

**TEXAS STATE BOARD OF
PHARMACY**

ANNUAL REPORT OF NONFINANCIAL DATA

For The Year Ended August 31, 2011

**Gay Dodson, R.Ph.
Executive Director**

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TEXAS STATE BOARD OF PHARMACY

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Executive Director/Secretary
Austin

December 31, 2011

The Honorable Rick Perry, Governor
John Keel, CPA, State Auditor
John O'Brien, Director, Legislative Budget Board

Gentlemen:

We are pleased to submit the Texas State Board of Pharmacy Annual Report of Nonfinancial Data for the year ended August 31, 2011, in compliance with the TEX. GOV'T CODE ANN. Sec. 2101.0115 and in accordance with the instructions for completing the Annual Report of Nonfinancial Data.

The accompanying report has not been audited and is considered to be independent of the agency's Annual Financial Report.

If you have any questions, please contact Jane Bennett at (512) 305-8017.

Sincerely,

A handwritten signature in black ink, appearing to read "Gay Dodson", is written over a faint, larger version of the signature.

Gay Dodson, R.Ph.
Executive Director/Secretary

UNAUDITED

TEXAS STATE BOARD OF PHARMACY (515)
SCHEDULE 1
APPROPRIATION ITEM TRANSFERS *
 For the Fiscal Year Ended August 31, 2011

ITEM OF APPROPRIATION

			<u>Transfers-In</u>	<u>Transfers-Out</u>	<u>Net Transfers</u>
A. Goal: Maintain Standards					
Strategies:					
A.1.1	13005	Licensing	\$ 78,000.00	\$ -	\$ 78,000.00
Total, Goal A: Maintains Standards			<u>\$ 78,000.00</u>	<u>\$ -</u>	<u>\$ 78,000.00</u>
B. Goal: Enforce Regulations					
Strategies:					
B.1.1	13006	Enforcement	\$ -	\$ (78,000.00)	\$ (78,000.00)
B.1.2	13010	Peer Assistance	\$ -	\$ -	\$ -
Total, Goal B: Enforce Regulations			<u>\$ -</u>	<u>\$ (78,000.00)</u>	<u>\$ (78,000.00)</u>
C. Goal: Indirect Administration					
Strategies:					
C.1.1.	13800	Licensing - Indirect Administration	\$ -	\$ (6,699.26)	\$ (6,699.26)
C.1.2.	13800	Enforcement - Indirect Administration	\$ 6,699.26	\$ -	\$ 6,699.26
Total, Goal C: Indirect Administration			<u>\$ 6,699.26</u>	<u>\$ (6,699.26)</u>	<u>\$ -</u>
NET APPROPRIATION ITEM TRANSFERS			<u>\$ 84,699.26</u>	<u>\$ (84,699.26)</u>	<u>\$ -</u>

* This schedule does not include Benefit Replacement Pay transfers or Rider Reduction transfers.

**TEXAS STATE BOARD OF PHARMACY
SCHEDULE 2
HUB Strategic Plan Progress Report
For the Fiscal Year Ended August 31, 2011**

(Source: Texas Government Code, Title 10, Subtitle D, Section 2161.124)

Goal = Strategic Plan HUB Goal Actual = % Spent with HUBs from HUB Report	Actual for FY 10	Actual for FY 11	Goal for FY 12
Heavy Construction other than building contracts	0%		0%
Building Construction, including general contractors & operative builders contracts	0%		0%
Special Trade Construction contracts	0%		0%
Professional Services Contracts	100%	100%	20.0%
Other Services Contracts	11.7%	9.45%	33%
Commodities Contracts	66.7%	29.64%	12.6%

*Constraints in implementing the overall goals are as follows:

Other Services Contracts also include the agency's annual contract for the Peer Assistance Program (services of \$136,719.00). This is another example of a contract significantly influencing the actual percent spent in Other Services Contract. This contract was competitively bid but only one vendor submitted a response and this vendor was not a HUB.

These constraints relate to contracts that are proprietary in nature; therefore, if these expenditures were excluded from the FY2011 HUB Report – Other Services Contracts, the actual percent spent with HUB vendors would equal 20%.

Prepared by: Jane Bennett

Approved: *Jane Bennett*
(Signature Approval)

Printed Name: Jane Bennett

Printed Name: Jane Bennett

Phone Number 512/305-8017

Phone Number 512/305-8017

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TEXAS STATE BOARD OF PHARMACY (515)
SCHEDULE 3
INDIRECT COST SCHEDULE
 For the Fiscal Year Ended August 31, 2011

a. Payroll Related Costs (must reconcile to Exhibit II, Annual Financial Report)

FICA Employer Matching Contribution	275,944.56
Group Health Insurance	426,251.96
Retirement	232,881.45
Unemployment Compensation	0.00

Total Payroll Related Costs 935,077.97

Benefit Replacement Pay (BRP) 16,646.46 16,646.46

b. Indirect Costs (not reported on operating statements)

Bond Debt Service Payments	
TBPC	<u>24,383.00</u>

Total Indirect Costs 24,383.00

c. Indirect Costs - Statewide Cost Allocation Plan

(based on FY 99 data) - Full Cost Method

Comptroller Administration	35,142.00
DIR - Information Resources	295.00
CPA-Fiscal and ITD	20,194.00
CPA-Purchasing & Support	9,126.00
CPA-Rebates	-340.00
TFC Building & Utilities	69,816.00
TFC Facilities Const and Space Mgmt	394.00
Governor Budget & Planning	220.00
State Senate	127.00
House of Representatives	161.00
Legislative Council	121.00
Legislative Budget	872.00
Reference Library	121.00
Sunset Advisory Board	137.00

Total Indirect Costs - Statewide Full Cost Allocation Plan 136,386.00

TOTAL INDIRECT COSTS \$ 1,112,493.43

Test of Compliance with TEX GOVT CODE ANN Section 2101.011 (c) (12).	
Fee Revenue Collected by the Board during AY11 (Fines Included)	8,806,452.00
Appropriated Expenditures (Includes 5%/2.5% Budget Reduction, AY11)	-5,004,136.00
Office of Patient Protection	-141,273.00
Other Direct & Indirect Costs Per H. B. 1, Art. VIII-53, AY11	-951,309.00
Revenue over Expenditures & Other Direct & Indirect Cost	<u>2,709,734.00</u>

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TEXAS STATE BOARD OF PHARMACY (515)
 SCHEDULE 4
 PROFESSIONAL/CONSULTING FEES AND LEGAL SERVICE FEES
 For the Fiscal Year Ended August 31, 2011

Name	Services Rendered	Amount
<u>Professional Fees</u>		
Texas Pharmacy Assoc.	Peer Assistance Program	\$ 136,719.00
Analytical Research Laboratories	Compounding Drug Analysis	12,350.00
Team Information Technology, Corp.	Computer Services	6,660.00
University of Texas at Austin	Educational/Training Services	5,500.00
Lower Colorado River Authority	Educational/Training Services	3,550.00
Diane W. Fulmer, CPA	Accounting Services	2,987.50
Worker's Assistance of Texas	Employee Assistance Program	2,306.88
Vintage Information Technology Svcs.	Computer Programming Services	2,165.00
University of Texas at Austin	Online Survey	750.00
Herbert C. Munden, M.D.	Evaluation of Medical Records	200.00
HEIT	Computer Programming Services	185.00
John Lehman PHD & Associates P.C.	Evaluation of Medical Records	150.00
Total Professional Fees		\$ <u>173,523.38</u>

TEXAS STATE BOARD OF PHARMACY (515)
SCHEDULE 5
SPACE OCCUPIED
 For the Fiscal Year Ended August 31, 2011

The following information is provided for occupation of state owned property for agency headquarters.

<u>Location</u>	<u>Number of square feet rented</u>	<u>Cost per Square Foot</u>	<u>Monthly Cost</u>	<u>Annual Cost</u>
<u>State Owned Building</u>				
William P. Hobby Building Tower III, Suite 600 333 Guadalupe Street Austin, Texas 78701	9,350	N/A	N/A	N/A

Free Space:

None occupied

Leased Space:

None occupied

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TEXAS STATE BOARD OF PHARMACY (515)
SCHEDULE 6
RECYCLED, REMANUFACTURED, AND ENVIRONMENTALLY SENSITIVE PURCHASES
 For the Fiscal Year Ended August 31, 2011

Point of Contact: Darlene Guthrie
 Phone Number: 512-305-8023
 E-Mail Address: darlene.guthrie@tsbp.state.tx.us

E1, E2, or E3	Description	Total Expenditures
Total E1, including 1st Choice	Recycled	\$12,052.52
Total E2, including 1st Choice	Remanufactured	\$3,089.32
Total E3, including 1st Choice	Environmentally Sensitive	\$21,971.04
Total of E1, E2, E3 includes Recycled 1st Choice Targeted Totals		<u>\$37,112.88</u>

FY 2010 1st Choice Targeted Commodities	Expenditures			% Spent on 1st Choice Products 100* [A/(A+B)]
	1st Choice Products (A)	Virgin Counterpart (B)	Total (A+B)	
Motor Oil Lubricants Toilet Paper, Seat Covers, & Paper Towels Printing Paper, Copier Paper, & Computer Paper Business Envelopes Photocopiers	\$1,129.25		\$1,129.25	100%
Total 1st Choice Targeted Commodities		\$0.00	\$1,129.25	100%

Summary of Total Number of Justification Letters	Total Cost	Total Quantity	Total Not Available	Total Other
Motor Oil Lubricants Toilet Paper, Seat Covers, & Paper Towels Printing Paper, Copier Paper, & Computer Paper Business Envelopes Photocopiers				
Total Number(s)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

Non-Delegated expenditures in FY2011 of Recycled, Remanufactured, or Environmentally Sensitive Commodities and services are currently being reviewed based on feedback from agencies. This review will conclude on 12/13/2011 and final non-delegated expenditure numbers will be posted 12/14/2011. The Comptroller's Office is also working to correct the data collection issues for future reports.

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TEXAS STATE BOARD OF PHARMACY (515)
SCHEDULE 7
SCHEDULE OF STATE-OWNED VEHICLES USED BY STATE EMPLOYEES
 For the Fiscal Year Ended August 31, 2011

<u>Make & Model</u>	<u>State Employee Name</u>	<u>Job Title</u>	<u>Assigned Type of Use</u>
Chevrolet Impala	David Meryman	Compliance Officer	Compliance
Chevrolet Impala	Mike Ethridge	Compliance Officer	Compliance
Chevrolet Impala	Iona Grant	Compliance Officer	Compliance
Chevrolet Impala	Chris Schuttler	Compliance Officer	Compliance
Chevrolet Impala	Lisa Stone	Compliance Officer	Compliance
Chevrolet Impala	Darrell Montgomery	Compliance Officer	Compliance
Chevrolet Impala	Adrienne Bauer	Compliance Officer	Compliance
*	* Enforcement Officer	Enforcement Officer	Investigation
*	* Enforcement Officer	Enforcement Officer	Investigation
*	* Enforcement Officer	Enforcement Officer	Investigation
*	* Enforcement Officer	Enforcement Officer	Investigation
*	* Enforcement Officer	Enforcement Officer	Investigation
*	* Enforcement Officer	Enforcement Officer	Investigation
*	* Enforcement Officer	Enforcement Officer	Investigation
*	* Enforcement Officer	Enforcement Officer	Investigation

* Note: Due to the confidential nature of the duties of the Enforcement Officer, the names, make and models are not disclosed.

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TEXAS STATE BOARD OF PHARMACY (515)
SCHEDULE 8
VEHICLES PURCHASES
For the Fiscal Year Ended August 31, 2011

<u>Make & Model</u>	<u>Purchase Price</u>	<u>Assigned Type of Use</u>	<u>Fuel Efficiency mpg</u>
Chevrolet Impala	\$ 17,163.45	Compliance	19/29
Chevrolet Impala	\$ 17,163.45	Investigation	19/29

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**TEXAS STATE BOARD OF PHARMACY (515)
ADDENDUM
ORGANIZATIONAL AND MISCELLANEOUS COMMENTS**

Organization

The Texas State Board of Pharmacy consists of nine members appointed by the Governor with the advice and consent of the Senate, for six-year overlapping terms. They receive no compensation for their services but are reimbursed for necessary expenses incurred in discharging their official duties, not to exceed the amount authorized by the Legislature

Board Members Serving at August 31, 2011 were:

<u>Officers</u>	<u>City</u>	<u>Term Expires</u>
Jeanne D. Waggener, R.Ph., President	Waco, Texas	August 31, 2017
Alice G. Mendoza, R.Ph., Vice-President	Kingsville, Texas	August 31, 2017
Dennis F. Wiesner, R.Ph., Treasurer	Austin, Texas	August 31, 2013
<u>Members</u>		
Buford T. Abeldt, Sr., R.Ph.	Lufkin, Texas	August 31, 2013
W. Benjamin Fry, R.Ph.	San Benito, Texas	August 31, 2015
L. Suzan Kedron	Dallas, Texas	August 31, 2013
Phyllis A. Stine	Abilene, Texas	August 31, 2017
Joyce A. Tipton, R.Ph., MBA	Houston, Texas	August 31, 2015
Charles F. Wetherbee	Boerne, Texas	August 31, 2015