

LEGISLATIVE APPROPRIATIONS REQUEST

FOR FISCAL YEARS 2012 AND 2013

SUBMITTED TO THE
GOVERNOR'S OFFICE OF BUDGET, PLANNING AND POLICY
AND THE LEGISLATIVE BUDGET BOARD

BY

STATE OFFICE OF ADMINISTRATIVE HEARINGS

AUGUST 09, 2010



CERTIFICATE

Agency Name

STATE OFFICE OF ADMINISTRATIVE HEARINGS (#360)

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Governor's Office of Budget, Planning and Policy (GOBPP) 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 bound paper copies are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the GOBPP will be notified in writing in accordance with Article IX, Section 7.01 (2012-13 GAA).

Chief Administrative Law Judge

Signature

Cathleen Parsley

Printed Name

Chief Administrative Law Judge

Title

Date

August 9, 2010

Chief Financial Officer

Signature

Linda L. Duncan

Printed Name

Chief Operating Officer

Title

Date

August 9, 2010

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1. ADMINISTRATOR'S STATEMENT

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

DATE: **8/9/2010**
TIME: **11:28:55AM**
PAGE: **1** of **4**

Agency code: **360** Agency name: **State Office of Administrative Hearings**

Introduction

The State Office of Administrative Hearings (SOAH) was created in 1991 by the 72nd Texas Legislature to be a neutral, independent agency for the resolution of disputes and conflicts between Texas agencies or governmental entities and private citizens, corporations, or other entities regulated by or doing business with or in the state. SOAH is headed by a Chief Administrative Law Judge (ALJ), who is a gubernatorial appointee; it does not have a governing or advisory board or commission. The current Chief ALJ's re-appointment to a two-year term was effective May 15, 2010. The duties and responsibilities of the Chief ALJ and SOAH are defined in Chapter 2003 of the Texas Government Code, and most SOAH hearings are conducted under the Administrative Procedure Act, Tex. Gov't Code Chapter 2001. All SOAH ALJs must be licensed to practice law in Texas and must meet other requirements imposed by statute or prescribed by the Chief ALJ.

SOAH is headquartered in Austin with staffed field offices in Corpus Christi, Dallas, El Paso, Fort Worth, Houston, Lubbock, San Antonio, and Waco. SOAH also utilizes 30 remote sites statewide for administrative license suspension (ALR) hearings. The remote sites are not SOAH offices and are not staffed by SOAH employees, but are locations made available to SOAH by local governments or entities for regular periodic dockets of hearings. Twenty-nine of the 30 locations are gratis to SOAH. One location charges a nominal fee.

SOAH's funding is in three parts: a general revenue appropriation to fund hearings referred by specific agencies; interagency contracts by which other agencies pay SOAH on either an hourly or lump-sum basis for hearing work; and a direct appropriation of State Highway Fund 006 to conduct the ALR hearings. SOAH's current rate for interagency contract billing is \$100 per hour for hearing work performed. This rate was originally set by the 79th Legislature and approved by the 80th and 81st Legislatures. (SOAH's appropriation also reflects an item for appropriated receipts, which is a pass-through item used principally for transcripts for appeals of ALR hearings.)

Workload and Staffing

Since it began conducting hearings in April 1992, the volume, nature, and scope of SOAH's case work has increased as a result of legislatively mandated transfers of additional jurisdiction and voluntary transfers of hearings and dispute resolution activities by agencies and governmental entities. SOAH ALJs preside in hearings or mediate disputes covering a wide range of subjects including professional licensing and regulation; insurance, workers' compensation and retirement benefits; child support; child abuse and neglect; elder care; health and medical services; transportation; land ownership; environment and natural resources; public safety; financial and utility regulation; and contract claims against the state. Most recently, the 81st Legislature established a pilot program in six urban counties (Bexar, Cameron, El Paso, Harris, Tarrant, and Travis) in which property owners can elect to appeal certain appraisal review board orders to SOAH. (Tex. Gov't Code § 2003.901 et seq.) SOAH anticipates that the first cases under this pilot program will be referred in late FY 2010 or early FY 2011.

Along with additional jurisdiction, the referring agencies' level of demand for SOAH's services is a significant external factor for the agency. SOAH is akin to the courts in its function, but it is also similar to the courts in that it does not initiate work. Instead, work is generated externally and referred to it. SOAH bases its workload projections on information requested of and received from the referring agencies and SOAH's own available historical data in the absence of a response from a referring agency. However, because SOAH does not control the work referred, the overall demand for its services, or the demand from any individual referring agency, may fluctuate from one period to the next and cannot be predicted with certainty.

Over time, SOAH's workload has trended up. The projections for the 2012-2013 biennium indicate that, true to historical form, the need for SOAH's services will increase. In FY 2009, SOAH worked on 6,350 general docket (non-ALR) cases and 31,709 ALR cases for 46 state agencies and governmental entities. Through the end of the third quarter of FY 2010, SOAH worked on 5,356 general docket cases and 27,966 ALR cases and conducted 99 mediations in general docket cases, and it is on pace to receive 39,000 - 40,000 cases in FY 2010. SOAH projects that over 42,000 cases, including appraisal review board appeals, will be referred to it each year of the 2012-2013 biennium.

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Increases are projected in both principal areas of SOAH's work, i.e., general docket cases and ALR. When the general docket cases, exclusive of the appraisal review board appeals, are broken out by method of funding – general revenue and interagency contract – increases are projected in both funding areas for each year of the biennium: approximately 2,400 hours of additional work in the cases funded by general revenue and about 2,800 hours of additional work in the cases funded by interagency contract. No particular agency is driving the increases; it is an overall increase in the level of work the referring agencies expect to refer. Although the Department of Public Safety estimated for SOAH that ALR referrals will hold steady at approximately 30,800 hours per year in each of 2012 and 2013, those hours are a 1,645-hour per year increase over the FY 2009 hours. An estimated 6,800-7,200 hours of appraisal review board appeals would be in addition to these increases. (The appraisal review board appeal pilot program is to be self-funding. SOAH is to receive a \$300 filing fee for each case, which must be returned if the appellant wins, and is to be reimbursed for its costs by the losing party.)

SOAH would be remiss not to address in this forum the potential remand of stop-loss cases to it from the Division of Workers' Compensation (DWC), although based on information from DWC, SOAH does not include the remands in its 2012-2013 projections. (The projections do include estimates from DWC about the routine referrals of the medical dispute resolution cases.) On May 28, 2010, the Texas Supreme Court denied the petition for review in cause number 09-0162, Vista Community Medical Center LLP and Christus Health Gulf Coast v. Texas Mutual Insurance Company, Liberty Mutual Insurance Company, Zenith Insurance Company, Zurich American Insurance Company, and Texas Department of Insurance, Division of Workers' Compensation, concerning DWC's acute care inpatient hospital fee guidelines stop-loss provisions. The denial of the petition had the effect of leaving in place the Third Court of Appeals' decision in Texas Mutual Insurance Company, et al. v. Vista Community Medical Center, et al. (275 S.W.3d 538). The petitioners filed a motion for rehearing, and on July 9, 2010, the Court requested briefing from the respondents. As of the date of this LAR, SOAH does not know whether the Court will grant the motion for rehearing, and if it does, what its decision on the merits of the issue will be. However, there are potentially at least 1,500 cases that could eventually be remanded to SOAH from DWC for individual hearings on the merits. DWC does not predict that the cases would be remanded, if they are remanded at all, in 2012-2013, or that they will be referred to SOAH in great numbers. DWC is in a better position than SOAH to gauge the possibility of a remand and the numbers of referrals that might result from it, and SOAH must and does rely on DWC's forecast. However, the appeal presents an uncertainty in a context directly related to SOAH's workload, and in light of the potentially large amount of work involved, SOAH believes the responsible course is to mention it here.

Essential to SOAH's ability to perform its mission and meet the demand for its services is a dedicated and skilled ALJ and support workforce. As of the date of this LAR, SOAH has 115 full-time equivalent employees (FTEs). The 81st Legislature authorized SOAH to have 126 FTEs in FY 2010 and 127 in FY 2011, numbers that would include an additional eight ALJs and four support staff (three in FY 2010 and one in FY 2011). SOAH did not receive general revenue to hire these 12 additional FTEs but only the authorization to hire them if reimbursements for work performed under interagency contracts were sufficient to allow it. Although SOAH has not hired the additional FTEs to date because the work it anticipated would be referred did not materialize in FY 2010, projections indicate that they will be needed in FY 2011 and the next biennium. In addition to the imperatives associated with handling the increases in workload from SOAH's current referring agencies, the appraisal review board appeals must be processed in a timely and efficient manner as required by the statute. Any hiring above the 115-FTE level would continue to be a function of interagency contract and appraisal review board appeal reimbursements. It would not be funded by general revenue, and if the work does not come as projected, SOAH will not hire.

At a minimum, however, SOAH needs its staffing to remain at the 115-FTE level in order to process its existing case load, and its ability to address the projected increase in work is critically dependent on its ability to remain staffed as the caseload demands and permits.

Electronic Filing System

A noteworthy development in the provision of SOAH's services will be the implementation of an electronic filing system, which it has funded with reimbursements for work performed under interagency contracts. The system should be fully operational in September 2010 for the general docket cases. The system will allow parties to submit case filings electronically, and case filings in non-confidential cases will be retrievable and searchable by parties and the public via the internet. The ALJs' non-confidential

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decisions and orders will also be posted to the system and will be searchable and viewable, as well. SOAH does not intend to implement it for the ALR cases, at least for the foreseeable future. The cases are on SOAH's docket for a very short period of time. Also, by necessity, the case filings contain defendants' personal identifiers such as birth dates and drivers' license numbers, which implicates privacy concerns. Thousands of ALR cases are filed at SOAH every year. Any attempt to redact personal identifiers so that ALR documents could be placed in the system could easily overwhelm SOAH's resources, particularly if those resources are diminished by the 10% budget reduction, and for marginal benefit given the short duration the cases are on the docket.

Impact of 10% General Revenue Budget Reduction

SOAH has always worked to find efficiencies in its processes and to identify cost savings whenever possible. For example, its videoconferencing system, implemented in FY 2003, which can be used in appropriate circumstances for hearings and meetings, saved over \$29,000 in travel and fuel costs for SOAH and hearings' parties in FY 2009. Also, SOAH is currently studying its internal processes to determine where they may be revised and streamlined, or where appropriate, eliminated, in order to recognize as much efficiency as possible. The study will also observe the first few months' operation of the electronic filing system to determine where processes should be adjusted to take advantage of its efficiencies.

Although SOAH is serious in its commitment to find additional efficiencies if possible, its work is necessarily labor-intensive. Certain supporting functions can be automated and processes can be streamlined or perhaps even eliminated, but ultimately the agency's mission work cannot be accomplished without people, especially highly qualified and capable attorneys. Employees' salaries comprise approximately 84.5% of SOAH's budget. SOAH's cuts to reach the 5% budget reduction for the 2010-2011 biennium were of items not directly and crucially related to the performance of the agency's mission or for which there were alternatives (e.g., eliminating the library and substituting online research services), and it did not have to take any personnel action to meet the 5% target. At this point, its remaining non-salary expenditures are for such mission-specific items as interpreters, paper, and computer support, or are expenditures associated with statutory mandates (e.g., the internal auditor and assessments for the State Office of Risk Management and Statewide Cost Allocation Plan).

In short, there are no additional non-salary expenses to reduce that would not have a direct impact on hearings and mediations. To reach the 10% general revenue budget reduction, SOAH will be required to reduce staffing, in addition to making reductions for its internal auditor and ALJ training, the latter of which SOAH had hoped to restore at least to some extent in the next biennium after eliminating it in the current one. It had hoped to be able to fully fund two audits per year by the internal auditor. SOAH believes that the FTE reductions can be accomplished by routine voluntary departures, specifically by ALJs eligible for retirement. As noted earlier in this statement, however, SOAH projects an increase in workload in the next biennium in all areas, including an influx of the important appraisal review board appeals. SOAH will be hard pressed to lose experienced ALJs and the general revenue funding associated with them given the existing caseload as it stands at the end of FY 2010, apart from any projected increases. The situation becomes even more critical if SOAH does not continue to have the authority to hire the additional personnel necessary to handle the potential increase in work.

SOAH receives general revenue for the purpose of conducting administrative hearings. (See the General Appropriations Act, SOAH's appropriation, Rider 9c.) The general revenue piece of SOAH's budget is vital to the agency. It provides certainty and stability, and a reduction of it directly affects hearing capacity. Decreasing the number of FTEs directly devoted to hearings, as ALJs are, and having inadequate ALJ and staff resources available to handle the work directly impacts SOAH's mission. It will impair significantly SOAH's ability to perform its responsibilities effectively and efficiently and will mean delays in hearing and deciding contested cases, as well as less detailed decisions.

The other components of SOAH's 10% reduction are for ALJ training and the internal auditor.

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SOAH's ALJs must stay abreast of the law to do their jobs well. However, their duties also require them to preside in hearings and to write coherent, logical, legally sound decisions. While the ALJs can attend State Bar and law school seminars at no or reduced cost, there is a point at which these seminars become of limited value to SOAH's ALJs and the work that SOAH does. The bar and law school seminars focus on subject matter areas and are aimed at a broad audience. There are no seminars specifically designed to assist ALJs in improving and honing presiding and writing skills. SOAH had hoped to make available to the ALJs other relevant seminars and continuing education opportunities, such as Bryan Garner's writing seminars and courses offered at or through the National Judicial College, along with highly specialized subject matter seminars such as ones presented by the National Association of Regulatory Utility Commissioners. Reduction of the ALJ training budget will mean that SOAH will be unable to provide focused and ALJ-specific training to the ALJs. Also, in anticipation of ALJ retirements, SOAH needs to be able to provide routine training to new ALJs.

SOAH is required by Tex. Gov't Code Chapter 2102 to conduct a program of internal auditing as described in the statute. SOAH contracts with an auditor to perform its internal audits, and it prefers to have the auditor perform two audits during a fiscal year. This reduction will limit the possible areas to be audited during FYs 2012 and 2013 and at a minimum will reduce the audits to be completed by one.

Background Checks

SOAH has authority to conduct criminal background checks only on information technology employees. Tex. Gov't Code § 411.1405(b). It has a policy implementing the authority.

SOAH contacts prior employers during its reference checking process for potential new employees. Also, it verifies that attorneys applying for ALJ positions are in good standing with the State Bar of Texas, and all ALJs are expected to maintain good standing. SOAH checks driver's license records for potential ALJs. SOAH also verifies any necessary certifications, e.g., Certified Public Accountants.

Transcripts in General Docket Cases

SOAH requests a revision of its current appropriation Riders 9a and 9c (8a and 8c in this LAR) to clarify and specify that its general revenue and interagency contract reimbursements for hearing work performed (the \$100 hourly rate) do not include the cost of transcripts of proceedings in general docket cases, and that the cost of transcripts ordered by the parties is to be borne by the parties. This requested rider revision relates only to general docket cases and not to the transcripts in the ALR cases that are handled via the appropriated receipts item in SOAH's appropriation pattern.

Conclusion

SOAH is gratified that the Legislature has shown confidence in it over the last 18 years by giving it additional responsibility, and it wants to continue to be worthy of that confidence and to do a good job for the State of Texas. Although SOAH is committed to achieving maximum efficiencies and to being a good steward of the state's resources, SOAH is equally dedicated to maintaining a professional, first-class workforce that provides outstanding service to parties and the public, and to providing employees with the support and resources to do their jobs well. SOAH has no exceptional item requests. It respectfully requests only that it be permitted to keep the general revenue funding associated with the three ALJ FTE positions identified as the primary components of its 10% budget reduction, and that it continue to have the authority to bring on additional ALJs and staff to handle the work that is projected to be referred to it in the years ahead, if that additional work merits it.

Cathleen Parsley
Chief Administrative Law Judge
Austin, Texas

**GOVERNOR
STATE OF TEXAS**

**STATE OFFICE OF ADMINISTRATIVE HEARINGS
ORGANIZATIONAL CHART**

**CHIEF ADMINISTRATIVE LAW
JUDGE**
Supervises 6 FTEs
(Head of the Agency)

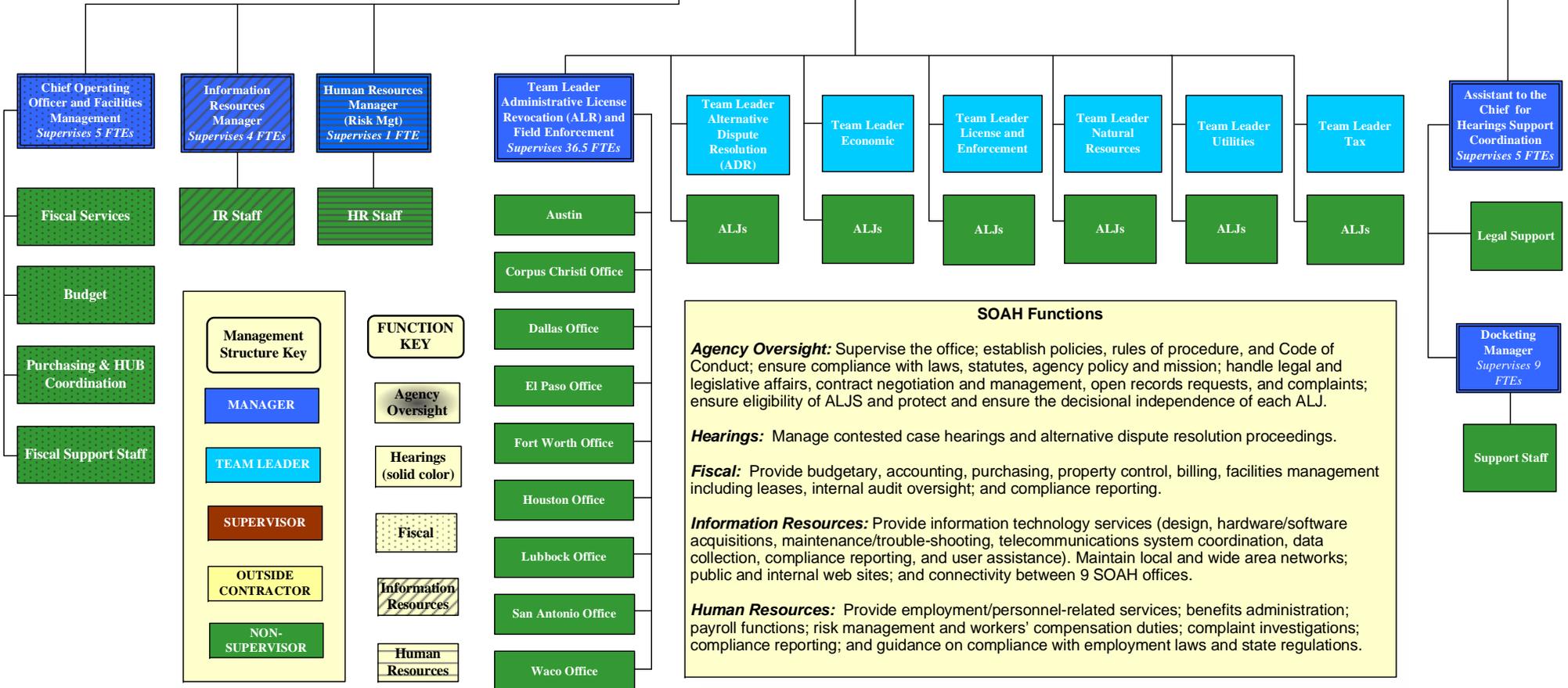
Executive
Assistant

**GENERAL COUNSEL/
PUBLIC
INFORMATION
OFFICER**
Supervises 36.75 FTEs

Admin. Assistant
Coordination
Supervises 11 FTEs

Home Office
Admin. Assistants

Internal
Auditor



Management Structure Key

- MANAGER
- TEAM LEADER
- SUPERVISOR
- OUTSIDE CONTRACTOR
- NON-SUPERVISOR

FUNCTION KEY

- Agency Oversight
- Hearings (solid color)
- Fiscal
- Information Resources
- Human Resources

SOAH Functions

Agency Oversight: Supervise the office; establish policies, rules of procedure, and Code of Conduct; ensure compliance with laws, statutes, agency policy and mission; handle legal and legislative affairs, contract negotiation and management, open records requests, and complaints; ensure eligibility of ALJS and protect and ensure the decisional independence of each ALJ.

Hearings: Manage contested case hearings and alternative dispute resolution proceedings.

Fiscal: Provide budgetary, accounting, purchasing, property control, billing, facilities management including leases, internal audit oversight; and compliance reporting.

Information Resources: Provide information technology services (design, hardware/software acquisitions, maintenance/trouble-shooting, telecommunications system coordination, data collection, compliance reporting, and user assistance). Maintain local and wide area networks; public and internal web sites; and connectivity between 9 SOAH offices.

Human Resources: Provide employment/personnel-related services; benefits administration; payroll functions; risk management and workers' compensation duties; complaint investigations; compliance reporting; and guidance on compliance with employment laws and state regulations.

2. SUMMARY OF REQUEST

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
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DATE: 8/9/2010
 TIME: 11:20:59AM

Agency code: 360 Agency name: State Office of Administrative Hearings

Goal / Objective / STRATEGY	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
1 Provide for a Fair and Efficient Administrative Hearings Process					
1 <i>Ensure that All Hearings are Conducted in a Fair and Impartial Manner</i>					
1 CONDUCT HEARINGS	8,018,881	7,877,644	7,992,119	8,887,054	8,889,873
2 <i>Provide an Opportunity for Alternative Dispute Resolution Proceedings</i>					
1 CONDUCT ALT DISPUTE RESOLUTION	255,146	257,048	223,922	224,266	226,656
TOTAL, GOAL 1	\$8,274,027	\$8,134,692	\$8,216,041	\$9,111,320	\$9,116,529
2 Indirect Administration					
1 <i>Indirect Administration</i>					
1 INDIRECT ADMINISTRATION	1,194,294	1,175,338	1,128,108	1,139,587	1,127,960
TOTAL, GOAL 2	\$1,194,294	\$1,175,338	\$1,128,108	\$1,139,587	\$1,127,960
TOTAL, AGENCY STRATEGY REQUEST	\$9,468,321	\$9,310,030	\$9,344,149	\$10,250,907	\$10,244,489
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$9,468,321	\$9,310,030	\$9,344,149	\$10,250,907	\$10,244,489

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
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Goal / Objective / STRATEGY	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	3,446,679	3,306,539	3,318,957	3,315,957	3,309,539
SUBTOTAL	\$3,446,679	\$3,306,539	\$3,318,957	\$3,315,957	\$3,309,539
Other Funds:					
6 State Highway Fund	3,270,410	3,239,763	3,239,763	3,239,763	3,239,763
666 Appropriated Receipts	140,971	150,000	150,000	150,000	150,000
777 Interagency Contracts	2,610,261	2,613,728	2,635,429	3,545,187	3,545,187
SUBTOTAL	\$6,021,642	\$6,003,491	\$6,025,192	\$6,934,950	\$6,934,950
TOTAL, METHOD OF FINANCING	\$9,468,321	\$9,310,030	\$9,344,149	\$10,250,907	\$10,244,489

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

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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Agency code: **360** Agency name: **State Office of Administrative Hearings**

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
<u>GENERAL REVENUE</u>					
1 General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table	\$3,258,878	\$3,490,002	\$3,484,353	\$3,315,957	\$3,309,539
<i>TRANSFERS</i>					
Art IX, Sec 19.62(a), Salary Increase (2008-09 GAA)	\$179,088	\$0	\$0	\$0	\$0
HB 4586, Sec 89, Retention Payments	\$32,808	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Five Percent Reduction (2010-11 Biennium)	\$0	\$(183,463)	\$(165,396)	\$0	\$0
Lapse committed budget	\$(49,095)	\$0	\$0	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Rider 8 - Administrative Law Judge Training	\$25,000	\$0	\$0	\$0	\$0
TOTAL, General Revenue Fund	\$3,446,679	\$3,306,539	\$3,318,957	\$3,315,957	\$3,309,539

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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Agency code: 360	Agency name: State Office of Administrative Hearings				
METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
TOTAL, ALL GENERAL REVENUE	\$3,446,679	\$3,306,539	\$3,318,957	\$3,315,957	\$3,309,539

OTHER FUNDS

6 State Highway Fund No. 006					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table	\$3,148,691	\$3,239,763	\$3,239,763	\$3,239,763	\$3,239,763
<i>TRANSFERS</i>					
Art IX, Sec 19.62(a), Salary Increase (2008-09 GAA)	\$89,703	\$0	\$0	\$0	\$0
HB 4586, Sec 89, Retention Payments	\$34,592	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Lapse committed budget	\$(2,576)	\$0	\$0	\$0	\$0
TOTAL, State Highway Fund No. 006	\$3,270,410	\$3,239,763	\$3,239,763	\$3,239,763	\$3,239,763
666 Appropriated Receipts					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
<u>OTHER FUNDS</u>					
<i>LAPSED APPROPRIATIONS</i>					
Estimated Revenue not collected					
	\$ (9,029)	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL,	Appropriated Receipts	\$140,971	\$150,000	\$150,000	\$150,000
<u>777</u>	Interagency Contracts				
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table					
	\$2,343,641	\$3,669,448	\$3,669,449	\$3,545,187	\$3,545,187
<i>RIDER APPROPRIATION</i>					
Rider 5, Expanded Jurisdiction (2008-09 GAA) Add. Earned Rev Auth.					
	\$407,105	\$ 0	\$ 0	\$ 0	\$ 0
<i>LAPSED APPROPRIATIONS</i>					
Estimated Revenue Revised Downward					
	\$ 0	\$ (1,055,720)	\$ (990,570)	\$ 0	\$ 0
	Exception #3, Docketing Clerk (Administrative Technician)				
	\$ 0	\$ 0	\$ (43,450)	\$ 0	\$ 0
	Regular Appropriations from MOF Table (2008-09 GAA)				
	\$ (140,485)	\$ 0	\$ 0	\$ 0	\$ 0

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
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METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
<u>OTHER FUNDS</u>					
TOTAL, Interagency Contracts	\$2,610,261	\$2,613,728	\$2,635,429	\$3,545,187	\$3,545,187
TOTAL, ALL OTHER FUNDS	\$6,021,642	\$6,003,491	\$6,025,192	\$6,934,950	\$6,934,950
GRAND TOTAL	\$9,468,321	\$9,310,030	\$9,344,149	\$10,250,907	\$10,244,489
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2008-09 GAA)	114.0	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2010-11 GAA)	0.0	126.0	127.0	127.0	127.0
Vacancy Equivalents (terminations)	(2.9)	(2.0)	0.0	0.0	0.0
Position contingent on workload and Estimated Revenue (MOF-IAC)	0.0	(11.0)	(11.0)	0.0	0.0
Position contingent on workload and Estimated Revenue (MOF-IAC)	0.0	0.0	(1.0)	0.0	0.0
TOTAL, ADJUSTED FTES	111.1	113.0	115.0	127.0	127.0
NUMBER OF 100% FEDERALLY FUNDED FTEs					
FTEs	0.0	0.0	0.0	0.0	0.0

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

DATE: **8/9/2010**
 TIME: **11:20:24AM**

Agency code: 360	Agency name: State Office of Administrative Hearings				
OBJECT OF EXPENSE	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
1001 SALARIES AND WAGES	\$7,582,837	\$7,801,258	\$7,908,203	\$8,651,615	\$8,651,615
1002 OTHER PERSONNEL COSTS	\$464,280	\$213,045	\$234,820	\$307,020	\$307,321
2001 PROFESSIONAL FEES AND SERVICES	\$60,385	\$88,255	\$24,409	\$31,909	\$31,909
2003 CONSUMABLE SUPPLIES	\$44,713	\$42,763	\$40,091	\$45,791	\$45,848
2004 UTILITIES	\$105,241	\$101,934	\$120,598	\$124,215	\$124,215
2005 TRAVEL	\$118,648	\$120,000	\$120,000	\$120,000	\$120,000
2006 RENT - BUILDING	\$209,715	\$220,229	\$223,994	\$226,234	\$226,234
2007 RENT - MACHINE AND OTHER	\$33,104	\$31,226	\$23,904	\$25,903	\$25,903
2009 OTHER OPERATING EXPENSE	\$837,102	\$684,711	\$648,130	\$718,220	\$711,444
5000 CAPITAL EXPENDITURES	\$12,296	\$6,609	\$0	\$0	\$0
OOE Total (Excluding Riders)	\$9,468,321	\$9,310,030	\$9,344,149	\$10,250,907	\$10,244,489
OOE Total (Riders)					
Grand Total	\$9,468,321	\$9,310,030	\$9,344,149	\$10,250,907	\$10,244,489

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

Date : 8/9/2010

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

Time: 11:21:52AM

Agency code: 360

Agency name: State Office of Administrative Hearings

Goal/ Objective / Outcome	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
1 Provide for a Fair and Efficient Administrative Hearings Process					
1 Ensure that All Hearings are Conducted in a Fair and Impartial Manner					
KEY 1 Percentage of Participants Surveyed Satisfied with Overall Process					
	82.00%	92.00%	92.00%	92.00%	92.00%
2 Percent of Administrative License Revocation Orders Affirmed on Appeal					
	84.89%	77.78%	77.78%	77.78%	77.78%
3 Percent of SOAH Administrative License Revocation Orders Appealed					
	1.55%	2.24%	2.24%	2.24%	2.24%
KEY 4 % of Proposed Tax Decisions Issued within 60 Days of Record Closing					
	100.00%	100.00%	100.00%	100.00%	100.00%
2 Provide an Opportunity for Alternative Dispute Resolution Proceedings					
1 Percentage of Alternative Dispute Resolution Requests Granted					
	96.50	93.30	93.30	93.30	93.30

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

DATE : 8/9/2010
 TIME : 11:33:32AM

Agency code: 360	Agency name: State Office of Administrative Hearings					
Goal/Objective/STRATEGY	Base 2012	Base 2013	Exceptional 2012	Exceptional 2013	Total Request 2012	Total Request 2013
1 Provide for a Fair and Efficient Administrative Hearings Process						
1 <i>Ensure that All Hearings are Conducted in a Fair and Impartial Ma</i>						
1 CONDUCT HEARINGS	\$8,887,054	\$8,889,873	\$0	\$0	\$8,887,054	\$8,889,873
2 <i>Provide an Opportunity for Alternative Dispute Resolution Proceedi</i>						
1 CONDUCT ALT DISPUTE RESOLUTION	224,266	226,656	0	0	224,266	226,656
TOTAL, GOAL 1	\$9,111,320	\$9,116,529	\$0	\$0	\$9,111,320	\$9,116,529
2 Indirect Administration						
1 <i>Indirect Administration</i>						
1 INDIRECT ADMINISTRATION	1,139,587	1,127,960	0	0	1,139,587	1,127,960
TOTAL, GOAL 2	\$1,139,587	\$1,127,960	\$0	\$0	\$1,139,587	\$1,127,960
TOTAL, AGENCY STRATEGY REQUEST	\$10,250,907	\$10,244,489	\$0	\$0	\$10,250,907	\$10,244,489
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$10,250,907	\$10,244,489	\$0	\$0	\$10,250,907	\$10,244,489

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

DATE : 8/9/2010
 TIME : 11:33:32AM

Agency code: 360 Agency name: State Office of Administrative Hearings

Goal/Objective/STRATEGY	Base 2012	Base 2013	Exceptional 2012	Exceptional 2013	Total Request 2012	Total Request 2013
General Revenue Funds:						
1 General Revenue Fund	\$3,315,957	\$3,309,539	\$0	\$0	\$3,315,957	\$3,309,539
	\$3,315,957	\$3,309,539	\$0	\$0	\$3,315,957	\$3,309,539
Other Funds:						
6 State Highway Fund	3,239,763	3,239,763	0	0	3,239,763	3,239,763
666 Appropriated Receipts	150,000	150,000	0	0	150,000	150,000
777 Interagency Contracts	3,545,187	3,545,187	0	0	3,545,187	3,545,187
	\$6,934,950	\$6,934,950	\$0	\$0	\$6,934,950	\$6,934,950
TOTAL, METHOD OF FINANCING	\$10,250,907	\$10,244,489	\$0	\$0	\$10,250,907	\$10,244,489
FULL TIME EQUIVALENT POSITIONS	127.0	127.0	0.0	0.0	127.0	127.0

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

Date : 8/9/2010
Time: 11:22:39AM

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

Agency code: **360** Agency name: **State Office of Administrative Hearings**

Goal/ Objective / Outcome

		BL 2012	BL 2013	Excp 2012	Excp 2013	Total Request 2012	Total Request 2013
1	Provide for a Fair and Efficient Administrative Hearings Process						
1	<i>Ensure that All Hearings are Conducted in a Fair and Impartial Manner</i>						
KEY	1 Percentage of Participants Surveyed Satisfied with Overall Process						
		92.00%	92.00%			92.00%	92.00%
	2 Percent of Administrative License Revocation Orders Affirmed on Appeal						
		77.78%	77.78%			77.78%	77.78%
	3 Percent of SOAH Administrative License Revocation Orders Appealed						
		2.24%	2.24%			2.24%	2.24%
KEY	4 % of Proposed Tax Decisions Issued within 60 Days of Record Closing						
		100.00%	100.00%			100.00%	100.00%
2	<i>Provide an Opportunity for Alternative Dispute Resolution Proceedings</i>						
	1 Percentage of Alternative Dispute Resolution Requests Granted						
		93.30	93.30			93.30	93.30

3. STRATEGY AND RIDER REVISION REQUEST

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

DATE: 8/9/2010
 TIME: 11:23:11AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

GOAL: 1 Provide for a Fair and Efficient Administrative Hearings Process Statewide Goal/Benchmark: 5 0
 OBJECTIVE: 1 Ensure that All Hearings are Conducted in a Fair and Impartial Manner Service Categories:
 STRATEGY: 1 Conduct Hearings and Prepare Proposals for Decisions and Final Orders Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
	1 Number of Hearings and Prehearings Held	33,415.00	39,529.00	39,956.00	40,792.00	40,792.00
	2 Number of Hours Billed (General Docket Hearings and ALR Hearings)	74,544.40	80,463.20	87,263.94	87,403.21	87,403.21
KEY	3 Number of Administrative License Revocation Cases Disposed	29,521.00	34,327.00	34,327.00	34,859.00	34,859.00
	4 Number of Administrative License Revocation Orders Issued	45,246.00	47,051.00	47,051.00	47,780.00	47,780.00
KEY	5 Number of Cases Disposed	35,369.00	40,496.00	41,496.00	42,673.00	42,673.00
KEY	6 Number of Administrative Fine Cases Disposed	180.00	159.00	159.00	159.00	159.00
	7 Number of Requests for Continuances and Abatements Granted	12,267.00	12,884.00	13,328.00	13,760.00	13,760.00
KEY	8 Percent of Available ALJ Time Spent on Case Work	105.43 %	100.00 %	100.00 %	100.00 %	100.00 %
	9 Percent of Case Time Spent on ALR Cases	37.93	39.35	36.28	35.30	35.30
	10 Percent of Case Time Spent on General Docket (Non-ALR) Cases	62.07	60.65	63.72	64.70	64.70
KEY	11 # of Proposals for Decision Related to Tax Hearings Rendered by ALJs	160.00	215.00	215.00	214.00	214.00
Efficiency Measures:						
	1 Average Cost Per Case	242.45	242.08	242.08	242.08	242.08
KEY	2 Average # of Days-Close of Record to PFD Issuance-Major Hearings	48.20	43.30	49.80	49.80	49.80
KEY	3 Average Time to Dispose of a Case (Median Number of Days)	72.00	69.00	88.42	88.42	88.42
	4 Average Number of Days from Date of Request to Execution	0.23	0.10	0.20	0.20	0.20

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

DATE: 8/9/2010
 TIME: 11:23:11AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

GOAL: 1 Provide for a Fair and Efficient Administrative Hearings Process Statewide Goal/Benchmark: 5 0
 OBJECTIVE: 1 Ensure that All Hearings are Conducted in a Fair and Impartial Manner Service Categories:
 STRATEGY: 1 Conduct Hearings and Prepare Proposals for Decisions and Final Orders Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
KEY 5	Avg Work Days to Issue Proposed Tax Decision Following Record Closing	5.70	3.07	7.00	7.00	7.00
Explanatory/Input Measures:						
	1 Number of Hours in Hearing (Including Prehearing Conferences)	10,385.78	13,889.73	14,629.64	14,491.98	14,491.98
	2 Number of Hours Preparing Prehearing Orders, PFDs, and Final Orders	44,635.82	44,336.95	48,608.31	48,719.01	48,719.01
KEY 3	Number of Cases Received	36,537.00	39,948.00	40,948.00	42,090.00	42,090.00
KEY 4	Number of Agencies Served	46.00	45.00	51.00	51.00	51.00
	5 Percent of Adopted proposals for Decision Overturned/Remanded	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
	6 Number of Complaints Received Regarding Hearing Process	4.00	4.00	4.00	4.00	4.00
	7 Percent of PFDs Changed, Vacated or Modified by Governing Boards	2.80 %	2.59 %	2.59 %	2.59 %	2.59 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$6,384,929	\$6,540,852	\$6,662,252	\$7,405,664	\$7,405,664
1002	OTHER PERSONNEL COSTS	\$367,583	\$179,765	\$200,505	\$272,346	\$272,598
2001	PROFESSIONAL FEES AND SERVICES	\$44,622	\$69,955	\$20,504	\$26,804	\$26,804
2003	CONSUMABLE SUPPLIES	\$35,594	\$34,083	\$33,676	\$38,464	\$38,512
2004	UTILITIES	\$94,867	\$92,736	\$107,891	\$111,508	\$111,508
2005	TRAVEL	\$114,761	\$116,764	\$120,000	\$120,000	\$120,000
2006	RENT - BUILDING	\$209,140	\$219,689	\$223,346	\$225,586	\$225,586
2007	RENT - MACHINE AND OTHER	\$32,340	\$29,644	\$22,436	\$24,436	\$24,436
2009	OTHER OPERATING EXPENSE	\$725,813	\$588,869	\$601,509	\$662,246	\$664,765
5000	CAPITAL EXPENDITURES	\$9,232	\$5,287	\$0	\$0	\$0

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

DATE: 8/9/2010
 TIME: 11:23:11AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

GOAL: 1 Provide for a Fair and Efficient Administrative Hearings Process Statewide Goal/Benchmark: 5 0
 OBJECTIVE: 1 Ensure that All Hearings are Conducted in a Fair and Impartial Manner Service Categories:
 STRATEGY: 1 Conduct Hearings and Prepare Proposals for Decisions and Final Orders Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
TOTAL, OBJECT OF EXPENSE		\$8,018,881	\$7,877,644	\$7,992,119	\$8,887,054	\$8,889,873
Method of Financing:						
1	General Revenue Fund	\$2,983,645	\$2,682,294	\$2,753,788	\$2,753,788	\$2,747,370
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,983,645	\$2,682,294	\$2,753,788	\$2,753,788	\$2,747,370
Method of Financing:						
6	State Highway Fund	\$2,892,420	\$2,862,322	\$2,862,651	\$2,862,651	\$2,862,651
666	Appropriated Receipts	\$140,968	\$149,500	\$149,500	\$149,500	\$149,500
777	Interagency Contracts	\$2,001,848	\$2,183,528	\$2,226,180	\$3,121,115	\$3,130,352
SUBTOTAL, MOF (OTHER FUNDS)		\$5,035,236	\$5,195,350	\$5,238,331	\$6,133,266	\$6,142,503
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$8,887,054	\$8,889,873
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$8,018,881	\$7,877,644	\$7,992,119	\$8,887,054	\$8,889,873
FULL TIME EQUIVALENT POSITIONS:		93.2	95.0	96.5	108.5	108.5

STRATEGY DESCRIPTION AND JUSTIFICATION:

SOAH is directed by Tex. Gov't Code Ch. 2003 to conduct all administrative hearings in contested cases as defined by the Administrative Procedure Act. Also, SOAH has responsibility for conducting hearings for a number of other agencies, including Department of Insurance (including the Division of Workers' Compensation), Alcoholic Beverage Commission, Public Utility Commission, Commission on Environmental Quality, Comptroller of Public Accounts, Department of Transportation, Department of Motor Vehicles, Real Estate Commission, Department of Licensing and Regulation, and Department of Family and Protective Services, along with appeals of certain appraisal review board orders (H.B. 3612, 81st R.S.) SOAH is also directed by Tex. Transp. Code Chs. 524, 522, and 724 to conduct all administrative hearings to determine whether a person's driver's license should be administratively suspended or denied because the person had an intoxication level above the legal limit while driving or because the person refused to submit to a breath or blood test to determine intoxication. The strategy includes the docketing section's responsibilities to receive agencies' requests to initiate cases before SOAH, receive and distribute pleadings, open, maintain, and close all of SOAH's case files, schedule hearing rooms, and prepare daily hearing dockets. Tasks also include responding to public information requests. Docketing is SOAH's direct link with all referring agencies. Additional duties include capturing much of the data SOAH uses to calculate performance measures.

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

DATE: 8/9/2010
 TIME: 11:23:11AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

GOAL:	1	Provide for a Fair and Efficient Administrative Hearings Process	Statewide Goal/Benchmark:	5	0
OBJECTIVE:	1	Ensure that All Hearings are Conducted in a Fair and Impartial Manner	Service Categories:		
STRATEGY:	1	Conduct Hearings and Prepare Proposals for Decisions and Final Orders	Service:	01	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

SOAH's hearings workload and the related budgetary requirements are directly related to the cases filed with SOAH by approximately 50 state agencies and governmental entities within SOAH's jurisdiction. The hearings requirements may be affected by population or economic growth, changes in the referring agencies' regulatory authority, increases in referring agencies' funding for enforcement or regulation, and the effectiveness of public education or awareness programs, for example, on the dangers of driving while intoxicated.

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

DATE: 8/9/2010
 TIME: 11:23:11AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

GOAL: 1 Provide for a Fair and Efficient Administrative Hearings Process Statewide Goal/Benchmark: 5 0
 OBJECTIVE: 2 Provide an Opportunity for Alternative Dispute Resolution Proceedings Service Categories:
 STRATEGY: 1 Conduct Alternative Dispute Resolution Proceedings Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
1	Number of Hours Billed to Alternative Dispute Resolution Cases	1,450.60	1,757.80	1,757.80	1,791.82	1,791.82
Efficiency Measures:						
1	Number of Cases Resolved through Alternative Dispute Resolution	62.00	88.00	88.00	97.00	97.00
2	Average Cost Per Alternative Dispute Resolution Proceeding	926.17	1,542.76	1,542.76	1,542.76	1,542.76
3	Average Number of Days from Date of Request to Execution for ADR	0.00	0.00	0.00	0.00	0.00
Explanatory/Input Measures:						
KEY 1	Number of Alternative Dispute Resolution Cases Requested or Referred	115.00	140.00	140.00	155.00	155.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$209,135	\$212,160	\$212,160	\$212,160	\$212,160
1002	OTHER PERSONNEL COSTS	\$13,860	\$2,580	\$2,930	\$2,970	\$2,975
2001	PROFESSIONAL FEES AND SERVICES	\$714	\$13,994	\$488	\$638	\$638
2003	CONSUMABLE SUPPLIES	\$542	\$846	\$802	\$916	\$917
2004	UTILITIES	\$999	\$861	\$1,362	\$1,362	\$1,362
2005	TRAVEL	\$0	\$1,826	\$0	\$0	\$0
2006	RENT - BUILDING	\$27	\$20	\$36	\$36	\$36
2007	RENT - MACHINE AND OTHER	\$95	\$176	\$184	\$183	\$183
2009	OTHER OPERATING EXPENSE	\$26,710	\$23,263	\$5,960	\$6,001	\$8,385
5000	CAPITAL EXPENDITURES	\$3,064	\$1,322	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$255,146	\$257,048	\$223,922	\$224,266	\$226,656

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

DATE: 8/9/2010
 TIME: 11:23:11AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

GOAL: 1 Provide for a Fair and Efficient Administrative Hearings Process Statewide Goal/Benchmark: 5 0
 OBJECTIVE: 2 Provide an Opportunity for Alternative Dispute Resolution Proceedings Service Categories:
 STRATEGY: 1 Conduct Alternative Dispute Resolution Proceedings Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Method of Financing:						
1	General Revenue Fund	\$186,350	\$204,087	\$179,370	\$179,370	\$179,370
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$186,350	\$204,087	\$179,370	\$179,370	\$179,370
Method of Financing:						
666	Appropriated Receipts	\$0	\$2	\$0	\$0	\$0
777	Interagency Contracts	\$68,796	\$52,959	\$44,552	\$44,896	\$47,286
SUBTOTAL, MOF (OTHER FUNDS)		\$68,796	\$52,961	\$44,552	\$44,896	\$47,286
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$224,266	\$226,656
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$255,146	\$257,048	\$223,922	\$224,266	\$226,656
FULL TIME EQUIVALENT POSITIONS:		2.0	2.0	2.0	2.0	2.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

Pursuant to Tex. Gov't Code §2003.021(b)(3), SOAH's responsibilities include providing and coordinating alternative dispute resolution (ADR) services in conjunction with contested cases referred to SOAH and in accordance with the Government Dispute Resolution Act, Tex. Gov't Code Ch. 2009. ADR comprises a variety of processes, ranging from formal (e.g., arbitration) to informal (e.g., mediation), intended to resolve disputes through agreement of the parties. The form of ADR used most frequently at SOAH, mediation, is a confidential form of ADR that offers parties an opportunity to resolve their disputes without having an administrative hearing. In mediation, an impartial person, the mediator (who is a SOAH ALJ trained in mediation), facilitates effective communication between the parties and helps them explore settlement options. By resolving disputes through mediation, the parties control the outcome and often save considerable effort and expense. The strategy also provides adequate support for ADR services.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

SOAH's hearings and ADR workload and the related budgetary requirements are directly related to the cases filed with SOAH. Also, notwithstanding the assignment of qualified and experienced ALJs to conduct mediations, the proceedings may not always result in a settlement of issues.

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

DATE: 8/9/2010
 TIME: 11:23:11AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

GOAL: 2 Indirect Administration Statewide Goal/Benchmark: 5 0
 OBJECTIVE: 1 Indirect Administration Service Categories:
 STRATEGY: 1 Indirect Administration Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$988,773	\$1,048,246	\$1,033,791	\$1,033,791	\$1,033,791
1002	OTHER PERSONNEL COSTS	\$82,837	\$30,700	\$31,385	\$31,704	\$31,748
2001	PROFESSIONAL FEES AND SERVICES	\$15,049	\$4,306	\$3,417	\$4,467	\$4,467
2003	CONSUMABLE SUPPLIES	\$8,577	\$7,834	\$5,613	\$6,411	\$6,419
2004	UTILITIES	\$9,375	\$8,337	\$11,345	\$11,345	\$11,345
2005	TRAVEL	\$3,887	\$1,410	\$0	\$0	\$0
2006	RENT - BUILDING	\$548	\$520	\$612	\$612	\$612
2007	RENT - MACHINE AND OTHER	\$669	\$1,406	\$1,284	\$1,284	\$1,284
2009	OTHER OPERATING EXPENSE	\$84,579	\$72,579	\$40,661	\$49,973	\$38,294
TOTAL, OBJECT OF EXPENSE		\$1,194,294	\$1,175,338	\$1,128,108	\$1,139,587	\$1,127,960
Method of Financing:						
1	General Revenue Fund	\$276,684	\$420,158	\$385,799	\$382,799	\$382,799
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$276,684	\$420,158	\$385,799	\$382,799	\$382,799
Method of Financing:						
6	State Highway Fund	\$377,990	\$377,441	\$377,112	\$377,112	\$377,112
666	Appropriated Receipts	\$3	\$498	\$500	\$500	\$500
777	Interagency Contracts	\$539,617	\$377,241	\$364,697	\$379,176	\$367,549
SUBTOTAL, MOF (OTHER FUNDS)		\$917,610	\$755,180	\$742,309	\$756,788	\$745,161
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,139,587	\$1,127,960
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,194,294	\$1,175,338	\$1,128,108	\$1,139,587	\$1,127,960
FULL TIME EQUIVALENT POSITIONS:		15.9	16.0	16.5	16.5	16.5

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

DATE: 8/9/2010
 TIME: 11:23:11AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

GOAL:	2	Indirect Administration	Statewide Goal/Benchmark:	5	0
OBJECTIVE:	1	Indirect Administration	Service Categories:		
STRATEGY:	1	Indirect Administration	Service:	09	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy provides the agency with necessary administrative support in the areas of accounting, budgeting, billing, information resources, human resources, payroll, employee benefits, and training. Also, this area is responsible for reporting agency information, including the legislatively mandated Hearings Activity Report, performance measures, and various special reports. These are required and necessary for efficient and effective agency operations.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Agency growth and workload increases have a significant and direct impact on the level of resources needed to provide these required services.

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

DATE: 8/9/2010
TIME: 11:23:11AM

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$9,468,321	\$9,310,030	\$9,344,149	\$10,250,907	\$10,244,489
METHODS OF FINANCE (INCLUDING RIDERS):				\$10,250,907	\$10,244,489
METHODS OF FINANCE (EXCLUDING RIDERS):	\$9,468,321	\$9,310,030	\$9,344,149	\$10,250,907	\$10,244,489
FULL TIME EQUIVALENT POSITIONS:	111.1	113.0	115.0	127.0	127.0

3.B. Rider Revisions and Additions Request

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 07/23/10	Request Level: Base
Current Rider Number	Page Number in 2010-11 GAA	Proposed Rider Language		
1	VIII – 2	<p>Performance Measure Targets. The following is a listing of the key performance target levels for the State Office of Administrative Hearings. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the State Office of Administrative Hearings. In order to achieve the objectives and service standards established by this Act, the State Office of Administrative Hearings shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.</p> <p>A. Goal: ADMINISTRATIVE HEARINGS 2010 2011</p> <p>— Outcome (Results/Impact):</p> <p>— Percentage of Participants Surveyed Expressing Satisfaction with Overall Process 92% 92%</p> <p>— Percentage of Proposed Decision Related to Tax Hearings Issued by Administrative Law Judges within 4 Days of Record Closing 100% 100%</p> <p>— A.1.1. Strategy: CONDUCT HEARINGS</p> <p>— Output (Volume):</p> <p>— Number of Administrative License Revocation Cases Disposed 28,828 28,828</p> <p>— Number of Cases Disposed 36,848 36,848</p> <p>— Number of Administrative Fine Cases Disposed 191 191</p> <p>— Percent of Available Administrative Law Judge Time Spent on Case Work (non Administrative License Revocation) 100% 100%</p> <p>— Number of Final Decisions related to Tax Hearings Rendered by Administrative Law Judges 207 207</p>		

**3.B. Rider Revisions and Additions Request
(Continued)**

1 (cont'd)	VIII - 2	<p><u>Efficiencies:</u></p> <p><u>Average Number of Days from Close to Record to Issuance of Proposal for Decision – Major Hearings</u> 52.6 52.6</p> <p><u>Average Time to Dispose of a Case (Median Number of Days)</u> 102 102</p> <p><u>Average Length of Time (Work Days) Taken to Issue a Proposed Decision Related to Tax Hearings Following Record Closing</u> 5.18 5.18</p> <p><u>Explanatory:</u></p> <p><u>Number of Cases Received</u> 39,971 39,179</p> <p><u>Number of Agencies Served</u> 49 49</p> <p><u>A.2.1 Strategy : CONDUCT ALT DISPUTE RESOLUTION</u></p> <p><u>Explanatory:</u></p> <p><u>Number of Alternative Dispute Resolution Cases Proceeding Requested or Referred</u> 139 139</p> <p><u>A. Goal: ADMINISTRATIVE HEARINGS</u> 2012 2013</p> <p><u>Outcome (Results/Impact):</u></p> <p><u>Percentage of Participants Surveyed Expressing Satisfaction with Overall Process</u> 92% 92%</p> <p><u>Percentage of Tax Proposed Decisions Related to Tax Hearings Issued by Administrative Law Judge within 60 Days of Record Closing</u> 100% 100%</p> <p><u>A.1.1. Strategy: CONDUCT HEARINGS</u></p> <p><u>Output (Volume):</u></p> <p><u>Number of Administrative License Revocation Cases Disposed</u> 34,859 34,859</p> <p><u>Number of Cases Disposed</u> 42,673 42,673</p> <p><u>Number of Administrative Fine Cases Disposed</u> 159 159</p> <p><u>Percent of Available Administrative Law Judge Time Spent on Case Work</u> 100% 100%</p> <p><u>Number of Proposals for Decision Related to Tax Hearings Rendered by ALJs</u> 214 214</p>
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**3.B. Rider Revisions and Additions Request
(Continued)**

<p>1 (cont'd)</p>	<p style="text-align: center;">VIII – 2</p>	<p>Efficiencies:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Average Number of Days from Close of Record to Issuance of Proposal for Decision – Major Hearings</td> <td style="text-align: right; padding-right: 20px;">49.80</td> <td style="text-align: right;">49.80</td> </tr> <tr> <td style="padding-left: 20px;">Average Time to Dispose of a Case (Median Number of Days)</td> <td style="text-align: right; padding-right: 20px;">88.42</td> <td style="text-align: right;">88.42</td> </tr> <tr> <td style="padding-left: 20px;">Average Length of Time (Work Days) to Issue Proposed Related to Tax Hearings Decision Following Record Closing</td> <td style="text-align: right; padding-right: 20px;">7.0</td> <td style="text-align: right;">7.0</td> </tr> </table> <p>Explanatory:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Number of Cases Received</td> <td style="text-align: right; padding-right: 20px;">42,090</td> <td style="text-align: right;">42,090</td> </tr> <tr> <td style="padding-left: 20px;">Number of Agencies Served</td> <td style="text-align: right; padding-right: 20px;">51</td> <td style="text-align: right;">51</td> </tr> </table> <p>A.2.1. Strategy: CONDUCT ALT DISPUTE RESOLUTION</p> <p>Explanatory:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Number of Alternative Dispute Resolution Cases Requested or Referred</td> <td style="text-align: right; padding-right: 20px;">155</td> <td style="text-align: right;">155</td> </tr> </table> <p><i>This rider has been updated to reflect the years for this appropriations request and target changes.</i></p>	Average Number of Days from Close of Record to Issuance of Proposal for Decision – Major Hearings	49.80	49.80	Average Time to Dispose of a Case (Median Number of Days)	88.42	88.42	Average Length of Time (Work Days) to Issue Proposed Related to Tax Hearings Decision Following Record Closing	7.0	7.0	Number of Cases Received	42,090	42,090	Number of Agencies Served	51	51	Number of Alternative Dispute Resolution Cases Requested or Referred	155	155
Average Number of Days from Close of Record to Issuance of Proposal for Decision – Major Hearings	49.80	49.80																		
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Number of Agencies Served	51	51																		
Number of Alternative Dispute Resolution Cases Requested or Referred	155	155																		
<p>2</p>	<p style="text-align: center;">VIII – 2</p>	<p>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 other items with an “(MLPP)” notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code §1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under “Acquisition of Information Resources Technologies” may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.</p>																		

**3.B. Rider Revisions and Additions Request
(Continued)**

2 (cont'd)	VIII – 2	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">Out of Interagency Contracts:</td> <td style="text-align: right; border-bottom: 1px solid black;">2010</td> <td style="text-align: right; border-bottom: 1px solid black;">2011</td> </tr> <tr> <td style="border-bottom: 1px solid black;"> a. Acquisition of Information Resource</td> <td></td> <td></td> </tr> <tr> <td style="border-bottom: 1px solid black;"> Technologies</td> <td></td> <td></td> </tr> <tr> <td style="border-bottom: 1px solid black;"> (1) Electronic Filing System</td> <td style="text-align: right; border-bottom: 1px solid black;">\$151,705</td> <td style="text-align: right; border-bottom: 1px solid black;">\$0</td> </tr> <tr> <td style="border-bottom: 1px solid black;"> (2) Replacement Purchase of</td> <td style="text-align: right; border-bottom: 1px solid black;">\$ 26,800</td> <td style="text-align: right; border-bottom: 1px solid black;">\$84,800</td> </tr> <tr> <td style="border-bottom: 1px solid black;"> personal computers</td> <td></td> <td></td> </tr> <tr> <td style="border-bottom: 1px solid black;"> Total, Acquisition of Information</td> <td style="text-align: right; border-bottom: 1px solid black;">\$178,505</td> <td style="text-align: right; border-bottom: 1px solid black;">\$84,800</td> </tr> <tr> <td style="border-bottom: 1px solid black;"> Resource Technologies</td> <td></td> <td></td> </tr> <tr> <td style="border-bottom: 1px solid black;"> Total, Capital Budget</td> <td style="text-align: right; border-bottom: 1px solid black;">\$178,505</td> <td style="text-align: right; border-bottom: 1px solid black;">\$84,800</td> </tr> <tr> <td colspan="3" style="border-bottom: 1px solid black;">Method of Finance (Capital Budget):</td> </tr> <tr> <td style="border-bottom: 1px solid black;">Interagency Contracts</td> <td style="text-align: right; border-bottom: 1px solid black;">\$178,505</td> <td style="text-align: right; border-bottom: 1px solid black;">\$84,800</td> </tr> <tr> <td style="border-bottom: 1px solid black;">Total, Method of Financing</td> <td style="text-align: right; border-bottom: 1px solid black;">\$178,505</td> <td style="text-align: right; border-bottom: 1px solid black;">\$84,800</td> </tr> <tr> <td colspan="3" style="border-bottom: 1px solid black;"> </td> </tr> <tr> <td style="border-bottom: 1px solid black;">Out of Interagency Contracts:</td> <td style="text-align: right; border-bottom: 1px solid black;">2012</td> <td style="text-align: right; border-bottom: 1px solid black;">2013</td> </tr> <tr> <td style="border-bottom: 1px solid black;"> a. 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Replacement Purchase of</td> <td style="text-align: right; border-bottom: 1px solid black;">\$ 40,743</td> <td style="text-align: right; border-bottom: 1px solid black;">\$ 25,565</td> </tr> <tr> <td style="border-bottom: 1px solid black;"> personal computers</td> <td></td> <td></td> </tr> <tr> <td style="border-bottom: 1px solid black;"> Total, Capital Budget</td> <td style="text-align: right; border-bottom: 1px solid black;">\$ 40,743</td> <td style="text-align: right; border-bottom: 1px solid black;">\$ 25,565</td> </tr> <tr> <td colspan="3" style="border-bottom: 1px solid black;">Method of Finance (Capital Budget):</td> </tr> <tr> <td style="border-bottom: 1px solid black;">Interagency Contracts</td> <td style="text-align: right; border-bottom: 1px solid black;">\$ 40,743</td> <td style="text-align: right; border-bottom: 1px solid black;">\$ 25,565</td> </tr> <tr> <td style="border-bottom: 1px solid black;">Total, Method of Financing</td> <td style="text-align: right; border-bottom: 1px solid black;">\$ 40,743</td> <td style="text-align: right; border-bottom: 1px solid black;">\$ 25,565</td> </tr> <tr> <td colspan="3" style="border-bottom: 1px solid black;"> </td> </tr> <tr> <td colspan="3" style="border-bottom: 1px solid black;"><i>This rider has been updated to reflect the years for this appropriations request and change in acquisition categories.</i></td> </tr> </table>	Out of Interagency Contracts:	2010	2011	a. Acquisition of Information Resource			Technologies			(1) Electronic Filing System	\$151,705	\$0	(2) Replacement Purchase of	\$ 26,800	\$84,800	personal computers			Total, Acquisition of Information	\$178,505	\$84,800	Resource Technologies			Total, Capital Budget	\$178,505	\$84,800	Method of Finance (Capital Budget):			Interagency Contracts	\$178,505	\$84,800	Total, Method of Financing	\$178,505	\$84,800				Out of Interagency Contracts:	2012	2013	a. Acquisition of Information Resource			Technologies			1. Replacement Purchase of	\$ 40,743	\$ 25,565	personal computers			Total, Capital Budget	\$ 40,743	\$ 25,565	Method of Finance (Capital Budget):			Interagency Contracts	\$ 40,743	\$ 25,565	Total, Method of Financing	\$ 40,743	\$ 25,565				<i>This rider has been updated to reflect the years for this appropriations request and change in acquisition categories.</i>		
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3	VIII – 3	<p>Renegotiation of Lump Sum Contract. Appropriations made above to Strategy A.1.1, Conduct Hearings, include \$938,860 in fiscal year 2010-2012 and \$938,860 in fiscal year 2011-2013 to fund the Natural Resources Division for the purpose of conducting hearings for the Texas Commission on Environmental Quality (TCEQ). The State Office of Administrative Hearings (SOAH) and TCEQ may not enter into a contract for an amount less than the specified amounts herein above. If SOAH determines, at the end of each fiscal year, that the amount paid under the contract exceeds the funding necessary for the Natural Resources Division, it shall refund the difference. If SOAH determines that these amounts are insufficient to fund the Natural Resources Division, it may enter into negotiations with TCEQ in order to renegotiate an interagency contract in a manner which will provide it with additional funds, provided that SOAH shall not be appropriated any state funds from such renegotiated interagency contract until it gives prior written notice to the Legislative Budget Board and the Governor, accompanied by written permission of TCEQ.</p> <p><i>This rider has been updated to reflect the years for this appropriation request.</i></p>																																																																								

**3.B. Rider Revisions and Additions Request
(Continued)**

4.	VIII – 3	<p>Benefit Collection. Agencies that enter into contracts with the State Office of Administrative Hearings (SOAH), for the purpose of performing the hearings function, and make payments to SOAH from funding sources other than General Revenue, must reimburse SOAH for employee benefit costs for salaries and wages. These reimbursements to SOAH will then be paid to the General Revenue Fund in proportion to the source of funds from which the respective salary or wage is paid.</p>
5	VIII -3	<p>Contingency Appropriation for Expanded Jurisdiction. Contingent on the enactment of legislation by the Eighty-first <u>Eighty-second</u> Legislature transferring the hearings functions of other state agencies to the State Office of Administrative Hearings (SOAH), or otherwise expanding the jurisdiction of the office, SOAH is hereby authorized to expend funds transferred to the office from those agencies or funds appropriated for the purpose of handling the expanded jurisdiction, pursuant to provisions elsewhere in this Act. Appropriations authorized pursuant to this provision may be expended only to implement the transferred functions or expanded jurisdiction. All funds collected by SOAH as payment for, or reimbursement of, the office’s costs of providing services to other state agencies or governmental entities, or others as directed by the Legislature, are appropriated to SOAH for its use during the biennium. <i>This rider has been updated to reflect the legislative session for this appropriation request.</i></p>
6	VIII – 3	<p>Hearings Activity Report. By May 1st and November 1st of each fiscal year, the State Office of Administrative Hearings (SOAH) shall submit to the Legislative Budget Board and the Governor a report detailing hearings activity conducted during the prior two fiscal year quarters. The report shall indicate, for each agency served, the person hours allocated to the agency’s cases and the cost, both direct and indirect, of conducting the hearings. The report shall also indicate, for each agency served, the number of cases received, the number of cases disposed of, the number of administrative fine cases disposed of and the median number of days between the dates a case is received by SOAH and the date the case is finally disposed of, during the reporting period.</p>
7	VIII – 3	<p>Interagency Contract for Administrative Law Judge Training. Out of funds appropriated above, the State Office of Administrative Hearings shall contract in the amount of \$25,000 for training of Administrative Law Judges. Any amounts not expended as of August 31, 2011 <u>2012</u>, are appropriated for the fiscal year beginning September 1, 2011 <u>2012</u>. The State Office of Administrative Hearings’ travel expenses, including travel expenses incurred by staff for out of state related to Administrative Law Judge training are limited to the amount as established in this rider. <i>This rider is not needed in the agency’s bill pattern as a result of the 5% budget reduction.</i></p>
<u>8</u> 7	VIII – 4	<p>Contingency for Additional Self-directed Semi-independent Agency Pilot Projects. Contingent upon additional agencies added as a self-directed semi-independent (SDSI) agency pilot project by the Legislature during the 2010-11 <u>2012-13</u> biennium, the agency added as a SDSI pilot project that is listed in Rider 9 shall be removed from the exemption granted in Rider 9 below. <i>This rider has been updated to reflect the years for this appropriation request.</i></p>

**3.B. Rider Revisions and Additions Request
(Continued)**

<p>98</p>	<p>VIII - 4</p>	<p>Billing Rate for Workload</p> <p>a. Unless otherwise provided, amounts appropriated above and elsewhere in this Act for funding for the payment of costs associated with administrative hearings conducted by the State Office of Administrative Hearings (SOAH) are based on an hourly rate of \$100 per hour for each hour of work performed during each fiscal year as reflected by the SOAH's Legislative Appropriation Request and Hearings Activity Report to the Eighty-first <u>Eighty-second</u> Legislature. <u>This billing rate does not include costs of transcripts prepared by independent court reporters because those costs are normally paid directly by the parties to the court reporter.</u></p> <p>b. Notwithstanding other provisions in this act amounts for the payment of costs associated with administrative hearings conducted by SOAH for the Comptroller of Public Accounts shall be established through an interagency contract between the two agencies. The contract shall provide funding for hearings on tax issues conducted by Master Administrative Law Judge IIs in a separate tax division within SOAH that have expertise in state tax and shall specify the salaries of the judges within the division.</p> <p>c. Amounts appropriated above in Strategy A.1.1., Conduct Hearings, to SOAH from the General Revenue include funding in each year of the biennium for billable casework hours performed by SOAH for conducting administrative hearings at the rate determined by SOAH and approved by the Legislature for the following agencies for those agencies that do not have appropriations for paying SOAH costs for administrative hearings and are not subject to subsection (a) of this Section-. <u>Amounts appropriated to SOAH from the General Revenue do not include costs of transcripts prepared by independent court reporters because those costs are normally paid directly by the parties to the court reporter. The following agencies are subject to this rider:</u></p> <ol style="list-style-type: none"> (1) Real Estate Commission (not including Residential Service Companies and Texas Timeshare Act Hearings) (2) Board of Chiropractic Examiners (3) Credit Union Department (4) (3) Texas Board of Dental Examiners (5) (4) Funeral Services Commission (6) (5) Board of Professional Geoscientists (7) (6) Board of Professional Land Surveying (8) (7) Texas Medical Board (9) (8) Texas Board of Nursing (10) (9) Optometry Board (11) (10) Board of Pharmacy
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**3.B. Rider Revisions and Additions Request
(Continued)**

<p>98 (cont'd)</p>	<p>(12) (11) Executive Council of Physical Therapy and Occupational Therapy Examiners (13) (12) Board of Plumbing Examiners (14) (13) Board of Podiatric Medical Examiners (15) (14) Board of Examiners of Psychologists (16) Board of Tax Professional Examiners (17) (15) Board of Veterinary Medical Examiners (18) (16) Secretary of State (19) (17) Securities Board (20) (18) Public Utility Commission of Texas (21) (19) Teacher Retirement System (22) (20) Fire Fighters' Pension Commissioner (23) (21) Employees Retirement System (24) (22) Department of Housing and Community Affairs (25) (23) Texas Lottery Commission (26) (24) Department of Public Safety (Non-Administrative License Revocation Hearings) (27) (25) Commission on Law Enforcement Officer Standards and Education (28) (26) Commission on Fire Protection (29) (27) Department of Insurance (not including the Division of Workers' Compensation) (30) (28) Alcoholic Beverage Commission (31) (29) Racing Commission (32) (30) Department of Agriculture (33) (31) Department of Transportation (not including the Motor Vehicle Division) (34) (32) Higher Education Coordinating Board (35) (33) Parks and Wildlife Department (36) (34) Department of Licensing and Regulation</p> <p><i>This rider has been updated to reflect the legislative session for this appropriation request, agency listing modifications and clarification regarding transcript costs.</i></p>
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5. CAPITAL BUDGET SCHEDULE

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

DATE: 8/9/2010
 TIME : 11:23:41AM

Agency code: 360

Agency name: State Office of Administrative Hearings

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE		Est 2010	Bud 2011	BL 2012	BL 2013
5005 Acquisition of Information Resource Technologies					
<i>1/1 Replacement Purchase of personal computers</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2009 OTHER OPERATING EXPENSE	\$26,800	\$84,800	\$40,743	\$25,565
	Capital Subtotal OOE, Project 1	\$26,800	\$84,800	\$40,743	\$25,565
	Subtotal OOE, Project 1	\$26,800	\$84,800	\$40,743	\$25,565
TYPE OF FINANCING					
<u>Capital</u>					
General	CA 777 Interagency Contracts	\$26,800	\$84,800	\$40,743	\$25,565
	Capital Subtotal TOF, Project 1	\$26,800	\$84,800	\$40,743	\$25,565
	Subtotal TOF, Project 1	\$26,800	\$84,800	\$40,743	\$25,565
<i>3/3 Electronic Filing System</i>					
OBJECTS OF EXPENSE					
<u>Capital</u>					
General	2001 PROFESSIONAL FEES AND SERVICES	\$68,329	\$0	\$0	\$0
General	2003 CONSUMABLE SUPPLIES	\$864	\$0	\$0	\$0
General	2004 UTILITIES	\$262	\$0	\$0	\$0
General	2009 OTHER OPERATING EXPENSE	\$75,641	\$0	\$0	\$0
General	5000 CAPITAL EXPENDITURES	\$6,609	\$0	\$0	\$0
	Capital Subtotal OOE, Project 3	\$151,705	\$0	\$0	\$0
	Subtotal OOE, Project 3	\$151,705	\$0	\$0	\$0
TYPE OF FINANCING					
<u>Capital</u>					

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

DATE: 8/9/2010
 TIME : 11:23:41AM

Agency code: 360

Agency name: State Office of Administrative Hearings

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE			Est 2010	Bud 2011	BL 2012	BL 2013
General	CA	777 Interagency Contracts	\$151,705	\$0	\$0	\$0
Capital Subtotal TOF, Project 3			\$151,705	\$0	\$0	\$0
Subtotal TOF, Project 3			\$151,705	\$0	\$0	\$0
Capital Subtotal, Category 5005			\$178,505	\$84,800	\$40,743	\$25,565
Informational Subtotal, Category 5005						
Total, Category 5005			\$178,505	\$84,800	\$40,743	\$25,565
AGENCY TOTAL -CAPITAL			\$178,505	\$84,800	\$40,743	\$25,565
AGENCY TOTAL -INFORMATIONAL						
AGENCY TOTAL			\$178,505	\$84,800	\$40,743	\$25,565
METHOD OF FINANCING:						
<u>Capital</u>						
General	777	Interagency Contracts	\$178,505	\$84,800	\$40,743	\$25,565
Total, Method of Financing-Capital			\$178,505	\$84,800	\$40,743	\$25,565
Total, Method of Financing			\$178,505	\$84,800	\$40,743	\$25,565
TYPE OF FINANCING:						
<u>Capital</u>						
General	CA	CURRENT APPROPRIATIONS	\$178,505	\$84,800	\$40,743	\$25,565
Total, Type of Financing-Capital			\$178,505	\$84,800	\$40,743	\$25,565
Total, Type of Financing			\$178,505	\$84,800	\$40,743	\$25,565

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

DATE: 8/9/2010
 TIME: 11:24:10AM

Agency Code:	360	Agency name:	State Office of Administrative Hearings
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	1	Project Name:	Purchase of Computers

PROJECT DESCRIPTION

General Information

SOAH continues to increase its business processes and workloads, requiring personal computers to be replaced with new ones. The ALJs' and hearings support staff's PCs are in heavy daily use for the production of proposals for decisions and orders. Also, SOAH relies on several systems to track, develop, and report information, including an internal accounting system, a time-tracking system that tracks time worked for each agency by case, a system that tracks and schedules each case for a hearing, word processing software, and office productivity applications. These systems play an integral part in generating the legislatively-mandated Hearings Activity Report and the performance measures. Also, the agency's PCs will have to be able to handle the demands of the electronic filing system as it comes on line. As upgrades are required, there is a business requirement to replace the current PCs with hardware that can support these vital software systems. Obsolete hardware cannot maintain the demanding increased performance requirements of current and anticipated applications.

Number of Units / Average Unit Cost \$1,600

Estimated Completion Date

Additional Capital Expenditure Amounts Required

2014	2015
0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life 4 years

Estimated/Actual Project Cost \$1,600

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

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

REVENUE GENERATION / COST SAVINGS

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

Explanation:

Project Location:

Beneficiaries:

Frequency of Use and External Factors Affecting Use:

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

DATE: 8/9/2010
 TIME: 11:24:10AM

Agency Code:	360	Agency name:	State Office of Administrative Hearings
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	3	Project Name:	Electronic Filing System

PROJECT DESCRIPTION

General Information

SOAH has been working on the implementation of an electronic case file system. It is scheduled to go live in Sept 2010. The system has been funded with reimbursements for work performed under interagency contracts. Documents filed and issued in non-confidential general docket cases will be contained in electronic case files. The file contents will be accessible and searchable both internally and by the public via the internet. These improvements will make SOAH's case files more conveniently available to the public than they are at present. Currently, files may be viewed or copied by interested persons only by going to the appropriate SOAH office and reviewing the file or by formally requesting and paying for copies of documents. SOAH's non-confidential decisions are available on its website now, but this system will be far more expansive and useful to parties and the public. The new system will also improve SOAH's internal efficiency. ALJs will be able to access case filings from the office, hearing room, home, or on the road; less administrative time will be spent creating and maintaining bulky paper files; and SOAH personnel responding to inquiries about cases' status will be able to provide information with greater speed and accuracy. SOAH does not intend to implement the system for the administrative license revocation (ALR) cases, at least for the foreseeable future. ALR cases are on SOAH's docket for a very short period of time. Also, by necessity, the case filings contain defendants' personal identifiers (birth dates and drivers' license numbers) which implicates privacy concerns. Thousands of ALR cases are filed at SOAH every year. Any attempt to redact personal identifiers so that ALR documents could be placed in the system could easily overwhelm SOAH's resources, particularly if those resources are diminished by the 10% budget reduction, and for marginal benefit given the short duration the cases are on the docket.

Number of Units / Average Unit Cost \$0

Estimated Completion Date

Additional Capital Expenditure Amounts Required

2014	2015
0	0

Type of Financing CA CURRENT APPROPRIATIONS

Projected Useful Life

Estimated/Actual Project Cost \$0

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

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

REVENUE GENERATION / COST SAVINGS

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

Explanation:

Project Location:

Beneficiaries:

Frequency of Use and External Factors Affecting Use:

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

DATE: 8/9/2010
 TIME: 11:24:34AM

Agency code: 360 Agency name: State Office of Administrative Hearings

Category Code/Name

Project Sequence/Project Id/Name

Goal/Obj/Str	Strategy Name	Est 2010	Bud 2011	BL 2012	BL 2013	
5005 Acquisition of Information Resource Technologies						
<i>1/1 Purchase of Computers</i>						
GENERAL BUDGET						
Capital	2-1-1	INDIRECT ADMINISTRATION	22,000	0	\$12,000	\$0
	1-1-1	CONDUCT HEARINGS	4,800	84,800	28,743	25,565
		TOTAL, PROJECT	\$26,800	\$84,800	\$40,743	\$25,565
<i>3/3 Electronic Filing System</i>						
GENERAL BUDGET						
Capital	1-1-1	CONDUCT HEARINGS	121,364	0	0	0
	1-2-1	CONDUCT ALT DISPUTE RESOLUTION	30,341	0	0	0
		TOTAL, PROJECT	\$151,705	\$0	\$0	\$0
		TOTAL CAPITAL, ALL PROJECTS	\$178,505	\$84,800	\$40,743	\$25,565
		TOTAL INFORMATIONAL, ALL PROJECTS				
		TOTAL, ALL PROJECTS	\$178,505	\$84,800	\$40,743	\$25,565

5.D. CAPITAL BUDGET OPERATING AND MAINTENANCE EXPENSES

82nd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/9/2010

TIME: 11:24:54AM

Agency Code: **360** Agency name: **State Office of Administrative Hearings**
 Project Number: **1** Project name: **Replacement Purchase of personal computers**

Operating Expenses Estimates (For Information Only)

CODE DESCRIPTION	2012	2013	2014	2015
OBJECTS OF EXPENSE:				
2009 OTHER OPERATING EXPENSE	\$40,743	\$25,565	\$0	\$0
TOTAL, OBJECT OF EXPENSE	\$40,743	\$25,565	\$0	\$0
METHOD OF FINANCING:				
777 Interagency Contracts	\$40,743	\$25,565	\$0	\$0
TOTAL, METHOD OF FINANCING	\$40,743	\$25,565	\$0	\$0

FULL TIME EQUIVALENT POSITIONS: 0.0 0.0 0.0 0.0

OPERATING COSTS DESCRIPTION AND JUSTIFICATION:

SOAH continues to increase its business processes and workloads, requiring personal computers to be replaced with new ones. The ALJs' and hearings support staff's PCs are in heavy daily use for the production of proposals for decisions and orders. Also, SOAH relies on several systems to track, develop, and report information, including an internal accounting system, a time-tracking system that tracks time worked for each agency by case, a system that tracks and schedules each case for a hearing, word processing software, and office productivity applications. These systems play an integral part in generating the legislatively-mandated Hearings Activity Report and the performance measures. Also, the agency's PCs will have to be able to handle the demands of the electronic filing system as it comes on line. As upgrades are required, there is a business requirement to replace the current PCs with hardware that can support these vital software systems. Obsolete hardware cannot maintain the demanding increased performance requirements of current and anticipated applications.

5.E. Capital Budget MOF by Strategy

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 07/23/10		
PROJECT CODE/NAME: Electronic Filing System					
CATEGORY CODE/NAME: 5005 Acquisition of Information Resource Technologies					
ALLOCATION TO STRATEGY: 1-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
	Objects of Expense:				
2001	Professional Fees and Services	54,663	0	0	0
2003	Consumable Supplies	691	0	0	0
2004	Utilities	210	0	0	0
2009	Other Operating Expense	60,513	0	0	0
5000	Capital Expenditures	5,287	0	0	0
	Total, Objects of Expense	\$121,364	\$0	\$0	\$0
	Method of Financing:				
777	Interagency Contracts	\$121,364	\$0	\$0	\$0
	Total, Method of Financing	\$121,364	\$0	\$0	\$0

5.E. Capital Budget MOF by Strategy

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 07/23/10		
PROJECT CODE/NAME: Electronic Filing System					
CATEGORY CODE/NAME: 5005 Acquisition of Information Resource Technologies					
ALLOCATION TO STRATEGY: 1-2-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
	Objects of Expense:				
2001	Professional Fees and Services	13,666	0	0	0
2003	Consumable Supplies	173	0	0	0
2004	Utilities	52	0	0	0
2009	Other Operating Expense	15,128	0	0	0
5000	Capital Expenditures	1,322	0	0	0
	Total, Objects of Expense	\$30,341	\$0	\$0	\$0
	Method of Financing:				
777	Interagency Contracts	\$30,341	\$0	\$0	\$0
	Total, Method of Financing	\$30,341	\$0	\$0	\$0

5.E. Capital Budget MOF by Strategy

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date 07/23/10		
PROJECT CODE/NAME: Purchase of Personal Computers					
CATEGORY CODE/NAME: 5005 Acquisition of Information Resource Technologies					
ALLOCATION TO STRATEGY: 1-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expense	4,800	84,800	28,743	25,565
	Total, Objects of Expense	\$4,800	\$84,800	\$28,743	\$25,565
777	Method of Financing: Interagency Contracts	\$4,800	\$84,800	\$28,743	\$25,565
	Total, Method of Financing	\$4,800	\$84,800	\$28,743	\$25,565

5.E. Capital Budget MOF by Strategy

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 07/23/10		
PROJECT CODE/NAME: Purchase of Personal Computers					
CATEGORY CODE/NAME: 5005 Acquisition of Information Resource Technologies					
ALLOCATION TO STRATEGY: 2-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expense	22,000	0	12,000	0 0
	Total, Objects of Expense	\$22,000	\$0	\$12,000	\$0
777	Method of Financing: Interagency Contracts	\$22,000	\$0	\$12,000	\$0
	Total, Method of Financing	\$22,000	\$0	\$12,000	\$0

6. SUPPORTING SCHEDULES

6.A. HISTORICALLY UNDERUTILIZED BUSINESS SUPPORTING SCHEDULE

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

Date: **8/9/2010**
Time: **11:25:51AM**

Agency Code: **360** Agency: **State Office of Administrative Hearings**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2008 - 2009 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	<u>HUB Expenditures FY 2008</u>				<u>Total Expenditures</u>		<u>HUB Expenditures FY 2009</u>				<u>Total Expenditures</u>	
		% Goal	% Actual	Diff	Actual \$	FY 2008	% Goal	% Actual	Diff	Actual \$	FY 2009		
11.9%	Heavy Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0		
26.1%	Building Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$2,380		
57.2%	Special Trade Construction	57.2 %	5.9%	-51.3%	\$300	\$5,127	57.2 %	0.0%	-57.2%	\$0	\$342		
20.0%	Professional Services	20.0 %	100.0%	80.0%	\$8,633	\$8,633	20.0 %	17.2%	-2.8%	\$5,782	\$33,542		
33.0%	Other Services	33.0 %	64.0%	31.0%	\$167,784	\$261,991	33.0 %	74.6%	41.6%	\$201,171	\$269,617		
12.6%	Commodities	12.6 %	67.1%	54.5%	\$157,659	\$234,937	12.6 %	80.5%	67.9%	\$186,859	\$232,036		
	Total Expenditures		65.5%		\$334,376	\$510,688		73.2%		\$393,812	\$537,917		

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

Attainment:

SOAH attained or exceeded three of four, or 75%, of the applicable statewide HUB procurement goals, in FY 2008. In FY 2009, the agency attained two of five, or 40%, of the applicable statewide HUB procurement goals. However, it far exceeded the statewide goals in the two categories in which it had the most need and thus the highest expenditures.

Applicability:

The "Heavy Construction" category is not applicable to agency operations in either FY 2008 or FY 2009 as SOAH did not have any strategies or programs related to construction. The "Building Construction" category was not applicable in FY 2008.

Factors Affecting Attainment:

The factors that affected attainment are a lack of HUB vendors for certain purchases unique to SOAH.

"Good-Faith" Efforts:

SOAH's procurement practices reflect a good faith effort to achieve the goal of maximizing opportunities for HUB business in the stateprocurement process. The agency has a strong history of HUB usage and follows strict purchasing guidelines and procedures. It continues to explore opportunities to identify HUB vendors. HUB applications are included with and made a part of all invitations for bids. SOAH refers to the Texas Procurement and Support Services bidders' and HUB lists for purchases and sends notification of bid opportunities with SOAH as they arise. Subject to budgetary constraints, SOAH's purchaser attends HUB forums when and where practicable, and SOAH participates in HUB workgroups. SOAH has established a Mentor/Protégé Program and has reached out to potential mentors and protégés about participating in it. SOAH will continue its efforts to increase HUB usage.

6.B. Current Biennium One-time Expenditure Schedule

Agency Code:	Agency Name:	Prepared By:		Date:
360	State Office of Administrative Hearings	Linda Duncan		08/02/2010
Item	2010-2011		2012-2013	
	Amount	MOF	Amount	MOF
Access ID Cards Security - Fort Worth Office	\$60	1, 6		
Installation Wall Display Unit - Austin	\$74	1		
Field Office Relocation - San Antonio	\$5,400	1, 6		
Computer Programming - Accounting System Interface Amend per Comptroller's Requirements	\$3,000	1, 777		
Furniture & Equipment - 4 New FTEs - ARB	\$23,990	777		
Furniture & Equipment - 4 New FTEs - ARB			\$23,990	777
Equipment and Furniture - 3 New FTEs			\$17,993	777
Printer Replacements			\$22,344	777
Enhancement of Security and Sound System in Hearing Rooms			\$12,000	777

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

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 08/02/10		
PROJECT ITEM: Access ID Card Security - Fort Worth Office					
ALLOCATION TO STRATEGY: 1-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expenses	60			
	Total, Objects of Expense	\$60	\$0	\$0	\$0
0001 0006	Method of Financing: General Revenue	\$15			
	State Highway Fund	\$45			
	Total, Method of Financing	\$60	\$0	\$0	\$0

Description of Item for 2010-11

To purchase security access cards for staff in Ft. Worth office to allow them access to their office outside normal business hours.

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

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 08/02/10		
PROJECT ITEM: Installation Wall Display Unit - Austin					
ALLOCATION TO STRATEGY: 2-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expenses	74			
	Total, Objects of Expense	\$74	\$0	\$0	\$0
0001	Method of Financing: General Revenue	\$74			
	Total, Method of Financing	\$74	\$0	\$0	\$0

Description of Item for 2010-11

To hang display unit allowing employees to view human resources information.

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

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 08/02/10		
PROJECT ITEM: Field Office Relocation - San Antonio					
ALLOCATION TO STRATEGY: 1-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
	Objects of Expense:				
2004	Utilities		2,400		
2009	Other Operating Expenses		3,000		
	Total, Objects of Expense	\$0	\$5,400	\$0	\$0
	Method of Financing:				
0001	General Revenue		\$3,294		
0006	State Highway Fund		\$2,106		
	Total, Method of Financing	\$0	\$5,400	\$0	\$0

Description of Item for 2010-11

SOAH's lease for its space in San Antonio expires in FY 2011. Because of maintenance issues, SOAH anticipates relocating its space. These estimated expenses are for the potential move and modification of a new location, including but not limited to laying computer cable and conversion of space to hearing rooms.

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

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 08/02/10		
PROJECT ITEM: Computer Programming - Accounting System Interface Amend per Comptroller's Requirements					
ALLOCATION TO STRATEGY: 2-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expenses		3,000		
	Total, Objects of Expense	\$0	\$3,000	\$0	\$0
0001 0777	Method of Financing: General Revenue		\$1,547		
	Interagency Contract		\$1,453		
	Total, Method of Financing	\$0	\$3,000	\$0	\$0

Description of Item for 2010-11

To pay for computer programming that will be necessary to amend or revise the existing interface between SOAH's accounting system (MIP) and the Comptroller's accounting system (USAS) in anticipation of the requirement by the Internal Revenue Service of a 3% withholding on vendor payments.

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

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 08/02/10		
PROJECT ITEM: Equipment & Furniture - 4 New FTEs (ARB)					
ALLOCATION TO STRATEGY: 1-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expenses		23,990		
	Total, Objects of Expense	\$0	\$23,990	\$0	\$0
0777	Method of Financing: Interagency Contract		\$23,990		
	Total, Method of Financing	\$0	\$23,990	\$0	\$0

Description of Item for 2010-11

To pay for furnishings and equipment needed to supply four newly-hired FTEs in FY 2011. Expenditure contingent on reimbursements for appraisal review board hearings. (Interagency Contract reimbursements).

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2012-13 Biennium

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date 08/02/10		
PROJECT ITEM: Equipment & Furniture - 4 New FTEs (ARB)					
ALLOCATION TO STRATEGY: 1-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expenses			\$23,990	
	Total, Objects of Expense			\$23,990	\$0
0777	Method of Financing: Interagency Contract			\$23,990	
	Total, Method of Financing			\$23,990	\$0

Description of Item for 2012-13

To pay for furnishings and equipment needed to supply four newly-hired FTEs in FY 2012. Expenditure contingent on reimbursements for appraisal review board hearings. (Interagency Contract reimbursements).

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2012-13 Biennium

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date 08/02/10		
PROJECT ITEM: Equipment and Furniture - 3 New FTE's					
ALLOCATION TO STRATEGY: 1-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expenses			\$17,993	
	Total, Objects of Expense			\$17,993	\$0
0777	Method of Financing: Interagency Contract			\$17,993	
	Total, Method of Financing			\$17,993	\$0

Description of Item for 2012-13

To pay for furnishings and equipment needed to supply three newly-hired FTEs in FY 2012. Expenditure contingent on reimbursements from interagency contracts for hearing work performed. (Interagency Contract reimbursements).

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2012-13 Biennium

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date: 08/02/10		
PROJECT ITEM: Printer Replacements					
ALLOCATION TO STRATEGY: 1-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expense				22,344
	Total, Objects of Expense			\$0	\$22,344
0777	Method of Financing: Interagency Contracts				\$22,344
	Total, Method of Financing			\$0	\$22,344

Description of Item for 2012-13

To replace some of SOAH's aging printers. The estimated life of a printer per the Texas Comptroller of Public Accounts is seven years. SOAH currently has fifty-six printers in place; however, thirty of these printers have been in service beyond the estimated life of seven years.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2012-13 Biennium

Agency Code: 360	Agency Name: State Office of Administrative Hearings	Prepared By: Linda Duncan	Date 08/02/10		
PROJECT ITEM: Enhancement of Security and Sound System in Hearing Rooms					
ALLOCATION TO STRATEGY: 1-1-1					
Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
2009	Objects of Expense: Other Operating Expense			12,000	
	Total, Objects of Expense			\$12,000	\$0
0777	Method of Financing: Interagency Contracts			\$12,000	
	Total, Method of Financing			\$12,000	\$0

Description of Item for 2012-13

To improve the sound system and enhance security in SOAH's Austin hearing rooms. SOAH does not have any sound system in some hearing rooms, and the existing equipment in the others is approximately ten years old and is not ideal for large spaces. SOAH has received comments in the customer satisfaction survey over the years that parties are not able to hear clearly in the hearing rooms. As for security enhancements, SOAH's hearing rooms and docketing department are spaces to which the public has access. There is no mechanism in any of the hearing rooms or the docketing department to enable the Administrative Law Judges and docketing staff to request emergency assistance or alert the Department of Public Safety and Office of Attorney General of any threat or danger. (The OAG is the principal tenant in the Clements Building where SOAH's offices and hearing facility are located.) SOAH is budgeting to connect a panic button or similar device to existing equipment that will allow the ALJs and docketing staff to summon help and alert the authorities in an emergency.

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/9/2010

82nd Regular Session, Agency Submission, Version 1

TIME: 11:34:23AM

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **360**

Agency name: **State Office of Administrative Hearings**

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
<u>1</u> General Revenue Fund					
Beginning Balance (Unencumbered):	\$4,610,297	\$4,722,502	\$4,716,853	\$4,548,457	\$4,542,039
Estimated Revenue:					
DEDUCTIONS:					
Expended/Budgeted/Requested	(3,307,973)	(3,673,465)	(3,649,749)	(3,315,957)	(3,309,539)
Transfer - Employee Benefits	(1,114,523)	(1,232,500)	(1,232,500)	(1,232,500)	(1,232,500)
Art IX Sec 19.62(a) Salary Incr	(179,088)	0	0	0	0
HB4586.81st RS.Sec 89, Retention	(32,808)	0	0	0	0
UB - Rider 8 IAC - Admin Law Judge	(25,000)	0	0	0	0
Lapsed Appropriations	49,095	0	0	0	0
5% Reduction (2010-11 Biennium)	0	183,463	165,396	0	0
 Total, Deductions	\$(4,610,297)	\$(4,722,502)	\$(4,716,853)	\$(4,548,457)	\$(4,542,039)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

CONTACT PERSON:

Linda Duncan

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

DATE: 8/9/2010

82nd Regular Session, Agency Submission, Version 1

TIME: 11:34:23AM

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **360**

Agency name: **State Office of Administrative Hearings**

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
<u>6</u> State Highway Fund					
Beginning Balance (Unencumbered):	\$3,870,546	\$3,857,633	\$3,857,633	\$3,857,633	\$3,857,633
Estimated Revenue:					
DEDUCTIONS:					
Expended/Budgeted Requested	(3,151,267)	(3,239,763)	(3,239,763)	(3,239,763)	(3,239,763)
Transfer - Employee Benefits	(597,560)	(617,870)	(617,870)	(617,870)	(617,870)
Art IX Sec 19.62(a) Salary Incr	(89,703)	0	0	0	0
HB4586.81st RS.Sec 89, Retention	(34,592)	0	0	0	0
Lapsed Appropriations	2,576	0	0	0	0
Total, Deductions	\$(3,870,546)	\$(3,857,633)	\$(3,857,633)	\$(3,857,633)	\$(3,857,633)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

Continue to provide current level of Administrative License Revocation hearings.

CONTACT PERSON:

Linda Duncan

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

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

DATE: 8/9/2010
TIME: 11:34:23AM

Agency Code: **360**

Agency name: **State Office of Administrative Hearings**

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
666 Appropriated Receipts					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3719 Fees/Copies or Filing of Records	140,909	149,500	149,500	149,500	149,500
3750 Sale of Furniture & Equipment	25	0	0	0	0
3802 Reimbursements-Third Party	37	500	500	500	500
Subtotal: Actual/Estimated Revenue	140,971	150,000	150,000	150,000	150,000
Total Available	\$140,971	\$150,000	\$150,000	\$150,000	\$150,000
DEDUCTIONS:					
Expended/Budgeted Requested	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
Estimated Revenue not Collected	9,029	0	0	0	0
Total, Deductions	\$(140,971)	\$(150,000)	\$(150,000)	\$(150,000)	\$(150,000)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

No significant change in transcript requests is anticipated.

CONTACT PERSON:

Linda Duncan

6.E. ESTIMATED REVENUE COLLECTIONS SUPPORTING SCHEDULE

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

DATE: 8/9/2010
TIME: 11:34:23AM

Agency Code: **360**

Agency name: **State Office of Administrative Hearings**

FUND/ACCOUNT	Act 2009	Exp 2010	Exp 2011	Bud 2012	Est 2013
<u>777</u> Interagency Contracts					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3765 Supplies/Equipment/Services	2,750,746	2,613,728	2,635,429	3,545,187	3,545,187
Subtotal: Actual/Estimated Revenue	2,750,746	2,613,728	2,635,429	3,545,187	3,545,187
Total Available	\$2,750,746	\$2,613,728	\$2,635,429	\$3,545,187	\$3,545,187
DEDUCTIONS:					
Expended/Budgeted Requested	(2,484,126)	(3,669,448)	(3,669,449)	(3,545,187)	(3,545,187)
Rider 5 Expanded Jurisdiction	(407,105)	0	0	0	0
Lapsed Collected Budget	140,485	0	0	0	0
Lapsed Collected Estimated Revenue Reduction	0	1,055,720	1,034,020	0	0
Total, Deductions	\$(2,750,746)	\$(2,613,728)	\$(2,635,429)	\$(3,545,187)	\$(3,545,187)
Ending Fund/Account Balance	\$0	\$0	\$0	\$0	\$0

REVENUE ASSUMPTIONS:

SOAH relied on responses from agencies regarding the amount of work they anticipate referring and historical data for the bases of the estimate for the FYs2012-2013. SOAH is estimating an increase in interagency contracts reimbursements with a related increase in workload. Workload related to HB3612 (81st R.S. Leg) is included in this projection.

CONTACT PERSON:

Linda Duncan

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

Date: 8/9/2010
 Time: 11:34:00AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
1 Internal Auditor (Contract)							
Category: Administrative - Contracted Admin Services							
Item Comment: This item represents a reduction in SOAH's budget for a contracted internal auditor. SOAH does not anticipate the reduction would impact revenue. SOAH prefers to have its contract internal auditor perform two audits during a fiscal year; however, this is not always possible due to budget constraints. This reduction could limit the possible areas to be audited during both FYs 2012 and 2013 and at a minimum will reduce the audits to be completed by one.							
Strategy: 1-1-1 Conduct Hearings and Prepare Proposals for Decisions and Final Orders							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$9,734	\$9,734	\$19,468	
General Revenue Funds Total	\$0	\$0	\$0	\$9,734	\$9,734	\$19,468	
Strategy: 1-2-1 Conduct Alternative Dispute Resolution Proceedings							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$232	\$232	\$464	
General Revenue Funds Total	\$0	\$0	\$0	\$232	\$232	\$464	
Strategy: 2-1-1 Indirect Administration							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$1,622	\$1,622	\$3,244	
General Revenue Funds Total	\$0	\$0	\$0	\$1,622	\$1,622	\$3,244	
Item Total	\$0	\$0	\$0	\$11,588	\$11,588	\$23,176	

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

2 ALJ Training

Category: Programs - Service Reductions (Other)

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

Date: 8/9/2010
 Time: 11:34:00AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
<p>Item Comment: This reduction would reduce SOAH's budget for FY 2012 and FY 2013, and would indirectly impact SOAH's revenue. SOAH has 35 Administrative Law Judges who are or will be eligible for retirement in the next five years. In anticipation of the loss of these experienced ALJs, SOAH must be able to train new ALJs. Also, the ALJs' work blends the law, legal writing, and judicial presiding skills, and relevant specialized training is not available in the broadly-based seminars to which SOAH has ready and inexpensive access. It would like to be able to provide some ALJ-focused seminars and continuing education opportunities available to current and future ALJs.</p> <p>Strategy: 1-1-1 Conduct Hearings and Prepare Proposals for Decisions and Final Orders</p>							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$10,000	\$10,000	\$20,000	
General Revenue Funds Total	\$0	\$0	\$0	\$10,000	\$10,000	\$20,000	
Item Total	\$0	\$0	\$0	\$10,000	\$10,000	\$20,000	

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

3 ALJ #1

Category: Programs - Service Reductions (FTEs-Hiring Freeze)

Item Comment: This reduction would eliminate one Administrative Law Judge position. SOAH anticipates this reduction will be realized through attrition (retirement). It would impact SOAH's revenue and performance measures. SOAH receives general revenue for the purpose of conducting administrative hearings (see GAA, SOAH appropriation, current Rider 9c (renumbered 8c in this LAR)). If the general revenue appropriation is cut, it is a direct loss to SOAH of both revenue and hearing capacity. The hours of general revenue-funded work that would have been performed by the ALJ will not be performed. As indicated by SOAH's Output Performance measure "% of Available ALJ Time Spent" for FY 2010, SOAH's ALJs are at virtually 100% capacity: 98.75% as of the end of the third quarter of FY 2010. If SOAH's workload remains at the FY 2010 level during the FY 2012-2013 biennium, fewer ALJs to handle the work will result in a delay in hearing and closing cases. This budget reduction coupled with the anticipated increased workload would have even greater negative effect on SOAH's ability to process the cases in a timely and efficient manner.

Strategy: 1-1-1 Conduct Hearings and Prepare Proposals for Decisions and Final Orders

<u>General Revenue Funds</u>							
1 General Revenue Fund	\$(103,229)	\$(103,229)	\$(206,458)	\$103,229	\$103,229	\$206,458	
General Revenue Funds Total	\$(103,229)	\$(103,229)	\$(206,458)	\$103,229	\$103,229	\$206,458	

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

Date: 8/9/2010
 Time: 11:34:00AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
Item Total	\$(103,229)	\$(103,229)	\$(206,458)	\$103,229	\$103,229	\$206,458	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				1.0	1.0		
4 ALJ #2							
Category: Programs - Service Reductions (FTEs-Hiring Freeze)							
Item Comment: This reduction would eliminate one Administrative Law Judge position. SOAH anticipates this reduction will be realized through attrition (retirement). It would impact SOAH's revenue and performance measures. SOAH receives general revenue for the purpose of conducting administrative hearings (see GAA, SOAH appropriation, current Rider 9c (renumbered 8c in this LAR)). If the general revenue appropriation is cut, it is a direct loss to SOAH of both revenue and hearing capacity. The hours of general revenue-funded work that would have been performed by the ALJ will not be performed. As indicated by SOAH's Output Performance measure "% of Available ALJ Time Spent" for FY 2010, SOAH's ALJs are at virtually 100% capacity: 98.75% as of the end of the third quarter of FY 2010. If SOAH's workload remains at the FY 2010 level during the FY 2012-2013 biennium, fewer ALJs to handle the work will result in a delay in hearing and closing cases. This budget reduction coupled with the anticipated increased workload would have even greater negative effect on SOAH's ability to process the cases in a timely and efficient manner.							
Strategy: 1-1-1 Conduct Hearings and Prepare Proposals for Decisions and Final Orders							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$(103,229)	\$(103,229)	\$(206,458)	\$103,229	\$103,229	\$206,458	
General Revenue Funds Total	\$(103,229)	\$(103,229)	\$(206,458)	\$103,229	\$103,229	\$206,458	
Item Total	\$(103,229)	\$(103,229)	\$(206,458)	\$103,229	\$103,229	\$206,458	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				1.0	1.0		

5 ALJ #3

Category: Programs - Service Reductions (FTEs-Hiring Freeze)

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

Date: 8/9/2010
 Time: 11:34:00AM

Agency code: **360** Agency name: **State Office of Administrative Hearings**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
<p>Item Comment: This reduction would eliminate one Administrative Law Judge position. SOAH anticipates this reduction will be realized through attrition (retirement). It would impact SOAH's revenue and performance measures. SOAH receives general revenue for the purpose of conducting administrative hearings (see GAA, SOAH appropriation, current Rider 9c (renumbered 8c in this LAR)). If the general revenue appropriation is cut, it is a direct loss to SOAH of both revenue and hearing capacity. The hours of general revenue-funded work that would have been performed by the ALJ will not be performed. As indicated by SOAH's Output Performance measure "% of Available ALJ Time Spent" for FY 2010, SOAH's ALJs are at virtually 100% capacity: 98.75% as of the end of the third quarter of FY 2010. If SOAH's workload remains at the FY 2010 level during the FY 2012-2013 biennium, fewer ALJs to handle the work will result in a delay in hearing and closing cases. This budget reduction coupled with the anticipated increased workload would have even greater negative effect on SOAH's ability to process the cases in a timely and efficient manner.</p> <p>Strategy: 1-1-1 Conduct Hearings and Prepare Proposals for Decisions and Final Orders</p>							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$(103,229)	\$(103,229)	\$(206,458)	\$103,229	\$103,229	\$206,458	
General Revenue Funds Total	\$(103,229)	\$(103,229)	\$(206,458)	\$103,229	\$103,229	\$206,458	
Item Total	\$(103,229)	\$(103,229)	\$(206,458)	\$103,229	\$103,229	\$206,458	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				1.0	1.0		
AGENCY TOTALS							
General Revenue Total	\$(309,687)	\$(309,687)	\$(619,374)	\$331,275	\$331,275	\$662,550	\$662,550
Agency Grand Total	\$(309,687)	\$(309,687)	\$(619,374)	\$331,275	\$331,275	\$662,550	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2012 and FY 2013 Base Request)				3.0	3.0		

7. ADMINISTRATIVE AND SUPPORT COSTS

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

DATE: 8/9/2010
 TIME : 11:34:46AM

Agency code: 360

Agency name: State Office of Administrative Hearings

Strategy	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
1-1-1	Conduct Hearings and Prepare Proposals for Decisions and Final Orders				
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 968,998	\$ 1,027,281	\$ 1,013,115	\$ 1,013,115	\$ 1,013,115
1002 OTHER PERSONNEL COSTS	81,180	30,086	30,757	31,070	31,113
2001 PROFESSIONAL FEES AND SERVICES	14,748	4,220	3,349	4,378	4,378
2003 CONSUMABLE SUPPLIES	8,405	7,677	5,500	6,283	6,291
2004 UTILITIES	9,187	8,170	11,118	11,118	11,118
2005 TRAVEL	3,809	1,382	0	0	0
2006 RENT - BUILDING	537	510	600	600	600
2007 RENT - MACHINE AND OTHER	656	1,378	1,258	1,258	1,258
2009 OTHER OPERATING EXPENSE	82,887	71,127	39,848	49,273	37,828
Total, Objects of Expense	\$ 1,170,407	\$ 1,151,831	\$ 1,105,545	\$ 1,117,095	\$ 1,105,701
METHOD OF FINANCING:					
1 General Revenue Fund	271,150	411,755	378,083	375,443	375,443
6 State Highway Fund	377,990	377,441	377,112	377,112	377,112
666 Appropriated Receipts	3	488	490	490	490
777 Interagency Contracts	521,264	362,147	349,860	364,050	352,656
Total, Method of Financing	\$ 1,170,407	\$ 1,151,831	\$ 1,105,545	\$ 1,117,095	\$ 1,105,701
FULL TIME EQUIVALENT POSITIONS	15.6	15.7	16.2	16.2	16.2
Method of Allocation					

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

DATE: 8/9/2010
TIME : 11:34:46AM

Agency code: 360

Agency name: State Office of Administrative Hearings

Strategy	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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1-1-1 Conduct Hearings and Prepare Proposals for Decisions and Final Orders

As SOAH is a labor-intensive agency, indirect and administrative support costs (i.e., executive administration, fiscal services, information resource technologies, human resources, and support services) are allocated based on the number of FTEs associated with each strategy. For this reason, 98% of the administrative costs are allocated to Hearings and 2% are allocated to Alternative Dispute Resolution (ADR). ADR does not, however, perform work on Administrative License Revocation (ALR). For this reason, no portion of Fund 006 (ALR funding) has been allocated to ADR.

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

DATE: **8/9/2010**
 TIME : **11:34:46AM**

Agency code: **360**

Agency name: **State Office of Administrative Hearings**

Strategy	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
1-2-1 Conduct Alternative Dispute Resolution Proceedings					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 19,775	\$ 20,965	\$ 20,676	\$ 20,676	\$ 20,676
1002 OTHER PERSONNEL COSTS	1,657	614	628	634	635
2001 PROFESSIONAL FEES AND SERVICES	301	86	68	89	89
2003 CONSUMABLE SUPPLIES	172	157	113	128	128
2004 UTILITIES	188	167	227	227	227
2005 TRAVEL	78	28	0	0	0
2006 RENT - BUILDING	11	10	12	12	12
2007 RENT - MACHINE AND OTHER	13	28	26	26	26
2009 OTHER OPERATING EXPENSE	1,692	1,452	813	700	466
Total, Objects of Expense	\$ 23,887	\$ 23,507	\$ 22,563	\$ 22,492	\$ 22,259
METHOD OF FINANCING:					
1 General Revenue Fund	5,534	8,403	7,716	7,356	7,356
6 State Highway Fund	0	0	0	0	0
666 Appropriated Receipts	0	10	10	10	10
777 Interagency Contracts	18,353	15,094	14,837	15,126	14,893
Total, Method of Financing	\$ 23,887	\$ 23,507	\$ 22,563	\$ 22,492	\$ 22,259
FULL TIME EQUIVALENT POSITIONS	0.3	0.3	0.3	0.3	0.3

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

DATE: 8/9/2010
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Agency code: 360

Agency name: State Office of Administrative Hearings

	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$988,773	\$1,048,246	\$1,033,791	\$1,033,791	\$1,033,791
1002 OTHER PERSONNEL COSTS	\$82,837	\$30,700	\$31,385	\$31,704	\$31,748
2001 PROFESSIONAL FEES AND SERVICES	\$15,049	\$4,306	\$3,417	\$4,467	\$4,467
2003 CONSUMABLE SUPPLIES	\$8,577	\$7,834	\$5,613	\$6,411	\$6,419
2004 UTILITIES	\$9,375	\$8,337	\$11,345	\$11,345	\$11,345
2005 TRAVEL	\$3,887	\$1,410	\$0	\$0	\$0
2006 RENT - BUILDING	\$548	\$520	\$612	\$612	\$612
2007 RENT - MACHINE AND OTHER	\$669	\$1,406	\$1,284	\$1,284	\$1,284
2009 OTHER OPERATING EXPENSE	\$84,579	\$72,579	\$40,661	\$49,973	\$38,294
Total, Objects of Expense	\$1,194,294	\$1,175,338	\$1,128,108	\$1,139,587	\$1,127,960
Method of Financing					
1 General Revenue Fund	\$276,684	\$420,158	\$385,799	\$382,799	\$382,799
6 State Highway Fund	\$377,990	\$377,441	\$377,112	\$377,112	\$377,112
666 Appropriated Receipts	\$3	\$498	\$500	\$500	\$500
777 Interagency Contracts	\$539,617	\$377,241	\$364,697	\$379,176	\$367,549
Total, Method of Financing	\$1,194,294	\$1,175,338	\$1,128,108	\$1,139,587	\$1,127,960
Full-Time-Equivalent Positions (FTE)	15.9	16.0	16.5	16.5	16.5

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

DATE: 8/9/2010
 TIME : 11:35:05AM

Agency code: 360

Agency name: State Office of Administrative Hearings

Strategy	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
1-1-1	Conduct Hearings and Prepare Proposals for Decisions and Final Orders				
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$ 1,401,492	\$ 1,435,717	\$ 1,462,364	\$ 1,625,543	\$ 1,625,543
1002 OTHER PERSONNEL COSTS	79,412	41,440	49,740	49,740	49,740
2001 PROFESSIONAL FEES AND SERVICES	9,795	8,770	4,501	5,883	5,883
2003 CONSUMABLE SUPPLIES	7,813	7,481	7,392	8,443	8,453
2004 UTILITIES	20,823	20,356	23,682	24,476	24,476
2005 TRAVEL	17,372	2,192	2,500	2,500	2,500
2006 RENT - BUILDING	45,906	48,222	49,024	49,516	49,516
2007 RENT - MACHINE AND OTHER	7,099	6,507	4,925	5,364	5,364
2009 OTHER OPERATING EXPENSE	123,776	79,719	77,678	96,124	99,826
5000 CAPITAL EXPENDITURES	0	0	0	0	0
Total, Objects of Expense	\$ 1,713,488	\$ 1,650,404	\$ 1,681,806	\$ 1,867,589	\$ 1,871,301
METHOD OF FINANCING:					
1 General Revenue Fund	648,959	572,824	590,534	588,602	588,208
6 State Highway Fund	629,117	611,271	613,880	611,871	612,889
777 Interagency Contracts	435,412	466,309	477,392	667,116	670,204
Total, Method of Financing	\$ 1,713,488	\$ 1,650,404	\$ 1,681,806	\$ 1,867,589	\$ 1,871,301
FULL-TIME-EQUIVALENT POSITIONS (FTE):	36.3	37.9	38.5	45.5	45.5
DESCRIPTION					

The administrative and support costs in this strategy are related to administrative assistants and paralegals who work only for the Administrative Law Judges on hearing-related tasks.

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

DATE: 8/9/2010
 TIME : 11:35:05AM

Agency code: 360

Agency name: State Office of Administrative Hearings

	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	\$1,401,492	\$1,435,717	\$1,462,364	\$1,625,543	\$1,625,543
1002 OTHER PERSONNEL COSTS	\$79,412	\$41,440	\$49,740	\$49,740	\$49,740
2001 PROFESSIONAL FEES AND SERVICES	\$9,795	\$8,770	\$4,501	\$5,883	\$5,883
2003 CONSUMABLE SUPPLIES	\$7,813	\$7,481	\$7,392	\$8,443	\$8,453
2004 UTILITIES	\$20,823	\$20,356	\$23,682	\$24,476	\$24,476
2005 TRAVEL	\$17,372	\$2,192	\$2,500	\$2,500	\$2,500
2006 RENT - BUILDING	\$45,906	\$48,222	\$49,024	\$49,516	\$49,516
2007 RENT - MACHINE AND OTHER	\$7,099	\$6,507	\$4,925	\$5,364	\$5,364
2009 OTHER OPERATING EXPENSE	\$123,776	\$79,719	\$77,678	\$96,124	\$99,826
5000 CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
Total, Objects of Expense	\$1,713,488	\$1,650,404	\$1,681,806	\$1,867,589	\$1,871,301
Method of Financing					
1 General Revenue Fund	\$648,959	\$572,824	\$590,534	\$588,602	\$588,208
6 State Highway Fund	\$629,117	\$611,271	\$613,880	\$611,871	\$612,889
777 Interagency Contracts	\$435,412	\$466,309	\$477,392	\$667,116	\$670,204
Total, Method of Financing	\$1,713,488	\$1,650,404	\$1,681,806	\$1,867,589	\$1,871,301
Full-Time-Equivalent Positions (FTE)	36.3	37.9	38.5	45.5	45.5