

Legislative Appropriations Requests

For Fiscal Years 2010 and 2011

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

By

Texas State Board of Pharmacy

July 30, 2008

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ADMINISTRATOR'S STATEMENT
81st REGULAR SESSION, AGENCY SUBMISSION, VERSION 1
Automated Budget and Evaluation System of Texas

Agency Code:	515	Agency Name:	Board of Pharmacy
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Board Member	Dates of Term	Hometown
Buford T. Abeldt, Sr., R.Ph.	05/09/2008 - 08/31/2013	Lufkin
Kim A. Caldwell, R.Ph.	06/03/2004 - 08/31/2009	McKinney
Rosemary F. Combs	11/10/1999 - 08/31/2011	El Paso
W. Benjamin Fry, R.Ph., FIACP, FACS	04/14/2004 - 08/31/2009	San Benito
L. Suzan Kedron	05/09/2008 - 08/31/2013	Dallas
Marcelo Lajjas, Jr.	04/14/2004 - 08/31/2009	Floresville
Alice G. Mendoza, R.Ph.	08/10/2006 - 08/31/2011	Kingsville
Jeanne D. Waggener, R.Ph.	08/10/2006 - 08/31/2011	Waco
Dennis F. Wiesner, R.Ph.	05/09/2008 - 08/31/2013	Austin

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 27,364 licensees to an expected 80,899 licensees at the end of FY08 (196% cumulative increase). Of particular concern to TSBP 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, TSBP has experienced a 202% increase in the number of complaints received & a 204% increase in the number of disciplinary orders. Each area of growth is directly attributed to the increase in the number of registrants.

TSBP has struggled to maintain current services due to less than requested funding & a decrease in funding caused by a number of "hidden" cuts that the agency has been required to absorb. These "hidden cuts" are not shown on any worksheet. Most notably, the price of gasoline, postage & other consumables has significantly increased over the last few years. TSBP has not received additional funding for these costs & has absorbed the increased costs. In addition, during the 2005 session, the legislature increased longevity & hazardous duty pay as well as per diem for meals & lodging for employees & board members; however the increased cost to agencies were not funded, so TSBP had to again absorb the costs.

At a 90% funding level, the following key elements of the agency's infra structure would be eliminated.

- 3 FTE's (Licensing, Legal, Enforcement)
- 100% of technology & vehicle replacement
- 100% of staff training & education
- All Newsletters
- 100% of funding to test pharmacy compounded products
- 11% of travel
- 10% of funding for a Peer Assistance Program
- 10% reduction to the Health Professions Council

The impact of a 10% budget cut in the above areas is outlined in detail in Schedule 6.1, "Percent Biennial Base Reduction Options Schedule". In summary, the agency anticipates:

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1. A reduction in number of inspections of pharmacies by 500 to 1,500 per year;
2. An increase in the average time to resolve a complaint by 50 days to 250 days;
3. A decrease in the number of disciplinary orders entered by 150 to 375 orders per year;
4. The agency will not be able to replace critical information technology & vehicles which will further the slowdown of the agency, since these items will require more maintenance or will simply be out of service;
5. Reduction of key services of the peer assistance program (Professional Recovery Network);
6. Critical slowdowns & possible backlog in the issuing & renewing of licenses/registrations;
7. Elimination of critical staff training & education;
8. Elimination of the ability to test pharmacy compounded products; and
9. Inadequate funding for Texas Online & Health Professions Council

To address this growth in demand for services, TSBP is requesting a number of increases in funding & staffing. The Board Members understand that additional revenue may need to be generated, if the following exceptional items are funded. The TSBP generates all of its revenue through fees & has the authority & mechanisms necessary to generate the revenue needed to support this request.

The members of the Board have voted to approve & submit the attached supplemental budget request.

I.	SHARED REGULATORY DATABASE MIGRATION	\$494,909 (estimate)
II.	TECHNOLOGY AND VEHICLE REPLACEMENT	143,700
III.	MERIT INCREASES FOR ELIGIBLE CLASSIFIED EMPLOYEES	218,937
IV.	EQUITY INCREASES FOR KEY EMPLOYEES	388,954
V.	ADDITIONAL STAFF TO MAINTAIN SERVICES	1,315,287
VI.	INCREASED TESTING OF COMPOUNDED PRODUCTS	100,000
VII.	INCREASE TO EXECUTIVE DIRECTOR'S SALARY	40,000
VIII.	LEVELING OF FUNDING FOR PEER ASSISTANCE	<u>14,906</u>
Total		\$2,716,693

I. SHARED REGULATORY DATABASE MIGRATION (\$494,909)

This request is TSBP's best estimate to replace its database system & migrate to a Shared Regulatory Database system. The current TSBP database system was originally written in the 1970's & was converted to a DEC VAX platform in 1989 (19 years ago). The system includes all cash functions, examination processing, licensing processing including initial & renewal of licenses for pharmacists, pharmacies, pharmacy technician's pharmacist-interns, enforcement processing & updating (i.e., entry of a complaint to completion of a disciplinary action). In addition, the system interfaces with the TSBP Website, Texas Online, USAS, Department of Public Safety, Texas Guaranteed Student Loan Corporation, & the Pharmacy Technician Certification Board.

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The database platform that houses the TSBP system as well as the database system of five other regulatory agencies, have reached a critical state. The Department of Information Resources (DIR) is in agreement that the system has greatly exceeded its life span & is technologically obsolete by several generations.

TSBP is working closely with the five other agencies, DIR, & the Health Professions Council (HPC), to develop a plan to migrate all six agencies to a shared system that can meet the unique requirements of each agency, while at the same time allowing the sharing of expenses. The total cost of the project is estimated to be \$2,969,455 and will be included in the LAR for the HPC, with each agency's share estimated to be \$494,909. It's important to understand that this cost is only an estimate & once DIR has chosen the approved vendors the agencies will select a single system for this project. Once the system is selected we will be able to give the legislature a much better estimate of the actual costs for each agency to migrate to the new shared system.

Finally, it is the collective request of these agencies that the one-time expenditure for this project be funded from excess revenue collected by these agencies over what is appropriated, spread over the next two biennia.

The regulatory agencies participating with HPC in this project are:

1. Board of Pharmacy
2. Board of Examiners of Psychologists
3. Optometry Board
4. Board of Dental Examiners
5. Board of Plumbing Examiners
6. Board of Professional Land Surveying

II. TECHNOLOGY & VEHICLE REPLACEMENT (\$143,700)

Information Technology

This request is designed to replace critical items that have reached their projected useful life. The 2010-2011 Information Technologies budget request includes the replacement of existing equipment only. Equipment replacement is based on the TSBP life cycle schedule that meets, & in many cases exceeds, the useful life expectancy of the device.

Like many agencies, TSBP has become more & more dependant upon technology to address the ever increasing demands we face in protecting the public health. To function, TSBP must have efficient, reliable & effective technology at the fingertips of dedicated employees. Without a timely replacement of this equipment, the TSBP simply could not function effectively.

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Vehicles

TSBP has the authority to purchase vehicles under the Occupations Code, Sec. 554.009. Vehicles are routinely purchased & replaced when necessary, generally at 100,000 miles. TSBP currently has 13 vehicles & 3 of that number will reach an estimated mileage between 126,000 & 156,000 during the next biennium. TSBP is requesting funds to replace these three vehicles. 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 their primary job duties).

The aforementioned 13 vehicles are assigned to field investigators (i.e., agency employees who conduct field investigations of serious complaints) & field compliance program staff who conduct inspections of pharmacies. Field inspections & investigations are critical elements of the agency's enforcement activities. If any field staff member's car becomes inoperable, this individual would be unable to perform his/her primary job duties.

III. MERIT INCREASES FOR ELIGIBLE CLASSIFIED EMPLOYEES (\$218,937)

TSBP is asking for funds to support a merit increase system which rewards high-performing employees. If the agency is funded at baseline, we will not be able to award merit increases. Over the last few years, the agency has awarded high performing employees with a one time merit bonus under the pay-for-performance system using any funds not expended, generally due to lapsed salaries generated during the time the agency was attempting to fill vacant positions. This one-time cash merit bonus does not raise the employee's annual salary & thus does not increase the salary for retirement purposes. Only once in the last few biennium (FY08), has the agency been able to fund a merit raise for eligible employees. The amount contained in this exceptional item will allow the agency to award merit increases high performing employees.

IV. EQUITY INCREASES FOR KEY EMPLOYEES (\$388,954)

This exceptional item will fund an equity increase to key employees of TSBP.

Pharmacist & Attorney Staff

The increased complexity in the regulation of pharmacy coupled with the increased workload makes the retention of expertise in the enforcement & legal divisions extremely important. By retaining a staff of pharmacists & attorneys who possess this level of specialized knowledge, TSBP is able to be more efficient & more effective in the regulation of the practice of pharmacy.

Recent market data indicates the average salary for a staff pharmacist in the Southwest is \$107,987. Data also indicates that new graduates of the Texas colleges of pharmacy are being offered starting salaries over \$100,000. Currently, the State Classification System suggests a salary range for a Pharmacist II at \$71,405 - \$115,106 – however, we do not have the funding to increase our pharmacist salaries beyond the entry level.

Recent market data also indicates that the median salary for an attorney in Texas is \$109,070. The Texas State Bar found the median salary to be \$113,300 & the average starting salary for a first-year attorney to be \$94,501. Again, TSBP does not have the funding to pay the attorneys a competitive salary.

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Field Investigators & Field Inspectors

Turnover in these positions has increased an average of 14% since FY03 (in FY08, the agency lost 3 staff to higher paying positions in other agencies or in the private sector). The persons who fill these positions must thoroughly understand the complex laws & rules pertaining to the practice of pharmacy. This equity increase will bring the salaries of the existing field staff to the mid-point of the salary range listed in this classification (\$36,764 - \$52,198) & will allow the agency to retain existing personnel & attract quality applicants in the future.

Inspectors. Inspections of pharmacies are a key component to the agency's preventative enforcement activities. Inspections ensure that the public is protected because a myriad of areas are checked, such as cleanliness, accuracy and authenticity of dispensing, drug stock, security and proper licensure.

If the pharmacy is compounding prescription drugs, including sterile pharmaceuticals (e.g., injectable drugs), Compliance Inspectors also conduct numerous other checks, such as the pharmacy's quality assurance procedures & sampling of products to assure the products are accurately compounded.

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. As a result, the number of schemes & the complexity of those schemes to divert drugs from pharmacies have increased dramatically. The diversion of drugs from pharmacies is an increasing problem & TSBP must have competent investigators to help prevent these drugs from being sold on the streets of Texas cities.

Field inspections & investigations are critical elements of the agency's enforcement activities & employees performing these activities must be compensated appropriately.

V. ADDITIONAL STAFF TO MAINTAIN SERVICES (\$1,315,287)

Since FY03, the agency has experienced significant increases in the demand for services due to new legislative mandates but at the same time has had to deal with inadequate funding & staffing. TSBP has reached a critical turning point. Unless increased funding & staffing are provided, the agency cannot continue to provide services at the current level. We believe this will reduce our ability to protect the citizens of Texas.

A number of statistics regarding the increase in workload are included in the opening of this statement. However, a summary of these increases indicate that since FY03, the licensee population has grown dramatically from 27,364 licensees to an expected 80,890 at the end of FY08 (195% cumulative increase). This unprecedented growth has resulted in the following increases from FY03 to FY07:

- 204% increase in the number of disciplinary orders entered;
- 202% increase in the number of complaints received; and
- 224% increase in the number of disciplinary orders that require monitoring.

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To address this problem, we are requesting the following 13 new positions:

- Enforcement Program Specialist
- 2 Office Investigators (Investigator II & Investigator III)
- 2 Field Enforcement Staff (Investigator IV & Inspector V)
- 2 Administrative Assistant IV (Enforcement & Licensing)
- 2 Legal Assistants
- Program Specialist & 3 Licensing/Enforcement Technical Assistants (Administrative Assistant IV's)

Significant external factors driving this increase in workload include the following:

Growth in Licensee Population

Health care providers & insurers have forecasted that pharmacies will be dispensing more prescriptions each year given that a large segment of the US population is aging & people take more prescription drugs as they get older. Because of this, the state has & will continue to see an increase in the numbers of pharmacies. An increase in the number of pharmacies creates an increase in the number of pharmacists & pharmacy technicians. Likewise, as the number of licensees/registrants increases, so will the number of complaints filed against these licensees/registrants.

In addition, TSBP began registering pharmacy technicians in FY04 & registering pharmacy technician trainees in FY07. The impact of these programs has & will continue to result in a dramatic increase in the number of licensees.

Criminal History Background Checks

TSBP has the authority to conduct criminal history background checks under the following statutes: Code of Criminal Procedure, Art. 60.061; Gov't Code, 411.122; & Gov't Code 411.084 - 411.087. TSBP conducts a Department of Public Safety criminal history background check on all individual applicants for new licenses/registrations & all new owners of pharmacy licenses, & on a quarterly basis, all individual applicants for renewal of licenses/registrations. In FY08, TSBP began checking the criminal history background of pharmacy intern applicants using fingerprints through DPS & the FBI. This program will be expanded in FY09 to include all new pharmacist applicants, & in FY10 we plan to add new applicants for pharmacy technician registration (approximately 15,000 annually) if funding is approved for an additional FTE to process these checks.

Investigations/Disciplinary Actions

As the number of licensees/registrants increases, so has the number of complaints & disciplinary actions increased. If additional personnel & funds are not received for this critical public health area, the agency will experience a significant increase in the time required to resolve a complaint. This is verified by the fact that the average time to resolve a complaint has increased from 118 days in FY04 to 200 days in FY08 (69% increase).

In addition, the agency has experienced an increase over the past 2 years in the number of cases being referred to SOAH. The number of SOAH cases handled by the agency has almost doubled from 7 SOAH Hearings in FY04, prior to technician registration, to an average of 12 SOAH Hearings per year, over the past three fiscal years.

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Compliance Inspections

TSBP only has 6 FTE's to inspect 5,900 pharmacies located in Texas, which equates to pharmacies being inspected only once every 3 years. More frequent inspections result in a strong preventative enforcement strategy, which is cost effective by increasing compliance & decreasing high-cost disciplinary action.

VI. INCREASED TESTING OF COMPOUNDED PRODUCTS (\$100,000)

The agency is requesting increased appropriation authority to fund the testing of pharmacy compounded products as authorized by SB 492 passed by the 79th session. TSBP was appropriated funding in FY08 to implement this legislation, but additional funding is required. This bill allows pharmacies to compound prescription drugs for practitioner's office use. Passage of the bill has increased the number of compounded products that may be provided or administered to a patient.

The agency believes it is imperative that we test these compounded products for accuracy & that we test sterile compounded products for pyrogenicity & sterility. Any problem with these products could have a dramatic and potentially life threatening effects on the patient. The agency was appropriated \$100,000 to conduct tests during FY08-09, but because of the costs for these tests, the agency will only be able to conduct tests on approximately 200 products. Because of the critical nature of sterile compounded products, we believe that the agency should be conducting more tests.

VII. INCREASE THE EXECUTIVE DIRECTOR'S SALARY (\$40,000)

This request is to increase the salary of the Executive Director from \$105,000 to \$125,000 per year. This can be accomplished by: (1) increasing the base salary to \$125,000 per year; (2) adding a rider that would allow the Board of Pharmacy to add a "salary supplement" to the executive director's base salary; or (3) by a combination of increasing the base salary & adding a "salary supplement" rider. This supplement would be based upon the fact that the executive director of the Board of Pharmacy is required to be a licensed pharmacist in the State of Texas. A similar salary supplementation is currently used to supplement the salary of the executive director of the Texas State Board of Medical Examiners. In May 2008, the members of the Board of Pharmacy voted unanimously to seek this increase based on the following information:

1. The person who is the executive director is required not only to be a pharmacist, but also to be a person who has considerable experience in the management of an organization including strategic planning & budgeting, who is familiar with pharmacy & drug laws, & who is familiar with state & national issues affecting pharmacy practice.
2. The current salary of the Executive Director is below the salaries offered to be a pharmacist in Texas and the nation. On the national level, the base salary with bonus for an entry level pharmacist is \$108,403, & on the state level, the State Classification System suggests a salary range for a Pharmacist II at \$71,405 - \$115,106, and a Pharmacist III at \$102,007 - \$164,444.
3. The current Executive Director is nearing retirement. If the salary for the Executive Director is not increased to at least a competitive level for pharmacist managers, how will TSBP be able to hire an Executive Director if a pharmacist must take a pay cut to become Executive Director?

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VIII. LEVEL FUNDING FOR PEER ASSISTANCE (\$14,906)

A peer assistance program was established in the Texas Pharmacy Act in 1983. The Texas Professional Recovery Network (PRN) was one of the first peer assistance programs for pharmacists in the nation. As such, it has served as a model to other states. The PRN voluntary program & the TSBP mandatory program cover pharmacists & eligible pharmacy students for physical, mental & chemical impairments (alcohol & drugs).

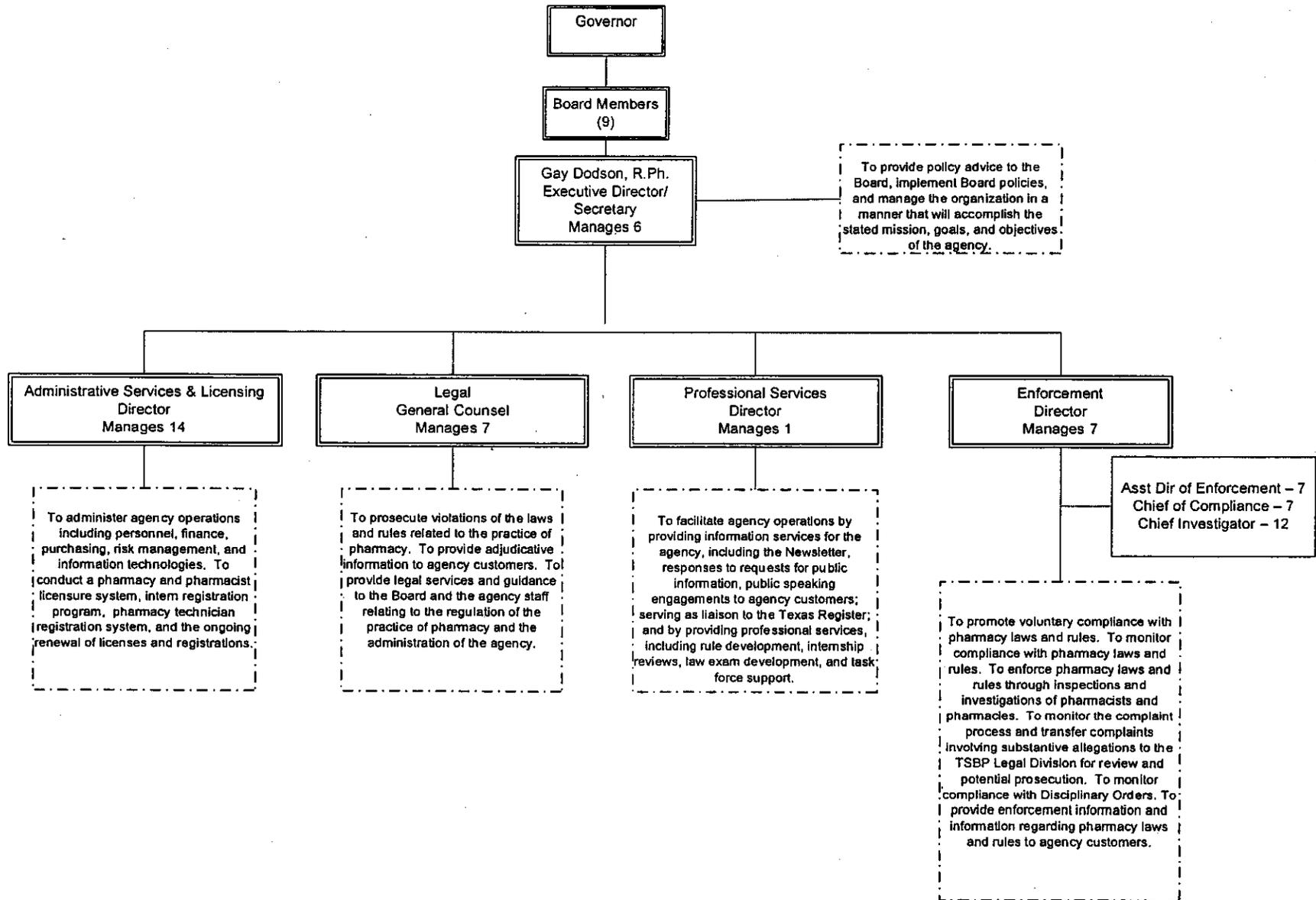
As explained in the detail under Exceptional Item #8, a total biennial increase in spending authority of \$14,906 in FY10 is requested to fund the PRN. This request levels out the funding in each year of the biennium. TSBP is generating the necessary revenue to fund this additional appropriation; however, the Appropriations Act currently limits spending for this program to \$174,138 in FY08 & \$189,044 in FY09.

REVENUE ESTIMATES

Based on the Biennial Revenue Estimate, TSBP anticipates generating \$1,107,801 excess revenue over the FY08-09 biennium.

Texas State Board of Pharmacy

62 FTEs



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

DATE: 7/30/2008
 TIME: 3:51:43PM

Agency code: 515 Agency name: Board of Pharmacy

Goal / Objective / STRATEGY	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
1 Establish and Maintain Standards for Pharmacy Education and Practice					
1 Operate Licensure System to Ensure that Minimal Standards Are Met					
1 LICENSING	459,478	569,433	525,645	529,456	524,621
2 TEXASONLINE	207,486	209,480	212,610	209,480	212,610
TOTAL, GOAL 1	\$666,964	\$778,913	\$738,255	\$738,936	\$737,231
2 Protect Public Health by Enforcing All Laws Relating to Practice					
1 Decrease Violations by Inspections, Education, Resolving Complaints					
1 ENFORCEMENT	2,262,350	2,579,364	2,596,467	2,664,809	2,596,051
2 PEER ASSISTANCE	146,825	174,138	189,044	174,138	189,044
TOTAL, GOAL 2	\$2,409,175	\$2,753,502	\$2,785,511	\$2,838,947	\$2,785,095
3 Indirect Administration					
1 Indirect Administration					
1 LICENSING - INDIRECT ADMINISTRATION	110,124	101,327	97,889	102,881	98,105
2 ENFORCEMENT-INDIRECT ADMINISTRATION	537,676	574,172	554,716	583,012	555,940
TOTAL, GOAL 3	\$647,800	\$675,499	\$652,605	\$685,893	\$654,045
TOTAL, AGENCY STRATEGY REQUEST	\$3,723,939	\$4,207,914	\$4,176,371	\$4,263,776	\$4,176,371
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$3,723,939	\$4,207,914	\$4,176,371	\$4,263,776	\$4,176,371

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

DATE: 7/30/2008
 TIME: 3:51:43PM

Agency code: 515 Agency name: Board of Pharmacy

Goal / Objective / STRATEGY	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	3,701,754	4,200,184	4,168,641	4,256,046	4,168,641
SUBTOTAL	\$3,701,754	\$4,200,184	\$4,168,641	\$4,256,046	\$4,168,641
Other Funds:					
666 Appropriated Receipts	22,185	7,730	7,730	7,730	7,730
SUBTOTAL	\$22,185	\$7,730	\$7,730	\$7,730	\$7,730
TOTAL, METHOD OF FINANCING	\$3,723,939	\$4,207,914	\$4,176,371	\$4,263,776	\$4,176,371

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

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
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DATE: 7/30/2008
 TIME: 3:52:55PM

Agency code: 515 Agency name: Board of Pharmacy

METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<u>GENERAL REVENUE</u>					
<u>1</u> General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriation	\$3,348,736	\$4,146,423	\$4,063,076	\$4,256,046	\$4,168,641
<i>RIDER APPROPRIATION</i>					
Art IX, Sec 14.39, Contingency Approp. S.B. 410 (2006-2007)	\$156,882	\$0	\$0	\$0	\$0
Art IX, Sec 19.51, Contingency Approp. - S.B. 29 (2008-09 GAA)	\$0	\$4,058	\$0	\$0	\$0
Art IX, Sec 5.09 Reductions for Commercial Air Travel (2006-07 GAA)	\$(3,189)	\$0	\$0	\$0	\$0
Art VIII, Sec 4, TxOnline Authority Appropriations (2006-07 GAA)	\$24,676	\$0	\$0	\$0	\$0
<i>TRANSFERS</i>					
Art IX, Sec 13.17(a), Salary Increases (2006-07 GAA)	\$163,088	\$0	\$0	\$0	\$0
Art IX, Sec 19.62(a), Salary Increase (2008-09 GAA)	\$0	\$49,703	\$105,565	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					

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

DATE: 7/30/2008
 TIME: 3:53:02PM

Agency code: 515 Agency name: Board of Pharmacy

METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<u>GENERAL REVENUE</u>					
Lapsed Appropriations	\$ (5,769)	\$ 0	\$ 0	\$ 0	\$ 0
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Art IX, Sec 6.16(j), Capital Budget UB (2006-07 GAA)	\$ 17,330	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL, General Revenue Fund	\$ 3,701,754	\$ 4,200,184	\$ 4,168,641	\$ 4,256,046	\$ 4,168,641
TOTAL, ALL GENERAL REVENUE	\$ 3,701,754	\$ 4,200,184	\$ 4,168,641	\$ 4,256,046	\$ 4,168,641

OTHER FUNDS

666 Appropriated Receipts

REGULAR APPROPRIATIONS

Art IX, Sec 12.02 Publications or Sale of Records (2006-07 GAA)

\$ 3,980 \$ 0 \$ 0 \$ 0 \$ 0

Art IX, Sec 12.02, Publication or Sale of Records (2008-09 GAA)

\$ 0 \$ 3,980 \$ 3,980 \$ 3,980 \$ 3,980

Art IX, Sec 8.03, Reimbursements and Payments (2006-07 GAA)

\$ 3,750 \$ 0 \$ 0 \$ 0 \$ 0

Art IX, Sec 8.03, Reimbursements and Payments (2008-09 GAA)

\$ 0 \$ 3,750 \$ 3,750 \$ 3,750 \$ 3,750

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

DATE: 7/30/2008
 TIME: 3:53:02PM

Agency code: 515

Agency name: Board of Pharmacy

METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<u>OTHER FUNDS</u>					
<i>RIDER APPROPRIATION</i>					
Art IX, Sec 12.02, Publications or Sales of Records (2006-07 GAA)					
	\$2,729	\$0	\$0	\$0	\$0
Art IX, Sec 8.04, Sale of Surplus Property					
	\$13,815	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Lapsed Appropriations					
	\$(2,089)	\$0	\$0	\$0	\$0
TOTAL, Appropriated Receipts	\$22,185	\$7,730	\$7,730	\$7,730	\$7,730
TOTAL, ALL OTHER FUNDS	\$22,185	\$7,730	\$7,730	\$7,730	\$7,730
GRAND TOTAL	\$3,723,939	\$4,207,914	\$4,176,371	\$4,263,776	\$4,176,371

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

DATE: 7/30/2008
 TIME: 3:53:02PM

Agency code: 515 Agency name: Board of Pharmacy

METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<u>FULL-TIME-EQUIVALENT POSITIONS</u>					
REGULAR APPROPRIATIONS					
Regular Appropriation	54.0	62.0	62.0	62.0	62.0
RIDER APPROPRIATION					
Art IX, Sec 14.39 Contingency Approp. for S.B. 410 (2006-07 GAA)	3.0	0.0	0.0	0.0	0.0
LAPSED APPROPRIATIONS					
Lapsed Appropriations	(1.2)	0.0	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	55.8	62.0	62.0	62.0	62.0
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
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/30/2008
 TIME: 3:54:21PM

Agency code: 515

Agency name: Board of Pharmacy

OBJECT OF EXPENSE	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
1001 SALARIES AND WAGES	\$2,544,150	\$2,780,849	\$2,997,810	\$2,997,810	\$2,997,810
1002 OTHER PERSONNEL COSTS	\$162,554	\$140,702	\$79,620	\$85,170	\$89,840
2001 PROFESSIONAL FEES AND SERVICES	\$263,270	\$410,135	\$323,260	\$324,059	\$320,556
2002 FUELS AND LUBRICANTS	\$25,372	\$40,000	\$49,927	\$49,927	\$49,927
2003 CONSUMABLE SUPPLIES	\$28,726	\$31,316	\$31,316	\$31,316	\$31,316
2004 UTILITIES	\$6,366	\$6,622	\$6,781	\$6,781	\$6,781
2005 TRAVEL	\$121,066	\$160,305	\$182,370	\$182,370	\$182,370
2006 RENT - BUILDING	\$1,654	\$2,452	\$2,808	\$2,808	\$2,808
2007 RENT - MACHINE AND OTHER	\$9,721	\$9,836	\$10,000	\$10,000	\$10,000
2009 OTHER OPERATING EXPENSE	\$451,430	\$559,697	\$492,479	\$507,535	\$484,963
5000 CAPITAL EXPENDITURES	\$109,630	\$66,000	\$0	\$66,000	\$0
OOE Total (Excluding Riders)	\$3,723,939	\$4,207,914	\$4,176,371	\$4,263,776	\$4,176,371
OOE Total (Riders)					
Grand Total	\$3,723,939	\$4,207,914	\$4,176,371	\$4,263,776	\$4,176,371

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

Date : 7/30/2008
Time: 3:51:55PM

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

Agency code: 515

Agency name: Board of Pharmacy

Goal/ Objective / Outcome	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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	96.50%	95.00%	95.00%	95.00%	95.00%
KEY 2 Percent of Licensees Who Renew Online	86.33%	84.58%	84.58%	84.00%	84.00%
3 Percent of New Individual Licenses Issued Online	80.82	81.00	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	13.80%	15.00%	15.00%	15.00%	15.00%
2 Recidivism Rate of Those Receiving Disciplinary Action	4.30	6.00	6.00	6.00	6.00
3 Percent of Documented Complaints Resolved within Six Months	67.00%	50.00%	50.00%	50.00%	50.00%
4 Recidivism Rate for Peer Assistance Programs	18.18%	30.00%	30.00%	30.00%	30.00%
5 One-year Completion Rate for Peer Assistance Programs	83.67%	75.00%	75.00%	75.00%	75.00%

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

DATE: 7/30/2008
 TIME : 3:53:12PM

Agency code: 515

Agency name: Board of Pharmacy

Priority	Item	2010			2011			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Database Migration	\$494,909	\$494,909		\$0	\$0		\$494,909	\$494,909
2	Technology and Vehicle Replacement	\$51,600	\$51,600		\$92,100	\$92,100		\$143,700	\$143,700
3	Merit Increase - Class Employees	\$72,364	\$72,364		\$146,573	\$146,573		\$218,937	\$218,937
4	Equity Increases	\$194,477	\$194,477		\$194,477	\$194,477		\$388,954	\$388,954
5	Maintain Srvs Licensee Population	\$769,822	\$769,822	13.0	\$545,465	\$545,465	13.0	\$1,315,287	\$1,315,287
6	Testing Compounding Products	\$50,000	\$50,000		\$50,000	\$50,000		\$100,000	\$100,000
7	Incr to Executive Director Salary	\$20,000	\$20,000		\$20,000	\$20,000		\$40,000	\$40,000
8	Peer Asst Prog Increase Funding	\$14,906	\$14,906		\$0	\$0		\$14,906	\$14,906
Total, Exceptional Items Request		\$1,668,078	\$1,668,078	13.0	\$1,048,615	\$1,048,615	13.0	\$2,716,693	\$2,716,693
Method of Financing									
	General Revenue	\$1,668,078	\$1,668,078		\$1,048,615	\$1,048,615		\$2,716,693	\$2,716,693
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$1,668,078	\$1,668,078		\$1,048,615	\$1,048,615		\$2,716,693	\$2,716,693
Full Time Equivalent Positions				13.0				13.0	
Number of 100% Federally Funded FTEs				0.0				0.0	

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

DATE : 7/30/2008
 TIME : 3:52:39PM

Agency code: 515 Agency name: Board of Pharmacy

Goal/Objective/STRATEGY	Base 2010	Base 2011	Exceptional 2010	Exceptional 2011	Total Request 2010	Total Request 2011
1 Establish and Maintain Standards for Pharmacy Education and Practice						
1 <i>Operate Licensure System to Ensure that Minimal Standards Are Me</i>						
1 LICENSING	\$529,456	\$524,621	\$564,996	\$67,797	\$1,094,452	\$592,418
2 TEXASONLINE	209,480	212,610	0	0	209,480	212,610
TOTAL, GOAL 1	\$738,936	\$737,231	\$564,996	\$67,797	\$1,303,932	\$805,028
2 Protect Public Health by Enforcing All Laws Relating to Practice						
1 <i>Decrease Violations by Inspections, Education, Resolving Complain</i>						
1 ENFORCEMENT	2,664,809	2,596,051	1,065,049	937,273	3,729,858	3,533,324
2 PEER ASSISTANCE	174,138	189,044	14,906	0	189,044	189,044
TOTAL, GOAL 2	\$2,838,947	\$2,785,095	\$1,079,955	\$937,273	\$3,918,902	\$3,722,368
3 Indirect Administration						
1 <i>Indirect Administration</i>						
1 LICENSING - INDIRECT ADMINISTRATION	102,881	98,105	3,468	6,531	106,349	104,636
2 ENFORCEMENT-INDIRECT ADMINISTRATION	583,012	555,940	19,659	37,014	602,671	592,954
TOTAL, GOAL 3	\$685,893	\$654,045	\$23,127	\$43,545	\$709,020	\$697,590
TOTAL, AGENCY STRATEGY REQUEST	\$4,263,776	\$4,176,371	\$1,668,078	\$1,048,615	\$5,931,854	\$5,224,986
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$4,263,776	\$4,176,371	\$1,668,078	\$1,048,615	\$5,931,854	\$5,224,986

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

DATE : 7/30/2008
 TIME : 3:52:46PM

Agency code: 515 Agency name: Board of Pharmacy

<i>Goal/Objective/STRATEGY</i>	Base 2010	Base 2011	Exceptional 2010	Exceptional 2011	Total Request 2010	Total Request 2011
General Revenue Funds:						
1 General Revenue Fund	\$4,256,046	\$4,168,641	\$1,668,078	\$1,048,615	\$5,924,124	\$5,217,256
	\$4,256,046	\$4,168,641	\$1,668,078	\$1,048,615	\$5,924,124	\$5,217,256
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	\$4,263,776	\$4,176,371	\$1,668,078	\$1,048,615	\$5,931,854	\$5,224,986
FULL TIME EQUIVALENT POSITIONS	62.0	62.0	13.0	13.0	75.0	75.0

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

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

Date : 7/30/2008
Time: 3:53:28PM

Agency code: 515

Agency name: Board of Pharmacy

Goal/ Objective / Outcome

		BL 2010	BL 2011	Excp 2010	Excp 2011	Total Request 2010	Total Request 2011
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						
		84.00%	84.00%			84.00%	84.00%
	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						
		15.00%	15.00%			15.00%	15.00%
	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%	60.00%	60.00%	60.00%	60.00%
	4 Recidivism Rate for Peer Assistance Programs						
		30.00%	30.00%	26.00%	26.00%	26.00%	26.00%

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

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

Date : 7/30/2008
Time: 3:53:35PM

Agency code: 515

Agency name: Board of Pharmacy

Goal/ Objective / Outcome

	BL 2010	BL 2011	Excp 2010	Excp 2011	Total Request 2010	Total Request 2011
5 One-year Completion Rate for Peer Assistance Programs	75.00%	75.00%	80.00%	80.00%	80.00%	80.00%

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

DATE: 7/30/2008
 TIME: 3:54:01PM

Agency code: 515 Agency name: Board of Pharmacy

GOAL: 1 Establish and Maintain Standards for Pharmacy Education and Practice
 OBJECTIVE: 1 Operate Licensure System to Ensure that Minimal Standards Are Met
 STRATEGY: 1 Operate an Application and Renewal Licensure System

Statewide Goal/Benchmark: 7 4

Service Categories:

Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Output Measures:						
KEY 1	Number of New Licenses Issued to Individuals	1,024.00	951.00	951.00	1,140.00	1,210.00
KEY 2	Number of Licenses Renewed (Individuals)	12,148.00	12,056.00	12,651.00	12,759.00	13,451.00
3	Number of New Registrations Issued to Individuals	15,886.00	15,000.00	15,000.00	15,000.00	15,000.00
4	Number of Registrations Renewed (Individuals)	11,984.00	12,000.00	12,000.00	12,000.00	12,000.00
Efficiency Measures:						
1	Percent New Licenses Issued within Ten Days	100.00 %	98.00 %	98.00 %	98.00 %	98.00 %
2	Percent of Individual License Renewals Issued within Seven Days	100.00 %	98.00 %	98.00 %	98.00 %	98.00 %
Explanatory/Input Measures:						
1	Total Number of Individuals Licensed	23,939.00	24,490.00	25,050.00	25,850.00	26,500.00
KEY 2	Total Number of Business Facilities Licensed	6,315.00	6,409.00	6,511.00	6,615.00	6,721.00
3	Total Number of Individuals Registered	42,505.00	50,000.00	50,000.00	50,000.00	50,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$324,060	\$347,529	\$354,187	\$354,187	\$354,187
1002	OTHER PERSONNEL COSTS	\$13,975	\$17,556	\$11,160	\$12,040	\$12,840
2001	PROFESSIONAL FEES AND SERVICES	\$47,880	\$120,813	\$96,623	\$97,053	\$93,919
2003	CONSUMABLE SUPPLIES	\$4,653	\$5,339	\$5,339	\$5,339	\$5,339
2004	UTILITIES	\$1,122	\$1,122	\$1,122	\$1,122	\$1,122
2005	TRAVEL	\$2,828	\$2,202	\$2,143	\$2,143	\$2,143
2006	RENT - BUILDING	\$32	\$35	\$87	\$87	\$87
2007	RENT - MACHINE AND OTHER	\$1,311	\$1,228	\$1,228	\$1,228	\$1,228
2009	OTHER OPERATING EXPENSE	\$58,871	\$73,609	\$53,756	\$56,257	\$53,756
5000	CAPITAL EXPENDITURES	\$4,746	\$0	\$0	\$0	\$0

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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

GOAL: 1 Establish and Maintain Standards for Pharmacy Education and Practice
 OBJECTIVE: 1 Operate Licensure System to Ensure that Minimal Standards Are Met
 STRATEGY: 1 Operate an Application and Renewal Licensure System

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

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
TOTAL, OBJECT OF EXPENSE		\$459,478	\$569,433	\$525,645	\$529,456	\$524,621
Method of Financing:						
1	General Revenue Fund	\$459,478	\$569,144	\$525,356	\$529,167	\$524,332
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$459,478	\$569,144	\$525,356	\$529,167	\$524,332
Method of Financing:						
666	Appropriated Receipts	\$0	\$289	\$289	\$289	\$289
SUBTOTAL, MOF (OTHER FUNDS)		\$0	\$289	\$289	\$289	\$289
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$529,456	\$524,621
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$459,478	\$569,433	\$525,645	\$529,456	\$524,621
FULL TIME EQUIVALENT POSITIONS:		7.8	7.8	7.8	7.8	7.8
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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

GOAL: 1 Establish and Maintain Standards for Pharmacy Education and Practice
 OBJECTIVE: 1 Operate Licensure System to Ensure that Minimal Standards Are Met
 STRATEGY: 1 Operate an Application and Renewal Licensure System

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

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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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 020101 & 020102, 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:

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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:	1	Operate an Application and Renewal Licensure System	Service:	16	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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The licensee population continues to grow, resulting in increased workload in all areas of licensing as well as related telephone calls & correspondence. Since FY2003 however, the total licensee population grew dramatically - from 27,364 licensees to an expected 80,899 licensees in FY2008 (196% cumulative increase). This unprecedented growth is a direct result of the Pharmacy Technician Registration Program enacted by the 76th Texas Legislature & partially funded in FY2004, followed by the enactment & partial funding of the Pharmacy Technician Trainee Program in FY2006.

New Programs & Growth

The number of new pharmacists licensed is expected to increase as a result of the two new Texas schools of pharmacy (A&M at Kingsville, Incarnate Word San Antonio). These schools admitted their first class in FY2006 & expect to graduate approximately 170 in FY2010. In addition, enrollment in the four existing Texas schools of pharmacy has also increased.

TSBP is conducting an FBI fingerprint check on all new applicants for pharmacist internship & will expand this to include new pharmacist applicants in FY09. An additional FTE in FY10 will allow this program to include all new applicants for technician registration (approximately 15,000 annually).

As a result of new programs, growth & inadequate funding, the agency has reached a critical turning point - it cannot continue to provide current services, information & protection to the citizens of Texas without additional staff

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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

GOAL: 1 Establish and Maintain Standards for Pharmacy Education and Practice
 OBJECTIVE: 1 Operate Licensure System to Ensure that Minimal Standards Are Met
 STRATEGY: 2 TexasOnline. Estimated and Nontransferable

Statewide Goal/Benchmark: 7 8
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$207,486	\$209,480	\$212,610	\$209,480	\$212,610
TOTAL, OBJECT OF EXPENSE		\$207,486	\$209,480	\$212,610	\$209,480	\$212,610
Method of Financing:						
1	General Revenue Fund	\$207,486	\$209,480	\$212,610	\$209,480	\$212,610
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$207,486	\$209,480	\$212,610	\$209,480	\$212,610
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$209,480	\$212,610
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$207,486	\$209,480	\$212,610	\$209,480	\$212,610
FULL TIME EQUIVALENT POSITIONS:		0.0	0.0	0.0	0.0	0.0

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 2008-09 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
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/30/2008
 TIME: 3:54:08PM

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

GOAL: 1 Establish and Maintain Standards for Pharmacy Education and Practice
 OBJECTIVE: 1 Operate Licensure System to Ensure that Minimal Standards Are Met
 STRATEGY: 2 TexasOnline. Estimated and Nontransferable

Statewide Goal/Benchmark: 7 8

Service Categories:

Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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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
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas(ABEST)

DATE: 7/30/2008
 TIME: 3:54:08PM

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 3
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Output Measures:						
1	Number of Inspections	2,083.00	1,800.00	1,800.00	1,800.00	1,800.00
KEY 2	Number of Complaints Resolved	4,932.00	4,500.00	4,500.00	4,500.00	4,500.00
Efficiency Measures:						
KEY 1	Average Time for Complaint Resolution	185.00	200.00	200.00	200.00	200.00
Explanatory/Input Measures:						
KEY 1	Number of Jurisdictional Complaints Received	5,793.00	5,000.00	5,000.00	5,000.00	5,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,695,096	\$1,867,179	\$2,061,883	\$2,061,883	\$2,061,883
1002	OTHER PERSONNEL COSTS	\$81,064	\$90,503	\$43,700	\$47,910	\$50,800
2001	PROFESSIONAL FEES AND SERVICES	\$94,881	\$144,499	\$82,523	\$83,893	\$82,523
2002	FUELS AND LUBRICANTS	\$25,372	\$40,000	\$49,927	\$49,927	\$49,927
2003	CONSUMABLE SUPPLIES	\$18,844	\$21,441	\$21,441	\$21,441	\$21,441
2004	UTILITIES	\$4,672	\$5,376	\$5,535	\$5,535	\$5,535
2005	TRAVEL	\$89,078	\$115,309	\$133,440	\$133,440	\$133,440
2006	RENT - BUILDING	\$500	\$1,239	\$1,308	\$1,308	\$1,308
2007	RENT - MACHINE AND OTHER	\$6,763	\$7,066	\$7,230	\$7,230	\$7,230
2009	OTHER OPERATING EXPENSE	\$146,685	\$220,752	\$189,480	\$186,242	\$181,964
5000	CAPITAL EXPENDITURES	\$99,395	\$66,000	\$0	\$66,000	\$0
TOTAL, OBJECT OF EXPENSE		\$2,262,350	\$2,579,364	\$2,596,467	\$2,664,809	\$2,596,051
Method of Financing:						
1	General Revenue Fund	\$2,240,165	\$2,571,923	\$2,589,026	\$2,657,368	\$2,588,610
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,240,165	\$2,571,923	\$2,589,026	\$2,657,368	\$2,588,610

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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 3
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Method of Financing:						
666	Appropriated Receipts	\$22,185	\$7,441	\$7,441	\$7,441	\$7,441
SUBTOTAL, MOF (OTHER FUNDS)		\$22,185	\$7,441	\$7,441	\$7,441	\$7,441
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,664,809	\$2,596,051
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,262,350	\$2,579,364	\$2,596,467	\$2,664,809	\$2,596,051
FULL TIME EQUIVALENT POSITIONS:		36.6	42.3	42.3	42.3	42.3

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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: 2 Provide a Peer Assistance Program for Licensed Individuals

Statewide Goal/Benchmark: 7 0
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Output Measures:						
KEY 1	Number of Individuals Participating in a Peer Assistance Program	156.00	160.00	165.00	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	\$94,500	\$121,813	\$136,719	\$121,813	\$136,719
TOTAL, OBJECT OF EXPENSE		\$146,825	\$174,138	\$189,044	\$174,138	\$189,044
Method of Financing:						
1	General Revenue Fund	\$146,825	\$174,138	\$189,044	\$174,138	\$189,044
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$146,825	\$174,138	\$189,044	\$174,138	\$189,044
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$174,138	\$189,044
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$146,825	\$174,138	\$189,044	\$174,138	\$189,044
FULL TIME EQUIVALENT POSITIONS:		2.0	2.0	2.0	2.0	2.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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: 2 Provide a Peer Assistance Program for Licensed Individuals

Statewide Goal/Benchmark: 7 0
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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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
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/30/2008
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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: 2 Provide a Peer Assistance Program for Licensed Individuals

Statewide Goal/Benchmark: 7 0
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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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
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas(ABEST)

DATE: 7/30/2008
 TIME: 3:54:08PM

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 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Objects of Expense:						
1001	SALARIES AND WAGES	\$80,354	\$77,072	\$79,412	\$79,412	\$79,412
1002	OTHER PERSONNEL COSTS	\$11,475	\$4,896	\$3,714	\$3,783	\$3,930
2001	PROFESSIONAL FEES AND SERVICES	\$4,422	\$3,452	\$1,109	\$3,195	\$1,109
2003	CONSUMABLE SUPPLIES	\$889	\$680	\$680	\$680	\$680
2004	UTILITIES	\$97	\$18	\$18	\$18	\$18
2005	TRAVEL	\$4,957	\$6,419	\$7,018	\$7,018	\$7,018
2006	RENT - BUILDING	\$191	\$177	\$212	\$212	\$212
2007	RENT - MACHINE AND OTHER	\$280	\$231	\$231	\$231	\$231
2009	OTHER OPERATING EXPENSE	\$6,526	\$8,382	\$5,495	\$8,332	\$5,495
5000	CAPITAL EXPENDITURES	\$933	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$110,124	\$101,327	\$97,889	\$102,881	\$98,105
Method of Financing:						
1	General Revenue Fund	\$110,124	\$101,327	\$97,889	\$102,881	\$98,105
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$110,124	\$101,327	\$97,889	\$102,881	\$98,105
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$102,881	\$98,105
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$110,124	\$101,327	\$97,889	\$102,881	\$98,105
FULL TIME EQUIVALENT POSITIONS:		1.4	1.5	1.5	1.5	1.5

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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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:

The agency has struggled to maintain current services because of the increases in licensee population and a number of "hidden" cuts that the agency has been required to absorb. These "hidden cuts" are not shown on any worksheet. Most notably, the price of gasoline, postage and other consumables has significantly increased over the last few years& the agency has had to absorb these increased costs. In the 2005 session, the legislature increased longevity and hazardous duty pay as well as per diem for meals and lodging for employees and board members. The increases to these items were not funded, so the agency had to again absorb the costs.

With the budget reductions (7% in FY2003 and 12.5% in FY2004-2005), and the most recent request for a 10% budget reduction, the agency is struggling to maintain its level of service. In addition, the mandate to register a new population of applicants, pharmacy technicians and pharmacy technician trainees has resulted in a phenomenal growth in licensees. Since FY2003, the licensee population has grown dramatically from 27,363 licensees to an expected 80,890 at the end of FY08 (196% cumulative increase). This has caused a dramatic increase in the public's demand for agency services in every area of its operation.

As a result of these new programs and inadequate funding the agency has reached a critical turning point— it cannot continue to provide current services, information and protection to the citizens of Texas without additional staff.

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Objects of Expense:						
1001	SALARIES AND WAGES	\$392,315	\$436,744	\$450,003	\$450,003	\$450,003
1002	OTHER PERSONNEL COSTS	\$56,040	\$27,747	\$21,046	\$21,437	\$22,270
2001	PROFESSIONAL FEES AND SERVICES	\$21,587	\$19,558	\$6,286	\$18,105	\$6,286
2003	CONSUMABLE SUPPLIES	\$4,340	\$3,856	\$3,856	\$3,856	\$3,856
2004	UTILITIES	\$475	\$106	\$106	\$106	\$106
2005	TRAVEL	\$24,203	\$36,375	\$39,769	\$39,769	\$39,769
2006	RENT - BUILDING	\$931	\$1,001	\$1,201	\$1,201	\$1,201
2007	RENT - MACHINE AND OTHER	\$1,367	\$1,311	\$1,311	\$1,311	\$1,311
2009	OTHER OPERATING EXPENSE	\$31,862	\$47,474	\$31,138	\$47,224	\$31,138
5000	CAPITAL EXPENDITURES	\$4,556	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$537,676	\$574,172	\$554,716	\$583,012	\$555,940
Method of Financing:						
1	General Revenue Fund	\$537,676	\$574,172	\$554,716	\$583,012	\$555,940
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$537,676	\$574,172	\$554,716	\$583,012	\$555,940
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$583,012	\$555,940
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$537,676	\$574,172	\$554,716	\$583,012	\$555,940
FULL TIME EQUIVALENT POSITIONS:		8.0	8.4	8.4	8.4	8.4
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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

DATE: 7/30/2008
 TIME: 3:54:08PM

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 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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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:

The agency has struggled to maintain current services because of the increases in licensee population and a number of "hidden" cuts that the agency has been required to absorb. These "hidden cuts" are not shown on any worksheet. Most notably, the price of gasoline, postage and other consumables has significantly increased over the last few years & the agency has had to absorb these increased costs. In the 2005 session, the legislature increased longevity and hazardous duty pay as well as per diem for meals and lodging for employees and board members. The increases to these items were not funded, so the agency had to again absorb the costs.

With the budget reductions (7% in FY2003 and 12.5% in FY2004-2005), and the most recent request for a 10% budget reduction, the agency is struggling to maintain its level of service. In addition, the mandate to register a new population of applicants, pharmacy technicians and pharmacy technician trainees has resulted in a phenomenal growth in licensees. Since FY2003, the licensee population has grown dramatically from 27,364 licensees to an expected 80,899 at the end of FY08 (196% cumulative increase). This has caused a dramatic increase in the public's demand for agency services in every area of its operation.

As a result of these new programs and inadequate funding the agency has reached a critical turning point— it cannot continue to provide current services, information and protection to the citizens of Texas without additional staff.

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

DATE: 7/30/2008
 TIME: 3:54:08PM

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$3,723,939	\$4,207,914	\$4,176,371	\$4,263,776	\$4,176,371
METHODS OF FINANCE (INCLUDING RIDERS):				\$4,263,776	\$4,176,371
METHODS OF FINANCE (EXCLUDING RIDERS):	\$3,723,939	\$4,207,914	\$4,176,371	\$4,263,776	\$4,176,371
FULL TIME EQUIVALENT POSITIONS:	55.8	62.0	62.0	62.0	62.0

3.B. Rider Revisions

Agency Code	Agency Name	Prepared by	Date
515	Texas State Board of Pharmacy	Cathy Stella	7/28/2008
HB 1 Rider #	Page Number in 2008-09 GAA	Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1)	
2	VIII-53	<p>Capital Budget. None of the funds appropriated may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(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:		2010	2011
a.	Acquisition of Information Resource Technologies (1) Replacement of Computer Hardware	\$35,100	\$59,100
b.	Transportation Items (1) Vehicles - Replacement (2) Vehicles – Maintain Services for Increasing Licensee Population	\$16,500 \$33,000	\$33,000 -0-
c.	Repair or Rehabilitation of Building & Facilities (1) Remodeling – Maintain Services for Increasing Licensee Population	\$159,500	-0-
	Total, Capital Budget	\$244,100	\$92,100
<i>This rider has been changed to reflect the 2010-11 Capital Budget Request for the agency's exceptional items.</i>			

3.B. Rider Revisions

Agency Code	Agency Name	Prepared by	Date
515	Texas State Board of Pharmacy	Cathy Stella	07/28/2008
HB 1 Rider #	Page Number in 2008-09 GAA	Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1)	
3	VIII-53	<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, <u>including additional capital budget authority</u>, to the Board of Pharmacy to be used for law enforcement purposes. Any funds unexpended at the close of fiscal year 2008 <u>2010</u> are appropriated for fiscal year 2009, <u>2011</u>.</p>	
<p><i>Change in rider to reflect correct biennium dates and clarification of capital budget authority.</i></p>			

3.B. Rider Revisions

Agency Code	Agency Name	Proposed by	Date	
515	Texas State Board of Pharmacy	Cathy Stella	7/28/2008	
HB 1 Rider #	Page Number in 2008-09 GAA	Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1)		
Sec. 3	VIII-89	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 2010-09 <u>2010-2011</u> biennium.		
			2010	2011
		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	19,911
		Total		
<i>This rider should be changed to reflect the estimated 2010-11 budget for the Health Professions Council. Note, these figures were not available at the time the agency LAR was submitted.</i>				

3.B. Rider Revisions

Agency Code	Agency Name		Prepared by	Date	
515	Texas State Board of Pharmacy		Cathy Stella	7/28/2008	
HB 1 Rider #	Page Number in 2008-09 GAA	Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1)			
Sec. 4	VIII-90	<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 2010	Fiscal Year 2011	
		<p>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</p>	\$217,345	\$221,785	

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 2008-2009 <u>2010-2011</u> 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 2010-11 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	7/28/2008
HB 1 Rider #	Page Number in 2008-09 GAA	Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1)	
Sec. 5	VIII-91	<p>Sec. 5 Peer Assistance Program Funding Requirements. Funds collected during the biennium beginning September 1, 2007 <u>2009</u> 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>	
		1. a request for proposal documentation and contracts documenting that the respective agency governing board has a competitively bid contract with the peer assistance program;	
		2. 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;	
		3. documentation for programs authorized under Chapter 467 showing compliance with statutory requirements regarding eligible participants and conditions for which services may be offered; and	
		4. documentation that the program has been approved by the agency governing board.	
		<p><i>This rider has been changed to reflect the 2010/11 biennium. An explanation of the requested item and impact on the agency has been included in the Exceptional Item Request, entitled "Peer Assistance".</i></p>	

3.B. Rider Revisions

Agency Code	Agency Name	Prepared by	Date
515	Texas State Board of Pharmacy	Cathy Stella	07/28/2008
HB 1 Rider #	Page Number in 2008-09 GAA	Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1)	
Sec. 6	VIII-91	<p>Sec. 6. Contingency Appropriation for Criminal History Record Information.</p> <p>a. For each Article VIII licensing agency conducting criminal history background checks that is authorized in accordance with the Government Code to increase the occupational license, permit, and/or registration fee imposed on the licensees by an amount sufficient to cover the cost of the fee charged by the Department of Public Safety (DPS) Federal Bureau of Investigation (FBI), and/or other entity authorized to conduct criminal history background checks, in the event that actual and/or projected revenue collections from fee increases to cover the cost of criminal history background checks are insufficient to offset the costs included in the agency's appropriations that is budgeted for criminal history background checks, the Comptroller is hereby directed to reduce the appropriation authority provided by this Act to agencies conducting criminal history background checks to be within the amount of revenue expected to be available.</p> <p>b. Each Article VIII licensing agency conducting criminal history background checks is hereby appropriated the additional revenue generated from occupational license, permit, and/or registration fees in excess of the Comptroller's biennial revenue estimate, for 2008-09 <u>2010-11</u> for the sole purpose of conducting criminal history background checks. Each agency, upon completion of necessary actions to assess 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>	

3.B. Rider Revisions

Agency Code	Agency Name	Prepared by	Date
515	Texas State Board of Pharmacy	Cathy Stella	7/28/2008
HB 1 Rider #	Page Number in 2008-09 GAA	Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1)	
Sec. 19.51	Article IX	<p>Sec. 19.51 Contingency Appropriation for Senate Bill 29.</p> <p>a. Contingent on the passage of Senate bill 29 by the 80th Legislature, Regular Session, or similar legislation relating to the creation for a minimum data set for the collection of information on health professionals by the Statewide Health Coordinating Council, the Department of State Health Services is appropriated \$165,000 in General Revenue Funds for fiscal year 2008 from the collection of fees deposited to the General Revenue Fund for the collection of information on health professionals to implement the provisions of the bill.</p> <p>b. Also, contingent on the passage of Senate Bill 29 by the 80th Legislature, Regular Session, or similar legislation relating to the creation of a minimum data set for the collection of information on health professionals by the Statewide Health Coordinating Council, appropriations to the following agencies are increased in the amounts indicated below to implement the provisions of the legislation:</p> <p>(1) The Texas Medical Board.....</p> <p>(2) The Texas State Board of Dental Examiners....</p> <p>(3) The Texas State Board of Pharmacy is appropriated \$4,058 in General Revenue Funds for fiscal year 2008.</p> <p>(4) The Texas Board of Examiners of Psychologists....</p> <p>(5) The Executive Council of Physical Therapy & Occupational Therapy Examiners.....</p> <p>c. The appropriations made in Subsection (b) are also contingent upon the agencies assessing fees sufficient to generate revenue in the amounts indicated below, in addition to revenue requirements elsewhere in this Act, during the 2008-09 biennium.</p> <p>(1) Texas Medical Board....</p> <p>(2) State Board of Dental Examiners....</p> <p>(3) Board of Pharmacy—\$4,058 in excess of \$9,560,210 (Object Codes 3563 and 3570) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2008 and 2009;</p> <p>(4) Board of Examiners of Psychologists....</p> <p>(5) Executive Council of Physical Therapy</p> <p>d. The agencies listed in Subsection (b), upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2008-2009 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to</p>	

3.B. Rider Revisions

		<p>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. In no event shall the amounts appropriated in Article IX to the agencies in this subsection exceed the amount of revenue generated by the agencies above the amounts contained in the Comptroller's Biennial Revenue Estimate for those agencies.</p>
		<p><i>Rider was intended for FY2008 only – can be deleted.</i></p>

3.B. Rider Revisions

Agency Code	Agency Name	Prepared by:	Date
515	Texas State Board of Pharmacy	Cathy Stella	7/28/2008
HB 1 Rider #	Page Number in 2008-09 GAA	Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1)	
701	Article VIII	<u>Salary Supplementation.</u> In addition to the amount specified in the schedule of exempt positions for the salary of the executive director, the State Board of Pharmacy may approve a salary supplement not to exceed \$20,000 annually if the executive director is a pharmacist.	
		<i>The rider has been added to reflect the 2010-11 Budget Request for the agency's exceptional item funding budget. An explanation of the requested item and impact on the agency has been included in the Exceptional Item Request, entitled "Change in Exempt Salary Level for Executive Director".</i>	

3.B. Rider Revisions

Agency Code	Agency Name	Prepared by	Date																					
515	Texas State Board of Pharmacy	Cathy Stella	7/28/2008																					
HB 1 Rider #	Page Number in 2008-09 GAA	<p style="text-align: center;">Proposed Rider Language (use strikethrough and underline to show differences between agency request and HB1)</p>																						
702	Article VIII	<p>The following agencies participating in the Health Professions Council Shared Regulatory Database Migration, shall transfer funds through interagency contract to the Health Professional Council from appropriations made to the agency elsewhere in this Act. Included in the amounts appropriated above to the Health Professions Council, are funds transferred by the following participating agencies in the estimated amounts noted below for each year of the 2010-2011 biennium. This transfer is in addition to any other amounts transferred and appropriated to the Health Professions Council. For FY 2010, the funds to be transferred are one-time expenditures which shall be appropriated from excess revenue collected by these agencies over what is appropriated, spread over the next two biennia.</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;"><u>FY2010</u></th> <th style="text-align: center;"><u>FY2011</u></th> </tr> </thead> <tbody> <tr> <td>Board of Pharmacy</td> <td style="text-align: right;">\$494,909</td> <td style="text-align: right;">\$89,738</td> </tr> <tr> <td>Board of Examiners of Psychologists</td> <td style="text-align: right;">\$494,909</td> <td style="text-align: right;">\$45,294</td> </tr> <tr> <td>Optometry Board</td> <td style="text-align: right;">\$494,909</td> <td style="text-align: right;">\$26,500</td> </tr> <tr> <td>Texas State Board of Dental Examiners</td> <td style="text-align: right;">\$494,909</td> <td style="text-align: right;">\$98,970</td> </tr> <tr> <td>Board of Plumbing Examiners</td> <td style="text-align: right;">\$494,909</td> <td style="text-align: right;">\$76,806</td> </tr> <tr> <td>Board of Professional Land Surveying</td> <td style="text-align: right;">\$494,909</td> <td style="text-align: right;">\$12,849</td> </tr> </tbody> </table> <p>Funds unexpended at the close of FY2010 are appropriated to FY2011, plus any revenue collected for the purposes for which the funds were received.</p>			<u>FY2010</u>	<u>FY2011</u>	Board of Pharmacy	\$494,909	\$89,738	Board of Examiners of Psychologists	\$494,909	\$45,294	Optometry Board	\$494,909	\$26,500	Texas State Board of Dental Examiners	\$494,909	\$98,970	Board of Plumbing Examiners	\$494,909	\$76,806	Board of Professional Land Surveying	\$494,909	\$12,849
	<u>FY2010</u>	<u>FY2011</u>																						
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Board of Plumbing Examiners	\$494,909	\$76,806																						
Board of Professional Land Surveying	\$494,909	\$12,849																						
<p>The amount indicated for the Board of Pharmacy in FY2010, is contained in Exceptional Item #1. These amounts are estimated.</p>																								

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

DATE: 7/30/2008
 TIME: 3:54:41PM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2010	Excp 2011
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Item Name: Shared Regulatory Database Migration

Item Priority: 1

Includes Funding for the Following Strategy or Strategies: 01-01-01 Operate an Application and Renewal Licensure System

OBJECTS OF EXPENSE:

2009	OTHER OPERATING EXPENSE	494,909	0
	TOTAL, OBJECT OF EXPENSE	\$494,909	\$0

METHOD OF FINANCING:

1	General Revenue Fund	494,909	0
	TOTAL, METHOD OF FINANCING	\$494,909	\$0

DESCRIPTION / JUSTIFICATION:

Four of the agencies that make up the Health Professions Council(HPC) & two other Art VIII regulatory agencies are facing a critical situation with both the hardware& software supporting their database systems. These systems were originally implemented in the early 1980's & converted to new platforms in 1989 (19 years ago). The Department of Information Resources (DIR) has stated that the systems have greatly exceeded their life span& are technologically obsolete by several generations

The 6 agencies, in cooperation with DIR & the Health Professions Council(HPC)have researched a variety of options that will ultimately provide a long term technological solution that will service the agencies for a number of years. Although all of the agencies perform regulatory functions each agency has unique requirements that have in the past kept them from a collective solution. However, with advances in technology a migration to a shared database solution is now feasible

Therefore, the 6 agencies ask that the legislature fund the migration from the current obsolete system to a shared database solution. The amount requested in this LAR is an estimate of the cost to migrate TSBP to the shared system. It's important to understand that this cost is only an estimate& once DIR has chosen the approved vendors the agencies will select a single system for this project. Once the system is selected we will be able to give the legislature a much better estimate of the actual costs for each agency to migrate to the new shared system.

Finally, it is the collective request of these agencies that the one-time expenditure for this project be funded from excess revenue collected by these agencies over what is appropriated, spread over the next two biennia.

EXTERNAL/INTERNAL FACTORS:

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

DATE: 7/30/2008
TIME: 3:54:49PM

Agency code: 515

Agency name:

Board of Pharmacy

CODE DESCRIPTION

Excp 2010

Excp 2011

The database platform that houses the TSBP system and the database system of five other regulatory agencies has reached a critical state. DIR is in agreement that the system has greatly exceeded its life span and is technologically obsolete by several generations

These regulatory agencies do not currently have sufficient hardware software, or technical staff to construct a new regulatory database system Hardware as it is presently configured uses a wide range of servers located in the DIR Data Center and throughout the Hobby Building Software programming types run from Off the Shelf(OTS) systems to systems programmed by a single programmer

In addition to these one-time costs, we are proposing that 2 FTE's be funded in order manage the migration & provide ongoing database administration for the agencies These FTE's would be supervised by the HPC & work under the Information Technology Support Staff currently in place at the HPC

The migration to the shared platform and new software will allow the agencies to operate more efficiently on a reliable platform The new shared system will include ongoing maintenance and updates to keep system from becoming obsolete and provide flexibility for future needs

A timeline for implementation will be developed upon approval of the funding for this project The full request for the new shared system is contained in the LAR for HPC The regulatory agencies participating in this project are:

1. Board of Pharmacy
2. Board of Examiners of Psychologists
3. Optometry Board
4. Board of Dental Examiners
5. Board of Plumbing Examiners
6. Board of Professional Land Surveying

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

DATE: 7/30/2008
 TIME: 3:54:49PM

Agency code: 515

Agency name:
 Board of Pharmacy

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: Technology and Vehicle Replacement		
	Item Priority: 2		
	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	35,100	44,100
5000	CAPITAL EXPENDITURES	16,500	48,000
	TOTAL, OBJECT OF EXPENSE	\$51,600	\$92,100
 METHOD OF FINANCING:			
1	General Revenue Fund	51,600	92,100
	TOTAL, METHOD OF FINANCING	\$51,600	\$92,100

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.

Vehicle Replacement

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 13 vehicles, & 3 of that number will reach an estimated mileage between 126,000 & 156,000 if not replaced in the next biennium.

These 13 vehicles are assigned to field investigators (i.e., agency employees who conduct field investigations of serious complaints) & field Compliance program staff (i.e., employees who conduct inspections of pharmacies). Field inspections & investigations are critical elements of the agency's enforcement activities. If any field staff member's car becomes inoperable, this individual would be unable to perform his/her primary job duties, as described below:

1. 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

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

DATE: 7/30/2008
TIME: 3:54:49PM

Agency code: 515

Agency name:

Board of Pharmacy

CODE DESCRIPTION

Excp 2010

Excp 2011

2. Field Compliance Program staff members conduct inspections on a daily basis. Every week that an inspector has no vehicle would result in fewer pharmacies in Texas being inspected. TSBP has only a minimal number of staff(6 FTEs) to inspect the 5,900 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 would exacerbate the existing situation.

EXTERNAL/INTERNAL FACTORS:

With regard to the replacement of technology, like many agencies, the TSBP has become more & more dependent upon technology to address the ever increasing demands we face 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.

With regard to the replacement of vehicles, 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
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/30/2008
 TIME: 3:54:49PM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: Merit Increases for Eligible Classified Employees Item Priority: 3 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:

1001 SALARIES AND WAGES

TOTAL, OBJECT OF EXPENSE

72,364	146,573
\$72,364	\$146,573

METHOD OF FINANCING:

1 General Revenue Fund

TOTAL, METHOD OF FINANCING

72,364	146,573
\$72,364	\$146,573

DESCRIPTION / JUSTIFICATION:

This exceptional item request of \$218,937 would fund merit increases for eligible agency employees

Pay for Performance – Merit Increases

TSBP is asking for funds to support a merit increase system which rewards highperforming employees. The baseline budget of the agency does not contain sufficient funds to award merit raises. Over the last few years, the agency has rewarded high performing employees with a one time merit bonus under the payfor-performance system using any funds not expended. This one-time cash merit bonus does not raise the employee's annual salary and thus does not increase the salary for retirement purposes. Only once in the last few biennia (FY2008), has the agency been able to fund a merit raise for eligible employees

The amount contained in this exceptional item will allow the agency to fund a merit increase which will increase an employee's salary within a salary group, based on the employee's performance. The formula suggested is a 3.4% increase to approximately 75% of eligible employees in each year of the biennium

EXTERNAL/INTERNAL FACTORS:

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

DATE: 7/30/2008
TIME: 3:54:49PM

Agency code: 515

Agency name:

Board of Pharmacy

CODE DESCRIPTION

Excp 2010

Excp 2011

In a report submitted by the Senate Special Committee on State Employee Compensation and Benefits to the 78th Texas Legislature in January 2003, the Task Force found that a "fully implemented pay-for-performance system would improve the State's ability to respond to the public service needs of Texas citizens." The report further stated that although the current merit system has the proper components available to make it effective it is not an effective pay-for-performance system, primarily because it is not funded adequately."

The report further states that "funding for a pay-for-performance system is not currently available to agencies under the Appropriations Act. Instead, each agency's budget must absorb the costs of rewarding employees, while continuing to deliver all of the agency's normal services. Unfortunately, the current system may actually deter agencies from giving merit raises in an effort to maintain service levels"

In summary, the report states that "agencies not rewarding high performing employees run the risk of losing them and when the State loses these top employees, the entire culture and effectiveness of the workforce is jeopardized"

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

DATE: 7/30/2008
 TIME: 3:54:49PM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2010	Excp 2011
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Item Name: Equity Increases

Item Priority: 4

Includes Funding for the Following Strategy or Strategies: 02-01-01 Operate System of Inspection Assistance Education

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES

	194,477	194,477
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TOTAL, OBJECT OF EXPENSE

	<u>\$194,477</u>	<u>\$194,477</u>
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METHOD OF FINANCING:

1 General Revenue Fund

	194,477	194,477
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TOTAL, METHOD OF FINANCING

	<u>\$194,477</u>	<u>\$194,477</u>
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DESCRIPTION / JUSTIFICATION:

This exceptional item will fund an equity increase to agency key employees

Pharmacist & Attorney Staff

The increased complexity in the regulation of pharmacy coupled with the increased workload makes the retention of expertise in the enforcement & legal divisions extremely important. By retaining a staff of pharmacists & attorneys who possess this level of specialized knowledge, the TSBP is able to be more efficient and more effective in the regulation of the practice of pharmacy.

Field Inspectors & Investigators

Inspectors. Inspections of pharmacies are a key component to the agency's preventative enforcement activities. Inspections ensure that the public is protected because a myriad of areas are checked, such as:

1. Cleanliness (to ensure that drugs are dispensed in a clean environment);
2. Accuracy & authenticity of dispensing;
3. Drug stock (to ensure that the pharmacy does not possess or dispense counterfeit, misbranded, or outdated drugs);
4. Security (to ensure that drugs will not be diverted/stolen from the pharmacy); and
5. Proper licensure

If the pharmacy is compounding prescription drugs including sterile pharmaceuticals (e.g., injectable drugs), Inspectors also check pharmacy's quality assurance procedures & sample of products to assure the products are accurately compounded

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

DATE: 7/30/2008
TIME: 3:54:49PM

Agency code: 515

Agency name:
Board of Pharmacy

CODE DESCRIPTION

Excp 2010

Excp 2011

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, the number of schemes & the complexity of those schemes to divert drugs from pharmacies have increased dramatically. The diversion of drugs from pharmacies is an increasing problem & TSBP must have competent investigators to help prevent these drugs from being sold on the streets of Texas cities.

EXTERNAL/INTERNAL FACTORS:

Pharmacists

Recent market data indicates the average salary for a staff pharmacist in the Southwest is \$107,987. Data also indicates that new graduates of the Texas colleges of pharmacy are being offered starting salaries over \$100,000. Currently, the State Classification System suggests a salary range for a Pharmacist II at \$71,405 - \$115,106 – however, we do not have the funding to increase our pharmacist salaries beyond the entry level.

Attorneys

Recent market data also indicates that the median salary for an attorney in Texas is \$109,070. The Texas State Bar found the median salary to be \$113,300 and the average starting salary for a first-year attorney to be \$94,501.

Field Investigators & Inspectors

Regarding the field investigators and inspectors, turnover in these positions has increased an average of 14% since FY2003 (In FY08, the agency lost 3 staff to higher paying positions in other agencies or in the private sector). The persons who fill these positions must thoroughly understand the complex laws and rules pertaining to the practice of pharmacy. This equity increase will bring the salaries of the existing field staff to the midpoint of the salary range listed in this classification (\$36,764 - \$52,198) and will allow the agency to retain existing personnel and attract quality applicants in the future.

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

DATE: 7/30/2008
 TIME: 3:54:49PM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2010	Excp 2011
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Item Name: Maintain Services for an Increasing Licensee Population

Item Priority: 5

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

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	484,618	484,618
2002	FUELS AND LUBRICANTS	7,682	7,682
2003	CONSUMABLE SUPPLIES	5,902	5,902
2005	TRAVEL	18,000	18,000
2009	OTHER OPERATING EXPENSE	61,120	29,263
5000	CAPITAL EXPENDITURES	192,500	0
TOTAL, OBJECT OF EXPENSE		\$769,822	\$545,465

METHOD OF FINANCING:

1	General Revenue Fund	769,822	545,465
TOTAL, METHOD OF FINANCING		\$769,822	\$545,465

FULL-TIME EQUIVALENT POSITIONS (FTE):

	13.00	13.00
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DESCRIPTION / JUSTIFICATION:

This exceptional item will fund the positions

- 2 Program Specialists;
- 2 Office Investigators;
- 2 Field Enforcement Staff (Investigator & Inspector);
- 2 Administrative Assistant IV (Enforcement & Licensing);
- 2 Legal Assistants; and
- 3 Licensing/Enforcement Technical Assistants

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 27,364 licensees to an expected 80,899 licensees in FY08 (196% 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 202% increase in the number of complaints received, a 204% increase in the number of disciplinary orders issued & a 224% increase in the number of disciplinary orders that require monitoring. Each area of growth is directly attributed to the increase in registrants

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

DATE: 7/30/2008
 TIME: 3:54:49PM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2010	Excp 2011
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To address this problem, we are requesting 13 FTE's, as described in the Administrator's Statement (12 of the 13 FTE's are related to enforcement, in order to handle the increased complain/disciplinary workload)."

Without these additional staff, & given the current & anticipated growth in the licensee population, we expect the TSBP to experience critical slowdowns in the areas of complaint resolution & 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:

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

Criminal History Background Checks

TSBP conducts a DPS criminal history background check on all applicants for new licenses and new owners of pharmacy licenses & a quarterly check on all licensees. TSBP is conducting an FBI fingerprint check on all new applicants for internship & will expand this to include new pharmacist applicants in FY09. Unlike the DPS check, an FBI fingerprint check provides federal as well as Texas criminal history background. An additional FTE in FY10 will allow this program to include all new applicants for technician registration (approximately 15,000 annually).

Investigations/Disciplinary Actions

As the number of licensees increases, so has the number of complaints & disciplinary actions. If additional FTE's are not received for this critical public health area, the agency will experience a significant increase in the time required to resolve a complaint

TSBP has also experienced an increase over the past 2 years in the number of cases being referred to SOAH. SOAH cases handled by the agency has almost doubled from 7 SOAH hearings in FY04, prior to technician registration, to an average of 12 SOAH hearings per year, over the past 3 fiscal years.

Compliance Inspections

TSBP only has 6 FTE's to inspect 5,900 pharmacies in Texas, which equates to pharmacies being inspected only once every 3 years. More frequent inspections result in a strong preventative enforcement strategy, which is cost effective by increasing compliance & decreasing high-cost disciplinary action.

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

DATE: 7/30/2008
 TIME: 3:54:49PM

Agency code: 515

Agency name:
 Board of Pharmacy

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: Testing Compounding Products		
	Item Priority: 6		
	Includes Funding for the Following Strategy or Strategies: 02-01-01 Operate System of Inspection Assistance Education		
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	50,000	50,000
	TOTAL, OBJECT OF EXPENSE	\$50,000	\$50,000
METHOD OF FINANCING:			
1	General Revenue Fund	50,000	50,000
	TOTAL, METHOD OF FINANCING	\$50,000	\$50,000

DESCRIPTION / JUSTIFICATION:

This request is for \$100,000 to fund additional testing of products compounded by Texas licensed pharmacies

Testing of pharmacy compounded products was authorized by SB492 passed by the 79th session. The agency was appropriated funding in FY2008 to implement this legislation, but additional funding is required.

The term "compounding" means the preparation, mixing, assembling, packaging, or labeling of a drug or device. These drugs or devices are compounded in preparation 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 test these compounded products for potency and that we test sterile compounded products for pyrogenicity& sterility. The agency was appropriated \$100,000 to conduct these tests during FY08-FY09. Because of the costs for these tests, the agency will only be able to conduct test on approximately 200 products. Because of the critical nature of sterile compounded products, we believe that the agency should be conducting more tests

EXTERNAL/INTERNAL FACTORS:

In the fiscal note that accompanied the bill, the Board estimated that because of the passage of this bill, the number of compounded products that may be provided or administered to patients would increase. One key safety provision of the bill is that it authorizes TSBP to sample and test compounded products to assure they are compounded accurately and safely.

The funding requested is for increased funding for the testing and random sampling of the compounded pharmaceuticals that will be injected into a person Any problem with these products could have a dramatic and potentially life threatening effects on the patient This funding provides for a random testing of 100 additional samples each year, based on an approximate annual cost of \$500 per product for the following compounding tests: \$250 for accuracy, \$100 for sterility, and \$150 for pyrogenicity. The increased cost over the biennium is estimated to be \$100,000 (\$50,000 for each year).

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

DATE: 7/30/2008
 TIME: 3:54:49PM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: Increase to Executive Director Salary		
	Item Priority: 7		
	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:			
1001	SALARIES AND WAGES	20,000	20,000
	TOTAL, OBJECT OF EXPENSE	\$20,000	\$20,000
 METHOD OF FINANCING:			
1	General Revenue Fund	20,000	20,000
	TOTAL, METHOD OF FINANCING	\$20,000	\$20,000

DESCRIPTION / JUSTIFICATION:

This request is to increase the salary of the Executive Director of the agency from \$105,000 to \$125,000 per year. This can be accomplished by:

1. increasing the base salary to \$125,000 per year;
2. adding a rider that would allow the Board of Pharmacy to add a "salary supplement" to the executive director's base salary; or
3. by a combination of increasing the base salary and adding a "salary supplement" rider. This supplement would be based upon the fact that the executive director of the Board of Pharmacy is required to be a licensed pharmacist in the State of Texas. A similar salary supplementation is currently used to supplement the salary of the executive director of the Texas State Board of Medical Examiners. In May 2008, the members of the Board of Pharmacy voted unanimously to seek this increase

EXTERNAL/INTERNAL FACTORS:

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

DATE: 7/30/2008
TIME: 3:54:49PM

Agency code: 515

Agency name:

Board of Pharmacy

CODE DESCRIPTION

Excp 2010

Excp 2011

1. The person who is the executive director for the Board of Pharmacy is required not only to be a pharmacist but also to be a person who has considerable experience in the management of an organization including strategic planning and budgeting who is familiar with pharmacy and drug laws & who is familiar with state and national issues affecting pharmacy practice.
2. The current salary of the Executive Director is below the Texas current salaries offered to be a pharmacist in Austin and other areas of the state. Recent market data indicates the median base salary for a staff pharmacist in Austin is \$100,478, while the median base salary with benefits is \$139,073. The median base salary for a pharmacist manager is \$109,254, while the median base salary with benefits is \$152,385. On the national level, the base salary for an entry level pharmacist is \$107,403, and on the state level, the State Classification System suggests a salary range for a Pharmacist II at \$71,405 - \$115,106, and a Pharmacist III at \$102,007 - \$164,444.
3. The current Executive Director is nearing retirement. If the salary for the Executive Director is not increased to at least a competitive level for pharmacist managers, how will the Board of Pharmacy be able to hire an Executive Director if a pharmacist must take a pay cut to become Executive Director?

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

DATE: 7/30/2008
 TIME: 3:54:49PM

Agency code: 515

Agency name:
 Board of Pharmacy

CODE	DESCRIPTION	Excp 2010	Excp 2011
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Item Name: Peer Assistance Program Increased Funding

Item Priority: 8

Includes Funding for the Following Strategy or Strategies: 02-01-02 Provide a Peer Assistance Program for Licensed Individuals

OBJECTS OF EXPENSE:

2001	PROFESSIONAL FEES AND SERVICES	14,906	0
TOTAL, OBJECT OF EXPENSE		\$14,906	\$0

METHOD OF FINANCING:

1	General Revenue Fund	14,906	0
TOTAL, METHOD OF FINANCING		\$14,906	\$0

DESCRIPTION / JUSTIFICATION:

This request is for \$14,906 to level the funding in both years of the biennium for the peer assistance program

A peer assistance program was formally established in the Texas Pharmacy Act in 1983. The Texas Pharmacy Association (TPA), with the support of the Texas State Board of Pharmacy (TSBP), developed the Professional Recovery Network (PRN), one of the first peer assistance programs for pharmacists in the nation. As such, it has served as a model to other states. The PRN voluntary program and the TSBP mandatory program cover pharmacists and eligible pharmacy students for physical, mental and chemical (alcohol and drugs) impairments.

The amount requested in this exceptional item will allow the PRN to continue to focus on peer assistance visibility and utilization. Funding was increased in FY08-09 by \$27,313 in FY2008 and \$42,219 in FY2009. This uneven funding request was due in part to their plan to increase volunteer enrollment by enhanced marketing in FY2008, with the impact of that marketing effort not expected to impact the PRN until FY2009. This request simply levels out the funding increase in each year of the biennium.

TSBP and PRN anticipate that additional outreach mechanisms and educational programs offered by PRN will increase participation in the program, which in turn, would protect the health, safety and welfare of the citizens of Texas from being served by potentially impaired pharmacists.

A total biennial increase in spending authority of \$14,906 in FY2010 is requested to fund the PRN. The agency is generating the necessary revenue to fund this additional appropriation; however, the Appropriations Act currently limits spending for this program to \$174,138 in FY2008 and \$189,044 in FY2009. This request would increase the cap in both years to \$189,044.

EXTERNAL/INTERNAL FACTORS:

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

DATE: 7/30/2008
TIME: 3:54:49PM

Agency code: 515

Agency name:

Board of Pharmacy

CODE DESCRIPTION

Excp 2010

Excp 2011

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

As the number of pharmacists increase and incidences of alcoholism and drug dependence increase, there will be more pressure on TSBP to identify, intervene and monitor impaired/recovering individuals. Some of this pressure is relieved through the interventions and 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 and 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.

If the number of persons who voluntarily enter the PRN program increases, perhaps the number of pharmacists disciplined by the agency will be reduced or at least not grow significantly. This could result in a slight decrease or leveling of the TSBP workload. Finally, the peer assistance program is also subject to the same internal factors as outlined under the Enforcement Strategy.

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: 7/30/2008

81st Regular Session, Agency Submission, Version 1

TIME: 3:55:06PM

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 515

Agency name: Board of Pharmacy

Code	Description	Excp 2010	Excp 2011
Item Name:		Shared Regulatory Database Migration	
Allocation to Strategy:		1-1-1 Operate an Application and Renewal Licensure System	
OBJECTS OF EXPENSE:			
	2009 OTHER OPERATING EXPENSE	494,909	0
TOTAL, OBJECT OF EXPENSE		\$494,909	\$0
METHOD OF FINANCING:			
	1 General Revenue Fund	494,909	0
TOTAL, METHOD OF FINANCING		\$494,909	\$0

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code	Description	Excp 2010	Excp 2011
Item Name: Technology and Vehicle Replacement			
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	2,211	5,473
5000	CAPITAL EXPENDITURES	0	1,894
TOTAL, OBJECT OF EXPENSE		\$2,211	\$7,367
METHOD OF FINANCING:			
1 General Revenue Fund		2,211	7,367
TOTAL, METHOD OF FINANCING		\$2,211	\$7,367

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008

TIME: 3:55:14PM

Agency code: 515 Agency name: Board of Pharmacy

Code Description	Excp 2010	Excp 2011
Item Name: Technology and Vehicle Replacement		
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education		
OBJECTS OF EXPENSE:		
2009 OTHER OPERATING EXPENSE	27,915	27,380
5000 CAPITAL EXPENDITURES	16,500	43,727
TOTAL, OBJECT OF EXPENSE	\$44,415	\$71,107
METHOD OF FINANCING:		
1 General Revenue Fund	44,415	71,107
TOTAL, METHOD OF FINANCING	\$44,415	\$71,107

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code Description	Excp 2010	Excp 2011
Item Name: Technology and Vehicle Replacement		
Allocation to Strategy: 3-1-1 Licensing - Indirect Administration		
OBJECTS OF EXPENSE:		
2009 OTHER OPERATING EXPENSE	745	1,687
5000 CAPITAL EXPENDITURES	0	356
TOTAL, OBJECT OF EXPENSE	\$745	\$2,043
METHOD OF FINANCING:		
1 General Revenue Fund	745	2,043
TOTAL, METHOD OF FINANCING	\$745	\$2,043

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code	Description	Excp 2010	Excp 2011
Item Name:	Technology and Vehicle Replacement		
Allocation to Strategy:	3-1-2 Enforcement-Indirect Administration		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	4,229	9,560
5000	CAPITAL EXPENDITURES	0	2,023
TOTAL, OBJECT OF EXPENSE		\$4,229	\$11,583
METHOD OF FINANCING:			
1	General Revenue Fund	4,229	11,583
TOTAL, METHOD OF FINANCING		\$4,229	\$11,583

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008
 TIME: 3:55:14PM

Agency code: 515 Agency name: Board of Pharmacy

Code Description	Excp 2010	Excp 2011
Item Name: Merit Increases for Eligible Classified Employees		
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	9,151	18,534
TOTAL, OBJECT OF EXPENSE	\$9,151	\$18,534
METHOD OF FINANCING:		
1 General Revenue Fund	9,151	18,534
TOTAL, METHOD OF FINANCING	\$9,151	\$18,534

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code	Description	Excp 2010	Excp 2011
Item Name: Merit Increases for Eligible Classified Employees			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	51,740	104,800
TOTAL, OBJECT OF EXPENSE		\$51,740	\$104,800
METHOD OF FINANCING:			
1	General Revenue Fund	51,740	104,800
TOTAL, METHOD OF FINANCING		\$51,740	\$104,800

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008
TIME: 3:55:14PM

Agency code: **515**

Agency name: **Board of Pharmacy**

Code Description	Excp 2010	Excp 2011
Item Name: Merit Increases for Eligible Classified Employees		
Allocation to Strategy: 3-1-1 Licensing - Indirect Administration		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	1,721	3,486
TOTAL, OBJECT OF EXPENSE	\$1,721	\$3,486
METHOD OF FINANCING:		
1 General Revenue Fund	1,721	3,486
TOTAL, METHOD OF FINANCING	\$1,721	\$3,486

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008
 TIME: 3:55:14PM

Agency code: 515 Agency name: Board of Pharmacy

Code	Description	Excp 2010	Excp 2011
Item Name: Merit Increases for Eligible Classified Employees			
Allocation to Strategy: 3-1-2 Enforcement-Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	9,752	19,753
TOTAL, OBJECT OF EXPENSE		\$9,752	\$19,753
METHOD OF FINANCING:			
1	General Revenue Fund	9,752	19,753
TOTAL, METHOD OF FINANCING		\$9,752	\$19,753

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code Description	Excp 2010	Excp 2011
Item Name: Equity Increases		
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	194,477	194,477
TOTAL, OBJECT OF EXPENSE	\$194,477	\$194,477
METHOD OF FINANCING:		
1 General Revenue Fund	194,477	194,477
TOTAL, METHOD OF FINANCING	\$194,477	\$194,477

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: 7/30/2008

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

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code	Description	Excp 2010	Excp 2011
Item Name: Maintain Services for an Increasing Licensee Population			
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	32,611	32,611
2003	CONSUMABLE SUPPLIES	454	454
2009	OTHER OPERATING EXPENSE	4,500	2,171
5000	CAPITAL EXPENDITURES	14,500	0
TOTAL, OBJECT OF EXPENSE		\$52,065	\$35,236
METHOD OF FINANCING:			
1 General Revenue Fund		52,065	35,236
TOTAL, METHOD OF FINANCING		\$52,065	\$35,236
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: 7/30/2008

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

TIME: 3:55:14PM

Agency code: 515 Agency name: Board of Pharmacy

Code	Description	Excp 2010	Excp 2011
Item Name: Maintain Services for an Increasing Licensee Population			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	452,007	452,007
2002	FUELS AND LUBRICANTS	7,682	7,682
2003	CONSUMABLE SUPPLIES	5,448	5,448
2005	TRAVEL	18,000	18,000
2009	OTHER OPERATING EXPENSE	56,620	27,092
5000	CAPITAL EXPENDITURES	178,000	0
TOTAL, OBJECT OF EXPENSE		\$717,757	\$510,229
METHOD OF FINANCING:			
1 General Revenue Fund		717,757	510,229
TOTAL, METHOD OF FINANCING		\$717,757	\$510,229
FULL-TIME EQUIVALENT POSITIONS (FTE):		12.0	12.0

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: 7/30/2008

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

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code	Description	Excp 2010	Excp 2011
Item Name: Testing Compounding Products			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	50,000	50,000
TOTAL, OBJECT OF EXPENSE		\$50,000	\$50,000
METHOD OF FINANCING:			
1	General Revenue Fund	50,000	50,000
TOTAL, METHOD OF FINANCING		\$50,000	\$50,000

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

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

DATE: 7/30/2008
 TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code Description	Excp 2010	Excp 2011
Item Name: Increase to Executive Director Salary		
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	6,660	6,660
TOTAL, OBJECT OF EXPENSE	\$6,660	\$6,660
METHOD OF FINANCING:		
1 General Revenue Fund	6,660	6,660
TOTAL, METHOD OF FINANCING	\$6,660	\$6,660

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: 7/30/2008
 TIME: 3:55:14PM

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

Agency code: 515 Agency name: Board of Pharmacy

Code Description	Excp 2010	Excp 2011
Item Name: Increase to Executive Director Salary		
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	6,660	6,660
TOTAL, OBJECT OF EXPENSE	\$6,660	\$6,660
METHOD OF FINANCING:		
1 General Revenue Fund	6,660	6,660
TOTAL, METHOD OF FINANCING	\$6,660	\$6,660

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: 7/30/2008

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

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code Description	Excp 2010	Excp 2011
Item Name: Increase to Executive Director Salary		
Allocation to Strategy: 3-1-1 Licensing - Indirect Administration		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	1,002	1,002
TOTAL, OBJECT OF EXPENSE	\$1,002	\$1,002
METHOD OF FINANCING:		
1 General Revenue Fund	1,002	1,002
TOTAL, METHOD OF FINANCING	\$1,002	\$1,002

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: 7/30/2008

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

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code Description	Excp 2010	Excp 2011
Item Name: Increase to Executive Director Salary		
Allocation to Strategy: 3-1-2 Enforcement-Indirect Administration		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	5,678	5,678
TOTAL, OBJECT OF EXPENSE	\$5,678	\$5,678
METHOD OF FINANCING:		
1 General Revenue Fund	5,678	5,678
TOTAL, METHOD OF FINANCING	\$5,678	\$5,678

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

DATE: 7/30/2008

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

TIME: 3:55:14PM

Agency code: 515

Agency name: Board of Pharmacy

Code Description	Excp 2010	Excp 2011
Item Name: Peer Assistance Program Increased Funding		
Allocation to Strategy: 2-1-2 Provide a Peer Assistance Program for Licensed Individuals		
OBJECTS OF EXPENSE:		
2001 PROFESSIONAL FEES AND SERVICES	14,906	0
TOTAL, OBJECT OF EXPENSE	\$14,906	\$0
METHOD OF FINANCING:		
1 General Revenue Fund	14,906	0
TOTAL, METHOD OF FINANCING	\$14,906	\$0

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

DATE: 7/30/2008
TIME: 3:55:39PM

Agency Code: 515 Agency name: Board of Pharmacy

GOAL: 1 Establish and Maintain Standards for Pharmacy Education and Practice
 OBJECTIVE: 1 Operate Licensure System to Ensure that Minimal Standards Are Met
 STRATEGY: 1 Operate an Application and Renewal Licensure System

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

CODE DESCRIPTION	Excp 2010	Excp 2011
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	48,422	57,805
2003 CONSUMABLE SUPPLIES	454	454
2009 OTHER OPERATING EXPENSE	501,620	7,644
5000 CAPITAL EXPENDITURES	14,500	1,894
Total, Objects of Expense	\$564,996	\$67,797

METHOD OF FINANCING:

1 General Revenue Fund	564,996	67,797
Total, Method of Finance	\$564,996	\$67,797

FULL-TIME EQUIVALENT POSITIONS (FTE):

1.0	1.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Shared Regulatory Database Migration
 Technology and Vehicle Replacement
 Merit Increases for Eligible Classified Employees
 Maintain Services for an Increasing Licensee Population
 Increase to Executive Director Salary

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

DATE: 7/30/2008
 TIME: 3:55:46PM

Agency Code: 515 Agency name: Board of Pharmacy

GOAL: 2 Protect Public Health by Enforcing All Laws Relating to Practice Statewide Goal/Benchmark: 7 - 3
 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 2010	Excp 2011
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STRATEGY IMPACT ON OUTCOME MEASURES:

3 Percent of Documented Complaints Resolved within Six Months	60.00 %	60.00 %
4 Recidivism Rate for Peer Assistance Programs	26.00 %	26.00 %
5 One-year Completion Rate for Peer Assistance Programs	80.00 %	80.00 %

OUTPUT MEASURES:

1 Number of Inspections	200.00	600.00
2 Number of Complaints Resolved	640.00	640.00

EFFICIENCY MEASURES:

1 Average Time for Complaint Resolution	180.00	180.00
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	704,884	757,944
2001 PROFESSIONAL FEES AND SERVICES	50,000	50,000
2002 FUELS AND LUBRICANTS	7,682	7,682
2003 CONSUMABLE SUPPLIES	5,448	5,448
2005 TRAVEL	18,000	18,000
2009 OTHER OPERATING EXPENSE	84,535	54,472
5000 CAPITAL EXPENDITURES	194,500	43,727
Total, Objects of Expense	\$1,065,049	\$937,273

METHOD OF FINANCING:

1 General Revenue Fund	1,065,049	937,273
Total, Method of Finance	\$1,065,049	\$937,273

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

DATE: 7/30/2008
TIME: 3:55:46PM

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 - 3
 Service Categories:
 Service: 16 Income: A.2 Age: B.3

<u>CODE DESCRIPTION</u>	<u>Excp 2010</u>	<u>Excp 2011</u>
FULL-TIME EQUIVALENT POSITIONS (FTE):	12.0	12.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- Technology and Vehicle Replacement
- Merit Increases for Eligible Classified Employees
- Equity Increases
- Maintain Services for an Increasing Licensee Population
- Testing Compounding Products
- Increase to Executive Director Salary

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

DATE: 7/30/2008
TIME: 3:55:46PM

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	Excp 2010	Excp 2011
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OUTPUT MEASURES:

1 Number of Individuals Participating in a Peer Assistance Program	5.00	5.00
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OBJECTS OF EXPENSE:

2001 PROFESSIONAL FEES AND SERVICES	14,906	0
Total, Objects of Expense	\$14,906	\$0

METHOD OF FINANCING:

1 General Revenue Fund	14,906	0
Total, Method of Finance	\$14,906	\$0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Peer Assistance Program Increased Funding

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

DATE: 7/30/2008
TIME: 3:55:46PM

Agency Code: 515

Agency name: Board of Pharmacy

GOAL: 3 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Licensing - Indirect Administration

Statewide Goal/Benchmark: 7 - 0
 Service Categories:
 Service: 09 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2010	Excp 2011
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	2,723	4,488
2009 OTHER OPERATING EXPENSE	745	1,687
5000 CAPITAL EXPENDITURES	0	356
Total, Objects of Expense	\$3,468	\$6,531

METHOD OF FINANCING:

1 General Revenue Fund	3,468	6,531
Total, Method of Finance	\$3,468	\$6,531

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Technology and Vehicle Replacement
 Merit Increases for Eligible Classified Employees
 Increase to Executive Director Salary

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

DATE: 7/30/2008
TIME: 3:55:46PM

Agency Code: 515

Agency name: Board of Pharmacy

GOAL: 3 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Enforcement-Indirect Administration

Statewide Goal/Benchmark: 7 - 0
 Service Categories:
 Service: 09 Income: A.2 Age: B.3

CODE DESCRIPTION

OBJECTS OF EXPENSE:

	Excp 2010	Excp 2011
1001 SALARIES AND WAGES	15,430	25,431
2009 OTHER OPERATING EXPENSE	4,229	9,560
5000 CAPITAL EXPENDITURES	0	2,023
Total, Objects of Expense	\$19,659	\$37,014

METHOD OF FINANCING:

1 General Revenue Fund	19,659	37,014
Total, Method of Finance	\$19,659	\$37,014

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Technology and Vehicle Replacement
 Merit Increases for Eligible Classified Employees
 Increase to Executive Director Salary

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

DATE: 7/30/2008
TIME: 3:58:29PM

Agency code **515**

Agency name: **Board of Pharmacy**

Category Code/ Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2008

Bud 2009

BL 2010

BL 2011

5003 Repair or Rehabilitation of Buildings and Facilities

*12/12 Repair or Rehabilitation of Buildings and
Facilities*

OBJECTS OF EXPENSE

Capital

5000 CAPITAL EXPENDITURES

Capital Subtotal OOE, Project	12	\$0	\$0	\$0	\$0
Subtotal OOE, Project	12	\$0	\$0	\$0	\$0

TYPE OF FINANCING

Capital

CA 1 General Revenue Fund

Capital Subtotal TOF, Project	12	\$0	\$0	\$0	\$0
Subtotal TOF, Project	12	\$0	\$0	\$0	\$0

Capital Subtotal, Category 5003

Informational Subtotal, Category 5003

Total, Category 5003		\$0	\$0	\$0	\$0
----------------------	--	-----	-----	-----	-----

5005 Acquisition of Information Resource Technologies

*2/2 Purchase of Computer Hardware - Scheduled
Replacement of Items*

OBJECTS OF EXPENSE

Capital

2009 OTHER OPERATING EXPENSE

5000 CAPITAL EXPENDITURES

Capital Subtotal OOE, Project	2	\$29,450	\$40,700	\$0	\$0
Subtotal OOE, Project	2	\$29,450	\$40,700	\$0	\$0

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

DATE: 7/30/2008
 TIME: 3:58:38PM

Agency code 515

Agency name: Board of Pharmacy

Category Code/ Category Name

Project Sequence/Project Id/ Name

OOE/TOF/MOF CODE

Est 2008

Bud 2009

BL 2010

BL 2011

TYPE OF FINANCING

Capital

CA	1	General Revenue Fund	\$29,450	\$40,700	\$0	\$0	
Capital Subtotal TOF, Project			2	\$29,450	\$40,700	\$0	\$0
Subtotal TOF, Project			2	\$29,450	\$40,700	\$0	\$0

3/3 Electronic Meeting Project

OBJECTS OF EXPENSE

Capital

2001 PROFESSIONAL FEES AND SERVICES			\$13,800	\$0	\$0	\$0
2009 OTHER OPERATING EXPENSE			\$16,031	\$0	\$0	\$0
Capital Subtotal OOE, Project			3	\$29,831	\$0	\$0
Subtotal OOE, Project			3	\$29,831	\$0	\$0

TYPE OF FINANCING

Capital

CA	1	General Revenue Fund	\$29,831	\$0	\$0	\$0
Capital Subtotal TOF, Project			3	\$29,831	\$0	\$0
Subtotal TOF, Project			3	\$29,831	\$0	\$0

10/10 Acquisition of Information Technology

OBJECTS OF EXPENSE

Capital

2001 PROFESSIONAL FEES AND SERVICES			\$900	\$0	\$0	\$0
2009 OTHER OPERATING EXPENSE			\$9,917	\$0	\$0	\$0
Capital Subtotal OOE, Project			10	\$10,817	\$0	\$0
Subtotal OOE, Project			10	\$10,817	\$0	\$0

TYPE OF FINANCING

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

DATE: 7/30/2008
 TIME: 3:58:38PM

Agency code 515

Agency name: Board of Pharmacy

Category Code/ Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2008

Bud 2009

BL 2010

BL 2011

Capital

CA 1 General Revenue Fund

\$10,817

\$0

\$0

\$0

Capital Subtotal TOF, Project 10

\$10,817

\$0

\$0

\$0

Subtotal TOF, Project 10

\$10,817

\$0

\$0

\$0

Capital Subtotal, Category 5005

\$70,098

\$40,700

\$0

\$0

Informational Subtotal, Category 5005

\$70,098

\$40,700

\$0

\$0

Total, Category 5005

5006 Transportation Items

9/9 Funds new vehicles for "Maintain Services for
 an Increasing Licensee Population"

OBJECTS OF EXPENSE

Capital

5000 CAPITAL EXPENDITURES

\$0

\$0

\$0

\$0

Capital Subtotal OOE, Project 9

\$0

\$0

\$0

\$0

Subtotal OOE, Project 9

\$0

\$0

\$0

\$0

TYPE OF FINANCING

Capital

CA 1 General Revenue Fund

\$0

\$0

\$0

\$0

Capital Subtotal TOF, Project 9

\$0

\$0

\$0

\$0

Subtotal TOF, Project 9

\$0

\$0

\$0

\$0

11/11 Purchase of New Vehicles for Vehicle
 Replacement

OBJECTS OF EXPENSE

Capital

5000 CAPITAL EXPENDITURES

\$66,000

\$0

\$0

\$0

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

DATE: 7/30/2008
 TIME: 3:58:38PM

Agency code 515

Agency name: Board of Pharmacy

Category Code/ Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2008

Bud 2009

BL 2010

BL 2011

Capital Subtotal OOE, Project	11	\$66,000	\$0	\$0	\$0
Subtotal OOE, Project	11	\$66,000	\$0	\$0	\$0
TYPE OF FINANCING					
<u>Capital</u>					
CA 1 General Revenue Fund		\$66,000	\$0	\$0	\$0
Capital Subtotal TOF, Project	11	\$66,000	\$0	\$0	\$0
Subtotal TOF, Project	11	\$66,000	\$0	\$0	\$0
Capital Subtotal, Category	5006	\$66,000	\$0	\$0	\$0
Informational Subtotal, Category	5006				
Total, Category	5006	\$66,000	\$0	\$0	\$0
AGENCY TOTAL -CAPITAL					
		\$136,098	\$40,700	\$0	\$0
AGENCY TOTAL -INFORMATIONAL					
AGENCY TOTAL					
		\$136,098	\$40,700	\$0	\$0
METHOD OF FINANCING					
<u>Capital</u>					
1 General Revenue Fund		\$136,098	\$40,700	\$0	\$0
Total, Method of Financing-Capital		\$136,098	\$40,700	\$0	\$0
Total, Method of Financing		\$136,098	\$40,700	\$0	\$0

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

DATE: 7/30/2008
TIME: 3:58:38PM

Agency code **515**

Agency name: **Board of Pharmacy**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2008

Bud 2009

BL 2010

BL 2011

TYPE OF FINANCING

Capital

CA CURRENT APPROPRIATIONS

\$136,098

\$40,700

\$0

\$0

Total, Type of Financing-Capital

\$136,098

\$40,700

\$0

\$0

Total, Type of Financing

\$136,098

\$40,700

\$0

\$0

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

DATE: 7/30/2008
 TIME: 3:59:20PM

Agency Code:	515	Agency name:	Board of Pharmacy
Category Number:	5006	Category Name:	TRANSPORTATION ITEMS
Project number:	11	Project Name:	Restore Funding/ Vehicle Replaceme

PROJECT DESCRIPTION

General Information

TSBP has the authority to purchase vehicles under the Occupations Code, Sec. 554.009. Vehicles are routinely purchased and replaced when necessary, generally at 100,000 miles. The agency currently has 13 vehicles, and 3 of that number will reach an estimated mileage between 110,000 and 156,000 if not replaced in the next biennium. It is also anticipated that if these vehicles are not replaced in a timely manner, either: (1) significant repairs will be required (which will incur additional costs and 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).

Number of Units / Average Unit Cost	16,500						
Estimated Completion Date	08/31/2011						
Additional Capital Expenditure Amounts Required	<table border="0"> <tr> <td></td> <td align="center">2012</td> <td align="center">2013</td> </tr> <tr> <td></td> <td align="center">0</td> <td align="center">0</td> </tr> </table>		2012	2013		0	0
	2012	2013					
	0	0					
Type of Financing	CA CURRENT APPROPRIATIONS						
Projected Useful Life	Vehicles are replaced at 72 months or 100,000 miles						
Estimated/Actual Project Cost	\$ 49,500						

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

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

REVENUE GENERATION / COST SAVINGS

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

Explanation: This request is to replace 3 vehicles for the field investigations and compliance programs. The agency currently has 13 vehicles, and 3 of that number will reach an estimated mileage between 110,000 and 156,000 if not replaced in the next biennium. It is anticipated that if these vehicles are not replaced in a timely manner, either significant repairs will be required or the vehicle will simply not be operable.

Project Location: Vehicles are assigned to field investigators for use throughout Texas and field compliance staff (i.e., employees who conduct inspections of the 5,900 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, & that 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 whose primary functions is 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 5,900 pharmacies located in Texas for compliance with the laws and rules governing the practice of pharmacy.

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

DATE: 7/30/2008
 TIME: 3:59:20PM

Agency Code:	515	Agency name:	Board of Pharmacy
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	2	Project Name:	Acquisition of Information Resource

PROJECT DESCRIPTION

General Information

This project is designed to replace aged and obsolete technology. Agency refresh schedule is in compliance with DIRs life cycle guidelines. A detailed equipment replacement schedule is maintained and is reflected in the Agency Planned Procurement Schedule.

Number of Units / Average Unit Cost	See Information Resources Asset Inventory						
Estimated Completion Date	08/31/2011						
Additional Capital Expenditure Amounts Required	<table border="0"> <tr> <td></td> <td align="center">2012</td> <td align="center">2013</td> </tr> <tr> <td></td> <td align="center">0</td> <td align="center">0</td> </tr> </table>		2012	2013		0	0
	2012	2013					
	0	0					
Type of Financing	CA CURRENT APPROPRIATIONS						
Projected Useful Life	4 years for computers; 5-8 years for servers						
Estimated/Actual Project Cost	\$ 94,200						
Length of Financing/ Lease Period	n/a						

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

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

REVENUE GENERATION / COST SAVINGS

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

Explanation:

Project Location:

Beneficiaries:

Frequency of Use and External Factors Affecting Use:

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

DATE: 7/30/2008
 TIME: 3:59:20PM

Agency Code:	515	Agency name:	Board of Pharmacy
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	3	Project Name:	Electronic Meeting Project

PROJECT DESCRIPTION

General Information

This project has enabled TSBP to create Notebooks for Board Meetings, electronically instead of our current paper-based process. Notebook documents are published and shared electronically with Board members and appropriate staff via laptops. Electronic documents are viewable by the public during a board meeting or public hearing via an overhead projection.

This project was successfully completed in FY2008. No additional funding is required.

Number of Units / Average Unit Cost see Information Resources Asset Inventory

Estimated Completion Date 08/31/2008

Additional Capital Expenditure Amounts Required	2012	2013
	0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life 4 years

Estimated/Actual Project Cost \$ 29,831

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

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

REVENUE GENERATION / COST SAVINGS

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

Explanation:

Project Location:

Beneficiaries:

Frequency of Use and External Factors Affecting Use:

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

DATE: 7/30/2008
 TIME: 3:59:20PM

Agency Code:	515	Agency name:	Board of Pharmacy
Category Number:	5006	Category Name:	TRANSPORTATION ITEMS
Project number:	9	Project Name:	Vehicles - Maintain Services

PROJECT DESCRIPTION

General Information

TSBP has the authority to purchase vehicles under the Occupations Code, Sec. 554.009. Vehicles are routinely purchased and replaced when necessary, generally at 100,000 miles. In this exceptional item, TSBP is requesting 1 additional field investigator and 1 additional field compliance inspectors which results in a request for 2 new vehicles for the field program.

Vehicles are assigned to field investigators (i.e., agency employees who conduct field investigations of serious complaints) and field Compliance staff (i.e., employees who conduct inspections of pharmacies). Field inspections and investigations are critical elements of the agency's enforcement activities.

Without vehicles, field investigators would not be able to 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.

Without vehicles, field compliance staff would be unable to conduct daily inspections of the 5,900 pharmacies located in Texas for compliance with the laws and rules governing the practice of pharmacy

Number of Units / Average Unit Cost	16,500		
Estimated Completion Date	08/31/2011		
Additional Capital Expenditure Amounts Required		2012	2013
		0	0
Type of Financing	CA CURRENT APPROPRIATIONS		
Projected Useful Life	72 months or 100,000 miles		
Estimated/Actual Project Cost	\$ 33,000		
Length of Financing/ Lease Period			

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

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

REVENUE GENERATION / COST SAVINGS

<u>REVENUE</u>	<u>COST</u>	<u>FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>
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Explanation: This description includes a request to purchase 2 additional vehicles for the field Investigations and Compliance 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 and field Compliance staff (i.e., employees who conduct inspections of the 5,900 pharmacies located in Texas).

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

DATE: 7/30/2008
TIME: 3:59:20PM

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

Frequency of Use and External Factors Affecting Use: Vehicles are assigned to field investigators and compliance inspectors whose primary function is 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 5,900 pharmacies located in Texas.

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

DATE: 7/30/2008
 TIME: 3:59:20PM

Agency Code:	515	Agency name:	Board of Pharmacy
Category Number:	5003	Category Name:	REPAIR OR REHABILITATION
Project number:	12	Project Name:	Remodeling - Maintain Services

PROJECT DESCRIPTION

General Information

The Exceptional Item Request entitled "Maintain Services for an Increasing Licensee Population" contains a request for 13 additional FTE's. 11 of these additional FTE's must be housed at the agency's current location, the William P. Hobby Building. The remodeling costs in this capital budget item are estimates to reconfigure existing space to an open space environment to accommodate these personnel.

Number of Units / Average Unit Cost	\$14,500 per in-house FTE						
Estimated Completion Date	12/31/2009						
Additional Capital Expenditure Amounts Required	<table border="0"> <tr> <td></td> <td align="center">2012</td> <td align="center">2013</td> </tr> <tr> <td></td> <td align="center">0</td> <td align="center">0</td> </tr> </table>		2012	2013		0	0
	2012	2013					
	0	0					
Type of Financing	CA CURRENT APPROPRIATIONS						
Projected Useful Life							
Estimated/Actual Project Cost	\$ 159,500						
Length of Financing/ Lease Period	none						

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

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

REVENUE GENERATION / COST SAVINGS

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

Explanation: The Exceptional Item Request entitled "Maintain Services for an Increasing Licensee Population" contains a request for 13 additional FTE's. 11 of these additional FTE's must be housed at the agency's current location, the William P. Hobby Building. The remodeling costs in this capital budget item are estimates to reconfigure existing space to an open space environment to accommodate these personnel.

Project Location: William P. Hobby Building
 (Agency Headquarters)
 333 Guadalupe, Suite 3-600
 Austin, TX

Beneficiaries:

Frequency of Use and External Factors Affecting Use:

Work stations will be used on a full time basis.

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

DATE: 7/30/2008
 TIME: 3:59:37PM

Agency code: 515 Agency name: Board of Pharmacy

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2008	Bud 2009	BL 2010	BL 2011
5003 Repair or Rehabilitation of Buildings and Facilities					
<i>12/12 Remodeling - Maintain Services</i>					
Capital	1-1-1 LICENSING	0	0	\$0	\$0
Capital	2-1-1 ENFORCEMENT	0	0	0	0
TOTAL, PROJECT		\$0	\$0	\$0	\$0

5005 Acquisition of Information Resource Technologies

2/2 Acquisition of Information Resource

Capital	3-1-1 LICENSING - INDIRECT ADMINISTRATION	994	531	0	0
Capital	3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION	5,633	3,008	0	0
Capital	1-1-1 LICENSING	5,318	2,817	0	0
Capital	2-1-1 ENFORCEMENT	17,505	34,344	0	0
TOTAL, PROJECT		\$29,450	\$40,700	\$0	\$0

3/3 Electronic Meeting Project

Capital	3-1-1 LICENSING - INDIRECT ADMINISTRATION	4,474	0	0	0
Capital	3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION	25,357	0	0	0
TOTAL, PROJECT		\$29,831	\$0	\$0	\$0

10/10 Info Tech - Maintain Services

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

DATE: 7/30/2008
 TIME: 3:59:46PM

Agency code: 515 Agency name: Board of Pharmacy

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2008	Bud 2009	BL 2010	BL 2011
Capital	2-1-1	ENFORCEMENT	10,817	0	\$0	\$0
		TOTAL, PROJECT	\$10,817	\$0	\$0	\$0
5006 Transportation Items						
	9/9	<i>Vehicles - Maintain Services</i>				
Capital	2-1-1	ENFORCEMENT	0	0	0	0
		TOTAL, PROJECT	\$0	\$0	\$0	\$0
	11/11	<i>Restore Funding/ Vehicle Replaceme</i>				
Capital	2-1-1	ENFORCEMENT	66,000	0	0	0
		TOTAL, PROJECT	\$66,000	\$0	\$0	\$0
		TOTAL CAPITAL, ALL PROJECTS	\$136,098	\$40,700	\$0	\$0
		TOTAL INFORMATIONAL, ALL PROJECTS				
		TOTAL, ALL PROJECTS	\$136,098	\$40,700	\$0	\$0

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

DATE: 7/30/2008
 TIME: 3:58:51PM
 PAGE: 1 of 2

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

Category Code/ Category Name

Project Number/ Name

OOE / TOF / MOF CODE

Excp 2010

Excp 2011

5003 Repair or Rehabilitation of Buildings and Facilities

12 Remodeling - Maintain Services

Objects of Expense

5000 CAPITAL EXPENDITURES

Subtotal OOE, Project 12

159,500

0

159,500

0

Type of Financing

CA 1 General Revenue Fund

Subtotal TOF, Project 12

159,500

0

159,500

0

Subtotal Category 5003

159,500

0

5005 Acquisition of Information Resource Technologies

2 Acquisition of Information Resource

Objects of Expense

2009 OTHER OPERATING EXPENSE

5000 CAPITAL EXPENDITURES

Subtotal OOE, Project 2

35,100

40,100

0

15,000

35,100

55,100

Type of Financing

CA 1 General Revenue Fund

Subtotal TOF, Project 2

35,100

55,100

35,100

55,100

Subtotal Category 5005

35,100

55,100

5006 Transportation Items

9 Vehicles - Maintain Services

Objects of Expense

5000 CAPITAL EXPENDITURES

Subtotal OOE, Project 9

33,000

0

33,000

0

106

Type of Financing

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

DATE: 7/30/2008
TIME: 3:58:55PM
PAGE: 2 of 2

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

Category Code/ Category Name Project Number/ Name OOE / TOF / MOF CODE	Excp 2010	Excp 2011
CA 1 General Revenue Fund	33,000	0
Subtotal TOF, Project 9	33,000	0
<u>11 Restore Funding/ Vehicle Replaceme</u>		
Objects of Expense		
5000 CAPITAL EXPENDITURES	16,500	33,000
Subtotal OOE, Project 11	16,500	33,000
Type of Financing		
CA 1 General Revenue Fund	16,500	33,000
Subtotal TOF, Project 11	16,500	33,000
Subtotal Category 5006	49,500	33,000
AGENCY TOTAL	244,100	88,100
METHOD OF FINANCING		
1 General Revenue Fund	244,100	88,100
Total, Method of Financing	244,100	88,100
TYPE OF FINANCING		
CA CURRENT APPROPRIATIONS	244,100	88,100
Total, Type of Financing	244,100	88,100

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

DATE: 7/30/2008
 TIME: 4:00:03PM
 PAGE: 1 of 2

Agency code: 515 Agency name: Board of Pharmacy

Category Code/Name

Project Number/Name

Goal/Obj/Str	Strategy Name	Excp 2010	Excp 2011
5003 Repair or Rehabilitation of Buildings and Facilities			
12	Remodeling - Maintain Services		
1 1 1	LICENSING	14,500	0
2 1 1	ENFORCEMENT	145,000	0
TOTAL, PROJECT		159,500	0
5005 Acquisition of Information Resource Technologies			
2	Acquisition of Information Resource		
3 1 1	LICENSING - INDIRECT ADMINISTRATION	745	1,592
3 1 1	LICENSING - INDIRECT ADMINISTRATION	0	356
3 1 2	ENFORCEMENT-INDIRECT ADMINISTRATION	4,229	9,021
3 1 2	ENFORCEMENT-INDIRECT ADMINISTRATION	0	2,023
1 1 1	LICENSING	2,211	4,968
1 1 1	LICENSING	0	1,894
2 1 1	ENFORCEMENT	27,915	24,519
2 1 1	ENFORCEMENT	0	10,727
TOTAL, PROJECT		35,100	55,100
5006 Transportation Items			
9	Vehicles - Maintain Services		
2 1 1	ENFORCEMENT	33,000	0
TOTAL, PROJECT		33,000	0
11	Restore Funding/ Vehicle Replaceme		
2 1 1	ENFORCEMENT	16,500	33,000

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

DATE: 7/30/2008
 TIME: 4:00:07PM
 PAGE: 2 of 2

Agency code: 515 Agency name: Board of Pharmacy

Category Code/Name

Project Number/Name

Goal/Obj/Str	Strategy Name	Excp 2010	Excp 2011
	TOTAL, PROJECT	16,500	33,000
	TOTAL, ALL PROJECTS	244,100	88,100

6.A. HISTORICALLY UNDERUTILIZED BUSINESS SUPPORTING SCHEDULE
 81st Regular Session, Agency Submission, Version I
 Automated Budget and Evaluation System of Texas(ABEST)

Date: 7/30/2008
 Time: 3:57:24PM

Agency Code: 515 Agency: Board of Pharmacy

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2006 - 2007 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	HUB Expenditures FY 2006			Total Expenditures FY 2006	HUB Expenditures FY 2007			Total Expenditures FY 2007
		% Goal	% Actual	Actual \$		% Goal	% Actual	Actual \$	
20.0%	Professional Services	20.0 %	100.0%	\$1,050	\$1,050	20.0 %	100.0%	\$2,905	\$2,905
33.0%	Other Services	33.0 %	5.9%	\$18,687	\$319,171	33.0 %	3.4%	\$11,294	\$327,373
12.6%	Commodities	12.6 %	44.3%	\$33,315	\$75,204	12.6 %	46.9%	\$55,747	\$118,811
	Total Expenditures		13.4%	\$53,052	\$395,425		15.6%	\$69,946	\$449,089

B. Assessment of Fiscal Year 2006 - 2007 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 Fiscal Year 2006 and 33% in Fiscal Year 2007.

Applicability:

The "Heavy Construction", "Building Construction", and "Special Trade Construction" categories are not applicable to agency operations in either fiscal year since the agency did not have any strategies or programs related to these types of construction

Factors Affecting Attainment:

In both fiscal year 2006 & 2007, the goal of "Other Services" category was not met due to our contract for the Peer Assistance Program that limited the agency to contracting with one non-HUB vendor. This contract was competitively bid but only one vendor submitted a response and this vendor was not a HUB

Other "Services Contracts" also include expenditures paid for computer services which are bid through the Department of Information Resources. In FY2007, the vendor was with Grumman Technical Services(a non-Hub). In FY2008, the contract is with IBM & Abdeladim & Associates (IBM is a non-Hub, Abdeladim is a HUB. These contracts complement the Original Statement of Work, Terms & Conditions between the Department of Information Resources and these vendors

"Good-Faith" Efforts:

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

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

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 7/30/2008
TIME: 3:56:34PM

81st Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: 515

Agency name: Board of Pharmacy

FUND/ACCOUNT	Act 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
1 General Revenue Fund					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3562 Health Related Profession Fees	5,164,123	5,580,765	5,647,352	5,815,058	5,868,350
3570 Peer Assistance Prog Fees	157,879	191,762	210,962	214,872	220,632
Subtotal: Actual/Estimated Revenue	5,322,002	5,772,527	5,858,314	6,029,930	6,088,982
Total Available	\$5,322,002	\$5,772,527	\$5,858,314	\$6,029,930	\$6,088,982
DEDUCTIONS:					
Expended/Budgeted/Requested	(3,701,754)	(4,200,184)	(4,168,641)	(4,256,046)	(4,168,641)
Other Indirect Costs	(1,001,450)	(989,613)	(1,000,824)	(1,000,824)	(1,009,752)
Office of Patient Protections	(82,810)	(80,668)	(83,110)	(83,544)	(84,500)
Total, Deductions	\$(4,786,014)	\$(5,270,465)	\$(5,252,575)	\$(5,340,414)	\$(5,262,893)
Ending Fund/Account Balance	\$535,988	\$502,062	\$605,739	\$689,516	\$826,089

REVENUE ASSUMPTIONS:

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 7/30/2008

81st Regular Session, Agency Submission, Version 1

TIME: 3:56:42PM

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: 515

Agency name: Board of Pharmacy

FUND/ACCOUNT	Act 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
---------------------	-----------------	-----------------	-----------------	-----------------	-----------------

I. ESTIMATES OF REVENUE COLLECTIONS

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

In preparing the estimates for the revenue collections for the coming years two approaches were used:

(1) Estimates were made regarding the projected change in the population of applicants pharmacists, pharmacies and 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: \$239 [\$214 licensing fee + \$10 subscription fee + \$13 surcharge to fund Peer Assistance Program (PAP) + \$2 to fund the Office of Patient Protection (OPP)]

Pharmacy Biennial: \$412 [\$385 licensing fee + \$10 subscription fee + \$15 surcharge to fund PAP + \$2 to fund the OPP]

Technician Biennial: \$56 [\$51 licensing fee + \$2 subscription fee + \$3 surcharge to fund the OPP]

III. FUTURE FEE RATES

The biennial revenue that is contained in this document is based on the current fee rates as shown. This revenue estimate will sufficiently cover a 100% baseline funding level plus any additional appropriations not to exceed the ending fund/account balances in Budgeted 2010 and Estimated 2011. If additional appropriations beyond these levels are authorized by the 81st Texas Legislature, the board realizes that a fee increase may be necessary to produce the necessary revenue

IV. AUTHORIZATION OF FEE RATE CHANGE

Occupations 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

DATE: 7/30/2008

81st Regular Session, Agency Submission, Version 1

TIME: 3:56:42PM

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: 515

Agency name: Board of Pharmacy

FUND/ACCOUNT	Act 2007	Exp 2008	Exp 2009	Bud 2010	Est 2011
666 Appropriated Receipts					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3719 Fees/Copies or Filing of Records	6,420	3,980	3,980	3,980	3,980
3752 Sale of Publications/Advertising	0	0	0	0	0
3767 Supply, Equip, Service - Fed/Other	1,950	3,750	3,750	3,750	3,750
3777 Default Fund - Warrant Voided	0	0	0	0	0
3839 Sale of Motor Vehicle/Boat/Aircraft	13,815	0	0	0	0
Subtotal: Actual/Estimated Revenue	22,185	7,730	7,730	7,730	7,730
Total Available	\$22,185	\$7,730	\$7,730	\$7,730	\$7,730
DEDUCTIONS:					
Beginning Balance (Unencumbered)	0	0	0	0	0
Expended/Budgeted/Requested	(22,185)	(7,730)	(7,730)	(7,730)	(7,730)
Total, Deductions	\$(22,185)	\$(7,730)	\$(7,730)	\$(7,730)	\$(7,730)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

CONTACT PERSON:

JANE BENNETT

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

DATE: 7/30/2008

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

TIME: 3:56:00PM

Agency code:

Agency name: **Board of Pharmacy**

GR Baseline Request Limit = \$8,424,687

GR-D Baseline Request Limit = \$1

Strategy/Strategy Option/Rider

2010 Funds				2011 Funds				Biennial Cumulative GR	Biennial Cumulative Ded	Page #	
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded				
Strategy: 1 - 1 - 1 Operate an Application and Renewal Licensure System											
7.8	529,456	529,167	0	7.8	524,621	524,332	0	1,053,499	0	_____	
Strategy: 1 - 1 - 2 TexasOnline. Estimated and Nontransferable											
0.0	209,480	209,480	0	0.0	212,610	212,610	0	1,475,589	0	_____	
Strategy: 2 - 1 - 1 Operate System of Inspection Assistance Education											
42.3	2,664,809	2,657,368	0	42.3	2,596,051	2,588,610	0	6,721,567	0	_____	
Strategy: 2 - 1 - 2 Provide a Peer Assistance Program for Licensed Individuals											
2.0	174,138	174,138	0	2.0	189,044	189,044	0	7,084,749	0	_____	
Strategy: 3 - 1 - 1 Licensing - Indirect Administration											
1.5	102,881	102,881	0	1.5	98,105	98,105	0	7,285,735	0	_____	
Strategy: 3 - 1 - 2 Enforcement-Indirect Administration											
8.4	583,012	583,012	0	8.4	555,940	555,940	0	8,424,687	0	_____	
62.0				62.0				*****GR Baseline Request Limit=\$8,424,687*****			
Excp Item: 1 Shared Regulatory Database Migration											
0.0	494,909	494,909	0	0.0	0	0	0	8,919,596	0	_____	
Strategy Detail for Excp Item: 1											
Strategy: 1 - 1 - 1 Operate an Application and Renewal Licensure System											
0.0	494,909	494,909	0	0.0	0	0	0				
Excp Item: 2 Technology and Vehicle Replacement											
0.0	51,600	51,600	0	0.0	92,100	92,100	0	9,063,296	0	_____	

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

DATE: 7/30/2008

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

TIME: 3:56:06PM

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

GR Baseline Request Limit = \$8,424,687

GR-D Baseline Request Limit = \$1

Strategy/Strategy Option/Rider								Biennial	Biennial	
2010 Funds				2011 Funds				Cumulative GR	Cumulative Ded	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded			
Strategy Detail for Excp Item: 2										
Strategy: 1 - 1 - 1	Operate an Application and Renewal Licensure System									
0.0	2,211	2,211	0	0.0	7,367	7,367	0			
Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education									
0.0	44,415	44,415	0	0.0	71,107	71,107	0			
Strategy: 3 - 1 - 1	Licensing - Indirect Administration									
0.0	745	745	0	0.0	2,043	2,043	0			
Strategy: 3 - 1 - 2	Enforcement-Indirect Administration									
0.0	4,229	4,229	0	0.0	11,583	11,583	0			
Excp Item: 3	Merit Increases for Eligible Classified Employees									
0.0	72,364	72,364	0	0.0	146,573	146,573	0	9,282,233	0	_____
Strategy Detail for Excp Item: 3										
Strategy: 1 - 1 - 1	Operate an Application and Renewal Licensure System									
0.0	9,151	9,151	0	0.0	18,534	18,534	0			
Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education									
0.0	51,740	51,740	0	0.0	104,800	104,800	0			
Strategy: 3 - 1 - 1	Licensing - Indirect Administration									
0.0	1,721	1,721	0	0.0	3,486	3,486	0			
Strategy: 3 - 1 - 2	Enforcement-Indirect Administration									
0.0	9,752	9,752	0	0.0	19,753	19,753	0			
Excp Item: 4	Equity Increases									
0.0	194,477	194,477	0	0.0	194,477	194,477	0	9,671,187	0	_____
Strategy Detail for Excp Item: 4										
Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education									
0.0	194,477	194,477	0	0.0	194,477	194,477	0			
Excp Item: 5	Maintain Services for an Increasing Licensee Population									

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

DATE: 7/30/2008

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

TIME: 3:56:06PM

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

GR Baseline Request Limit = \$8,424,687

GR-D Baseline Request Limit = \$1

Strategy/Strategy Option/Rider				2010 Funds				2011 Funds				Biennial Cumulative GR	Biennial Cumulative Ded	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded							
13.0	769,822	769,822	0	13.0	545,465	545,465	0	10,986,474	0					
Strategy Detail for Excp Item: 5														
Strategy: 1 - 1 - 1 Operate an Application and Renewal Licensure System														
1.0	52,065	52,065	0	1.0	35,236	35,236	0							
Strategy: 2 - 1 - 1 Operate System of Inspection Assistance Education														
12.0	717,757	717,757	0	12.0	510,229	510,229	0							
Excp Item: 6 Testing Compounding Products														
0.0	50,000	50,000	0	0.0	50,000	50,000	0	11,086,474	0					
Strategy Detail for Excp Item: 6														
Strategy: 2 - 1 - 1 Operate System of Inspection Assistance Education														
0.0	50,000	50,000	0	0.0	50,000	50,000	0							
Excp Item: 7 Increase to Executive Director Salary														
0.0	20,000	20,000	0	0.0	20,000	20,000	0	11,126,474	0					
Strategy Detail for Excp Item: 7														
Strategy: 1 - 1 - 1 Operate an Application and Renewal Licensure System														
0.0	6,660	6,660	0	0.0	6,660	6,660	0							
Strategy: 2 - 1 - 1 Operate System of Inspection Assistance Education														
0.0	6,660	6,660	0	0.0	6,660	6,660	0							
Strategy: 3 - 1 - 1 Licensing - Indirect Administration														
0.0	1,002	1,002	0	0.0	1,002	1,002	0							
Strategy: 3 - 1 - 2 Enforcement-Indirect Administration														
0.0	5,678	5,678	0	0.0	5,678	5,678	0							
Excp Item: 8 Peer Assistance Program Increased Funding														
0.0	14,906	14,906	0	0.0	0	0	0	11,141,380	0					

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

DATE: 7/30/2008

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

TIME: 3:56:06PM

Agency code:

Agency name: Board of Pharmacy

GR Baseline Request Limit = \$8,424,687

GR-D Baseline Request Limit = \$1

Strategy/Strategy Option/Rider

2010 Funds				2011 Funds				Biennial	Biennial	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded	Cumulative GR	Cumulative Ded	
Strategy Detail for Excp Item: 8										
Strategy: 2 - 1 - 2 Provide a Peer Assistance Program for Licensed Individuals										
0.0	14,906	14,906	0	0.0	0	0	0			
75.0	\$5,931,854	\$5,924,124	\$0	75.0	\$5,224,986	\$5,217,256	0			

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount

\$821,356

Agency Code: 515		Agency Name: Texas State Board of Pharmacy								FTE Reductions (FY 2010-11 Base Request Compared to Budgeted 2009)		Revenue Impact? Y/N	Cumulative GR-related reduction as a % of Approved Base
Rank	Reduction Item		Biennial Application of 10% Percent Reduction										
	Strat	Name	GR	GR-Dedicated	Federal	Other	All Funds	FY 08	FY 09				
1	1-1-1	Licensing	85,306				\$ 85,306	1.0		n	1.0%		
2	1-1-2	Texas Online	42,209				\$ 42,209	0.0		n	1.6%		
3	2-1-1	Enforcement	582,034				\$ 582,034	2.0		n	8.6%		
4	2-1-2	Peer Assistance	26,485				\$ 26,485	0.0		n	9.0%		
5	3-1-2	Indirect Administration - Licensing	12,798				\$ 12,798	0.0		n	9.1%		
6	3-1-3	Indirect Administration - Enforcement	72,524				\$ 72,524				10.0%		
7							\$ -				10.0%		
8							\$ -				10.0%		
9							\$ -				10.0%		
10							\$ -				10.0%		
11							\$ -				10.0%		
12							\$ -				10.0%		
Agency Biennial Total			\$ 821,356	\$ -	\$ -	\$ -	\$ 821,356	3.0	0.0		10.0%		
Agency Biennial Total (GR + GR-D)			\$ 821,356	\$ 821,356							10.0%		

Rank / Name
Explanation of Impact to Programs and Revenue Collections

1 Licensing

At the 90% Funding Level, the following key elements of the agency's infra structure have been eliminated.

1. 1 FTE (Licensing Specialist Position)
2. All Replacement of Information Technologies
3. All Training & Education for staff
4. 10% Reduction of Agency Contribution to the Health Professions

I. FTE REDUCTION

A. Existing Workload Statistics

The Pharmacy Technician Registration Program was enacted by the 76th Texas Legislature and partially funded for the FY2004 – FY2005 biennium. This program was followed by the enactment and partial funding of the Pharmacy Technician Trainee Program in the FY2006 – FY2007 biennium. The increase in workload that is directly caused by these new programs are as follows:

	FY03	FY04	FY05	FY06	FY07	FY08 (proj)	% Increase Since FY03
Total Number of Licensed Pharmacists	21,570	22,111	22,661	23,323	23,939	24,490	13.54%
Total Number of Licensed Pharmacies	5,794	6,014	6,107	6,201	6,315	6,409	10.61%
Total Number of Registered Pharmacy Technicians &	0	22,164	26,644	30,091	42,505	50,000	125.59% (since FY04)
Total Licensees	27,364	50,289	55,412	59,615	72,759	80,899	195.64%

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount

\$821,356

Agency Code: 515 Agency Name: Texas State Board of Pharmacy

B. Future Growth Statistics

(1) The FBI Fingerprint Program for all new interns began in FY2007. The process requires a review of each fingerprint result and an entry into the database. If there is a positive result indicating criminal history, the applicant is referred to the Enforcement Division and a complaint is generated. Extending this program to the remainder of the applicant population only, (i.e., pharmacist applicants, pharmacy owner applicants, technician applicants) will require approximately 16,000 fingerprint results in each year of the biennium.

At current staffing levels, and most certainly with an FTE reduction, it will not be possible to expand the FBI program to the remainder of the applicant population.

(2) The number of new pharmacist examination applications received is expected to increase as a result of the two new Texas schools of pharmacy (A&M at Kingsville, Incarnate Word San Antonio). These schools admitted their first class in FY2006 and expect to graduate approximately 170 in FY2010. In addition, enrollment in the four (4) existing Texas schools of pharmacy (University of Texas, Texas Tech University, University of Houston, Texas Southern University), have also increased.

(3) With the upcoming new Internship Trainee Program, it is expected that the extended time of the internship program in Texas, will require additional monitoring.

C. Short Term Expected Impact of FTE Reduction

Given these growth statistics and the associated increase in telephone calls and e-mail inquiries generated by the registration of pharmacy technician trainees, it is anticipated that with a reduction in licensing staff by 1 FTE, workload increases will immediately cause the following critical slowdowns:

(1) Number of days to issue a new pharmacy license will increase from an FY2007 average of 15 working days to 30 working days.

(2) Number of days to issue a new pharmacy technician registration will increase from an FY2007 average of 5 working days to 10 working days.

(3) Number of days to issue a pharmacist license renewal or pharmacy technician registration renewal will increase from an FY2007 average of 1 working day to 5 working days. It is also expected that the continuing education audit programs would be eliminated.

(4) During the peak months of pharmacist examination application periods (March - July), it will take approximately 16 weeks to notify an applicant that he or she is eligible to register for the licensing examinations.

Other licensing services that will slow down dramatically include issuing certifications to qualified pharmacist-preceptors; issuing registrations to qualified pharmacist-interns; processing application for pharmacies that have changed location or name; processing notifications from pharmacies regarding permanent closings.

Finally, it is expected that customer service will deteriorate to the extent that telephone calls and e-mail inquiries will not be returned on a timely basis, causing further slowdowns in work performance.

D. Long Term Impact of FTE Reduction

Continued growth, coupled with dramatic slowdown in the issuance of new licenses and renewals, will ultimately cause a backlog of licenses waiting to be issued. Given the current pharmacist shortage in the state of Texas, this factor will certainly exacerbate a worsening condition and significantly decrease the quality and quantity of agency services that are vital to its mission.

II. BUDGET FOR REPLACEMENT OF INFORMATION TECHNOLOGY

At the 90% funding level, all budget items in the area of Information Technologies replacement has been deleted.

Justification for the Information Technologies

The 2010 and 2011 Information Technologies budget requests address the replacement of existing equipment only. Equipment replacement is based on the TSBP life cycle schedule. The equipment scheduled for replacement in 2010 and 2011 meets, and in many cases exceeds the useful life expectancy of the device due to recent budget constraints. For example:

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount:

\$821,356

Agency Code:	515	Agency Name:	Texas State Board of Pharmacy												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"><u>Life Cycle Recommendations</u></th> <th style="width: 30%;"><u>State Government</u></th> <th style="width: 40%;"><u>TSBP Current Schedule</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Laptops</td> <td style="text-align: center;"><u>3 years</u></td> <td style="text-align: center;">4 years</td> </tr> <tr> <td style="text-align: center;">Desktops</td> <td style="text-align: center;">3 - 5 years</td> <td style="text-align: center;">4 years</td> </tr> <tr> <td style="text-align: center;">Servers</td> <td style="text-align: center;">4 years</td> <td style="text-align: center;">5 - 8 years</td> </tr> </tbody> </table>				<u>Life Cycle Recommendations</u>	<u>State Government</u>	<u>TSBP Current Schedule</u>	Laptops	<u>3 years</u>	4 years	Desktops	3 - 5 years	4 years	Servers	4 years	5 - 8 years
<u>Life Cycle Recommendations</u>	<u>State Government</u>	<u>TSBP Current Schedule</u>													
Laptops	<u>3 years</u>	4 years													
Desktops	3 - 5 years	4 years													
Servers	4 years	5 - 8 years													
<p>Like many agencies, the agency has become more and more dependant 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 and effective technology at the fingertips of dedicated employees. Without a timely refresh of this equipment, the Board of Pharmacy simply could not function.</p>															
<p>III. 100% REDUCTION TO STAFF TRAINING AND EDUCATION</p> <p>One key factor in employee motivation and retention is the opportunity to continue to grow and develop job and career enhancing skills. In addition to terminating one FTE as described above, a 10% reduction would eliminate all education and training for staff. As a result, staff would not be able to receive any ongoing training and/or education needed to help them improve their skills.</p>															
<p>IV. REDUCTION TO HPC</p> <p>At the 90% funding level, the funding to the Health Professions Council is reduced by 10%.</p>															

2 Texas Online

At the 90% funding level, the Texas Online Subscription fee is reduced by 10%. Sec 4, Article VIII -90 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 (pharmacists, pharmacy and pharmacy technician) are based on projections of the number of licenses or registrations that will renew. The 90% funding level will not fully fund the agency's required commitment for TexasOnline.

3 Enforcement

At the 90% Funding Level, the following key elements of the agency's infra structure have been eliminated.

1. 2 FTE's (Attorney and Field Compliance Officer)
2. 100% of Budget for Replacement of Information Technologies
3. 100% of Capital Budget for Replacement of Vehicles
4. All Newsletters
5. 100% of Training and education for staff

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount

\$821,356

Agency Code: 515 Agency Name: Texas State Board of Pharmacy

I. FTE REDUCTION

A. Field Compliance Officer

If the agency's budget were reduced by 10%, the Enforcement Division would be forced to eliminate one field Compliance position resulting in only five (5) individuals remaining to inspect pharmacies in Texas and conduct pre-inspections of new pharmacies. This action, in turn, would reduce the number of inspections that the agency could conduct each year. One of the agency's performance measures is the number of inspections conducted each year. Currently, TSBP is able to inspect approximately 2,000 inspections per year with six FTEs. With five FTEs, TSBP would be able to conduct only 1,500 inspections per year because inspection regions would be larger (reducing the efficiency and outputs for the remaining five individuals).

TSBP is in desperate need of additional Compliance Program field personnel, not less. Currently, with six FTEs, TSBP is able to inspect less than one-third of the 5,900 pharmacies that are located in Texas, each year. As a result, there is a lengthy gap between inspections for most pharmacies. Many pharmacies have not been inspected in four or five years. Experience has shown that the ideal interval between inspections is 2 - 2.5 years because longer period of time between inspections generally results in a greater number of pharmacies being in non-compliance with the laws and rules governing the practice of pharmacy.

Inspections are a key component to the agency's preventative enforcement activities. The Board is convinced that a strong and active inspection program is cost-effective because it increases compliance, which in turn, decreases the need to conduct more expensive enforcement activities (e.g., field investigations and disciplinary action). If on-site reviews of pharmacies reveal that the pharmacies are in non-compliance with the various laws and rules governing the practice of pharmacy, Compliance Officers issue written warning notices (which give the pharmacy an opportunity to correct the condition(s)) and then re-inspect the pharmacy to ensure that the pharmacy has corrected the conditions. Inspections ensure that the public is protected because a myriad of areas are checked, such as:

1. cleanliness (to ensure that drugs are dispensed in a clean environment);
2. accuracy and authenticity of dispensing (to ensure that drugs are not dispensed pursuant to invalid prescriptions or that generic drugs are not illegally substituted for brand name drugs);
3. drug stock (to ensure that the pharmacy does not possess or dispense counterfeit, misbranded, or outdated drugs);
4. security (to ensure that drugs will not be diverted/stolen from the pharmacy);
5. patient counseling procedures (to ensure that customers will get written and verbal information regarding drugs being dispensed); and
6. proper licensure (to ensure that unlicensed (and thereby, incompetent) individuals are not performing duties relating to the dispensing process).

If the pharmacy is compounding prescription drugs, including sterile pharmaceuticals (e.g., injectable drugs), Compliance Officers conduct numerous other checks, such as the pharmacy's quality assurance procedures. Inspections of compounding pharmacies should be conducted on an annual basis, especially pharmacies compounding high-risk sterile drugs, in that improper training or procedures could result in contaminated products being dispensed to Texas patients, which, in turn, could be fatal to the patients receiving these drugs.

B. Attorney Position

A cut in the division's staffing will have severe adverse impact in its ability to function in an effective and timely manner, as described below.

The Legal Division is currently comprised of a general counsel/division director position, 3 attorney positions, and 4 legal assistant positions. The latest attorney position was added at the beginning of FY2008, primarily to handle the increased workload which ultimately resulted from the pharmacy technician registration program. The division has experienced an increase over the past 2 years in the number of cases being referred to the State Office of Administrative Hearings, based on the increase in SOAH cases for pharmacy technicians. The number of SOAH cases handled by the division has almost doubled from 7 SOAH Hearings in FY2004, prior to technician registration, to an average of almost 12 SOAH Hearings per year, over the past three fiscal years.

One attorney has been reassigned to handle the increase in the SOAH cases, which leaves two attorneys to focus primarily on drafting Preliminary Notice Letters (PNL). If only one attorney is left to draft the preliminary notice letters, the number of disciplinary cases resolved would significantly decrease, and the resolution time would be expected to rise dramatically.

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount

\$821,356

Agency Code: 515	Agency Name: Texas State Board of Pharmacy
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The number of preliminary notice letters to pharmacists and pharmacies would decrease by 150 from approximately 525 per year to 375 per year. Due to the decrease in the number of preliminary notice letters generated, the division would hold less informal conferences throughout the year which would also slow down the resolution time

The amount of time to resolve those cases could potentially double which would ultimately create a backlog of cases and seriously impair the agency's ability to regulate pharmacy practice. The time for resolution by the Legal division of pharmacist and pharmacy cases is currently approximately 185 days, which could increase to 370 days. Ultimately, the number of disciplinary actions entered by the Board would also decrease by 150 from approximately 525 a year to 375 a year.

The elimination of the attorney position will further increase the processing time and ability to handle the more serious cases in a timely manner, which ultimately has a detrimental impact on the health and safety of the public.

II. CAPITAL BUDGET ITEMS

At the 90% Funding level, all Capital Budget Items in the are of Information Technologies and Vehicle Replacement have been deleted.

A. Justification for Information Technologies

The 2010 and 2011 Information Technologies budget requests address the replacement of existing equipment only. Equipment replacement is based on the TSBP life cycle schedule. The equipment scheduled for replacement in 2010 and 2011 meets, and in many cases exceeds the useful life expectancy of the device due to recent budget constraints. For example:

<u>Life Cycle Recommendations</u>	<u>State Government</u>	<u>TSBP Current Schedule</u>
Laptops	3 years	4 years
Desktops	3 - 5 years	4 years
Servers	4 years	5 - 8 years

Like many agencies, the agency has become more and more dependant 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 and effective technology at the fingertips of dedicated employees. Without a timely refresh of this equipment, the Board of Pharmacy simply could not function.

B. Justification for Vehicle Replacement

TSBP has the authority to purchase vehicles under the Occupations Code, Sec. 554.009. Vehicles are routinely purchased and replaced when necessary, generally at 100,000 miles. The agency currently has 13 vehicles, and 3 of that number will reach an estimated mileage between 126,000 and 156,000 if not replaced in the next biennium. It is also anticipated that if these vehicles are not replaced in a timely manner, either: (1) significant repairs will be required (which will incur additional costs and 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).

The aforementioned 13 vehicles are assigned to field investigators (i.e., agency employees who conduct field investigations of serious complaints) and field Compliance program staff (i.e., employees who conduct inspections of pharmacies). Field inspections and investigations are critical elements of the agency's enforcement activities. If any field staff member's car becomes inoperable, this individual would be unable to perform his/her primary job duties, as described below:

1. Field investigators would not be able to 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. If TSBP is not able to conduct field investigations in a timely manner, the violations will continue, which will, in turn, have an impact on the public's health, safety, and welfare. Specifically, errors could continue and drugs could continue to be diverted from pharmacies to illegitimate channels (e.g., drugs sold to drug dealers).

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount

\$821,356

Agency Code: 515 Agency Name: Texas State Board of Pharmacy

2. Field Compliance Program staff members conduct inspections on a daily basis. Every week that an inspector has no vehicle would result in fewer pharmacies in Texas being inspected. TSBP has only a minimal number of staff (6 FTEs) to inspect the 5,900 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 would exacerbate the existing situation.

TSBP would prefer to inspect pharmacies even more often than it does now, because a longer period of time between inspections generally results in a greater number of pharmacies being in non-compliance with the laws and rules governing the practice of pharmacy. In addition, TSBP is desperately in need of additional inspectors to conduct inspections of pharmacies preparing high-risk sterile pharmaceuticals. It is important to the health and safety of Texas citizens that inspections be conducted in a timely manner.

With regard to performance measures, the number of complaints resolved would decrease, the average time it takes to resolve a complaint would increase, and the number of inspections would decrease.

III. JUSTIFICATION FOR NEWSLETTER

At the 90% funding level, the agency would no longer be able to publish a newsletter. Prior to the budget cuts of FY2003, the agency published 4 annual Newsletters, which were mailed to all licensees (pharmacists and pharmacies). Currently however, TSBP publishes and prints only two issues of the Newsletter and 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, and pharmacy owners. The TSBP Newsletter provides information such as updates to the rules, articles regarding practice issues, and disciplinary actions taken against licensees and registrants. Without this educational tool, pharmacists and pharmacy technicians may not be aware of new rules or changes to the rules and thus be more likely to not be in compliance with the rules and laws.

IV. JUSTIFICATION FOR TRAINING AND EDUCATION FOR STAFF

In addition to elimination of two FTE's as described above, a 10% reduction would also have a negative effect on the agency's enforcement activities, because all education and training would be eliminated. As a result, field inspection staff would not be able to get the training needed to inspect pharmacies that compound pharmaceuticals and investigators would not be able to attend training to help them improve their skills and stay current with drug diversion trends. TSBP desires for every one of its investigators to obtain Basic Training and Advanced Training from the National Clearinghouse on Licensure, Enforcement, and Regulation (CLEAR) and become a CLEAR-certified investigator. CLEAR-certification is conferred upon investigators who complete the three-day training course and successfully complete the post-test.

4

Peer Assistance

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 and eligible pharmacy students who are impaired by chemical abuse, or mental or physical illness. PRN was awarded this contract following the state's required bid process. The funding for the contract comes from a surcharge on the licensure fee for all pharmacies and pharmacies.

If the agency's budget were reduced by 10%, TSBP would reduce the PRN contract by 10%. Such a cut would substantially reduce PRN's ability to conduct interventions and pay for evaluations by a mental health professional to determine whether a pharmacist was impaired. Other PRN services would also have to be eliminated or reduced, such as education and training of interveners, education of employers about impairment issues, and additional outreach programs. This reduction of services would, in turn, have a negative effect on one peer-assistance performance measures, as listed below:

- the number of individuals participating in a peer assistance program (number would decrease by 15)

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount

\$821,356

Agency Code: 515	Agency Name: Texas State Board of Pharmacy
In addition, the time to handle/process impairment cases could increase, which would affect the public's health, safety, and welfare.	

5 Indirect Administration - Licensing

CAPITAL BUDGET FOR REPLACEMENT OF INFORMATION TECHNOLOGY

At the 90% funding level, all Capital budget items in the area of Information Technologies replacement has been deleted. The agency is requesting restoration of 9% of the reduction in Exceptional Item #1.

Justification for Information Technologies

The 2010 and 2011 Information Technologies budget requests address the replacement of existing equipment only. Equipment replacement is based on the TSBP life cycle schedule. The equipment scheduled for replacement in 2010 and 2011 meets, and in many cases exceeds the useful life expectancy of the device due to recent budget constraints. For example:

<u>Life Cycle Recommendations</u>	<u>State Government</u>	<u>TSBP Current Schedule</u>
Laptops	3 years	4 years
Desktops	3 - 5 years	4 years
Servers	4 years	5 - 8 years

Like many agencies, the agency has become more and more dependant 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 and effective technology at the fingertips of dedicated employees. Without a timely refresh of this equipment, the Board of Pharmacy simply could not function.

6 Indirect Administration - Enforcement

CAPITAL BUDGET FOR REPLACEMENT OF INFORMATION TECHNOLOGY

At the 90% funding level, all Capital budget items in the area of Information Technologies replacement has been deleted. The agency is requesting restoration of 9% of the reduction in Exceptional Item #1.

Justification for Information Technologies

The 2010 and 2011 Information Technologies budget requests address the replacement of existing equipment only. Equipment replacement is based on the TSBP life cycle schedule. The equipment scheduled for replacement in 2010 and 2011 meets, and in many cases exceeds the useful life expectancy of the device due to recent budget constraints. For example:

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Like many agencies, the agency has become more and more dependant 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 and effective technology at the fingertips of dedicated employees. Without a timely refresh of this equipment, the Board of Pharmacy simply could not function.

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

Agency Code: 515

Agency Name: Board of Pharmacy

Strategy	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
1-1-1 Operate an Application and Renewal Licensure System					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 80,354	\$ 77,072	\$ 79,412	\$ 79,412	\$ 79,412
1002 OTHER PERSONNEL COSTS	\$ 11,475	\$ 4,896	\$ 3,714	\$ 3,783	\$ 3,930
2001 PROFESSIONAL FEES AND SERVICES	\$ 4,422	\$ 3,452	\$ 1,109	\$ 3,195	\$ 1,109
2003 CONSUMABLE SUPPLIES	\$ 889	\$ 680	\$ 680	\$ 680	\$ 680
2004 UTILITIES	\$ 97	\$ 18	\$ 18	\$ 18	\$ 18
2005 TRAVEL	\$ 4,957	\$ 6,419	\$ 7,018	\$ 7,018	\$ 7,018
2006 RENT - BUILDING	\$ 191	\$ 177	\$ 212	\$ 212	\$ 212
2007 RENT - MACHINE AND OTHER	\$ 280	\$ 231	\$ 231	\$ 231	\$ 231
2009 OTHER OPERATING EXPENSE	\$ 6,526	\$ 8,382	\$ 5,495	\$ 8,332	\$ 5,495
5000 CAPITAL EXPENDITURES	\$ 933	\$ 0	\$ 0	\$ 0	\$ 0
Total, Objects of Expense	\$ 110,124	\$ 101,327	\$ 97,889	\$ 102,881	\$ 98,105
METHOD OF FINANCING:					
1 General Revenue Fund	\$ 110,124	\$ 101,327	\$ 97,889	\$ 102,881	\$ 98,105
Total, Method of Financing	\$ 110,124	\$ 101,327	\$ 97,889	\$ 102,881	\$ 98,105

Method of Allocation

Indirect Administrative and Supportive Costs are allocated proportionately among all strategies and the basis of FTE's. The percentage range that applies to this strategy is 15%. This method was selected because the agency is service oriented.

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

Agency Code: 515

Agency Name: Board of Pharmacy

Strategy	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 380,546	\$ 421,330	\$ 434,121	\$ 434,121	\$ 434,121
1002 OTHER PERSONNEL COSTS	\$ 35,785	\$ 26,768	\$ 20,303	\$ 20,680	\$ 21,484
2001 PROFESSIONAL FEES AND SERVICES	\$ 20,807	\$ 18,868	\$ 6,064	\$ 17,466	\$ 6,064
2003 CONSUMABLE SUPPLIES	\$ 4,183	\$ 3,720	\$ 3,720	\$ 3,720	\$ 3,720
2004 UTILITIES	\$ 458	\$ 102	\$ 102	\$ 102	\$ 102
2005 TRAVEL	\$ 23,328	\$ 35,091	\$ 38,365	\$ 38,365	\$ 38,365
2006 RENT - BUILDING	\$ 897	\$ 966	\$ 1,159	\$ 1,159	\$ 1,159
2007 RENT - MACHINE AND OTHER	\$ 1,318	\$ 1,265	\$ 1,265	\$ 1,265	\$ 1,265
2009 OTHER OPERATING EXPENSE	\$ 30,710	\$ 45,798	\$ 30,039	\$ 45,557	\$ 30,039
5000 CAPITAL EXPENDITURES	\$ 4,391	\$ 0	\$ 0	\$ 0	\$ 0
Total, Objects of Expense	\$ 502,423	\$ 553,908	\$ 535,138	\$ 562,435	\$ 536,319
METHOD OF FINANCING:					
1 General Revenue Fund	\$ 502,423	\$ 553,908	\$ 535,138	\$ 562,435	\$ 536,319
Total, Method of Financing	\$ 502,423	\$ 553,908	\$ 535,138	\$ 562,435	\$ 536,319
<u>Method of Allocation</u>					

Indirect Administrative and Supportive Costs are allocated proportionately among all strategies on the basis of FTE's. The percentage range that applies to this strategy is 15% to 17%. This method was selected because the agency is service oriented.

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

Agency Code: 515	Agency Name: Board of Pharmacy				
Strategy	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 11,769	\$ 15,414	\$ 15,882	\$ 15,882	\$ 15,882
1002 OTHER PERSONNEL COSTS	\$ 20,255	\$ 979	\$ 743	\$ 757	\$ 786
2001 PROFESSIONAL FEES AND SERVICES	\$ 780	\$ 690	\$ 222	\$ 639	\$ 222
2003 CONSUMABLE SUPPLIES	\$ 157	\$ 136	\$ 136	\$ 136	\$ 136
2004 UTILITIES	\$ 17	\$ 4	\$ 4	\$ 4	\$ 4
2005 TRAVEL	\$ 875	\$ 1,284	\$ 1,404	\$ 1,404	\$ 1,404
2006 RENT - BUILDING	\$ 34	\$ 35	\$ 42	\$ 42	\$ 42
2007 RENT - MACHINE AND OTHER	\$ 49	\$ 46	\$ 46	\$ 46	\$ 46
2009 OTHER OPERATING EXPENSE	\$ 1,152	\$ 1,676	\$ 1,099	\$ 1,667	\$ 1,099
5000 CAPITAL EXPENDITURES	\$ 165	\$ 0	\$ 0	\$ 0	\$ 0
Total, Objects of Expense	\$ 35,253	\$ 20,264	\$ 19,578	\$ 20,577	\$ 19,621
METHOD OF FINANCING:					
1 General Revenue Fund	\$ 35,253	\$ 20,264	\$ 19,578	\$ 20,577	\$ 19,621
Total, Method of Financing	\$ 35,253	\$ 20,264	\$ 19,578	\$ 20,577	\$ 19,621
<u>Method of Allocation</u>					

Indirect Administrative and Support Cost are allocated proportionately among all strategies on the basis of FTE's. The percentage range that applies to strategies is 83% to 85%. This method was selected because the agency is service oriented.

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

Agency Code: 515

Agency Name: Board of Pharmacy

Strategy	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$472,669	\$513,816	\$529,415	\$529,415	\$529,415
1002 OTHER PERSONNEL COSTS	\$67,515	\$32,643	\$24,760	\$25,220	\$26,200
2001 PROFESSIONAL FEES AND SERVICES	\$26,009	\$23,010	\$7,395	\$21,300	\$7,395
2003 CONSUMABLE SUPPLIES	\$5,229	\$4,536	\$4,536	\$4,536	\$4,536
2004 UTILITIES	\$572	\$124	\$124	\$124	\$124
2005 TRAVEL	\$29,160	\$42,794	\$46,787	\$46,787	\$46,787
2006 RENT - BUILDING	\$1,122	\$1,178	\$1,413	\$1,413	\$1,413
2007 RENT - MACHINE AND OTHER	\$1,647	\$1,542	\$1,542	\$1,542	\$1,542
2009 OTHER OPERATING EXPENSE	\$38,388	\$55,856	\$36,633	\$55,556	\$36,633
5000 CAPITAL EXPENDITURES	\$5,489	\$0	\$0	\$0	\$0
Total, Objects of Expense	\$647,800	\$675,499	\$652,605	\$685,893	\$654,045
<u>Method of Financing</u>					
1 General Revenue Fund	\$647,800	\$675,499	\$652,605	\$685,893	\$654,045
Total, Method of Financing	\$647,800	\$675,499	\$652,605	\$685,893	\$654,045
Full-Time-Equivalent Positions (FTE)					