

Legislative Appropriations Requests

For Fiscal Years 2018 and 2019

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

By

Texas State Board of Pharmacy

August 5, 2016

REVISED

Table of Contents

ADMINISTRATOR’S STATEMENT	1
ORGANIZATIONAL CHART.....	15
BUDGET OVERVIEW	17
SUMMARY OF REQUESTS.....	18
STRATEGY REQUEST	37
RIDER REVISIONS AND ADDITIONS.....	62
EXCEPTIONAL ITEM REQUEST	70
CAPITAL BUDGET SCHEDULES	133
SUPPORTING SCHEDULES	
HISTORICALLY UNDERUTILIZED BUSINESS	162
FEDERAL FUNDS SUPPORTING SCHEDULE	163
ESTIMATED REVENUE COLLECTIONS	166
GENERAL REVENUE (GR) & GENERAL REVENUE DEDICATED (GR-D) BASELINE REPORT.....	170
10 PERCENT BIENNIAL BASE REDUCTION OPTIONS SCHEDULE	175
BEHAVIORAL HEALTH FUNDING	178
INDIRECT ADMINISTRATIVE AND SUPPORT COSTS.....	180

In the spring of 2016, the Texas Sunset Commission conducted a review of this agency. The staff report of this review noted the following about the agency: “The Texas State Board of Pharmacy (TSBP) has established itself as a well-run agency capable of effectively responding to new regulatory issues & legislative mandates within its limited resources.” TSBP is very proud of this recognition & as an agency we pride ourselves on being fiscally conservative. However, we must be funded at a level that allows the agency to complete its 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.”

TSBP is a member of the Executive Branch of Texas government & is governed by an 11-member Board who are appointed by the Governor. The current members are:

Jeanne D. Waggener, R.Ph., President
Waco (Term: 8/10/06 - 8/31/17)

Phyllis Stine, Public Member
Abilene (Term: 8/31/11 - 8/31/17)

Christopher M. Dembny, R.Ph., Vice President
Richardson (Term: 9/26/13 – 8/31/17)

Chip Thornsburg, Public Member
San Antonio (Term: 9/1/15 - 8/31/21)

Alice G. Mendoza, R.Ph., Treasurer
Kingsville (Term: 8/10/06 - 8/31/17)

Suzette Tijerina, R.Ph.
Castle Hills (Term: 9/1/15 - 8/31/21)

Buford T. Abeldt, Sr., R.Ph.
Lufkin (Term: 5/9/08 – 8/31/19)

Dennis F. Wiesner, R.Ph.
Austin (Term: 5/9/08 - 8/31/19)

L. Suzan Kedron, Public Member
Dallas (Term: 5/9/08 - 8/31/19)

Jenny Downing Yoakum, R.Ph.
Kilgore (Term: 9/1/15 - 8/31/21)

Bradley A. Miller, Ph.T.R.
Austin (Term: 9/26/13 – 8/31/19)

As you review our exceptional item request, we ask that you consider the two key factors indicated below & recognize the huge impact they have on this agency & on the citizens of Texas.

Increase in Demand for Services:

Licensing - Since 2009, the licensee population of the agency has grown 23.1% (from 84,659 to 104,213) with a 25% increase in the number of pharmacists, a 22% increase in the number of pharmacies & a 24% increase in the number of pharmacy technicians.

Enforcement – This growth in the number of licensees has dramatically affected the enforcement & legal divisions since the number of complaints has increased with the number of licensees. In FY03, the fiscal year prior to the registration of pharmacy technicians, the agency received 1,893 jurisdictional complaints, closed 1,850 jurisdictional complaints & entered 213 disciplinary orders. In FY15, the agency received 5,620 jurisdictional complaints, closed 5,420 jurisdictional complaints & entered 628 disciplinary orders. It has been extremely challenging for the agency to handle this phenomenal growth during the past 12 years: 197% increase in the number of jurisdictional complaints received; 193% increase in the number of jurisdictional complaints closed & 195% increase in the number of disciplinary orders entered.

Diversion of Controlled Substances from Pharmacies: Another key factor that has affected the agency’s ability to serve & protect the public interest is an increase in the diversion of controlled substances from pharmacies. This diversion is fueled by the growing abuse of prescription painkillers & other prescription drugs. In 2016, the President issued a fact sheet that reported “More Americans now die every year from drug overdoses than they do in motor vehicle crashes & the majority of those overdoses involve prescription medications.”

Because pharmacies are a source of the prescription drugs that are so much in demand, we are seeing an increase in the diversion of drugs from pharmacies. The two main ways drugs are diverted from pharmacies are through illegal dispensing & through the theft of drugs from pharmacies by pharmacy personnel.

Illegal Dispensing – “Pill-Mill” pharmacies – these types of pharmacies dispense prescriptions based on invalid prescriptions. Federal & state controlled substance acts specify that for a prescription for a controlled substance to be valid, a practitioner acting in the usual course of professional practice must issue it for a legitimate medical purpose. These laws also place a corresponding responsibility on the pharmacist who dispense these prescriptions. Thus pharmacists who fill invalid prescriptions, as well as doctors who issue the prescriptions, are subject to the penalties for violations of the law relating to controlled substances.

Theft of Drugs from Pharmacies – TSBP receives reports of the theft/loss of controlled substances from Texas pharmacies. A large percentage of these reports involve employee pilferage by technicians. Complaints are opened on the individuals who have purportedly stolen the drugs & a field investigation is initiated. If sufficient evidence is collected, disciplinary action is instituted against the license or registration involved. In FY15 TSBP revoked the licenses/registrations of 87 individuals (11 pharmacists & 76 pharmacy technicians) most for the diversion of controlled substances from pharmacies.

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

4% REDUCTION IMPACT

FTE'S: A 4% cut will result in 3 FTEs being eliminated as follows:

- 1 FTE in licensing. Given a 75% growth in the number of licensees over the past 10 years & associated increase in phone calls & e-mails, a staff reduction would cause a critical slowdown in the renewal & issuance of licenses & a dramatic workload increases for the remaining licensing staff.
- 2 FTEs (1 Field Compliance Officer & 1 Field Inspector). Eliminating two inspector positions will have a devastating impact on the quality & quantity of compliance inspections. These inspections ensure that the public is protected since a myriad of areas are checked (e.g., drug stock, security, practice/operational standards). A strong & active inspection program protects the public by ensuring pharmacies are practicing in compliance with the laws & rules.

Testing of Compounding Products: The impact of a 4% cut will reduce the testing of compounded products by 90%.

Scanning Records: Reductions would increase the amount of paper documents which will require additional storage.

Travel: Eliminating the field FTE's above, would also decrease the staff service travel associated with those positions. These FTE's & their associated travel is necessary for the ongoing inspection of the 7,300 pharmacies located in Texas & investigation of complaints.

Training: Reductions would result in field inspection staff not obtaining the training needed to inspect pharmacies that compound pharmaceuticals. Investigators would not be able to attend training to help them improve their skills & stay current with drug diversion trends.

10% REDUCTION IMPACT

If the TX Leg cuts the TSBP budget by 10%, the agency will be forced to make the following cuts:

- 10 FTE's – including:
 - 2 - Field Compliance Officers
 - 1 - Compliance Inspector
 - 1 - Field Investigator
 - 2 - Licensing Specialists
 - 1 - Accountant
 - 1 - Attorney
 - 1 - Legal Assistant
 - 1 - Administrative Assistant
- 90% of the funding for testing of pharmacy compounded products
- Training & non-service travel
- Imaging of records

The impact of these cuts will result in the following reductions:

1. A reduction in the number of inspection of pharmacies by 800 to 1000 per year;
2. A decrease in the number of field investigations by 50 cases, which include the most serious types of cases, such as drug diversion cases;
3. An increase in the average time to resolve a complaint by 10% -- from 180 days to 200 days;

4. An approximate 30% decrease in the number of disciplinary orders entered per year – from approximately 625 orders to 425 orders;
5. Virtual elimination of the testing program which helps to ensure that sterile compounded preparations do not contain contaminants that could have potentially life-threatening effects on patients;
6. Critical slowdowns & backlog in the issuance/renewal of licenses/registrations;
7. Critical slowdowns & backlog in the processing of requests for public information;
8. Critical slowdown in the processing of agency contracts, expenditure processing, CAPPs implementation.
9. Elimination of electronic storage of complaint files which will result in inefficient storage of paper files & increased storage costs.
10. Elimination of critical education & training.

EXCEP REQUEST # 1 – RESTORE THE 4% BUDGET REDUCTION (\$575,629)

FTE'S: Return the 3 – FTEs being eliminated as follows:

- 1 FTE in licensing. Returning this FTE will avoid a critical slowdown in the renewal & issuance of licenses & a dramatic workload increases for the remaining licensing staff.
- 2 FTEs (1 Field Compliance Officer & 1 Field Inspector). Returning these FTEs will allow staff to conduct critical inspections of pharmacies. Both the SAO & the Sunset Advisory Commission have recommended that TSBP conduct more frequent inspections, & reduce the backlog of pharmacies that have not been recently inspected.
- Testing of Compounding Products: Restoring this funding will allow TSBP to continue randomly sampling & testing compounded products for potency, sterility & fungal contamination in order to protect the public health.
- Scanning of Records: Restoring this funding will allow the agency to scan the agency records & eliminate the risk associated with storage of paper documents.
- Travel: Staff service travel is necessary for the ongoing inspections of 7,300 Texas pharmacies.

- Registration Fees/Training: Training is critical for enforcement staff to help them improve their skills & stay current with drug diversion trends.

EXCEP REQUEST #2 – PRESCRIPTION MONITORING PROGRAM INCREASE (\$1,518,117)

As mentioned earlier, prescription drug misuse, abuse, & diversion continue to have a devastating effect on communities throughout the country. Every day in the United States, 113 people die as a result of drug overdose. A valuable tool that helps in reducing the abuse of controlled substances is a robust state Prescription Monitoring Program (PMP). The PMP is a tool used primarily by medical professionals to enhance patient care when prescribing & dispensing controlled substances. Medical professionals are able to access the controlled-substance prescription histories of their patients, including prescriptions issued to a patient by other medical professionals in Texas & other states. This information supports the best clinical decisions regarding the appropriate treatment for patients & reduces the likelihood of abuse of controlled substances.

The FY14 Interim House Public Health Committee & the Interim Senate Health & Human Services Committee recommended that the Texas PMP program be moved from the Texas Department of Public Safety (DPS) to TSBP. As a result, the 2015 Texas Legislature passed SB 195 that moved the PMP from DPS to TSBP beginning 9/1/16.

We believe that for the safety of the citizens of Texas & to allow prescribers & pharmacists to help reduce the misuse of prescription opioid drugs, the Texas PMP must be fully funded.

Section 554.006 as amended by SB 195 & passed by the Texas Legislature allows each agency that licenses individuals or entities authorized to prescribe or dispense controlled substances under Chapter 481 to access or increase fees to fund the PMP & to transfer these funds to TSBP. However, because this section did not have a separate implementation date from the entire SB 195, the Comptroller of Public Accounts (CPA) determined that the authority to collect & transfer the funds to TSBP cannot begin until 9/1/16.

As a result, TSBP was not allowed to receive any funds authorized in a contingency rider in the FY16 Budget to develop the new PMP. TSBP applied for & received a one-time federal grant in FY16 that allowed it to move forward with implementation of the program & to contract with a vendor to develop & operate the PMP. However, the agency will need to be fully funded in FY18-19 to continue this important program that will assist in controlling the opioid abuse epidemic in Texas.

Therefore, TSBP is requesting a total of \$2,319,030 (\$1,159,515, in each year of the FY18-19 biennium).

EXCEP REQUEST #3 – RE-CLASS & EQUITY (\$188,332)

This item adjusts the salary rate of a number of classified employees to maintain a desirable salary level among agency employees & employees who hold similar positions in the relevant labor market. This exceptional item re-classes some employee positions & awards a one-time equity increase to others (approximately 4%).

We've identified several classes of employees that are still paid at an entry level (basic skills) salary & some classes of employees that are paid a lower rate than their counterparts within the state of Texas, given their experience.

EXCEP REQUEST #4 – TECHNOLOGY (\$228,820)

Information Security – Acquisition of Information Resources Project

TSBP business practices include the collection & review of personal identifying information (PII) & criminal justice information (CJI). By law, the agency must safeguard the information by securing the systems & assets containing & transmitting the data. As found through a security audits performed by the Federal Bureau of Investigation (FBI) in FY16 & a Gartner Security Assessment performed in FY15, TSBP does not currently have the necessary level of network & system security controls in place to assure the security of this data. This funding will bring the agency into compliance by updating our network & system security measures to meet the requirements of securing this data.

Mobile Inspection - Acquisition of Information Resources & PC Replacement Projects

TSBP field inspectors manually document all pharmacy inspections on a paper report form. Currently, the data that is handwritten on the form is then hand keyed into our licensing database system. This funding will allow for the creation of electronic inspection forms & automate the upload of the data to our licensing database, which will reduce data errors & increase efficiency.

Voice-Over Internet Protocol (VOIP) - Acquisition of Information Resources Project

The current TSBP telephone system will reach the end of life in March 2018. At that time, the Department of Information Resources (DIR) will no longer support the current telephone system. The DIR has recommended TSBP replace this system with the VOIP system in the fall of 2017. The TSBP replacement is part of a larger project of the DIR, to replace all 20,000 telephones in the Capital Complex.

EXCEP REQUEST #5 – MERIT SALARY INCREASE (\$410,118)

Although the 84th Texas Legislature provided for a merit increase to TSBP in FY16, this was the only merit increase provided to employees since FY09. In other years, TSBP has been absorbing the cost of merit bonuses to employees; however these bonuses do not increase an employee’s base rate of pay. Our employees are our most valuable resource & the agency cannot afford to have less than the best. Being able to reward high performing employees is crucial to allowing the agency to keep these stellar employees. TSBP employee turnover increased from 5% in FY09 to 11.4% in FY10 & again increased to 12.9% in FY13, dropping to 9.8% in FY15. The majority of departing employees cited “better pay/benefits” as the reason for leaving the agency.

EXCEP REQUEST #6 – VEHICLE REPLACEMENT (\$132,000)

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 22 vehicles & 6 of that number will reach estimated mileages between 119,000 & 164,000 miles in the next biennium & need to be replaced.

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

EXCEP REQUEST #7 – NEW POSITIONS (\$2,032,137)

This fund the following 14 positions:

1. Deputy Executive Director (Pharmacist III)
2. Pharmacist I (Assistant Director of Enforcement)
3. Compliance Officer - Pharmacist I
4. Sr. Inspector VII
5. Sr. Inspector VII
6. Field Investigator IV
7. Program Supervisor III
8. Program Specialist V
9. Administrative Assistant V

10. Administrative Assistant V
11. Investigator IV (Enf Officer)
12. Investigator IV (Enf Officer)
13. Information Technology Security Analyst III
14. Attorney IV

1 - Deputy Executive Director (1 FTE) – due to the increased number of programs that the Texas Legislature has directed TSBP to assume, the agency has grown in size, both in terms of budget & number of employees, not to speak of complexity. Examples of new programs that TSBP has implemented over the past 12 years include: registration of pharmacy technicians & pharmacy technician trainees, sampling of compounded drugs; drug therapy management; tech-check-tech; rural hospital technician inspection of Non-Resident Pharmacies; more frequent inspections of in-state pharmacies that compound sterile preparations; & the PMP. The Executive Director needs assistance to direct & monitor the agency’s numerous programs, the current 99 employees & the regulation of 105,000 entities, (32,000 pharmacists, 3,000 pharmacist-interns, 42,000 pharmacy technicians, and 20,000 pharmacy technician trainees & 8,000 pharmacies). In addition, this position will assist the agency in implementing a succession plan to the Executive Director position.

2 - The agency’s Enforcement Strategy includes the Enforcement Division, the Legal Division & the Division of Professional Services. This Enforcement team is requesting 12 new positions which are desperately needed in the following areas:

(A) Pharmacy Compliance Inspections (6 FTEs) – This area constitutes the greatest need, in that the agency only has 12 inspectors for the entire state.

- Frequency of Inspections (3 FTEs) – the agency is required to inspect pharmacies that compound sterile preparations every two years. Due to these priority inspections, TSBP does not have a sufficient number of staff to conduct inspections, at regular intervals, of pharmacies that do not compound sterile preparations. In 2015, the Office of the State Auditor (SAO) conducted an audit of the agency’s policies & procedures relating to inspections of compounding pharmacies. The SAO noted that 23% of Texas-licensed pharmacies had not had a recent inspection. The SAO recommended that the agency achieve a goal of inspecting more frequently the pharmacies that don’t compound sterile preparations. During the Sunset Advisory Commission’s review of the agency’s operation, the Sunset staff also noted the inspection backlog.

- Support Staff (3 FTEs) – Inspectors issue Warning Notices which give the pharmacies an opportunity to correct the conditions. This process is cost-effective because it achieves voluntary compliance without having to institute an investigation & disciplinary action. Pharmacies are required to respond in writing by a due date to explain how they have corrected the conditions. Over 40% of pharmacies that are inspected receive one or more Warning Notices. In 2013, the Texas Legislature authorized funding to hire an additional 5 inspectors, but this increase was not accompanied with sufficient support staff to handle the increased number of Warning Notices that would be issued, monitored & processed. The agency is requesting 3 additional support staff to handle the processing of inspection reports & Warning Notices to ensure that a pharmacy has corrected the violations found by inspectors. Currently, the agency has only two support staff for 12 inspectors.

(B) Investigations of Complaints (3 FTEs) – For the past five fiscal years, the agency has received approximately 6,000 complaints per year, primarily due to criminal background investigations of pharmacy technicians & pharmacy technician trainees (2,500 complaints/year) & reported thefts/losses of controlled substances (1,000 complaints/year). The in-house investigative staff that handle these two areas have a staggering caseload of approximately 400-800 complaints/investigator/year. Immediate investigation of these types of cases (and subsequent disciplinary action) is essential to prevent additional diversion by these individuals.

- TSBP is continuously faced with regulating “pill mill” pharmacies that dispense controlled substances outside the course of professional practice (e.g., no valid doctor-patient relationship and/or prescriptions not issued for a valid medical purpose). These controlled substances generally end up in the hands of either individuals who are addicted to the drugs or drug dealers who sell the drugs on the street for a large profit. Investigating licensees who are involved in “pill mill” pharmacy operations requires a large amount of resources, both in terms of time (extremely labor-intensive) & money (for undercover buys).

- TSBP will begin operating the PMP on 9/1/16. This program will create additional workload – e.g., inspecting pharmacies that are not filing the required reports with TSBP & investigating pharmacies that are dispensing a large number of prescriptions for controlled substances.

(C) Assistant Director of Enforcement (1 FTE) – With the increase of inspection & investigative staff, there must be an addition of one management position. This position is also needed to absorb the workload that was created when the agency was mandated by the 2013 Legislature to inspect Non-Resident Pharmacies that compound sterile preparations. This program has generated an enormous amount of work, such as: contracting with qualified vendors; conducting training of inspectors; reviewing reports of inspections; reviewing reports of samples of compounded preparations collected during every inspection & following up if the sample fails a potency, sterility, endotoxin or fungal test; working with the pharmacies to correct unsatisfactory conditions noted by inspectors & monitoring reports submitted by vendors & their compliance with the terms of the contracts.

(D) Program Supervisor (1 FTE) – TSBP is requesting this position to supervise the activities of the staff who are tasked with responding to requests for agency records. The agency has experienced over a 50% increase in the past three fiscal years in terms of the number of requests for agency records, from over 1300 requests in FY13 to just under 2000 requests in FY15.

(E) Attorney (1 FTE) – TSBP is requesting one additional attorney to handle the workload & complexity of cases that will result from issues involving the PMP.

3 - Information Technology Security Analyst – In FY15 TSBP underwent a Gartner Security Assessment. This audit recommended several improvements to the agency's Information Technology program including a recommendation that the agency should hire an individual to be responsible for the security of the agency's computer systems.

EXCEP REQUEST #8 – ANNUAL LEAVE PAYOUT (\$162,744)

The board faces the likely retirement of several long-term employees, including top-level management employees, in the coming biennium. This list of retirements include the directors of enforcement & licensing who have been with the agency for over 30-years & have accrued the maximum amount of annual leave allowed by state statute. The retirement of these employees will result in a required lump sum payment for the unused annual leave that has been accrued by these employees.

Lump sum annual leave is generally funded by lapsing the salary of the vacating position. In the case of key positions, such as the Executive Director/Secretary & top level management positions, the agency cannot leave these key positions vacant for the projected 3 months it will take to fund this leave.

EXCEP REQUEST #9 – PRN INCREASE (\$18,684)

A peer assistance program was established in the Texas Pharmacy Act in 1983. The Texas Pharmacy Association (TPA), with the support of TSBP, developed the Professional Recovery Network (PRN) & it 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 program covers pharmacists & eligible pharmacy students for physical, mental & chemical impairments (alcohol & drugs).

The amount requested in this exceptional item is a 5% increase from FY16-17 due to increased overhead costs, as well as an increase in advertising & the Financial & Performance Audit fees.

A total biennial increase in spending authority of \$18,684 in FY18-19 is requested to administer or 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 \$228,740 in FY16 & \$238,585 in FY17. The new appropriation cap for FY18-19 is requested to be \$238,082 in FY18 & \$247,927 in FY19.

EXCEP REQUEST #10 – EXECUTIVE DIRECTOR SALARY INCREASE (\$59,076)

The legislature has placed the salary of the executive director in exempt group 4, which has a minimum salary of \$106,500 & a maximum salary of \$171,688 per year. However, the legislature has specified that the executive director's salary be set at \$130,462 for FY16-17.

The Board is requesting the 2017 Legislature to raise the salary specified in the Appropriations Act to \$160,000 per year. The Board is requesting this increase for two major reasons:

- Increase in responsibility: In 2015 the Texas Legislature transferred the responsibility for operating the PMP from DPS thus adding the responsibility for a major state program to the agency & adding approximately \$1.1 million per year to the agency budget.
- The current executive director has indicated that she will retire at the end of December 2017. The Board has established a plan for hiring a new executive director. The main item that will affect the process of finding a pharmacist to be the executive director of TSBP is the salary paid to this position.

The current salary for the position (\$130,462) is in the lower half of the range of salaries paid to staff pharmacists. (Drug Topics reported that 41.9% of salaries of staff pharmacists in 2016 range from \$126,880 to \$145,600). The Board believes that the Executive Director of the agency should be a person that has managerial experience. Salary.com reports that Pharmacist Managers in Texas make an average of \$141,321 per year & Pharmacy Directors make \$159, 882 per year.

With this additional appropriation, the Board will be able to set the salary of the executive director at a level that is competitive with the salary of other persons in similar positions & one that recognizes the experience of the individual.

EXCEP REQUEST #11 – HOBBY BUILDING MAINTENANCE (\$200,000)

TSBP is greatly concerned for our staff, who we believe are at risk due to the lack of attention to sanitation, safety & security of the Hobby Building. Representatives from the 18 tenant agencies have met to discuss the state of disrepair of the Hobby Building. Overall the Hobby Building agencies are frustrated with the lack of response to work orders, building maintenance, sporadic cleaning & general filth in parking garages & elevators.

TSBP suggest the following rider in order to assist in providing consistent maintenance & repairs at the Hobby Building to provide our employees with a healthier & safer work environment.

“William P. Hobby Building Upkeep. In addition to amount appropriated above, \$100,000 in FY18 & \$100,000 in FY19 are hereby appropriated to the Texas State Board of Pharmacy to assist the Texas Facilities Commission in upkeep of the William P. Hobby Building for safety of the staff & the public.”

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 DPS criminal history background check on all new owners of pharmacy licenses, & an FBI fingerprint check on all individual applicants for new licenses/registrations. In addition, a DPS criminal history check is conducted on a quarterly basis for all individual applicants for renewal of licenses/registrations.

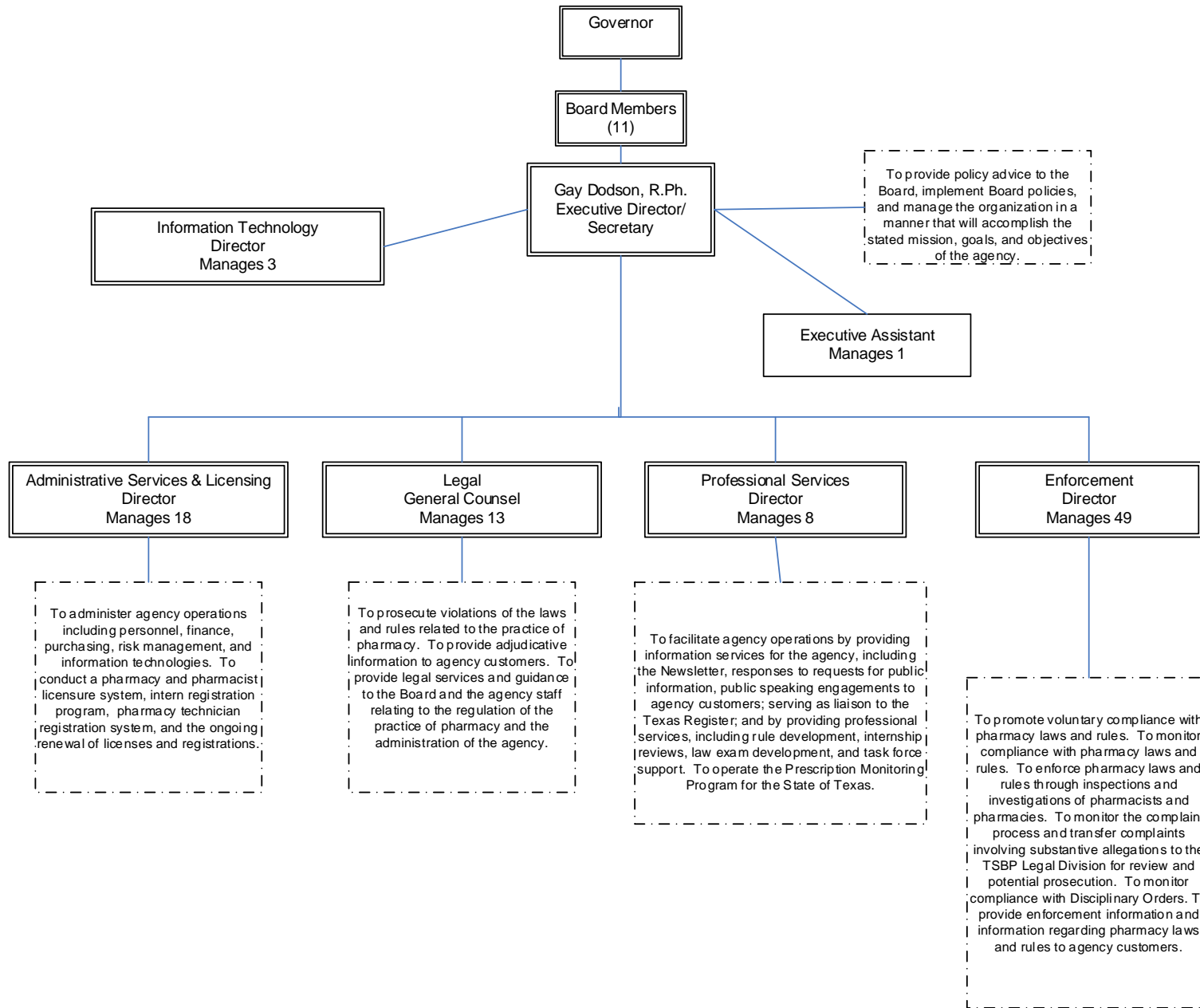
CAPPS -

TSBP transition to this system in August 2016 & we do not estimate any additional support costs at this time. The Comptroller of Public Accounts will fund the transition & deployment costs.

Health Professions Council (HPC)-

TSBP is a member of the HPC & transfers funds through appropriations made to TSBP, through interagency contract to HPC for a prorated share of HPC's operating budget. Refer to the HPC LAR for the funding request for Information Technology improvements & any other increases to the TSBP prorated share shown in Rider Sec 3, Special Provisions Relating to All Regulatory Agencies. TSBP supports the HPC request assuming additional appropriations are made to TSBP for any increases.

Texas State Board of Pharmacy





CERTIFICATE

Agency Name Texas State Board of Pharmacy

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

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Governor's office will be notified in writing in accordance with Article IX, Section 7.01 (2016-17 GAA).

Chief Executive Officer or Presiding Judge

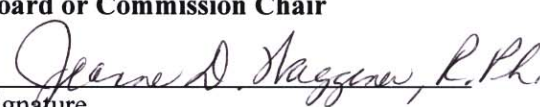

Signature

Gay Dodson, R.Ph.
Printed Name

Executive Director/Secretary
Title

August 5, 2016
Date

Board or Commission Chair


Signature

Jeanne D. Waggener, R.Ph.
Printed Name

President
Title

August 5, 2016
Date

Chief Financial Officer


Signature

Cathy Stella
Printed Name

Director of Administrative Services & Licensing
Title

August 5, 2016
Date

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

515 Board of Pharmacy
Appropriation Years: 2018-19

EXCEPTIONAL
ITEM
FUNDS

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		2018-19	
	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19		
Goal: 1. Establish and Maintain Standards for Pharmacy Education and Practice												
1.1.1. Licensing	2,057,639	1,988,014					578	578	2,058,217	1,988,592	201,491	
1.1.2. Texas.Gov	432,700	432,700							432,700	432,700		
Total, Goal	2,490,339	2,420,714					578	578	2,490,917	2,421,292	201,491	
Goal: 2. Protect Public Health by Enforcing All Laws Relating to Practice												
2.1.1. Enforcement	10,087,019	9,581,015			500,000		27,452	27,452	10,614,471	9,608,467	4,618,319	
2.1.2. Peer Assistance	467,325	467,325							467,325	467,325	18,684	
Total, Goal	10,554,344	10,048,340			500,000		27,452	27,452	11,081,796	10,075,792	4,637,003	
Goal: 3. Indirect Administration												
3.1.1. Licensing - Indirect Administration	270,369	270,369							270,369	270,369	103,159	
3.1.2. Enforcement-Indirect Administration	1,543,002	1,543,002							1,543,002	1,543,002	584,004	
Total, Goal	1,813,371	1,813,371							1,813,371	1,813,371	687,163	
Total, Agency	14,858,054	14,282,425			500,000		28,030	28,030	15,386,084	14,310,455	5,525,657	
Total FTEs									99.0	99.0	17.0	

2.A. Summary of Base Request by Strategy

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

515 Board of Pharmacy

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 Establish and Maintain Standards for Pharmacy Education and Practice					
1 Operate Licensure System to Ensure that Minimal Standards Are Met					
1 LICENSING	974,479	1,000,950	1,057,267	997,732	990,860
2 TEXAS.GOV	234,537	210,500	222,200	210,500	222,200
TOTAL, GOAL 1	\$1,209,016	\$1,211,450	\$1,279,467	\$1,208,232	\$1,213,060
2 Protect Public Health by Enforcing All Laws Relating to Practice					
1 Decrease Violations by Inspections, Education, Resolving Complaints					
1 ENFORCEMENT	4,486,762	5,261,385	5,353,086	4,476,143	5,132,324
2 PEER ASSISTANCE	238,585	228,740	238,585	228,740	238,585
TOTAL, GOAL 2	\$4,725,347	\$5,490,125	\$5,591,671	\$4,704,883	\$5,370,909
3 Indirect Administration					
1 Indirect Administration					
1 LICENSING - INDIRECT ADMINISTRATION	114,934	131,528	138,841	127,778	142,591

2.A. Summary of Base Request by Strategy

8/25/2016 12:07:53PM

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

515 Board of Pharmacy

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
2 ENFORCEMENT-INDIRECT ADMINISTRATION	652,365	746,818	796,184	725,568	817,434
TOTAL, GOAL 3	\$767,299	\$878,346	\$935,025	\$853,346	\$960,025
TOTAL, AGENCY STRATEGY REQUEST	\$6,701,662	\$7,579,921	\$7,806,163	\$6,766,461	\$7,543,994
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$6,701,662	\$7,579,921	\$7,806,163	\$6,766,461	\$7,543,994

2.A. Summary of Base Request by Strategy

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

515 Board of Pharmacy

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	6,683,304	7,065,906	7,792,148	6,752,446	7,529,979
SUBTOTAL	\$6,683,304	\$7,065,906	\$7,792,148	\$6,752,446	\$7,529,979
Federal Funds:					
555 Federal Funds	0	500,000	0	0	0
SUBTOTAL	\$0	\$500,000	\$0	\$0	\$0
Other Funds:					
666 Appropriated Receipts	18,358	14,015	14,015	14,015	14,015
SUBTOTAL	\$18,358	\$14,015	\$14,015	\$14,015	\$14,015
TOTAL, METHOD OF FINANCING	\$6,701,662	\$7,579,921	\$7,806,163	\$6,766,461	\$7,543,994

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

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/25/2016 12:08:26PM

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

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
---------------------	----------	----------	----------	----------	----------

GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2014-15 GAA)

\$6,557,762	\$0	\$0	\$0	\$0
-------------	-----	-----	-----	-----

Regular Appropriations from MOF Table (2016-17 GAA)

\$0	\$6,803,201	\$6,828,329	\$6,752,446	\$7,529,979
-----	-------------	-------------	-------------	-------------

RIDER APPROPRIATION

Art VIII, Rider 3, Controlled Substance Forfeiture Program, UB (2014-2015 GAA)

\$53,757	\$0	\$0	\$0	\$0
----------	-----	-----	-----	-----

Comments: Unexpended Balance

Art VIII, Rider 3, Controlled Substance Forfeiture Program, (2014-15 GAA)

\$70,908	\$0	\$0	\$0	\$0
----------	-----	-----	-----	-----

Comments: New Controlled Substance Revenue Received

Art VIII, Rider 3, Controlled Substance Forfeiture Program, UB(2016-17 GAA)

\$(111,499)	\$111,499	\$0	\$0	\$0
-------------	-----------	-----	-----	-----

Comments: Unexpended Balance

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/25/2016 12:08:26PM

Agency code: 515	Agency name: Board of Pharmacy				
METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE</u>					
Art IX, Sec. 14.05 - Unexpended Balance Authority Between Fiscal Years with the same Biennium (\$193,814	\$0	\$0	\$0	\$0
Comments: Unexpended Balance					
Art IX, Sec. 18.41, Contingency for SB 500 (2014-15 GAA)	\$12,320	\$0	\$0	\$0	\$0
Art IX, Sec. 18.43, Contingency for SB 1100 (2014-15 GAA)	\$147,517	\$0	\$0	\$0	\$0
Art IX, Sec 9.05, Texas.gov Project: Occupational Licenses (2014-15 GAA)	\$61,074	\$0	\$0	\$0	\$0
Art IX, Sec 18.55, Contingency for SB 195 (2016-17 GAA)	\$0	\$0	\$800,913	\$0	\$0
Art IX, Sec 9.05, Texas.gov Project: Occupational Licenses (2016-17 GAA)	\$0	\$37,037	\$48,737	\$0	\$0

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/25/2016 12:08:26PM

Agency code: 515	Agency name: Board of Pharmacy				
METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE</u>					
<i>TRANSFERS</i>					
Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)	\$166,588	\$0	\$0	\$0	\$0
Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17)	\$0	\$114,169	\$114,169	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Art VIII, Rider 5, Contingent Revenue: Work Space Response (2014-15 GAA)	\$(400,000)	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2014-15 GAA)	\$(68,937)	\$0	\$0	\$0	\$0
TOTAL, General Revenue Fund	\$6,683,304	\$7,065,906	\$7,792,148	\$6,752,446	\$7,529,979
TOTAL, ALL GENERAL REVENUE	\$6,683,304	\$7,065,906	\$7,792,148	\$6,752,446	\$7,529,979

FEDERAL FUNDS

555 Federal Funds

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/25/2016 12:08:26PM

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

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>FEDERAL FUNDS</u>					
<i>RIDER APPROPRIATION</i>					
Art IX, Sec 13.01 Federal Funds/Block Grant 2016-17 GAA)					
	\$0	\$500,000	\$0	\$0	\$0
Comments: Prescription Drug Monitoring Program Implementation and Enhancement					
TOTAL, Federal Funds	\$0	\$500,000	\$0	\$0	\$0
TOTAL, ALL FEDERAL FUNDS	\$0	\$500,000	\$0	\$0	\$0

OTHER FUNDS

666 Appropriated Receipts

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2014-15 GAA)

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

Regular Appropriations from MOF Table (2016-17 GAA)

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

RIDER APPROPRIATION

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/25/2016 12:08:26PM

Agency code: 515	Agency name: Board of Pharmacy				
METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>OTHER FUNDS</u>					
Art IX, Sec 8.04, Surplus Property (2014-15 GAA)	\$4,343	\$0	\$0	\$0	\$0
Art VIII, Rider 3, Controlled Substance Forfeiture Program (2014-15 GAA)	\$14	\$0	\$0	\$0	\$0
Art IX, Sec 8.03, Reimbursements and Payments (2014-15 GAA)	\$6,110	\$0	\$0	\$0	\$0
Art IX, Sec 12.02, Publications or Sales of Records (2014-15 GAA)	\$161	\$0	\$0	\$0	\$0
Art VIII, Rider 3, Controlled Substance Forfeiture Program (2016-17 GAA)	\$0	\$14	\$14	\$14	\$14
Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)	\$0	\$6,110	\$6,110	\$6,110	\$6,110
Art IX, Sec 12.02, Publications or Sales of Records (2016-17 GAA)	\$0	\$161	\$161	\$161	\$161

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/25/2016 12:08:26PM

Agency code: 515		Agency name: Board of Pharmacy				
METHOD OF FINANCING		Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>OTHER FUNDS</u>						
TOTAL,	Appropriated Receipts	\$18,358	\$14,015	\$14,015	\$14,015	\$14,015
TOTAL, ALL	OTHER FUNDS	\$18,358	\$14,015	\$14,015	\$14,015	\$14,015
GRAND TOTAL		\$6,701,662	\$7,579,921	\$7,806,163	\$6,766,461	\$7,543,994
FULL-TIME-EQUIVALENT POSITIONS						
REGULAR APPROPRIATIONS						
	Regular Appropriations from MOF Table (2014-15 GAA)	90.0	0.0	0.0	0.0	0.0
	Regular Appropriations from MOF Table (2016-17 GAA)	0.0	92.0	92.0	92.0	92.0
RIDER APPROPRIATION						
	Art IX, Sec. 18.43, Contingency for SB 11000 (2014-15 GAA)	2.0	0.0	0.0	0.0	0.0
	Art IX, Sec 18.55, Contingency for SB 195 (2016-17 GAA)	0.0	0.0	7.0	7.0	7.0
LAPSED APPROPRIATIONS						
	Regular Appropriations from MOF Table (2014-15 GAA)	(3.7)	0.0	0.0	0.0	0.0
TOTAL, ADJUSTED FTES		88.3	92.0	99.0	99.0	99.0

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

8/25/2016 12:08:26PM

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **515**

Agency name: **Board of Pharmacy**

METHOD OF FINANCING

Exp 2015

Est 2016

Bud 2017

Req 2018

Req 2019

**NUMBER OF 100% FEDERALLY
FUNDED FTEs**

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

8/25/2016 12:08:50PM

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

515 Board of Pharmacy

OBJECT OF EXPENSE	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1001 SALARIES AND WAGES	\$4,655,711	\$5,159,435	\$5,471,670	\$4,951,935	\$5,303,855
1002 OTHER PERSONNEL COSTS	\$132,049	\$143,429	\$167,222	\$147,188	\$156,184
2001 PROFESSIONAL FEES AND SERVICES	\$295,269	\$797,241	\$712,526	\$222,545	\$622,526
2002 FUELS AND LUBRICANTS	\$33,139	\$39,000	\$39,000	\$39,000	\$39,000
2003 CONSUMABLE SUPPLIES	\$43,314	\$43,796	\$46,772	\$43,796	\$46,772
2004 UTILITIES	\$16,289	\$18,561	\$19,103	\$18,561	\$19,103
2005 TRAVEL	\$164,624	\$176,225	\$188,716	\$176,716	\$176,716
2006 RENT - BUILDING	\$6,218	\$6,141	\$6,141	\$6,141	\$6,141
2007 RENT - MACHINE AND OTHER	\$9,873	\$9,612	\$12,380	\$12,380	\$12,380
2009 OTHER OPERATING EXPENSE	\$1,251,663	\$1,087,042	\$1,035,805	\$1,048,760	\$1,054,489
5000 CAPITAL EXPENDITURES	\$93,513	\$99,439	\$106,828	\$99,439	\$106,828
OOE Total (Excluding Riders)	\$6,701,662	\$7,579,921	\$7,806,163	\$6,766,461	\$7,543,994
OOE Total (Riders)					
Grand Total	\$6,701,662	\$7,579,921	\$7,806,163	\$6,766,461	\$7,543,994

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

8/25/2016 12:09:11PM

515 Board of Pharmacy

Goal/ Objective / Outcome	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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					
	96.40%	95.00%	95.00%	95.00%	95.00%
KEY 2 Percent of Licensees Who Renew Online					
	95.90%	96.00%	96.00%	96.00%	96.00%
3 Percent of New Individual Licenses Issued Online					
	95.85	96.00	96.00	96.00	96.00
2 Protect Public Health by Enforcing All Laws Relating to Practice 1 Decrease Violations by Inspections, Education, Resolving Complaints					
KEY 1 Percent of Complaints Resulting in Disciplinary Action					
	11.38%	11.00%	11.00%	10.00%	10.00%
2 Recidivism Rate of Those Receiving Disciplinary Action					
	6.50	4.00	4.00	7.00	7.00
3 Percent of Documented Complaints Resolved within Six Months					
	71.18%	65.00%	65.00%	65.00%	65.00%
4 Recidivism Rate for Peer Assistance Programs					
	28.89%	20.00%	20.00%	30.00%	30.00%
5 One-year Completion Rate for Peer Assistance Programs					
	80.49%	85.00%	85.00%	80.00%	80.00%

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

DATE: 8/25/2016
 TIME : 12:09:36PM

Agency code: 515

Agency name: Board of Pharmacy

Priority	Item	2018			2019			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	RESTORE BASELINE REDUCTION	\$287,814	\$287,814	3.0	\$287,815	\$287,815	3.0	\$575,629	\$575,629
2	PRESCRIPTION MONITORING PROG.	\$1,159,515	\$1,159,515		\$358,602	\$358,602		\$1,518,117	\$1,518,117
3	RECLASS & EQUITY ADJUSTMENT	\$94,166	\$94,166		\$94,166	\$94,166		\$188,332	\$188,332
4	TECHNOLOGY	\$96,000	\$96,000		\$132,820	\$132,820		\$228,820	\$228,820
5	MERIT INCREASE	\$135,554	\$135,554		\$274,564	\$274,564		\$410,118	\$410,118
6	TRANSPORTATION ITEMS	\$66,000	\$66,000		\$66,000	\$66,000		\$132,000	\$132,000
7	NEW POSITIONS	\$1,082,850	\$1,082,850	14.0	\$949,287	\$949,287	14.0	\$2,032,137	\$2,032,137
8	ANNUAL LEAVE PAYOUT	\$162,744	\$162,744		\$0	\$0		\$162,744	\$162,744
9	PEER ASSISTANCE PROGRAM	\$9,342	\$9,342		\$9,342	\$9,342		\$18,684	\$18,684
10	EXECUTIVE DIRECTOR SALARY INC	\$29,538	\$29,538		\$29,538	\$29,538		\$59,076	\$59,076
11	HOBBY BUILDING MAINTENANCE	\$100,000	\$100,000		\$100,000	\$100,000		\$200,000	\$200,000
Total, Exceptional Items Request		\$3,223,523	\$3,223,523	17.0	\$2,302,134	\$2,302,134	17.0	\$5,525,657	\$5,525,657

Method of Financing

General Revenue	\$3,223,523	\$3,223,523		\$2,302,134	\$2,302,134		\$5,525,657	\$5,525,657
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	\$3,223,523	\$3,223,523		\$2,302,134	\$2,302,134		\$5,525,657	\$5,525,657

Full Time Equivalent Positions

17.0

17.0

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

DATE: 8/25/2016
 TIME : 12:09:36PM

Agency code: 515

Agency name: Board of Pharmacy

Priority	Item	2018			2019			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/25/2016

TIME : 12:09:57PM

Agency code: 515 Agency name: Board of Pharmacy

Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
1 Establish and Maintain Standards for Pharmacy Education and Practice						
<i>1 Operate Licensure System to Ensure that Minimal Standards Are Met</i>						
1 LICENSING	\$997,732	\$990,860	\$99,009	\$102,482	\$1,096,741	\$1,093,342
2 TEXAS.GOV	210,500	222,200	0	0	210,500	222,200
TOTAL, GOAL 1	\$1,208,232	\$1,213,060	\$99,009	\$102,482	\$1,307,241	\$1,315,542
2 Protect Public Health by Enforcing All Laws Relating to Practice						
<i>1 Decrease Violations by Inspections, Education, Resolving Complaint</i>						
1 ENFORCEMENT	4,476,143	5,132,324	2,719,186	1,899,133	7,195,329	7,031,457
2 PEER ASSISTANCE	228,740	238,585	9,342	9,342	238,082	247,927
TOTAL, GOAL 2	\$4,704,883	\$5,370,909	\$2,728,528	\$1,908,475	\$7,433,411	\$7,279,384

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/25/2016

TIME : 12:09:57PM

Agency code: 515 Agency name: Board of Pharmacy

Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
3 Indirect Administration						
1 Indirect Administration						
1 LICENSING - INDIRECT ADMINISTRATION	\$127,778	\$142,591	\$59,438	\$43,721	\$187,216	\$186,312
2 ENFORCEMENT-INDIRECT ADMINISTRATION	725,568	817,434	336,548	247,456	1,062,116	1,064,890
TOTAL, GOAL 3	\$853,346	\$960,025	\$395,986	\$291,177	\$1,249,332	\$1,251,202
TOTAL, AGENCY STRATEGY REQUEST	\$6,766,461	\$7,543,994	\$3,223,523	\$2,302,134	\$9,989,984	\$9,846,128
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$6,766,461	\$7,543,994	\$3,223,523	\$2,302,134	\$9,989,984	\$9,846,128

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/25/2016

TIME : 12:09:57PM

Agency code: 515 Agency name: Board of Pharmacy

Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
General Revenue Funds:						
1 General Revenue Fund	\$6,752,446	\$7,529,979	\$3,223,523	\$2,302,134	\$9,975,969	\$9,832,113
	\$6,752,446	\$7,529,979	\$3,223,523	\$2,302,134	\$9,975,969	\$9,832,113
Federal Funds:						
555 Federal Funds	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0
Other Funds:						
666 Appropriated Receipts	14,015	14,015	0	0	14,015	14,015
	\$14,015	\$14,015	\$0	\$0	\$14,015	\$14,015
TOTAL, METHOD OF FINANCING	\$6,766,461	\$7,543,994	\$3,223,523	\$2,302,134	\$9,989,984	\$9,846,128
FULL TIME EQUIVALENT POSITIONS	99.0	99.0	17.0	17.0	116.0	116.0

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

Date : 8/25/2016
 Time: 12:10:19PM

Agency code: 515

Agency name: Board of Pharmacy

Goal/ Objective / Outcome

		BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
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%	95.00%	95.00%
KEY	2 Percent of Licensees Who Renew Online						
		96.00%	96.00%	96.00%	96.00%	96.00%	96.00%
	3 Percent of New Individual Licenses Issued Online						
		96.00	96.00	96.00	96.00	96.00	96.00
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						
		10.00%	10.00%	11.00%	11.00%	11.00%	11.00%
	2 Recidivism Rate of Those Receiving Disciplinary Action						
		7.00	7.00	6.00	6.00	6.00	6.00
	3 Percent of Documented Complaints Resolved within Six Months						
		65.00%	65.00%	68.00%	68.00%	68.00%	68.00%
	4 Recidivism Rate for Peer Assistance Programs						
		30.00%	30.00%			30.00%	30.00%

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

Date : 8/25/2016
 Time: 12:10:19PM

Agency code: 515

Agency name: Board of Pharmacy

Goal/ Objective / Outcome

	BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
5 One-year Completion Rate for Peer Assistance Programs						
	80.00%	80.00%			80.00%	80.00%

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
KEY 1	Number of New Licenses Issued to Individuals	1,734.00	1,800.00	1,800.00	1,800.00	1,800.00
KEY 2	Number of Licenses Renewed (Individuals)	16,131.00	15,625.00	16,400.00	15,700.00	16,650.00
	3 Number of New Registrations Issued to Individuals	15,525.00	16,000.00	16,000.00	16,000.00	16,000.00
	4 Number of Registrations Renewed (Individuals)	16,092.00	16,900.00	17,000.00	17,550.00	17,770.00
Explanatory/Input Measures:						
	1 Total Number of Individuals Licensed	31,807.00	32,700.00	33,618.00	34,562.00	35,500.00
KEY 2	Total Number of Business Facilities Licensed	7,914.00	8,000.00	8,100.00	8,200.00	8,300.00
	3 Total Number of Individuals Registered	60,767.00	62,000.00	64,000.00	66,000.00	67,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$525,382	\$565,448	\$565,448	\$530,916	\$530,355
1002	OTHER PERSONNEL COSTS	\$15,511	\$17,289	\$18,341	\$16,664	\$17,084
2001	PROFESSIONAL FEES AND SERVICES	\$6,755	\$1,700	\$20,222	\$17,004	\$20,222
2003	CONSUMABLE SUPPLIES	\$6,374	\$6,504	\$6,504	\$6,504	\$6,504
2004	UTILITIES	\$814	\$814	\$814	\$814	\$814
2005	TRAVEL	\$2,971	\$2,112	\$2,112	\$2,112	\$2,112
2006	RENT - BUILDING	\$790	\$1,791	\$1,791	\$1,791	\$1,791
2007	RENT - MACHINE AND OTHER	\$3,906	\$3,906	\$3,906	\$3,906	\$3,906

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
2009	OTHER OPERATING EXPENSE	\$410,919	\$394,884	\$433,677	\$406,834	\$394,981
5000	CAPITAL EXPENDITURES	\$1,057	\$6,502	\$4,452	\$11,187	\$13,091
TOTAL, OBJECT OF EXPENSE		\$974,479	\$1,000,950	\$1,057,267	\$997,732	\$990,860
Method of Financing:						
1	General Revenue Fund	\$974,479	\$1,000,661	\$1,056,978	\$997,443	\$990,571
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$974,479	\$1,000,661	\$1,056,978	\$997,443	\$990,571
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)					\$997,732	\$990,860
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$974,479	\$1,000,950	\$1,057,267	\$997,732	\$990,860
FULL TIME EQUIVALENT POSITIONS:		11.6	11.6	11.8	11.8	11.8
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

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

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

Key services include:

Issuing:

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

Renewing:

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

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Pharmacist Licenses

The licensee population continues to grow resulting in increased workload in licensing functions including telephone calls & correspondence. Since 2009, there has been a 25% increase in the number of pharmacists.

Pharmacy Licenses

Since FY2009, the number of pharmacies has increased by 21%. In addition, the complexity of regulating pharmacies has grown. The agency licensed 4 different Classes of Pharmacy during FY1988-1991, increasing to 5 Classes of Pharmacy in FY1991. New legislation in FY2003 resulted in the addition of 6 additional classes of pharmacy from 2003 – 2013. At present, the agency licenses a total of 11 Classes of Pharmacy, both in & out-of-state. As ways of providing pharmacy services continue to evolve, the number of & classes of pharmacies will also increase.

Pharmacy Technician Registration

The addition of the registration of pharmacy technicians & trainees in 1999 & 2005, has more than doubled the number of entities licensed by TSBP. At the end of FY2005, the total agency licensee population was 56,236 – at the end of FY2015, this number increased 85.32% to 104,213 (31,807 pharmacists, 3725 pharmacist interns, 7914 pharmacies, & 60,767 pharmacy technicians & trainees). The additional 60,767 pharmacy technicians & trainees have had a dramatic effect on the agency’s operations & the number of technicians is expected to continue growing since the Bureau of Labor Statistics expects employment of pharmacy technicians to increase faster than the average for all occupations.

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$2,058,217	\$1,988,592	\$(69,625)	\$(69,625)	Reduces 1 FTE in Licensing Strategy due to budget reduction
			\$(69,625)	Total of Explanation of Biennial Change

515 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 Texas.gov. Estimated and Nontransferable

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$234,537	\$210,500	\$222,200	\$210,500	\$222,200
TOTAL, OBJECT OF EXPENSE		\$234,537	\$210,500	\$222,200	\$210,500	\$222,200
Method of Financing:						
1	General Revenue Fund	\$234,537	\$210,500	\$222,200	\$210,500	\$222,200
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$234,537	\$210,500	\$222,200	\$210,500	\$222,200
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$210,500	\$222,200
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$234,537	\$210,500	\$222,200	\$210,500	\$222,200
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

515 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 Service Categories:
 STRATEGY: 2 Texas.gov. Estimated and Nontransferable Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

Sec 4, Article VIII of the GAA states that each Article VIII licensing agency participating in the Texas.Gov 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 Texas.Gov are hereby appropriated the additional revenue generated from occupational license, permit or registration fees in excess of the Comptroller's biennial revenue estimate 2016-17 for the sole purpose of payment to the Texas.Gov contractor of subscription fees for implementing and maintaining electronic services for licensing agencies."

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The process for collection and payment of the subscription fees to the Texas.Gov 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.Gov 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.Gov.

515 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 Texas.gov. Estimated and Nontransferable

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$432,700	\$432,700	\$0	\$0	Texas.gov appropriation & revenue is estimated each year.
			\$0	Total of Explanation of Biennial Change

515 Board of Pharmacy

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
	1 Number of Inspections	2,993.00	2,800.00	2,800.00	2,200.00	2,200.00
KEY 2	Number of Jurisdictional Complaints Resolved	5,922.00	5,420.00	5,420.00	5,360.00	5,360.00
Efficiency Measures:						
KEY 1	Average Resolution Time for Resolving Jurisdictional Complaints	170.00	180.00	180.00	195.00	195.00
Explanatory/Input Measures:						
KEY 1	Number of Jurisdictional Complaints Received	5,894.00	5,620.00	5,620.00	5,620.00	5,620.00
	2 Number of Queries Received by Prescription Monitoring Program	0.00	0.00	1,000,000.00	0.00	0.00
	3 Number of Controlled Substances Prescriptions Submitted to PMP System	0.00	0.00	3,200,000.00	0.00	0.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,440,137	\$3,819,732	\$4,045,657	\$3,678,873	\$3,912,935
1002	OTHER PERSONNEL COSTS	\$96,130	\$97,480	\$117,262	\$99,344	\$107,195
2001	PROFESSIONAL FEES AND SERVICES	\$99,387	\$604,075	\$497,591	\$14,075	\$407,591
2002	FUELS AND LUBRICANTS	\$33,139	\$39,000	\$39,000	\$39,000	\$39,000
2003	CONSUMABLE SUPPLIES	\$32,244	\$32,561	\$34,971	\$32,561	\$34,971

515 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

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
2004	UTILITIES	\$14,957	\$17,229	\$17,771	\$17,229	\$17,771
2005	TRAVEL	\$122,489	\$134,949	\$147,440	\$135,440	\$135,440
2006	RENT - BUILDING	\$3,867	\$2,930	\$2,930	\$2,930	\$2,930
2007	RENT - MACHINE AND OTHER	\$5,398	\$5,137	\$7,905	\$7,905	\$7,905
2009	OTHER OPERATING EXPENSE	\$547,614	\$442,288	\$353,344	\$364,034	\$375,549
5000	CAPITAL EXPENDITURES	\$91,400	\$66,004	\$89,215	\$84,752	\$91,037
TOTAL, OBJECT OF EXPENSE		\$4,486,762	\$5,261,385	\$5,353,086	\$4,476,143	\$5,132,324
Method of Financing:						
1	General Revenue Fund	\$4,468,404	\$4,747,659	\$5,339,360	\$4,462,417	\$5,118,598
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,468,404	\$4,747,659	\$5,339,360	\$4,462,417	\$5,118,598
Method of Financing:						
555	Federal Funds					
	16.754.001 Implementation & Enhancement PDMP	\$0	\$500,000	\$0	\$0	\$0
CFDA Subtotal, Fund	555	\$0	\$500,000	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$0	\$500,000	\$0	\$0	\$0

Method of Financing:

515 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

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
666	Appropriated Receipts	\$18,358	\$13,726	\$13,726	\$13,726	\$13,726
SUBTOTAL, MOF (OTHER FUNDS)		\$18,358	\$13,726	\$13,726	\$13,726	\$13,726
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$4,476,143	\$5,132,324
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,486,762	\$5,261,385	\$5,353,086	\$4,476,143	\$5,132,324
FULL TIME EQUIVALENT POSITIONS:		63.2	66.3	71.3	71.3	71.3

STRATEGY DESCRIPTION AND JUSTIFICATION:

515 Board of Pharmacy

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

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

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; & operating the TX Prescription Monitoring Program.

02 01 01 contributes to the statewide 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. The safety of Texans would be at risk due to the unregulated distribution of prescription drugs.

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

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

515 Board of Pharmacy

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

TSBP is continuously faced with regulating "pill mill" pharmacies that dispense controlled substances outside the course of professional practice (e.g., no valid doctor-patient relationship &/or prescriptions not issued for a valid medical purpose). These controlled substances generally end up in the hands of either individuals who are addicted to the drugs or drug dealers who sell the drugs "on the street" for a large profit. According to the CDC, deaths from drug overdose is the leading cause of injury death in the U.S. Investigating & disciplining licensees (who are involved in "pill mill" pharmacy operations) require a large amount of resources, both in terms of time (extremely labor-intensive) & money (for undercover buys). On 9/1/16, TSBP will assume the responsibility of the TX Prescription Monitoring Program, which will be a valuable tool to help in reducing prescription drug abuse.

TSBP continues to receive a large number of reports involving the theft/loss of controlled substances, generally involving employee pilferage by pharmacy technicians & technician trainees. In addition, TSBP continues to receive a large number of applications for licenses & registrations which require a criminal background investigation to be conducted; complaints are opened on the applicants who have a criminal history record, primarily pharmacy technicians & trainees; this contributes to the large number of complaints the agency handles each year (approx 6,000 complaints/year).

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$10,614,471	\$9,608,467	\$(1,006,004)	\$(1,006,004)	Federal Grant of \$500,000 awarded for FY16-17 biennium. Also 4% budget which resulted in the elimination of 3 FTEs and other reductions as shown in Exceptional Item #1 Restore Cuts
			\$(1,006,004)	Total of Explanation of Biennial Change

515 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

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
KEY 1	Number of Individuals Participating in a Peer Assistance Program	160.00	180.00	180.00	160.00	160.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$52,325	\$42,480	\$52,325	\$42,480	\$52,325
2001	PROFESSIONAL FEES AND SERVICES	\$186,260	\$186,260	\$186,260	\$186,260	\$186,260
TOTAL, OBJECT OF EXPENSE		\$238,585	\$228,740	\$238,585	\$228,740	\$238,585
Method of Financing:						
1	General Revenue Fund	\$238,585	\$228,740	\$238,585	\$228,740	\$238,585
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$238,585	\$228,740	\$238,585	\$228,740	\$238,585
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$228,740	\$238,585
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$238,585	\$228,740	\$238,585	\$228,740	\$238,585
FULL TIME EQUIVALENT POSITIONS:		2.0	2.0	2.0	2.0	2.0

515 Board of Pharmacy

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

STRATEGY DESCRIPTION AND JUSTIFICATION:

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:

515 Board of Pharmacy

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

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 Disciplinary Order could result in as many as 12 different reports being submitted to TSBP by each licensee 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.

515 Board of Pharmacy

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL CHANGE	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$467,325	\$467,325	\$0	\$0	There is no biennial change.
			<u>\$0</u>	Total of Explanation of Biennial Change

515 Board of Pharmacy

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

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$95,675	\$109,766	\$120,264	\$104,950	\$120,264
1002	OTHER PERSONNEL COSTS	\$2,949	\$4,161	\$4,625	\$4,539	\$5,200
2001	PROFESSIONAL FEES AND SERVICES	\$430	\$781	\$1,239	\$781	\$1,239
2003	CONSUMABLE SUPPLIES	\$704	\$710	\$794	\$710	\$794
2004	UTILITIES	\$78	\$78	\$78	\$78	\$78
2005	TRAVEL	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875
2006	RENT - BUILDING	\$234	\$213	\$213	\$213	\$213
2007	RENT - MACHINE AND OTHER	\$85	\$85	\$85	\$85	\$85
2009	OTHER OPERATING EXPENSE	\$8,746	\$5,820	\$3,695	\$10,022	\$8,438
5000	CAPITAL EXPENDITURES	\$158	\$4,039	\$1,973	\$525	\$405
TOTAL, OBJECT OF EXPENSE		\$114,934	\$131,528	\$138,841	\$127,778	\$142,591
Method of Financing:						
1	General Revenue Fund	\$114,934	\$131,528	\$138,841	\$127,778	\$142,591
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$114,934	\$131,528	\$138,841	\$127,778	\$142,591

515 Board of Pharmacy

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

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019	
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)						\$127,778	\$142,591
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$114,934	\$131,528	\$138,841	\$127,778	\$142,591	
FULL TIME EQUIVALENT POSITIONS:		1.7	1.8	2.1	2.1	2.1	

STRATEGY DESCRIPTION AND JUSTIFICATION:

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:

515 Board of Pharmacy

GOAL: 3 Indirect Administration
 OBJECTIVE: 1 Indirect Administration Service Categories:
 STRATEGY: 1 Licensing - Indirect Administration Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

In order for the Board to continue to protect the citizens of Texas, it must be adequately funded & staffed. One key factor that continues to affect the ability of the agency to serve and protect the public interest is the increased demand for agency services in every area of its operation. Dramatic increases in the demand for licensing, enforcement, and information services are well-documented throughout the Strategic Plan and in the agency's budget requests. This continued increase in demand for services, together with the increase in the complex nature of modern health and pharmaceutical care, continues to tax the agency's ability to respond to future challenges.

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$270,369	\$270,369	\$0	\$0	There is no biennial change.
			\$0	Total of Explanation of Biennial Change

515 Board of Pharmacy

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

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$542,192	\$622,009	\$687,976	\$594,716	\$687,976
1002	OTHER PERSONNEL COSTS	\$17,459	\$24,499	\$26,994	\$26,641	\$26,705
2001	PROFESSIONAL FEES AND SERVICES	\$2,437	\$4,425	\$7,214	\$4,425	\$7,214
2003	CONSUMABLE SUPPLIES	\$3,992	\$4,021	\$4,503	\$4,021	\$4,503
2004	UTILITIES	\$440	\$440	\$440	\$440	\$440
2005	TRAVEL	\$33,289	\$33,289	\$33,289	\$33,289	\$33,289
2006	RENT - BUILDING	\$1,327	\$1,207	\$1,207	\$1,207	\$1,207
2007	RENT - MACHINE AND OTHER	\$484	\$484	\$484	\$484	\$484
2009	OTHER OPERATING EXPENSE	\$49,847	\$33,550	\$22,889	\$57,370	\$53,321
5000	CAPITAL EXPENDITURES	\$898	\$22,894	\$11,188	\$2,975	\$2,295
TOTAL, OBJECT OF EXPENSE		\$652,365	\$746,818	\$796,184	\$725,568	\$817,434
Method of Financing:						
1	General Revenue Fund	\$652,365	\$746,818	\$796,184	\$725,568	\$817,434
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$652,365	\$746,818	\$796,184	\$725,568	\$817,434

515 Board of Pharmacy

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

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$725,568	\$817,434
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$652,365	\$746,818	\$796,184	\$725,568	\$817,434
FULL TIME EQUIVALENT POSITIONS:		9.8	10.3	11.8	11.8	11.8

STRATEGY DESCRIPTION AND JUSTIFICATION:

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:

515 Board of Pharmacy

GOAL: 3 Indirect Administration
 OBJECTIVE: 1 Indirect Administration Service Categories:
 STRATEGY: 2 Enforcement-Indirect Administration Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
------	-------------	----------	----------	----------	---------	---------

In order for the Board to continue to protect the citizens of Texas, it must be adequately funded & staffed. One key factor that continues to affect the ability of the agency to serve and protect the public interest is the increased demand for agency services in every area of its operation. Dramatic increases in the demand for licensing, enforcement, and information services are well-documented throughout the Strategic Plan and in the agency's budget requests. This continued increase in demand for services, together with the increase in the complex nature of modern health and pharmaceutical care, continues to tax the agency's ability to respond to future challenges.

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$1,543,002	\$1,543,002	\$0	\$0	There is no biennial change.
			\$0	Total of Explanation of Biennial Change

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$6,701,662	\$7,579,921	\$7,806,163	\$6,766,461	\$7,543,994
METHODS OF FINANCE (INCLUDING RIDERS):				\$6,766,461	\$7,543,994
METHODS OF FINANCE (EXCLUDING RIDERS):	\$6,701,662	\$7,579,921	\$7,806,163	\$6,766,461	\$7,543,994
FULL TIME EQUIVALENT POSITIONS:	88.3	92.0	99.0	99.0	99.0

Agency Code: 515		Agency: Texas State Board of Pharmacy				Prepared By: Cathy Stella					
Date:						16-17	Requested	Requested	Biennial Total	Biennial Difference	
Goal	Goal Name	Strategy	Strategy Name	Program	Program Name	Base	2018	2019	18-19	\$	%
									\$0	\$0	
A	Establish and Maintain Standards for Pharmacy	A.1.1	Operate an application and renewal licensure system.	A.1.1	Licensure	\$2,058,217	\$997,732	\$990,860	\$1,988,592	(\$69,625)	-3.4%
		A.1.2		A.1.2	Texas.Gov	\$432,700	\$210,500	\$222,200	\$432,700	\$0	0.0%
					Except. Item #1 Restore Baseline Reduction		\$34,532	\$35,093	\$69,625	\$69,625	
					Except. Item #2 Prescription Monitoring Program		\$3,218	\$0	\$3,218	\$3,218	
					Except Item #3 Acquisition of Information Technology		\$13,366	\$2,870	\$16,236	\$16,236	
					Except Item #4 Reclassifications & Equity Adjustments		\$9,885	\$9,885	\$19,770	\$19,770	
					Except Item #5 Merit Increases		\$16,212	\$32,838	\$49,050	\$49,050	
					Except. Item # 10 Executive Director Salary Increase		\$9,836	\$9,836	\$19,672	\$19,672	
					Except. Item # 11 Hobby Building Maintenance		\$11,960	\$11,960	\$23,920	\$23,920	
B	Protect Public Health by Enfo	B.1.1	Assistance Education	B.1.1	Enforcement	\$10,614,471	\$4,476,143	\$5,132,324	\$9,608,467	(\$1,006,004)	-9.5%
					Except. Item #1 Restore Baseline Reduction		\$253,283	\$252,722	\$506,005	\$506,005	
					Except. Item #2 Prescription Monitoring Program		\$1,036,895	\$358,602	\$1,395,497	\$1,395,497	
					Except. Item #3 Acquisition of Information Technology		\$77,884	\$126,597	\$204,481	\$204,481	
					Except. Item #4 Reclassifications & Equity Adjustments		\$50,211	\$50,211	\$100,422	\$100,422	
					Except. Item #5 Merit Increases		\$100,405	\$203,369	\$303,774	\$303,774	
					Except. Item #6 Transportation Items		\$66,000	\$66,000	\$132,000	\$132,000	
					Except. Item #7 Additional FTEs		\$887,859	\$757,726	\$1,645,585	\$1,645,585	
					Except. Item #8 Annual Leave Pay Out		\$162,744	\$0	\$162,744	\$162,744	
					Except. Item # 10 Executive Director Salary Increase		\$9,836	\$9,836	\$19,672	\$19,672	
					Except. Item # 11 Hobby Building Maintenance		\$74,070	\$74,070	\$148,140	\$148,140	
				B.1.2	Peer Assistance	\$467,325	\$228,740	\$238,585	\$467,325	\$0	
					Except. Item # 9 Increase Peer Assistance Program		\$9,342	\$9,342	\$18,684	\$18,684	
C	Indirect Administration	C.1.1	Licensing - Indirect Administration	C.1.1	Licensing - Indirect Administration	\$270,369	\$127,778	\$142,591	\$270,369	\$0	0.0%
					Except. Item #2 Prescription Monitoring Program		\$17,912	\$0	\$17,912	\$17,912	
					Except Item #3 Acquisition of Information Technology		\$714	\$504	\$0	\$0	
					Except Item #4 Reclassifications & Equity Adjustments		\$5,110	\$5,110	\$10,220	\$10,220	
					Except Item #5 Merit Increases		\$2,847	\$5,766	\$8,613	\$8,613	
					Except. Item #7 Additional FTEs		\$29,249	\$28,734	\$57,983	\$57,983	
					Except. Item # 10 Executive Director Salary Increase		\$1,507	\$1,507	\$3,014	\$3,014	
					Except. Item # 11 Hobby Building Maintenance		\$2,100	\$2,100	\$4,200	\$4,200	
		C.1.1	Enforcement - Indirect Administration	C.1.2	Enforcement - Indirect Administration	\$1,543,002	\$725,568	\$817,434	\$1,543,002	\$0	0.0%
					Except. Item #2 Prescription Monitoring Program		\$101,490	\$0	\$101,490	\$101,490	
					Except Item #3 Acquisition of Information Technology		\$4,036	\$2,849	\$6,885	\$6,885	
					Except Item #4 Reclassifications & Equity Adjustments		\$28,960	\$28,960	\$57,920	\$57,920	
					Except Item #5 Merit Increases		\$16,090	\$32,591	\$48,681	\$48,681	
					Except. Item #7 Additional FTEs		\$165,742	\$162,826	\$328,568	\$328,568	
					Except. Item # 10 Executive Director Salary Increase		\$8,359	\$8,359	\$16,718	\$16,718	
					Except. Item # 11 Hobby Building Maintenance		\$11,870	\$11,870	\$23,740	\$23,740	

Agency Code: 515	Agency Name: Texas State Board of Pharmacy	Prepared By: Cathy Stella	Date: 08/05/2016	Request Level:
----------------------------	--	-------------------------------------	----------------------------	-----------------------

Current Rider Number	Page Number in 2016-17 GAA	Proposed Rider Language
-----------------------------	-----------------------------------	--------------------------------

2

VIII-44

Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program: or for items with a "(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.

	2016 — 2017	<u>2018</u> <u>2019</u>
a. Acquisition of Information Resource Technologies		
(1) PC Replacement	\$40,525 — 26,825	<u>\$ 35,600</u> <u>36,750</u>
(2) Acquisition of Information Technology	\$58,914 — 58,003	<u>\$159,839</u> <u>108,820</u>
Total Acquisition of Information Resource Technologies	\$99,439 84,828	<u>\$195,439</u> <u>217,648</u>
b. <u>Transportation Items</u>		
<u>(1) Replacement Vehicles (6)</u>		<u>\$66,000</u> <u>66,000</u>
<u>(2) Vehicles New (4)</u>		<u>\$88,000</u>
<u>Total Transportation Items</u>		<u>\$154,000</u> <u>66,000</u>
c. <u>Repairs or Rehabilitation</u>		
<u>Maintenance to the Wm P. Hobby Building</u>		<u>\$100,000</u> <u>100,000</u>
<u>Total Repairs or Rehabilitation</u>		<u>\$100,000</u> <u>100,000</u>
Method of Financing (Capital Budget)		
General Revenue Fund	\$99,439 — 84,828	<u>\$353,439</u> <u>272,828</u>
Total Method of Financing	\$99,439 — 84,828	<u>\$353,439</u> <u>250,828</u>

Change in amounts allocated for the projects listed under Acquisition of Information Resource Technologies and new Capital Budget Items for Transportation and Repairs or Rehabilitation.

3

VIII-44

Controlled Substances Forfeiture Program. Amounts appropriated above in Strategy B.1.1, Enforcement, include \$56,741 in General Revenue in fiscal year ~~2016~~ 2018 only for the purpose of the Controlled Substance Forfeiture Program. In addition to amounts appropriated above, all forfeited money collected under federal or state forfeiture programs, proceeds from the sale of forfeited property or similar monetary awards related to the Board of Pharmacy's participation in the seizure of controlled substances or other contraband, are hereby appropriated to the Board of Pharmacy to be used for enforcement purposes. Any funds unexpended at the close of fiscal year ~~2016~~ 2018 are appropriated for fiscal year ~~2017~~ 2019. Any unexpended funds (estimated to be \$0) at the close of fiscal year ~~2015~~ 2017 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 appropriated for fiscal year ~~2016~~ 2018.

Change in rider to reflect correct biennium dates.

4 VIII-45 **Contingency for Behavioral Health Funds.** ~~Notwithstanding appropriation authority granted above, the Comptroller of Public Accounts shall not allow the expenditure of General Revenue Related behavioral health funds for the Board of Pharmacy in Strategy B.1.2. Peer Assistance Program, in fiscal year 2017, as identified in Art IX, Sec. 10.04, Statewide Behavioral Health Strategic Plan and Coordinated Expenditures, if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the agency's planned expenditure of those funds in fiscal year 2017 does not satisfy the requirements of Art. IX, Sec 1004, State wide Behavioral Health Strategic Plan and Coordinated Expenditures.~~

Recommend rider be deleted.

701 VIII **William P. Hobby Building Upkeep.** In addition to amount appropriated above, \$100,000 in fiscal year 2018 and \$100,000 in fiscal year 2019 are hereby appropriated to the Texas State Board of Pharmacy to assist the Texas Facilities Commission in upkeep of the William P. Hobby Building for safety of the staff and the public.

New rider necessary to provide consistent maintenance and repairs to the Wm P. Hobby Building. Reference the exceptional item request and new Capital Budget Request.

Cost Recovery of Fees. Any cost recovery fee collected by the Texas State Board of Pharmacy under the Prescription Monitoring Program for the provision of prescription pads, is appropriated to the Texas State Board of Pharmacy from the fund to which the cost recovery fee was deposited to be used for the purpose of paying any cost incurred by the agency when those costs are associated with a contract or other expense related to the cost recovery fee.

New rider necessary for the Board to recover its cost for this new program from fee collections, as suggested by the Comptroller of Public Accounts.

Sec. 18.55. Contingency for SB 195.18 Contingent on the enactment of Senate Bill 195, or similar legislation relating to the Prescription Drug Monitoring Program, by the Eighty-fourth Legislature, Regular Session, the Texas State Board of Pharmacy (TSBP) is appropriated \$1,311,005 in General Revenue for fiscal year 2016 and \$800,913 in General Revenue for fiscal year 2017 to implement the provisions of the legislation. This appropriation is contingent on the Board of Pharmacy, Texas Medical Board, Board of Optometry, Board of Dental Examiners, Board of Nursing, Board of Podiatric Medical Examiners, and the Board of Veterinary Medical Examiners assessing or increasing fees sufficient to generate, in addition to revenue requirements found elsewhere in the Act, sufficient revenue to match the amounts appropriated. In addition, the "Number of Full Time Equivalents (FTE)" indicated in the TSBP bill pattern shall be increased by 7.0 FTEs in each fiscal year during the 2016-2017 biennium. Fees shall be collected by agencies that license individuals or entities authorized to access the prescription drug order monitoring program, and transferred to the Board of Pharmacy. The Board of Pharmacy, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of the Board of Pharmacy's minutes and other information supporting the estimated revenues to be generated for the 2016-2017 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect will be issued and the contingent appropriation shall be made available for the intended purposes. For information purposes, the amount of increased revenue identified above reflects amounts sufficient to cover direct appropriations of \$2,111,918 and other direct and indirect costs (estimated to be \$154,096 for the 2016-2017 biennium). The following is an informational listing of the agencies participating in the Prescription Drug Monitoring Program:

2016-2017	
Texas Medical Board	\$ 590,358 \$ 360,366
Optometry Board	\$ 35,738 \$ 21,815
Texas Board of Dental Examiners	\$ 205,400 \$ 125,380
Texas Board of Nursing	\$ 106,616 \$ 65,080
Board of Veterinary Medical Examiners	\$ 97,839 \$ 59,723
Board of Podiatric Medical Examiners	\$ 13,066 \$ 7,976
Board of Pharmacy	\$ 261,990 \$ 160,573
	\$ 1,311,007 \$ 800,913

Funding for the Prescription Drug Monitoring Program. In addition to the amounts appropriated elsewhere in this Act, the Texas State Board of Pharmacy is appropriated \$1,159,515 in General Revenue for fiscal year 2018 and \$1,159,515 in General Revenue for fiscal year 2019 to implement the provisions of Chapter 481 of the Health and Safety Code. Fees shall be collected by agencies that license individuals or entities authorized to access the prescription drug order monitoring program, and transferred to the Board of Pharmacy. The following is an informational listing of the agencies participating in the Prescription Drug Monitoring Program and the funds to be transferred to the Board of Pharmacy for the purpose of funding the Prescription Drug Monitoring Program:

	<u>2018</u>	<u>2019</u>
Texas Medical Board	530,527	535,824
Optometry Board	33,105	30,273
Texas Board of Dental Examiners	181,795	177,290
Texas Board of Nursing	95,386	95,317
Board of Veterinary Medical Examiners	87,531	87,147
Board of Podiatric Medical Examiners	11,222	10,893
Board of Pharmacy	<u>219,950</u>	<u>222,771</u>
	\$ 1,159,515	\$1,159,515

New rider reflects the additional appropriations required by the Board of Pharmacy as reflected in the Exceptional Item Request, and the ongoing transfer of funds from the participating agencies to fund the Prescription Drug Monitoring Program.

Funding for Health Professions Council.

a. An agency participating in the Health Professions Council or the Health Professions Council Shared Regulatory Database 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, and to maintain the functions of the database. 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 ~~2016-17~~ 2018-19 biennium:

	2016-2017	<u>2018-2019</u>
Department of State Health Services		
Board of Chiropractic Examiners		
Texas State Board of Dental Examiners		
Funeral Service Commission		
Board of Professional Land Surveying		
Texas Medical Board		
Texas Board of Nursing		
Optometry Board		
Board of Pharmacy	331,400	<u>370,088</u>
Executive Council of Physical Therapy & Occupational Therapy Examiners	337,397	<u>339,088</u>
Board of Plumbing Examiners		
Board of Podiatric Medical Examiners		
Board of Examiners of Psychologists		
Board of Veterinary Medical Examiners		
Office of Public Insurance Counsel		
Total		

b. The following is an informational listing of appropriations made to agencies that are transferred to the Health Professions Council in subsection (a) above for the purpose of funding the Health Professions Council Shared Regulatory Database maintenance and upgrade costs:

	2016-2017	<u>2018-2019</u>
Texas State Board of Dental Examiners		
Funeral Service Commission		
Board of Professional Land Surveying		
Optometry Board		
Board of Pharmacy	270,666	<u>282,057</u>
Board of Plumbing Examiners	280,788	<u>282,057</u>
Board of Examiners of Psychologists		
Total \$		

This rider has been changed to reflect the 2018-19 amounts the agency will transfer to the Health Professions Council.

Texas.gov Appropriation.

a. Each Article VIII licensing agency participating in the Texas.gov 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 Texas.gov.

b. The following is an informational listing of appropriated fee revenue for each Article VIII licensing agency participating in Texas.gov for the purpose of paying Texas.gov subscription fees.

	<u>2016-2017</u>	<u>2018-2019</u>
Board of Chiropractic Examiners		
Texas State Board of Dental Examiners		
Funeral Service Commission		
Board of Professional Geoscientists		
Department of Insurance		
Board of Professional Land Surveying		
Department of Licensing and Regulation		
Texas Board of Nursing		
Optometry Board		
Board of Pharmacy	173,463	210,500
Executive Council of Physical Therapy & Occupational Therapy Examiners	173,463	<u>222,200</u>
Board of Plumbing Examiners		
Board of Podiatric Medical Examiners		
Board of Examiners of Psychologists		
Racing Commission		
Board of Veterinary Medical Examiners		
Total		

c. In the event that actual and/or projected revenue collections from fee increases to cover the cost of Texas.gov 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 Texas.gov to be within the amount of fee revenue expected to be available.

d. For new licensing applications, the Article VIII licensing agencies participating in Texas.gov are hereby appropriated the additional revenue generated from occupational license, permit, or registration fees in excess of the Comptroller's biennial revenue estimate for ~~2016-17~~ 2018-2019 for the sole purpose of payment to the Texas.gov 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 purposes.

e. Each Article VIII licensing agency participating in Texas.gov shall notify the Legislative Budget Board and the Comptroller of Public Accounts in writing upon receiving an exemption from participating in Texas.gov. 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 Texas.gov costs in the fiscal year in which the exemption is made.

This rider has been changed to reflect the 2018-2019 estimated amounts the agency will collect in subscription fees for all licensees.

Peer Assistance Program Funding Requirements.

Funds collected during the biennium beginning September 1, ~~2015~~ 2017, by the Board of Pharmacy pursuant to Chapter 564, Occupations Code and by the Texas Board of Nursing, the Texas State Board of Dental Examiners, the Optometry Board, 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 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:

- a. a request for proposal documentation and contracts documenting that the respective agency governing board has a competitively bid contract with the peer assistance program;
- b. documentation for programs authorized under Chapter 467 of the Health and Safety Code that the agency's peer assistance program has been certified by the Department of State Health Services (DSHS) as meeting all DSHS criteria for peer assistance programs;
- c. documentation for programs authorized under Chapter 467 showing compliance with statutory requirements regarding eligible participants and conditions for which services may be offered; and
- d. documentation that the program has been approved by the agency governing board.

This rider has been changed to reflect the 2018/19 biennium

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: RESTORE BASELINE REDUCTION		
	Item Priority: 1		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	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	167,814	167,815
2001	PROFESSIONAL FEES AND SERVICES	90,000	90,000
2005	TRAVEL	12,000	12,000
2009	OTHER OPERATING EXPENSE	18,000	18,000
	TOTAL, OBJECT OF EXPENSE	\$287,814	\$287,815
 METHOD OF FINANCING:			
1	General Revenue Fund	287,814	287,815
	TOTAL, METHOD OF FINANCING	\$287,814	\$287,815
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.00	3.00

DESCRIPTION / JUSTIFICATION:

FTE'S: 4% cut results in 3 FTEs eliminated. 1 FTE is licensing-related. Given the 75% growth in the number of licensees over the past 10 years, with the associated increase in telephone calls & e-mails, an FTE reduction in this area would cause a critical slowdown in the renewal & issuance of a license, as well as dramatic workload increases for the remaining staff.

Remaining 2 FTEs are 1 Field Compliance Officer & 1 Field Inspector. Cutting these 2 positions will have a devastating impact on the quality & quantity of compliance inspections conducted. Such inspections ensure that the public is protected - a myriad of areas are checked (e.g., drug stock, security, practice/operational st&ards). A strong & active inspection program is cost-effective because it increases compliance, which decreases the need to conduct more expensive enforcement activities (e.g., field investigations & disciplinary action). Inspections of pharmacies that compound sterile pharmaceuticals are especially critical, in that improper training or procedures could result in contaminated products being dispensed to TX patients, which could be fatal to the patients receiving these drugs.

Testing of Compounding Products: Reduces the amount necessary for the testing of compounded products by 90%.

Scanning of Records: Reduction would increase the amount of paper documents & require additional storage.

Agency code: **515**

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
-------------	--------------------	------------------	------------------

Travel: Eliminating the enforcement FTE's above, would also decrease the staff service travel associated with those positions. These FTE's & their associated travel is necessary for the ongoing inspection of the 7300 pharmacies located in TX.

Registration Fees/Training: Field staff will not be able to get the training needed to inspect pharmacies that compound pharmaceuticals; investigators would not be able to attend training to stay current with drug diversion trends.

EXTERNAL/INTERNAL FACTORS:

- 1) There are 7,300 TSBP-licensed pharmacies that are located in TX. All of these pharmacies must be inspected. A recent audit by SAO noted that 23% of the TX licensed pharmacies have not been inspected in 5 years. Both the staffs of the SAO & the Sunset Advisory Commission have recommended that TSBP conduct more frequent inspections & reduce the backlog of pharmacies that have not been recently inspected. Reducing the number of inspectors would require current inspectors to cover larger geographical territories which would reduce the number of inspections & increase travel costs.
- 2) There are 800 TSBP-licensed pharmacies located in TX that compound sterile preparations. TSBP is required by law to inspect these types of pharmacies every two years. This requirement was mandated in response to the tragedy resulting from the distribution of contaminated preparations by a pharmacy in MA, as previously mentioned in this report.
- 3) Due to the highly specialized & complex nature of compounding sterile preparations, TSBP Compliance Officers & Inspectors must be trained to inspect these types of pharmacies. This type of training is very expensive.
- 4) Since 2008, TSBP has been collecting compounded preparations to be tested for potency, sterility, fungus & endotoxins. TSBP has determined that many of these samples are subpotent, whereupon TSBP institutes additional actions against these pharmacies. Without a sampling budget, TSBP would not be able to detect these problems. Contamination of sterile preparations could have life-threatening effects on patients.
- 5) TSBP receives approximately 6,000 complaints per year. These paper documents must be imaged because neither the Hobby Building (where TSBP is located) or TSBP office has space for filing cabinets.
- 6) TSBP makes presentations to licensees at various meetings to educate licensees regarding laws & rules. Such education is cost-effective because it increases compliance.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The costs in the Exceptional Item request are not one time cost expenditures but will continue as shown in the FY2018-2019 request. It will allow the agency to continue at 100% funding level.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2020	2021	2022
\$287,815	\$287,815	\$287,815

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION		Excp 2018	Excp 2019
	Item Name:	PRESCRIPTION MONITORING PROGRAM		
	Item Priority:	2		
	IT Component:	No		
	Anticipated Out-year Costs:	Yes		
	Involve Contracts > \$50,000:	Yes		
	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		353,352	0
1002	OTHER PERSONNEL COSTS		1,766	0
2001	PROFESSIONAL FEES AND SERVICES		785,002	358,602
2003	CONSUMABLE SUPPLIES		3,374	0
2004	UTILITIES		2,380	0
2009	OTHER OPERATING EXPENSE		13,641	0
TOTAL, OBJECT OF EXPENSE			\$1,159,515	\$358,602
METHOD OF FINANCING:				
1	General Revenue Fund		1,159,515	358,602
TOTAL, METHOD OF FINANCING			\$1,159,515	\$358,602

DESCRIPTION / JUSTIFICATION:

Section 554.006 as amended by SB 195 and passed by the TX Legislature allows each agency that licenses individuals or entities authorized to prescribe or dispense controlled substances under Chapter 481 to access or increase fees to fund the Prescription Monitoring Program (PMP) and to transfer these funds to the Texas State Board of Pharmacy (TSBP). However, because this section did not have a separate implementation date from the entire SB 195, the Comptroller of Public Accounts (CPA) determined that the authority to collect and transfer the funds to TSBP cannot begin until September 1, 2016 (FY2017).

As a result of the CPA's interpretation, TSBP was not allowed to receive any funds authorized in a contingency rider in the FY2016-2017 Budget to develop the new PMP. TSBP applied for and received a federal grant in FY2016 that allowed it to move forward with implementation of the program and to contract with a vendor to develop & operate the PMP. However, the agency will need to be fully funded in FY2018-2019 to continue this important program that will assist in controlling the opioid abuse epidemic in Texas.

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
-------------	--------------------	------------------	------------------

Therefore TSBP is requesting a total of \$2,319,030 (1,159,515 in each year of the FY2018-2019 biennium). This is an increase of approximately \$350,000 each year over our 2016 estimates of the cost to operate the program (Note: these estimates were based on 2014-2015 data and costs have increased). It is vital that TSBP be fully funded for this program increase in order to pay the vendor to operate more robust & useable Texas PMP program as was directed by the legislature when the program was moved to TSBP during the 2015 Legislative Session.

EXTERNAL/INTERNAL FACTORS:

Prescription drug misuse, abuse, & diversion continue to have a devastating effect on communities throughout the country. What the Centers for Disease Control & Prevention (CDC) describes as a “deadly epidemic of prescription pain killer abuse” affects communities in every state. Every day in the United States, 113 people die as a result of drug overdose. A valuable tool that helps in reducing the abuse of controlled substances is a robust state Prescription Monitoring Program (PMP). The PMP is a tool used primarily by medical professionals to enhance patient care when prescribing & dispensing controlled substances. Medical professionals are able to access the controlled-substance prescription histories of their patients, including prescriptions issued to a patient by other medical professionals in Texas & other states. This information supports the best clinical decisions regarding the appropriate treatment for patients in order to reduce the likelihood of abuse of controlled.

In an attempt to establish a more robust & useable Texas PMP program, the Interim House Public Health Committee & the Interim Senate Health & Human Services Committee recommended that the Texas PMP program be moved from the Texas Department of Public Safety to the Texas State Board of Pharmacy (TSBP). As a result, the 2015 Texas Legislature passed SB 195 that moved the Texas PMP from the DPS to the TSBP beginning 9/01/2016.

TSBP has worked to make the Texas PMP more robust & much easier to use so that it will provide prescribers & pharmacists with the information they need to make better clinical decisions when prescribing or dispensing controlled substances. To do this TSBP has contracted with a vendor to operate the PMP program.

We believe that for the safety of the citizens of Texas & to allow prescribers & pharmacists to help reduce the misuse of prescription opioid drugs, the Texas PMP must be fully funded.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The costs in the Exceptional Item request are not one time cost expenditures but will continue as shown in the FY2018-2019 request. It will allow the PMP Program to be funded at 100%. These are estimated ongoing program maintenance and administrative costs. There is not an expected change in full-time equivalent positions related to the out-year costs.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2020	2021	2022
	\$1,159,515	\$358,602	\$1,159,515

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 66.00%

CONTRACT DESCRIPTION :

The agency had contracted with an outside vendor for development of the database for the PMP Program and ongoing maintenance of the database.

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: RECLASSIFICATIONS AND EQUITY ADJUSTMENTS		
	Item Priority: 3		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	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	94,166	94,166
	TOTAL, OBJECT OF EXPENSE	\$94,166	\$94,166
METHOD OF FINANCING:			
1	General Revenue Fund	94,166	94,166
	TOTAL, METHOD OF FINANCING	\$94,166	\$94,166

DESCRIPTION / JUSTIFICATION:

This item adjusts the salary rate of a number of classified employees to maintain a desirable salary level among agency employees and between employees of the agency and employees who hold similar positions in the relevant labor market. This exceptional item reclasses some employee positions and awards a one-time equity increase to others (approximately 4%).

EXTERNAL/INTERNAL FACTORS:

Consideration is given to the education, skills, related work experience, length of service and job performance of agency employees in determining desirable salary relationships.

A great number of employees are represented – from accountants, to license specialists, to inspectors, to investigators and management. We’ve identified several classes of employees that are still paid at an entry level (basic skills) salary and some classes of employees that are paid a lower rate than their counterparts within the state of Texas, given their experience. The complexity of the pharmacy profession has simply outpaced the salary that we are paying many of our employees.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The costs in the Exceptional Item request are not one time cost expenditures but will continue as shown in the FY2018-2019 request. These are salary increases that must be maintained.

4.A. Exceptional Item Request Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/15/2016**
TIME: **10:51:20AM**

Agency code: **515**

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
-------------	--------------------	------------------	------------------

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2020	2021	2022
\$94,166	\$94,166	\$94,166

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: ACQUISITION OF INFORMATION TECHNOLOGY		
	Item Priority: 4		
	IT Component: Yes		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	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:			
5000	CAPITAL EXPENDITURES	96,000	132,820
	TOTAL, OBJECT OF EXPENSE	\$96,000	\$132,820
 METHOD OF FINANCING:			
1	General Revenue Fund	96,000	132,820
	TOTAL, METHOD OF FINANCING	\$96,000	\$132,820

DESCRIPTION / JUSTIFICATION:

Information Security – Acquisition of Information Resources Project

TSBP business practices include the collection and review of personal identifying information (PII) and criminal justice information (CJI). By law, the agency must safeguard the information by securing the systems and assets containing and transmitting the data. As found through a security audit performed by the Federal Bureau of Investigation (FBI) in FY16 and a Gartner Security Assessment performed in FY15, TSBP does not currently have the necessary level of network and system security controls in place to securely access and transmit this data. This funding will bring the agency into compliance by updating our network and system security measures to meet the requirements of securing this data.

Mobile Inspection - Acquisition of Information Resources and PC Replacement Projects

TSBP field inspectors currently document all pharmacy inspections by hand in hard copy, paper format which is then hand keyed into our licensing database system. This funding will modernize this process by creating electronic inspection forms and automate the upload of the data to our licensing database. This will reduce data errors and increase efficiency while saving employee time. This funding will also permit mobile field equipment to be issued which will allow the inspections to be completed on site at the pharmacy.

Agency code: 515

Agency name:

Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
------	-------------	-----------	-----------

Voice Over Internet Protocol (VOIP) - Acquisition of Information Resources Project

The current TSBP telephone system will reach the end of life in March 2018. At that time, the Department of Information Resources (DIR) will no longer support the current telephone system. The DIR has recommended the TSBP replace this system with the VOIP system in the fall of 2017. The TSBP replacement is part of a larger project of the DIR, to replace all 20,000 telephones in the Capital Complex.

EXTERNAL/INTERNAL FACTORS:

Information Security

This funding is critical to bringing TSBP into compliance with the Federal Bureau of Investigation (FBI) Criminal Justice Information Services (CJIS) policy which controls and protects the full lifecycle of criminal justice information. This funding will also bring the agency in line with the Gartner Security Assessment recommendations regarding the security gaps that exist between current-state capabilities, the desired future-state requirements, and industry leading practices.

Mobile Inspection

This funding will increase the efficiency of completing pharmacy inspections and potentially increase the number of inspections that could be performed annually. Data integrity will be improved due to the elimination of transcription errors from hard copy forms. Inspection reports will be internally processed more efficiently due to the data being readily accessible for review in the TSBP licensing database.

Voice Over Internet Protocol (VOIP)

This is a critical replacement of the agency's telephone system and is based on the recommendation of the Department of Information Resources. Costs associated with the VOIP includes increasing bandwidth requirements and the purchase of two, 48 port POE switches.

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

Information Security: Purchase of hardware and software to bring the agency into compliance by updating our network and system security measures to meet the requirements of securing criminal justice data.

Mobile Inspection: Purchase of hardware and software to modernize the agency's paper-based pharmacy inspection process by creating electronic inspection forms. automating the upload of the data to our licensing database and outfitting inspectors with full field inspection capabilities.

Voice Over Internet Protocol (VOIP): Replace the current TSBP telephone system as recommended by the DIR as it will no longer be supported and is reaching end of life. The TSBP replacement is part of a larger project of the DIR, to replace all 20,000 telephones in the Capital Complex.

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

NEW

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

Adobe Acrobat Pro

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/15/2016**
 TIME: **10:51:20AM**

Agency code: **515**

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
-------------	--------------------	------------------	------------------

Scan to PDF for Mobile Phone Application
 Terminal Server Client Access Licenses

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

High Volume Scanner
 Wireless Mobile Printers
 Wireless Mobile Scanners
 Mobile Tablets
 Terminal Server

DEVELOPMENT COST AND OTHER COSTS

Mobile Pharmacy Inspection Form Development – \$50,000
 Mobile Phone Data Plans for Field Inspectors - \$7,500 for 12 phones/year
 Interface/Integration with Licensing System - \$20,000

TYPE OF PROJECT

Acquisition and Refresh of Hardware and Software

ALTERNATIVE ANALYSIS

Information Security: the alternative is to attempt to purge all of the criminal justice data collected from our document management system which is extremely labor intensive.

Mobile Inspection: the alternative is to continue business as usual using triplicate carbon paper for inspections and hand keying data into our licensing system.

Voice Over Internet Protocol (VOIP): there are no alternatives as this is part of a larger DIR project. We must increase bandwidth and purchase the necessary hardware to participate in this initiative.

ESTIMATED IT COST

2016	2017	2018	2019	2020	2021	2022	Total Over Life of Project
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

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. Projected Useful Life: 4 years for computers, 5-8 years for servers

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/15/2016**
 TIME: **10:51:20AM**

Agency code: **515**

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
-------------	--------------------	------------------	------------------

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2020	2021	2022
	\$58,611	\$34,972	\$58,000

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES		
	Item Priority: 5		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	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	135,554	274,564
	TOTAL, OBJECT OF EXPENSE	\$135,554	\$274,564
 METHOD OF FINANCING:			
1	General Revenue Fund	135,554	274,564
	TOTAL, METHOD OF FINANCING	\$135,554	\$274,564

DESCRIPTION / JUSTIFICATION:

Although the 84th Texas Legislature provided for a merit increase to TSBP in FY2016, this was the only merit increase provided to employees since FY2009. In other years, the TSBP has been absorbing the cost of merit bonuses to employees; however these bonuses do not increase an employee's base rate of pay. Our employees are our most valuable resource, and the agency cannot afford to have less than the best. Being able to reward high performing employees is crucial to allowing the agency to keep high performing employees.

EXTERNAL/INTERNAL FACTORS:

The Texas State Board of Pharmacy attempts to provide merit incentives for outstanding work performance and to attract and retain a high performing staff. Human resource investments help position the agency as public and private sector employers compete for the same work force pool. The agency has a distinct advantage in that it has a highly educated and qualified staff who carry out their responsibilities in an efficient and effective, customer-service oriented manner. This proactive, progressive work environment, along with the general reputation of the agency, has definitely been an asset when recruiting staff. However, the fact that state salaries are not competitive with those in the private sector continues to hinder not only the recruiting of qualified staff, but the retention of existing staff.

Agency employee turnover increased from 5% in FY2009 to 11.4% in FY2010 and again increased to 12.9% in FY2013, dropping to 9.8% in FY2015. The majority citing "better pay/benefits" as the reason for leaving the agency.

4.A. Exceptional Item Request Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/15/2016**
TIME: **10:51:20AM**

Agency code: **515**

Agency name:

Board of Pharmacy

CODE DESCRIPTION

Excp 2018

Excp 2019

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The costs in the Exceptional Item request are not one time cost expenditures but will continue as shown in the FY2018-2019 request. These are salary increases that must be maintained.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

<u>2020</u>	<u>2021</u>	<u>2022</u>
\$274,564	\$274,564	\$274,564

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: TRANSPORTATION ITEMS Item Priority: 6 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 02-01-01 Operate System of Inspection Assistance Education		

OBJECTS OF EXPENSE:

5000	CAPITAL EXPENDITURES	66,000	66,000
TOTAL, OBJECT OF EXPENSE		\$66,000	\$66,000

METHOD OF FINANCING:

1	General Revenue Fund	66,000	66,000
TOTAL, METHOD OF FINANCING		\$66,000	\$66,000

DESCRIPTION / JUSTIFICATION:

TSBP has the authority to purchase vehicles under the Occ. Code, Sec. 554.009. Vehicles are routinely purchased & replaced when necessary, generally at 100,000 miles. The agency currently has 22 vehicles, & 6 of that number will reach estimated mileages between 119,000 & 164,000 miles in the next biennium and need to be replaced.

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).

If the vehicles are not replaced, field investigators would not be able to conduct investigations of complaints alleging serious violations of pharmacy laws & rules. In addition, field compliance staff will not be able to conduct inspections on a daily basis, resulting in fewer pharmacies in Texas being inspected.

EXTERNAL/INTERNAL FACTORS:

If the vehicles are not replaced, field investigators would not be able to conduct investigations of complaints alleging serious violations of pharmacy laws & rules. In addition, field compliance staff will not be able to conduct inspections on a daily basis, resulting in fewer pharmacies in Texas being inspected.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Vehicles are routinely purchased & replaced when necessary, generally at 100,000 miles. The agency currently has 22 vehicles, and a number will reach those estimated replacement mileages in FY2020 - 2022.

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/15/2016**
 TIME: **10:51:20AM**

Agency code: **515**

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
-------------	--------------------	------------------	------------------

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2020	2021	2022
	\$132,000	\$44,000	\$44,000

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: NEW POSITIONS		
	Item Priority: 7		
	IT Component: Yes		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	Includes Funding for the Following Strategy or Strategies:		
	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	859,471	859,471
1002	OTHER PERSONNEL COSTS	4,297	4,297
2009	OTHER OPERATING EXPENSE	113,057	85,519
5000	CAPITAL EXPENDITURES	106,025	0
	TOTAL, OBJECT OF EXPENSE	\$1,082,850	\$949,287
 METHOD OF FINANCING:			
1	General Revenue Fund	1,082,850	949,287
	TOTAL, METHOD OF FINANCING	\$1,082,850	\$949,287
 FULL-TIME EQUIVALENT POSITIONS (FTE):		14.00	14.00

DESCRIPTION / JUSTIFICATION:

See the Administrator's Statement for a full explanation.

1 FTE: Deputy Director. Due to the increased number of programs that the Texas Legislature has directed TSBP to assume, the agency has grown in size, both budget & number of employees, not to speak of complexity. The Executive Director needs assistance to direct & monitor the agency's numerous programs & the regulation of 105,000 entities (pharmacists, pharmacist-interns, pharmacy technicians, pharmacies).

10 FTE in Enforcement:

- TSBP is continuously faced with regulating "pill mill" pharmacies that dispense controlled substances outside the course of professional practice (e.g., no valid doctor-patient relationship &/or prescriptions not issued for a valid medical purpose). These controlled substances generally end up in the hands of either individuals who are addicted to the drugs or drug dealers who sell the drugs "on the street" for a large profit. Investigating & disciplining licensees (who are involved in "pill mill" pharmacy operations) require a large amount of resources, both in terms of time (extremely labor-intensive) & money (for undercover buys).

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
-------------	--------------------	------------------	------------------

• With regard to Pharmacy Compliance Inspections, the agency only has 12 inspectors for the entire state. TSBP is required to inspect pharmacies that compound sterile preparations every two years. Due to these priority inspections, TSBP does not have a sufficient number of inspection staff to conduct inspections, at regular intervals, of pharmacies that do not compound sterile preparations.

1 FTE in IT to serve as Information Technology Security Analyst to be responsible for the security of the agency’s computer systems.

1 FTE to supervise the activities of the staff who are tasked with responding to request for agency records.

1 FTE Attorney to handle the workload & complexity of cases that will result from issues involving the implementation of the Prescription Monitoring Program (PMP).

EXTERNAL/INTERNAL FACTORS:

- According to the CDC, deaths from drug overdose is the leading cause of injury death in the U.S.
- TSBP continues to receive a large number of reports involving the theft/loss of controlled substances, generally involving employee pilferage by pharmacy technicians & technician trainees. TSBP also continues to receive a large number of applications for licenses & registrations which require a criminal background investigation to be conducted; complaints are opened on the applicants who have a criminal history record, primarily pharmacy technicians & trainees; this contributes to the large number of complaints the agency handles each year (approx 6,000 complaints/year).
- TSBP will begin implementing the PMP on 9/1/16. This program will create additional workload – e.g., inspecting pharmacies that are not filing the required reports with TSBP & investigating pharmacies that are dispensing a large number of prescriptions for controlled substances.
- In 2015, the SAO conducted an audit of the agency’s policies and procedures relating to inspections of compounding pharmacies. The SAO noted that 23% of Texas-licensed pharmacies had not had a recent inspection & recommended that the agency achieve a goal of inspecting more frequently the pharmacies that don’t compound sterile preparations. During the Sunset Advisory Commission’s review of the agency’s operation, the Sunset staff also noted the inspection backlog. These inspection goals of more frequent inspections cannot be met without additional inspectors.

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

Exceptional Item 7, TSBP is requesting 14 additional FTEs. The project costs reflect purchasing computers for the additional FTEs.

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

CURRENT

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

Software included in the PC purchase price.

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

Personal computers for 14 new positions

DEVELOPMENT COST AND OTHER COSTS

none

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/15/2016**
 TIME: **10:51:20AM**

Agency code: **515**

Agency name:
Board of Pharmacy

<u>CODE</u>	<u>DESCRIPTION</u>							<u>Excp 2018</u>	<u>Excp 2019</u>
TYPE OF PROJECT									
Daily Operations									
ALTERNATIVE ANALYSIS									
All FTEs must have a personal computer in order to perform their duties.									
ESTIMATED IT COST									
	2016	2017	2018	2019	2020	2021	2022	Total Over Life of Project	
	\$0	\$0	\$18,025	\$0	\$0	\$0	\$18,025	\$36,050	

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The costs in the Exceptional Item request are not one time cost expenditures but will continue as shown in the FY2018-2019 request. These are new positions, corresponding salaries and ongoing operating expenses that must be maintained.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

<u>2020</u>	<u>2021</u>	<u>2022</u>
\$949,287	\$949,287	\$949,287

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: ANNUAL LEAVE PAYOUT Item Priority: 8 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 02-01-01 Operate System of Inspection Assistance Education		

OBJECTS OF EXPENSE:

1002	OTHER PERSONNEL COSTS	162,744	0
TOTAL, OBJECT OF EXPENSE		\$162,744	\$0

METHOD OF FINANCING:

1	General Revenue Fund	162,744	0
TOTAL, METHOD OF FINANCING		\$162,744	\$0

DESCRIPTION / JUSTIFICATION:

The board faces the likely retirement of several long-term employees, including top-level management employees, in the coming biennium. This list of retirements include the directors of enforcement and licensing who have been with the agency for over 30-years and have accrued the maximum amount of annual leave allowed by state statute. In addition, the executive director has announced her retirement in FY2017.

The retirement of these employees will result in a required lump sum payment for the unused annual leave that has been accrued by these employees.

EXTERNAL/INTERNAL FACTORS:

Lump sum annual leave is generally funded by lapsing the salary of the vacating position. In the case of key positions, such as the Executive Director/Secretary and top level management positions, the agency cannot leave these key positions vacant for the projected 3 months it will take to fund this leave.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Annual leave payout has been determined based on current employees' retirement eligibility.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2020	2021	2022
\$0	\$0	\$0

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: PEER ASSISTANCT PROGRAM Item Priority: 9 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No 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	9,342	9,342
TOTAL, OBJECT OF EXPENSE		\$9,342	\$9,342

METHOD OF FINANCING:

1	General Revenue Fund	9,342	9,342
TOTAL, METHOD OF FINANCING		\$9,342	\$9,342

DESCRIPTION / JUSTIFICATION:

A peer assistance program was 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) and it 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 and the TSBP mandatory program cover pharmacists and eligible pharmacy students for physical, mental and chemical impairments (alcohol and drugs).

The amount requested in this exceptional item is a 5% increase from Fiscal Years 16-17. This is primarily due to increased Overhead costs, as well as an increase in Advertising and Financial and Performance Audit Fees.

EXTERNAL/INTERNAL FACTORS:

A total biennial increase in spending authority of \$18,684 in FY2018-19 is requested to administer or 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 \$228,740 in FY2016 and \$238,585 in FY2019. The new appropriation cap for FY2018-2019 is requested to be \$238,082 in FY2018 and \$247,927 in FY2019.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The costs in the Exceptional Item request are not one time cost expenditures but will continue as shown in the FY2018-2019 request. It will fully fund the PRN Program at 100%.

4.A. Exceptional Item Request Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
TIME: 10:51:20AM

Agency code: 515

Agency name:

Board of Pharmacy

CODE DESCRIPTION

Excp 2018

Excp 2019

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

<u>2020</u>	<u>2021</u>	<u>2022</u>
\$9,342	\$9,342	\$9,342

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: EXECUTIVE DIRECTOR SALARY INCREASE		
	Item Priority: 10		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	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	29,538	29,538
	TOTAL, OBJECT OF EXPENSE	\$29,538	\$29,538
METHOD OF FINANCING:			
1	General Revenue Fund	29,538	29,538
	TOTAL, METHOD OF FINANCING	\$29,538	\$29,538

DESCRIPTION / JUSTIFICATION:

Currently the legislature has placed the salary of the executive director in exempt group 4, which has a minimum salary of approximately \$106,500 and a maximum salary of \$171,688 per year. However, the legislature has specified that the executive director's salary be set at \$130,462 for FY2016-17.

The Board is requesting the 2017 Legislature to raise the salary specified in the Appropriations Act to \$160,000 per year. The Board is requesting this increase for two major reasons:

- Increase in responsibility: In 2015 Texas Legislature transferred the responsibility for operating the Texas Prescription Monitoring Program from the Texas Department of Public Safety thus adding the responsibility for a major state program to the agency and adding approximately \$1.16 million per year to the agency budget; and
- According to Salary.com, Pharmacist Managers in Texas make an average of \$141,321 per year and Pharmacy Directors make \$159,882 per year.

EXTERNAL/INTERNAL FACTORS:

The current executive director has indicated that she will retire at the end of December 2017. The Board has established a plan for hiring a new executive director. The Texas Pharmacy Act requires that the executive director of TSBP be a pharmacist. The main item that will affect the process of finding a pharmacist to be the executive director of TSBP is the salary paid to this position.

The current salary for the position (\$130,462) is in the lower half of the range of salaries paid to staff pharmacists. (Drug Topics reported that in 2016 41.9% of staff

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/15/2016**
 TIME: **10:51:20AM**

Agency code: **515**

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
-------------	--------------------	------------------	------------------

pharmacists make between \$126,880 to \$145,600). The Board believes that the Executive Director of the agency should be a person that has managerial experience. Salary.com reports that Pharmacist Managers in Texas make an average of \$141,321 per year and Pharmacy Directors make \$159, 882 per year.

The Board is requesting the 2017 Legislature to raise the salary specified in the Appropriations Act to \$160,000 per year. With this additional appropriation, the Board will be able to set the salary of the person who is the executive director a salary at a level that is competitive with the salary of other persons in similar positions and one that recognizes the experience of the individual.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The costs in the Exceptional Item request are not one time cost expenditures but will continue as shown in the FY2018-2019 request. This is a salary increase that must be maintained.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2020	2021	2022
<hr/>	<hr/>	<hr/>
\$29,538	\$29,538	\$29,538

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/15/2016
 TIME: 10:51:20AM

Agency code: 515

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: WM P HOBBY BUILDING MAINTENANCE		
	Item Priority: 11		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	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	100,000	100,000
	TOTAL, OBJECT OF EXPENSE	\$100,000	\$100,000
 METHOD OF FINANCING:			
1	General Revenue Fund	100,000	100,000
	TOTAL, METHOD OF FINANCING	\$100,000	\$100,000

DESCRIPTION / JUSTIFICATION:

The TSBP is greatly concerned for our staff who we believe are at risk due to the lack of attention to sanitation, safety and security of the William P. Hobby, Jr. Building. The Hobby Building is dirty, in disrepair and needs immediate attention.

TSBP suggest the following rider in order to assist in providing consistent maintenance and repairs at the Hobby Building to provide our employees with a healthier and safer work environment of our employees.

“William P. Hobby Building Upkeep. In addition to amount appropriated above, \$100,000 in fiscal year 2018 and \$100,000 in fiscal year 2019 are hereby appropriated to the Texas State Board of Pharmacy to assist the Texas Facilities Commission in upkeep of the William P. Hobby Building for safety of the staff and the public.”

EXTERNAL/INTERNAL FACTORS:

On Wednesday, June 29, 2016, representatives from the 18 tenant agencies from the Hobby Building met to discuss the state of disrepair of the Hobby Building located at 333 Guadalupe. Also invited, as observers, were the Legislative Budget Board and the Texas Facilities Commission. It was the consensus of agency representatives that staff are at risk due to the lack of attention to sanitation, safety and security. Requests for consistent maintenance and repairs have gone unheeded and remain a threat to the health and safety of our employees. Issues within the Hobby Building have been brought forth by tenant agencies. Overall the Hobby Building agencies are at our highest sense of frustration with the lack of response to work orders, lack of building maintenance, sporadic cleaning and general filth in parking garages and elevators.

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/15/2016**
 TIME: **10:51:20AM**

Agency code: **515**

Agency name:
Board of Pharmacy

CODE	DESCRIPTION	Excp 2018	Excp 2019
-------------	--------------------	------------------	------------------

Although there has been some progress addressing a few of the issues , we still see an unkempt State of Texas building that is an embarrassment to agency constituencies, a threat to employee health and sheds negative image on our great state.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

It is anticipated that the William P Hobby Building will need a significant amount of repairs and maintenance in the coming years.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2020	2021	2022
\$100,000	\$100,000	\$100,000

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

Code	Description	Excp 2018	Excp 2019
Item Name: RESTORE BASELINE REDUCTION			
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	34,532	35,093
TOTAL, OBJECT OF EXPENSE		\$34,532	\$35,093
METHOD OF FINANCING:			
1	General Revenue Fund	34,532	35,093
TOTAL, METHOD OF FINANCING		\$34,532	\$35,093
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

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

Code	Description	Excp 2018	Excp 2019
Item Name:		RESTORE BASELINE REDUCTION	
Allocation to Strategy:		2-1-1	Operate System of Inspection Assistance Education
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	133,282	132,722
2001	PROFESSIONAL FEES AND SERVICES	90,000	90,000
2005	TRAVEL	12,000	12,000
2009	OTHER OPERATING EXPENSE	18,000	18,000
TOTAL, OBJECT OF EXPENSE		\$253,282	\$252,722
METHOD OF FINANCING:			
1 General Revenue Fund		253,282	252,722
TOTAL, METHOD OF FINANCING		\$253,282	\$252,722
FULL-TIME EQUIVALENT POSITIONS (FTE):		2.0	2.0

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

Code	Description	Excp 2018	Excp 2019
Item Name: PRESCRIPTION MONITORING PROGRAM			
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System			
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	3,218	0
TOTAL, OBJECT OF EXPENSE		\$3,218	\$0
METHOD OF FINANCING:			
1	General Revenue Fund	3,218	0
TOTAL, METHOD OF FINANCING		\$3,218	\$0

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

Code	Description	Excp 2018	Excp 2019
Item Name:		PRESCRIPTION MONITORING PROGRAM	
Allocation to Strategy:		2-1-1	Operate System of Inspection Assistance Education
EXPLANATORY/INPUT MEASURES:			
<u>2</u>	Number of Queries Received by Prescription Monitoring Program	1,200,000.00	1,500,000.00
<u>3</u>	Number of Controlled Substances Prescriptions Submitted to PMP System	3,250,000.00	3,300,000.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	243,348	0
1002	OTHER PERSONNEL COSTS	1,216	0
2001	PROFESSIONAL FEES AND SERVICES	778,568	358,602
2003	CONSUMABLE SUPPLIES	2,410	0
2004	UTILITIES	1,700	0
2009	OTHER OPERATING EXPENSE	9,653	0
TOTAL, OBJECT OF EXPENSE		\$1,036,895	\$358,602
METHOD OF FINANCING:			
	1 General Revenue Fund	1,036,895	358,602
TOTAL, METHOD OF FINANCING		\$1,036,895	\$358,602

Agency code: 515 Agency name: Board of Pharmacy

Code	Description	Excp 2018	Excp 2019
Item Name:		PRESCRIPTION MONITORING PROGRAM	
Allocation to Strategy:		3-1-1	Licensing - Indirect Administration
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	16,501	0
1002	OTHER PERSONNEL COSTS	83	0
2001	PROFESSIONAL FEES AND SERVICES	483	0
2003	CONSUMABLE SUPPLIES	145	0
2004	UTILITIES	102	0
2009	OTHER OPERATING EXPENSE	598	0
TOTAL, OBJECT OF EXPENSE		\$17,912	\$0
METHOD OF FINANCING:			
1 General Revenue Fund		17,912	0
TOTAL, METHOD OF FINANCING		\$17,912	\$0

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

Code	Description	Excp 2018	Excp 2019
Item Name:		PRESCRIPTION MONITORING PROGRAM	
Allocation to Strategy:		3-1-2	Enforcement-Indirect Administration
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	93,503	0
1002	OTHER PERSONNEL COSTS	467	0
2001	PROFESSIONAL FEES AND SERVICES	2,733	0
2003	CONSUMABLE SUPPLIES	819	0
2004	UTILITIES	578	0
2009	OTHER OPERATING EXPENSE	3,390	0
TOTAL, OBJECT OF EXPENSE		\$101,490	\$0
METHOD OF FINANCING:			
1 General Revenue Fund		101,490	0
TOTAL, METHOD OF FINANCING		\$101,490	\$0

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

Code	Description	Excp 2018	Excp 2019
Item Name:		RECLASSIFICATIONS AND EQUITY ADJUSTMENTS	
Allocation to Strategy:		1-1-1	Operate an Application and Renewal Licensure System
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	9,885	9,885
TOTAL, OBJECT OF EXPENSE		9,885	9,885
METHOD OF FINANCING:			
1	General Revenue Fund	9,885	9,885
TOTAL, METHOD OF FINANCING		9,885	9,885

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

Code	Description	Excp 2018	Excp 2019
Item Name:			
RECLASSIFICATIONS AND EQUITY ADJUSTMENTS			
Allocation to Strategy:			
	2-1-1 Operate System of Inspection Assistance Education		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	50,211	50,211
TOTAL, OBJECT OF EXPENSE		\$50,211	\$50,211
METHOD OF FINANCING:			
1	General Revenue Fund	50,211	50,211
TOTAL, METHOD OF FINANCING		\$50,211	\$50,211

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

Code	Description	Excp 2018	Excp 2019
Item Name:			
	RECLASSIFICATIONS AND EQUITY ADJUSTMENTS		
Allocation to Strategy:			
	3-1-1 Licensing - Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	5,110	5,110
TOTAL, OBJECT OF EXPENSE		5,110	5,110
METHOD OF FINANCING:			
1	General Revenue Fund	5,110	5,110
TOTAL, METHOD OF FINANCING		5,110	5,110

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

Code	Description	Excp 2018	Excp 2019
Item Name: RECLASSIFICATIONS AND EQUITY ADJUSTMENTS			
Allocation to Strategy: 3-1-2 Enforcement-Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	28,960	28,960
TOTAL, OBJECT OF EXPENSE		\$28,960	\$28,960
METHOD OF FINANCING:			
1	General Revenue Fund	28,960	28,960
TOTAL, METHOD OF FINANCING		\$28,960	\$28,960

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

Code	Description	Excp 2018	Excp 2019
Item Name: ACQUISITION OF INFORMATION TECHNOLOGY			
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	13,366	2,870
TOTAL, OBJECT OF EXPENSE		\$13,366	\$2,870
METHOD OF FINANCING:			
1	General Revenue Fund	13,366	2,870
TOTAL, METHOD OF FINANCING		\$13,366	\$2,870

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

Code	Description	Excp 2018	Excp 2019
Item Name: ACQUISITION OF INFORMATION TECHNOLOGY			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	77,884	126,597
TOTAL, OBJECT OF EXPENSE		\$77,884	\$126,597
METHOD OF FINANCING:			
1	General Revenue Fund	77,884	126,597
TOTAL, METHOD OF FINANCING		\$77,884	\$126,597

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

Code	Description	Excp 2018	Excp 2019
Item Name: ACQUISITION OF INFORMATION TECHNOLOGY			
Allocation to Strategy: 3-1-1 Licensing - Indirect Administration			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	714	504
TOTAL, OBJECT OF EXPENSE		\$714	\$504
METHOD OF FINANCING:			
1	General Revenue Fund	714	504
TOTAL, METHOD OF FINANCING		\$714	\$504

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

Code	Description	Excp 2018	Excp 2019
Item Name: ACQUISITION OF INFORMATION TECHNOLOGY			
Allocation to Strategy: 3-1-2 Enforcement-Indirect Administration			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	4,036	2,849
TOTAL, OBJECT OF EXPENSE		\$4,036	\$2,849
METHOD OF FINANCING:			
1	General Revenue Fund	4,036	2,849
TOTAL, METHOD OF FINANCING		\$4,036	\$2,849

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

Code	Description	Excp 2018	Excp 2019
Item Name: MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES			
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	16,212	32,838
TOTAL, OBJECT OF EXPENSE		\$16,212	\$32,838
METHOD OF FINANCING:			
1	General Revenue Fund	16,212	32,838
TOTAL, METHOD OF FINANCING		\$16,212	\$32,838

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

Code	Description	Excp 2018	Excp 2019
Item Name: MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	100,405	203,369
TOTAL, OBJECT OF EXPENSE		\$100,405	\$203,369
METHOD OF FINANCING:			
1	General Revenue Fund	100,405	203,369
TOTAL, METHOD OF FINANCING		\$100,405	\$203,369

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

Code	Description	Excp 2018	Excp 2019
Item Name: MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES			
Allocation to Strategy: 3-1-1 Licensing - Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,847	5,766
TOTAL, OBJECT OF EXPENSE		\$2,847	\$5,766
METHOD OF FINANCING:			
1	General Revenue Fund	2,847	5,766
TOTAL, METHOD OF FINANCING		\$2,847	\$5,766

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

Code	Description	Excp 2018	Excp 2019
Item Name: MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES			
Allocation to Strategy: 3-1-2 Enforcement-Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	16,090	32,591
TOTAL, OBJECT OF EXPENSE		\$16,090	\$32,591
METHOD OF FINANCING:			
1	General Revenue Fund	16,090	32,591
TOTAL, METHOD OF FINANCING		\$16,090	\$32,591

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

Code	Description	Excp 2018	Excp 2019
Item Name: TRANSPORTATION ITEMS			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	66,000	66,000
TOTAL, OBJECT OF EXPENSE		\$66,000	\$66,000
METHOD OF FINANCING:			
1	General Revenue Fund	66,000	66,000
TOTAL, METHOD OF FINANCING		\$66,000	\$66,000

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

Code	Description	Excp 2018	Excp 2019
Item Name: NEW POSITIONS			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
STRATEGY IMPACT ON OUTCOME MEASURES:			
<u>1</u>	Percent of Complaints Resulting in Disciplinary Action	11.00%	11.00%
<u>2</u>	Recidivism Rate of Those Receiving Disciplinary Action	6.00	6.00
<u>3</u>	Percent of Documented Complaints Resolved within Six Months	68.00%	68.00%
<u>4</u>	Recidivism Rate for Peer Assistance Programs	30.00%	30.00%
<u>5</u>	One-year Completion Rate for Peer Assistance Programs	80.00%	80.00%
OUTPUT MEASURES:			
<u>1</u>	Number of Inspections	3,100.00	3,100.00
<u>2</u>	Number of Jurisdictional Complaints Resolved	5,800.00	5,800.00
EFFICIENCY MEASURES:			
<u>1</u>	Average Resolution Time for Resolving Jurisdictional Complaints	180.00	180.00
EXPLANATORY/INPUT MEASURES:			
<u>1</u>	Number of Jurisdictional Complaints Received	5,620.00	5,620.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	671,322	671,322
1002	OTHER PERSONNEL COSTS	3,915	3,915
2009	OTHER OPERATING EXPENSE	107,572	82,489
5000	CAPITAL EXPENDITURES	105,050	0
TOTAL, OBJECT OF EXPENSE		\$887,859	\$757,726
METHOD OF FINANCING:			
	1 General Revenue Fund	887,859	757,726
TOTAL, METHOD OF FINANCING		\$887,859	\$757,726
FULL-TIME EQUIVALENT POSITIONS (FTE):		12.0	12.0

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

Code	Description	Excp 2018	Excp 2019
Item Name: NEW POSITIONS			
Allocation to Strategy: 3-1-1 Licensing - Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	28,222	28,222
1002	OTHER PERSONNEL COSTS	57	57
2009	OTHER OPERATING EXPENSE	823	455
5000	CAPITAL EXPENDITURES	146	0
TOTAL, OBJECT OF EXPENSE		\$29,248	\$28,734
METHOD OF FINANCING:			
1 General Revenue Fund		29,248	28,734
TOTAL, METHOD OF FINANCING		\$29,248	\$28,734
FULL-TIME EQUIVALENT POSITIONS (FTE):		0.3	0.3

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

Code	Description	Excp 2018	Excp 2019
Item Name:			
	NEW POSITIONS		
Allocation to Strategy:			
	3-1-2 Enforcement-Indirect Administration		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	159,927	159,927
1002	OTHER PERSONNEL COSTS	325	325
2009	OTHER OPERATING EXPENSE	4,662	2,575
5000	CAPITAL EXPENDITURES	829	0
TOTAL, OBJECT OF EXPENSE		\$165,743	\$162,827
METHOD OF FINANCING:			
	1 General Revenue Fund	165,743	162,827
TOTAL, METHOD OF FINANCING		\$165,743	\$162,827
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.7	1.7

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

Code	Description	Excp 2018	Excp 2019
Item Name: ANNUAL LEAVE PAYOUT			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
OBJECTS OF EXPENSE:			
1002	OTHER PERSONNEL COSTS	162,744	0
TOTAL, OBJECT OF EXPENSE		\$162,744	\$0
METHOD OF FINANCING:			
1	General Revenue Fund	162,744	0
TOTAL, METHOD OF FINANCING		\$162,744	\$0

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

Code	Description	Excp 2018	Excp 2019
Item Name: PEER ASSISTANCT PROGRAM			
Allocation to Strategy: 2-1-2 Provide a Peer Assistance Program for Licensed Individuals			
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	9,342	9,342
TOTAL, OBJECT OF EXPENSE		\$9,342	\$9,342
METHOD OF FINANCING:			
1	General Revenue Fund	9,342	9,342
TOTAL, METHOD OF FINANCING		\$9,342	\$9,342

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

Code	Description	Excp 2018	Excp 2019
Item Name: EXECUTIVE DIRECTOR SALARY INCREASE			
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	9,836	9,836
TOTAL, OBJECT OF EXPENSE		\$9,836	\$9,836
METHOD OF FINANCING:			
1	General Revenue Fund	9,836	9,836
TOTAL, METHOD OF FINANCING		\$9,836	\$9,836

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

Code	Description	Excp 2018	Excp 2019
Item Name: EXECUTIVE DIRECTOR SALARY INCREASE			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	9,836	9,836
TOTAL, OBJECT OF EXPENSE		\$9,836	\$9,836
METHOD OF FINANCING:			
1	General Revenue Fund	9,836	9,836
TOTAL, METHOD OF FINANCING		\$9,836	\$9,836

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

Code	Description	Excp 2018	Excp 2019
Item Name: EXECUTIVE DIRECTOR SALARY INCREASE			
Allocation to Strategy: 3-1-1 Licensing - Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,507	1,507
TOTAL, OBJECT OF EXPENSE		1,507	1,507
METHOD OF FINANCING:			
1	General Revenue Fund	1,507	1,507
TOTAL, METHOD OF FINANCING		1,507	1,507

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

Code	Description	Excp 2018	Excp 2019
Item Name: EXECUTIVE DIRECTOR SALARY INCREASE			
Allocation to Strategy: 3-1-2 Enforcement-Indirect Administration			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	8,359	8,359
TOTAL, OBJECT OF EXPENSE		\$8,359	\$8,359
METHOD OF FINANCING:			
1	General Revenue Fund	8,359	8,359
TOTAL, METHOD OF FINANCING		\$8,359	\$8,359

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

Code	Description	Excp 2018	Excp 2019
Item Name: WM P HOBBY BUILDING MAINTENANCE			
Allocation to Strategy: 1-1-1 Operate an Application and Renewal Licensure System			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	11,960	11,960
TOTAL, OBJECT OF EXPENSE		\$11,960	\$11,960
METHOD OF FINANCING:			
1	General Revenue Fund	11,960	11,960
TOTAL, METHOD OF FINANCING		\$11,960	\$11,960

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

Code	Description	Excp 2018	Excp 2019
Item Name: WM P HOBBY BUILDING MAINTENANCE			
Allocation to Strategy: 2-1-1 Operate System of Inspection Assistance Education			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	74,070	74,070
TOTAL, OBJECT OF EXPENSE		\$74,070	\$74,070
METHOD OF FINANCING:			
1	General Revenue Fund	74,070	74,070
TOTAL, METHOD OF FINANCING		\$74,070	\$74,070

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

Code	Description	Excp 2018	Excp 2019
Item Name: WM P HOBBY BUILDING MAINTENANCE			
Allocation to Strategy: 3-1-1 Licensing - Indirect Administration			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	2,100	2,100
TOTAL, OBJECT OF EXPENSE		\$2,100	\$2,100
METHOD OF FINANCING:			
1	General Revenue Fund	2,100	2,100
TOTAL, METHOD OF FINANCING		\$2,100	\$2,100

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

Code	Description	Excp 2018	Excp 2019
Item Name: WM P HOBBY BUILDING MAINTENANCE			
Allocation to Strategy: 3-1-2 Enforcement-Indirect Administration			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	11,870	11,870
TOTAL, OBJECT OF EXPENSE		\$11,870	\$11,870
METHOD OF FINANCING:			
1	General Revenue Fund	11,870	11,870
TOTAL, METHOD OF FINANCING		\$11,870	\$11,870

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

DATE: 8/15/2016
TIME: 10:54:09AM

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

Service Categories:

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

CODE DESCRIPTION	Excp 2018	Excp 2019
-------------------------	------------------	------------------

STRATEGY IMPACT ON OUTCOME MEASURES:

<u>1</u> Percent of Licensees with No Recent Violations	95.00 %	95.00 %
<u>2</u> Percent of Licensees Who Renew Online	96.00 %	96.00 %
<u>3</u> Percent of New Individual Licenses Issued Online	96.00	96.00

EXPLANATORY/INPUT MEASURES:

<u>1</u> Total Number of Individuals Licensed	34,562.00	35,500.00
<u>2</u> Total Number of Business Facilities Licensed	8,200.00	8,300.00
<u>3</u> Total Number of Individuals Registered	66,000.00	67,000.00

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	70,465	87,652
2001 PROFESSIONAL FEES AND SERVICES	3,218	0
2009 OTHER OPERATING EXPENSE	11,960	11,960
5000 CAPITAL EXPENDITURES	13,366	2,870
Total, Objects of Expense	\$99,009	\$102,482

METHOD OF FINANCING:

1 General Revenue Fund	99,009	102,482
Total, Method of Finance	\$99,009	\$102,482

FULL-TIME EQUIVALENT POSITIONS (FTE):

1.0	1.0
-----	-----

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

RESTORE BASELINE REDUCTION

PRESCRIPTION MONITORING PROGRAM

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

DATE: 8/15/2016
TIME: 10:54:09AM

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

Service Categories:

STRATEGY: 1 Operate an Application and Renewal Licensure System

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

CODE DESCRIPTION	Excp 2018	Excp 2019
-------------------------	------------------	------------------

RECLASSIFICATIONS AND EQUITY ADJUSTMENTS
 ACQUISITION OF INFORMATION TECHNOLOGY
 MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES
 EXECUTIVE DIRECTOR SALARY INCREASE
 WM P HOBBY BUILDING MAINTENANCE

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

Service Categories:

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

CODE DESCRIPTION	Exp 2018	Exp 2019
-------------------------	-----------------	-----------------

STRATEGY IMPACT ON OUTCOME MEASURES:

<u>1</u> Percent of Complaints Resulting in Disciplinary Action	11.00 %	11.00 %
<u>2</u> Recidivism Rate of Those Receiving Disciplinary Action	6.00	6.00
<u>3</u> Percent of Documented Complaints Resolved within Six Months	68.00 %	68.00 %

OUTPUT MEASURES:

<u>1</u> Number of Inspections	900.00	900.00
<u>2</u> Number of Jurisdictional Complaints Resolved	440.00	440.00

EFFICIENCY MEASURES:

<u>1</u> Average Resolution Time for Resolving Jurisdictional Complaints	180.00	180.00
--	--------	--------

EXPLANATORY/INPUT MEASURES:

<u>1</u> Number of Jurisdictional Complaints Received	5,620.00	5,620.00
<u>2</u> Number of Queries Received by Prescription Monitoring Program	1,200,000.00	1,500,000.00
<u>3</u> Number of Controlled Substances Prescriptions Submitted to PMP System	3,250,000.00	3,300,000.00

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	1,208,404	1,067,460
1002 OTHER PERSONNEL COSTS	167,875	3,915
2001 PROFESSIONAL FEES AND SERVICES	868,568	448,602
2003 CONSUMABLE SUPPLIES	2,410	0
2004 UTILITIES	1,700	0
2005 TRAVEL	12,000	12,000
2009 OTHER OPERATING EXPENSE	209,295	174,559
5000 CAPITAL EXPENDITURES	248,934	192,597
Total, Objects of Expense	\$2,719,186	\$1,899,133

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

DATE: 8/15/2016
TIME: 10:54:09AM

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

Service Categories:

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

CODE DESCRIPTION	Excp 2018	Excp 2019
-------------------------	------------------	------------------

METHOD OF FINANCING:

1 General Revenue Fund	2,719,186	1,899,133
------------------------	-----------	-----------

Total, Method of Finance	\$2,719,186	\$1,899,133
---------------------------------	--------------------	--------------------

FULL-TIME EQUIVALENT POSITIONS (FTE):	14.0	14.0
--	------	------

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- RESTORE BASELINE REDUCTION
- PRESCRIPTION MONITORING PROGRAM
- RECLASSIFICATIONS AND EQUITY ADJUSTMENTS
- ACQUISITION OF INFORMATION TECHNOLOGY
- MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES
- TRANSPORTATION ITEMS
- NEW POSITIONS
- ANNUAL LEAVE PAYOUT
- EXECUTIVE DIRECTOR SALARY INCREASE
- WM P HOBBY BUILDING MAINTENANCE

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

Service Categories:

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

CODE DESCRIPTION	Excp 2018	Excp 2019
-------------------------	------------------	------------------

OUTPUT MEASURES:

1 Number of Individuals Participating in a Peer Assistance Program	160.00	160.00
---	--------	--------

OBJECTS OF EXPENSE:

2001 PROFESSIONAL FEES AND SERVICES	9,342	9,342
-------------------------------------	-------	-------

Total, Objects of Expense	\$9,342	\$9,342
----------------------------------	----------------	----------------

METHOD OF FINANCING:

1 General Revenue Fund	9,342	9,342
------------------------	-------	-------

Total, Method of Finance	\$9,342	\$9,342
---------------------------------	----------------	----------------

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

PEER ASSISTANCT PROGRAM

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

DATE: 8/15/2016
TIME: 10:54:09AM

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

GOAL: 3 Indirect Administration

OBJECTIVE: 1 Indirect Administration

STRATEGY: 1 Licensing - Indirect Administration

Service Categories:

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

CODE DESCRIPTION	Exp 2018	Exp 2019
-------------------------	-----------------	-----------------

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	54,187	40,605
1002 OTHER PERSONNEL COSTS	140	57
2001 PROFESSIONAL FEES AND SERVICES	483	0
2003 CONSUMABLE SUPPLIES	145	0
2004 UTILITIES	102	0
2009 OTHER OPERATING EXPENSE	3,521	2,555
5000 CAPITAL EXPENDITURES	860	504
Total, Objects of Expense	\$59,438	\$43,721

METHOD OF FINANCING:

1 General Revenue Fund	59,438	43,721
Total, Method of Finance	\$59,438	\$43,721

FULL-TIME EQUIVALENT POSITIONS (FTE): 0.3 0.3

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- PRESCRIPTION MONITORING PROGRAM
- RECLASSIFICATIONS AND EQUITY ADJUSTMENTS
- ACQUISITION OF INFORMATION TECHNOLOGY
- MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES
- NEW POSITIONS
- EXECUTIVE DIRECTOR SALARY INCREASE
- WM P HOBBY BUILDING MAINTENANCE

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

DATE: 8/15/2016
TIME: 10:54:09AM

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

GOAL: 3 Indirect Administration

OBJECTIVE: 1 Indirect Administration

STRATEGY: 2 Enforcement-Indirect Administration

Service Categories:

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

CODE DESCRIPTION	Exp 2018	Exp 2019
-------------------------	-----------------	-----------------

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	306,839	229,837
1002 OTHER PERSONNEL COSTS	792	325
2001 PROFESSIONAL FEES AND SERVICES	2,733	0
2003 CONSUMABLE SUPPLIES	819	0
2004 UTILITIES	578	0
2009 OTHER OPERATING EXPENSE	19,922	14,445
5000 CAPITAL EXPENDITURES	4,865	2,849
Total, Objects of Expense	\$336,548	\$247,456

METHOD OF FINANCING:

1 General Revenue Fund	336,548	247,456
Total, Method of Finance	\$336,548	\$247,456

FULL-TIME EQUIVALENT POSITIONS (FTE):	1.7	1.7
--	-----	-----

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- PRESCRIPTION MONITORING PROGRAM
- RECLASSIFICATIONS AND EQUITY ADJUSTMENTS
- ACQUISITION OF INFORMATION TECHNOLOGY
- MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES
- NEW POSITIONS
- EXECUTIVE DIRECTOR SALARY INCREASE
- WM P HOBBY BUILDING MAINTENANCE

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

DATE: **8/15/2016**
 TIME : **10:57:40AM**

Agency code: **515**

Agency name: **Board of Pharmacy**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE		Est 2016	Bud 2017	BL 2018	BL 2019
5003 Repair or Rehabilitation of Buildings and Facilities					
<i>5/5 Maintenance to the William P Hobby Building</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2009 OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0
Capital Subtotal OOE, Project 5		\$0	\$0	\$0	\$0
Subtotal OOE, Project 5		\$0	\$0	\$0	\$0
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$0	\$0	\$0	\$0
Capital Subtotal TOF, Project 5		\$0	\$0	\$0	\$0
<u>Informational</u>					
General	CA 1 General Revenue Fund	\$0	\$0	\$0	\$0
Informational Subtotal TOF, Project 5		\$0	\$0	\$0	\$0
Subtotal TOF, Project 5		\$0	\$0	\$0	\$0
Capital Subtotal, Category 5003		\$0	\$0	\$0	\$0
Informational Subtotal, Category 5003		\$0	\$0	\$0	\$0
Total, Category 5003		\$0	\$0	\$0	\$0

5005 Acquisition of Information Resource Technologies

1/1 PC Replacement

OBJECTS OF EXPENSE

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

DATE: **8/15/2016**
 TIME : **10:57:40AM**

Agency code: **515**

Agency name: **Board of Pharmacy**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE		Est 2016	Bud 2017	BL 2018	BL 2019
<u>Capital</u>					
General	5000 CAPITAL EXPENDITURES	\$40,525	\$26,825	\$35,600	\$12,750
	Capital Subtotal OOE, Project 1	\$40,525	\$26,825	\$35,600	\$12,750
	Subtotal OOE, Project 1	\$40,525	\$26,825	\$35,600	\$12,750
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$40,525	\$26,825	\$35,600	\$12,750
	Capital Subtotal TOF, Project 1	\$40,525	\$26,825	\$35,600	\$12,750
	Subtotal TOF, Project 1	\$40,525	\$26,825	\$35,600	\$12,750
<i>2/2 Replacement and Acquisition of New Computer Hardware</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	5000 CAPITAL EXPENDITURES	\$58,914	\$58,003	\$63,839	\$72,078
	Capital Subtotal OOE, Project 2	\$58,914	\$58,003	\$63,839	\$72,078
	Subtotal OOE, Project 2	\$58,914	\$58,003	\$63,839	\$72,078
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$58,914	\$58,003	\$63,839	\$72,078
	Capital Subtotal TOF, Project 2	\$58,914	\$58,003	\$63,839	\$72,078
	Subtotal TOF, Project 2	\$58,914	\$58,003	\$63,839	\$72,078

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

DATE: **8/15/2016**
 TIME : **10:57:40AM**

Agency code: **515**

Agency name: **Board of Pharmacy**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE		Est 2016	Bud 2017	BL 2018	BL 2019
Capital Subtotal, Category	5005	\$99,439	\$84,828	\$99,439	\$84,828
Informational Subtotal, Category	5005	\$0	\$0	\$0	\$0
Total, Category	5005	\$99,439	\$84,828	\$99,439	\$84,828
5006 Transportation Items					
<i>3/3 Replacement Vehicles</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	5000 CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0
Capital Subtotal OOE, Project		3	\$0	\$0	\$0
Subtotal OOE, Project		3	\$0	\$0	\$0
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$0	\$0	\$0	\$0
Capital Subtotal TOF, Project		3	\$0	\$0	\$0
<u>Informational</u>					
General	CA 1 General Revenue Fund	\$0	\$0	\$0	\$0
Informational Subtotal TOF, Project		3	\$0	\$0	\$0
Subtotal TOF, Project		3	\$0	\$0	\$0
<i>4/4 New Vehicles</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	5000 CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0

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

DATE: **8/15/2016**
 TIME : **10:57:40AM**

Agency code: **515**

Agency name: **Board of Pharmacy**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2016

Bud 2017

BL 2018

BL 2019

Capital Subtotal OOE, Project 4 \$0 \$0 \$0 \$0

Subtotal OOE, Project 4 **\$0 \$0 \$0 \$0**

TYPE OF FINANCING

Capital

General CA 1 General Revenue Fund \$0 \$0 \$0 \$0

Capital Subtotal TOF, Project 4 \$0 \$0 \$0 \$0

Informational

General CA 1 General Revenue Fund \$0 \$0 \$0 \$0

Informational Subtotal TOF, Project 4 \$0 \$0 \$0 \$0

Subtotal TOF, Project 4 **\$0 \$0 \$0 \$0**

Capital Subtotal, Category 5006 \$0 \$0 \$0 \$0

Informational Subtotal, Category 5006 \$0 \$0 \$0 \$0

Total, Category 5006 \$0 \$0 \$0 \$0

8000 Centralized Accounting and Payroll/Personnel System (CAPPS)

6/6 Centralized Accounting and Payroll/ Personnel System

OBJECTS OF EXPENSE

Informational

General 1001 SALARIES AND WAGES \$0 \$13,136 \$13,136 \$0

General 1002 OTHER PERSONNEL COSTS \$0 \$2,076 \$2,076 \$0

General 2009 OTHER OPERATING EXPENSE \$0 \$1,663 \$1,663 \$0

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

DATE: **8/15/2016**
 TIME : **10:57:40AM**

Agency code: **515**

Agency name: **Board of Pharmacy**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE			Est 2016	Bud 2017	BL 2018	BL 2019
Informational Subtotal OOE, Project	6		\$0	\$16,875	\$16,875	\$0
Subtotal OOE, Project	6		\$0	\$16,875	\$16,875	\$0
TYPE OF FINANCING						
<u>Informational</u>						
General CA 1 General Revenue Fund			\$0	\$16,875	\$16,875	\$0
Informational Subtotal TOF, Project	6		\$0	\$16,875	\$16,875	\$0
Subtotal TOF, Project	6		\$0	\$16,875	\$16,875	\$0
Capital Subtotal, Category	8000		\$0	\$0	\$0	\$0
Informational Subtotal, Category	8000		\$0	\$16,875	\$16,875	\$0
Total, Category	8000		\$0	\$16,875	\$16,875	\$0
AGENCY TOTAL -CAPITAL			\$99,439	\$84,828	\$99,439	\$84,828
AGENCY TOTAL -INFORMATIONAL			\$0	\$16,875	\$16,875	\$0
AGENCY TOTAL			\$99,439	\$101,703	\$116,314	\$84,828

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

DATE: **8/15/2016**
 TIME : **10:57:40AM**

Agency code: **515**

Agency name: **Board of Pharmacy**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2016

Bud 2017

BL 2018

BL 2019

METHOD OF FINANCING:

Capital

General	1	General Revenue Fund	\$99,439	\$84,828	\$99,439	\$84,828
---------	---	----------------------	----------	----------	----------	----------

Total, Method of Financing-Capital

\$99,439	\$84,828	\$99,439	\$84,828
----------	----------	----------	----------

Informational

General	1	General Revenue Fund	\$0	\$16,875	\$16,875	\$0
---------	---	----------------------	-----	----------	----------	-----

Total, Method of Financing-Informational

\$0	\$16,875	\$16,875	\$0
-----	----------	----------	-----

Total, Method of Financing

\$99,439	\$101,703	\$116,314	\$84,828
-----------------	------------------	------------------	-----------------

TYPE OF FINANCING:

Capital

General	CA	CURRENT APPROPRIATIONS	\$99,439	\$84,828	\$99,439	\$84,828
---------	----	------------------------	----------	----------	----------	----------

Total, Type of Financing-Capital

\$99,439	\$84,828	\$99,439	\$84,828
----------	----------	----------	----------

Informational

General	CA	CURRENT APPROPRIATIONS	\$0	\$16,875	\$16,875	\$0
---------	----	------------------------	-----	----------	----------	-----

Total, Type of Financing-Informational

\$0	\$16,875	\$16,875	\$0
-----	----------	----------	-----

Total, Type of Financing

\$99,439	\$101,703	\$116,314	\$84,828
-----------------	------------------	------------------	-----------------

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

DATE: 8/15/2016
 TIME: 11:00:48AM

Agency Code:	515	Agency name:	Board of Pharmacy
Category Number:	5006	Category Name:	TRANSPORTATION ITEMS
Project number:	3	Project Name:	Transportation Items

PROJECT DESCRIPTION

General Information

TSBP has the authority to purchase vehicles under the Occ. Code, Sec. 554.009. Vehicles are routinely purchased & replaced when necessary, generally at 100,000 miles. The agency currently has 22 vehicles, and 7 of that number will reach estimated mileages between 106,000 & 163,000 if not replaced in the next biennium. The total cost for these 7 vehicles is \$154,000. The current funding budget includes \$22,000. Therefore, this exceptional item request is for \$132,000 which is the difference in the total cost of the vehicles less the amount included in the current funding budget.

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

In addition, if the vehicles are not replaced, field compliance staff will not be able to conduct inspections on a daily basis, resulting in fewer pharmacies in Texas being inspected. TSBP has only a minimal number of staff (10 FTEs) to inspect the 7,300 pharmacies located in Texas. Recent audit by SAO points out that 23% of the TX licensed pharmacies have not been inspected in 5 years. Both the SAO & the Sunset Advisory Commission have recommended that TSBP conduct more frequent inspections, & reduce the backlog of pharmacies that have not been recently inspected.

Having inoperable vehicles will decrease the number of inspections and lengthen the time between inspections.

Number of Units / Average Unit Cost	\$22,000		
Estimated Completion Date	08/31/2019		
Additional Capital Expenditure Amounts Required		2020	2021
		0	0
Type of Financing	CA	CURRENT APPROPRIATIONS	
Projected Useful Life	9 years or 100,000 miles		
Estimated/Actual Project Cost	\$132,000		
Length of Financing/ Lease Period	none		

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2018	2019	2020	2021	Total over project life
	0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

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

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

DATE: 8/15/2016
TIME: 11:00:48AM

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

Project Location: Vehicles are assigned to field investigators for use through Texas and field compliance staff (i.e., employees who conduct inspections of the 7,300 pharmacies located in Texas).

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

Frequency of Use and External Factors Affecting Use:

Vehicles are assigned to full time field investigators and compliance inspectors who primary functions are to (1) conduct investigations of complaints alleging serious violations of pharmacy laws and rules, such as diversion of controlled substances and dispensing errors causing harm or injury to Texas patients, and (2) conduct daily inspections of the 7,300 pharmacies located in Texas for compliance with the laws and rules governing the practice of pharmacy.

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

DATE: 8/15/2016
 TIME: 11:00:48AM

Agency Code:	515	Agency name:	Board of Pharmacy
Category Number:	5006	Category Name:	TRANSPORTATION ITEMS
Project number:	4	Project Name:	Transportation Items

PROJECT DESCRIPTION

General Information

TSBP has the authority to purchase vehicles under the Occ. Code, Sec. 554.009. Vehicles are routinely purchased & replaced when necessary, generally at 100,000 miles. TSBP is requesting 4 additional field personnel, 3 field inspectors and 1 field investigator, which results in a request for 4 new vehicles.

Number of Units / Average Unit Cost	\$22,000			
Estimated Completion Date	08/31/2019			
Additional Capital Expenditure Amounts Required		2020		2021
		0		0
Type of Financing	CA	CURRENT APPROPRIATIONS		
Projected Useful Life	9 years or 100,000 miles			
Estimated/Actual Project Cost	\$88,000			
Length of Financing/ Lease Period	none			

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2018	2019	2020	2021	Total over project life
	0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

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

Explanation: This description includes a request to purchase 4 additional vehicles for the field Inspection Program and Investigations staff as shown in the Exceptional Item entitled "New Positions".

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

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

Frequency of Use and External Factors Affecting Use:

Vehicles are assigned to full time field investigators and compliance inspectors who primary functions are to (1) conduct investigations of complaints alleging serious violations of pharmacy laws and rules, such as diversion of controlled substances and dispensing errors causing harm or injury to Texas patients, and (2) conduct daily inspections of the 7,300 pharmacies located in Texas for compliance with the laws and rules governing the practice of pharmacy.

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

DATE: 8/15/2016
 TIME: 11:00:48AM

Agency Code:	515	Agency name:	Board of Pharmacy
Category Number:	5003	Category Name:	REPAIR OR REHABILITATION
Project number:	5	Project Name:	Repairs or Rehabilitation

PROJECT DESCRIPTION

General Information

The TSBP is greatly concerned for our staff who we believe are at risk due to the lack of attention to sanitation, safety and security of the William P. Hobby, Jr. Building. The Hobby Building is dirty, in disrepair and needs immediate attention.

TSBP suggest the following rider in order to assist in providing consistent maintenance and repairs at the Hobby Building to provide our employees with a healthier and safer work environment of our employees.

“William P. Hobby Building Upkeep. In addition to amount appropriated above, \$100,000 in fiscal year 2018 and \$100,000 in fiscal year 2019 are hereby appropriated to the Texas State Board of Pharmacy to assist the Texas Facilities Commission in upkeep of the William P. Hobby Building for safety of the staff and the public.”

Number of Units / Average Unit Cost	\$100,000			
Estimated Completion Date	08/31/2019			
Additional Capital Expenditure Amounts Required		2020		2021
		0		0
Type of Financing	CA	CURRENT APPROPRIATIONS		
Projected Useful Life	1 year			
Estimated/Actual Project Cost	\$200,000			
Length of Financing/ Lease Period	none			

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

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

Explanation: Staff are at risk due to the lack of attention to sanitation, safety & security. Requests for consistent maintenance & repairs have gone unheeded and remain a threat to the health and safety of our employees. Issues within the Hobby Building have been brought forth by tenant agencies. Overall the Hobby Building agencies are at our highest sense of frustration with the lack of response to work orders, lack of building maintenance, sporadic cleaning & general filth in parking garages & elevators.

Project Location: William P Hobby Building

Beneficiaries: State employees, agency constituents and the general public.

Frequency of Use and External Factors Affecting Use:

Daily

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

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
5003 Repair or Rehabilitation of Buildings and Facilities					
<i>5/5</i>	<i>Repairs or Rehabilitation</i>				
<u>GENERAL BUDGET</u>					
Capital	3-1-1 LICENSING - INDIRECT ADMINISTRATION	0	0	\$0	\$0
	3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION	0	0	0	0
	1-1-1 LICENSING	0	0	0	0
	2-1-1 ENFORCEMENT	0	0	0	0
	TOTAL, PROJECT	\$0	\$0	\$0	\$0

5005 Acquisition of Information Resource Technologies

1/1 PC Replacement

GENERAL BUDGET

Capital	3-1-1 LICENSING - INDIRECT ADMINISTRATION	2,940	701	525	405
	3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION	16,660	3,974	2,975	2,295
	1-1-1 LICENSING	3,800	975	2,250	3,000
	2-1-1 ENFORCEMENT	17,125	21,175	29,850	7,050
	TOTAL, PROJECT	\$40,525	\$26,825	\$35,600	\$12,750

2/2 Acquisition of Information Resource

GENERAL BUDGET

Capital	3-1-1 LICENSING - INDIRECT ADMINISTRATION	1,099	1,272	0	0
	3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION	6,234	7,214	0	0
	1-1-1 LICENSING	2,702	3,477	8,937	10,091

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

Category Code/Name

Project Sequence/Project Id/Name

	Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
Capital	2-1-1	ENFORCEMENT	48,879	46,040	\$54,902	\$61,987
		TOTAL, PROJECT	<u>\$58,914</u>	<u>\$58,003</u>	<u>\$63,839</u>	<u>\$72,078</u>

5006 Transportation Items

3/3 Transportation Items

GENERAL BUDGET

Capital	2-1-1	ENFORCEMENT	0	0	0	0
		TOTAL, PROJECT	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

4/4 Transportation Items

GENERAL BUDGET

Capital	2-1-1	ENFORCEMENT	0	0	0	0
		TOTAL, PROJECT	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

8000 Centralized Accounting and Payroll/Personnel System (CAPPS)

6/6 CAPPS

GENERAL BUDGET

Informational	3-1-1	LICENSING - INDIRECT ADMINISTRATION	0	2,530	2,530	0
	3-1-2	ENFORCEMENT-INDIRECT ADMINISTRATION	0	14,345	14,345	0
		TOTAL, PROJECT	<u>\$0</u>	<u>\$16,875</u>	<u>\$16,875</u>	<u>\$0</u>

Agency code: 515 Agency name: Board of Pharmacy

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
	TOTAL CAPITAL, ALL PROJECTS	\$99,439	\$84,828	\$99,439	\$84,828
	TOTAL INFORMATIONAL, ALL PROJECTS	\$0	\$16,875	\$16,875	\$0
	TOTAL, ALL PROJECTS	\$99,439	\$101,703	\$116,314	\$84,828

515 Board of Pharmacy

Category Code/Name		Est 2016	Bud 2017	BL 2018	BL 2019
Project Sequence/Name					
Goal/Obj/Str	Strategy Name				
5003 Repair or Rehabilitation of Buildings and Facilities					
5 Repairs or Rehabilitation					
OOE					
Capital					
1-1-1 LICENSING					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	0	0	0	0
2-1-1 ENFORCEMENT					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	0	0	0	0
3-1-1 LICENSING - INDIRECT ADMINISTRATION					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	0	0	0	0
3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION					
<u>General Budget</u>					
2009	OTHER OPERATING EXPENSE	0	0	0	0
TOTAL, OOE's		\$0	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 LICENSING					
<u>General Budget</u>					

515 Board of Pharmacy

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
5 Repairs or Rehabilitation					
1	General Revenue Fund	0	0	0	0
2-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
3-1-1 LICENSING - INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$0	\$0	0	0
TOTAL, MOFs		\$0	\$0	0	0

5005 Acquisition of Information Resource Technologies

515 Board of Pharmacy

Category Code/Name		Est 2016	Bud 2017	BL 2018	BL 2019
Project Sequence/Name					
Goal/Obj/Str	Strategy Name				
1 PC Replacement					
OOE					
Capital					
1-1-1 LICENSING					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	3,800	975	2,250	3,000
2-1-1 ENFORCEMENT					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	17,125	21,175	29,850	7,050
3-1-1 LICENSING - INDIRECT ADMINISTRATION					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	2,940	701	525	405
3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	16,660	3,974	2,975	2,295
TOTAL, OOE's		\$40,525	\$26,825	35,600	12,750
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 LICENSING					
<u>General Budget</u>					
1	General Revenue Fund	3,800	975	2,250	3,000
2-1-1 ENFORCEMENT					

515 Board of Pharmacy

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
1 PC Replacement					
<u>General Budget</u>					
1	General Revenue Fund	17,125	21,175	29,850	7,050
3-1-1 LICENSING - INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	2,940	701	525	405
3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	16,660	3,974	2,975	2,295
TOTAL, GENERAL REVENUE FUNDS		\$40,525	\$26,825	35,600	12,750
TOTAL, MOFs		\$40,525	\$26,825	35,600	12,750

515 Board of Pharmacy

Category Code/Name		Est 2016	Bud 2017	BL 2018	BL 2019
Project Sequence/Name					
Goal/Obj/Str	Strategy Name				
2 Acquisition of Information Resource					
OOE					
Capital					
1-1-1 LICENSING					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	2,702	3,477	8,937	10,091
2-1-1 ENFORCEMENT					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	48,879	46,040	54,902	61,987
3-1-1 LICENSING - INDIRECT ADMINISTRATION					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	1,099	1,272	0	0
3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	6,234	7,214	0	0
TOTAL, OOE's		\$58,914	\$58,003	63,839	72,078
MOF					
GENERAL REVENUE FUNDS					
Capital					
1-1-1 LICENSING					
<u>General Budget</u>					
1	General Revenue Fund	2,702	3,477	8,937	10,091
2-1-1 ENFORCEMENT					

515 Board of Pharmacy

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
2 Acquisition of Information Resource					
<u>General Budget</u>					
1	General Revenue Fund	48,879	46,040	54,902	61,987
3-1-1 LICENSING - INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	1,099	1,272	0	0
3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	6,234	7,214	0	0
TOTAL, GENERAL REVENUE FUNDS		\$58,914	\$58,003	63,839	72,078
TOTAL, MOFs		\$58,914	\$58,003	63,839	72,078

5006 Transportation Items

515 Board of Pharmacy

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
3 Transportation Items					
OOE					
Capital					
2-1-1 ENFORCEMENT					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	0	0	0	0
TOTAL, OOE's		\$0	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
2-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$0	\$0	0	0
TOTAL, MOFs		\$0	\$0	0	0

515 Board of Pharmacy

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
4 Transportation Items					
OOE					
Capital					
2-1-1 ENFORCEMENT					
<u>General Budget</u>					
5000	CAPITAL EXPENDITURES	0	0	0	0
TOTAL, OOE's		\$0	\$0	0	0
MOF					
GENERAL REVENUE FUNDS					
Capital					
2-1-1 ENFORCEMENT					
<u>General Budget</u>					
1	General Revenue Fund	0	0	0	0
TOTAL, GENERAL REVENUE FUNDS		\$0	\$0	0	0
TOTAL, MOFs		\$0	\$0	0	0

8000 Centralized Accounting and Payroll/Personnel System (CAPPS)

515 Board of Pharmacy

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
6 CAPPS					
OOE					
Informational					
3-1-1 LICENSING - INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1001	SALARIES AND WAGES	0	1,970	1,970	0
1002	OTHER PERSONNEL COSTS	0	311	311	0
2009	OTHER OPERATING EXPENSE	0	249	249	0
3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1001	SALARIES AND WAGES	0	11,166	11,166	0
1002	OTHER PERSONNEL COSTS	0	1,765	1,765	0
2009	OTHER OPERATING EXPENSE	0	1,414	1,414	0
TOTAL, OOE's		\$0	\$16,875	16,875	0
MOF					
GENERAL REVENUE FUNDS					
Informational					
3-1-1 LICENSING - INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	0	2,530	2,530	0
3-1-2 ENFORCEMENT-INDIRECT ADMINISTRATION					
<u>General Budget</u>					
1	General Revenue Fund	0	14,345	14,345	0

515 Board of Pharmacy

Category Code/Name

Project Sequence/Name

Goal/Obj/Str	Strategy Name	Est 2016	Bud 2017	BL 2018	BL 2019
6 CAPPs					
	TOTAL, GENERAL REVENUE FUNDS	\$0	\$16,875	\$16,875	\$0
	TOTAL, MOFs	\$0	\$16,875	\$16,875	\$0

515 Board of Pharmacy

	Est 2016	Bud 2017	BL 2018	BL 2019
CAPITAL				
<u>General Budget</u>				
GENERAL REVENUE FUNDS	\$99,439	\$84,828	99,439	84,828
TOTAL, GENERAL BUDGET	99,439	84,828	99,439	84,828
INFORMATIONAL				
<u>General Budget</u>				
GENERAL REVENUE FUNDS	\$0	\$16,875	16,875	0
TOTAL, GENERAL BUDGET	0	16,875	16,875	0
TOTAL, ALL PROJECTS	\$99,439	\$101,703	116,314	84,828

515 Board of Pharmacy

Category Code / Category Name <i>Project Number / Name</i>	OOE / TOF / MOF CODE	Excp 2018	Excp 2019
5003 Repair or Rehabilitation of Buildings and Facilities			
<u>5 Repairs or Rehabilitation</u>			
Objects of Expense			
2009 OTHER OPERATING EXPENSE		100,000	100,000
Subtotal OOE, Project	5	100,000	100,000
Type of Financing			
CA 1 General Revenue Fund		100,000	100,000
Subtotal TOF, Project	5	100,000	100,000
Subtotal Category	5003	100,000	100,000
5005 Acquisition of Information Resource Technologies			
<u>1 PC Replacement</u>			
Objects of Expense			
5000 CAPITAL EXPENDITURES		0	24,000
Subtotal OOE, Project	1	0	24,000
Type of Financing			
CA 1 General Revenue Fund		0	24,000
Subtotal TOF, Project	1	0	24,000
<u>2 Acquisition of Information Resource</u>			
Objects of Expense			
5000 CAPITAL EXPENDITURES		96,000	108,820
Subtotal OOE, Project	2	96,000	108,820
Type of Financing			
CA 1 General Revenue Fund		96,000	108,820
Subtotal TOF, Project	2	96,000	108,820

515 Board of Pharmacy

Category Code / Category Name <i>Project Number / Name</i> OOE / TOF / MOF CODE		Excp 2018	Excp 2019
Subtotal Category	5005	96,000	132,820
5006 Transportation Items			
<u>3</u> <u>Transportation Items</u>			
Objects of Expense			
5000 CAPITAL EXPENDITURES		66,000	66,000
Subtotal OOE, Project	3	66,000	66,000
Type of Financing			
CA 1 General Revenue Fund		66,000	66,000
Subtotal TOF, Project	3	66,000	66,000
<u>4</u> <u>Transportation Items</u>			
Objects of Expense			
5000 CAPITAL EXPENDITURES		88,000	0
Subtotal OOE, Project	4	88,000	0
Type of Financing			
CA 1 General Revenue Fund		88,000	0
Subtotal TOF, Project	4	88,000	0
Subtotal Category	5006	154,000	66,000
AGENCY TOTAL		350,000	298,820
METHOD OF FINANCING:			
1 General Revenue Fund		350,000	298,820
Total, Method of Financing		350,000	298,820

515 Board of Pharmacy

Category Code / Category Name

Project Number / Name

OOE / TOF / MOF CODE

Excp 2018

Excp 2019

TYPE OF FINANCING:

CA CURRENT APPROPRIATIONS

350,000

298,820

Total, Type of Financing

350,000

298,820

515 Board of Pharmacy

Category Code/Name

Project Number/Name

Goal/Obj/Str	Strategy Name	Excp 2018	Excp 2019
5003 Repair or Rehabilitation of Buildings and Facilities			
5	Repairs or Rehabilitation		
3 1 1	LICENSING - INDIRECT ADMINISTRATION	2,100	2,100
3 1 2	ENFORCEMENT-INDIRECT ADMINISTRATION	11,870	11,870
1 1 1	LICENSING	11,960	11,960
2 1 1	ENFORCEMENT	74,070	74,070
TOTAL, PROJECT		100,000	100,000
5005 Acquisition of Information Resource Technologies			
1	PC Replacement		
2 1 1	ENFORCEMENT	0	24,000
TOTAL, PROJECT		0	24,000
2	Acquisition of Information Resource		
3 1 1	LICENSING - INDIRECT ADMINISTRATION	714	504
3 1 2	ENFORCEMENT-INDIRECT ADMINISTRATION	4,036	2,849
1 1 1	LICENSING	13,366	2,870
2 1 1	ENFORCEMENT	77,884	102,597
TOTAL, PROJECT		96,000	108,820
5006 Transportation Items			
3	Transportation Items		
2 1 1	ENFORCEMENT	66,000	66,000
TOTAL, PROJECT		66,000	66,000

515 Board of Pharmacy

Category Code/Name

Project Number/Name

Goal/Obj/Str	Strategy Name	Excp 2018	Excp 2019
4	Transportation Items		
2 1 1	ENFORCEMENT	88,000	0
TOTAL, PROJECT		88,000	0
TOTAL, ALL PROJECTS		350,000	298,820

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2014 - 2015 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2014			Total Expenditures FY 2014		HUB Expenditures FY 2015			Total Expenditures FY 2015	
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$	FY 2015		
11.2%	Heavy Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
21.1%	Building Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
32.9%	Special Trade	0.0 %	0.0%	0.0%	\$0	\$2,250	0.0 %	0.0%	0.0%	\$0	\$1,295	
23.7%	Professional Services	23.6 %	100.0%	76.4%	\$2,175	\$2,175	23.6 %	100.0%	76.4%	\$1,349	\$1,349	
26.0%	Other Services	24.6 %	11.0%	-13.6%	\$48,896	\$442,560	24.6 %	1.8%	-22.8%	\$6,804	\$385,278	
21.1%	Commodities	21.0 %	37.8%	16.8%	\$61,537	\$162,730	21.0 %	38.2%	17.2%	\$40,382	\$105,651	
	Total Expenditures		18.5%		\$112,608	\$609,715		9.8%		\$48,535	\$493,573	

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

Attainment:

TSBP met or exceeded two of the three HUB procurement goals in FY2014 and in FY2015.

Applicability:

The “Heavy Construction”, “Building Construction”, and “Special Trades” categories are not applicable to TSBP in either fiscal year 2014 or 2015 because the agency did not have any strategies or programs related to construction.

Factors Affecting Attainment:

TSBP faced a number of constraints in the category of Other Services. TSBP has large outlays for the Peer Assistance Program and for analysis of sterile compounded pharmaceuticals, which the agency has not been able to find suitable HUBs to perform. In addition, TSBP extensively utilizes Neubus under a CCG contract for scanning services. Neubus was a HUB as recently as fiscal year 2013, but is not any longer. TSBP has a relatively large order for services to Austin Ribbon and Computer, a HUB contractor, through a DIR contract for a re-design of the agency web site in FY14. With the completion of that project, TSBP did not have any project of comparable dollar value for that vendor.

"Good-Faith" Efforts:

TSBP made the following good faith efforts to comply with statewide HUB procurement goals per 34 TAC Section 20.13(d):

- Ensured that solicitations were provided to HUBs in the appropriate class and item categories as listed on the CMBL.
- Used HUB re-sellers on DIR contracts when possible to provide the best value to the state.
- Used HUBs for purchase orders where the agency had discretion to select vendors and a HUB offered the best value to the state.

		515 Board of Pharmacy				
CFDA NUMBER/ STRATEGY		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
16.754.001	Implementation & Enhancement PDMP					
2 - 1 - 1	ENFORCEMENT	0	500,000	0	0	0
TOTAL, ALL STRATEGIES		\$0	\$500,000	\$0	\$0	\$0
ADDL FED FNDS FOR EMPL BENEFITS		0	0	0	0	0
TOTAL, FEDERAL FUNDS		\$0	\$500,000	\$0	\$0	\$0
ADDL GR FOR EMPL BENEFITS		\$0	\$0	\$0	\$0	\$0

CFDA NUMBER/ STRATEGY	515 Board of Pharmacy Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
<u>SUMMARY LISTING OF FEDERAL PROGRAM AMOUNTS</u>					
16.754.001 Implementation & Enhancement PDMP	0	500,000	0	0	0
TOTAL, ALL STRATEGIES	\$0	\$500,000	\$0	\$0	\$0
TOTAL , ADDL FED FUNDS FOR EMPL BENEFITS	0	0	0	0	0
TOTAL, FEDERAL FUNDS	\$0	\$500,000	\$0	\$0	\$0
TOTAL, ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0	\$0	\$0

SUMMARY OF SPECIAL CONCERNS/ISSUES

Assumptions and Methodology:

BJA Harold Rogers Prescription Drug Monitoring Program. This was a one time grant for the period 10/01/2015 - 08/31/2017 for the development and implementation of the Texas Prescription Drug Monitoring Program.

Potential Loss:

6.D. Federal Funds Tracking Schedule

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

DATE: 8/15/2016
TIME : 11:05:43AM

Agency code: 515

Agency name: **Board of Pharmacy**

Federal FY	Award Amount	Expended SFY 2013	Expended SFY 2014	Expended SFY 2015	Expended SFY 2016	Expended SFY 2017	Budgeted SFY 2018	Estimated SFY 2019	Total	Difference from Award
CFDA 16.754.001 Implementation & Enhancement PDMP										
2016	\$500,000	\$0	\$0	\$0	\$250,000	\$0	\$0	\$0	\$250,000	\$250,000
Total	\$500,000	\$0	\$0	\$0	\$250,000	\$0	\$0	\$0	\$250,000	\$250,000
<hr/>										
Empl. Benefit Payment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

TRACKING NOTES

BJA Harold Rogers Prescription Drug Monitoring Program. This was a one time grant for the period 10/01/2015 - 08/31/2017 for the development and implementation of the Texas Prescription Drug Monitoring Program in the amount of \$500,000.

An invoice for \$250,000 for the development and optimization of AWARe System was received in August, 2016 and a request for reimbursement has been made.

6.E. Estimated Revenue Collections Supporting Schedule
 85th 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 2015	Exp 2016	Exp 2017	Bud 2018	Est 2019
<u>1</u> General Revenue Fund					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3554 Food and Drug Fees	0	0	1,098,140	1,389,055	1,403,994
3562 Health Related Profession Fees	10,178,559	9,050,868	8,919,761	8,916,121	9,116,161
3570 Peer Assistance Prog Fees	265,674	280,000	290,600	286,000	296,850
3583 Controlled Subst Act Forft Money	70,908	0	0	0	0
3770 Administratve Penalties	348,250	415,570	350,000	350,000	350,000
Subtotal: Actual/Estimated Revenue	10,863,391	9,746,438	10,658,501	10,941,176	11,167,005
Total Available	\$10,863,391	\$9,746,438	\$10,658,501	\$10,941,176	\$11,167,005
DEDUCTIONS:					
Expended/Budgeted/Revenue	(6,683,304)	(7,065,906)	(7,792,148)	(6,752,446)	(7,529,979)
Office of Patient Protection	(165,049)	(150,900)	(164,650)	(164,950)	(166,950)
Other Indirect Costs	(1,400,437)	(1,483,824)	(1,545,517)	(1,545,517)	(1,545,517)
Total, Deductions	\$(8,248,790)	\$(8,700,630)	\$(9,502,315)	\$(8,462,913)	\$(9,242,446)
Ending Fund/Account Balance	\$2,614,601	\$1,045,808	\$1,156,186	\$2,478,263	\$1,924,559

REVENUE ASSUMPTIONS:

6.E. Estimated Revenue Collections Supporting Schedule
 85th 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 2015	Exp 2016	Exp 2017	Bud 2018	Est 2019
---------------------	-----------------	-----------------	-----------------	-----------------	-----------------

I. ESTIMATES OF REVENUE COLLECTIONS

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

1. Estimates were made regarding the projected change in the population of applicants, pharmacists, pharmacies & pharmacy technicians. This population & 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: \$276 [\$235 application fee + \$21 Prescription Monitoring Program (PMP) + \$5 Texas online fee + \$13 to fund Peer Assistance Program (PAP) + \$2 to fund the Office of Patient Protection (OPP)].

Pharmacy Biennial: \$451 (\$401 application fee + \$21 Prescription Monitoring Program (PMP) + \$12 online fee + \$15 PAP + \$2 OPP)

Technician Biennial: \$77 (\$72 application fee + \$3 online fee + \$2 OPP)

Technician Trainee Initial: \$52 (\$45 application fee + \$2 online fee + \$5 OPP)

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

III. AUTHORIZATION OF FEE RATE CHANGE

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

CONTACT PERSON:

Jane Bennett

6.E. Estimated Revenue Collections Supporting Schedule
 85th 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 2015	Exp 2016	Exp 2017	Bud 2018	Est 2019
<u>555</u> Federal Funds					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3701 Fed Rcpts Not Matched-Other Pgms	0	500,000	0	0	0
Subtotal: Actual/Estimated Revenue	0	500,000	0	0	0
Total Available	\$0	\$500,000	\$0	\$0	\$0
DEDUCTIONS:					
Expended/Budgeted/Revenue	0	(500,000)	0	0	0
Total, Deductions	\$0	\$(500,000)	\$0	\$0	\$0
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

CONTACT PERSON:

Jane Bennett

6.E. Estimated Revenue Collections Supporting Schedule
 85th 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 2015	Exp 2016	Exp 2017	Bud 2018	Est 2019
666 Appropriated Receipts					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3719 Fees/Copies or Filing of Records	161	161	161	161	161
3752 Sale of Publications/Advertising	0	0	0	0	0
3802 Reimbursements-Third Party	13,840	13,840	13,840	13,840	13,840
3839 Sale of Motor Vehicle/Boat/Aircraft	4,343	0	0	0	0
3852 Interest on Local Deposits-St Agy	14	14	14	14	14
Subtotal: Actual/Estimated Revenue	18,358	14,015	14,015	14,015	14,015
Total Available	\$18,358	\$14,015	\$14,015	\$14,015	\$14,015
DEDUCTIONS:					
Expended/Budgetd/Revenue	(18,358)	(14,015)	(14,015)	(14,015)	(14,015)
Total, Deductions	\$(18,358)	\$(14,015)	\$(14,015)	\$(14,015)	\$(14,015)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

CONTACT PERSON:

Jane Bennett

General Revenue (GR) & General Revenue Dedicated (GR-D) Baseline

DATE: 8/25/2016

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

TIME: 1:04:09PM

Agency code:

Agency name: **Board of Pharmacy**

GR Baseline Request Limit = \$14,282,425

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider								Biennial	Biennial	
2018 Funds				2019 Funds				Cumulative GR	Cumulative Ded	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded			
Strategy: 1 - 1 - 1 Operate an Application and Renewal Licensure System										
11.8	997,732	997,443	0	11.8	990,860	990,571	0	1,988,014	0	_____
Strategy: 1 - 1 - 2 Texas.gov. Estimated and Nontransferable										
0.0	210,500	210,500	0	0.0	222,200	222,200	0	2,420,714	0	_____
Strategy: 2 - 1 - 1 Operate System of Inspection Assistance Education										
71.3	4,476,143	4,462,417	0	71.3	5,132,324	5,118,598	0	12,001,729	0	_____
Strategy: 2 - 1 - 2 Provide a Peer Assistance Program for Licensed Individuals										
2.0	228,740	228,740	0	2.0	238,585	238,585	0	12,469,054	0	_____
Strategy: 3 - 1 - 1 Licensing - Indirect Administration										
2.1	127,778	127,778	0	2.1	142,591	142,591	0	12,739,423	0	_____
Strategy: 3 - 1 - 2 Enforcement-Indirect Administration										
11.8	725,568	725,568	0	11.8	817,434	817,434	0	14,282,425	0	_____
99.0				99.0				*****GR Baseline Request Limit=\$14,282,425*****		
Excp Item: 1 RESTORE BASELINE REDUCTION										
3.0	287,814	287,814	0	3.0	287,815	287,815	0	14,858,054	0	_____
Strategy Detail for Excp Item: 1										
Strategy: 1 - 1 - 1 Operate an Application and Renewal Licensure System										
1.0	34,532	34,532	0	1.0	35,093	35,093	0			
Strategy: 2 - 1 - 1 Operate System of Inspection Assistance Education										
2.0	253,282	253,282	0	2.0	252,722	252,722	0			
Excp Item: 2 PRESCRIPTION MONITORING PROGRAM										
0.0	1,159,515	1,159,515	0	0.0	358,602	358,602	0	16,376,171	0	_____

General Revenue (GR) & General Revenue Dedicated (GR-D) Baseline

DATE: 8/25/2016

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

TIME: 1:04:09PM

Agency code:

Agency name: **Board of Pharmacy**

GR Baseline Request Limit = \$14,282,425

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider

2018 Funds

2019 Funds

**Biennial
Cumulative GR**

**Biennial
Cumulative Ded**

Page #

2018 Funds				2019 Funds				Biennial Cumulative GR	Biennial 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	3,218	3,218	0	0.0	0	0	0		
Strategy: 2 - 1 - 1 Operate System of Inspection Assistance Education									
0.0	1,036,895	1,036,895	0	0.0	358,602	358,602	0		
Strategy: 3 - 1 - 1 Licensing - Indirect Administration									
0.0	17,912	17,912	0	0.0	0	0	0		
Strategy: 3 - 1 - 2 Enforcement-Indirect Administration									
0.0	101,490	101,490	0	0.0	0	0	0		

Excp Item: 3 RECLASSIFICATIONS AND EQUITY ADJUSTMENTS										
0.0	94,166	94,166	0	0.0	94,166	94,166	0	16,564,503	0	_____

Strategy Detail for Excp Item: 3									
Strategy: 1 - 1 - 1 Operate an Application and Renewal Licensure System									
0.0	9,885	9,885	0	0.0	9,885	9,885	0		
Strategy: 2 - 1 - 1 Operate System of Inspection Assistance Education									
0.0	50,211	50,211	0	0.0	50,211	50,211	0		
Strategy: 3 - 1 - 1 Licensing - Indirect Administration									
0.0	5,110	5,110	0	0.0	5,110	5,110	0		
Strategy: 3 - 1 - 2 Enforcement-Indirect Administration									
0.0	28,960	28,960	0	0.0	28,960	28,960	0		

Excp Item: 4 ACQUISITION OF INFORMATION TECHNOLOGY										
0.0	96,000	96,000	0	0.0	132,820	132,820	0	16,793,323	0	_____

General Revenue (GR) & General Revenue Dedicated (GR-D) Baseline

DATE: 8/25/2016

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

TIME: 1:04:09PM

Agency code:

Agency name: **Board of Pharmacy**

GR Baseline Request Limit = \$14,282,425

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider

2018 Funds

2019 Funds

**Biennial
Cumulative GR**

**Biennial
Cumulative Ded**

Page #

FTEs	Total	GR	Ded	FTEs	Total	GR	Ded
------	-------	----	-----	------	-------	----	-----

Strategy Detail for Excp Item: 4							
Strategy: 1 - 1 - 1	Operate an Application and Renewal Licensure System						
0.0	13,366	13,366	0	0.0	2,870	2,870	0
Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education						
0.0	77,884	77,884	0	0.0	126,597	126,597	0
Strategy: 3 - 1 - 1	Licensing - Indirect Administration						
0.0	714	714	0	0.0	504	504	0
Strategy: 3 - 1 - 2	Enforcement-Indirect Administration						
0.0	4,036	4,036	0	0.0	2,849	2,849	0

Excp Item: 5	MERIT INCREASE FOR ELIGIBLE CLASSIFIED EMPLOYEES									
0.0	135,554	135,554	0	0.0	274,564	274,564	0	17,203,441	0	_____

Strategy Detail for Excp Item: 5							
Strategy: 1 - 1 - 1	Operate an Application and Renewal Licensure System						
0.0	16,212	16,212	0	0.0	32,838	32,838	0
Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education						
0.0	100,405	100,405	0	0.0	203,369	203,369	0
Strategy: 3 - 1 - 1	Licensing - Indirect Administration						
0.0	2,847	2,847	0	0.0	5,766	5,766	0
Strategy: 3 - 1 - 2	Enforcement-Indirect Administration						
0.0	16,090	16,090	0	0.0	32,591	32,591	0

Excp Item: 6	TRANSPORTATION ITEMS									
0.0	66,000	66,000	0	0.0	66,000	66,000	0	17,335,441	0	_____

Strategy Detail for Excp Item: 6							
Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education						
0.0	66,000	66,000	0	0.0	66,000	66,000	0

Excp Item: 7 **NEW POSITIONS**

General Revenue (GR) & General Revenue Dedicated (GR-D) Baseline

DATE: 8/25/2016

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

TIME: 1:04:09PM

Agency code:

Agency name: **Board of Pharmacy**

GR Baseline Request Limit = \$14,282,425

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider

2018 Funds

2019 Funds

**Biennial
Cumulative GR**

**Biennial
Cumulative Ded**

Page #

FTEs	Total	GR	Ded	FTEs	Total	GR	Ded			
14.0	1,082,850	1,082,850	0	14.0	949,287	949,287	0	19,367,578	0	_____

Strategy Detail for Excp Item: 7

Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education									
12.0	887,859	887,859	0	12.0	757,726	757,726	0			
Strategy: 3 - 1 - 1	Licensing - Indirect Administration									
0.3	29,248	29,248	0	0.3	28,734	28,734	0			
Strategy: 3 - 1 - 2	Enforcement-Indirect Administration									
1.7	165,743	165,743	0	1.7	162,827	162,827	0			

Excp Item: 8 **ANNUAL LEAVE PAYOUT**

0.0	162,744	162,744	0	0.0	0	0	0	19,530,322	0	_____
-----	---------	---------	---	-----	---	---	---	------------	---	-------

Strategy Detail for Excp Item: 8

Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education									
0.0	162,744	162,744	0	0.0	0	0	0			

Excp Item: 9 **PEER ASSISTANCT PROGRAM**

0.0	9,342	9,342	0	0.0	9,342	9,342	0	19,549,006	0	_____
-----	-------	-------	---	-----	-------	-------	---	------------	---	-------

Strategy Detail for Excp Item: 9

Strategy: 2 - 1 - 2	Provide a Peer Assistance Program for Licensed Individuals									
0.0	9,342	9,342	0	0.0	9,342	9,342	0			

Excp Item: 10 **EXECUTIVE DIRECTOR SALARY INCREASE**

0.0	29,538	29,538	0	0.0	29,538	29,538	0	19,608,082	0	_____
-----	--------	--------	---	-----	--------	--------	---	------------	---	-------

General Revenue (GR) & General Revenue Dedicated (GR-D) Baseline

DATE: 8/25/2016

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

TIME: 1:04:09PM

Agency code:

Agency name: **Board of Pharmacy**

GR Baseline Request Limit = \$14,282,425

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider

2018 Funds

2019 Funds

**Biennial
Cumulative GR**

**Biennial
Cumulative Ded**

Page #

2018 Funds		2019 Funds								
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded	Biennial Cumulative GR	Biennial Cumulative Ded	Page #
Strategy Detail for Excp Item: 10										
Strategy: 1 - 1 - 1	Operate an Application and Renewal Licensure System									
0.0	9,836	9,836	0	0.0	9,836	9,836	0			
Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education									
0.0	9,836	9,836	0	0.0	9,836	9,836	0			
Strategy: 3 - 1 - 1	Licensing - Indirect Administration									
0.0	1,507	1,507	0	0.0	1,507	1,507	0			
Strategy: 3 - 1 - 2	Enforcement-Indirect Administration									
0.0	8,359	8,359	0	0.0	8,359	8,359	0			
Excp Item: 11	WM P HOBBY BUILDING MAINTENANCE									
0.0	100,000	100,000	0	0.0	100,000	100,000	0	19,808,082	0	
Strategy Detail for Excp Item: 11										
Strategy: 1 - 1 - 1	Operate an Application and Renewal Licensure System									
0.0	11,960	11,960	0	0.0	11,960	11,960	0			
Strategy: 2 - 1 - 1	Operate System of Inspection Assistance Education									
0.0	74,070	74,070	0	0.0	74,070	74,070	0			
Strategy: 3 - 1 - 1	Licensing - Indirect Administration									
0.0	2,100	2,100	0	0.0	2,100	2,100	0			
Strategy: 3 - 1 - 2	Enforcement-Indirect Administration									
0.0	11,870	11,870	0	0.0	11,870	11,870	0			
116.0	\$9,989,984	\$9,975,969	\$0	116.0	\$9,846,128	\$9,832,113	0			

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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

Date: 8/15/2016
Time: 10:54:56AM

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

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

Item Comment: If the Texas Legislature cuts the TSBP budget by 10%, the agency will be forced to make the following cuts:

10 FTE's – including the following:

- 2 Field Compliance Officers
- 1 Compliance Inspector
- 1 Field Investigator
- 2 Licensing Specialists
- 1 Accountant
- 1 Attorney
- 1 Legal Assistant
- 1 Administrative Assistant

The impact of these cuts will result in the following reductions:

- (1) A reduction in the number of inspection of pharmacies by 800 to 1000 per year;
- (2) A decrease in the number of field investigations by 50 cases, which include the most serious types of cases, such as drug diversion cases;
- (3) An increase in the average time to resolve a complaint by 10% -- from 180 days to 200 days;
- (4) An approximate 30% decrease in the number of disciplinary orders entered per year – from approximately 625 orders to 425 orders;
- (5) Critical slowdowns and backlog in the issuance/renewal of licenses/registrations;
- (6) Critical slowdowns and backlog in the processing of requests for public information;
- (7) Critical slowdown in the processing of agency contracts, expenditure processing, CAPPS implementation.

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

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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

Date: 8/15/2016
Time: 10:54:56AM

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

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$74,064	\$74,064	\$148,128	
General Revenue Funds Total	\$0	\$0	\$0	\$74,064	\$74,064	\$148,128	
Strategy: 2-1-1 Operate System of Inspection Assistance Education							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$445,687	\$445,687	\$891,374	
General Revenue Funds Total	\$0	\$0	\$0	\$445,687	\$445,687	\$891,374	
Strategy: 3-1-1 Licensing - Indirect Administration							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$7,501	\$7,501	\$15,002	
General Revenue Funds Total	\$0	\$0	\$0	\$7,501	\$7,501	\$15,002	
Strategy: 3-1-2 Enforcement-Indirect Administration							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$42,503	\$42,503	\$85,006	
General Revenue Funds Total	\$0	\$0	\$0	\$42,503	\$42,503	\$85,006	
Item Total	\$0	\$0	\$0	\$569,755	\$569,755	\$1,139,510	
FTE Reductions (From FY 2018 and FY 2019 Base Request)				10.0	10.0		
AGENCY TOTALS							
General Revenue Total				\$690,755	\$690,755	\$1,381,510	\$1,381,510
Agency Grand Total	\$0	\$0	\$0	\$690,755	\$690,755	\$1,381,510	
Difference, Options Total Less Target							

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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

Date: 8/15/2016
Time: 10:54:56AM

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

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	
Agency FTE Reductions (From FY 2018 and FY 2019 Base Request)				10.0	10.0		

Agency Code: 515

Agency: Texas State Board of Prepared by: Cathy Stella

Date: 08/05/2016

#	Program Name	Service Type (drop down)	Agency Strategies	Summary Description	Target Population(s)	Fund Type	2016-17 Base		18-19 Baseline Request		18-19 Exceptional Item		Additional Information				Statewide Strategic Plan Strategies	Methodology / Notes					
							FY 2016 Base	FY 2017 Base	FY 2018 Baseline Request	FY 2019 Baseline Request	FY 2018 Requested	FY 2019 Requested	Requested for Mental Health Services	Requested for Substance Abuse Services	2017 FTEs	2019 FTEs							
1	Peer Assistance	Intervention & Treatment Services	Enforcement	The Pharmacists Recovery Network voluntary program and the TSBP mandatory program cover pharmacists and eligible pharmacy students for physical, mental and chemical impairments (alcohol and drugs).	Licensed Pharmacists and eligible pharmacy students.	GR	228,740	238,585	228,740	238,585	9,342	9,342					2.0	2.0	B.1.2	The amount requested in this exceptional item is a 5% increase from Fiscal Years 16-17. This is primarily due to increased Overhead costs, as well as an increase in Advertising and Financial and Performance Audit Fees.			
						GR-D																	
						FF																	
						IAC																	
						Other																	
						Subtotal	228,740	238,585	228,740	238,585	9,342	9,342	-	-									
2						GR																	
						GR-D																	
						FF																	
						IAC																	
						Other																	
						Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-				
3						GR																	
						GR-D																	
						FF																	
						IAC																	
						Other																	
						Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-				
4						GR																	
						GR-D																	
						FF																	
						IAC																	
						Other																	
						Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-				
5						GR																	
						GR-D																	
						FF																	
						IAC																	
						Other																	
						Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-				
6						GR																	
						GR-D																	
						FF																	
						IAC																	
						Other																	
						Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-				
Total							228,740	238,585	228,740	238,585	9,342	9,342	-	-	2.0	2.0							

Agency Code: 515	Agency: Texas State Board of Pharmacy	Prepared by: <input type="checkbox"/> Cathy Stella
---------------------	--	--

Date: 08/05/2016

#	Program Name	Service Type	Summary Description	Fund Type	2016-17 Base	2018-19 Total Request	Biennial Difference	Percentage Change	2018-19 Requested for Mental Health Services	2018-19 Requested for Substance Abuse Services
1	Peer Assistance	Intervention & Treatment Services	The Pharmacists Recovery Network voluntary program and the TSBP mandatory program cover pharmacists and eligible pharmacy students for physical, mental and chemical impairments (alcohol and drugs).	GR	467,325	486,009	18,684	4.0%	-	-
				GR-D	-	-	-	-	-	-
				FF	-	-	-	-	-	-
				IAC	-	-	-	-	-	-
				Other	-	-	-	-	-	-
				Subtotal	467,325	486,009	18,684	4.0%	-	-
2				GR	-	-	-	-	-	-
				GR-D	-	-	-	-	-	-
				FF	-	-	-	-	-	-
				IAC	-	-	-	-	-	-
				Other	-	-	-	-	-	-
				Subtotal	-	-	-	-	-	-
3				GR	-	-	-	-	-	-
				GR-D	-	-	-	-	-	-
				FF	-	-	-	-	-	-
				IAC	-	-	-	-	-	-
				Other	-	-	-	-	-	-
				Subtotal	-	-	-	-	-	-
4				GR	-	-	-	-	-	-
				GR-D	-	-	-	-	-	-
				FF	-	-	-	-	-	-
				IAC	-	-	-	-	-	-
				Other	-	-	-	-	-	-
				Subtotal	-	-	-	-	-	-
5				GR	-	-	-	-	-	-
				GR-D	-	-	-	-	-	-
				FF	-	-	-	-	-	-
				IAC	-	-	-	-	-	-
				Other	-	-	-	-	-	-
				Subtotal	-	-	-	-	-	-
6				GR	-	-	-	-	-	-
				GR-D	-	-	-	-	-	-
				FF	-	-	-	-	-	-
				IAC	-	-	-	-	-	-
				Other	-	-	-	-	-	-
				Subtotal	-	-	-	-	-	-
Total					467,325	486,009	18,684	4.0%	-	-

7.A. Indirect Administrative and Support Costs

8/15/2016 11:18:38AM

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

515 Board of Pharmacy

Strategy	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1-1-1 Operate an Application and Renewal Licensure System					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$95,675	\$ 109,766	\$ 120,264	\$ 104,950	\$ 120,264
1002 OTHER PERSONNEL COSTS	2,949	4,161	4,625	4,539	5,200
2001 PROFESSIONAL FEES AND SERVICES	430	781	1,239	781	1,239
2003 CONSUMABLE SUPPLIES	704	710	794	710	794
2004 UTILITIES	78	78	78	78	78
2005 TRAVEL	5,875	5,875	5,875	5,875	5,875
2006 RENT - BUILDING	234	213	213	213	213
2007 RENT - MACHINE AND OTHER	85	85	85	85	85
2009 OTHER OPERATING EXPENSE	8,746	5,820	3,695	10,022	8,438
5000 CAPITAL EXPENDITURES	158	4,039	1,973	525	405
Total, Objects of Expense	\$114,934	\$131,528	\$138,841	\$127,778	\$142,591
METHOD OF FINANCING:					
1 General Revenue Fund	114,934	131,528	138,841	127,778	142,591
Total, Method of Financing	\$114,934	\$131,528	\$138,841	\$127,778	\$142,591
Method of Allocation					

The Texas State Board of Pharmacy is service oriented; therefore, the method of allocation for Indirect Administration and Support Costs is FTE allocation.

7.A. Indirect Administrative and Support Costs

8/15/2016 11:18:38AM

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

515 Board of Pharmacy

Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
2-1-1	Operate System of Inspection Assistance Education					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$525,927	\$ 603,349	\$ 667,337	\$ 576,056	\$ 667,337
1002	OTHER PERSONNEL COSTS	16,936	23,765	26,185	25,842	25,904
2001	PROFESSIONAL FEES AND SERVICES	2,364	4,293	6,998	4,293	6,998
2003	CONSUMABLE SUPPLIES	3,873	3,901	4,368	3,901	4,368
2004	UTILITIES	427	427	427	427	427
2005	TRAVEL	32,291	32,291	32,291	32,291	32,291
2006	RENT - BUILDING	1,287	1,171	1,171	1,171	1,171
2007	RENT - MACHINE AND OTHER	469	469	469	469	469
2009	OTHER OPERATING EXPENSE	49,252	32,544	22,203	56,213	51,977
5000	CAPITAL EXPENDITURES	872	22,208	10,853	2,886	2,227
Total, Objects of Expense		\$633,698	\$724,418	\$772,302	\$703,549	\$793,169
METHOD OF FINANCING:						
1	General Revenue Fund	633,698	724,418	772,302	703,549	793,169
Total, Method of Financing		\$633,698	\$724,418	\$772,302	\$703,549	\$793,169
Method of Allocation						

The Texas State Board of Pharmacy is service oriented; therefore, the method of allocation for Indirect Administration and Support Costs is FTE allocation.

7.A. Indirect Administrative and Support Costs

8/15/2016 11:18:38AM

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

515 Board of Pharmacy

Strategy	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
2-1-2 Provide a Peer Assistance Program for Licensed Individuals					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$16,265	\$ 18,660	\$ 20,639	\$ 18,660	\$ 20,639
1002 OTHER PERSONNEL COSTS	523	734	809	799	801
2001 PROFESSIONAL FEES AND SERVICES	73	132	216	132	216
2003 CONSUMABLE SUPPLIES	119	120	135	120	135
2004 UTILITIES	13	13	13	13	13
2005 TRAVEL	998	998	998	998	998
2006 RENT - BUILDING	40	36	36	36	36
2007 RENT - MACHINE AND OTHER	15	15	15	15	15
2009 OTHER OPERATING EXPENSE	595	1,006	686	1,157	1,344
5000 CAPITAL EXPENDITURES	26	686	335	89	68
Total, Objects of Expense	\$18,667	\$22,400	\$23,882	\$22,019	\$24,265
METHOD OF FINANCING:					
1 General Revenue Fund	18,667	22,400	23,882	22,019	24,265
Total, Method of Financing	\$18,667	\$22,400	\$23,882	\$22,019	\$24,265
Method of Allocation					

The Texas State Board of Pharmacy is service oriented; therefore, the method of allocation for Indirect Administration and Support Costs is FTE allocation.

7.A. Indirect Administrative and Support Costs

8/15/2016 11:18:38AM

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

515 Board of Pharmacy

	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$637,867	\$731,775	\$808,240	\$699,666	\$808,240
1002 OTHER PERSONNEL COSTS	\$20,408	\$28,660	\$31,619	\$31,180	\$31,905
2001 PROFESSIONAL FEES AND SERVICES	\$2,867	\$5,206	\$8,453	\$5,206	\$8,453
2003 CONSUMABLE SUPPLIES	\$4,696	\$4,731	\$5,297	\$4,731	\$5,297
2004 UTILITIES	\$518	\$518	\$518	\$518	\$518
2005 TRAVEL	\$39,164	\$39,164	\$39,164	\$39,164	\$39,164
2006 RENT - BUILDING	\$1,561	\$1,420	\$1,420	\$1,420	\$1,420
2007 RENT - MACHINE AND OTHER	\$569	\$569	\$569	\$569	\$569
2009 OTHER OPERATING EXPENSE	\$58,593	\$39,370	\$26,584	\$67,392	\$61,759
5000 CAPITAL EXPENDITURES	\$1,056	\$26,933	\$13,161	\$3,500	\$2,700
Total, Objects of Expense	\$767,299	\$878,346	\$935,025	\$853,346	\$960,025
Method of Financing					
1 General Revenue Fund	\$767,299	\$878,346	\$935,025	\$853,346	\$960,025
Total, Method of Financing	\$767,299	\$878,346	\$935,025	\$853,346	\$960,025
Full-Time-Equivalent Positions (FTE)					