations of pharmacy technicians;
- certifications of qualified pharmacist-preceptors;
- monitoring compliance with continuing education requirements; &
- providing information to the public relating to the licensure & registration systems.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|--|---------------------------|----|---------------------------|
| GOAL: | 1 | Establish and Maintain Standards for Pharmacy Education and Practice | Statewide Goal/Benchmark: | 7 | 2 |
| OBJECTIVE: | 1 | Operate Licensure System to Ensure that Minimal Standards Are Met | Service Categories: | | |
| STRATEGY: | 1 | Operate an Application and Renewal Licensure System | Service: | 16 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

Pharmacist Licenses

The licensee population continues to grow resulting in increased workload in licensing functions including telephone calls & correspondence.

Pharmacy Licenses

The number of pharmacies has increased at a slower pace but the numbers do not reflect the complexity of regulating pharmacies. The agency licensed 4 different classes of pharmacy during FY88-91, increasing to 5 classes in FY92 & 8 classes in FY10. As ways of providing pharmacy services continue to evolve, the number of & classes of pharmacies to will also increase.

Pharmacy Technician Registration

SB 730 passed in 1999, required TSBP to register pharmacy technicians effective 9/01/01. However, the program was not funded until FY04. By the end of FY04, 22,164 pharmacy technicians were registered with TSBP. SB 540 passed in 2005, required the agency register pharmacy technician trainees. That project began in 10/06, & by the end of the FY09, 17,657 trainees had registered with TSBP.

These new programs more than doubled the licensee population. In FY03, the agency licensed 28,064 – at year end FY09, this number increased 202%, to 84,659 (25,507 pharmacists, 1,052 pharmacist interns, 6,516 pharmacies, & 51,584 pharmacy technicians/trainees). The 51,584 pharmacy technicians have had a dramatic effect on the agency’s operations & the number of technicians is expected to grow. The Bureau of Labor Statistics expects employment of pharmacy technicians to increase by 32% from 2006 to 2016, much faster than the average for all occupations.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|--|---------------------------|----|---------------------------|
| GOAL: | 1 | Establish and Maintain Standards for Pharmacy Education and Practice | Statewide Goal/Benchmark: | 7 | 4 |
| OBJECTIVE: | 1 | Operate Licensure System to Ensure that Minimal Standards Are Met | Service Categories: | | |
| STRATEGY: | 2 | TexasOnline. Estimated and Nontransferable | Service: | 16 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|-------------------------|------------------|------------------|------------------|------------------|------------------|
| Objects of Expense: | | | | | | |
| 2009 | OTHER OPERATING EXPENSE | \$221,880 | \$217,345 | \$221,785 | \$217,345 | \$221,785 |
| TOTAL, OBJECT OF EXPENSE | | \$221,880 | \$217,345 | \$221,785 | \$217,345 | \$221,785 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$221,880 | \$217,345 | \$221,785 | \$217,345 | \$221,785 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$221,880 | \$217,345 | \$221,785 | \$217,345 | \$221,785 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$217,345 | \$221,785 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$221,880 | \$217,345 | \$221,785 | \$217,345 | \$221,785 |

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

Sec 4, Article VIII of the GAA states that each Article VIII licensing agency participating in the TexasOnline Authority is authorized in accordance with §2054.252 of the Government Code to increase the occupational license, permit, and registration fees imposed on the licensees by an amount sufficient to cover the cost of the subscription fee charged by the TexasOnline Authority. The estimated amounts to fund this subscription fee for the agency's license holders (applicants for licensure, pharmacists, pharmacy and pharmacy technician) are based on projections of the number of licenses or registrations that will be issued and renew. The actual amount may be more or less than this estimated amount.

Sec 4 also provides, among other things, "licensing agencies participating in TexasOnline are hereby appropriated the additional revenue generated from occupational license, permit or registration fees in excess of the Comptroller's biennial revenue estimate 2010-11 for the sole purpose of payment to the TexasOnline Authority contractor of subscription fees for implementing and maintaining electronic services for licensing agencies."

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|--|---------------------------|----|---------------------------|
| GOAL: | 1 | Establish and Maintain Standards for Pharmacy Education and Practice | Statewide Goal/Benchmark: | 7 | 4 |
| OBJECTIVE: | 1 | Operate Licensure System to Ensure that Minimal Standards Are Met | Service Categories: | | |
| STRATEGY: | 2 | TexasOnline. Estimated and Nontransferable | Service: | 16 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|

The process for collection and payment of the subscription fees to the Texas OnLine Authority requires agencies to establish a budget for payment of the subscription fees, and at the end of each fiscal year, collections will be compared with the budget established. At that time, agencies will need to increase or decrease their budget authority.

The subscription fee is required to be collected on all licensees, regardless of whether the licensee mails in their payment or submits their payment through the Texas OnLine system. Therefore, the estimated appropriations is based on the agency's projection of the number of pharmacies, pharmacists and pharmacy technicians that intend to renew their license within each 12 month period.

It is important to note that this appropriation is contingent upon the number of licenses that pay a revenue fee. Therefore, since this appropriation is estimated and contingent upon additional revenue collections, such additional fees must be appropriated to the agency in order to expend the funds to the Texas OnLine Authority.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

GOAL: 2 Protect Public Health by Enforcing All Laws Relating to Practice
 OBJECTIVE: 1 Decrease Violations by Inspections, Education, Resolving Complaints
 STRATEGY: 1 Operate System of Inspection Assistance Education

Statewide Goal/Benchmark: 7 4
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Output Measures: | | | | | | |
| 1 | Number of Inspections | 2,016.00 | 1,800.00 | 1,800.00 | 1,800.00 | 1,800.00 |
| KEY 2 | Number of Complaints Resolved | 6,120.00 | 4,980.00 | 4,980.00 | 4,980.00 | 4,980.00 |
| Efficiency Measures: | | | | | | |
| KEY 1 | Average Time for Complaint Resolution | 211.00 | 180.00 | 180.00 | 180.00 | 180.00 |
| Explanatory/Input Measures: | | | | | | |
| KEY 1 | Number of Jurisdictional Complaints Received | 5,226.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 |
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$2,068,755 | \$2,474,738 | \$2,622,315 | \$2,619,569 | \$2,619,569 |
| 1002 | OTHER PERSONNEL COSTS | \$110,442 | \$51,587 | \$76,801 | \$137,270 | \$115,877 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$59,223 | \$120,467 | \$52,270 | \$102,819 | \$102,264 |
| 2002 | FUELS AND LUBRICANTS | \$22,678 | \$31,804 | \$35,200 | \$35,200 | \$35,200 |
| 2003 | CONSUMABLE SUPPLIES | \$19,697 | \$22,915 | \$22,915 | \$22,915 | \$22,915 |
| 2004 | UTILITIES | \$6,425 | \$6,960 | \$6,960 | \$6,960 | \$6,960 |
| 2005 | TRAVEL | \$86,534 | \$97,076 | \$116,606 | \$118,651 | \$118,651 |
| 2006 | RENT - BUILDING | \$2,036 | \$2,748 | \$2,800 | \$2,800 | \$2,800 |
| 2007 | RENT - MACHINE AND OTHER | \$6,943 | \$5,271 | \$5,271 | \$5,271 | \$5,271 |
| 2009 | OTHER OPERATING EXPENSE | \$175,833 | \$295,252 | \$181,068 | \$330,283 | \$188,788 |
| 5000 | CAPITAL EXPENDITURES | \$0 | \$88,361 | \$33,000 | \$67,972 | \$36,705 |
| TOTAL, OBJECT OF EXPENSE | | \$2,558,566 | \$3,197,179 | \$3,155,206 | \$3,449,710 | \$3,255,000 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$2,551,252 | \$3,189,738 | \$3,147,765 | \$3,442,269 | \$3,247,559 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$2,551,252 | \$3,189,738 | \$3,147,765 | \$3,442,269 | \$3,247,559 |

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|---|---------------------------|----|---------------------------|
| GOAL: | 2 | Protect Public Health by Enforcing All Laws Relating to Practice | Statewide Goal/Benchmark: | 7 | 4 |
| OBJECTIVE: | 1 | Decrease Violations by Inspections, Education, Resolving Complaints | Service Categories: | | |
| STRATEGY: | 1 | Operate System of Inspection Assistance Education | Service: | 16 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Method of Financing: | | | | | | |
| 666 | Appropriated Receipts | \$7,314 | \$7,441 | \$7,441 | \$7,441 | \$7,441 |
| SUBTOTAL, MOF (OTHER FUNDS) | | \$7,314 | \$7,441 | \$7,441 | \$7,441 | \$7,441 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$3,449,710 | \$3,255,000 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$2,558,566 | \$3,197,179 | \$3,155,206 | \$3,449,710 | \$3,255,000 |
| FULL TIME EQUIVALENT POSITIONS: | | 41.4 | 51.3 | 51.3 | 51.3 | 51.3 |

STRATEGY DESCRIPTION AND JUSTIFICATION:

TSBP is an independent state health regulatory agency, operating under the authority of its enabling legislation, the Texas Pharmacy Act (Occ.Code, Sec. 551 569) & the Texas Dangerous Drug Act (Health & Safety Code, Chapter 483). There are other state & federal laws & rules governing the practice of pharmacy also enforced by TBSP.

Functional activities include: inspection of pharmacies including random sampling & testing of compounded products; investigation of complaints; discipline of licensees that violate the law; & monitoring compliance with disciplinary orders.

02 01 01 contributes to the statewide functional goal to ensure that communities are served by quality professionals & businesses by setting clear standards, maintaining compliance & disciplining violators. This Strategy also contributes to goals/objectives by fostering the provision of quality pharmaceutical care to all Texans, & regulating the practice of pharmacy, operation of pharmacies & distribution of prescription drugs to consumers.

Without enforcement of pharmacy laws/rules, the health of Texans would be at risk because their prescription drugs & drug information would be provided by potentially incompetent, unlicensed persons working in potentially unsanitary, unlicensed pharmacies. Further, the safety of Texans would be at risk due to the unregulated distribution of prescription drugs.

The successful accomplishment of TSBP's mission is dependent on funding. Without proper funding in this critical area, the laws/rules governing the practice of pharmacy will be severely compromised.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|---|---------------------------|----|---------------------------|
| GOAL: | 2 | Protect Public Health by Enforcing All Laws Relating to Practice | Statewide Goal/Benchmark: | 7 | 4 |
| OBJECTIVE: | 1 | Decrease Violations by Inspections, Education, Resolving Complaints | Service Categories: | | |
| STRATEGY: | 1 | Operate System of Inspection Assistance Education | Service: | 16 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

In order for the Board to continue to protect the citizens of Texas, it must be adequately funded & staffed. Operation of the agency has been dramatically affected by the unprecedented growth of registrants as a result of legislation requiring the registration of pharmacy technicians in 2004 & pharmacy technician trainees in 2006. Since FY03, the licensee population exploded from 28,064 licensees to 84,659 licensees in FY09 (202% cumulative increase). Of particular concern to the agency is the explosive growth in the number of complaints received, which has a direct impact on the protection of the health & safety of the citizens of Texas. Since FY03, the agency has experienced a 176% increase in the number of complaints; a 246% increase in the number of disciplinary orders & a 38% increase in the number of days to resolve a complaint. Each area of growth is directly attributed to the increase in registrants.

The 2009 TX Leg approved appropriations that included all of the items requested by TSBP. However, due to a large projected short fall of revenue for the state over the current & next biennium, TSBP has implemented a 5% cut in FY10-11 & identified an additional 10% cut in FY12-13. These two actions will have a dramatic impact on TSBP's ability to properly do our job of protecting the public.

Without proper funding, & given the current & anticipated growth in the licensee population, we expect TSBP to experience critical slowdowns in the areas of complaint resolution, issuance of licenses & deterioration of services to our customers & the citizens of Texas.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|---|---------------------------|----|-------------------------|
| GOAL: | 2 | Protect Public Health by Enforcing All Laws Relating to Practice | Statewide Goal/Benchmark: | 7 | 0 |
| OBJECTIVE: | 1 | Decrease Violations by Inspections, Education, Resolving Complaints | Service Categories: | | |
| STRATEGY: | 2 | Provide a Peer Assistance Program for Licensed Individuals | Service: | 16 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|--|------------------|------------------|------------------|------------------|------------------|
| Output Measures: | | | | | | |
| KEY 1 | Number of Individuals Participating in a Peer Assistance Program | 157.00 | 160.00 | 160.00 | 160.00 | 160.00 |
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$52,325 | \$52,325 | \$52,325 | \$52,325 | \$52,325 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$130,707 | \$133,301 | \$129,883 | \$136,719 | \$136,719 |
| TOTAL, OBJECT OF EXPENSE | | \$183,032 | \$185,626 | \$182,208 | \$189,044 | \$189,044 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$183,032 | \$185,626 | \$182,208 | \$189,044 | \$189,044 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$183,032 | \$185,626 | \$182,208 | \$189,044 | \$189,044 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$189,044 | \$189,044 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$183,032 | \$185,626 | \$182,208 | \$189,044 | \$189,044 |
| FULL TIME EQUIVALENT POSITIONS: | | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| STRATEGY DESCRIPTION AND JUSTIFICATION: | | | | | | |

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|---|---------------------------|----|---------------------------|
| GOAL: | 2 | Protect Public Health by Enforcing All Laws Relating to Practice | Statewide Goal/Benchmark: | 7 | 0 |
| OBJECTIVE: | 1 | Decrease Violations by Inspections, Education, Resolving Complaints | Service Categories: | | |
| STRATEGY: | 2 | Provide a Peer Assistance Program for Licensed Individuals | Service: | 16 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|
|-------------|--------------------|-----------------|-----------------|-----------------|----------------|----------------|

The TSBP is an independent state health regulatory agency, operating under the authority of its enabling legislation, the Texas Pharmacy Act (Occupations Code, Sec. 551-569) and the Texas Dangerous Drug Act (Health & Safety Code, Chapter 483). However, there are many other state and federal laws and rules governing the practice of pharmacy, which are enforced by TSBP. Specific statutory provisions that relate to this strategy includes Chapter 564 of the Texas Pharmacy Act.

Strategy 02-01-02 contributes directly to the statewide functional goal to ensure that communities are served by high quality professionals and businesses by setting clear standards, maintaining compliance, and seeking market-based solutions. Without Licensure and Examination of pharmacists and pharmacies, Enforcement and Peer Assistance, the health of Texans would be at risk because their prescription drugs and drug information would be dispensed or provided by incompetent, unlicensed individuals, and the safety of Texans would be at risk due to the unregulated distribution of prescription drugs. Therefore, all strategies are interwoven with one another and are critical to the mission of the State and the agency.

The Peer Assistance Program is a self funded program - that is, the program is funded by a statutory fee that is levied on each individual license holder. By statute, the Board has the authority to finance this program, including the costs of administering the program.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|---|---------------------------|----|-------------------------|
| GOAL: | 2 | Protect Public Health by Enforcing All Laws Relating to Practice | Statewide Goal/Benchmark: | 7 | 0 |
| OBJECTIVE: | 1 | Decrease Violations by Inspections, Education, Resolving Complaints | Service Categories: | | |
| STRATEGY: | 2 | Provide a Peer Assistance Program for Licensed Individuals | Service: | 16 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

External factors are the number of individuals licensed & complaints filed. TSBP must contend with the growing problem of alcoholism & chemical dependence.

As the number of pharmacists increase & incidences of alcoholism/drug dependence increase, there will be more pressure on TSBP to identify, intervene & monitor impaired/recovering individuals. Some of this pressure is relieved through the interventions & efforts of the Pharmacy Recovery Network, a self-funded peer assistance program for pharmacists and eligible pharmacy students.

When TSBP intervenes, the impaired/recovering pharmacist is generally subject to an extremely lengthy and complex Disciplinary Order. If the licensee does not comply with the requirements of the Disciplinary Order, the Board initiates further disciplinary action, which in turn, increases the Legal Division's workload.

Monitoring licensees who are subject to these types of Orders is very labor intensive due to the numerous restrictions and conditions that are imposed upon the licensee, including a 5 year probation period, random drug screens, quarterly reports from the recovering pharmacist, and if applicable, the supervising pharmacist & mental health professional.

One Order could result in as many as 16 different reports being submitted to TSBP each year of the 5 year probation period. Each report must be reviewed and evaluated by agency staff.

Finally, the peer assistance program is also subject to the same internal factors as outlined under the Enforcement Strategy.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|-------------------------------------|---------------------------|----|---------------------------|
| GOAL: | 3 | Indirect Administration | Statewide Goal/Benchmark: | 7 | 0 |
| OBJECTIVE: | 1 | Indirect Administration | Service Categories: | | |
| STRATEGY: | 1 | Licensing - Indirect Administration | Service: | 09 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$78,169 | \$76,600 | \$75,223 | \$75,100 | \$75,100 |
| 1002 | OTHER PERSONNEL COSTS | \$7,758 | \$3,153 | \$2,871 | \$4,937 | \$4,405 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$857 | \$1,314 | \$749 | \$763 | \$749 |
| 2002 | FUELS AND LUBRICANTS | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2003 | CONSUMABLE SUPPLIES | \$466 | \$643 | \$649 | \$649 | \$649 |
| 2004 | UTILITIES | \$7 | \$1 | \$1 | \$1 | \$1 |
| 2005 | TRAVEL | \$4,946 | \$4,869 | \$4,659 | \$6,548 | \$6,548 |
| 2006 | RENT - BUILDING | \$185 | \$133 | \$0 | \$0 | \$0 |
| 2007 | RENT - MACHINE AND OTHER | \$230 | \$113 | \$113 | \$113 | \$113 |
| 2009 | OTHER OPERATING EXPENSE | \$5,461 | \$4,866 | \$6,459 | \$4,837 | \$5,753 |
| 5000 | CAPITAL EXPENDITURES | \$0 | \$0 | \$0 | \$420 | \$95 |
| TOTAL, OBJECT OF EXPENSE | | \$98,079 | \$91,692 | \$90,724 | \$93,368 | \$93,413 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$98,079 | \$91,692 | \$90,724 | \$93,368 | \$93,413 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$98,079 | \$91,692 | \$90,724 | \$93,368 | \$93,413 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$93,368 | \$93,413 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$98,079 | \$91,692 | \$90,724 | \$93,368 | \$93,413 |
| FULL TIME EQUIVALENT POSITIONS: | | 1.4 | 1.4 | 1.5 | 1.5 | 1.5 |
| STRATEGY DESCRIPTION AND JUSTIFICATION: | | | | | | |

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|-------------------------------------|---------------------------|----|---------------------------|
| GOAL: | 3 | Indirect Administration | Statewide Goal/Benchmark: | 7 | 0 |
| OBJECTIVE: | 1 | Indirect Administration | Service Categories: | | |
| STRATEGY: | 1 | Licensing - Indirect Administration | Service: | 09 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

TSBP is solely responsible for the regulation of the practice of pharmacy under the Texas Pharmacy Act (Occ Code, Sec 551-569) & Texas Dangerous Drug Act (Health & Safety Code, Chap 483). Specific statutory provisions that relate to this strategy include Chapter 553 of the Texas Pharmacy Act.

Strategy 03 contributes directly to the statewide goal to ensure that communities are served by high quality professionals & businesses. This Strategy, along with the Strategies of Licensing, Enforcement and Peer Assistance, are interwoven with one another and are critical to the mission of the State and the agency.

The administrative functions are an essential part of the Texas State Board of Pharmacy. This function serves all of the TSBP employees and Board Members. Functions are: daily operations of the agency, human resources, purchasing, budgeting, accounting, cash receipts, payroll, record management, property management, risk management, and information technologies.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

In order for the Board to continue to protect the citizens of Texas, it must be adequately funded and staffed. Operation of the agency has been dramatically affected by the unprecedented growth of registrants as a result of legislation requiring the registration of pharmacy technicians in 2004 and pharmacy technician trainees in 2006. Since FY2003, the licensee population exploded from 28,064 licensees to 84,659 licensees in FY09 (202% cumulative increase). Of particular concern to the agency is the explosive growth in the number of complaints received, which has a direct impact on the protection of the health and safety of the citizens of Texas. Since FY2003, the agency has experienced a 176% increase in the number of complaints; a 246% increase in the number of disciplinary orders and a 38% increase in the number of days to resolve a complaint. Each area of growth is directly attributed to the increase in registrants.

The 2009 Texas Legislature approved appropriations for the agency that included all of the items requested by TSBP. As a result, the agency received 10 new positions and funding for the purchase of a new database system. However, due to a large projected short fall of revenue for the state over the current and next biennium, TSBP has been asked to identify a five percent cut in this biennium's appropriation and ten percent below the current biennium's funding. These two actions will have a dramatic impact on TSBP's ability to properly do our job of protecting the public.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|-------------------------------------|---------------------------|----|---------------------------|
| GOAL: | 3 | Indirect Administration | Statewide Goal/Benchmark: | 7 | 0 |
| OBJECTIVE: | 1 | Indirect Administration | Service Categories: | | |
| STRATEGY: | 2 | Enforcement-Indirect Administration | Service: | 09 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$450,645 | \$470,541 | \$462,081 | \$461,328 | \$461,328 |
| 1002 | OTHER PERSONNEL COSTS | \$44,040 | \$19,367 | \$17,629 | \$30,321 | \$27,057 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$4,857 | \$8,073 | \$4,605 | \$4,693 | \$4,605 |
| 2002 | FUELS AND LUBRICANTS | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2003 | CONSUMABLE SUPPLIES | \$2,638 | \$3,952 | \$3,946 | \$3,946 | \$3,946 |
| 2004 | UTILITIES | \$40 | \$6 | \$6 | \$6 | \$6 |
| 2005 | TRAVEL | \$28,029 | \$29,906 | \$28,616 | \$40,222 | \$40,222 |
| 2006 | RENT - BUILDING | \$1,048 | \$816 | \$0 | \$0 | \$0 |
| 2007 | RENT - MACHINE AND OTHER | \$1,302 | \$696 | \$696 | \$696 | \$696 |
| 2009 | OTHER OPERATING EXPENSE | \$30,947 | \$29,889 | \$39,674 | \$26,442 | \$35,338 |
| 5000 | CAPITAL EXPENDITURES | \$0 | \$0 | \$0 | \$2,579 | \$588 |
| TOTAL, OBJECT OF EXPENSE | | \$563,546 | \$563,246 | \$557,253 | \$570,233 | \$573,786 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$563,546 | \$563,246 | \$557,253 | \$570,233 | \$573,786 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$563,546 | \$563,246 | \$557,253 | \$570,233 | \$573,786 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$570,233 | \$573,786 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$563,546 | \$563,246 | \$557,253 | \$570,233 | \$573,786 |
| FULL TIME EQUIVALENT POSITIONS: | | 8.3 | 8.5 | 8.4 | 8.4 | 8.4 |
| STRATEGY DESCRIPTION AND JUSTIFICATION: | | | | | | |

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:22:34PM

Agency code: **515** Agency name: **Board of Pharmacy**

| | | | | | |
|------------|---|-------------------------------------|---------------------------|----|---------------------------|
| GOAL: | 3 | Indirect Administration | Statewide Goal/Benchmark: | 7 | 0 |
| OBJECTIVE: | 1 | Indirect Administration | Service Categories: | | |
| STRATEGY: | 2 | Enforcement-Indirect Administration | Service: | 09 | Income: A.2 Age: B.3 |

| CODE | DESCRIPTION | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

TSBP is solely responsible for the regulation of the practice of pharmacy under the Texas Pharmacy Act (Occ Code, Sec 551-569) & Texas Dangerous Drug Act (Health & Safety Code, Chap 483). Specific statutory provisions that relate to this strategy include Chapter 553 of the Texas Pharmacy Act.

Strategy 03 contributes directly to the statewide goal to ensure that communities are served by high quality professionals & businesses. This Strategy, along with the Strategies of Licensing, Enforcement and Peer Assistance, are interwoven with one another and are critical to the mission of the State and the agency.

The administrative functions are an essential part of the Texas State Board of Pharmacy. This function serves all of the TSBP employees and Board Members. Functions are: daily operations of the agency, human resources, purchasing, budgeting, accounting, cash receipts, payroll, record management, property management, risk management, and information technologies.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

In order for the Board to continue to protect the citizens of Texas, it must be adequately funded and staffed. Operation of the agency has been dramatically affected by the unprecedented growth of registrants as a result of legislation requiring the registration of pharmacy technicians in 2004 and pharmacy technician trainees in 2006. Since FY2003, the licensee population exploded from 28,064 licensees to 84,659 licensees in FY09 (202% cumulative increase). Of particular concern to the agency is the explosive growth in the number of complaints received, which has a direct impact on the protection of the health and safety of the citizens of Texas. Since FY2003, the agency has experienced a 176% increase in the number of complaints; a 246% increase in the number of disciplinary orders and a 38% increase in the number of days to resolve a complaint. Each area of growth is directly attributed to the increase in registrants.

The 2009 Texas Legislature approved appropriations for the agency that included all of the items requested by TSBP. As a result, the agency received 10 new positions and funding for the purchase of a new database system. However, due to a large projected short fall of revenue for the state over the current and next biennium, TSBP has been asked to identify a five percent cut in this biennium's appropriation and ten percent below the current biennium's funding. These two actions will have a dramatic impact on TSBP's ability to properly do our job of protecting the public.

3.A. STRATEGY REQUEST
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
TIME: 5:22:34PM

SUMMARY TOTALS:

| | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| OBJECTS OF EXPENSE: | \$4,189,814 | \$5,875,058 | \$4,974,672 | \$5,727,960 | \$5,062,254 |
| METHODS OF FINANCE (INCLUDING RIDERS): | | | | \$5,727,960 | \$5,062,254 |
| METHODS OF FINANCE (EXCLUDING RIDERS): | \$4,189,814 | \$5,875,058 | \$4,974,672 | \$5,727,960 | \$5,062,254 |
| FULL TIME EQUIVALENT POSITIONS: | 60.8 | 72.0 | 72.0 | 72.0 | 72.0 |

3.B. Rider Revisions

| Agency Code | Agency Name | Prepared by: | Date: |
|-----------------|-------------------------------------|---|-----------|
| 515 | Texas State Board of Pharmacy | Cathy Stella | 8/02/2010 |
| SB 1 Rider # | Page Number in 2010-11 GAA | Proposed Rider Language (use strikethrough and underline to show differences between agency request and SB1) | |
| 2 | VIII-45 | <p>Capital Budget. None of the funds appropriated may be expended for capital budget items except as listed below. If a finding of fact is not issued by the Comptroller of Public Accounts to make the contingent appropriations specified in Rider 4, Contingent Revenue, the capital budget expenditure and transfer authority provided to the Board of Pharmacy by Article IX, Section 14.03, Limitation on Expenditures – Capital Budget, of this act, only applies to \$35,000 in fiscal year 2010 and \$55,00 in 2011 for the scheduled replacement of computer hardware, and \$16,500 in 2010 and \$33,000 in 2011 for transportation vehicles replacement. 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 "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code §1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.</p> | |

| | Out of the General Revenue Fund: | 2011 2012 | 2011 2013 |
|--|---|------------------------------------|------------------------------------|
| | a. Repair or Rehabilitation of Building & Facilities (1) Rider 4 Contingency – Office Space Remodeling Total, Repair or Rehabilitation of Buildings & Facilities | \$101,500 \$101,500 | -0- -0- |
| | b. Acquisition of Information Resource Technologies (1) Technology Replacement (2) Rider 4 Contingency – Purchase of new information technologies Total, Acquisition of Information Resource Technologies | \$ 53,250 \$ 20,074 \$73,324 | \$ 79,000 \$ 10,420 \$89,420 |
| | c. Transportation Items (1) Vehicles - Replacement (2) Rider 4 Contingency – Purchase of New Agency Vehicles | \$58,500 \$39,000 | \$58,500 -0- |

3.B. Rider Revisions

| | | | | |
|--|--|---|-----------|-----------|
| | | Total, Transportation Items | \$97,500 | \$58,500 |
| | | | | |
| | | Total, Capital Budget | \$170,824 | \$147,920 |
| | | <i>This rider has been changed to reflect the 2012-13 Capital Budget Request.</i> | | |

3.B. Rider Revisions

| Agency Code | Agency Name | Prepared by: | Date: |
|--|-------------------------------------|---|------------|
| 515 | Texas State Board of Pharmacy | Cathy Stella | 08/02/2010 |
| SB 1 Rider # | Page Number in 2010-11 GAA | Proposed Rider Language (use strikethrough and underline to show differences between agency request and SB1) | |
| 3 | VIII-46 | <p>Controlled Substance Forfeiture Program. In addition to the amounts appropriated above, all forfeited money collected under federal or state forfeiture programs, proceeds from the sale of forfeited property or similar monetary awards related to the Board of Pharmacy's participation in the seizure of controlled substances or other contraband, are hereby appropriated to the Board of Pharmacy to be used for enforcement purposes. Any funds unexpended at the close of fiscal year 2010 <u>2012</u> are appropriated for fiscal year 2011 <u>2013</u>. Any funds unexpended at the close of fiscal year 2011 are appropriated for fiscal year 2012.</p> | |
| <i>Change in rider to reflect correct biennium dates and additional UB authority to cross bienniums.</i> | | | |

3.B. Rider Revisions

| Agency Code | Agency Name | Prepared by: | Date: |
|--------------|-------------------------------|---|------------|
| 515 | Texas State Board of Pharmacy | Cathy Stella | 08/02/2010 |
| SB 1 Rider # | Page Number in 2010-11 GAA | Proposed Rider Language (use strikethrough and underline to show differences between agency request and SB1) | |
| 4 | VIII-46 | <p>Contingent Revenue. Out of the amounts appropriated above to the Board of Pharmacy in Strategy A.1.1, Licensing, the amounts of \$1,004,444 in fiscal year 2010 and \$140,353 in fiscal year 2011, in Strategy B.1.1, Enforcement, the amounts of \$790,677 in fiscal year 2010 and \$703,525 in fiscal year 2011, in Strategy B.1.2, Peer Assistance, the amounts of \$14,906 in fiscal year 2010, in Strategy C.1.1, Licensing—Indirect Administration, the amounts of \$1,721 in fiscal year 2010 and \$3,486 in fiscal year 2011, and in Strategy C.1.2, Enforcement—Indirect Administration, the amounts of \$9,752 in fiscal year 2010 and \$19,753 in fiscal year 2011 in General Revenue are contingent upon the Board of Pharmacy assessing or increasing fees sufficient to generate, during the 2010-11 biennium, \$3,056,074 in excess of \$12,081,060 (Object Codes 3570 and 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2010 and 2011. Also, the "Number of Full Time Equivalents (FTE)" figure indicated above includes 9.0 FTEs in each fiscal year contingent upon the Board of Pharmacy generating the amount of revenue indicated above. The Board of Pharmacy, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of the Board of Pharmacy's minutes and other information supporting the estimated revenues to be generated for the 2010-11 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.</p> | |
| | | <i>Contingent revenue rider can be deleted.</i> | |

3.B. Rider Revisions

| Agency Code | Agency Name | Prepared by: | Date: | |
|-----------------|-------------------------------------|--|--------------------------|--------------------------|
| 515 | Texas State Board of Pharmacy | Cathy Stella | 7/28/2008 | |
| SB 1 Rider # | Page Number in 2010-11 GAA | Proposed Rider Language (use strikethrough and underline to show differences between agency request and SB1) | | |
| Sec. 3 | VIII-81 | Sec. 3 Funding for Health Professions Council. An agency participating in the Health Professions Council shall transfer funds through interagency contract, to the Health Professions Council from appropriations made to the agency elsewhere in this Act in order to carry out the functions required under Chapter 101, Occupations Code. Included in the amounts appropriated above to the Health Professions Council are funds transferred by the following participating agencies in the amounts noted below for each year of the 2010-11 <u>2012-2013</u> biennium. | | |
| | | | 2012 | 2013 |
| | | Department of State Health Services Board of Chiropractic Examiners Texas State Board of Dental Examiners Funeral Service Commission Texas Medical Board Texas Board Nursing Optometry Board Board of Pharmacy Executive Council of Physical Therapy and Occupational Therapy Examiners Board of Podiatric Medical Examiners Board of Examiners of Psychologists Board of Veterinary Medical Examiners | 19,911 19,479 | 19,911 19,479 |
| | | <i>This rider has been changed to reflect the 2012-13 amounts the agency will transfer to the Health Professions Council.</i> | | |

3.B. Rider Revisions

| Agency Code | Agency Name | Prepared by: | Date: | |
|-----------------|-------------------------------------|--|------------------|------------------|
| 515 | Texas State Board of Pharmacy | Cathy Stella | 8/02/2010 | |
| SB 1 Rider # | Page Number in 2010-11 GAA | Proposed Rider Language (use strikethrough and underline to show differences between agency request and SB1) | | |
| Sec. 4 | VIII-81 | <p>Sec. 4 TexasOnline Authority Appropriation.</p> <p>a. Each Article VIII licensing agency participating in the TexasOnline Authority is authorized in accordance with §2054.252 of the Government Code to increase the occupational license, permit, and registration fees imposed on the licensees by an amount sufficient to cover the cost of the subscription fee charged by the TexasOnline Authority.</p> | | |
| | | <p>b. The following is an informational listing for each Article VIII licensing agency participating in TexasOnline of appropriated fee revenue for the purpose of paying TexasOnline Authority subscription fees.</p> | | |
| | | | Fiscal Year 2012 | Fiscal Year 2013 |
| | | Board of Chiropractic Examiners Texas State Board of Dental Examiners Funeral Services Commission Board of Professional Geoscientists Department of Insurance Board of Professional Land Surveying Department of Licensing and Regulation Texas Medical Board Texas Board of Nursing Optometry Board Structural Pest Control Board Board of Pharmacy Executive Council of Physical Therapy & Occupational Therapy Examiners Board of Plumbing Examiners Board of Podiatric Medical Examiners Board of Examiners of Psychologists Racing Commission Real Estate Commission Residential Construction Commission Department of Savings and Mortgage Lending Board of Tax Professional Examiners Board of Veterinary Medical Examiners | \$241,065 | \$248,925 |

3.B. Rider Revisions

| | | | | |
|--|--|--|--|--|
| | | | | |
| | | Total | | |
| | | <p>c. In the event that actual and/or projected revenue collections from fee increases to cover the cost of TexasOnline subscription fees are insufficient to offset the costs identified above, the Comptroller is hereby directed to reduce the appropriation authority provided by this Act to agencies participating in TexasOnline to be within the amount of fee revenue expected to be available.</p> <p>d. For new licensing applications, the Article VIII licensing agencies participating in TexasOnline are hereby appropriated the additional revenue generated from occupational license, permit, or registration fees in excess of the Comptroller's biennial revenue estimate 2010-2011 2011-2012 2012-2013 for the sole purpose of payment to the TexasOnline Authority contractor of subscription fees for implementing and maintaining electronic services for the licensing agencies. Each agency, upon completion of necessary actions to access or increase fees, shall furnish copies of board meeting minutes, an annual schedule of the number of license issuances or renewals and associated annual fee total, and any other supporting documentation to the Comptroller. If the Comptroller finds the information sufficient to support the projection of increased revenues, a notification letter will be issued and the contingent appropriation made available for the intended purpose.</p> <p>e. Each Article VIII licensing agency participating in TexasOnline shall notify the Legislative Budget Board and the Comptroller of Public Accounts in writing upon receiving an exemption from participating in TexasOnline. Within 45 days of receiving an exemption, an agency shall provide the Legislative Budget Board and the Comptroller with a report of the effective date, the reason for exemption, and all estimated expenditures for TexasOnline costs in the fiscal year in which the exemption is made.</p> | | |
| | | <i>This rider has been changed to reflect the 2012-13 estimated amounts the agency will collect in subscription fees for all licensees.</i> | | |

3.B. Rider Revisions

| Agency Code | Agency Name | Prepared by: | Date: |
|-----------------|-------------------------------------|---|-----------|
| 515 | Texas State Board of Pharmacy | Cathy Stella | 8/02/2010 |
| SB 1 Rider # | Page Number in 2010-11 GAA | Proposed Rider Language (use strikethrough and underline to show differences between agency request and SB1) | |
| Sec. 5 | VIII-82 | <p>Sec. 5 Peer Assistance Program Funding Requirements. Funds collected during the biennium beginning September 1, 2009 2011 by the Board of Pharmacy pursuant to Chapter 564, Occupations Code, and by the Board of Nurse Examiners, the Board of Dental Examiners and the Board of Veterinary Medical Examiners pursuant to Chapter 467 of the Health and Safety Code, in order to administer or finance peer assistance programs for professionals impaired by chemical dependency or mental illness, are appropriated elsewhere in this Act as identified in each Board's peer assistance strategy. The expenditure of the appropriations identified by this section is hereby made contingent upon sufficient revenue collections from peer assistance surcharges or other receipts collected pursuant to Chapter 467 of the Health and Safety Code or Occupations Code, or Chapter 564, Occupations Code as appropriate. None of the appropriations identified by this section may be expended unless each agency with a peer assistance program has on file the following current documents:</p> | |
| | | a. a request for proposal documentation and contracts documenting that the respective agency governing board has a competitively bid contract with the peer assistance program; | |
| | | b. documentation for programs authorized under Chapter 467 of the Health and Safety code that the agency's peer assistance program has been certified by the Department of State Health Services (DSHS) as meeting all DSHS criteria for peer assistance programs; | |
| | | c. documentation for programs authorized under Chapter 467 showing compliance with statutory requirements regarding eligible participants and conditions for which services may be offered; and | |
| | | d. documentation that the program has been approved by the agency governing board. | |
| | | <i>This rider has been changed to reflect the 2012/13 biennium.</i> | |

3.B. Rider Revisions

| Agency Code | Agency Name | Prepared by: | Date: | | | | | | | | | | | | | | | | | | | | | |
|---------------------------------------|-------------------------------------|--|-----------|--|--------|--------|-------------------|-----------|-----------|-------------------------------------|----------|----------|-----------------|----------|----------|---------------------------------------|-----------|-----------|-----------------------------|-----------|-----------|--------------------------------------|----------|----------|
| 515 | Texas State Board of Pharmacy | Cathy Stella | 8/02/2010 | | | | | | | | | | | | | | | | | | | | | |
| SB 1 Rider # | Page Number in 2010-11 GAA | Proposed Rider Language (use strikethrough and underline to show differences between agency request and SB1) | | | | | | | | | | | | | | | | | | | | | | |
| Sec. 7 | VIII-83 | <p>Sec. 7 Contingent Funding for Health Professions Council Shared Regulatory Database Migration</p> <p>a. If a finding of fact is not issued by the Comptroller of Public Accounts to make available the contingent appropriation specified in Contingent Revenue riders elsewhere in this Act for all of the agencies identified below, this subsection (a) has no effect. Otherwise, an agency participating in the Health Professions Council Shared Regulatory Database Migration Project shall transfer funds through interagency contract to the Health Professions Council from appropriations made elsewhere in this Act in order to fund the new shared data base. Included in the amounts appropriated above to the Health Professions Council and in addition to amounts identified in Sec. 3, Funding for Health Professions Council, are funds transferred by the following participating agencies in the amounts noted below for each year of the 2010-2011 <u>2012-2013</u> biennium:</p> <table border="1"> <thead> <tr> <th></th> <th>FY2012</th> <th>FY2013</th> </tr> </thead> <tbody> <tr> <td>Board of Pharmacy</td> <td>\$264,909</td> <td>\$262,467</td> </tr> <tr> <td>Board of Examiners of Psychologists</td> <td>\$26,233</td> <td>\$25,991</td> </tr> <tr> <td>Optometry Board</td> <td>\$13,642</td> <td>\$13,517</td> </tr> <tr> <td>Texas State Board of Dental Examiners</td> <td>\$205,293</td> <td>\$203,400</td> </tr> <tr> <td>Board of Plumbing Examiners</td> <td>\$161,664</td> <td>\$160,173</td> </tr> <tr> <td>Board of Professional Land Surveying</td> <td>\$16,005</td> <td>\$15,858</td> </tr> </tbody> </table> <p>b. If subsection (a) has no effect, amounts identified below for each agency may not be expended if a finding of fact has been issued by the Comptroller of Public Accounts making available contingent appropriations specified in Contingent Revenue riders elsewhere in this Act. Also, the "number of full-time equivalents (FTE) figure indicated elsewhere for the Health Professions Council shall be reduced by 3.0 FTE in each fiscal year if subsection (a) has no effect.</p> | | | FY2012 | FY2013 | Board of Pharmacy | \$264,909 | \$262,467 | Board of Examiners of Psychologists | \$26,233 | \$25,991 | Optometry Board | \$13,642 | \$13,517 | Texas State Board of Dental Examiners | \$205,293 | \$203,400 | Board of Plumbing Examiners | \$161,664 | \$160,173 | Board of Professional Land Surveying | \$16,005 | \$15,858 |
| | FY2012 | FY2013 | | | | | | | | | | | | | | | | | | | | | | |
| Board of Pharmacy | \$264,909 | \$262,467 | | | | | | | | | | | | | | | | | | | | | | |
| Board of Examiners of Psychologists | \$26,233 | \$25,991 | | | | | | | | | | | | | | | | | | | | | | |
| Optometry Board | \$13,642 | \$13,517 | | | | | | | | | | | | | | | | | | | | | | |
| Texas State Board of Dental Examiners | \$205,293 | \$203,400 | | | | | | | | | | | | | | | | | | | | | | |
| Board of Plumbing Examiners | \$161,664 | \$160,173 | | | | | | | | | | | | | | | | | | | | | | |
| Board of Professional Land Surveying | \$16,005 | \$15,858 | | | | | | | | | | | | | | | | | | | | | | |
| | | <p><i>This rider has been changed to reflect the 2012-13 amounts the agency will transfer to the Health Professions Council for the agency's pro-rata share of ongoing costs for the Shared Regulatory Database.</i></p> | | | | | | | | | | | | | | | | | | | | | | |

3.B. Rider Revisions

| Agency Code | Agency Name | Prepared by: | Date: | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-----------------|-------------------------------------|--|-----------|-------|---------|---------|---|----------|-----------|---|--------|---------|---|--------|---------|---|---------|---------|---|---------|---------|---|---------|---------|---|---------|---------|---|---------|---------|
| 515 | Texas State Board of Pharmacy | Cathy Stella | 7/28/2008 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SB 1 Rider # | Page Number in 2010-11 GAA | Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3.05 | Article IX | <p>Sec. 3.05 Scheduled Exempt Positions.</p> <p>(a) Except for the positions listed under Subsection (b)(3) or (c)(6), a position listed following an agency's appropriation in the agency's "Schedule of Exempt Positions" shall receive compensation at a rate not to exceed the amount indicated in that agency's "Schedule of Exempt Positions."</p> <p>(b) (1) Notwithstanding the rate listed in an agency's "Schedule of Exempt Positions," a position listed in Subsection (b)(3) may receive compensation at a rate set by the Governor in an amount not to exceed the "Maximum Salary" but not less than the "Minimum Salary" for the appropriate group as listed in Subsection (b)(2). (2) An exempt position listed in Subsection (b)(3) or (c)(6), for which the term "Group," followed by an Arabic numeral, is indicated, may receive compensation at a rate within the range indicated below for the respective salary group indicated.</p> <p>Scheduled Exempt Position Salary Rates</p> <table border="0"> <thead> <tr> <th>Group</th> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>\$70,000</td> <td>\$110,000</td> </tr> <tr> <td>2</td> <td>80,500</td> <td>126,600</td> </tr> <tr> <td>3</td> <td>92,600</td> <td>145,600</td> </tr> <tr> <td>4</td> <td>106,500</td> <td>167,500</td> </tr> <tr> <td>5</td> <td>122,500</td> <td>192,600</td> </tr> <tr> <td>6</td> <td>140,900</td> <td>221,500</td> </tr> <tr> <td>7</td> <td>162,000</td> <td>254,700</td> </tr> <tr> <td>8</td> <td>186,300</td> <td>292,500</td> </tr> </tbody> </table> | | Group | Minimum | Maximum | 1 | \$70,000 | \$110,000 | 2 | 80,500 | 126,600 | 3 | 92,600 | 145,600 | 4 | 106,500 | 167,500 | 5 | 122,500 | 192,600 | 6 | 140,900 | 221,500 | 7 | 162,000 | 254,700 | 8 | 186,300 | 292,500 |
| Group | Minimum | Maximum | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | \$70,000 | \$110,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | 80,500 | 126,600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | 92,600 | 145,600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | 106,500 | 167,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | 122,500 | 192,600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | 140,900 | 221,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | 162,000 | 254,700 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | 186,300 | 292,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

3.B. Rider Revisions

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|--|--|--|
| | | <p>(3) Agency Position Salary Group (A) Fire Fighters' Pension Commissioner: Commissioner Group 1; (B) Secretary of State: Secretary of State Group 5; (C) Office of State-Federal Relations: Executive Director Group 3; (D) Health and Human Services Commission: Executive Commissioner Group 8; (E) Texas Education Agency: Commissioner of Education Group 8; (F) Adjutant General's Department: Adjutant General Group 5; (G) Texas Department of Criminal Justice: Presiding Officer, Board of Pardons and Paroles Group 4; (H) Texas Department of Criminal Justice: Parole Board Members (6) Group 3; (I) Texas Commission on Environmental Quality: Commissioners (3) Group 6; (J) Texas Department of Housing and Community Affairs: Executive Director Group 5; (K) Texas Workforce Commission: Commissioners (2) Group 5; (L) Texas Workforce Commission: Commission Chair Group 6; (M) State Office of Administrative Hearings: Chief Administrative Law Judge Group 5; (N) Texas Department of Insurance: Commissioner of Insurance Group 6; (O) Office of Public Insurance Counsel: Public Counsel Group 4; (P) Public Utility Commission of Texas: Commissioners (3) Group 6; (Q) Office of Public Utility Counsel: Public Counsel Group 4; (R) Bond Review Board: and Executive Director Group 3; (S) Texas Department of Insurance: Commissioner of Workers' Compensation Group 5.</p> |
| | | |

3.B. Rider Revisions

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| | | <p>(c) (1) Notwithstanding the rate listed in an agency's "Schedule of Exempt Positions," an agency whose exempt position listed following the agency's appropriations in the "Schedule of Exempt of Positions" is listed in Subsection (c)(6) may request to set the rate of compensation provided for the agency's respective exempt position at an amount not to exceed the "Maximum Salary" but not less than the "Minimum Salary" for the appropriate group as listed in Subsection (b)(2).</p> <p>(2) The request submitted by the governing board of the state agency shall include at a minimum:</p> <ul style="list-style-type: none">(A) The date on which the board approved the request;(B) A statement justifying the need to exceed the limitation; and(C) The source of funds to be used to pay the additional salary amount. <p>(3) The governing board may make a request under subsection (c)(1) a maximum of once per fiscal year or upon a vacancy in an exempt position listed in subsection (c)(6).</p> <p>(4) A proposed rate increase shall be considered to be approved if neither the Legislative Budget Board nor the Governor issues a written disapproval of the proposal not later than:</p> <ul style="list-style-type: none">(A) the tenth business day after the date the staff of the Legislative Budget Board concludes its review of the proposed rate increase and forwards its review to the Chair of the House Committee on Appropriations, Chair of the Senate Committee on Finance, Speaker of the House, and Lieutenant Governor; and(B) the tenth business day after the receipt of the proposed transfer by the Governor. <p>(5) If a proposed rate increase is approved, the Legislative Budget Board shall notify the affected agency, the Governor's Office, and the Comptroller.</p> <p>(6) Agency Position Salary Group</p> <ul style="list-style-type: none">(A) Department of State Health Services Commissioner Group 7;(B) Department of Family and Protective Services Commissioner Group 7;(C) Higher Education Coordinating Board Commissioner Group 8;(D) Department of Aging and Disability Services Commissioner Group 7; |
|--|--|--|

3.B. Rider Revisions

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|--|--|--|
| | | <p>(E) Department of Information Resources Executive Director Group 6; (F) Department of Assistive and Rehabilitative Services Commissioner Group 7; (G) Texas Lottery Commission; and Executive Director Group 6; (H) Texas Youth Commission. Executive Director Group 6; (I) Preservation Board Executive Director Group 4. (J) Board of Pharmacy Executive Director, Group 4</p> <p>(d) In addition to all other requirements, any salary increase from appropriated funds within the limits provided by this section and salary increases within the limit established under an agency's bill pattern, must be:</p> <ol style="list-style-type: none">(1) in writing;(2) signed by the presiding officer of the governing board;(3) submitted to the Governor, the Legislative Budget Board and the Comptroller; and(4) approved by the governing board in a public meeting. <p>(e) (1) Each title listed in a "Schedule of Exempt Positions" following an agency's appropriation authorizes one position for the agency unless the title is followed by an Arabic numeral indicating the number of positions authorized.</p> <p>(2) The number of authorized positions for a title listed in a "Schedule of Exempt Positions" may be exceeded only:</p> <ol style="list-style-type: none">(A) for the purpose of hiring a replacement in a key management position as certified by the chief administrator of the agency;(B) if the current incumbent of the position has formally resigned or otherwise announced irrevocable plans to vacate the position;(C) for a period of time not to exceed the equivalent of one month's salary per fiscal year per terminating incumbent (excluding time spent on the payroll for the purpose of exhausting accrued annual leave or state compensatory time); and(D) if exceptions are reported as prescribed for payroll reporting procedures. |
|--|--|--|

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:23:05PM**

Agency code: **515**

Agency name:
Board of Pharmacy

| CODE | DESCRIPTION | Excp 2012 | Excp 2013 |
|---------------------------------|---|-----------------|-----------------|
| | Item Name: Technology | | |
| | Item Priority: 1 | | |
| | Includes Funding for the Following Strategy or Strategies: | | |
| | 01-01-01 Operate an Application and Renewal Licensure System | | |
| | 02-01-01 Operate System of Inspection Assistance Education | | |
| | 03-01-01 Licensing - Indirect Administration | | |
| | 03-01-02 Enforcement-Indirect Administration | | |
| OBJECTS OF EXPENSE: | | | |
| 2009 | OTHER OPERATING EXPENSE | 76,259 | 90,466 |
| 5000 | CAPITAL EXPENDITURES | 2,693 | 0 |
| | TOTAL, OBJECT OF EXPENSE | \$78,952 | \$90,466 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 78,952 | 90,466 |
| | TOTAL, METHOD OF FINANCING | \$78,952 | \$90,466 |

DESCRIPTION / JUSTIFICATION:

Information Resource Technologies Replacement

This project is designed to replace aged & obsolete technology. Agency refresh schedule is in compliance with DIR's life cycle guidelines. Technology that is not replaced at the end of its life cycle becomes a liability to the agency due to frequent down time, increased support requirements & compatibility issues.

New Technology

Wireless computing access will increase the efficiency of the field staff by allowing them to access TSBP email, file & database systems, remotely in real-time.

A Scan Station will be used to convert paper documents into electronic files that will be stored in our existing imaging system.

Shared Regulatory Database

An increase in funding is necessary for the ongoing annual maintenance costs of the Shared Regulatory Database System described in Article VIII, Sec. 7. This is due to increased Data Center costs & increased system maintenance.

EXTERNAL/INTERNAL FACTORS:

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
TIME: **5:23:05PM**

Agency code: **515**

Agency name:

Board of Pharmacy

CODE DESCRIPTION

Excp 2012

Excp 2013

Like many agencies, the TSBP has become more and more dependent upon technology to address the ever increasing demands we face in protecting the public health. Each year, we are expected to do more with less. Each year we have responded to the challenge by keeping efficient, reliable & effective technology at the fingertips of dedicated employees. Without a timely refresh of this equipment, new technology, or necessary funding for maintenance costs, the Board of Pharmacy simply could not function.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:23:05PM**

Agency code: **515**

Agency name:
Board of Pharmacy

| <u>CODE</u> | <u>DESCRIPTION</u> | <u>Excp 2012</u> | <u>Excp 2013</u> |
|-----------------------------|--|------------------|------------------|
| | Item Name: Vehicles | | |
| | Item Priority: 2 | | |
| | Includes Funding for the Following Strategy or Strategies: 02-01-01 Operate System of Inspection Assistance Education | | |
| OBJECTS OF EXPENSE: | | | |
| 5000 | CAPITAL EXPENDITURES | 41,773 | 25,500 |
| | TOTAL, OBJECT OF EXPENSE | \$41,773 | \$25,500 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 41,773 | 25,500 |
| | TOTAL, METHOD OF FINANCING | \$41,773 | \$25,500 |

DESCRIPTION / JUSTIFICATION:

TSBP has the authority to purchase vehicles under the Occ. Code, Sec. 554.009. Vehicles are routinely purchased & replaced when necessary, generally at 100,000 miles. The agency currently has 15 vehicles, and 6 of that number will reach estimated mileages between 127,000 & 188,000 if not replaced in the next biennium. The total cost for these 6 vehicles is \$117,000. The current funding budget includes \$49,727. Therefore, this exceptional item request is for \$67,273 which is the difference in the total cost of the vehicles less the amount included in the current funding budget.

If the vehicles are not replaced, field investigators would not be able to conduct investigations of complaints alleging serious violations of pharmacy laws & rules, such as diversion of controlled substances & dispensing errors causing harm or injury to Texas patients.

In addition, if the vehicles are not replaced, field compliance staff will not be able to conduct inspections on a daily basis, resulting in fewer pharmacies in Texas being inspected. TSBP has only a minimal number of staff (7 FTEs) to inspect the 6,084 pharmacies located in Texas. With this number of staff, TSBP is able to inspect only one-third of the in-state pharmacies each year. As a result, there is a lengthy gap between inspections for most pharmacies. Having inoperable vehicles will decrease the number of inspections and lengthen the time between inspections.

EXTERNAL/INTERNAL FACTORS:

It is anticipated that if these vehicles are not replaced in a timely manner, either: (1) significant repairs will be required (which will incur additional costs & may not be cost-beneficial) or (2) the vehicle will simply not be operable (resulting in personnel assigned to the vehicle not being able to perform primary job duties).

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:23:05PM**

Agency code: **515**

Agency name:

Board of Pharmacy

| <u>CODE</u> | <u>DESCRIPTION</u> | <u>Excp 2012</u> | <u>Excp 2013</u> |
|---------------------------------|--|------------------|------------------|
| | Item Name: Reclassification of Chief Investigator | | |
| | Item Priority: 3 | | |
| | Includes Funding for the Following Strategy or Strategies: 02-01-01 Operate System of Inspection Assistance Education | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 8,746 | 8,746 |
| | TOTAL, OBJECT OF EXPENSE | \$8,746 | \$8,746 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 8,746 | 8,746 |
| | TOTAL, METHOD OF FINANCING | \$8,746 | \$8,746 |

DESCRIPTION / JUSTIFICATION:

This exceptional item request would allow the TSBP to reclassify its Chief of Investigations to a level that is commensurate with his duties. The TSBP Chief Investigator is required to be a commissioned peace officer. He manages, trains, directs, and oversees the day-to-day work of a staff of 12 investigators, including 7 field investigators (who are required to be a commissioned peace officer) and 5 in-house investigators who conduct criminal background investigations of applicants and licensees. In addition, the Chief Investigator personally conducts field investigations, particularly the more complex investigations and joint investigations with federal and other state law enforcement agencies.

Investigators conduct complex investigations of complaints alleging serious violations of pharmacy laws & rules, such as diversion of controlled substances & dispensing errors causing harm or injury to Texas patients. According to the World Health Organization, prescription drugs are now the drug of choice for first time abusers of drugs. Because of this demand, the number of schemes & the complexity of those schemes to divert drugs from pharmacies have increased dramatically, and the diversion of drugs from pharmacies is an increasing problem. In order for TSBP to help prevent drugs from being sold on the streets of Texas cities, TSBP must have a competent Chief Investigator to manage the investigative case load.

EXTERNAL/INTERNAL FACTORS:

Recent market data shows that the salaries of Chief Investigators of other Health Regulatory Boards, are in a range of \$59,000 to \$74,000. This reclassification would bring the Chief Investigator to an annual salary of \$70,000.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:23:05PM**

Agency code: **515**

Agency name:

Board of Pharmacy

| <u>CODE</u> | <u>DESCRIPTION</u> | <u>Excp 2012</u> | <u>Excp 2013</u> |
|--|---|------------------|------------------|
| | Item Name: Maintain Services for an Increasing Licensee Population | | |
| | Item Priority: 4 | | |
| | Includes Funding for the Following Strategy or Strategies: | | |
| | 01-01-01 Operate an Application and Renewal Licensure System | | |
| | 02-01-01 Operate System of Inspection Assistance Education | | |
| | 02-01-02 Provide a Peer Assistance Program for Licensed Individuals | | |
| | 03-01-01 Licensing - Indirect Administration | | |
| | 03-01-02 Enforcement-Indirect Administration | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 253,764 | 253,764 |
| 2002 | FUELS AND LUBRICANTS | 7,682 | 7,682 |
| 2003 | CONSUMABLE SUPPLIES | 3,404 | 3,404 |
| 2005 | TRAVEL | 16,000 | 16,000 |
| 2009 | OTHER OPERATING EXPENSE | 39,519 | 18,966 |
| 5000 | CAPITAL EXPENDITURES | 4,013 | 0 |
| | TOTAL, OBJECT OF EXPENSE | \$324,382 | \$299,816 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 324,382 | 299,816 |
| | TOTAL, METHOD OF FINANCING | \$324,382 | \$299,816 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 6.00 | 6.00 |

DESCRIPTION / JUSTIFICATION:

This exceptional item will fund these positions:

- 1 Administrative Assistant;
- 2 Field Investigators;
- 1 Network Specialist;
- 1 Attorney; &
- 1 Legal Assistant

In order for the Board to continue to protect the citizens of Texas, it must be adequately funded & staffed. Operation of the agency has been dramatically affected by the unprecedented growth of registrants as a result of legislation requiring the registration of pharmacy technicians in 2004 & pharmacy technician trainees in 2006. Since FY03, the licensee population exploded from 28,064 licensees to 84,659 licensees in FY09 (202% cumulative increase). Of particular concern to the agency is the explosive growth in the number of complaints received, which has a direct impact on the protection of the health & safety of the citizens of Texas. Since FY03, the agency has experienced a 176%

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
TIME: 5:23:05PM

Agency code: 515

Agency name:

Board of Pharmacy

CODE DESCRIPTION

Excp 2012

Excp 2013

increase in the number of complaints and a 246% increase in the number of disciplinary orders. Also, as indicated in the Administrator's statement, the problem of drug diversion in the Houston area is so immense; the agency is overwhelmed by the number of cases.

To address this problem, we are requesting 6 FTE's, as described in the Administrator's Statement.

Without these additional staff, & given the current & anticipated growth in the licensee population & increasing numbers of drug diversion cases, we expect the TSBP to experience critical slowdowns in the areas of complaint resolution/prosecution, issuance of licenses & a deterioration of services to our customers & the citizens of Texas. Ultimately, this will have a detrimental impact on the health & safety of the public.

EXTERNAL/INTERNAL FACTORS:

Investigations/Disciplinary Actions

4 FTEs are requested in the Enforcement area: 2 field investigators, 1 attorney & 1 legal assistant. As indicated in the Administrator's Statement, the agency has seen a drastic increase in criminal activity involving the illegal diversion of prescription drugs from pharmacies.

Growth in Licensee Population

Health care providers & insurers have forecasted that pharmacies will be dispensing more prescriptions each year given the large segment of the US population that take more prescriptions as they grow older. As a result, the state will continue to see an increase in the numbers of pharmacies, pharmacists & technicians. Likewise, as the number of licensees increases, so will the number of complaints filed against these licensees.

Growth in Requests for Agency Records

1 Administrative Assistant is requested to assist with the growing number of Open Record requests. The agency experienced a 40% increase in the number of requests in FY09 when compared to FY08. In addition, since FY05 there has been a 124% increase in the number of requests for agency records. With the ongoing increase in requests for records, an additional administrative assistant is necessary in order to continue to provide timely & accurate responses in compliance with the Act.

Technology Growth

1 Network Specialist is requested to assist in supporting the growing number of computers & devices used by agency personnel. The total number of devices supported by our I.T. Staff has increased by 62% since 2001. Security concerns with hackers & attempts to infect the systems with a virus have increased dramatically. For example, in FY09 a total of 3,182,780 spam & bad mail was blocked. Increased use of technology by the field staff & management of their connectivity issues has also dramatically increased the demands on our current IT support staff. Additional personnel are necessary for the agency to maintain a secure & efficiently operating IT system.

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/4/2010**

82nd Regular Session, Agency Submission, Version 1

TIME: **5:33:41PM**

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **515** Agency name **Board of Pharmacy**

| Code | Description | Excp 2012 | Excp 2013 |
|-----------------------------------|--|-----------------|-----------------|
| Item Name: | Technology | | |
| Allocation to Strategy: | 1-1-1 Operate an Application and Renewal Licensure System | | |
| OBJECTS OF EXPENSE: | | | |
| 2009 | OTHER OPERATING EXPENSE | 61,639 | 56,146 |
| 5000 | CAPITAL EXPENDITURES | 2,693 | 0 |
| TOTAL, OBJECT OF EXPENSE | | \$64,332 | \$56,146 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 64,332 | 56,146 |
| TOTAL, METHOD OF FINANCING | | \$64,332 | \$56,146 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**

TIME: **5:33:41PM**

Agency code: **515** Agency name **Board of Pharmacy**

| Code | Description | Excp 2012 | Excp 2013 |
|-----------------------------------|--|-----------------|-----------------|
| Item Name: | Technology | | |
| Allocation to Strategy: | 2-1-1 Operate System of Inspection Assistance Education | | |
| OBJECTS OF EXPENSE: | | | |
| 2009 | OTHER OPERATING EXPENSE | 10,223 | 25,489 |
| TOTAL, OBJECT OF EXPENSE | | \$10,223 | \$25,489 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 10,223 | 25,489 |
| TOTAL, METHOD OF FINANCING | | \$10,223 | \$25,489 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**

TIME: **5:33:41PM**

Agency code: **515** Agency name **Board of Pharmacy**

| Code Description | Excp 2012 | Excp 2013 |
|--|--------------|----------------|
| Item Name: Technology | | |
| Allocation to Strategy: 3-1-1 Licensing - Indirect Administration | | |
| OBJECTS OF EXPENSE: | | |
| 2009 OTHER OPERATING EXPENSE | 616 | 1,236 |
| TOTAL, OBJECT OF EXPENSE | \$616 | \$1,236 |
| METHOD OF FINANCING: | | |
| 1 General Revenue Fund | 616 | 1,236 |
| TOTAL, METHOD OF FINANCING | \$616 | \$1,236 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**

TIME: **5:33:41PM**

Agency code: **515** Agency name **Board of Pharmacy**

| Code | Description | Excp 2012 | Excp 2013 |
|-----------------------------------|--|----------------|----------------|
| Item Name: | Technology | | |
| Allocation to Strategy: | 3-1-2 Enforcement-Indirect Administration | | |
| OBJECTS OF EXPENSE: | | | |
| 2009 | OTHER OPERATING EXPENSE | 3,781 | 7,595 |
| TOTAL, OBJECT OF EXPENSE | | \$3,781 | \$7,595 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 3,781 | 7,595 |
| TOTAL, METHOD OF FINANCING | | \$3,781 | \$7,595 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/4/2010**

82nd Regular Session, Agency Submission, Version 1

TIME: **5:33:41PM**

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **515** Agency name **Board of Pharmacy**

| Code | Description | Excp 2012 | Excp 2013 |
|-----------------------------------|---|-----------------|-----------------|
| Item Name: | Vehicles | | |
| Allocation to Strategy: | 2-1-1 Operate System of Inspection Assistance Education | | |
| OBJECTS OF EXPENSE: | | | |
| 5000 CAPITAL EXPENDITURES | | 41,773 | 25,500 |
| TOTAL, OBJECT OF EXPENSE | | \$41,773 | \$25,500 |
| METHOD OF FINANCING: | | | |
| 1 General Revenue Fund | | 41,773 | 25,500 |
| TOTAL, METHOD OF FINANCING | | \$41,773 | \$25,500 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**

TIME: **5:33:41PM**

Agency code: **515** Agency name **Board of Pharmacy**

| Code | Description | Excp 2012 | Excp 2013 |
|---|----------------------|--------------|--------------|
| Item Name: Reclassification of Chief Investigator | | | |
| Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 8,746 | 8,746 |
| TOTAL, OBJECT OF EXPENSE | | 8,746 | 8,746 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 8,746 | 8,746 |
| TOTAL, METHOD OF FINANCING | | 8,746 | 8,746 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/4/2010**

82nd Regular Session, Agency Submission, Version 1

TIME: **5:33:41PM**

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **515** Agency name **Board of Pharmacy**

| Code | Description | Excp 2012 | Excp 2013 |
|---|---|-----------|-----------|
| Item Name: | Maintain Services for an Increasing Licensee Population | | |
| Allocation to Strategy: | 1-1-1 Operate an Application and Renewal Licensure System | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | Percent of Licensees with No Recent Violations | 96.00% | 96.00% |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**

TIME: **5:33:41PM**

Agency code: **515** Agency name **Board of Pharmacy**

| Code | Description | Excp 2012 | Excp 2013 |
|--|---|------------------|------------------|
| Item Name: Maintain Services for an Increasing Licensee Population | | | |
| Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education | | | |
| STRATEGY IMPACT ON OUTCOME MEASURES: | | | |
| <u>1</u> | Percent of Complaints Resulting in Disciplinary Action | 11.00% | 12.00% |
| <u>2</u> | Recidivism Rate of Those Receiving Disciplinary Action | 5.00 | 4.00 |
| <u>3</u> | Percent of Documented Complaints Resolved within Six Months | 55.00% | 60.00% |
| <u>4</u> | Recidivism Rate for Peer Assistance Programs | 20.00% | 20.00% |
| <u>5</u> | One-year Completion Rate for Peer Assistance Programs | 80.00% | 80.00% |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Inspections | 200.00 | 200.00 |
| <u>2</u> | Number of Complaints Resolved | 320.00 | 320.00 |
| EFFICIENCY MEASURES: | | | |
| <u>1</u> | Average Time for Complaint Resolution | 180.00 | 180.00 |
| EXPLANATORY/INPUT MEASURES: | | | |
| <u>1</u> | Number of Jurisdictional Complaints Received | 5,000.00 | 5,000.00 |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 210,091 | 210,091 |
| 2002 | FUELS AND LUBRICANTS | 7,682 | 7,682 |
| 2003 | CONSUMABLE SUPPLIES | 2,950 | 2,950 |
| 2005 | TRAVEL | 16,000 | 16,000 |
| 2009 | OTHER OPERATING EXPENSE | 31,919 | 16,795 |
| 5000 | CAPITAL EXPENDITURES | 4,013 | 0 |
| TOTAL, OBJECT OF EXPENSE | | \$272,655 | \$253,518 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 272,655 | 253,518 |
| TOTAL, METHOD OF FINANCING | | \$272,655 | \$253,518 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 5.0 | 5.0 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010

TIME: 5:33:41PM

Agency code: 515 Agency name Board of Pharmacy

| Code | Description | Excp 2012 | Excp 2013 |
|---|--|-----------|-----------|
| Item Name: Maintain Services for an Increasing Licensee Population | | | |
| Allocation to Strategy: 2-1-2 Provide a Peer Assistance Program for Licensed Individuals | | | |
| OUTPUT MEASURES: | | | |
| <u>1</u> | Number of Individuals Participating in a Peer Assistance Program | 0.00 | 0.00 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**

TIME: **5:33:41PM**

Agency code: **515** Agency name **Board of Pharmacy**

| Code | Description | Excp 2012 | Excp 2013 |
|---|-------------------------|----------------|----------------|
| Item Name: Maintain Services for an Increasing Licensee Population | | | |
| Allocation to Strategy: 3-1-1 Licensing - Indirect Administration | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 6,114 | 6,114 |
| 2003 | CONSUMABLE SUPPLIES | 64 | 64 |
| 2009 | OTHER OPERATING EXPENSE | 1,063 | 303 |
| TOTAL, OBJECT OF EXPENSE | | \$7,241 | \$6,481 |
| METHOD OF FINANCING: | | | |
| 1 General Revenue Fund | | 7,241 | 6,481 |
| TOTAL, METHOD OF FINANCING | | \$7,241 | \$6,481 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 0.2 | 0.2 |

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: **8/4/2010**

82nd Regular Session, Agency Submission, Version 1

TIME: **5:33:41PM**

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **515** Agency name **Board of Pharmacy**

| Code | Description | Excp 2012 | Excp 2013 |
|---|-------------------------|-----------------|-----------------|
| Item Name: Maintain Services for an Increasing Licensee Population | | | |
| Allocation to Strategy: 3-1-2 Enforcement-Indirect Administration | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 37,559 | 37,559 |
| 2003 | CONSUMABLE SUPPLIES | 390 | 390 |
| 2009 | OTHER OPERATING EXPENSE | 6,537 | 1,868 |
| TOTAL, OBJECT OF EXPENSE | | \$44,486 | \$39,817 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 44,486 | 39,817 |
| TOTAL, METHOD OF FINANCING | | \$44,486 | \$39,817 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 0.8 | 0.8 |

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
TIME: 5:23:32PM

Agency Code: **515** Agency name: **Board of Pharmacy**

GOAL: 1 Establish and Maintain Standards for Pharmacy Education and Practice Statewide Goal/Benchmark: 7 - 2
 OBJECTIVE: 1 Operate Licensure System to Ensure that Minimal Standards Are Met Service Categories:
 STRATEGY: 1 Operate an Application and Renewal Licensure System Service: 16 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2012 | Excp 2013 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

OBJECTS OF EXPENSE:

| | | |
|----------------------------------|-----------------|-----------------|
| 2009 OTHER OPERATING EXPENSE | 61,639 | 56,146 |
| 5000 CAPITAL EXPENDITURES | 2,693 | 0 |
| Total, Objects of Expense | \$64,332 | \$56,146 |

METHOD OF FINANCING:

| | | |
|---------------------------------|-----------------|-----------------|
| 1 General Revenue Fund | 64,332 | 56,146 |
| Total, Method of Finance | \$64,332 | \$56,146 |

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Technology
 Maintain Services for an Increasing Licensee Population

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
TIME: 5:23:32PM

Agency Code: **515** Agency name: **Board of Pharmacy**

GOAL: 2 Protect Public Health by Enforcing All Laws Relating to Practice Statewide Goal/Benchmark: 7 - 4
 OBJECTIVE: 1 Decrease Violations by Inspections, Education, Resolving Complaints Service Categories:
 STRATEGY: 1 Operate System of Inspection Assistance Education Service: 16 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Excp 2012 | Excp 2013 |
|------|-------------|-----------|-----------|
|------|-------------|-----------|-----------|

OBJECTS OF EXPENSE:

| | | | |
|----------------------------------|-------------------------|------------------|------------------|
| 1001 | SALARIES AND WAGES | 218,837 | 218,837 |
| 2002 | FUELS AND LUBRICANTS | 7,682 | 7,682 |
| 2003 | CONSUMABLE SUPPLIES | 2,950 | 2,950 |
| 2005 | TRAVEL | 16,000 | 16,000 |
| 2009 | OTHER OPERATING EXPENSE | 42,142 | 42,284 |
| 5000 | CAPITAL EXPENDITURES | 45,786 | 25,500 |
| Total, Objects of Expense | | \$333,397 | \$313,253 |

METHOD OF FINANCING:

| | | | |
|---------------------------------|----------------------|------------------|------------------|
| 1 | General Revenue Fund | 333,397 | 313,253 |
| Total, Method of Finance | | \$333,397 | \$313,253 |

FULL-TIME EQUIVALENT POSITIONS (FTE):

| | |
|-----|-----|
| 5.0 | 5.0 |
|-----|-----|

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Technology
 Vehicles
 Reclassification of Chief Investigator
 Maintain Services for an Increasing Licensee Population

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
TIME: 5:23:32PM

Agency Code: **515** Agency name: **Board of Pharmacy**

GOAL: 2 Protect Public Health by Enforcing All Laws Relating to Practice Statewide Goal/Benchmark: 7 - 0
OBJECTIVE: 1 Decrease Violations by Inspections, Education, Resolving Complaints Service Categories:
STRATEGY: 2 Provide a Peer Assistance Program for Licensed Individuals Service: 16 Income: A.2 Age: B.3

| <u>CODE</u> | <u>DESCRIPTION</u> | <u>Excp 2012</u> | <u>Excp 2013</u> |
|-------------|--------------------|------------------|------------------|
|-------------|--------------------|------------------|------------------|

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Maintain Services for an Increasing Licensee Population

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
TIME: 5:23:32PM

Agency Code: **515** Agency name: **Board of Pharmacy**

GOAL: 3 Indirect Administration Statewide Goal/Benchmark: 7 - 0
 OBJECTIVE: 1 Indirect Administration Service Categories:
 STRATEGY: 1 Licensing - Indirect Administration Service: 09 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2012 | Excp 2013 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

OBJECTS OF EXPENSE:

| | | |
|----------------------------------|----------------|----------------|
| 1001 SALARIES AND WAGES | 6,114 | 6,114 |
| 2003 CONSUMABLE SUPPLIES | 64 | 64 |
| 2009 OTHER OPERATING EXPENSE | 1,679 | 1,539 |
| Total, Objects of Expense | \$7,857 | \$7,717 |

METHOD OF FINANCING:

| | | |
|---------------------------------|----------------|----------------|
| 1 General Revenue Fund | 7,857 | 7,717 |
| Total, Method of Finance | \$7,857 | \$7,717 |

FULL-TIME EQUIVALENT POSITIONS (FTE):

| | |
|-----|-----|
| 0.2 | 0.2 |
|-----|-----|

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Technology
 Maintain Services for an Increasing Licensee Population

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
TIME: 5:23:32PM

Agency Code: **515** Agency name: **Board of Pharmacy**

GOAL: 3 Indirect Administration Statewide Goal/Benchmark: 7 - 0
 OBJECTIVE: 1 Indirect Administration Service Categories:
 STRATEGY: 2 Enforcement-Indirect Administration Service: 09 Income: A.2 Age: B.3

| CODE DESCRIPTION | Excp 2012 | Excp 2013 |
|-------------------------|------------------|------------------|
|-------------------------|------------------|------------------|

OBJECTS OF EXPENSE:

| | | |
|----------------------------------|-----------------|-----------------|
| 1001 SALARIES AND WAGES | 37,559 | 37,559 |
| 2003 CONSUMABLE SUPPLIES | 390 | 390 |
| 2009 OTHER OPERATING EXPENSE | 10,318 | 9,463 |
| Total, Objects of Expense | \$48,267 | \$47,412 |

METHOD OF FINANCING:

| | | |
|---------------------------------|-----------------|-----------------|
| 1 General Revenue Fund | 48,267 | 47,412 |
| Total, Method of Finance | \$48,267 | \$47,412 |

FULL-TIME EQUIVALENT POSITIONS (FTE): 0.8 0.8

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Technology
 Maintain Services for an Increasing Licensee Population

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:34:32PM

Agency code: 515

Agency name: Board of Pharmacy

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|------------------------------|-------------|-----------------|------------|------------|
| 5003 Repair or Rehabilitation of Buildings and Facilities | | | | | |
| <i>7/7 Repair or Rehabilitation of Buildings and Facilities</i> | | | | | |
| OBJECTS OF EXPENSE | | | | | |
| <u>Capital</u> | | | | | |
| General | 2009 OTHER OPERATING EXPENSE | \$17,887 | \$0 | \$0 | \$0 |
| General | 5000 CAPITAL EXPENDITURES | \$36,647 | \$0 | \$0 | \$0 |
| Capital Subtotal OOE, Project | | 7 | \$54,534 | \$0 | \$0 |
| Subtotal OOE, Project | | 7 | \$54,534 | \$0 | \$0 |
| TYPE OF FINANCING | | | | | |
| <u>Capital</u> | | | | | |
| General | CA 1 General Revenue Fund | \$54,534 | \$0 | \$0 | \$0 |
| Capital Subtotal TOF, Project | | 7 | \$54,534 | \$0 | \$0 |
| Subtotal TOF, Project | | 7 | \$54,534 | \$0 | \$0 |
| Capital Subtotal, Category | | 5003 | \$54,534 | \$0 | \$0 |
| Informational Subtotal, | | 5003 | | | |
| <u>Category Total, Category</u> | | 5003 | \$54,534 | \$0 | \$0 |

5005 Acquisition of Information Resource Technologies

3/3 Replacement of Computer Hardware

OBJECTS OF EXPENSE

Capital

| | | | | | |
|---------|------------------------------|----------|----------|----------|----------|
| General | 2009 OTHER OPERATING EXPENSE | \$32,886 | \$55,100 | \$13,629 | \$50,100 |
| General | 5000 CAPITAL EXPENDITURES | \$0 | \$0 | \$19,257 | \$5,000 |

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:34:32PM

Agency code: 515

Agency name: Board of Pharmacy

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|---|-------------------------|-----------------|-----------------|-----------------|-----------------|
| Capital Subtotal OOE, Project | 3 | \$32,886 | \$55,100 | \$32,886 | \$55,100 |
| Subtotal OOE, Project | 3 | \$32,886 | \$55,100 | \$32,886 | \$55,100 |
| TYPE OF FINANCING | | | | | |
| <u>Capital</u> | | | | | |
| General CA 1 | General Revenue Fund | \$32,886 | \$55,100 | \$32,886 | \$55,100 |
| Capital Subtotal TOF, Project | 3 | \$32,886 | \$55,100 | \$32,886 | \$55,100 |
| Subtotal TOF, Project | 3 | \$32,886 | \$55,100 | \$32,886 | \$55,100 |
| <i>4/4 Info Tech - Maintain Services</i> | | | | | |
| OBJECTS OF EXPENSE | | | | | |
| <u>Capital</u> | | | | | |
| General 2009 | OTHER OPERATING EXPENSE | \$0 | \$0 | \$9,421 | \$0 |
| Capital Subtotal OOE, Project | 4 | \$0 | \$0 | \$9,421 | \$0 |
| Subtotal OOE, Project | 4 | \$0 | \$0 | \$9,421 | \$0 |
| TYPE OF FINANCING | | | | | |
| <u>Capital</u> | | | | | |
| General CA 1 | General Revenue Fund | \$0 | \$0 | \$9,421 | \$0 |
| Capital Subtotal TOF, Project | 4 | \$0 | \$0 | \$9,421 | \$0 |
| Subtotal TOF, Project | 4 | \$0 | \$0 | \$9,421 | \$0 |
| <i>6/6 Rider 4 Contingency - Purchase of New Technology</i> | | | | | |
| OBJECTS OF EXPENSE | | | | | |
| <u>Capital</u> | | | | | |
| General 2009 | OTHER OPERATING EXPENSE | \$17,341 | \$0 | \$7,920 | \$0 |

5.A. CAPITAL BUDGET PROJECT SCHEDULE
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
TIME: 5:34:32PM

Agency code: 515

Agency name: Board of Pharmacy

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|-------------------------------|----------------------|-----------------|-----------------|-----------------|-----------------|
| Capital Subtotal OOE, Project | 6 | \$17,341 | \$0 | \$7,920 | \$0 |
| Subtotal OOE, Project | 6 | \$17,341 | \$0 | \$7,920 | \$0 |
| TYPE OF FINANCING | | | | | |
| <u>Capital</u> | | | | | |
| General CA 1 | General Revenue Fund | \$17,341 | \$0 | \$7,920 | \$0 |
| Capital Subtotal TOF, Project | 6 | \$17,341 | \$0 | \$7,920 | \$0 |
| Subtotal TOF, Project | 6 | \$17,341 | \$0 | \$7,920 | \$0 |
| Capital Subtotal, Category | 5005 | \$50,227 | \$55,100 | \$50,227 | \$55,100 |
| Informational Subtotal, | 5005 | | | | |
| Category | | | | | |
| Total, Category | 5005 | \$50,227 | \$55,100 | \$50,227 | \$55,100 |

5006 Transportation Items

1/1 Transportation Vehicles Replacement

OBJECTS OF EXPENSE

Capital

| | | | | | |
|-------------------------------|----------------------|-----------------|-----------------|-----------------|-----------------|
| General 5000 | CAPITAL EXPENDITURES | \$16,727 | \$33,000 | \$16,727 | \$33,000 |
| Capital Subtotal OOE, Project | 1 | \$16,727 | \$33,000 | \$16,727 | \$33,000 |
| Subtotal OOE, Project | 1 | \$16,727 | \$33,000 | \$16,727 | \$33,000 |
| TYPE OF FINANCING | | | | | |
| <u>Capital</u> | | | | | |
| General CA 1 | General Revenue Fund | \$16,727 | \$33,000 | \$16,727 | \$33,000 |
| Capital Subtotal TOF, Project | 1 | \$16,727 | \$33,000 | \$16,727 | \$33,000 |
| Subtotal TOF, Project | 1 | \$16,727 | \$33,000 | \$16,727 | \$33,000 |

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:34:32PM

Agency code: 515

Agency name: Board of Pharmacy

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2010

Bud 2011

BL 2012

BL 2013

2/2 Funds new vehicles for "Maintain Services for
 an Increasing Licensee Population"

OBJECTS OF EXPENSE

Capital

| | | | | | | | |
|---------|------|-------------------------------|-------------------------------|------------------|-----------------|------------------|-----------------|
| General | 5000 | CAPITAL EXPENDITURES | | \$34,987 | \$0 | \$34,987 | \$0 |
| | | Capital Subtotal OOE, Project | 2 | \$34,987 | \$0 | \$34,987 | \$0 |
| | | Subtotal OOE, Project | 2 | \$34,987 | \$0 | \$34,987 | \$0 |
| | | TYPE OF FINANCING | | | | | |
| | | Capital | | | | | |
| General | CA | 1 | General Revenue Fund | \$34,987 | \$0 | \$34,987 | \$0 |
| | | | Capital Subtotal TOF, Project | \$34,987 | \$0 | \$34,987 | \$0 |
| | | | Subtotal TOF, Project | \$34,987 | \$0 | \$34,987 | \$0 |
| | | | Capital Subtotal, Category | \$51,714 | \$33,000 | \$51,714 | \$33,000 |
| | | | Informational Subtotal, | | | | |
| | | | Category | | | | |
| | | | Total, Category | \$51,714 | \$33,000 | \$51,714 | \$33,000 |
| | | | AGENCY TOTAL -CAPITAL | \$156,475 | \$88,100 | \$101,941 | \$88,100 |
| | | | AGENCY TOTAL -INFORMATIONAL | | | | |
| | | | AGENCY TOTAL | \$156,475 | \$88,100 | \$101,941 | \$88,100 |

5.A. CAPITAL BUDGET PROJECT SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:34:32PM

Agency code: 515

Agency name: Board of Pharmacy

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|------------------------------------|------------------|-----------------|------------------|-----------------|
| METHOD OF FINANCING: | | | | |
| <u>Capital</u> | | | | |
| General 1 General Revenue Fund | \$156,475 | \$88,100 | \$101,941 | \$88,100 |
| Total, Method of Financing-Capital | \$156,475 | \$88,100 | \$101,941 | \$88,100 |
| Total, Method of Financing | \$156,475 | \$88,100 | \$101,941 | \$88,100 |
| TYPE OF FINANCING: | | | | |
| <u>Capital</u> | | | | |
| General CA CURRENT APPROPRIATIONS | \$156,475 | \$88,100 | \$101,941 | \$88,100 |
| Total, Type of Financing-Capital | \$156,475 | \$88,100 | \$101,941 | \$88,100 |
| Total, Type of Financing | \$156,475 | \$88,100 | \$101,941 | \$88,100 |

5.B. CAPITAL BUDGET PROJECT INFORMATION
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:34:49PM

| | | | |
|------------------|-------------|----------------|--|
| Agency Code: | 515 | Agency name: | Board of Pharmacy |
| Category Number: | 5006 | Category Name: | TRANSPORTATION ITEMS |
| Project number: | 1 | Project Name: | Transportation Vehicles Replacement |

PROJECT DESCRIPTION

General Information

TSBP has the authority to purchase vehicles under the Occ. Code, Sec. 554.009. Vehicles are routinely purchased & replaced when necessary, generally at 100,000 miles. The agency currently has 15 vehicles, and 6 of that number will reach estimated mileages between 127,000 & 188,000 if not replaced in the next biennium. The total cost for these 6 vehicles is \$117,000. The current funding budget includes \$49,727. Therefore, this exceptional item request is for \$67,273 which is the difference in the total cost of the vehicles less the amount included in the current funding budget.

If the vehicles are not replaced, field investigators would not be able to conduct investigations of complaints alleging serious violations of pharmacy laws & rules, such as diversion of controlled substances & dispensing errors causing harm or injury to Texas patients.

In addition, if the vehicles are not replaced, field compliance staff will not be able to conduct inspections on a daily basis, resulting in fewer pharmacies in Texas being inspected. TSBP has only a minimal number of staff (7 FTEs) to inspect the 6,084 pharmacies located in Texas. With this number of staff, TSBP is able to inspect only one-third of the in-state pharmacies each year. As a result, there is a lengthy gap between inspections for most pharmacies. Having inoperable vehicles will decrease the number of inspections and lengthen the time between inspections.

| | | | |
|--|---|------------------------|-------------|
| Number of Units / Average Unit Cost | \$19,500 | | |
| Estimated Completion Date | 08/31/2013 | | |
| Additional Capital Expenditure Amounts Required | | 2014 | 2015 |
| | | 0 | 0 |
| Type of Financing | CA | CURRENT APPROPRIATIONS | |
| Projected Useful Life | Vehicles are replaced at 72 months or 100,000 miles | | |
| Estimated/Actual Project Cost | \$117,000 | | |
| Length of Financing/ Lease Period | | | |

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| | | | | | |
|--|-------------|-------------|-------------|-------------|--------------------------------|
| | 2012 | 2013 | 2014 | 2015 | Total over project life |
| | 0 | 0 | 0 | 0 | 0 |

REVENUE GENERATION / COST SAVINGS

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

Explanation: It is anticipated that if these vehicles are not replaced in a timely manner, either: (1) significant repairs will be required (which will incur additional costs & may not be cost-beneficial) or (2) the vehicle will simply not be operable (resulting in personnel assigned to the vehicle not being able to perform primary job duties).

5.B. CAPITAL BUDGET PROJECT INFORMATION
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
TIME: **5:34:49PM**

Project Location: Vehicles are assigned to field investigators for use through Texas and field compliance staff (i.e., employees who conduct inspections of the 6,084 pharmacies located in Texas).

Beneficiaries: It is critical to the health and safety of Texas citizens that investigations of alleged violations of pharmacy laws & rules continue, and that the inspections of pharmacies be conducted in a timely manner.

Frequency of Use and External Factors Affecting Use:

Vehicles are assigned to full time field investigators and compliance inspectors who primary functions are to (1) conduct investigations of complaints alleging serious violations of pharmacy laws and rules, such as diversion of controlled substances and dispensing errors causing harm or injury to Texas patients, and (2) conduct daily inspections of the 6,084 pharmacies located in Texas for compliance with the laws and rules governing the practice of pharmacy.

5.B. CAPITAL BUDGET PROJECT INFORMATION
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:34:49PM**

| | | | |
|------------------|-------------|----------------|-------------------------------------|
| Agency Code: | 515 | Agency name: | Board of Pharmacy |
| Category Number: | 5006 | Category Name: | TRANSPORTATION ITEMS |
| Project number: | 2 | Project Name: | Vehicles - Maintain Services |

PROJECT DESCRIPTION

General Information

TSBP has the authority to purchase vehicles under the Occ. Code, Sec. 554.009. Vehicles are routinely purchased & replaced when necessary, generally at 100,000 miles. TSBP is requesting 2 additional field investigators which results in a request for 2 new vehicles.

| | | | |
|--|----------------------------|------------------------|-------------|
| Number of Units / Average Unit Cost | 19,500 | | |
| Estimated Completion Date | 08/31/2013 | | |
| Additional Capital Expenditure Amounts Required | | 2014 | 2015 |
| | | 0 | 0 |
| Type of Financing | CA | CURRENT APPROPRIATIONS | |
| Projected Useful Life | 72 months or 100,000 miles | | |
| Estimated/Actual Project Cost | \$39,000 | | |
| Length of Financing/ Lease Period | | | |

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| | | | | | |
|--|-------------|-------------|-------------|-------------|--------------------------------|
| | 2012 | 2013 | 2014 | 2015 | Total over project life |
| | 0 | 0 | 0 | 0 | 0 |

| <u>REVENUE GENERATION / COST SAVINGS</u> | | |
|---|------------------------|------------------------------|
| <u>REVENUE_COST_FLAG</u> | <u>MOF_CODE</u> | <u>AVERAGE_AMOUNT</u> |
| | | |

Explanation: This description includes a request to purchase 2 additional vehicles for the field Investigations staff as shown in the Exceptional Item entitled "Maintain Services for an Increasing Licensee Population".

Project Location: Vehicles are assigned to field investigators for use throughout Texas.

Beneficiaries: It is critical to the health and safety of Texas citizens that investigations of alleged violations of pharmacy laws and rules continue in a timely manner.

Frequency of Use and External Factors Affecting Use:

Vehicles are assigned to field investigators whose primary function is to conduct investigations of complaints alleging serious violations of pharmacy laws and rules, such as diversion of controlled substances and dispensing error causing harm or injury to Texas patients.

5.B. CAPITAL BUDGET PROJECT INFORMATION
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:34:49PM

| | | | |
|------------------|-------------|----------------|---------------------------------|
| Agency Code: | 515 | Agency name: | Board of Pharmacy |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 3 | Project Name: | Replacement Technology |

PROJECT DESCRIPTION

General Information

This project is designed to replace aged & obsolete technology. Agency refresh schedule is in compliance with DIR's life cycle guidelines. Technology that is not replaced at the end of its life cycle becomes a liability to the agency due to frequent down time, increased support requirements & compatibility issues.

| | | | | | | | |
|--|---|-------------|-------------|-------------|--|---|---|
| Number of Units / Average Unit Cost | See Information Resources Asset Inventory | | | | | | |
| Estimated Completion Date | 08/31/2013 | | | | | | |
| Additional Capital Expenditure Amounts Required | <table border="0"> <tr> <td></td> <td>2014</td> <td>2015</td> </tr> <tr> <td></td> <td align="center">0</td> <td align="center">0</td> </tr> </table> | | 2014 | 2015 | | 0 | 0 |
| | 2014 | 2015 | | | | | |
| | 0 | 0 | | | | | |
| Type of Financing | CA CURRENT APPROPRIATIONS | | | | | | |
| Projected Useful Life | 4 years for computers, 5-8 years for servers | | | | | | |
| Estimated/Actual Project Cost | \$132,250 | | | | | | |
| Length of Financing/ Lease Period | | | | | | | |

| | | | | | |
|---|-------------|-------------|-------------|--|--------------------------------|
| <u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u> | | | | | Total over project life |
| 2012 | 2013 | 2014 | 2015 | | |
| 0 | 0 | 0 | 0 | | 0 |

| <u>REVENUE GENERATION / COST SAVINGS</u> | | |
|---|------------------------|------------------------------|
| <u>REVENUE_COST_FLAG</u> | <u>MOF_CODE</u> | <u>AVERAGE_AMOUNT</u> |
| | | |

Explanation: Like many agencies, the TSBP has become more and more dependent upon technology to address the ever increasing demands we face in protecting the public health. Each year, we are expected to do more with less. Each year we have responded to the challenge by keeping efficient, reliable & effective technology at the fingertips of dedicated employees. Without a timely refresh of this equipment the Board of Pharmacy simply could not function.

Project Location: TSBP Central Office

Beneficiaries: The citizens of Texas.

Frequency of Use and External Factors Affecting Use:

5.B. CAPITAL BUDGET PROJECT INFORMATION
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:34:49PM**

| | | | |
|------------------|-------------|----------------|--------------------------------------|
| Agency Code: | 515 | Agency name: | Board of Pharmacy |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 4 | Project Name: | Info Tech - Maintain Services |

PROJECT DESCRIPTION

General Information

Exceptional Item 5, TSBP is requesting 6 additional FTEs. The project costs reflect purchasing computers for the additional FTEs.

| | | | | |
|--|------------|------------------------|--|-------------|
| Number of Units / Average Unit Cost | \$2,026 | | | |
| Estimated Completion Date | 08/31/2013 | | | |
| Additional Capital Expenditure Amounts Required | | 2014 | | 2015 |
| | | 0 | | 0 |
| Type of Financing | CA | CURRENT APPROPRIATIONS | | |
| Projected Useful Life | 4 years | | | |
| Estimated/Actual Project Cost | \$12,154 | | | |
| Length of Financing/ Lease Period | | | | |

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| | | | | | |
|--|-------------|-------------|-------------|-------------|--------------------------------|
| | 2012 | 2013 | 2014 | 2015 | Total over project life |
| | 0 | 0 | 0 | 0 | 0 |

REVENUE GENERATION / COST SAVINGS

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

Explanation: Exceptional Item 5, TSBP is requesting 6 additional FTEs. The project costs reflect purchasing computers for the additional FTEs.

Project Location: Four computers will be assigned to FTEs housed at the William P. Hobby Building. Two computers will be assigned to field investigators who work throughout Texas.

Beneficiaries: The citizens of Texas.

Frequency of Use and External Factors Affecting Use: Computers will be used full time on a daily basis.

5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:35:05PM**

Agency code: **515** Agency name: **Board of Pharmacy**

Category Code/Name

Project Sequence/Project Id/Name

| Goal/Obj/Str | Strategy Name | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|---------------------------------------|----------|----------|---------|---------|
| 5003 Repair or Rehabilitation of Buildings and Facilities | | | | | |
| <i>7/7</i> | <i>Remodeling - Maintain Services</i> | | | | |
| <u>GENERAL BUDGET</u> | | | | | |
| Capital | 1-1-1 LICENSING | 14,500 | 0 | \$0 | \$0 |
| | 2-1-1 ENFORCEMENT | 40,034 | 0 | 0 | 0 |
| | TOTAL, PROJECT | \$54,534 | \$0 | \$0 | \$0 |

5005 Acquisition of Information Resource Technologies

3/3 Replacement Technology

| | | | | | |
|------------------------------|---|----------|----------|----------|----------|
| <u>GENERAL BUDGET</u> | | | | | |
| Capital | 3-1-1 LICENSING - INDIRECT ADMINISTRATION | 945 | 1,857 | 945 | 1,857 |
| | 3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION | 5,804 | 11,408 | 5,804 | 11,408 |
| | 1-1-1 LICENSING | 1,840 | 7,080 | 1,840 | 6,216 |
| | 2-1-1 ENFORCEMENT | 24,297 | 34,755 | 24,297 | 35,619 |
| | TOTAL, PROJECT | \$32,886 | \$55,100 | \$32,886 | \$55,100 |

4/4 Info Tech - Maintain Services

| | | | | | |
|------------------------------|---|-----|-----|---------|-----|
| <u>GENERAL BUDGET</u> | | | | | |
| Capital | 3-1-1 LICENSING - INDIRECT ADMINISTRATION | 0 | 0 | 242 | 0 |
| | 3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION | 0 | 0 | 1,487 | 0 |
| | 2-1-1 ENFORCEMENT | 0 | 0 | 7,692 | 0 |
| | TOTAL, PROJECT | \$0 | \$0 | \$9,421 | \$0 |

6/6 New Computers

5.C. CAPITAL BUDGET ALLOCATION TO STRATEGIES (BASELINE)
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:35:05PM**

Agency code: **515** Agency name: **Board of Pharmacy**

Category Code/Name

Project Sequence/Project Id/Name

| Goal/Obj/Str | Strategy Name | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|------------------------------|-------------------|----------|----------|---------|---------|
| <u>GENERAL BUDGET</u> | | | | | |
| Capital | 1-1-1 LICENSING | 1,729 | 0 | \$0 | \$0 |
| | 2-1-1 ENFORCEMENT | 15,612 | 0 | 7,920 | 0 |
| | TOTAL, PROJECT | \$17,341 | \$0 | \$7,920 | \$0 |

5006 Transportation Items

1/1 Transportation Vehicles Replacement

GENERAL BUDGET

| | | | | | |
|---------|-------------------|----------|----------|----------|----------|
| Capital | 2-1-1 ENFORCEMENT | 16,727 | 33,000 | 16,727 | 33,000 |
| | TOTAL, PROJECT | \$16,727 | \$33,000 | \$16,727 | \$33,000 |

2/2 Vehicles - Maintain Services

GENERAL BUDGET

| | | | | | |
|---------|-------------------|----------|-----|----------|-----|
| Capital | 2-1-1 ENFORCEMENT | 34,987 | 0 | 34,987 | 0 |
| | TOTAL, PROJECT | \$34,987 | \$0 | \$34,987 | \$0 |

| | | | | |
|--|------------------|-----------------|------------------|-----------------|
| TOTAL CAPITAL, ALL PROJECTS | \$156,475 | \$88,100 | \$101,941 | \$88,100 |
| TOTAL INFORMATIONAL, ALL PROJECTS | | | | |
| TOTAL, ALL PROJECTS | \$156,475 | \$88,100 | \$101,941 | \$88,100 |

CAPITAL BUDGET PROJECT SCHEDULE - EXCEPTIONAL
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME: 5:35:22PM
 PAGE: 1 of 2

Agency code: 515 Agency name: Board of Pharmacy

Category Code / Category Name

Project Number / Name

OOE / TOF / MOF CODE

Excp 2012

Excp 2013

5005 Acquisition of Information Resource Technologies

3 Replacement Technology

Objects of Expense

2009 OTHER OPERATING EXPENSE

20,364

23,900

Subtotal OOE, Project 3

20,364

23,900

Type of Financing

CA 1 General Revenue Fund

20,364

23,900

Subtotal TOF, Project 3

20,364

23,900

4 Info Tech - Maintain Services

Objects of Expense

2009 OTHER OPERATING EXPENSE

2,733

0

Subtotal OOE, Project 4

2,733

0

Type of Financing

CA 1 General Revenue Fund

2,733

0

Subtotal TOF, Project 4

2,733

0

6 New Computers

Objects of Expense

2009 OTHER OPERATING EXPENSE

0

10,420

Subtotal OOE, Project 6

0

10,420

Type of Financing

CA 1 General Revenue Fund

0

10,420

Subtotal TOF, Project 6

0

10,420

Subtotal Category 5005

23,097

34,320

5006 Transportation Items

1 Transportation Vehicles Replacement

CAPITAL BUDGET PROJECT SCHEDULE - EXCEPTIONAL
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME : 5:35:22PM
 PAGE: 2 of 2

Agency code: **515** Agency name: **Board of Pharmacy**

Category Code / Category Name

Project Number / Name

| OOE / TOF / MOF CODE | Excp 2012 | Excp 2013 |
|---------------------------------------|---------------|---------------|
| Objects of Expense | | |
| 5000 CAPITAL EXPENDITURES | 41,773 | 25,500 |
| Subtotal OOE, Project 1 | 41,773 | 25,500 |
| Type of Financing | | |
| CA 1 General Revenue Fund | 41,773 | 25,500 |
| Subtotal TOF, Project 1 | 41,773 | 25,500 |
| <u>2 Vehicles - Maintain Services</u> | | |
| Objects of Expense | | |
| 5000 CAPITAL EXPENDITURES | 4,013 | 0 |
| Subtotal OOE, Project 2 | 4,013 | 0 |
| Type of Financing | | |
| CA 1 General Revenue Fund | 4,013 | 0 |
| Subtotal TOF, Project 2 | 4,013 | 0 |
| Subtotal Category 5006 | 45,786 | 25,500 |
| AGENCY TOTAL | 68,883 | 59,820 |
| METHOD OF FINANCING: | | |
| 1 General Revenue Fund | 68,883 | 59,820 |
| Total, Method of Financing | 68,883 | 59,820 |
| TYPE OF FINANCING: | | |
| CA CURRENT APPROPRIATIONS | 68,883 | 59,820 |
| Total, Type of Financing | 68,883 | 59,820 |

CAPITAL BUDGET ALLOCATION TO STRATEGIES BY PROJECT - EXCEPTIONAL
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/4/2010**
 TIME: **5:35:57PM**
 PAGE: **1 of 1**

Agency code: **515** Agency name: **Board of Pharmacy**

Category Code/Name

Project Number/Name

| Goal/Obj/Str | Strategy Name | Excp 2012 | Excp 2013 |
|---|-------------------------------------|---------------|---------------|
| 5005 Acquisition of Information Resource Technologies | | | |
| 3 | Replacement Technology | | |
| 3 1 1 | LICENSING - INDIRECT ADMINISTRATION | 616 | 1,236 |
| 3 1 2 | ENFORCEMENT-INDIRECT ADMINISTRATION | 3,781 | 7,595 |
| 1 1 1 | LICENSING | 5,744 | 0 |
| 2 1 1 | ENFORCEMENT | 10,223 | 15,069 |
| TOTAL, PROJECT | | 20,364 | 23,900 |
| | | | |
| 4 | Info Tech - Maintain Services | | |
| 2 1 1 | ENFORCEMENT | 2,733 | 0 |
| TOTAL, PROJECT | | 2,733 | 0 |
| | | | |
| 6 | New Computers | | |
| 2 1 1 | ENFORCEMENT | 0 | 10,420 |
| TOTAL, PROJECT | | 0 | 10,420 |
| | | | |
| 5006 Transportation Items | | | |
| 1 | Transportation Vehicles Replacement | | |
| 2 1 1 | ENFORCEMENT | 41,773 | 25,500 |
| TOTAL, PROJECT | | 41,773 | 25,500 |
| | | | |
| 2 | Vehicles - Maintain Services | | |
| 2 1 1 | ENFORCEMENT | 4,013 | 0 |
| TOTAL, PROJECT | | 4,013 | 0 |
| TOTAL, ALL PROJECTS | | 68,883 | 59,820 |

6.A. HISTORICALLY UNDERUTILIZED BUSINESS SUPPORTING SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: **8/4/2010**
Time: **5:36:48PM**

Agency Code: **515** Agency: **Board of Pharmacy**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2008 - 2009 HUB Expenditure Information

| Statewide HUB Goals | Procurement Category | <u>HUB Expenditures FY 2008</u> | | | | Total Expenditures | | <u>HUB Expenditures FY 2009</u> | | | Total Expenditures | |
|------------------------|---------------------------|---------------------------------|--------------|--------|------------------|-----------------------|--------|---------------------------------|--------|-----------------|-----------------------|--|
| | | % Goal | % Actual | Diff | Actual \$ | FY 2008 | % Goal | % Actual | Diff | Actual \$ | FY 2009 | |
| 20.0% | Professional Services | 20.0 % | 100.0% | 80.0% | \$1,430 | \$1,430 | 20.0 % | 100.0% | 80.0% | \$1,892 | \$1,892 | |
| 33.0% | Other Services | 33.0 % | 20.2% | -12.8% | \$49,509 | \$244,614 | 33.0 % | 19.5% | -13.5% | \$54,617 | \$280,437 | |
| 12.6% | Commodities | 12.6 % | 65.2% | 52.6% | \$103,907 | \$159,347 | 12.6 % | 45.0% | 32.4% | \$32,613 | \$72,420 | |
| | Total Expenditures | | 38.2% | | \$154,846 | \$405,391 | | 25.1% | | \$89,122 | \$354,749 | |

B. Assessment of Fiscal Year 2008 - 2009 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained or exceeded two of three, or 66%, of the applicable statewide HUB procurement goals in FY2008.

The agency attained or exceeded two of three, or 66%, of the applicable statewide HUB procurement goals in FY2009.

Applicability:

The "Heavy Construction", "Building Construction", and "Special Trade Construction" categories are not applicable to agency operations in either fiscal year 2008 or fiscal year 2009.

Factors Affecting Attainment:

In both Fiscal year 2008 and fiscal year 2009, the goal of the "Other Services" category was not met due to our contract for the Peer Assistnace Program that limited the agency to contracting with one non-HUB vendor.

"Good-Faith" Efforts:

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

- * ensured that contract specifications, terms, and conditions reflected the agency's actual requirements, were clearly stated, and did not impose unreasonable or unnecessary contract requirements,
- * prepared and distributed information on procurement procedures in a manner that encouraged participation in agency contracts by all businesses.

6.B. Current Biennium One-time Expenditure Schedule

| | | | |
|----------------------------|--|-------------------------------------|--------------------------|
| Agency Code: 515 | Agency Name: Texas State Board of Pharmacy | Prepared By: Cathy Stella | Date: 8/2/2010 |
|----------------------------|--|-------------------------------------|--------------------------|

| Item | 2010-2011 | | 2012-2013 | |
|--|-----------|-----|-----------|-----|
| | Amount | MOF | Amount | MOF |
| * Regulatory Database Migration Contingent Funding for Health Professions Council Shared Regulatory Database | \$943,228 | 1 | | |

* This amount is included in the 5% and 10% Reduction Schedule 6.I, page 1

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2010-11 Biennium

| Agency Code: 515 | Agency Name: Texas State Board of Pharmacy | Prepared By: Cathy Stella | Date: 8/2/10 | | |
|--------------------------------|--|-------------------------------------|------------------------|-------------------|-------------------|
| PROJECT ITEM: | | | | | |
| ALLOCATION TO STRATEGY: | | | | | |
| Code | Strategy Allocation | Estimated 2010 | Budgeted 2011 | Requested 2012 | Requested 2013 |
| 515 | Objects of Expense: A.1.1. Licensing | 943,228 | | | |
| | Total, Objects of Expense | \$943,228 | \$0 | \$0 | \$0 |
| | Method of Financing: General Revenue Fund | \$943,228 | | | |
| | Total, Method of Financing | \$943,228 | \$0 | \$0 | \$0 |

Description of Item for 2010-11

Article VIII-83 of the GAA, Sec. 7 Contingent Funding for Health Professions Council Shared Regulatory Database Migration, states that an agency participating in the Health Professions Council Shared Regulatory Database Migration Project shall transfer funds through interagency contract to the Health Professions Council from appropriations made elsewhere in this Act in order to fund the new shared database. The funds were transferred in FY2010 for this purpose. The funds are included in the FY2012-2013 baseline request and are reflected in the 5% and 10% budget reductions.

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/5/2010

82nd Regular Session, Agency Submission, Version 1

TIME: 8:53:55AM

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: 515

Agency name: Board of Pharmacy

| FUND/ACCOUNT | Act 2009 | Exp 2010 | Exp 2011 | Bud 2012 | Est 2013 |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 1 General Revenue Fund | | | | | |
| Beginning Balance (Unencumbered): | \$0 | \$0 | \$0 | \$0 | \$0 |
| Estimated Revenue: | | | | | |
| 3562 Health Related Profession Fees | 6,227,915 | 7,525,561 | 8,210,933 | 6,887,794 | 6,505,042 |
| 3570 Peer Assistance Prog Fees | 216,113 | 216,867 | 221,963 | 197,888 | 202,490 |
| Subtotal: Actual/Estimated Revenue | 6,444,028 | 7,742,428 | 8,432,896 | 7,085,682 | 6,707,532 |
| Total Available | \$6,444,028 | \$7,742,428 | \$8,432,896 | \$7,085,682 | \$6,707,532 |
| DEDUCTIONS: | | | | | |
| Expended/Budgeted/Requested | (4,182,472) | (5,867,328) | (4,966,942) | (5,720,230) | (5,054,524) |
| Office of Patient Protection | (87,105) | (102,568) | (107,812) | (126,733) | (129,705) |
| Other Indirect Costs | (967,167) | (1,069,470) | (1,098,491) | (1,098,491) | (1,098,491) |
| Total, Deductions | \$(5,236,744) | \$(7,039,366) | \$(6,173,245) | \$(6,945,454) | \$(6,282,720) |
| Ending Fund/Account Balance | \$1,207,284 | \$703,062 | \$2,259,651 | \$140,228 | \$424,812 |

REVENUE ASSUMPTIONS:

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/5/2010
TIME: 8:53:55AM

Agency Code: **515** Agency name: **Board of Pharmacy**

| FUND/ACCOUNT | Act 2009 | Exp 2010 | Exp 2011 | Bud 2012 | Est 2013 |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|

I. ESTIMATES OF REVENUE COLLECTIONS

Sources of Revenue: 99.0% = Licenses, Fees & Permits; 1.0% = Sale of Goods

- 1) Estimates were made regarding the projected change in the population of applicants, pharmacists, pharmacies & pharmacy technicians. The population of these applicants & licensees, & their resulting license fees, make up the majority of the agencies collected revenue;
- 2) Historical trends of actual revenue received for Health Related Fees, were analyzed.

II. CURRENT FEE RATES

Pharmacist Biennial: \$306 [\$281 application fee + \$10 Texas online fee + \$13 to fund Peer Assistance Program (PAP) + \$2 to fund the Office of Patient Protection (OPP)].

Pharmacy Biennial: \$479 (\$452 application fee + \$10 online fee + \$15 PAP + \$2 OPP)

Technician Biennial: \$80 (\$75 application fee + \$2 online fee + \$3 OPP)

Technician Trainee Initial: \$53 (\$46 application fee + \$2 online fee + \$5 OPP)

III. FUTURE FEE RATES

The biennial revenue that is contained in this document is based on the adopted fee rates, effective December 2011, as shown below:

Pharmacist Biennial: \$217 (\$194 application fee + \$10 online fee + \$11 PAP + \$2 OPP)

Pharmacy Biennial: \$390 (\$365 application fee + \$10 online fee + \$13 PAP + \$2 OPP)

Technician Biennial: \$61 (\$56 application fee + \$2 online fee + \$3 OPP)

Technician Trainee Initial: \$41 (\$34 application fee + \$2 online fee + \$5 OPP)

This revenue estimate will sufficiently cover a 100% baseline biennium funding level. If additional appropriations beyond this level are authorized by the TX Leg, the board realizes that a fee increase may be necessary.

Occ Code, Subtitle J, Sec. 554.006 allows the board by rule, to establish reasonable & necessary fees so that the fees, in the aggregate, produce sufficient revenue to cover the cost of administering the Act.

CONTACT PERSON:

Jane Bennett

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

82nd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/5/2010

TIME: 8:53:39AM

Agency Code: **515**

Agency name: **Board of Pharmacy**

| FUND/ACCOUNT | Act 2009 | Exp 2010 | Exp 2011 | Bud 2012 | Est 2013 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <u>666</u> Appropriated Receipts | | | | | |
| Beginning Balance (Unencumbered): | \$0 | \$0 | \$0 | \$0 | \$0 |
| Estimated Revenue: | | | | | |
| 3719 Fees/Copies or Filing of Records | 391 | 3,980 | 3,980 | 3,980 | 3,980 |
| 3752 Sale of Publications/Advertising | 2,614 | 339 | 339 | 339 | 339 |
| 3767 Supply, Equip, Service - Fed/Other | 4,337 | 3,411 | 3,411 | 3,411 | 3,411 |
| 3839 Sale of Motor Vehicle/Boat/Aircraft | 0 | 0 | 0 | 0 | 0 |
| Subtotal: Actual/Estimated Revenue | <u>7,342</u> | <u>7,730</u> | <u>7,730</u> | <u>7,730</u> | <u>7,730</u> |
| Total Available | <u>\$7,342</u> | <u>\$7,730</u> | <u>\$7,730</u> | <u>\$7,730</u> | <u>\$7,730</u> |
| Ending Fund/Account Balance | <u>\$7,342</u> | <u>\$7,730</u> | <u>\$7,730</u> | <u>\$7,730</u> | <u>\$7,730</u> |

REVENUE ASSUMPTIONS:

CONTACT PERSON:

Jane Bennett

GENERAL REVENUE (GR) & GENERAL REVENUE DEDICATED (GR-D) BASELINE REPORT

DATE: 8/4/2010

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: 6:11:25PM

Agency code:

Agency name: **Board of Pharmacy**

GR Baseline Request Limit = \$10,774,754

GR-D Baseline Request Limit = \$1

| Strategy/Strategy Option/Rider | | | | 2012 Funds | | | | 2013 Funds | | | | Biennial | Biennial | Page # |
|--------------------------------|---|-----------|-----|------------|-----------|-----------|-----|---------------|----------------|-------|--|----------|----------|--------|
| FTEs | Total | GR | Ded | FTEs | Total | GR | Ded | Cumulative GR | Cumulative Ded | | | | | |
| Strategy: 1 - 1 - 1 | Operate an Application and Renewal Licensure System | | | | | | | | | | | | | |
| 8.8 | 1,208,260 | 1,207,971 | 0 | 8.8 | 729,226 | 728,937 | 0 | 1,936,908 | 0 | _____ | | | | |
| Strategy: 1 - 1 - 2 | TexasOnline. Estimated and Nontransferable | | | | | | | | | | | | | |
| 0.0 | 217,345 | 217,345 | 0 | 0.0 | 221,785 | 221,785 | 0 | 2,376,038 | 0 | _____ | | | | |
| Strategy: 2 - 1 - 1 | Operate System of Inspection Assistance Education | | | | | | | | | | | | | |
| 51.3 | 3,449,710 | 3,442,269 | 0 | 51.3 | 3,255,000 | 3,247,559 | 0 | 9,065,866 | 0 | _____ | | | | |
| Strategy: 2 - 1 - 2 | Provide a Peer Assistance Program for Licensed Individuals | | | | | | | | | | | | | |
| 2.0 | 189,044 | 189,044 | 0 | 2.0 | 189,044 | 189,044 | 0 | 9,443,954 | 0 | _____ | | | | |
| Strategy: 3 - 1 - 1 | Licensing - Indirect Administration | | | | | | | | | | | | | |
| 1.5 | 93,368 | 93,368 | 0 | 1.5 | 93,413 | 93,413 | 0 | 9,630,735 | 0 | _____ | | | | |
| Strategy: 3 - 1 - 2 | Enforcement-Indirect Administration | | | | | | | | | | | | | |
| 8.4 | 570,233 | 570,233 | 0 | 8.4 | 573,786 | 573,786 | 0 | 10,774,754 | 0 | _____ | | | | |

| | | | | | | | | | | |
|-------------|-------------|---|--|--|--|--|--|--|--|--|
| 72.0 | 72.0 | *****GR Baseline Request Limit=\$10,774,754***** | | | | | | | | |
|-------------|-------------|---|--|--|--|--|--|--|--|--|

| | | | | | | | | | | |
|--------------|-------------------|--------|---|-----|--------|--------|---|------------|---|-------|
| Excp Item: 1 | Technology | | | | | | | | | |
| 0.0 | 78,952 | 78,952 | 0 | 0.0 | 90,466 | 90,466 | 0 | 10,944,172 | 0 | _____ |

| | | | | | | | | | | |
|---|--|--------|---|-----|--------|--------|---|--|--|--|
| Strategy Detail for Excp Item: 1 | | | | | | | | | | |
| Strategy: 1 - 1 - 1 | Operate an Application and Renewal Licensure System | | | | | | | | | |
| 0.0 | 64,332 | 64,332 | 0 | 0.0 | 56,146 | 56,146 | 0 | | | |
| Strategy: 2 - 1 - 1 | Operate System of Inspection Assistance Education | | | | | | | | | |
| 0.0 | 10,223 | 10,223 | 0 | 0.0 | 25,489 | 25,489 | 0 | | | |
| Strategy: 3 - 1 - 1 | Licensing - Indirect Administration | | | | | | | | | |
| 0.0 | 616 | 616 | 0 | 0.0 | 1,236 | 1,236 | 0 | | | |
| Strategy: 3 - 1 - 2 | Enforcement-Indirect Administration | | | | | | | | | |
| 0.0 | 3,781 | 3,781 | 0 | 0.0 | 7,595 | 7,595 | 0 | | | |

| | | | | | | | | | | |
|--------------|-----------------|--|--|--|--|--|--|--|--|--|
| Excp Item: 2 | Vehicles | | | | | | | | | |
|--------------|-----------------|--|--|--|--|--|--|--|--|--|

GENERAL REVENUE (GR) & GENERAL REVENUE DEDICATED (GR-D) BASELINE REPORT

DATE: 8/4/2010

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: 6:11:25PM

Agency code:

Agency name: **Board of Pharmacy**

GR Baseline Request Limit = \$10,774,754

GR-D Baseline Request Limit = \$1

| Strategy/Strategy Option/Rider | | | | 2012 Funds | | | | 2013 Funds | | | | Biennial | Biennial | Page # |
|---|--|-------------|-----|------------|-------------|-------------|-----|---------------|----------------|---------|---|----------|----------|--------|
| FTEs | Total | GR | Ded | FTEs | Total | GR | Ded | Cumulative GR | Cumulative Ded | | | | | |
| 0.0 | 41,773 | 41,773 | 0 | 0.0 | 25,500 | 25,500 | 0 | 11,011,445 | 0 | _____ | | | | |
| Strategy Detail for Excp Item: 2 | | | | | | | | | | | | | | |
| Strategy: 2 - 1 - 1 | Operate System of Inspection Assistance Education | | | 0.0 | 41,773 | 41,773 | 0 | 0.0 | 25,500 | 25,500 | 0 | | | |
| Excp Item: 3 | Reclassification of Chief Investigator | | | 0.0 | 8,746 | 8,746 | 0 | 0.0 | 8,746 | 8,746 | 0 | | | |
| 0.0 | 8,746 | 8,746 | 0 | 0.0 | 8,746 | 8,746 | 0 | 11,028,937 | 0 | _____ | | | | |
| Strategy Detail for Excp Item: 3 | | | | | | | | | | | | | | |
| Strategy: 2 - 1 - 1 | Operate System of Inspection Assistance Education | | | 0.0 | 8,746 | 8,746 | 0 | 0.0 | 8,746 | 8,746 | 0 | | | |
| Excp Item: 4 | Maintain Services for an Increasing Licensee Population | | | 6.0 | 324,382 | 324,382 | 0 | 6.0 | 299,816 | 299,816 | 0 | | | |
| 6.0 | 324,382 | 324,382 | 0 | 6.0 | 299,816 | 299,816 | 0 | 11,653,135 | 0 | _____ | | | | |
| Strategy Detail for Excp Item: 4 | | | | | | | | | | | | | | |
| Strategy: 2 - 1 - 1 | Operate System of Inspection Assistance Education | | | 5.0 | 272,655 | 272,655 | 0 | 5.0 | 253,518 | 253,518 | 0 | | | |
| Strategy: 3 - 1 - 1 | Licensing - Indirect Administration | | | 0.2 | 7,241 | 7,241 | 0 | 0.2 | 6,481 | 6,481 | 0 | | | |
| Strategy: 3 - 1 - 2 | Enforcement-Indirect Administration | | | 0.8 | 44,486 | 44,486 | 0 | 0.8 | 39,817 | 39,817 | 0 | | | |
| 78.0 | \$6,181,813 | \$6,174,083 | \$0 | 78.0 | \$5,486,782 | \$5,479,052 | 0 | | | | | | | |

6.1 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: 515 Agency name: **Board of Pharmacy**

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|---|--------------|------|----------------|------------------|------|----------------|--------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |

1 Shared Database Migration

Category: Programs - Service Reductions (Other)

Item Comment: To achieve an additional 10% cut in the agency's baseline budget, the agency would have to reduce spending by \$1,077,475. The majority of this cut can be achieved with the elimination of the remaining \$482,899 budgeted to the agency for implementation of a shared regulatory database in FY10-11. It's important to note that if the 10% reduction does not occur, this appropriation can be used to fund a portion of its exceptional item requests.

Article VIII, Sec. 7 Funding for Health Professions Council Shared Regulatory Database, specifies the amount that the agency was funded in FY2010-2011, to initially convert and maintain its current obsolete computer system to a shared database solution. The funds in FY2010 are identified as one-time expenditures for the costs of migration.

Strategy: 1-1-1 Operate an Application and Renewal Licensure System

General Revenue Funds

| | | | | | | |
|------------------------------------|------------|------------|------------|------------------|--|------------------|
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$482,899 | | \$482,899 |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$482,899 | | \$482,899 |
| Item Total | \$0 | \$0 | \$0 | \$482,899 | | \$482,899 |

FTE Reductions (From FY 2012 and FY 2013 Base Request)

2 Per Diem of Board Members

Category: Programs - Service Reductions (Other)

Item Comment: The per diem of state board members currently consists of compensatory per diem of \$30 per day for each day a board member conducts the business of the board. This amount has been reduced due to a corresponding reduced travel budget of the board.

Strategy: 2-1-1 Operate System of Inspection Assistance Education

General Revenue Funds

| | | | | | | |
|------------------------------------|------------|------------|------------|----------------|----------------|----------------|
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$3,000 | \$3,000 | \$6,000 |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$3,000 | \$3,000 | \$6,000 |
| Item Total | \$0 | \$0 | \$0 | \$3,000 | \$3,000 | \$6,000 |

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: **515** Agency name: **Board of Pharmacy**

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|---|--------------|------------|----------------|------------------|----------------|-----------------|--------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |
| FTE Reductions (From FY 2012 and FY 2013 Base Request) | | | | | | | |
| 3 Printing/Postage Newsletter | | | | | | | |
| Category: Programs - Service Reductions (Other) | | | | | | | |
| Item Comment: The agency will no longer be able to publish a paper newsletter. Prior to the budget cuts of FY03, the agency published four annual paper Newsletters, which were mailed to all licensees (pharmacists & pharmacies). As a part of those cuts, TSBP began publishing & printing only two paper issues of the Newsletter & mails these issues to pharmacies only. Comments received from the agency's customer service survey indicate that even though the Newsletter is available online, licensees prefer a printed version. | | | | | | | |
| The Newsletter is a valuable educational tool for pharmacists, pharmacy technicians, & pharmacy owners. The TSBP Newsletter provides information such as updates to the rules, articles regarding practice issues, & disciplinary actions taken against licensees & registrants. Without this educational tool, pharmacists & pharmacy technicians may not be aware of new rules or changes to the rules & thus be more likely to not be in compliance with the rules & laws. | | | | | | | |
| Strategy: 2-1-1 Operate System of Inspection Assistance Education | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$9,901 | \$9,901 | \$19,802 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$9,901 | \$9,901 | \$19,802 | |
| Item Total | \$0 | \$0 | \$0 | \$9,901 | \$9,901 | \$19,802 | |

FTE Reductions (From FY 2012 and FY 2013 Base Request)

4 Educational Brochure (Printing and Postage)

Category: Programs - Service Reductions (Other)

Item Comment: This budget reduction would eliminate the publication of an Educational Brochure aimed at Pharmacy Technicians & Technician Trainees. The Brochure will provide education regarding the Technician's role as a member of the health care team, their training & registration requirements, compliance with pharmacy drug laws & rules, & most importantly, their responsibilities to the public. The TSBP has no funding for a formal education program – this Educational Brochure was a modest attempt to fill this gap.

Strategy: 2-1-1 Operate System of Inspection Assistance Education

General Revenue Funds

6.1 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: 515 Agency name: **Board of Pharmacy**

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|---|--------------|------------|----------------|------------------|------|-----------------|--------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$28,917 | | \$28,917 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$28,917 | | \$28,917 | |
| Item Total | \$0 | \$0 | \$0 | \$28,917 | | \$28,917 | |

FTE Reductions (From FY 2012 and FY 2013 Base Request)

5 Peer Assistance Program

Category: Programs - Service Reductions (Contracted)

Item Comment: The establishment of a peer assistance program is authorized by Chapter 564 of the Texas Pharmacy Act. Currently, TSBP contracts with the Professional Recovery Network (PRN) to provide program services to pharmacists & eligible pharmacy students who are impaired by chemical abuse, or mental or physical illness.

SAMHSA statistics show during the last year 7.3% of all individuals 12 years & older are either diagnosed as impaired by drugs or alcohol. A loss of income in the peer assistance program will lessen PRN's ability to provide intervention, referral & monitoring of recovering pharmacists since staff resources will be further stretched to monitor & provide support to individuals in the program.

A cut to the budget might also mean a reduction in the quality & a less intensive level of evaluations by addiction professionals. In light of the current economic status of our country, the cost of evaluations is increasing due to the added expenses the practitioners are incurring. The ability to provide skilled, highly qualified clinicians is one of the assurances that participants are receiving not only the best evaluations to address their issues but also protecting the public by recognizing subtleties which might go unrecognized by less expensive & less qualified practitioners.

Put very simply, this budget reduction would reduce the ability of PRN to provide the level & quality of monitoring needed to assure the public safety is protected

Strategy: 2-1-2 Provide a Peer Assistance Program for Licensed Individuals

General Revenue Funds

| | | | | | | |
|------------------------------------|------------|------------|------------|----------------|----------------|-----------------|
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$9,845 | \$9,845 | \$19,690 |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$9,845 | \$9,845 | \$19,690 |
| Item Total | \$0 | \$0 | \$0 | \$9,845 | \$9,845 | \$19,690 |

FTE Reductions (From FY 2012 and FY 2013 Base Request)

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: **515** Agency name: **Board of Pharmacy**

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|--|--------------|------------|----------------|------------------|----------------|-----------------|--------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |
| 6 Additional Printing | | | | | | | |
| Category: Programs - Service Reductions (Other) | | | | | | | |
| Item Comment: This reduction reduces the agency's contracted amount with its imaging document vendor. If the agency is unable to image its anticipated documents, additional file and/or storage space will become necessary. | | | | | | | |
| Strategy: 1-1-1 Operate an Application and Renewal Licensure System | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$5,320 | \$5,320 | \$10,640 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$5,320 | \$5,320 | \$10,640 | |
| Item Total | \$0 | \$0 | \$0 | \$5,320 | \$5,320 | \$10,640 | |

FTE Reductions (From FY 2012 and FY 2013 Base Request)

7 Testing of Compounded Products

Category: Programs - Service Reductions (Contracted)

Item Comment: Testing of pharmacy compounded products was authorized by the SB 492 passed by the 79th session. The agency was appropriated funding in FY08 -09 & additional funding in FY10-11 to carry-out the legislation. The impact of a 10% reduction reduces the amount necessary for the testing of compounded products by 50%.

The term "compounding" means the preparation, mixing, assembling, packaging, or labeling of a drug or device. These drugs or devices are compounded pursuant to a prescription for administration to a patient. Compounded products often include injectable sterile products – again, for the ultimate administration to a patient. The agency believes it is imperative that we randomly test these compounded products for potency & that we test sterile compounded products for pyrogenicity & sterility. Any problem with these products could have a dramatic & potentially life threatening effects on the patient.

Strategy: 2-1-1 Operate System of Inspection Assistance Education

General Revenue Funds

| | | | | | | | |
|------------------------------------|------------|------------|------------|-----------------|-----------------|------------------|--|
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$50,000 | \$50,000 | \$100,000 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$50,000 | \$50,000 | \$100,000 | |

6.1 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: 515 Agency name: Board of Pharmacy

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|---|--------------|------------|----------------|------------------|-----------------|------------------|--------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |
| Item Total | \$0 | \$0 | \$0 | \$50,000 | \$50,000 | \$100,000 | |
| FTE Reductions (From FY 2012 and FY 2013 Base Request) | | | | | | | |
| 8 Training/Registration Fees | | | | | | | |
| Category: Programs - Service Reductions (Other) | | | | | | | |
| Item Comment: One key factor influencing employee motivation & retention is the opportunity to continue to grow & develop job & career enhancing skills. The 10% reduction plan reduces education & training for board and staff by 50%. As a result, staff and board would not be able to receive the necessary ongoing training &/or education needed to help them improve their skills. | | | | | | | |
| Strategy: 1-1-1 Operate an Application and Renewal Licensure System | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$160 | \$160 | \$320 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$160 | \$160 | \$320 | |
| Strategy: 2-1-1 Operate System of Inspection Assistance Education | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$14,964 | \$9,772 | \$24,736 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$14,964 | \$9,772 | \$24,736 | |
| Strategy: 3-1-1 Licensing - Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$315 | \$315 | \$630 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$315 | \$315 | \$630 | |
| Strategy: 3-1-2 Enforcement-Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$1,935 | \$2,425 | \$4,360 | |

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: **515** Agency name: **Board of Pharmacy**

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|--|--------------|------------|----------------|------------------|-----------------|-----------------|--------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$1,935 | \$2,425 | \$4,360 | |
| Item Total | \$0 | \$0 | \$0 | \$17,374 | \$12,672 | \$30,046 | |
| FTE Reductions (From FY 2012 and FY 2013 Base Request) | | | | | | | |
| 9 Conference Travel Board and Staff | | | | | | | |
| Category: Programs - Service Reductions (Other) | | | | | | | |
| Item Comment: Conference travel for board members & staff was reduced by 50%. The impact on the agency will be a reduction in required continuing education for staff pharmacists, attorneys, & pharmacy technicians that can be obtained at professional meetings. The agency generally conducts Board Forums attended by several Board members and staff to educate licensees, an agency educational exhibit, & representation at the annual National Association of Boards of Pharmacy meetings. The NABP meeting allows members to discuss and learn methods to better operate the agency and protect the public and to continue its national leadership role in progressive pharmacy regulation. | | | | | | | |
| Strategy: 2-1-1 Operate System of Inspection Assistance Education | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$6,192 | \$6,192 | \$12,384 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$6,192 | \$6,192 | \$12,384 | |
| Strategy: 3-1-1 Licensing - Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$1,794 | \$1,794 | \$3,588 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$1,794 | \$1,794 | \$3,588 | |
| Strategy: 3-1-2 Enforcement-Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$10,614 | \$10,614 | \$21,228 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$10,614 | \$10,614 | \$21,228 | |
| Item Total | \$0 | \$0 | \$0 | \$18,600 | \$18,600 | \$37,200 | |

6.1 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: 515 Agency name: Board of Pharmacy

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|---|--------------|------------|----------------|------------------|-----------------|------------------|--------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |
| FTE Reductions (From FY 2012 and FY 2013 Base Request) | | | | | | | |
| 10 Testing of Compounded Products | | | | | | | |
| Category: Programs - Service Reductions (Contracted) | | | | | | | |
| Item Comment: As noted in Item #7, this reduction reduces the amount necessary for the testing of compounded products by the remaining 50%, resulting in the 100% elimination of the funding necessary for the testing of compounded products. | | | | | | | |
| Strategy: 2-1-1 Operate System of Inspection Assistance Education | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$50,000 | \$50,000 | \$100,000 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$50,000 | \$50,000 | \$100,000 | |
| Item Total | \$0 | \$0 | \$0 | \$50,000 | \$50,000 | \$100,000 | |
| FTE Reductions (From FY 2012 and FY 2013 Base Request) | | | | | | | |
| 11 Training/Registration Fees | | | | | | | |
| Category: Programs - Service Reductions (Other) | | | | | | | |
| Item Comment: As noted in Item #8, this cut reduces training and registration fees for board and staff by the remaining 50%, resulting in the 100% elimination of this budget item. | | | | | | | |
| Strategy: 1-1-1 Operate an Application and Renewal Licensure System | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$159 | \$159 | \$318 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$159 | \$159 | \$318 | |
| Strategy: 2-1-1 Operate System of Inspection Assistance Education | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$14,964 | \$9,772 | \$24,736 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$14,964 | \$9,772 | \$24,736 | |

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: **515** Agency name: **Board of Pharmacy**

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|---|--------------|------------|----------------|------------------|-----------------|-----------------|--------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |
| Strategy: 3-1-1 Licensing - Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$316 | \$316 | \$632 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$316 | \$316 | \$632 | |
| Strategy: 3-1-2 Enforcement-Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$1,935 | \$2,425 | \$4,360 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$1,935 | \$2,425 | \$4,360 | |
| Item Total | \$0 | \$0 | \$0 | \$17,374 | \$12,672 | \$30,046 | |
| FTE Reductions (From FY 2012 and FY 2013 Base Request) | | | | | | | |
| 12 Conference Travel Board and Staff | | | | | | | |
| Category: Programs - Service Reductions (Other) | | | | | | | |
| Item Comment: As noted in Item #9, this cut reduces conference travel for board and staff by the remaining 50%, resulting in the 100% elimination of this budget item. | | | | | | | |
| Strategy: 2-1-1 Operate System of Inspection Assistance Education | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$6,191 | \$6,191 | \$12,382 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$6,191 | \$6,191 | \$12,382 | |
| Strategy: 3-1-1 Licensing - Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$1,794 | \$1,794 | \$3,588 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$1,794 | \$1,794 | \$3,588 | |

6.1 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: 515 Agency name: **Board of Pharmacy**

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|--|--------------|------------|----------------|------------------|-----------------|------------------|--------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |
| Strategy: 3-1-2 Enforcement-Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$10,615 | \$10,615 | \$21,230 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$10,615 | \$10,615 | \$21,230 | |
| Item Total | \$0 | \$0 | \$0 | \$18,600 | \$18,600 | \$37,200 | |
| FTE Reductions (From FY 2012 and FY 2013 Base Request) | | | | | | | |
| 13 Merit | | | | | | | |
| Category: Programs - Service Reductions (FTEs-Hiring Freeze) | | | | | | | |
| Item Comment: This reduction will eliminate 100% of merit increases for eligible employees. TSBP was appropriated funds by the 81st Leg Session to support a merit increase system which rewards high-performing employees. Without this legislative funding the agency will not be able to provide employees a merit based on an evaluation of the employee's performance. | | | | | | | |
| Strategy: 1-1-1 Operate an Application and Renewal Licensure System | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$12,667 | \$8,287 | \$20,954 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$12,667 | \$8,287 | \$20,954 | |
| Strategy: 2-1-1 Operate System of Inspection Assistance Education | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$78,987 | \$51,674 | \$130,661 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$78,987 | \$51,674 | \$130,661 | |
| Strategy: 3-1-1 Licensing - Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$1,982 | \$1,296 | \$3,278 | |

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/4/2010
 Time: 5:24:00PM

Agency code: 515 Agency name: Board of Pharmacy

| Item Priority and Name/ Method of Financing | REVENUE LOSS | | | REDUCTION AMOUNT | | | TARGET |
|--|--------------|------------|----------------|------------------|------------------|--------------------|--------------------|
| | 2012 | 2013 | Biennial Total | 2012 | 2013 | Biennial Total | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$1,982 | \$1,296 | \$3,278 | |
| Strategy: 3-1-2 Enforcement-Indirect Administration | | | | | | | |
| <u>General Revenue Funds</u> | | | | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$12,176 | \$7,966 | \$20,142 | |
| General Revenue Funds Total | \$0 | \$0 | \$0 | \$12,176 | \$7,966 | \$20,142 | |
| Item Total | \$0 | \$0 | \$0 | \$105,812 | \$69,223 | \$175,035 | |
| FTE Reductions (From FY 2012 and FY 2013 Base Request) | | | | | | | |
| AGENCY TOTALS | | | | | | | |
| General Revenue Total | | | | \$817,642 | \$259,833 | \$1,077,475 | \$1,077,475 |
| Agency Grand Total | \$0 | \$0 | \$0 | \$817,642 | \$259,833 | \$1,077,475 | |
| Difference, Options Total Less Target | | | | | | | |
| Agency FTE Reductions (From FY 2012 and FY 2013 Base Request) | | | | | | | |

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME : 5:50:16PM

Agency code: 515

Agency name: Board of Pharmacy

| Strategy | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|--|------------------|------------------|------------------|------------------|------------------|
| 1-1-1 Operate an Application and Renewal Licensure System | | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$ 78,169 | \$ 76,600 | \$ 75,223 | \$ 75,100 | \$ 75,100 |
| 1002 OTHER PERSONNEL COSTS | 7,758 | 3,153 | 2,871 | 4,937 | 4,406 |
| 2001 PROFESSIONAL FEES AND SERVICES | 857 | 1,314 | 749 | 763 | 749 |
| 2002 FUELS AND LUBRICANTS | 0 | 0 | 0 | 0 | 0 |
| 2003 CONSUMABLE SUPPLIES | 466 | 643 | 649 | 649 | 649 |
| 2004 UTILITIES | 7 | 1 | 1 | 1 | 1 |
| 2005 TRAVEL | 4,946 | 4,869 | 4,659 | 6,548 | 6,548 |
| 2006 RENT - BUILDING | 185 | 133 | 0 | 0 | 0 |
| 2007 RENT - MACHINE AND OTHER | 230 | 113 | 113 | 113 | 113 |
| 2009 OTHER OPERATING EXPENSE | 5,461 | 4,866 | 6,459 | 4,837 | 5,753 |
| 5000 CAPITAL EXPENDITURES | 0 | 0 | 0 | 420 | 95 |
| Total, Objects of Expense | \$ 98,079 | \$ 91,692 | \$ 90,724 | \$ 93,368 | \$ 93,414 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 98,079 | 91,692 | 90,724 | 93,368 | 93,414 |
| Total, Method of Financing | \$ 98,079 | \$ 91,692 | \$ 90,724 | \$ 93,368 | \$ 93,414 |
| FULL TIME EQUIVALENT POSITIONS | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 |

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME : 5:50:16PM

Agency code: 515

Agency name: Board of Pharmacy

| Strategy | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|---------------------------------------|--|-------------------|-------------------|-------------------|-------------------|
| 2-1-1 | Operate System of Inspection Assistance Education | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$ 434,781 | \$ 454,127 | \$ 445,962 | \$ 445,235 | \$ 445,235 |
| 1002 OTHER PERSONNEL COSTS | 42,486 | 18,691 | 17,014 | 29,263 | 26,112 |
| 2001 PROFESSIONAL FEES AND SERVICES | 4,686 | 7,791 | 4,444 | 4,529 | 4,444 |
| 2002 FUELS AND LUBRICANTS | 0 | 0 | 0 | 0 | 0 |
| 2003 CONSUMABLE SUPPLIES | 2,545 | 3,814 | 3,808 | 3,808 | 3,808 |
| 2004 UTILITIES | 39 | 6 | 6 | 6 | 6 |
| 2005 TRAVEL | 27,040 | 28,863 | 27,618 | 38,818 | 38,818 |
| 2006 RENT - BUILDING | 1,011 | 788 | 0 | 0 | 0 |
| 2007 RENT - MACHINE AND OTHER | 1,256 | 672 | 672 | 672 | 672 |
| 2009 OTHER OPERATING EXPENSE | 29,853 | 28,846 | 38,290 | 25,504 | 34,105 |
| 5000 CAPITAL EXPENDITURES | 0 | 0 | 0 | 2,489 | 568 |
| Total, Objects of Expense | \$ 543,697 | \$ 543,598 | \$ 537,814 | \$ 550,324 | \$ 553,768 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 543,697 | 543,598 | 537,814 | 550,324 | 553,768 |
| Total, Method of Financing | \$ 543,697 | \$ 543,598 | \$ 537,814 | \$ 550,324 | \$ 553,768 |
| FULL TIME EQUIVALENT POSITIONS | 8.0 | 8.1 | 8.1 | 8.1 | 8.1 |

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME : 5:50:16PM

Agency code: 515

Agency name: Board of Pharmacy

| Strategy | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|---|------------------|------------------|------------------|------------------|------------------|
| 2-1-2 Provide a Peer Assistance Program for Licensed Individuals | | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$ 15,864 | \$ 16,414 | \$ 16,119 | \$ 16,093 | \$ 16,093 |
| 1002 OTHER PERSONNEL COSTS | 1,554 | 676 | 615 | 1,058 | 944 |
| 2001 PROFESSIONAL FEES AND SERVICES | 171 | 282 | 161 | 164 | 161 |
| 2002 FUELS AND LUBRICANTS | 0 | 0 | 0 | 0 | 0 |
| 2003 CONSUMABLE SUPPLIES | 93 | 138 | 138 | 138 | 138 |
| 2004 UTILITIES | 1 | 0 | 0 | 0 | 0 |
| 2005 TRAVEL | 989 | 1,043 | 998 | 1,404 | 1,404 |
| 2006 RENT - BUILDING | 37 | 28 | 0 | 0 | 0 |
| 2007 RENT - MACHINE AND OTHER | 46 | 24 | 24 | 24 | 24 |
| 2009 OTHER OPERATING EXPENSE | 1,094 | 1,043 | 1,384 | 938 | 1,233 |
| 5000 CAPITAL EXPENDITURES | 0 | 0 | 0 | 90 | 20 |
| Total, Objects of Expense | \$ 19,849 | \$ 19,648 | \$ 19,439 | \$ 19,909 | \$ 20,017 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 19,849 | 19,648 | 19,439 | 19,909 | 20,017 |
| Total, Method of Financing | \$ 19,849 | \$ 19,648 | \$ 19,439 | \$ 19,909 | \$ 20,017 |
| FULL TIME EQUIVALENT POSITIONS | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
TIME : 5:50:16PM

Agency code: 515

Agency name: Board of Pharmacy

| Strategy | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|----------|----------|----------|----------|---------|---------|
| 3-1-1 | | | | | |

Licensing - Indirect Administration

Method of Allocation

The Texas State Board of Pharmacy is a labor-intensive agency and allocates Indirect Administrative and Support costs by the number of FTE's associated with the various strategies. Indirect Administrative and Support costs are allocated among Licensing (14%), Enforcement (83%)and Peer Assistance (3%) strategies.

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME : 5:50:16PM

Agency code: **515**

Agency name: **Board of Pharmacy**

| | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|-----------------------------------|-----------------|-----------------|-----------------|----------------|----------------|
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total, Method of Financing | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

7.A. INDIRECT ADMINISTRATIVE AND SUPPORT COSTS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/4/2010
 TIME : 5:50:16PM

Agency code: 515

Agency name: Board of Pharmacy

| | Exp 2009 | Est 2010 | Bud 2011 | BL 2012 | BL 2013 |
|---|------------------|------------------|------------------|------------------|------------------|
| GRAND TOTALS | | | | | |
| Objects of Expense | | | | | |
| 1001 SALARIES AND WAGES | \$528,814 | \$547,141 | \$537,304 | \$536,428 | \$536,428 |
| 1002 OTHER PERSONNEL COSTS | \$51,798 | \$22,520 | \$20,500 | \$35,258 | \$31,462 |
| 2001 PROFESSIONAL FEES AND SERVICES | \$5,714 | \$9,387 | \$5,354 | \$5,456 | \$5,354 |
| 2002 FUELS AND LUBRICANTS | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2003 CONSUMABLE SUPPLIES | \$3,104 | \$4,595 | \$4,595 | \$4,595 | \$4,595 |
| 2004 UTILITIES | \$47 | \$7 | \$7 | \$7 | \$7 |
| 2005 TRAVEL | \$32,975 | \$34,775 | \$33,275 | \$46,770 | \$46,770 |
| 2006 RENT - BUILDING | \$1,233 | \$949 | \$0 | \$0 | \$0 |
| 2007 RENT - MACHINE AND OTHER | \$1,532 | \$809 | \$809 | \$809 | \$809 |
| 2009 OTHER OPERATING EXPENSE | \$36,408 | \$34,755 | \$46,133 | \$31,279 | \$41,091 |
| 5000 CAPITAL EXPENDITURES | \$0 | \$0 | \$0 | \$2,999 | \$683 |
| Total, Objects of Expense | \$661,625 | \$654,938 | \$647,977 | \$663,601 | \$667,199 |
| Method of Financing | | | | | |
| 1 General Revenue Fund | \$661,625 | \$654,938 | \$647,977 | \$663,601 | \$667,199 |
| Total, Method of Financing | \$661,625 | \$654,938 | \$647,977 | \$663,601 | \$667,199 |
| Full-Time-Equivalent Positions (FTE) | 9.7 | 9.8 | 9.8 | 9.8 | 9.8 |