Legislative Appropriations
Request for Fiscal Years
2018 and 2019

Submitted to the
Office of the Governor, Budget Division
and the Legislative Budget Board

by

Texas Funeral Service Commission

August 3, 2016

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Administrator's Statement

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

513 Funeral Service Commission

OVERVIEW

The Texas Funeral Service Commission (TFSC) operates under the authority of Texas Occupations Code, Chapter 651; Texas Health and Safety Code, Chapter 716; and Title 22 Texas Administrative Code, Part 10. The TFSC is the licensing and regulatory agency for funeral directors/embalmers and for funeral/commercial embalming/crematory establishments. The TFSC also licenses a small number of cemeteries.

The TFSC has two major functions - - ensuring competent, well-qualified funeral professionals are licensed to serve the public and ensuring compliance with statutory requirements through inspections and the investigation of possible violations.

The TFSC serves the public of Texas and is accountable to the public. The TFSC strives to be responsible, ethical and open in its actions, being ever mindful of its obligation to utilize state funds and resources in a cost effective and efficient manner.

Commission members are as follows:

Jean L. Olinger, Presiding Officer	February 1, 2019	Blanco
Larry Allen	February 1, 2021	Mesquite
Greg Compean	February 1, 2021	Houston
Joyce M. Odom	February 1, 2017	San Antonio
Jon Scepanski	February 1, 2019	Mission
Gary Shaffer	February 1, 2019	San Angelo
W. Scott Smith	February 1, 2017	Murphy

FOUR PERCENT ADJUSTMENT

As a small state agency, 76 percent of the General Revenue budget is consumed by salaries. Twelve percent of the budget consists of non-discretionary items that cannot be cut including interagency transfers to the Health Professions Council, texas.gov subscription fees, SORM payments, DIR phone payments and technology licensing fees. That leaves a discretionary budget of 12 percent – which includes the travel budget for inspectors and Commissioners, accounting expenses, copiers, consumables, printing and postage. These are all items that are necessary for a regulatory agency to fulfill its mission and to comply with statutory directives.

The four percent General Revenue reduction requires the Commission to make $31,079 in cuts. The agency will eliminate one of two copiers, reduce consumables and general printing costs, and reduce computer/software purchases, but those cuts constitute a minor percentage of the total cuts needed. In order to get to $31,079, the agency will have to cut the largest component of its budget – salaries - by enacting a four percent across the board salary cut. The salary reductions plus indirect costs is just over $24,000. Cutting staff salaries will have an immediate impact on both compliance and licensing performance measures as the agency expects staff to leave in search of better paying positions. Any staff turnover will negatively impact all of the agency's performance measures.

SIGNIFICANT CHANGES IN POLICY

The agency's mission statement stresses the agency's mandate to protect the public from deceptive funeral practices so that the disposition of the deceased is conducted by professional and ethical funeral service personnel.

TFSC performs two statutory functions - licensing and compliance – in order to fulfill its mission. Through its licensing function, TFSC is charged with ensuring that well qualified professionals are licensed to serve the public. Through its compliance function, TFSC is charged with ensuring that violations of the laws and regulations within the agency's jurisdiction are addressed and that licensees are operating in full compliance with the law.

The Federal Trade Commission (FTC) is the federal regulatory agency with oversight of the death care industry. The TFSC has adopted several rules to ensure compliance with the FTC's Funeral Rule. There currently are ongoing discussions at the federal level regarding the update the FTC's Funeral Rule. Any changes made on the federal level would require the TFSC to update its rules and regulations.

Unless something occurs at the FTC or Texas Legislature, the agency does not expect any significant changes in policy over the next biennium that will impact its mission.

SIGNIFICANT CHANGES IN PROVISION OF SERVICE
The most significant impact on the agency's provision of service will be the four percent reduction from the 2016-2017 baseline appropriation. This reduction in the base appropriation will impact both licensing and compliance services offered by the agency.

A positive change to the agency's provision of service in the 2016-2017 biennium was the update and modernization of the agency's website. This update allows consumers, licensees and other stakeholders a more user-friendly website to access the TFSC.

EXTERNALITIES
The public expects the TFSC to provide information on death care service and seek redress for damages suffered at the hands of death care providers. However, several other entities -- federal, state and local -- regulate certain aspects of the death care industry. To address some of the overlap, the TFSC has entered into Memoranda of Understanding with the Department of State Health Services, the Department of Banking and the Department of Insurance to better coordinate the regulation of the death care industry.

Over 178,000 residents of Texas will die each year and require the services of the death care industry. The cost of a funeral can vary by region. An independent survey shows the national median cost of a funeral with burial for calendar year 2014 was $7,181. Funerals with a cremation averaged $6,078. This lower cost means funerals with cremations are on the rise which could impact the way the agency does business. Additionally, providers are selling cremations over the Internet. In many instances, these providers are not located or licensed in Texas which makes is difficult for the agency to investigate and resolve complaints.

PURPOSE OF NEW FUNDING
- The first exceptional item being requested is a restoration to 2016-17 appropriations or $31,079 per fiscal year. As a self-funded agency, budget reductions mean even less of the revenue collected from its applicants, examinees and licensees are appropriated back to the agency. It is important to note that in the current biennium less than 50 percent of the collected fees are appropriated to the agency. TFSC licensees pay high fees and expect those fees to go toward appropriately funding the agency so that the agency can fulfill its mission.

- The Commission intended to ask for an across the board increase of five percent for all 11 members of the agency's classified staff as the agency's average pay rate falls below the pay rate of all other Article VIII agencies ($58,395 to $47,697) by 5.5 percent. In the agency's 2016 Survey of Employee Engagement, over 50 percent of employees disagreed with the statement "Salaries are competitive with similar jobs in the community" and 44 percent did not feel they were paid fairly for the work they performed. Across the board increases would have totaled $25,000 in fiscal year 2018 and $51,000 in fiscal year 2019.

However, given the state's budgetary landscape, the agency's second exceptional item being requested is funding for targeted salary increases totaling $13,541 per fiscal year (which includes indirect costs). After review of the State Auditor's Office's Electronic Classification System, the agency has determined four staff members are

classified incorrectly, underpaid based on the job duties/years of service, or both.

In the licensing division, two of the agency's three licensing and permit specialists should be reclassified and their cumulative salaries should be adjusted by $8,641. In the compliance division, one of two investigators is paid below average for his position and years of service by approximately $1,700. Additionally, one of two inspectors should be reclassified and the salary adjusted by $2,000.

The data shows these four employees are underpaid for the work they do and have the potential of leaving the agency for better paying positions. A major risk identified in the TFSC 2016 Risk Assessment across four of the six consolidated activities was employee turnover. This targeted funding will allow the agency to avoid the costs of hiring and training new staff. Without additional salary increases, the agency anticipates turnover of classified staff. Any staff turnover will negatively impact all of the agency's performance measures.

TEN PERCENT REDUCTION
A 10 percent reduction per fiscal year totals $74,589. The only way to reduce the budget by this amount is to reduce staff positions, reduce salaries or a combination of both. Reducing staff salaries on top of the four percent reduction would negatively impact staff morale. Reducing staff positions would require remaining staff to do more work without being adequately compensated. Both actions would have a negative impact on all of the agency's performance measures across all strategies.

Given the choice between two hard options, the agency proposes to eliminate two positions – an investigator position and a licensing technician position – for a total of $66,200. The remaining reductions needed will be made by cutting the inspection travel budget, further eliminating computer and consumable purchases and eliminating the agency's participation at the industry's annual meeting.

EXEMPT POSITIONS
The agency has one exempt position – the Executive Director. No changes are being sought to this position.

CRIMINAL BACKGROUND CHECKS
The Commission secures background checks on all initial applications for licensure which includes applicants for reinstatement, reciprocal applicants and provisional applicants. The Commission also secures a background check for any individual requesting a criminal history evaluation under Tex. Occ. Code Chapter 53. Statutory authority is found in Tex. Govt. Code §§411.122 and 411.087. The agency does not secure criminal background checks on current licenses. However, the agency does participate in the DPS/FBI rap back program to determine if a licensee has a new criminal history record since becoming licensed with the agency.

Applicants for licensure and licensees are required to report any criminal conviction to the Commission. Failure report a criminal conviction could result in the denial of a license or in a license being revoked or suspended.

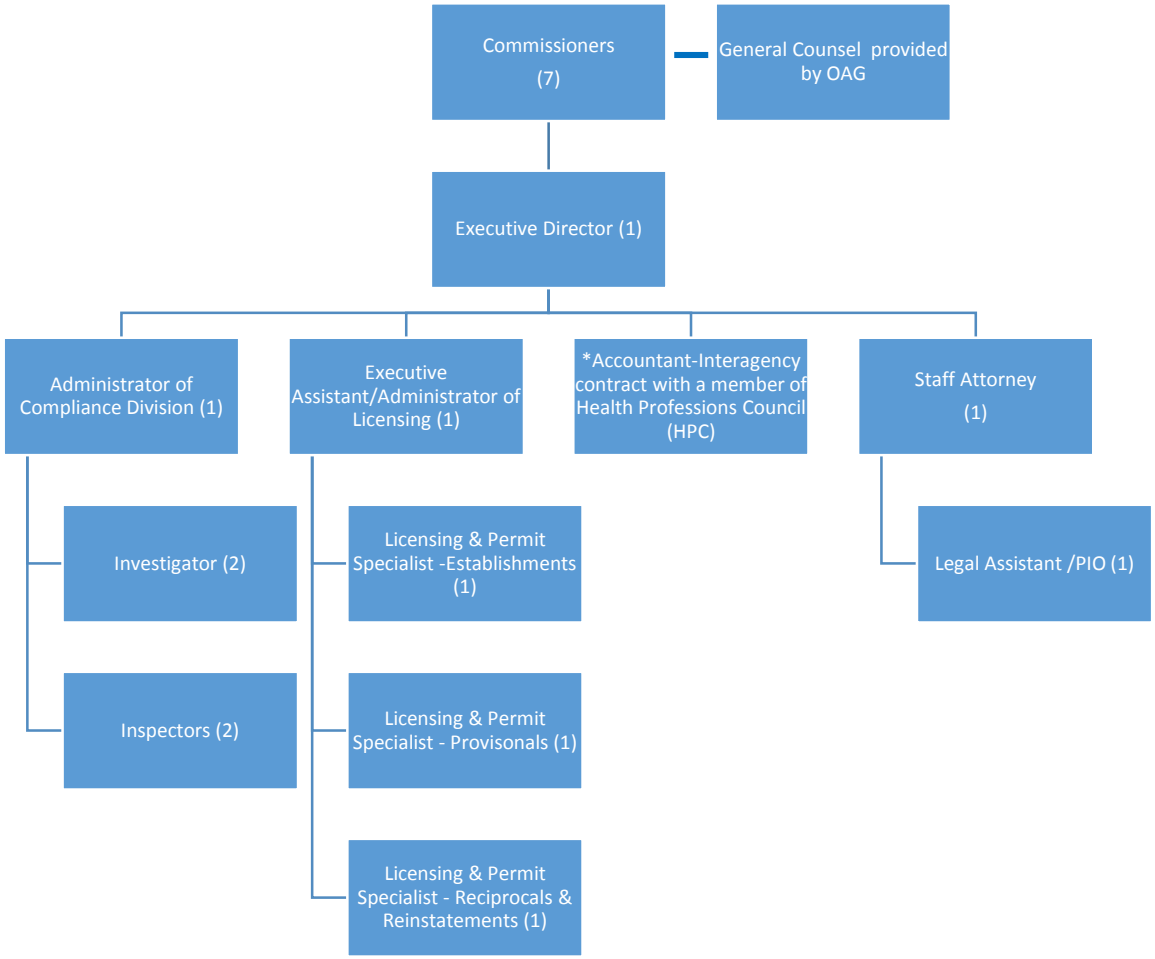
HEALTH PROFESSIONS COUNCIL
TFSC is a member of the Health Professions Council (HPC). The TFSC transfers funds through appropriations made to TFSC through an interagency contract with HPC for a prorated share of HPC's operating budget. Please refer to the HPC LAR for an exceptional item funding request necessary for Laserfiche, which will allow member agencies to have a document management system. TFSC only supports the HPC exceptional item request if additional General Revenue appropriations are made to TFSC for any increases.

CAPPS

TFSC has been approved by the Comptroller of Public Accounts (CPA) to transition to CAPPS Human Resources in fiscal year 2017 and does not intend to request additional funding to make this transition. Additionally, the agency's transition to CAPPS Financials is scheduled for fiscal year 2021 by CPA.

CONCLUSION
TFSC Commissioners and staff are working together to improve the agency and to demonstrate the agency's commitment to consumer advocacy and its dedication to high industry professional and death care standards. The Legislature's support of the proposed budget and exceptional items will ensure the TFSC continues to meet performance measures, protect consumers and serve its licensees in the most efficient and effective manner.

Texas Funeral Service Commission
Organizational Chart



CERTIFICATE

Agency Name Texas Funeral Service Commission

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

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

Chief Executive Officer or Presiding Judge

Signature

Janice S. McCoy

Printed Name

Executive Director

Title

8-2-16

Date

Board or Commission Chair

Signature

JEAN L. OLINGER, DM

Printed Name

Commissioner

Title

8/2/2016

Date

Chief Financial Officer

Signature

Jennifer Noack

Printed Name

Chief Financial Officer

Title

8-2-16

Date

513 Funeral Service Commission

Goal / *Objective* / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 Manage Examination/Licensure to Develop Competent & Ethical Licensees					
1 *Ensure Licensing Functions Managed in Timely & Cost-effective Manner*					
1 LICENSING REQUIREMENTS	247,793	337,724	336,142	324,072	324,127
2 TEXAS.GOV	46,042	46,500	46,500	46,500	46,500
TOTAL, GOAL 1	**$293,835**	**$384,224**	**$382,642**	**$370,572**	**$370,627**
2 To Aggressively & Effectively Provide Enforcement & Protect the Public					
1 *Inspect Licensed Facilities*					
1 INSPECTIONS	168,137	158,721	159,099	153,580	153,486
2 *Investigation and Due Process for All Complaints*					
1 RULE COMPLIANCE	336,410	304,711	305,864	292,759	292,799
TOTAL, GOAL 2	**$504,547**	**$463,432**	**$464,963**	**$446,339**	**$446,285**
3 Indirect Administration					
1 *Indirect Administration*					

513 Funeral Service Commission

Goal / *Objective* / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 INDIRECT ADMIN-LICENSING	25,444	1,604	1,604	1,460	1,460
2 INDIRECT ADMIN - INSPECTIONS	775	412	412	340	340
3 INDIRECT ADMIN - RULE COMPLIANCE	17,228	824	824	680	680
TOTAL, GOAL 3	**$43,447**	**$2,840**	**$2,840**	**$2,480**	**$2,480**
TOTAL, AGENCY STRATEGY REQUEST	**$841,829**	**$850,496**	**$850,445**	**$819,391**	**$819,392**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				**$0**	**$0**
GRAND TOTAL, AGENCY REQUEST	**$841,829**	**$850,496**	**$850,445**	**$819,391**	**$819,392**
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	750,549	776,996	776,945	745,891	745,892
SUBTOTAL	**$750,549**	**$776,996**	**$776,945**	**$745,891**	**$745,892**
Other Funds:					
666 Appropriated Receipts	91,280	73,500	73,500	73,500	73,500
SUBTOTAL	**$91,280**	**$73,500**	**$73,500**	**$73,500**	**$73,500**
TOTAL, METHOD OF FINANCING	**$841,829**	**$850,496**	**$850,445**	**$819,391**	**$819,392**

513 Funeral Service Commission

Goal / *Objective* / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019

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

Agency code: **513** Agency name: **Funeral Service Commission**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
GENERAL REVENUE					
1 General Revenue Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2014-15 GAA)	$766,031	$0	$0	$0	$0
Regular Appropriations from MOF Table (2016-17 GAA)	$0	$764,131	$764,080	$0	$0
Regular Appropriations from MOF table (2018-2019 GAA)	$0	$0	$0	$745,891	$745,892
TRANSFERS					
Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)	$14,965	$0	$0	$0	$0
Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17)	$0	$12,865	$12,865	$0	$0
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2014-15 GAA)					

Agency code: **513** Agency name: **Funeral Service Commission**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
GENERAL REVENUE					
	$(29,989)	$0	$0	$0	$0
Article VIII, Sec 4. Texas.gov Appropriation (2014-15 GAA)	$(458)	$0	$0	$0	$0
TOTAL, General Revenue Fund	**$750,549**	**$776,996**	**$776,945**	**$745,891**	**$745,892**
TOTAL, ALL GENERAL REVENUE	**$750,549**	**$776,996**	**$776,945**	**$745,891**	**$745,892**
OTHER FUNDS					
666 Appropriated Receipts					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2014-15 GAA)	$73,500	$0	$0	$0	$0
Regular Appropriations from MOF Table (2016-17 GAA)	$0	$73,500	$73,500	$73,500	$73,500
Regular Appropriations from MOF table (2018-2019 GAA)	$0	$0	$0	$0	$0

Agency code: **513** Agency name: **Funeral Service Commission**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
OTHER FUNDS					
RIDER APPROPRIATION					
Art IX, Sec 12.02, Publications or Sales of Records (2014-15 GAA)	$17,780	$0	$0	$0	$0
TOTAL, Appropriated Receipts	**$91,280**	**$73,500**	**$73,500**	**$73,500**	**$73,500**
TOTAL, ALL OTHER FUNDS	**$91,280**	**$73,500**	**$73,500**	**$73,500**	**$73,500**
GRAND TOTAL	**$841,829**	**$850,496**	**$850,445**	**$819,391**	**$819,392**

Agency code: **513** Agency name: **Funeral Service Commission**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2014-15 GAA)	14.0	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2016-17 GAA)	0.0	12.0	12.0	0.0	0.0
Regular Appropriations from MOF table (2018-2019 GAA)	0.0	0.0	0.0	12.0	12.0
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2014-15 GAA)	(2.0)	0.0	0.0	0.0	0.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unathorized Number Over (Below) Cap	(0.2)	0.0	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	**11.8**	**12.0**	**12.0**	**12.0**	**12.0**

NUMBER OF 100% FEDERALLY FUNDED FTEs

513 Funeral Service Commission

OBJECT OF EXPENSE	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1001 SALARIES AND WAGES	$535,183	$578,467	$591,917	$568,240	$568,240
1002 OTHER PERSONNEL COSTS	$91,631	$55,294	$46,409	$48,737	$52,712
2001 PROFESSIONAL FEES AND SERVICES	$32,758	$32,758	$32,758	$32,398	$32,398
2003 CONSUMABLE SUPPLIES	$10,344	$2,000	$2,000	$1,000	$1,000
2004 UTILITIES	$1,937	$2,067	$1,982	$1,982	$1,982
2005 TRAVEL	$40,254	$35,000	$35,000	$35,000	$35,000
2006 RENT - BUILDING	$570	$180	$180	$180	$180
2007 RENT - MACHINE AND OTHER	$3,250	$3,700	$3,700	$2,680	$2,680
2009 OTHER OPERATING EXPENSE	$125,902	$141,030	$136,499	$129,174	$125,200
OOE Total (Excluding Riders)	**$841,829**	**$850,496**	**$850,445**	**$819,391**	**$819,392**
OOE Total (Riders)					
Grand Total	**$841,829**	**$850,496**	**$850,445**	**$819,391**	**$819,392**

2.D. Summary of Base Request Objective Outcomes

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

513 Funeral Service Commission

Goal/ *Objective* / **Outcome**	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1 Manage Examination/Licensure to Develop Competent & Ethical Licensees					
1 Ensure Licensing Functions Managed in Timely & Cost-effective Manner					
KEY 1 Percent of Licensees with No Recent Violations	98.29%	98.00%	98.00%	98.00%	98.00%
KEY 2 Percent of Licensees Who Renew Online	82.00%	81.00%	81.00%	81.00%	81.00%
2 To Aggressively & Effectively Provide Enforcement & Protect the Public					
1 Inspect Licensed Facilities					
1 % of Licensed Facilities Found to Be Noncompliant During Inspection	45.00%	45.00%	45.00%	50.00%	50.00%
2 Investigation and Due Process for All Complaints					
KEY 1 Percent of Complaints Resulting in Disciplinary Action	28.00%	25.00%	25.00%	28.00%	28.00%
2 Recidivism Rate for Those Receiving Disciplinary Action	15.74%	14.50%	14.50%	14.50%	14.50%
KEY 3 Percent of Complaints Resolved within 6 Months	64.00%	90.00%	85.00%	75.00%	75.00%

2.E. Summary of Exceptional Items Request

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **513** Agency name: **Funeral Service Commission**

	2018			2019			Biennium	
Priority Item	**GR and GR/GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**
1 Restore 4% cut.	$31,079	$31,079		$31,079	$31,079		$62,158	$62,158
2 Targeted staff salary increases.	$13,341	$13,341		$13,341	$13,341		$26,682	$26,682
Total, Exceptional Items Request	**$44,420**	**$44,420**		**$44,420**	**$44,420**		**$88,840**	**$88,840**
Method of Financing								
General Revenue	$44,420	$44,420		$44,420	$44,420		$88,840	$88,840
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	$44,420	**$44,420**		**$44,420**	**$44,420**		**$88,840**	**$88,840**
Full Time Equivalent Positions								
Number of 100% Federally Funded FTEs								

Agency code: **513** Agency name: **Funeral Service Commission**

Goal/*Objective*/**STRATEGY**	**Base 2018**	**Base 2019**	**Exceptional 2018**	**Exceptional 2019**	**Total Request 2018**	**Total Request 2019**
1 Manage Examination/Licensure to Develop Competent & Ethical Lic						
1 *Ensure Licensing Functions Managed in Timely & Cost-effective Ma*						
1 LICENSING REQUIREMENTS	$324,072	$324,127	$21,761	$21,761	$345,833	$345,888
2 TEXAS.GOV	46,500	46,500	0	0	46,500	46,500
TOTAL, GOAL 1	**$370,572**	**$370,627**	**$21,761**	**$21,761**	**$392,333**	**$392,388**
2 To Aggressively & Effectively Provide Enforcement & Protect the Pu						
1 *Inspect Licensed Facilities*						
1 INSPECTIONS	153,580	153,486	7,459	7,459	161,039	160,945
2 *Investigation and Due Process for All Complaints*						
1 RULE COMPLIANCE	292,759	292,799	14,840	14,840	307,599	307,639
TOTAL, GOAL 2	**$446,339**	**$446,285**	**$22,299**	**$22,299**	**$468,638**	**$468,584**

Agency code: **513** Agency name: **Funeral Service Commission**

Goal/*Objective*/**STRATEGY**	**Base 2018**	**Base 2019**	**Exceptional 2018**	**Exceptional 2019**	**Total Request 2018**	**Total Request 2019**
3 Indirect Administration						
1 *Indirect Administration*						
1 INDIRECT ADMIN-LICENSING	$1,460	$1,460	$144	$144	$1,604	$1,604
2 INDIRECT ADMIN - INSPECTIONS	340	340	72	72	412	412
3 INDIRECT ADMIN - RULE COMPLIANCE	680	680	144	144	824	824
TOTAL, GOAL 3	**$2,480**	**$2,480**	**$360**	**$360**	**$2,840**	**$2,840**
TOTAL, AGENCY STRATEGY REQUEST	**$819,391**	**$819,392**	**$44,420**	**$44,420**	**$863,811**	**$863,812**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	**$819,391**	**$819,392**	**$44,420**	**$44,420**	**$863,811**	**$863,812**

Agency code: **513** Agency name: **Funeral Service Commission**

Goal/*Objective*/**STRATEGY**	**Base 2018**	**Base 2019**	**Exceptional 2018**	**Exceptional 2019**	**Total Request 2018**	**Total Request 2019**
General Revenue Funds:						
1 General Revenue Fund	$745,891	$745,892	$44,420	$44,420	$790,311	$790,312
	$745,891	**$745,892**	**$44,420**	**$44,420**	**$790,311**	**$790,312**
Other Funds:						
666 Appropriated Receipts	73,500	73,500	0	0	73,500	73,500
	$73,500	**$73,500**	**$0**	**$0**	**$73,500**	**$73,500**
TOTAL, METHOD OF FINANCING	**$819,391**	**$819,392**	**$44,420**	**$44,420**	**$863,811**	**$863,812**
FULL TIME EQUIVALENT POSITIONS	**12.0**	**12.0**	**0.0**	**0.0**	**12.0**	**12.0**

Agency code: **513** Agency name: **Funeral Service Commission**

Goal/ *Objective* / **Outcome**	BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
1 Manage Examination/Licensure to Develop Competent & Ethical Licensees						
1 *Ensure Licensing Functions Managed in Timely & Cost-effective Manner*						
KEY **1 Percent of Licensees with No Recent Violations**						
	98.00%	98.00%	98.00%	98.00%	98.00%	98.00%
KEY **2 Percent of Licensees Who Renew Online**						
	81.00%	81.00%	81.00%	81.00%	81.00%	81.00%
2 To Aggressively & Effectively Provide Enforcement & Protect the Public						
1 *Inspect Licensed Facilities*						
1 % of Licensed Facilities Found to Be Noncompliant During Inspection						
	50.00%	50.00%	45.00%	45.00%	45.00%	45.00%
2 *Investigation and Due Process for All Complaints*						
KEY **1 Percent of Complaints Resulting in Disciplinary Action**						
	28.00%	28.00%	25.00%	25.00%	25.00%	25.00%
2 Recidivism Rate for Those Receiving Disciplinary Action						
	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%
KEY **3 Percent of Complaints Resolved within 6 Months**						
	75.00%	75.00%	85.00%	85.00%	85.00%	85.00%

513 Funeral Service Commission

GOAL: 1 Manage Examination/Licensure to Develop Competent & Ethical Licensees

OBJECTIVE: 1 Ensure Licensing Functions Managed in Timely & Cost-effective Manner — Service Categories:

STRATEGY: 1 Issue and Renew Licenses, Monitor Continuing Education — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
KEY 1	Number of New Licenses Issued to Individuals	340.00	310.00	325.00	300.00	300.00
KEY 2	Number of Individual Licenses Renewed	2,327.00	2,150.00	2,175.00	2,075.00	2,075.00
KEY 3	Number of New Licenses Issued to Facilities	79.00	75.00	70.00	60.00	60.00
KEY 4	Number of Facility Licenses Renewed	1,496.00	1,500.00	1,500.00	1,400.00	1,400.00
Explanatory/Input Measures:						
KEY 1	Total Number of Individuals Licensed	4,811.00	5,000.00	5,000.00	5,000.00	5,000.00
KEY 2	Total Number of Facilities Licensed	1,553.00	1,560.00	1,560.00	1,560.00	1,560.00
Objects of Expense:						
1001	SALARIES AND WAGES	$156,123	$237,171	$242,686	$232,978	$232,978
1002	OTHER PERSONNEL COSTS	$19,214	$25,572	$20,321	$21,290	$22,934
2001	PROFESSIONAL FEES AND SERVICES	$12,959	$12,959	$12,959	$12,959	$12,959
2003	CONSUMABLE SUPPLIES	$6,306	$800	$800	$400	$400
2004	UTILITIES	$631	$935	$901	$901	$901
2005	TRAVEL	$10,598	$10,500	$10,500	$10,500	$10,500
2006	RENT - BUILDING	$0	$0	$0	$0	$0
2007	RENT - MACHINE AND OTHER	$2,191	$2,680	$2,680	$2,680	$2,680
2009	OTHER OPERATING EXPENSE	$39,771	$47,107	$45,295	$42,364	$40,775

513 Funeral Service Commission

GOAL: 1 Manage Examination/Licensure to Develop Competent & Ethical Licensees

OBJECTIVE: 1 Ensure Licensing Functions Managed in Timely & Cost-effective Manner — Service Categories:

STRATEGY: 1 Issue and Renew Licenses, Monitor Continuing Education — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, OBJECT OF EXPENSE		**$247,793**	**$337,724**	**$336,142**	**$324,072**	**$324,127**
Method of Financing:						
1	General Revenue Fund	$156,513	$264,224	$262,642	$250,572	$250,627
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$156,513**	**$264,224**	**$262,642**	**$250,572**	**$250,627**
Method of Financing:						
666	Appropriated Receipts	$91,280	$73,500	$73,500	$73,500	$73,500
SUBTOTAL, MOF (OTHER FUNDS)		**$91,280**	**$73,500**	**$73,500**	**$73,500**	**$73,500**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$324,072**	**$324,127**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$247,793**	**$337,724**	**$336,142**	**$324,072**	**$324,127**
FULL TIME EQUIVALENT POSITIONS:		**3.9**	**4.0**	**4.0**	**4.9**	**4.9**

STRATEGY DESCRIPTION AND JUSTIFICATION:

513 Funeral Service Commission

GOAL:	1	Manage Examination/Licensure to Develop Competent & Ethical Licensees			
OBJECTIVE:	1	Ensure Licensing Functions Managed in Timely & Cost-effective Manner	Service Categories:		
STRATEGY:	1	Issue and Renew Licenses, Monitor Continuing Education	Service: 16	Income: A.2	Age: B.3

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

Through its licensing function, the Texas Funeral Service Commission is charged with ensuring only well qualified professionals are licensed to serve the public. This charge is met through a comprehensive provisional licensing program for new licensees and through a continuing education program for current licensees. Both programs ensure all individuals have the necessary skills and knowledge to be funeral directors and embalmers. The agency's licensing function contributes to the state's goal of ensuring Texans are effectively and efficiently served by high-quality professionals and businesses by implementing clear standards, establishing market-based solutions and reducing regulatory burdens.

With the four percent reduction to the base budget, the agency will have difficulty in fulfilling its mission because of turnover resulting from cuts to staff salaries. Staff turnover will adversely impact the agency's performance measures.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Workload will continue to increase as the population of the state continues to grow. Higher population means a higher death rate which will require more qualified and licensed death care providers. With a reduction in staff salaries and an increased workload, staff morale will decrease and turnover will increase. The TFSC depends on its trained and qualified staff to issue licenses in a timely manner.

513 Funeral Service Commission

GOAL: 1 Manage Examination/Licensure to Develop Competent & Ethical Licensees

OBJECTIVE: 1 Ensure Licensing Functions Managed in Timely & Cost-effective Manner — Service Categories:

STRATEGY: 1 Issue and Renew Licenses, Monitor Continuing Education — Service: 16 Income: A.2 Age: B.3

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$673,866	$648,199	$(25,667)	$(25,667)	Cut 4% of all staff salaries, reduced consumables, printing, replacement computer and software purchases. Eliminate one copier, EAP program. All GR.
			$(25,667)	**Total of Explanation of Biennial Change**

513 Funeral Service Commission

GOAL: 1 Manage Examination/Licensure to Develop Competent & Ethical Licensees

OBJECTIVE: 1 Ensure Licensing Functions Managed in Timely & Cost-effective Manner — Service Categories:

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	$46,042	$46,500	$46,500	$46,500	$46,500
TOTAL, OBJECT OF EXPENSE		**$46,042**	**$46,500**	**$46,500**	**$46,500**	**$46,500**
Method of Financing:						
1	General Revenue Fund	$46,042	$46,500	$46,500	$46,500	$46,500
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$46,042**	**$46,500**	**$46,500**	**$46,500**	**$46,500**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$46,500**	**$46,500**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$46,042**	**$46,500**	**$46,500**	**$46,500**	**$46,500**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

Statute mandates the Texas Funeral Service Commission collect fees for the usage of the online renewal/original application system. The usage fee is collected whether the licensee renews online or in paper form. The agency no longer uses the online system for original applications due to the nature of information that must be provided by the applicants during the process.

513 Funeral Service Commission

GOAL: 1 Manage Examination/Licensure to Develop Competent & Ethical Licensees

OBJECTIVE: 1 Ensure Licensing Functions Managed in Timely & Cost-effective Manner — Service Categories:

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

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

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The agency strongly encourages its licensees to renew online through its renewal postcards. The agency's usage rate for online renewals is 81 percent.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$93,000	$93,000	$0	$0	No change.
			$0	**Total of Explanation of Biennial Change**

513 Funeral Service Commission

GOAL: 2 To Aggressively & Effectively Provide Enforcement & Protect the Public

OBJECTIVE: 1 Inspect Licensed Facilities — Service Categories:

STRATEGY: 1 Provide Enforcement through Inspections — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
KEY 1	Number of Establishments Inspected	1,487.00	1,425.00	1,450.00	1,200.00	1,200.00
Objects of Expense:						
1001	SALARIES AND WAGES	$105,973	$104,125	$106,545	$102,284	$102,284
1002	OTHER PERSONNEL COSTS	$15,125	$8,523	$7,405	$7,810	$8,512
2001	PROFESSIONAL FEES AND SERVICES	$6,480	$6,480	$6,480	$6,480	$6,480
2003	CONSUMABLE SUPPLIES	$1,192	$400	$400	$200	$200
2004	UTILITIES	$0	$152	$135	$135	$135
2005	TRAVEL	$27,274	$24,000	$24,000	$24,000	$24,000
2006	RENT - BUILDING	$0	$0	$0	$0	$0
2007	RENT - MACHINE AND OTHER	$0	$0	$0	$0	$0
2009	OTHER OPERATING EXPENSE	$12,093	$15,041	$14,134	$12,671	$11,875
TOTAL, OBJECT OF EXPENSE		**$168,137**	**$158,721**	**$159,099**	**$153,580**	**$153,486**
Method of Financing:						
1	General Revenue Fund	$168,137	$158,721	$159,099	$153,580	$153,486
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$168,137**	**$158,721**	**$159,099**	**$153,580**	**$153,486**

513 Funeral Service Commission

GOAL: 2 To Aggressively & Effectively Provide Enforcement & Protect the Public

OBJECTIVE: 1 Inspect Licensed Facilities — Service Categories:

STRATEGY: 1 Provide Enforcement through Inspections — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$153,580**	**$153,486**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$168,137**	**$158,721**	**$159,099**	**$153,580**	**$153,486**
FULL TIME EQUIVALENT POSITIONS:		**2.4**	**2.1**	**2.1**	**2.2**	**2.2**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Through its compliance function, the Texas Funeral Service Commission is charged with ensuring licensees are operating in full compliance with the law through a vigorous inspection process. Statutorily mandated risk based inspections of all licensed establishments are conducted at least once every two years. The inspection process includes a survey of the physical plant, a check of a sample of case files and a comprehensive review of all required documents. The agency's compliance function contributes to the state's goal of ensuring Texans are effectively and efficiently served by high-quality professionals and businesses by implementing clear standards, establishing market-based solutions and ensuring compliance.

With the four percent reduction to the base budget, the agency will have difficulty in fulfilling its mission because of turnover resulting from cuts to staff salaries. Staff turnover will adversely impact the agency's performance measures.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Workload will continue to increase as the population of the state continues to grow. Higher population means a higher death rate which will require more qualified and licensed death care providers. Each new establishment must be inspected prior to a license being issued. With a reduction in staff salaries and an increased workload, staff morale will decrease and turnover will increase. The TFSC depends on its trained and qualified staff to inspect all funeral establishments and crematories in a timely manner.

513 Funeral Service Commission

GOAL: 2 To Aggressively & Effectively Provide Enforcement & Protect the Public

OBJECTIVE: 1 Inspect Licensed Facilities — Service Categories:

STRATEGY: 1 Provide Enforcement through Inspections — Service: 16 Income: A.2 Age: B.3

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$317,820	$307,066	$(10,754)	$(10,754)	Cut 4% of all staff salaries, reduced consumables, printing, replacement computer and software purchases. Eliminate one copier, EAP program. All GR.
			$(10,754)	**Total of Explanation of Biennial Change**

513 Funeral Service Commission

GOAL: 2 To Aggressively & Effectively Provide Enforcement & Protect the Public

OBJECTIVE: 2 Investigation and Due Process for All Complaints — Service Categories:

STRATEGY: 1 Investigate Complaints & Recommend Disciplinary/Other Action — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Output Measures:						
KEY 1	Number of Complaints Resolved	203.00	150.00	150.00	135.00	135.00
KEY 2	Number of Complaints Pending	31.00	25.00	25.00	35.00	35.00
Efficiency Measures:						
KEY 1	Average Time for Complaint Resolution	220.00	70.00	70.00	95.00	95.00
KEY 2	Average Time to Resolve Complaints Pending Litigation	716.00	255.00	250.00	350.00	350.00
Explanatory/Input Measures:						
KEY 1	Number of Jurisdictional Complaints Received	150.00	150.00	160.00	185.00	185.00
Objects of Expense:						
1001	SALARIES AND WAGES	$273,087	$237,171	$242,686	$232,978	$232,978
1002	OTHER PERSONNEL COSTS	$22,052	$21,199	$18,683	$19,637	$21,266
2001	PROFESSIONAL FEES AND SERVICES	$12,959	$12,959	$12,959	$12,959	$12,959
2003	CONSUMABLE SUPPLIES	$2,496	$800	$800	$400	$400
2004	UTILITIES	$628	$980	$946	$946	$946
2005	TRAVEL	$1,135	$500	$500	$500	$500
2006	RENT - BUILDING	$0	$0	$0	$0	$0
2007	RENT - MACHINE AND OTHER	$1,059	$1,020	$1,020	$0	$0
2009	OTHER OPERATING EXPENSE	$22,994	$30,082	$28,270	$25,339	$23,750

513 Funeral Service Commission

GOAL: 2 To Aggressively & Effectively Provide Enforcement & Protect the Public

OBJECTIVE: 2 Investigation and Due Process for All Complaints — Service Categories:

STRATEGY: 1 Investigate Complaints & Recommend Disciplinary/Other Action — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, OBJECT OF EXPENSE		**$336,410**	**$304,711**	**$305,864**	**$292,759**	**$292,799**
Method of Financing:						
1	General Revenue Fund	$336,410	$304,711	$305,864	$292,759	$292,799
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$336,410**	**$304,711**	**$305,864**	**$292,759**	**$292,799**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$292,759**	**$292,799**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$336,410**	**$304,711**	**$305,864**	**$292,759**	**$292,799**
FULL TIME EQUIVALENT POSITIONS:		**5.5**	**5.9**	**5.9**	**4.9**	**4.9**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Through its compliance function, the Texas Funeral Service Commission is charged with ensuring violations of the laws and regulations within the agency's jurisdiction are addressed and licensees are operating in full compliance with the law. In addition, the increased cooperative efforts of the Commission, the Department of Banking, the Department of Insurance and the Department of State Health Services will ensure there are fewer gaps in regulating the funeral service industry. The agency's compliance function contributes to the state's goal of ensuring Texans are effectively and efficiently served by high-quality professionals and businesses by implementing clear standards, establishing market-based solutions and ensuring compliance.

With the four percent reduction to the base budget, the agency will have difficulty in fulfilling its mission because of turnover resulting from cuts to staff salaries. Staff turnover will adversely impact the agency's performance measures.

513 Funeral Service Commission

GOAL:	2	To Aggressively & Effectively Provide Enforcement & Protect the Public			
OBJECTIVE:	2	Investigation and Due Process for All Complaints	Service Categories:		
STRATEGY:	1	Investigate Complaints & Recommend Disciplinary/Other Action	Service: 16	Income: A.2	Age: B.3

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

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Workload will continue to increase as the population of the state continues to grow. Higher population means a higher death rate which could result in higher numbers of complaints being filed. With a reduction in staff salaries and an increased workload, staff morale will decrease and turnover will increase. Loss of qualified staff would impair the agency's ability to protect the public. The TFSC depends on its trained and qualified staff to resolve complaints in a timely manner.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$610,575	$585,558	$(25,017)	$(25,017)	Cut 4% of all staff salaries, reduced consumables, printing, replacement computer and software purchases. Eliminate one copier, EAP program. All GR.
			$(25,017)	**Total of Explanation of Biennial Change**

513 Funeral Service Commission

GOAL: 3 Indirect Administration

OBJECTIVE: 1 Indirect Administration — Service Categories:

STRATEGY: 1 Indirect Administration - Licensing Requirements — Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1002	OTHER PERSONNEL COSTS	$20,211	$0	$0	$0	$0
2001	PROFESSIONAL FEES AND SERVICES	$144	$144	$144	$0	$0
2003	CONSUMABLE SUPPLIES	$350	$0	$0	$0	$0
2004	UTILITIES	$271	$0	$0	$0	$0
2005	TRAVEL	$1,247	$0	$0	$0	$0
2006	RENT - BUILDING	$327	$180	$180	$180	$180
2009	OTHER OPERATING EXPENSE	$2,894	$1,280	$1,280	$1,280	$1,280
TOTAL, OBJECT OF EXPENSE		**$25,444**	**$1,604**	**$1,604**	**$1,460**	**$1,460**
Method of Financing:						
1	General Revenue Fund	$25,444	$1,604	$1,604	$1,460	$1,460
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$25,444**	**$1,604**	**$1,604**	**$1,460**	**$1,460**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$1,460**	**$1,460**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$25,444**	**$1,604**	**$1,604**	**$1,460**	**$1,460**
FULL TIME EQUIVALENT POSITIONS:						

513 Funeral Service Commission

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

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

STRATEGY DESCRIPTION AND JUSTIFICATION:

Through its licensing function, the Texas Funeral Service Commission is charged with ensuring only qualified professionals are licensed to serve the public. This charge is met through a comprehensive provisional licensing program for new licensees and through a continuing education program for current licensees. Both programs ensure all individuals have the necessary skills and knowledge to be funeral directors and embalmers. The agency's licensing function contributes to the state's goal of ensuring Texans are effectively and efficiently served by high-quality professionals and businesses by implementing clear standards, establishing market-based solutions and reducing regulatory burdens.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Funding for this strategy includes percentages of staff who perform the following functions: public information, executive management, legal, planning and policy development, accounting, travel management, financial reporting and human resources. All of these staff work closely with direct services staff to facilitate agency operations and to allow the agency comply with state laws and mandates. Other expenditures included in this strategy include percentages of Commissioner's travel, postage, contracted accounting services, reproduction and information resources.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$3,208	$2,920	$(288)	$(288)	Eliminate EAP program. All GR.
			$(288)	**Total of Explanation of Biennial Change**

513 Funeral Service Commission

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

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
2001	PROFESSIONAL FEES AND SERVICES	$72	$72	$72	$0	$0
2003	CONSUMABLE SUPPLIES	$0	$0	$0	$0	$0
2004	UTILITIES	$136	$0	$0	$0	$0
2006	RENT - BUILDING	$81	$0	$0	$0	$0
2009	OTHER OPERATING EXPENSE	$486	$340	$340	$340	$340
TOTAL, OBJECT OF EXPENSE		**$775**	**$412**	**$412**	**$340**	**$340**
Method of Financing:						
1	General Revenue Fund	$775	$412	$412	$340	$340
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$775**	**$412**	**$412**	**$340**	**$340**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$340**	**$340**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$775**	**$412**	**$412**	**$340**	**$340**
FULL TIME EQUIVALENT POSITIONS:						

513 Funeral Service Commission

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

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

STRATEGY DESCRIPTION AND JUSTIFICATION:

Through its compliance function, the Texas Funeral Service Commission is charged with ensuring licensees are operating in full compliance with the law through a vigorous inspection process. Statutorily mandated risk based inspections of all licensed establishments are conducted at least once every two years. The inspection process includes a survey of the physical plant, a check of a sample of case files and a comprehensive review of all required documents. The agency's compliance function contributes to the state's goal of ensuring Texans are effectively and efficiently served by high-quality professionals and businesses by implementing clear standards, establishing market-based solutions and ensuring compliance.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Funding for this strategy includes percentages of staff who perform the following functions: public information, executive management, legal, planning and policy development, accounting, travel management, financial reporting and human resources. All of these staff work closely with direct services staff to facilitate agency operations and to allow the agency comply with state laws and mandates. Other expenditures included in this strategy include percentages of Commissioner's travel, postage, contracted accounting services, reproduction and information resources.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$824	$680	$(144)	$(144)	Eliminate EAP program. All GR.
			$(144)	**Total of Explanation of Biennial Change**

513 Funeral Service Commission

GOAL: 3 Indirect Administration

OBJECTIVE: 1 Indirect Administration — Service Categories:

STRATEGY: 3 Indirect Administration - Rule Compliance — Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1002	OTHER PERSONNEL COSTS	$15,029	$0	$0	$0	$0
2001	PROFESSIONAL FEES AND SERVICES	$144	$144	$144	$0	$0
2003	CONSUMABLE SUPPLIES	$0	$0	$0	$0	$0
2004	UTILITIES	$271	$0	$0	$0	$0
2006	RENT - BUILDING	$162	$0	$0	$0	$0
2009	OTHER OPERATING EXPENSE	$1,622	$680	$680	$680	$680
TOTAL, OBJECT OF EXPENSE		**$17,228**	**$824**	**$824**	**$680**	**$680**
Method of Financing:						
1	General Revenue Fund	$17,228	$824	$824	$680	$680
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$17,228**	**$824**	**$824**	**$680**	**$680**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$680**	**$680**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$17,228**	**$824**	**$824**	**$680**	**$680**
FULL TIME EQUIVALENT POSITIONS:						

513 Funeral Service Commission

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

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

STRATEGY DESCRIPTION AND JUSTIFICATION:

Through its compliance function, the Texas Funeral Service Commission is charged with ensuring violations of the laws and regulations within the agency's jurisdiction are addressed and licensees are operating in full compliance with the law. In addition, the increased cooperative efforts of the Commission, the Department of Banking, the Department of Insurance and the Department of State Health Services will ensure there are fewer gaps in regulating the funeral service industry. The agency's compliance function contributes to the state's goal of ensuring Texans are effectively and efficiently served by high-quality professionals and businesses by implementing clear standards, establishing market-based solutions and ensuring compliance.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Funding for this strategy includes percentages of staff who perform the following functions: public information, executive management, legal, planning and policy development, accounting, travel management, financial reporting and human resources. All of these staff work closely with direct services staff to facilitate agency operations and to allow the agency comply with state laws and mandates. Other expenditures included in this strategy include percentages of Commissioner's travel, postage, contracted accounting services, reproduction and information resources.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$1,648	$1,360	$(288)	$(288)	Eliminate EAP program. All GR.
			$(288)	**Total of Explanation of Biennial Change**

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	**$841,829**	**$850,496**	**$850,445**	**$819,391**	**$819,392**
METHODS OF FINANCE (INCLUDING RIDERS):				**$819,391**	**$819,392**
METHODS OF FINANCE (EXCLUDING RIDERS):	**$841,829**	**$850,496**	**$850,445**	**$819,391**	**$819,392**
FULL TIME EQUIVALENT POSITIONS:	**11.8**	**12.0**	**12.0**	**12.0**	**12.0**

Agency code: **513** Agency name:

Funeral Service Commission

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: Restoration of the 4% budget cut to baseline funding.		
	Item Priority: 1		
	IT Component: Yes		
	Anticipated Out-year Costs: No		
	Involve Contracts > $50,000: No		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Issue and Renew Licenses, Monitor Continuing Education		
	02-01-01 Provide Enforcement through Inspections		
	02-02-01 Investigate Complaints & Recommend Disciplinary/Other Action		
	03-01-01 Indirect Administration - Licensing Requirements		
	03-01-02 Indirect Administration - Inspections		
	03-01-03 Indirect Administration - Rule Compliance		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	23,677	23,677
1002	OTHER PERSONNEL COSTS	355	355
2003	CONSUMABLE SUPPLIES	1,000	1,000
2009	OTHER OPERATING EXPENSE	6,047	6,047
	TOTAL, OBJECT OF EXPENSE	**$31,079**	**$31,079**
METHOD OF FINANCING:			
1	General Revenue Fund	31,079	31,079
	TOTAL, METHOD OF FINANCING	**$31,079**	**$31,079**

DESCRIPTION / JUSTIFICATION:

As a self-funded agency, a budget reduction means even less of the revenue collected from its applicants, examinees and licensees are appropriated back to the agency. TFSC licensees pay high fees and expect those fees to go toward appropriately funding the agency so that the agency can fulfill its mission. The TFSC GR budget consists of 76% salaries and 12% non-discretionary items. That leaves a discretionary budget of 12% to fund items such as travel, consumables, etc. Although discretionary, these items are necessary for the agency to perform its mission.

In order to achieve the 4% cut, the agency had to reduce salaries. The agency expects these salary cuts to cause staff turnover and to negatively impact all of the agency's performance measures.

With this exceptional item funded the agency can restore the salary reductions and should experience a positive impact on its performance measures as follows:

Agency code: **513** Agency name: **Funeral Service Commission**

CODE	DESCRIPTION	Excp 2018	Excp 2019

Licensing Output Measure Impact:
New Individual Licenses Issued increases by 25
Individual License Renewals increases by 100
Facility Licenses Issued increases by 10
Facility Licenses Renewed increases by 100

Compliance Output & Efficiency Measure Impact:
Complaints Resolved increases by 15
Complaints Pending decreases by 10
Average Time for Complaint Resolution decreases by 25 days
Average Time for Complaint Resolution/SOAH decreases by 100 days
Complaints Received decreases by 25

Inspection Output Measure Impact:
Establishments Inspected increases by 250

The positive impact of these outputs and efficiencies also impacts some of the agency's outcome measures as follows:
Complaints Resolved within Six Months increases by 10%
Complaints Resolved Resulting in Disciplinary Action decreases by 3%
Percent of Facilities Found to be Non-Compliant decreases by 5%

EXTERNAL/INTERNAL FACTORS:

External / Internal Factors

- The population of the state continues to grow, which means the number of deaths will continue to grow. More deaths means the state will need more qualified and licensed death care providers. More deaths also could result in a higher number of complaints to be investigated by TFSC staff.

- Loss of qualified staff would prevent the agency from meeting its performance measures and would impair the agency's ability to protect the public. The TFSC depends on its trained and qualified staff to issue licenses and resolve complaints in a timely manner.

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

Replacement computers and software upgrades.

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

NEW

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

N/A

Agency code: **513** Agency name:

Funeral Service Commission

CODE	DESCRIPTION	Excp 2018	Excp 2019

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

N/A

DEVELOPMENT COST AND OTHER COSTS

$2,000 for replacement computers, and $500 for upgrades to Microsoft Office.

TYPE OF PROJECT

Daily Operations

ALTERNATIVE ANALYIS

There is no alternative solution for replacement of obsolete or non-functioning computers, or software that is outdated and not supported.

ESTIMATED IT COST

2016	2017	2018	2019	2020	2021	2022	Total Over Life of Project
$0	$0	$2,500	$2,500	$0	$0	$0	$5,000

Agency code: **513** Agency name:

Funeral Service Commission

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: Targeted staff salary increases.		
	Item Priority: 2		
	IT Component: No		
	Anticipated Out-year Costs: No		
	Involve Contracts > $50,000: No		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Issue and Renew Licenses, Monitor Continuing Education		
	02-01-01 Provide Enforcement through Inspections		
	02-02-01 Investigate Complaints & Recommend Disciplinary/Other Action		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	13,341	13,341
	TOTAL, OBJECT OF EXPENSE	**$13,341**	**$13,341**
METHOD OF FINANCING:			
1	General Revenue Fund	13,341	13,341
	TOTAL, METHOD OF FINANCING	**$13,341**	**$13,341**

DESCRIPTION / JUSTIFICATION:

While the TFSC's average pay rate falls below other Article 8 agencies' pay by 5.5 percent, the agency's second exceptional item is funding for targeted salary increases. After review of the SAO Electronic Classification System, the agency determined 4 FTEs are classified incorrectly, underpaid based on the job duties/years of service, or both.

In the licensing division, 2 of 3 licensing and permit specialists should be reclassified and their cumulative salaries should be adjusted by $8,641. In the compliance division, 1 of 2 investigators is paid below average for his position and years of service by approximately $1,700. Additionally, 1 of 2 inspectors should be reclassified and his salary adjusted by $2,000.

These 4 FTEs are underpaid for the work they do and have the potential of leaving for better paying positions. A major risk identified in the TFSC 2016 Risk Assessment was employee turnover. Without targeted salary increases, the agency anticipates turnover of 4 FTEs. Any staff turnover negatively impacts the agency's key performance measures.

With funding for targeted salaries, the agency could positively impact the following performance measures:

Licensing Output Measure Impact:
New Individual Licenses Issued increases by 15
Individual License Renewals increases by 50

Agency code: **513** Agency name:

Funeral Service Commission

CODE	DESCRIPTION	Excp 2018	Excp 2019

Facility Licenses Issued increases by 5
Facility Licenses Renewed increases by 50

Compliance Output & Efficiency Measure Impact:
Complaints Resolved increases by 8
Complaints Pending decreases by 5
Average Time for Complaint Resolution decreases by 10 days
Complaints Received decreases by 10

Inspection Output Measure Impact:
Establishments Inspected increases by 50

The positive impact of these outputs and efficiencies also impacts some of the agency's outcome measures as follows:
Complaints Resolved Within Six Months increases by 7%
Complaints Resolved Resulting in Disciplinary Action decreases by 1%
Facilities Found to be Non-Compliant decreases by 3%

EXTERNAL/INTERNAL FACTORS:

External / Internal Factors

- The population of the state continues to grow, which means the number of deaths will continue to grow. More deaths means the state will need more qualified and licensed death care providers. More deaths also could result in a higher number of complaints to be investigated by TFSC staff.

- Loss of qualified staff would prevent the agency from meeting its performance measures and would impair the agency's ability to protect the public. The TFSC depends on its trained and qualified staff to issue licenses and resolve complaints in a timely manner.

Agency code: **513** Agency name: **Funeral Service Commission**

Code	Description	Excp 2018	Excp 2019
Item Name:	Restoration of the 4% budget cut to baseline funding.		
Allocation to Strategy:	1-1-1 Issue and Renew Licenses, Monitor Continuing Education		
OUTPUT MEASURES:			
1	Number of New Licenses Issued to Individuals	25.00	25.00
2	Number of Individual Licenses Renewed	100.00	100.00
3	Number of New Licenses Issued to Facilities	10.00	10.00
4	Number of Facility Licenses Renewed	100.00	100.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	9,707	9,707
1002	OTHER PERSONNEL COSTS	146	146
2003	CONSUMABLE SUPPLIES	400	400
2009	OTHER OPERATING EXPENSE	1,867	1,867
TOTAL, OBJECT OF EXPENSE		**$12,120**	**$12,120**
METHOD OF FINANCING:			
1	General Revenue Fund	12,120	12,120
TOTAL, METHOD OF FINANCING		**$12,120**	**$12,120**

Agency code: **513** Agency name: **Funeral Service Commission**

Code	Description	Excp 2018	Excp 2019
Item Name:	Restoration of the 4% budget cut to baseline funding.		
Allocation to Strategy:	2-1-1 Provide Enforcement through Inspections		
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	% of Licensed Facilities Found to Be Noncompliant During Inspection	45.00%	45.00%
OUTPUT MEASURES:			
1	Number of Establishments Inspected	250.00	250.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	4,263	4,263
1002	OTHER PERSONNEL COSTS	63	63
2003	CONSUMABLE SUPPLIES	200	200
2009	OTHER OPERATING EXPENSE	933	933
TOTAL, OBJECT OF EXPENSE		**$5,459**	**$5,459**
METHOD OF FINANCING:			
1	General Revenue Fund	5,459	5,459
TOTAL, METHOD OF FINANCING		**$5,459**	**$5,459**

Agency code: **513** Agency name: **Funeral Service Commission**

Code	Description	Excp 2018	Excp 2019
Item Name:	Restoration of the 4% budget cut to baseline funding.		
Allocation to Strategy:	2-2-1 Investigate Complaints & Recommend Disciplinary/Other Action		
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	Percent of Complaints Resulting in Disciplinary Action	25.00%	25.00%
3	Percent of Complaints Resolved within 6 Months	85.00%	85.00%
OUTPUT MEASURES:			
1	Number of Complaints Resolved	15.00	15.00
2	Number of Complaints Pending	-10.00	-10.00
EFFICIENCY MEASURES:			
1	Average Time for Complaint Resolution	70.00	70.00
2	Average Time to Resolve Complaints Pending Litigation	250.00	250.00
EXPLANATORY/INPUT MEASURES:			
1	Number of Jurisdictional Complaints Received	160.00	160.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	9,707	9,707
1002	OTHER PERSONNEL COSTS	146	146
2003	CONSUMABLE SUPPLIES	400	400
2009	OTHER OPERATING EXPENSE	2,887	2,887
TOTAL, OBJECT OF EXPENSE		**$13,140**	**$13,140**
METHOD OF FINANCING:			
1	General Revenue Fund	13,140	13,140
TOTAL, METHOD OF FINANCING		**$13,140**	**$13,140**

Agency code: **513** Agency name: **Funeral Service Commission**

Code	Description	Excp 2018	Excp 2019
Item Name:	Restoration of the 4% budget cut to baseline funding.		
Allocation to Strategy:	3-1-1 Indirect Administration - Licensing Requirements		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	144	144
TOTAL, OBJECT OF EXPENSE		**$144**	**$144**
METHOD OF FINANCING:			
1	General Revenue Fund	144	144
TOTAL, METHOD OF FINANCING		**$144**	**$144**

Agency code: **513** Agency name: **Funeral Service Commission**

Code	Description	Excp 2018	Excp 2019
Item Name:	Restoration of the 4% budget cut to baseline funding.		
Allocation to Strategy:	3-1-2 Indirect Administration - Inspections		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	72	72
TOTAL, OBJECT OF EXPENSE		**$72**	**$72**
METHOD OF FINANCING:			
1	General Revenue Fund	72	72
TOTAL, METHOD OF FINANCING		**$72**	**$72**

Agency code: **513** Agency name: **Funeral Service Commission**

Code	Description	Excp 2018	Excp 2019
Item Name:	Restoration of the 4% budget cut to baseline funding.		
Allocation to Strategy:	3-1-3 Indirect Administration - Rule Compliance		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	144	144
TOTAL, OBJECT OF EXPENSE		**$144**	**$144**
METHOD OF FINANCING:			
1	General Revenue Fund	144	144
TOTAL, METHOD OF FINANCING		**$144**	**$144**

Agency code: **513** Agency name: **Funeral Service Commission**

Code	Description	Excp 2018	Excp 2019
Item Name:	Targeted staff salary increases.		
Allocation to Strategy:	1-1-1 Issue and Renew Licenses, Monitor Continuing Education		
OUTPUT MEASURES:			
1	Number of New Licenses Issued to Individuals	15.00	15.00
2	Number of Individual Licenses Renewed	50.00	50.00
3	Number of New Licenses Issued to Facilities	5.00	5.00
4	Number of Facility Licenses Renewed	50.00	50.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	9,641	9,641
TOTAL, OBJECT OF EXPENSE		**$9,641**	**$9,641**
METHOD OF FINANCING:			
1	General Revenue Fund	9,641	9,641
TOTAL, METHOD OF FINANCING		**$9,641**	**$9,641**

Agency code: **513** Agency name: **Funeral Service Commission**

Code	Description	Excp 2018	Excp 2019
Item Name:	Targeted staff salary increases.		
Allocation to Strategy:	2-1-1 Provide Enforcement through Inspections		
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	% of Licensed Facilities Found to Be Noncompliant During Inspection	47.00%	47.00%
OUTPUT MEASURES:			
1	Number of Establishments Inspected	50.00	50.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,000	2,000
TOTAL, OBJECT OF EXPENSE		**$2,000**	**$2,000**
METHOD OF FINANCING:			
1	General Revenue Fund	2,000	2,000
TOTAL, METHOD OF FINANCING		**$2,000**	**$2,000**

Agency code: **513** Agency name: **Funeral Service Commission**

Code	Description	Excp 2018	Excp 2019
Item Name:	Targeted staff salary increases.		
Allocation to Strategy:	2-2-1 Investigate Complaints & Recommend Disciplinary/Other Action		
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	Percent of Complaints Resulting in Disciplinary Action	27.00%	27.00%
3	Percent of Complaints Resolved within 6 Months	82.00%	82.00%
OUTPUT MEASURES:			
1	Number of Complaints Resolved	8.00	8.00
2	Number of Complaints Pending	-5.00	-5.00
EFFICIENCY MEASURES:			
1	Average Time for Complaint Resolution	85.00	85.00
EXPLANATORY/INPUT MEASURES:			
1	Number of Jurisdictional Complaints Received	175.00	175.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,700	1,700
TOTAL, OBJECT OF EXPENSE		**$1,700**	**$1,700**
METHOD OF FINANCING:			
1	General Revenue Fund	1,700	1,700
TOTAL, METHOD OF FINANCING		**$1,700**	**$1,700**

Agency Code: **513** Agency name: **Funeral Service Commission**

GOAL: 1 Manage Examination/Licensure to Develop Competent & Ethical Licensees

OBJECTIVE: 1 Ensure Licensing Functions Managed in Timely & Cost-effective Manner — Service Categories:

STRATEGY: 1 Issue and Renew Licenses, Monitor Continuing Education — Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2018	Excp 2019
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	Percent of Licensees with No Recent Violations	98.00 %	98.00 %
2	Percent of Licensees Who Renew Online	81.00 %	81.00 %
OUTPUT MEASURES:			
1	Number of New Licenses Issued to Individuals	40.00	40.00
2	Number of Individual Licenses Renewed	150.00	150.00
3	Number of New Licenses Issued to Facilities	15.00	15.00
4	Number of Facility Licenses Renewed	150.00	150.00
EXPLANATORY/INPUT MEASURES:			
1	Total Number of Individuals Licensed	5,000.00	5,000.00
2	Total Number of Facilities Licensed	1,560.00	1,560.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	19,348	19,348
1002	OTHER PERSONNEL COSTS	146	146
2003	CONSUMABLE SUPPLIES	400	400
2009	OTHER OPERATING EXPENSE	1,867	1,867
	Total, Objects of Expense	**$21,761**	**$21,761**
METHOD OF FINANCING:			
1	General Revenue Fund	21,761	21,761
	Total, Method of Finance	**$21,761**	**$21,761**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Agency Code: **513** Agency name: **Funeral Service Commission**

GOAL: 1 Manage Examination/Licensure to Develop Competent & Ethical Licensees

OBJECTIVE: 1 Ensure Licensing Functions Managed in Timely & Cost-effective Manner Service Categories:

STRATEGY: 1 Issue and Renew Licenses, Monitor Continuing Education Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2018	Excp 2019

Restoration of the 4% budget cut to baseline funding.

Targeted staff salary increases.

Agency Code: **513** Agency name: **Funeral Service Commission**

GOAL: 2 To Aggressively & Effectively Provide Enforcement & Protect the Public

OBJECTIVE: 1 Inspect Licensed Facilities Service Categories:

STRATEGY: 1 Provide Enforcement through Inspections Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2018	Excp 2019
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	% of Licensed Facilities Found to Be Noncompliant During Inspection	45.00 %	45.00 %
OUTPUT MEASURES:			
1	Number of Establishments Inspected	300.00	300.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	6,263	6,263
1002	OTHER PERSONNEL COSTS	63	63
2003	CONSUMABLE SUPPLIES	200	200
2009	OTHER OPERATING EXPENSE	933	933
	Total, Objects of Expense	**$7,459**	**$7,459**
METHOD OF FINANCING:			
1	General Revenue Fund	7,459	7,459
	Total, Method of Finance	**$7,459**	**$7,459**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of the 4% budget cut to baseline funding.

Targeted staff salary increases.

Agency Code: **513** Agency name: **Funeral Service Commission**

GOAL: 2 To Aggressively & Effectively Provide Enforcement & Protect the Public

OBJECTIVE: 2 Investigation and Due Process for All Complaints Service Categories:

STRATEGY: 1 Investigate Complaints & Recommend Disciplinary/Other Action Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2018	Excp 2019
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	Percent of Complaints Resulting in Disciplinary Action	25.00 %	25.00 %
2	Recidivism Rate for Those Receiving Disciplinary Action	14.50 %	14.50 %
3	Percent of Complaints Resolved within 6 Months	85.00 %	85.00 %
OUTPUT MEASURES:			
1	Number of Complaints Resolved	23.00	23.00
2	Number of Complaints Pending	(15.00)	(15.00)
EFFICIENCY MEASURES:			
1	Average Time for Complaint Resolution	70.00	70.00
2	Average Time to Resolve Complaints Pending Litigation	250.00	250.00
EXPLANATORY/INPUT MEASURES:			
1	Number of Jurisdictional Complaints Received	150.00	150.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	11,407	11,407
1002	OTHER PERSONNEL COSTS	146	146
2003	CONSUMABLE SUPPLIES	400	400
2009	OTHER OPERATING EXPENSE	2,887	2,887
	Total, Objects of Expense	**$14,840**	**$14,840**
METHOD OF FINANCING:			
1	General Revenue Fund	14,840	14,840
	Total, Method of Finance	**$14,840**	**$14,840**

Agency Code: **513** Agency name: **Funeral Service Commission**

GOAL: 2 To Aggressively & Effectively Provide Enforcement & Protect the Public

OBJECTIVE: 2 Investigation and Due Process for All Complaints Service Categories:

STRATEGY: 1 Investigate Complaints & Recommend Disciplinary/Other Action Service: 16 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2018	Excp 2019

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of the 4% budget cut to baseline funding.

Targeted staff salary increases.

Agency Code: **513** Agency name: **Funeral Service Commission**

GOAL: 3 Indirect Administration

OBJECTIVE: 1 Indirect Administration

STRATEGY: 1 Indirect Administration - Licensing Requirements

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

CODE	DESCRIPTION	Excp 2018	Excp 2019
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	144	144
	Total, Objects of Expense	**$144**	**$144**
METHOD OF FINANCING:			
1	General Revenue Fund	144	144
	Total, Method of Finance	**$144**	**$144**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of the 4% budget cut to baseline funding.

Agency Code: **513** Agency name: **Funeral Service Commission**

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

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

CODE	DESCRIPTION	Excp 2018	Excp 2019
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	72	72
	Total, Objects of Expense	**$72**	**$72**
METHOD OF FINANCING:			
1	General Revenue Fund	72	72
	Total, Method of Finance	**$72**	**$72**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of the 4% budget cut to baseline funding.

Agency Code: **513** Agency name: **Funeral Service Commission**

GOAL: 3 Indirect Administration

OBJECTIVE: 1 Indirect Administration

STRATEGY: 3 Indirect Administration - Rule Compliance

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

CODE	DESCRIPTION	Excp 2018	Excp 2019
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	144	144
	Total, Objects of Expense	**$144**	**$144**
METHOD OF FINANCING:			
1	General Revenue Fund	144	144
	Total, Method of Finance	**$144**	**$144**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of the 4% budget cut to baseline funding.

Agency Code: **513** Agency: **Funeral Service Commission**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2014 - 2015 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	HUB Expenditures FY 2014 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2014	HUB Expenditures FY 2015 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2015
26.0%	Other Services	5.0 %	0.7%	-4.3%	$267	$38,931	1.0 %	1.5%	0.5%	$294	$20,120
21.1%	Commodities	50.0 %	32.6%	-17.4%	$6,582	$20,199	35.0 %	63.5%	28.5%	$14,490	$22,806
	Total Expenditures		**11.6%**		**$6,849**	**$59,130**		**34.4%**		**$14,784**	**$42,926**

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

Attainment:

The agency met one of its two goals (50%) in both FY 2014 and FY 2015.

Applicability:

The "Heavy Construction", "Building Construction" and "Special Trade Construction" catagories were not applicable to agency operations in FY 2014 or FY 2015. Additionally, the agency had no expenditures in the "Professional Services" category for FY 2014 or FY 2015.

Factors Affecting Attainment:

For FY 2014, the agency did not meet its goal in "Other Services" because of two factors. First, the goal was set too high, and second, the agency contracts with many other state agencies via interagency contracts for its services.

For FY 2015, the agency did not meet its goal in "Commodities" but it did exceed the statewide goal of 21.1%.

"Good-Faith" Efforts:

The agency makes the following good faith efforts in its procurement activities to utilize HUB vendors and to comply with statewide procurement goals:

1) Identifies the percentage of contracts awarded to women and/or minority owned businesses that are certified as HUBS;
2) Provides assistance to non-certified HUBS in obtaining certification with the state; and
3) Complies with the CPA's requirements for obtaining bids from HUBs when awarding contracts.

6.E. Estimated Revenue Collections Supporting Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **513** Agency name: **Funeral Service Commission**

FUND/ACCOUNT	Act 2015	Exp 2016	Exp 2017	Bud 2018	Est 2019
1 General Revenue Fund					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3175 Professional Fees	1,597,641	1,625,833	1,653,472	1,681,581	1,710,168
3770 Administratve Penalties	51,397	40,000	40,000	40,680	40,680
Subtotal: Actual/Estimated Revenue	1,649,038	1,665,833	1,693,472	1,722,261	1,750,848
Total Available	**$1,649,038**	**$1,665,833**	**$1,693,472**	**$1,722,261**	**$1,750,848**
DEDUCTIONS:					
Expended/Estimated/Budgeted	(750,549)	(776,996)	(776,945)	(745,891)	(745,892)
Indirect Costs	(172,342)	(188,225)	(188,225)	(188,225)	(188,225)
Total, Deductions	**$(922,891)**	**$(965,221)**	**$(965,170)**	**$(934,116)**	**$(934,117)**
Ending Fund/Account Balance	**$726,147**	**$700,612**	**$728,302**	**$788,145**	**$816,731**

REVENUE ASSUMPTIONS:
Assumptions based on 1.7% growth in revenues, and no substantial changes to the agency's fee structure by legislation during the 85th session.

CONTACT PERSON:
Jennifer Noack

6.E. Estimated Revenue Collections Supporting Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **513** Agency name: **Funeral Service Commission**

FUND/ACCOUNT	Act 2015	Exp 2016	Exp 2017	Bud 2018	Est 2019
666 Appropriated Receipts					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3719 Fees/Copies or Filing of Records	980	1,000	1,000	1,000	1,000
3722 Conf, Semin, & Train Regis Fees	0	0	0	0	0
3752 Sale of Publications/Advertising	90,300	72,500	72,500	72,500	72,500
Subtotal: Actual/Estimated Revenue	91,280	73,500	73,500	73,500	73,500
Total Available	**$91,280**	**$73,500**	**$73,500**	**$73,500**	**$73,500**
DEDUCTIONS:					
Expended/Estimated/Budgeted	(91,280)	(73,500)	(73,500)	(73,500)	(73,500)
Total, Deductions	**$(91,280)**	**$(73,500)**	**$(73,500)**	**$(73,500)**	**$(73,500)**
Ending Fund/Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUE ASSUMPTIONS:
Assumption that the agency will continue to collect revenues from the sales of brochures at at least the current rate.

CONTACT PERSON:
Jennifer Noack

Agency code: **513** Agency name: **Funeral Service Commission**

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

1 1st 5% Cut

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: 10% Reduction - $149,178

A 10 percent reduction per fiscal year totals $74,589. The only way to reduce the budget by this amount is to reduce staff positions, reduce salaries or a combination of both. Reducing staff salaries on top of the four percent reduction would negatively impact staff morale. Reducing staff positions would require remaining staff to do more work without being adequately compensated. Both actions would have a negative impact on all of the agency's performance measures across all strategies.

Given the choice between two hard options, the agency proposes to eliminate two positions – an investigator position and a licensing technician position – for a total of $66,200. The remaining reduction will be made by cutting the inspection and staff travel budget, eliminating additional computer and consumable purchases and eliminating the agency's participation at the industry's annual meeting.

First 5%:
1. Eliminate one of two investigator positions + indirect costs - $35,525
2. Reduce computer purchases - $1,000
3. Reduce staff travel - $500
4. Eliminate booth rental at TFDA convention - $180
5. Reduce other operating expenses - $90

To reach the first five percent, the agency proposes to eliminate an investigator position as well as make additional cuts to consumables, staff travel and operating expenses.

The first five percent in cuts will negatively impact the following key compliance performance measures due to the elimination of one investigator position:

Number of Complaints Resolved would decrease by 20
Number of Complaints Pending would increase by 15
Average Time for Complaint Resolution would increase by 50 days
Percent of Complaints Resolved within 6 Months would decrease by 10 percent

Strategy: 1-1-1 Issue and Renew Licenses, Monitor Continuing Education

Agency code: **513** Agency name: **Funeral Service Commission**

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2018**	**2019**	**Biennial Total**	**2018**	**2019**	**Biennial Total**	
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$436	$436	$872	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$436**	**$436**	**$872**	
Strategy: 2-1-1 Provide Enforcement through Inspections							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$218	$218	$436	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$218**	**$218**	**$436**	
Strategy: 2-2-1 Investigate Complaints & Recommend Disciplinary/Other Action							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$36,461	$36,461	$72,922	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$36,461**	**$36,461**	**$72,922**	
Strategy: 3-1-1 Indirect Administration - Licensing Requirements							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$72	$72	$144	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$72**	**$72**	**$144**	
Strategy: 3-1-2 Indirect Administration - Inspections							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$36	$36	$72	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$36**	**$36**	**$72**	
Strategy: 3-1-3 Indirect Administration - Rule Compliance							
General Revenue Funds							

Agency code: **513** Agency name: **Funeral Service Commission**

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2018**	**2019**	**Biennial Total**	**2018**	**2019**	**Biennial Total**	
1 General Revenue Fund	$0	$0	$0	$72	$72	$144	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$72**	**$72**	**$144**	
Item Total	**$0**	**$0**	**$0**	**$37,295**	**$37,295**	**$74,590**	
FTE Reductions (From FY 2018 and FY 2019 Base Request)				**1.0**	**1.0**		

2 2nd 5% Cut

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: 10% Reduction - $149,178

A 10 percent reduction per fiscal year totals $74,589. The only way to reduce the budget by this amount is to reduce staff positions, reduce salaries or a combination of both. Reducing staff salaries on top of the four percent reduction would negatively impact staff morale. Reducing staff positions would require remaining staff to do more work without being adequately compensated. Both actions would have a negative impact on all of the agency's performance measures across all strategies.

Given the choice between two hard options, the agency proposes to eliminate two positions – an investigator position and a licensing technician position – for a total of $66,200. The remaining reduction will be made by cutting the inspection and staff travel budget, eliminating additional computer and consumable purchases and eliminating the agency's participation at the industry's annual meeting.

Second 5%
1. Eliminate one of three licensing & permit specialist positions + indirect costs - $31,668
2. Reduce inspection travel budget - $5,627

The second five percent in cuts will negatively impact the following key licensing performance measures due to the elimination of one licensing technician and a reduction in the inspector travel budget:

Number of New Individual Licenses would decrease by 25
Number of Facility Licenses would decrease by 10
Number of Establishments Inspected would decrease by 200
Number of Complaints Received would increase by 25

Agency code: **513** Agency name: **Funeral Service Commission**

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2018**	**2019**	**Biennial Total**	**2018**	**2019**	**Biennial Total**	
Strategy: 1-1-1 Issue and Renew Licenses, Monitor Continuing Education							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$31,668	$31,668	$63,336	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$31,668**	**$31,668**	**$63,336**	
Strategy: 2-1-1 Provide Enforcement through Inspections							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$5,627	$5,627	$11,254	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$5,627**	**$5,627**	**$11,254**	
Item Total	**$0**	**$0**	**$0**	**$37,295**	**$37,295**	**$74,590**	
FTE Reductions (From FY 2018 and FY 2019 Base Request)				**1.0**	**1.0**		
AGENCY TOTALS							
General Revenue Total				**$74,590**	**$74,590**	**$149,180**	**$149,178**
Agency Grand Total	**$0**	**$0**	**$0**	**$74,590**	**$74,590**	**$149,180**	
Difference, Options Total Less Target						**$2**	
Agency FTE Reductions (From FY 2018 and FY 2019 Base Request)				**2.0**	**2.0**		

513 Funeral Service Commission

Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
3-1-1	**Indirect Administration - Licensing Requirements**					
OBJECTS OF EXPENSE:						
1002	OTHER PERSONNEL COSTS	$20,211	$ 0	$ 0	$ 0	$ 0
2001	PROFESSIONAL FEES AND SERVICES	144	144	144	0	0
2003	CONSUMABLE SUPPLIES	350	0	0	0	0
2004	UTILITIES	271	0	0	0	0
2005	TRAVEL	1,247	0	0	0	0
2006	RENT - BUILDING	327	180	180	180	180
2009	OTHER OPERATING EXPENSE	2,894	1,280	1,280	1,280	1,280
	Total, Objects of Expense	**$25,444**	**$1,604**	**$1,604**	**$1,460**	**$1,460**
METHOD OF FINANCING:						
1	General Revenue Fund	25,444	1,604	1,604	1,460	1,460
	Total, Method of Financing	**$25,444**	**$1,604**	**$1,604**	**$1,460**	**$1,460**
Method of Allocation						

Indirect costs are allocated based on percent of budget associated with its corresponding Direct Strategy.

513 Funeral Service Commission

Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
3-1-2	**Indirect Administration - Inspections**					
OBJECTS OF EXPENSE:						
2001	PROFESSIONAL FEES AND SERVICES	$72	$ 72	$ 72	$ 0	$ 0
2004	UTILITIES	136	0	0	0	0
2006	RENT - BUILDING	81	0	0	0	0
2009	OTHER OPERATING EXPENSE	486	340	340	340	340
	Total, Objects of Expense	**$775**	**$412**	**$412**	**$340**	**$340**
METHOD OF FINANCING:						
1	General Revenue Fund	775	412	412	340	340
	Total, Method of Financing	**$775**	**$412**	**$412**	**$340**	**$340**
Method of Allocation						

Indirect costs are allocated based on percent of budget associated with its corresponding Direct Strategy.

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Strategy		Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
3-1-3	**Indirect Administration - Rule Compliance**					
OBJECTS OF EXPENSE:						
1002	OTHER PERSONNEL COSTS	$15,029	$ 0	$ 0	$ 0	$ 0
2001	PROFESSIONAL FEES AND SERVICES	144	144	144	0	0
2004	UTILITIES	271	0	0	0	0
2006	RENT - BUILDING	162	0	0	0	0
2009	OTHER OPERATING EXPENSE	1,622	680	680	680	680
	Total, Objects of Expense	**$17,228**	**$824**	**$824**	**$680**	**$680**
METHOD OF FINANCING:						
1	General Revenue Fund	17,228	824	824	680	680
	Total, Method of Financing	**$17,228**	**$824**	**$824**	**$680**	**$680**
Method of Allocation						

Indirect costs are allocated based on percent of budget associated with its corresponding Direct Strategy.

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	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
GRAND TOTALS					
Objects of Expense					
1002 OTHER PERSONNEL COSTS	$35,240	$0	$0	$0	$0
2001 PROFESSIONAL FEES AND SERVICES	$360	$360	$360	$0	$0
2003 CONSUMABLE SUPPLIES	$350	$0	$0	$0	$0
2004 UTILITIES	$678	$0	$0	$0	$0
2005 TRAVEL	$1,247	$0	$0	$0	$0
2006 RENT - BUILDING	$570	$180	$180	$180	$180
2009 OTHER OPERATING EXPENSE	$5,002	$2,300	$2,300	$2,300	$2,300
Total, Objects of Expense	**$43,447**	**$2,840**	**$2,840**	**$2,480**	**$2,480**
Method of Financing					
1 General Revenue Fund	$43,447	$2,840	$2,840	$2,480	$2,480
Total, Method of Financing	**$43,447**	**$2,840**	**$2,840**	**$2,480**	**$2,480**
Full-Time-Equivalent Positions (FTE)					