

ANNUAL REPORT OF NONFINANCIAL DATA

for the year ended August 31, 2018



Texas Department of
Licensing & Regulation

Brian Francis
Executive Director



TEXAS DEPARTMENT OF LICENSING AND REGULATION

Executive Office

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December 28, 2018

The Honorable Greg Abbott, Governor
Sarah Keyton, Assistant Director, Legislative Budget Board
Lisa Collier, First Assistant State Auditor

Ladies and Gentleman:

We are pleased to submit the Texas Department of Licensing & Regulation *Annual Report of Nonfinancial Data* for the year ended August 31, 2018, in compliance with the TEX. GOV'T CODE ANN. § 2101.0115 and in accordance with the instructions for completing the Annual Report of Nonfinancial Data.

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

If you have any questions, please contact Jerry Daniels, Director of Financial Services, at (512) 463-3100.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brian Francis".

Brian Francis
Executive Director

Mike Arismendez, Chair – Shallowater, Texas

Tom Butler, Vice-Chair – Deer Park, Texas
Gerald R. Callas, M.D., F.A.S.A. – Beaumont, Texas
Helen Callier – Kingwood, Texas

Rick Figueroa – Brenham, Texas
Gary F. Wesson, D.D.S., M.S. – Bastrop, Texas
Deborah A. Yurco – Austin, Texas

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**TEXAS DEPARTMENT OF LICENSING AND REGULATION
SCHEDULE OF SPACE OCCUPIED**

For the Fiscal Year Ended August 31, 2018

Location	Address	Lessor	Lease Number	Type	Usable Sq. Ft.	FTEs	Rental per Month			Comments
							Cost per Sq. Ft.	Cost per Month	Annual Cost	
State-Owned Buildings:										
Austin	920 Colorado				32,436	219.5				
Austin	William P Hobby, Tower II				1,398	-				Currently used for storage.
Fort Worth	1501 Circle Dr, Suite 215				1,604	7.0				
Houston	5425 Polk Ave, Suite G80				4,854	8.0				
					<u>40,292</u>	<u>234.5</u>				
Free Space:										
(None)										
Leased Space:										
Austin	1106 Clayton Lane	Omninet Twin Towers, LP	20208							Lease expires 01/31/2021.
	Suites 125E and 325E			Office/Meeting	12,650	23.0	19.06	\$ 20,093.89	\$ 241,127	Suite 125 is the large meeting room used for Commission and Advisory Board Meetings, Training, etc.
	Suites 130E and 425E			Offices	6,708	34.0	19.06	\$ 10,655.32	\$ 127,864	
	Suite 300E			Offices	6,379	89.0	19.06	\$ 10,132.72	\$ 121,593	
	Suite 105E			Offices	2,233	9.0	21.07	\$ 3,920.96	\$ 47,052	
	Suite 105W			Offices	3,086	19.0	26.06	\$ 6,701.76	\$ 80,421	
					<u>31,056</u>	<u>174.0</u>	<u>\$ 51,504.66</u>	<u>\$ 618,056</u>		

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TEXAS DEPARTMENT OF LICENSING AND REGULATION (452)
SCHEDULE OF PROFESSIONAL/CONSULTING AND LEGAL SERVICE FEES
 For the Fiscal Year Ended August 31, 2018

Name	Type of Service Rendered	Amount
Professional/Consulting Fees		
Paid from Governmental Funds:		
Accenture LLP	Accenture Hosting Robotics	\$12,999.99
Amira Polluck	Training Workshop	\$2,600.00
Carahsoft Technology Corporation	Lynda.Com Online training	\$3,200.00
Deer Oaks EAP Services LLP	Services for Employees	\$10,578.84
Department of Information Resources	Data Consolidation Center	\$745,559.50
Design Lead	Team Effectiveness Needs Assessment	-\$933.87
Diane Fulmer	Preparation of Annual Financial Report	\$3,609.00
Don Carlos Koontz Jr	Professional Training	\$2,400.00
Donald G Stevens	Change Management Training	\$225.00
Focus Education	Drivers Ed Video in ASL	\$77,730.00
Garza/Gonzalez	Internal Auditing	\$14,013.87
Global Six Sigma	Training Workshop	\$6,000.00
Insight Public Sector	Insight Network Support	\$4,000.00
Micropact Global Inc	Versa Conversion (DSHS Programs)	-\$108,028.00
Pointserve Inc	Hosting Mobi Route Optimization System	\$30,000.00
Praeses LLC	Programming for Boiler Program	-\$38,500.00
Prolim Global Corp	Staff Augmentation	\$130,808.00
Skillssoft Corporation	Skillssoft Training	\$1,300.00
Solid Border Inc	Palo Alto Networks Consulting	\$1,800.00
University of Texas at Austin	Management Development and Training	\$36,025.00
University of Texas at Austin	Survey of Employee Engagement	\$2,749.00
Weaver & Tidwell	Internal Auditing	\$74,190.00
ZVS-Media LLC	Online video training	\$1,630.00
Total Paid from Governmental Funds		<u>\$1,013,956.33</u>
Total Professional/Consulting Fees		<u>\$1,013,956.33</u>
Legal Service Fees		
N/A		\$0.00
Total Legal Service Fees		<u>\$0.00</u>
Total Professional/Consulting and Legal Service Fees		<u>\$1,013,956.33</u>

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STATE AGENCY PROGRESS REPORT
 (Source: Texas Government Code, Title 10, Subtitle D, Section 2161.124)

Agency Name: Texas Department of Licensing and Regulation Agency #: 452 Report for Fiscal: 2018

HUB Report Procurement Categories	Fiscal 2017		Fiscal 2018		Fiscal 2019
	Agency-Specific HUB Goal*	% of Dollars Spent w/HUBs**	Agency-Specific HUB Goal*	% of Dollars Spent w/HUBs**	Agency-Specific HUB Goal*
Heavy construction other than building contracts	N/A	N/A	N/A	N/A	N/A
Building construction, including general contractors and operative builders contracts	N/A	N/A	N/A	N/A	N/A
Special trade construction contracts	32.90%	0.00%	N/A	N/A	N/A
Professional services contracts	75.00%	100.00%	75.00%	82.07%	75.00%
Other services contracts	26.00%	7.35%	8.00%	7.09%	8.00%
Commodities contracts	30.00%	44.39%	40.00%	55.83%	40.00%

* For each of the procurement categories listed, enter your Agency-Specific HUB Goals.

** For each of the procurement categories listed, enter the percentage of dollars the agency spent with HUBs as reflected in the Annual HUB Reports.

The agency will continue efforts to utilize HUB vendors when possible. Also, the agency will continue to participate in HUB functions as it relates to the purchases the agency makes. The HUB program staff for the agency is comprised of three purchasers who spend time seeking HUB vendors to provide commodities and services as well as the Deputy Executive Director who is the HUB Coordinator and provides direction to the purchasing staff.

Prepared By: 

Printed Name: Jerald A. Daniels

Phone Number: (512) 463-3100

Approved by: 

Printed Name: Brian Francis

Phone Number: (512) 463-3171

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TEXAS DEPARTMENT OF LICENSING AND REGULATION (452)
 APPROPRIATION ITEM TRANSFER SCHEDULE*
 For the Fiscal Year Ended August 31, 2018

ITEM OF APPROPRIATION

			<u>Transfers-In</u>	<u>Transfers-Out</u>	<u>Net Transfers</u>
A. Goal: Licensing					
Strategies:					
A.1.1	13004	License/Register/Certify	\$ 5,428.74	\$ -	\$ 5,428.74
A.1.2	13023	License Businesses & Facilities	2,276.17	-	2,276.17
A.1.3	13003	Education and Examinations	-	-	-
A.1.4	13008	Customer Service	6,420.82	-	-
Total, Goal A: Licensing			<u>\$ 14,125.73</u>	<u>\$ -</u>	<u>\$ 14,125.73</u>
B. Goal: Enforcement					
Strategies:					
B.1.1	13010	Conduct Inspections	\$ -	\$ (45,517.16)	\$ (45,517.16)
B.1.2	13024	Building Plan Reviews	2,800.00	-	2,800.00
B.1.3	13009	Resolve Complaints	-	(98,000.00)	(98,000.00)
B.1.4	13025	Investigations	126,579.18	-	126,579.18
Total, Goal B: Enforcement			<u>\$ 129,379.18</u>	<u>\$ (143,517.16)</u>	<u>\$ (14,137.98)</u>
C. Goal: Indirect Administration					
Strategies:					
C.1.1	13800	Central Administration	\$ -	\$ (54,603.84)	\$ (54,603.84)
C.2.1	13801	Information Resources	48,807.59	-	48,807.59
C.3.1	13802	Other Support Services	5,796.25	-	5,796.25
Total, Goal C: Indirect Administration			<u>\$ 54,603.84</u>	<u>\$ (54,603.84)</u>	<u>\$ -</u>
Other					
Article IX Contingency Riders:					
Sec. 18.05	25805	Transportation Network Companies	\$ -	\$ -	\$ -
Sec. 18.24	25824	Podiatry	12.25	-	12.25
Sec. 18.37	25837	Behavior Analysts	-	-	-
Sec. 18.45	25845	Other Occupations	-	-	-
			<u>\$ 12.25</u>	<u>\$ -</u>	<u>\$ 12.25</u>
NET APPROPRIATION ITEM TRANSFERS			<u><u>\$ 198,121.00</u></u>	<u><u>\$ (198,121.00)</u></u>	<u><u>\$ -</u></u>

* This schedule does not include salary increase transfers and benefit replacement pay (BRP) transfers.

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**TEXAS DEPARTMENT OF LICENSING AND REGULATION
INDIRECT COST SCHEDULE**

For the Fiscal Year Ended August 31, 2018

A. Payroll Related Costs		
FICA Employer Matching Contribution	\$ 1,996,529	
Group Health Insurance	3,520,624	
Retirement	2,386,403	
Unemployment	12,234	
Total Payroll Related Costs	<u> </u>	\$ 7,915,790
Workers' Compensation (Indirect)	\$ -	
Benefit Replacement Pay (BRP)	43,628	
Total Workers' Compensation and BRP	<u> </u>	43,628
B. Indirect Costs		
Bond Debt Service Payments	\$ 11,761	
Total Indirect Costs (not reported on operating statements)	<u> </u>	11,761
C. Indirect Costs - Statewide Full Cost Allocation Plan		
(Note that these are costs that were provided to the agency during Fiscal Year 2018 based on the FY2017 Statewide Cost Allocation Plan (SWCAP).		
Building Depreciation	\$ 67,679	
Equipment Depreciation	-	
CPA Administration	-	
CPA Fiscal and ITD	140,074	
CPA Purchasing & Support (TPASS)	17,452	
CPA Rebates	(3,479)	
DPS Capitol Security	75,385	
TFC Administration	-	
TFC Planning and Real Estate Mgmt	428,280	
GOV Budget and Planning	570	
Rounding	<u> (1)</u>	
Total Indirect Costs - Statewide Full Cost Allocation Plan		<u> 725,960</u>
TOTAL INDIRECT COSTS		<u> \$ 8,697,139</u>

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TEXAS DEPARTMENT OF LICENSING AND REGULATION (452)
SCHEDULE OF STATE-OWNED VEHICLES USED BY STATE EMPLOYEES
For the Fiscal Year Ended August 31, 2018

The following employees were authorized to use the agency's three state-owned vehicles:

<u>Name</u>	<u>Job Title</u>
David Gonzales	Director of Regulatory Program Mgmt.
Lee Parham	Deputy Director, RPM
David Gunn	Program Manager
Robert Posey	Program Manager
Jerry Daniel	Program Specialist
Larry Reichle	Program Specialist
Norman Kieke	Program Specialist
Adam Foster	Hydrologist
Alberto Jimenez	Hydrologist
Michael Withrow	Purchaser
Brian Kelly	Purchaser/Property Manager
Mike Henry	Purchaser
John Cowart	Purchaser

The Hydrologists perform statutorily required inspections of water wells throughout the state. The Directors, Managers, Program Specialists and Purchasers use the agency vehicles to make presentations and to perform supervisory, staff, and administrative functions.

When the vehicles are not in use, they are garaged at headquarters.

Other individuals may be added to the list with the approval of the Executive Director or Deputy Executive Director.