

TEXAS ETHICS COMMISSION

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October 19, 2022

Via Email

Jerry McGinty
Executive Director
Legislative Budget Board
jerry.mcginity@lbb.texas.gov

Sarah Hicks
Budget Director
Office of the Governor
sarah.hicks@gov.texas.gov

Re: Revised Legislative Appropriations Request

Dear Mr. McGinty and Ms. Hicks,

Two recent developments require revisions to the Texas Ethics Commission's Legislative Appropriations Request ("LAR"). The purpose of this letter is to summarize those changes and attach the agency's revised administrator's statement.

First, the TEC successfully moved much of its electronic filing system to the cloud using a combination of its existing resources and a deficiency grant from the Office of the Governor. This work was completed on a very aggressive timeline, and the system experienced no failures during the October 11 pre-election reporting deadline. As described more fully in the attachment, there is still work to be done to complete the transition, but the TEC can complete it using its existing resources. Consequently, the TEC is removing *any* request for additional funding for this work (Exceptional Item No. 1).

Second, there has been significant turnover at the TEC since its original LAR was submitted, including the departure of its former Executive Director in August. For that reason, the TEC has updated its requests regarding its staffing and salary needs to reflect the agency's current circumstances (Exceptional Item Nos. 6 and 7). I have also attached a revised administrator's statement that better identifies the agency's priorities and impediments.

There is no way for the TEC to formally make these changes to its LAR until the ABEST system is reopened in January. If you have any questions or would like to discuss, I can be reached by email at jr.johnson@ethics.state.tx.us or by phone at (512) 463-5800.

Best,

/s/ J.R. Johnson
J.R. Johnson, Executive Director

ADMINISTRATOR’S STATEMENT
88th Regular Session, Agency’s Revised Submission

TEXAS ETHICS COMMISSION

The mission of the Texas Ethics Commission (“TEC”) is to promote public confidence in government. The laws placed under the TEC’s jurisdiction reflect the belief that democracy works best when voters can make informed decisions in the political process—decisions based in part on knowing the sources of financial support for candidates, the identity and activities of those who communicate directly with public officials for the purpose of influencing government action, and the financial interests of state officers.

The purpose of this submission is to revise the TEC’s Legislative Appropriations Request (“LAR”) for the 88th Legislative Session.

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Chris Flood (Houston)
Mary K. “Katie” Kennedy, Chair (Houston)
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Exempt Positions

The TEC has two exempt positions, Executive Director and General Counsel. The TEC is requesting changes to both, discussed more fully in Exceptional Item No. 8.

Introduction

The TEC’s Workload is Increasing

By every metric, the TEC’s workload is growing. The number of candidates on file with the TEC increased by more than 10% from 2017-18 to 2021-22.¹ The number of complaints filed in 2022 increased 49% as compared to the previous five years’ annual average.² *See appx. at p. 1.*

Most importantly, campaign finance filings are growing dramatically. For example, the average itemized contributions received by major-party gubernatorial candidates increased over four-fold from 2018 to 2022 (from \$5,619,311.29 to \$25,718,569.64).³ More itemized contributions lead

¹ The number of candidate treasurer appointments on file with the TEC rose from 2071 in 2017-18 to 2,141 in 2019-20, and again to 2,295 in 2021-22.

² The TEC received an average of 255 annual complaints in fiscal years 2017-2021. It received 381 in fiscal year 2022.

³ In 2019, the Texas Legislature passed HB 2586, which requires all electronic contributions to itemized, regardless of size. Most campaign contributions are now made electronically.

to longer reports, including one recent report that was over 100,000 pages long. These larger reports have been testing the limits of the TEC's server hardware for years. *See appx. at p. 1.*

The TEC's electronic filing system carries a very heavy load for the State of Texas. The agency has over 30,000 filers and processes over 100,000 reports each year from candidates, political committees, lobbyists, government officials, and persons in the private sector seeking to do business with the government. This eclipses the workload of even the Federal Election Commission, which has only 16,000 filers.⁴

The TEC has Improved its Performance and Expanded its Service.

Despite funding reductions, the TEC has significantly improved its level of service over the past few years. One criticism in the past was that the TEC was slow to dispose of complaints. However, the agency has reduced the average time to resolve complaints by over 80% in the past six years. Six years ago, the average time to resolve a complaint was 187 days. Last year, it was only 37 days, despite receiving far more complaints. *See appx. at p. 1.*

During the past biennium, the TEC has also doubled the number of advisory opinions adopted each year⁵ and devoted one full-time attorney to providing informal legal guidance on the phone to thousands of filers each year. It also began providing online trainings for filers and produced a free webinar CLE series, giving any attorney in the state a no-cost opportunity to earn nine hours of credit approved by the Texas Board of Legal Specialization.

The TEC is Unable to Attract and Retain Qualified Employees with Current Funding.

The TEC has persistent staffing shortages and a high attrition rate. While the TEC is authorized to have 34.4 full time employees, it is currently operating with only 24.8. *See appx at p. 2.* All but two receive less than the state agency median salary for their job classifications and duties. *See appx at p. 2.*

This lower-than-average pay results in higher-than-average attrition. In 2021, the TEC's attrition rate was nearly 50% higher than state agency average.⁶ And in fiscal year 2022, the TEC lost another six employees (24.19% of its total workforce), including both its Executive Director and another senior division leader. Currently, 44.35% of the agency's total workforce has been with the agency for fewer than three years.

Most importantly, the TEC has lost three employees to other, higher-paying state agencies in the last three years. Consequently, across-the-board salary increases for all state employees would not address the TEC's biggest competitive disadvantage.

⁴ https://www.fec.gov/resources/cms-content/documents/FEC_FY23_CBJ_March_28_2022.pdf

⁵ The TEC adopted only three advisory opinions in 2018 and another three in 2019. It adopted seven opinions in 2020 and eleven in 2021.

⁶ The TEC had an attrition rate of 15.1% during fiscal year 2021, as compared to the state agency average of 11.1%.

The TEC's Aging Server Hardware is Unable to Fulfill the Mission.

The Legislature has made significant recent investments in the TEC's software, but the agency's aging hardware is not powerful enough to keep up with the increasing workload. That is one of the reasons the TEC requested funding last session—as an exceptional item—to migrate its electronic filing system to managed cloud services, but the request was not granted. The project became a critical emergency in July 2022, when the TEC received a filing that was too large for the agency's existing hardware to process without diverting server resources away from other critical systems.

The TEC has already received a portion of the necessary funds from the Governor's Office, and it successfully moved enough of the system to the cloud in advance of the October 11 campaign finance reporting deadlines to avoid any more major issues. However, as discussed later in this report, there remains much work to be done to complete the project and establish a sustainable future.

The TEC Continues to Face Costly Litigation.

Since August 22, 2014, the Office of the Attorney General ("OAG") has declined to represent the TEC in eight lawsuits and eighteen appeals challenging the constitutionality of laws passed by the Legislature. All of the lawsuits were filed by a single litigant, who is seeking to invalidate Texas's lobby law, eliminate the TEC's enforcement authority, and undo over thirty years of the agency's findings. The TEC has paid \$1,031,021.87 out of its own budget for the work of outside counsel in defense of these lawsuits that otherwise would have been absorbed by the Office of Attorney General and its budget.

The TEC is winning, most recently in both the Third and Eighth Courts of Appeals, which affirmed that: (1) the TEC's structure and powers do not violate the Texas Constitution; (2) Texas's lobby law does not violate the United States Constitution; and (3) the person who brought these lawsuits violated the lobby law and is subject to a penalty. But that person is taking every opportunity to appeal his losses, so the TEC expects the litigation to continue into and beyond the 88th Legislative Session. The cost to taxpayers of litigation involving the TEC is further increased by the TEC's need to rely on outside counsel.

Texas Invests Less in the TEC than in Other Regulatory Agencies.

The Legislature has tasked the TEC with administering and enforcing the state's laws on campaign finance, lobbying, political advertising, and the conduct of our government officials. These laws are designed to promote confidence in, and protect the integrity of, our government and our electoral processes.

Other regulatory agencies in Texas perform similar roles for other industries, including the medical, nursing, pharmaceutical, and dental industries. But all of these agencies receive far more funding than the TEC. Even the Texas Racing Commission—which protects the integrity of greyhound and horse racing in Texas—receives over \$6.8 million each year, more than twice the TEC's budget.

Texas Invests Less in—but Asks More from—its Ethics Agency than Other States.

Every year, the TEC receives roughly eleven cents for each citizen of Texas, approximately half of what many comparable state ethics agencies receive, such as those in Mississippi, Ohio, and Iowa.⁷ In fact, we were unable to find *any* state that invested less in its ethics agency on a per-capita basis. *See appx. at p. 3.*

Furthermore, the scope of the TEC’s jurisdiction extends beyond each of the agencies identified in the appendix. For example, the ethics agencies in Florida, Mississippi, and Ohio have no responsibility to process and maintain campaign finance or legislative-lobbying disclosure filings, which is the most expensive work the TEC performs. *See appx. at p. 3.*

Exceptional Items

1) Managed Cloud Services for TEC Electronic Filing System (\$0)

Until very recently, the TEC’s filing system operated on local servers housed in the Sam Houston State Office Building (“SHSB”). These servers were acquired in 2013 and 2014, and are no longer supported by the hardware’s manufacturer. The servers are vulnerable to power outages (whether by electricity reliability issues, natural disasters, or human error) because of their age and lack of support and replacement parts.

For several years, the TEC has had to make special accommodations for certain filers because the size of their reports would test the limits of the agency’s hardware. Most recently, the servers were entirely unable to handle the filing of an exceptionally large report without temporarily diverting server resources away from other agency systems. Continuing to maintain the filing system on these legacy servers is no longer an option, because the state’s population and the size of campaign finance reports is expected to continue growing. *See appx. at p. 2.*

The filing system software is state-of-the-art, but was limited by the hardware platform. Moving to a cloud-managed platform has a number of advantages over replacing local servers. First, there are no hardware limitations, because resources can be allocated on an as-needed basis. This kind of system is not only more reliable, it is more cost efficient for an organization like the TEC with large variances in web traffic concentrated around a small number of filing deadlines each year. A cloud-managed system is also more resilient in response to natural disasters and power outages. Finally, the cost of replacing local hardware exceeds \$1,000,000, will take at least one year to put into production, and will have a five-year expected lifetime. Moving to the cloud is cheaper, faster, and has a longer lifespan.

The TEC requested funding for a cloud migration during the last legislative session, but that request was denied. And, on July 15, 2022—just two weeks before the agency’s LAR was due—the TEC’s servers failed. The agency did its best on very short notice to calculate an estimate of the total costs of moving to the cloud on a very aggressive timeline. After the system failure, it

⁷ Mississippi (<http://billstatus.ls.state.ms.us/documents/2022/html/SB/3000-3099/SB3021SG.htm>); Ohio (<https://www.lsc.ohio.gov/documents/budget/133/MainOperating/greenbook/ETH.PDF>); Iowa (http://publications.iowa.gov/39221/1/fy_2021_iowa_ethics_campaign_disclosure_board_budgets.pdf);

became critical to address the problem before the major October campaign finance reporting deadlines.⁸ However, several recent developments require revisions to that request.

Most importantly, the agency received a portion of the requested funds (\$200,000) in an emergency grant from the Governor’s Office. It was not enough to cover the full costs of project, but it was enough to pay for cloud hosting services and enable the agency’s vendor to get started on the work using existing pre-purchased labor.

The TEC purchases two forms of labor from its software partner, each with its own purpose. First, as part of its baseline maintenance contract, the agency prepays for labor each biennium to cover basic ongoing maintenance of the system and account for any unexpected legislative changes (“maintenance hours”). Second, in addition to these maintenance hours, the TEC has sought and received appropriations in the past to improve the functionality and usability of the filing system by purchasing additional labor from our software vendor (“enhancement hours”). *See appx. at p. 4.* Unused hours can roll into the next year.

By using reserves of both enhancement hours and maintenance hours, the TEC was able to cover the labor costs of moving portions the filing system to the cloud. The initial rollout took place on the weekend of September 31, and the system was successfully back up and running by the morning of October 4. The system worked smoothly during October 11 pre-election reporting deadline, even though the reports were roughly the same size as those filed in July.

There is a lot of work that needs to be done to complete this project. For example, many elements of the filing system remain on the TEC’s local servers, including the software that enables the public to search campaign finance and lobby reports on the TEC’s website. In addition, there is still work to be done to improve the security of the system on the cloud, and also to minimize the agency’s future costs by analyzing resource usage and tuning autoscaling policies to eliminate unnecessary resource usage. The agency predicts that it will need to spend 2,122.5 additional labor hours (valued at \$318,375) to complete this work. But because the agency can cover that expense with its existing reserve of maintenance and enhancement hours, the TEC is dropping its request for funding in Exceptional Item No. 1. *See appx. at p. 4.*

2) Electronic Filing System Improvements (\$137,500 per year)

While the TEC is dropping Exceptional Item 1, funding Exceptional Item No. 2 is important because the TEC must use much of its prepaid labor—including maintenance hours—on moving the system to the cloud. Originally, this request was about *enhancing* the system with new features. Now, it is also about securing the TEC’s ability to pay for basic maintenance of the system and adapt to legislative changes over the next biennium.

Before the cloud migration took priority over all other work, the agency had plans to make the following improvements with its enhancement hours: (1) a filer “dashboard” that quickly calculates and displays any unpaid penalties (\$525,000); an online payment portal for filers who owe penalties or fees (\$52,500); a streamlined process for requesting penalty waivers

⁸ Candidates and political committees involved in the November elections must file their 30 day pre-election reports on October 11, and their 8 day pre-election reports on October 31.

(\$225,000); and the automatic redaction of certain information on Personal Financial Statements to streamline the TEC's response to open records requests (\$60,000).

The estimated costs of these projects are derived by multiplying the amount of anticipated labor by the hourly rate offered by the TEC's current software vendor. Individually, the projects are often too time sensitive and small to solicit bids from other vendors. However, every four years, the TEC subjects its entire software vendor relationship—including a negotiated hourly rate for enhancements—to an open bidding process.

The sum of these projects (\$862,500) is far more than the amount the TEC is requesting for this exceptional item, but the agency can cover the shortfall with its existing reserves of pre-paid labor. *See appx. at p. 3.*

3) Improve Agency Website User Interface (\$150,000 one-time funding)

The TEC's website is the agency's primary method of providing: (1) public disclosure of campaign finance and lobby data, and (2) legal and technical assistance to the regulated community. The TEC receives thousands of calls for legal and technical assistance each year, and often the callers report having difficulty finding the specific forms or documents they need to complete their filings on the TEC's current website. The TEC seeks funding to work with an outside vendor to improve the basic navigation and appearance of our website, thereby promoting both disclosure and voluntary compliance. As part of this project, the TEC would also move all of its website to the cloud, which provides improved reliability and security.

4) Case Management Software including Public Information Module (\$36,857 in FY 2024 and \$39,800 in FY 2025)

Two biennia ago, the TEC received money to procure case-management software. Using this system has been a big success, helping the agency reduce the average time to resolve a complaint from 187 days in 2017 to 40 days in 2021. While the appropriation was structured as a larger initial purchase and smaller ongoing maintenance fees, the winning bidder offered an annual subscription model instead. The TEC now pays for its case management software on an annual subscription basis at \$23,005.25 per year, with anticipated rate increases in the future. The annual payment resulted in the TEC lapsing \$55,000 in year one, but having a small annual shortfall of \$2,155.51 in FY 2024 and \$3,363.28 for FY 2025.

The balance of the request would be used to license similar software to track the TEC's public information requests. The TEC receives an average of 450 requests each year. As the agency of transparent government, responding quickly and efficiently to these requests is critical to the TEC's mission.

5) IT Helpline Analyst (\$50,000 per year)

Each year the TEC responds to many thousands of requests for technical assistance. The computer services division currently consists of three FTEs⁹ whose primary responsibilities are

⁹ This does not include the TEC's director of the Computer Services Division, who also serves as the director of the Disclosure Filings Division. Please see the agency's organizational chart.

to maintain, update, and improve the TEC's website and electronic filing system and database, and manage the agency's cybersecurity. But because the TEC prioritizes customer service, their work is frequently interrupted by answering relatively simple requests for technical assistance.

Having a System Support Specialist III as a dedicated technology-support employee will not only free the agency's programming staff to focus on their primary responsibilities, it would also improve the quality of technical assistance available to filers.

6) Fund Agency Positions at the Median Salary for their Classifications (\$139,533 per year)¹⁰

At the time of its original LAR submission deadline, the agency had 25 employees, and 21 of them were paid below the median salary for their classification. Since that time, the agency lost four additional employees and hired four replacements. Currently, over 90% of the TEC's employees are paid below the median salary for their classification. *See appx. at p. 3.* The TEC is requesting funding in fiscal year 2024 that would enable the agency to pay each employee the median salary for their classification.

This TEC lapsed some salary appropriations last biennium, but nearly all of the lapsed amounts were due to the agency's higher-than-average attrition rate. After an employee leaves the agency, it can take up to six months to identify and onboard a replacement. Higher attrition leads to more of these employment gaps, resulting in lapses of the salaries for any time the positions are unfilled. The TEC cannot use those funds to provide permanent raises to existing staff, because it would reduce the amount available to fill temporarily-vacant positions that are necessary for the agency's operations.

7) Fund Promotions to Reflect the Classifications that Match Staff's Duties (\$235,219 in FY 2025)

The TEC does not have the necessary funds for promotions earned by our existing staff. More than half of the agency's employees are responsible for tasks that are listed at a higher classification than their current position. Misclassifying staff contributes to the TEC's high turnover. As examples, an employee in the disclosure filings system was classified as a Program Supervisor, but her work met the job description of a Director I. That employee left the TEC in 2022 for a higher-paying private sector job. Another employee who was classified as an Attorney II left for an Attorney IV position at another agency. The TEC is requesting funding in fiscal year 2025 that would enable the agency to make specific promotions for certain employees and to pay those employees the median salary for their new classifications.

8) Adjust Executive Director and General Counsel Salaries (\$21,363 per year)

The TEC's commissioners meet just once a quarter and are not paid for their service, so it is important for the agency to have experienced and knowledgeable staff. Chief among the staff are

¹⁰ This figure represents the amount to pay every budgeted position at the mid-range, per the SAO classification information.

the TEC's two exempt positions—Executive Director and General Counsel—both of whom are appointed by, and report to, the commissioners.

Among many other duties, the commissioners rely on the General Counsel to provide recommendations on every vote they take, including the resolution of sworn complaints. And the Executive Director, by rule, has been delegated all powers of the TEC that do not require a vote of the commissioners. In short, both of these positions are critical for the agency's operations and the faithful interpretation, administration, and enforcement of the law.

The TEC is requesting an increase in the salaries of the Executive Director and General Counsel to bring their pay in line with the median salary of their positions in the state. The TEC's Executive Director's current salary is \$139,097, and the General Counsel's current salary is \$121,644. The TEC is requesting an additional \$14,257 per year for the Executive Director and an additional \$7,106 per year for the General Counsel.¹¹ Because of the agency's small size and volunteer board of commissioners, these two exempt positions are critical to the TEC's operations.

9) Fund Unfunded FTE Positions (\$295,561 per year)

The TEC has six unfilled, unfunded positions. In the Enforcement Division, filling the positions of Attorney I (\$63,616), Administrative Assistant I (\$29,320), and Investigator (\$35,819) would further expedite the TEC's processing of sworn complaints and administrative penalty appeals. In the Computer Services Division, filling three open programmer positions (\$55,602) would help both filers and the public by improving the TEC's filing system and website. It would also save taxpayer money by reducing the TEC's need to use costly outside contractors.

10) Lump Sum Payments to Retiring/Terminating Employees (\$113,835 for biennium)

The TEC is required to pay retiring employees a lump sum for unused annual leave.¹² Because the TEC does not have the funding to cover a shortfall if many employees retire, it remains necessary for the Legislature to appropriate funds to cover this contingency.

The TEC requested and received funds for this purpose during the last biennium, and is prohibited by a rider from using those funds for anything other than lump sum payments. If the TEC does not pay out the lump sum within the fiscal year, it must lapse the unspent funds back to General Revenue.

Five of the Commission's current employees are eligible for retirement in fiscal year 2024, and an additional three will become eligible in fiscal year 2025. Combined, this represents nearly one-third of the current workforce. Many of these employees occupy key positions within the agency, and will be owed payments of \$113,835 in lump sum entitlements upon their retirement.

¹¹ Data from the Texas Tribune Salary Explorer, downloaded July 13, 2022, shows the median salary for executive directors as \$153,354 per year, which is 10% greater than the maximum salary available for the TEC executive Director since 2019; and shows the average annual salary for the position is \$184,690. That same source shows the median salary for those classified as General Counsel II, III, IV, and V as \$128,750 and that the average is \$132,642. The TEC asks for funding up to the lower of the two numbers, the median state salary.

¹² Tex. Gov't Code § 661.091

11) Digitization and shredding (\$325,296 in FY 2024 and \$325,296 in FY 2025)

The TEC is requesting funding in the amount of \$660,592 for the 2024-25 biennium to digitize decades of old reports the TEC is required to retain—including campaign finance, lobby, and personal financial statement¹³ filings—many of which predate the agency’s existence. The TEC has the equivalent of 710 boxes of paper documents stored on site, and another 602 boxes of documents and 142 reels of microfiche stored at the Texas State Library and Archives Commission (“TSLAC”), at the TEC’s expense. Scanning these documents would promote transparency and reduce the TEC’s need for staff by making it easier to respond to public information requests.

The TEC recently hired a vendor to professionally scan, verify, and shred a small portion of the agency’s documents. The cost estimate for this exceptional item was created by multiplying the per-box cost of that smaller project to the total number of remaining boxes.

Baseline Budget

The TEC’s approved 2024-2025 baseline budget is \$6,276,116. Included within that figure are the following items of significance:

A) FAM Vendor Support Maintenance (\$447,890 per year)

The cost of vendor services covered by the TEC’s electronic filing system maintenance contract¹⁴ has remained at the rate of FY 2018-19 biennium and includes coverage for the Form 1295 certificates. The TEC’s baseline maintenance contract includes 1,000 hours of pre-purchased labor per year for the vendor to perform basic ongoing maintenance to the filing system. These are distinct from the TEC’s “enhancement hours,” which are additional labor hours purchased for the purpose of designing, testing, and implementing improvements to the filing system. Continued funding of the baseline maintenance contract is necessary because termination of the vendor’s service to the TEC would delay the fixing of problems or code defects, negatively affecting filers trying to file statutorily-required reports on time to avoid penalties.

B) Legal Services (\$300,000 per year)

As described in the introduction to this revised LAR, the TEC continues to defend—at its own expense—the ethics statutes passed by the Legislature against legal challenges in state court. The continued successful defense of these lawsuits is necessary to ensure that the TEC may continue carrying out the will of the Legislature in enacting Chapters 305 and 571 of the Government Code. Because of the uncertainties of litigation, the TEC cannot know if or when these cases will

¹³ Tex. Gov’t Code § 572.032(d) provides that the TEC may destroy records of personal financial statements after the second anniversary of the date the individual ceases to be a state officer. In practice, this requires the TEC to retain many older reports because the retention is not based on when the report was filed.

¹⁴ Starting in FY 2020-21, the cost to the TEC to maintain the electronic filing and disclosure database system is \$477,890. The current budget structure prevents the agency from transferring funds or FTEs from other divisions into the Computer Services (IT) Division to cover any increases in system maintenance or enhancement costs.

go to trial or be resolved on appeal, and therefore it is necessary to have the resources to ensure payment for necessary legal representation.

C) Case Management (Sworn Complaints) Maintenance (\$22,000 per year¹⁵)

The TEC procured a case management system during FY 2020, which the TEC seeks to maintain.¹⁶

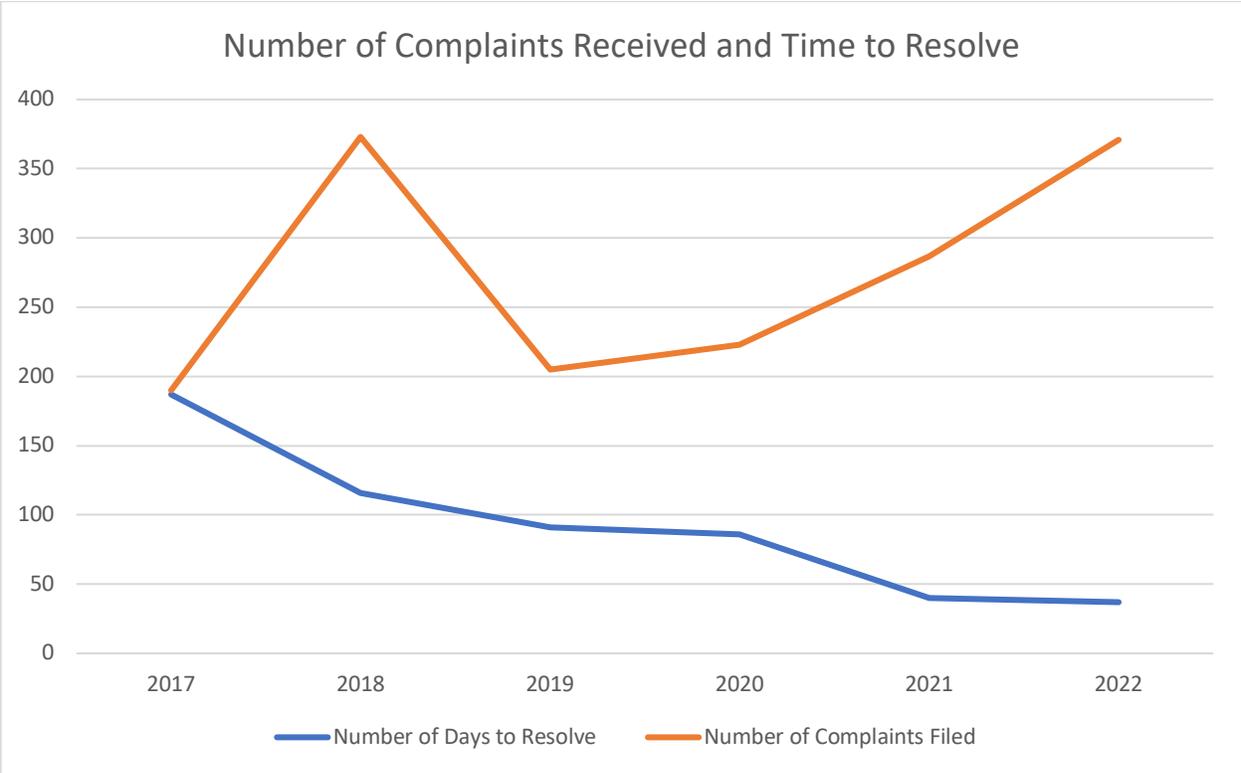
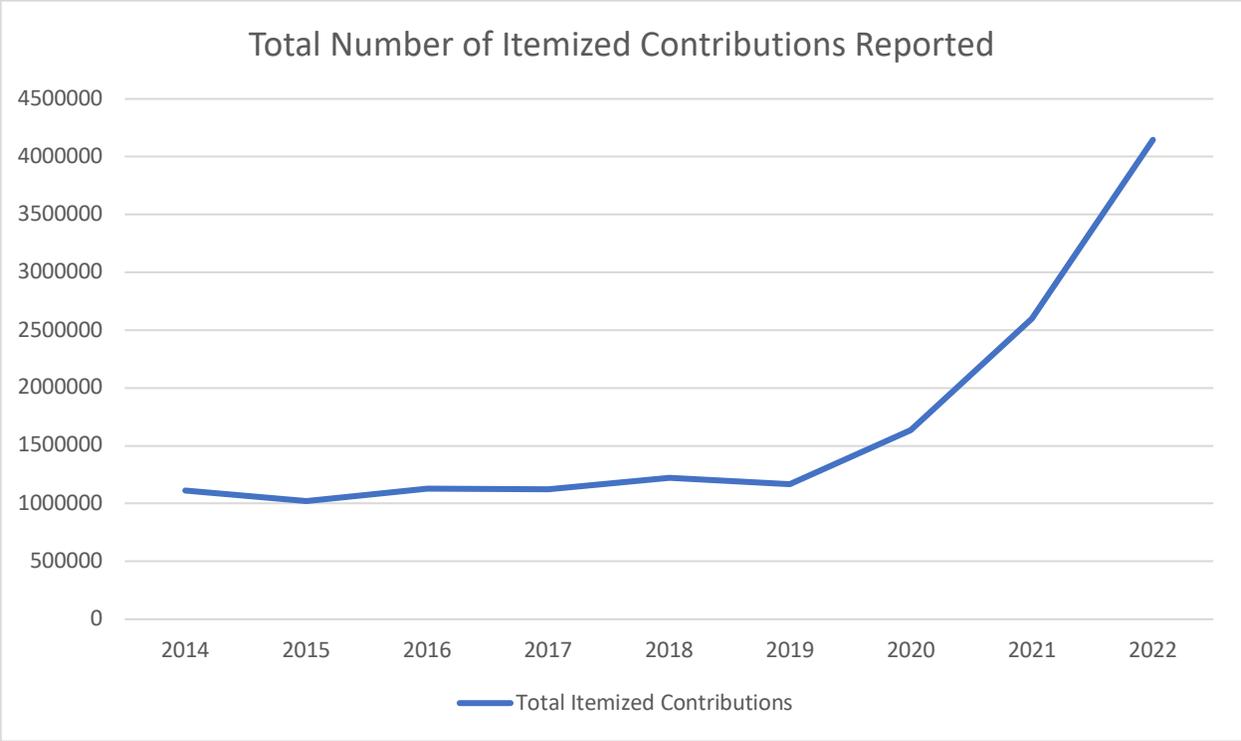
Background Checks

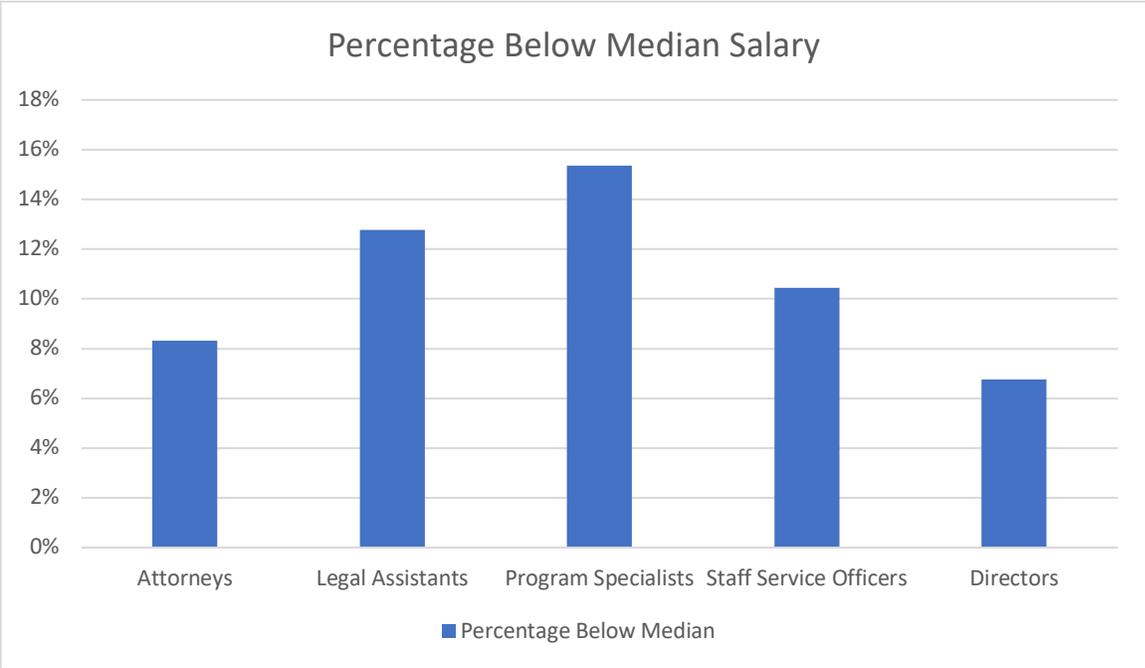
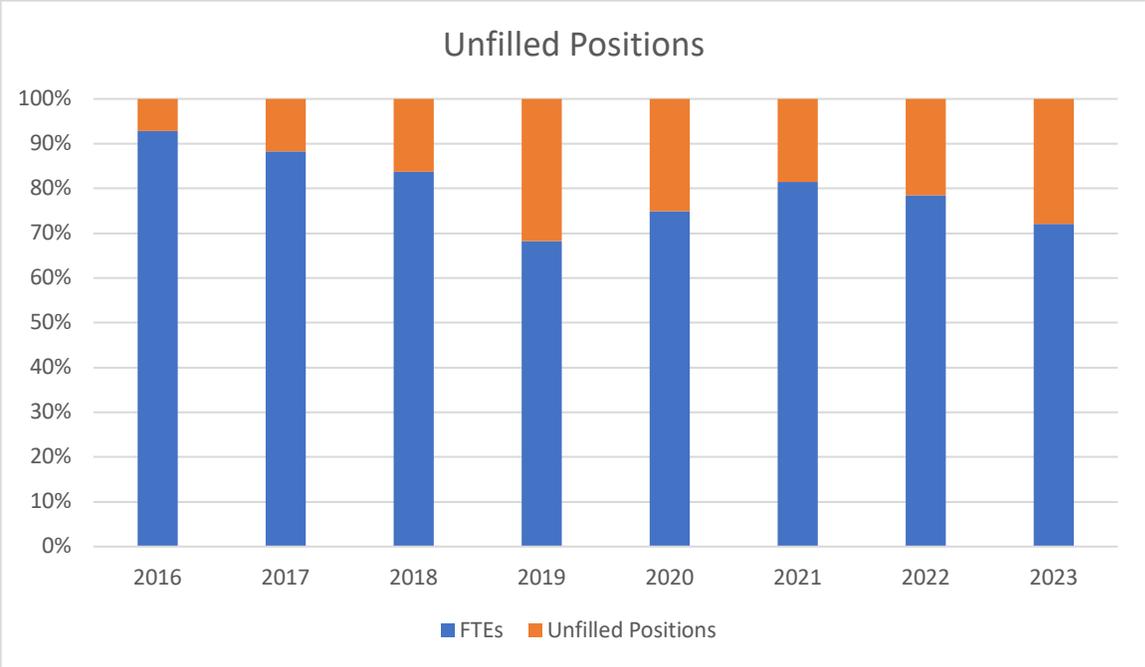
The TEC does not have the authority to conduct background checks.

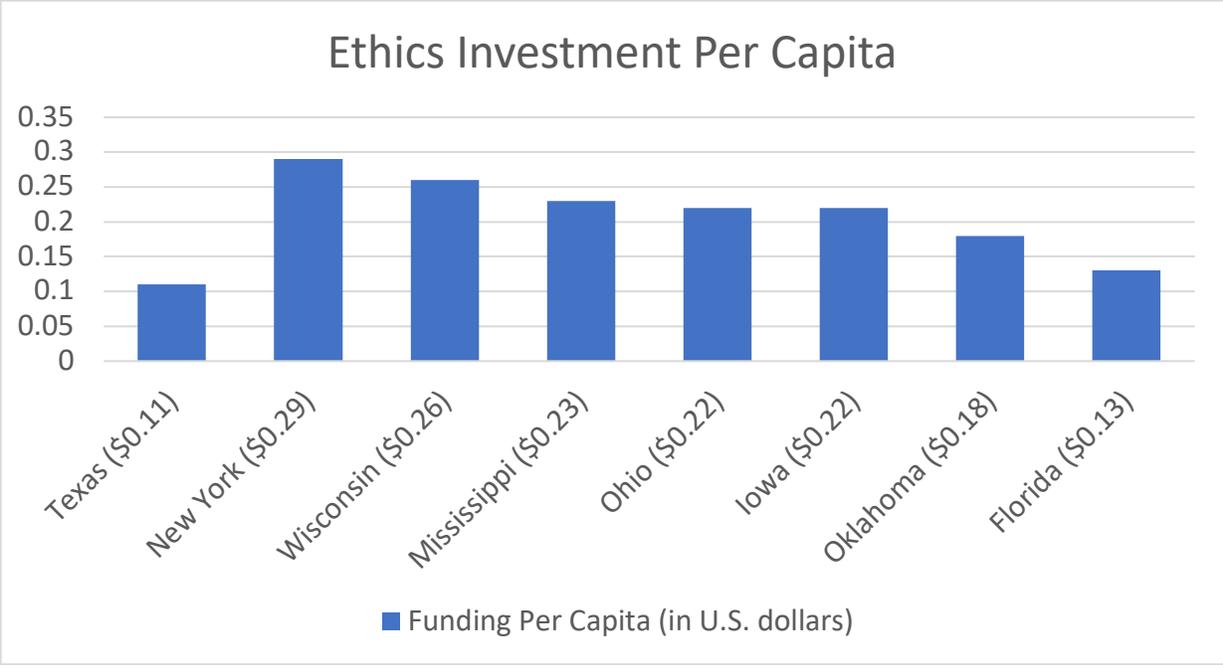
¹⁵ This amount does not cover the subscription renewal of \$23,005.25 per year, which is expected to increase by 5% in 2025.

¹⁶ See Exceptional Item No. 4 above for further discussion of this system.

Appendix





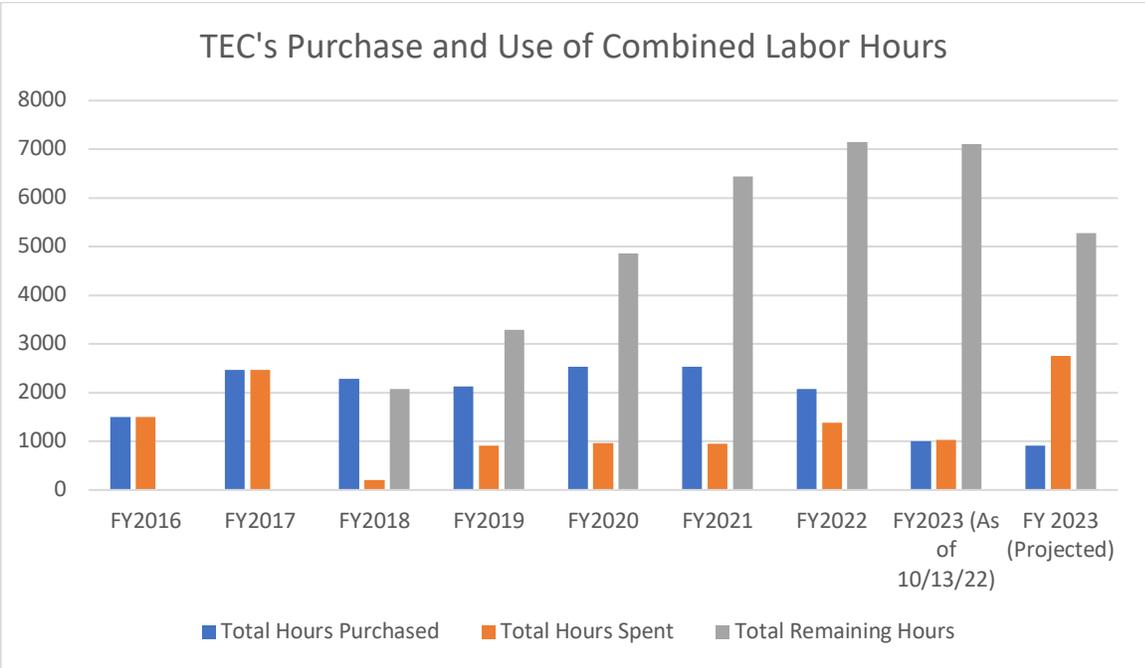
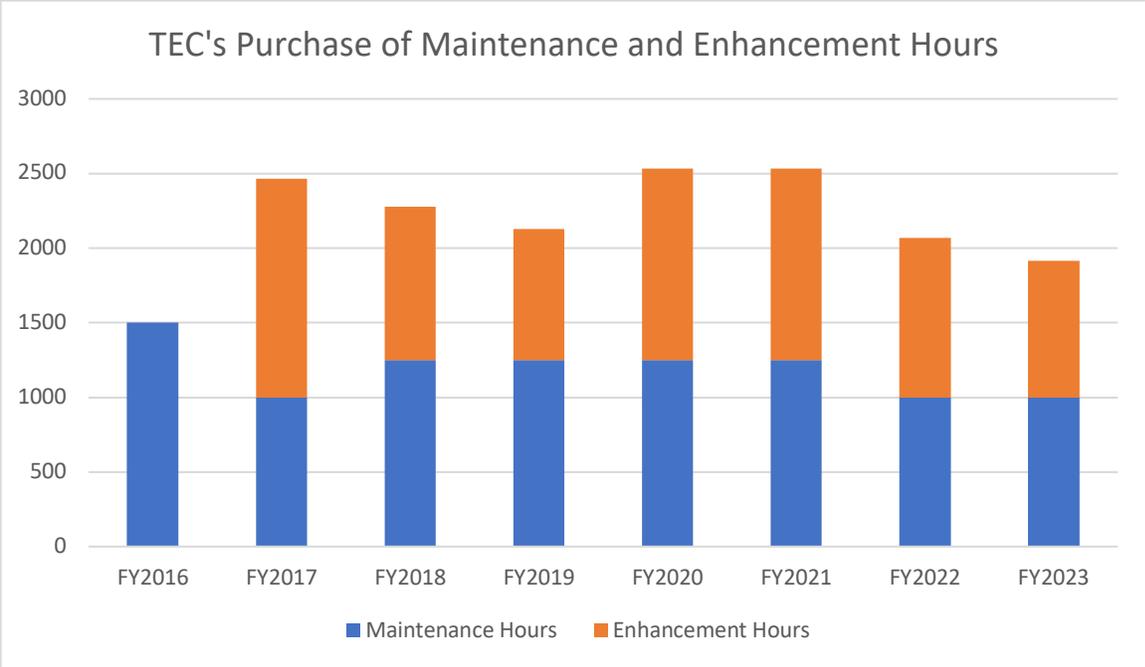


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| | Campaign Finance | Legislative Lobbying | Executive Lobbying | Financial Disclosure | Conflicts of Interest | Local Gov't | Gov't Contracts |
|---------|------------------|----------------------|--------------------|----------------------|-----------------------|-------------|-----------------|
| Texas | X | X | X | X | X | X | X |
| NY | | X | X | X | | | |
| Wis. | X | X | | X | X | | X |
| Miss. | | | | X | X | | |
| Ohio | | | | X | X | X | X |
| Iowa | X | | X | | X | | |
| Okla. | X | X | X | X | X | X | |
| Florida | | | X | X | X | X | |

¹⁷ New York

(<https://www.budget.ny.gov/pubs/archive/fy23/ex/agencies/appropdata/EthicsandLobbyingIndependentCommissionon.html>); Wisconsin (<https://doa.wi.gov/budget/SBO/2021-23%20521%20ETHIC%20Executive%20Budget.pdf>); Mississippi (<http://billstatus.ls.state.ms.us/documents/2022/html/SB/3000-3099/SB3021SG.htm>); Ohio (<https://www.lsc.ohio.gov/documents/budget/133/MainOperating/greenbook/ETH.PDF>); Iowa (http://publications.iowa.gov/39221/1/fy_2021_iowa_ethics_campaign_disclosure_board_budgets.pdf); Oklahoma (<https://www.ok.gov/ethics/Commission/News/>); Florida (<http://www.ethics.state.fl.us/Documents/Publications/2021%20Annual%20Report.pdf?cp=202245>).





**LEGISLATIVE
APPROPRIATIONS
REQUEST**

**Fiscal Years
2024 and 2025**

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

by

**Texas Ethics
Commission**

July 29, 2022

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Note: The following sections or supporting schedules did not apply to this submission:

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ADMINISTRATOR'S STATEMENT
88th Regular Session, Agency Submission

TEXAS ETHICS COMMISSION

The mission of the Texas Ethics Commission (TEC) is to promote public confidence in government.

The TEC protects the integrity of Texas's electoral process by shining a light on and curbing undue influence in electoral and political activities. The laws placed under the TEC's jurisdiction reflect a belief that democracy works best when voters can make informed decisions in the political process—decisions based in part on knowing the sources of financial support for candidates and political committees, the identity and activities of those who communicate directly with public officials for the purpose of influencing government action, and the financial interests of state officers and candidates.

The purpose of this Legislative Appropriations Request for Fiscal Years 2024 and 2025 is to ensure that the agency is able to continue to effectively accomplish its mission through the administration and enforcement of the state's campaign finance, lobby, and other ethics laws.

Agency Background

The TEC was created effective January 1, 1992, by a voter-approved constitutional amendment and concurrently-adopted enabling legislation. Under Section 24a, Article III, Texas Constitution, the TEC's governing body is composed of eight Commissioners, four of whom are appointed by the Governor, two by the Lieutenant Governor, and two by the Speaker of the House of Representatives. The Texas Constitution provides that four members must be selected from the Republican Party and four must be selected from the Democratic Party. The current Commissioners are as follows:

Board Member

Chad M. Craycraft
Randall H. Erben, Vice Chair
Chris Flood
Mary K. "Katie" Kennedy, Chair
Patrick W. Mizell
Richard S. Schmidt
Joseph O. Slovacek
Steven D. Wolens

Hometown

Dallas
Austin
Houston
Houston
Houston
Corpus Christi
Houston
Dallas

Accomplishment of Required Duties

In carrying out its mission, the TEC works to ensure that the agency: (1) responds to sworn complaints within five working days after filing;¹ (2) makes reports filed with the TEC available to the public within two working days of receipt;² and (3) provides responses to advisory opinion requests within 60 days or before the expiration of the extension periods.³ The TEC must meet at least once every calendar quarter,⁴ but may meet at other times at the call of the presiding officer. This biennium, the TEC has worked to increase participation by conducting hybrid meetings, allowing commissioners, respondents, filers appealing fines, and advisory opinion requestors to appear either in person or remotely.⁵

¹ Section 571.123(b), Texas Government Code.

² Section 254.0401(a), Texas Election Code.

³ Section 571.092(a), Texas Government Code (providing that advisory opinions must be issued within 60 days of a request, and providing that the Commission may by vote provide for two 30-day extensions). For more information on the TEC's compliance with this requirement, please refer to the agency strategic plan, found at https://www.ethics.state.tx.us/data/legislation/strategic/StrategicPlan_2021-2025.pdf at 14-16.

⁴ Section 571.025, Texas Government Code.

⁵ The agency continues to save the state money on travel; for more information, please see agency operating budget found here https://www.ethics.state.tx.us/data/legislation/reports/Operating_Budget_2022.pdf.

Exempt positions

The Texas Ethics Commission is requesting a change in its exempt positions, as described below.

Background checks

The TEC does not have the authority to conduct background checks.

Significant changes in policy

The TEC has no significant policy changes to report.

Significant changes in provision of service

Despite funding reductions, the TEC has dramatically improved its level of service. For example, even as the volume of new complaints increases the agency has reduced the average time to resolve complaints by 78% over the past five years.⁶ The agency has doubled the number of advisory opinions adopted each year over the past biennium and has devoted one full-time attorney to providing informal legal guidance on the phone to thousands of filers each year.

In response to frequently asked questions, the changing nature of expectations regarding training, and the needs of the community for continuing legal education in the area of campaign finance law, the TEC began providing online training for filers and produced a free webinar CLE series, giving any attorney in this state the ongoing no-cost opportunity to earn nine hours of credit approved by the Texas Board of Legal Specialization.

The TEC continues to update the electronic filing and disclosure database software to address legislative changes and increase of reporting thresholds by TEC rule.⁷

In fiscal year 2021, the TEC recovered \$257,040.03 in penalties and fees. None of these funds is dedicated to the TEC's budget; the funds are deposited to the General Revenue.

⁶ The average time to resolve a sworn complaint in FY 2017 was 187 days and in FY2021 the average time was 40 days, which better serves the interests of the respondent, the complainant, and the public. See also discussion of case management system in the exceptional item request below.

⁷ See 1 T.A.C. §18.31.

Significant Externalities

Last session, the TEC requested as an exceptional item funding to migrate its electronic filing system to managed cloud services, and the request was not granted. The TEC did not have the staff or budget to facilitate this without the appropriation, so the agency is having to navigate mission-critical issues caused by the outdated technology, including a recent campaign finance filing that was too large for the agency's existing technology to process without diverting server resources away from other agency systems.

Substantial increases in the Austin-area cost of living have adversely affected the TEC's ability to recruit and retain staff at the current agency budget,⁸ driving increased staff turnover.

The population growth in Texas and increase in number of candidates for elected office⁹ resulted in a larger regulated community served by the TEC.

The TEC is currently defending the ethics statutes passed by the Legislature against legal challenges in state court. The litigation is expected to continue into and beyond the 88th Legislative Session. The cost to taxpayers of litigation involving the TEC is further increased by the TEC's need to rely on outside counsel, due to the TEC's statutory inability to represent itself.

Budget Request

The TEC requests the following exceptional items:

Funding for basic technological improvements that will result in measurably better service to filers and the public; specifically:

1) **Managed Cloud Services for TEC Electronic Filing System (\$660,000 in FY 2024 and \$88,000 in FY2025)**

The agency's filing system is currently operated on local servers housed in the Sam Houston State Office Building. These servers were acquired in 2013 and 2014, and are no longer supported by the hardware vendor. The servers are vulnerable to power outages (whether by electricity reliability issues, natural disasters, or human error) because of their age and lack of support and replacement parts. For several years the agency has had to make special accommodations for certain filers because the size of their reports would test the limits of our hardware. And most recently, the servers were unable to handle the filing of an exceptionally large report without temporarily diverting server resources away from

⁸ The payroll of the TEC accounts for 55.9% of the agency's budget.

⁹ The number of candidate treasurer appointments on file with the TEC rose from 2071 in 2017-2018 to 2141 in 2019-2020 and again to 2295 in 2021-2022.

other agency systems. The agency predicts continuing problems as campaign finance reports have grown in size,¹⁰ and this will materially adversely affect public disclosure.

The filing system software is state-of-the-art, but is now limited by the current hardware platform. Moving to a cloud-managed platform has a number of advantages over replacing local servers. First, there are no hardware limitations, because resources can be allocated on an as-needed basis. This kind of system is not only more reliable, it is more cost efficient for an organization like the TEC with large variances in web traffic concentrated around a small number of filing deadlines each year. A cloud-managed system is also more resilient in response to natural disasters and power outages. The cost to replace the local hardware platform exceeds \$1,000,000, will take one year to put into production, and will have a 5 year expected lifetime.

The TEC requested funding for a cloud migration during the last legislative session, but that request was denied. At the time, the agency predicted that the migration would cost \$100,000, but this estimate did not include any costs for labor, as the agency anticipated using only labor hours available under its existing contract with the filing system vendor. Furthermore, the estimate was based on an assumption that we would have at least six months to a year to implement and test such a system. While this slower timeline may have been appropriate had the funding been secured during the last biennium, we are now at a critical juncture and at a considerable risk of the failure of the electronic filing system in the immediate future. A faster changeover is more labor intensive and requires more services from the vendor.

2) **Electronic Filing System maintenance, updates, and improvements (\$137,500 per year)**

The TEC seeks funding to enable the agency to make a number of improvements to the agency's electronic filing system to better serve our filers.

A. **Filer "dashboard" that quickly calculates and displays any unpaid penalties**

If funded, the TEC will make it easier for filers to know if they owe any penalties for late or missing reports, and, if so, exactly how the penalties were accrued. The agency wants to provide filers with an easy-to-understand online dashboard so that when filers log into the system, they can immediately see whether they've missed any reports, and, if so, how much they owe.

¹⁰ For example, major-party gubernatorial candidates itemized an average of \$5,619,311.29 in contributions on their July 2018 semiannual reports, but that number jumped to \$25,718,569.64 for their July 2022 semiannual reports. In 2014, the Republican gubernatorial candidate filed a July semiannual report that was 3,356 pages. The report was 2.21 times larger in 2018, at 7,420 pages, and was 7.05 times larger in 2022 at 23,668 pages. In 2014, the Democratic gubernatorial candidate filed a July semiannual report that was 7,614 pages. The July report of the Democratic gubernatorial candidate in 2022 was 13.45 times larger at 102,407 pages, which was too large for the existing filing system to handle.

B. Online payment portal

If funded, the TEC will streamline the payment process. Currently, filers are required to either send a physical check to the agency or provide their credit card information over the phone. The filing system should include an easier way for filers to pay electronically.

C. Streamline process for requesting waivers and reductions of penalties

The TEC has a set of rules that permits filers to request waivers or reductions of their fines. Each quarter, the TEC processes approximately 144 such requests, resulting in waivers or reductions amounting to approximately \$71,000. The system impartially considers the factors relevant to penalty waiver or reduction, such as the filer's history of compliance, and produces fair and appropriate results. However, the entire process is currently done by hand. Filers must print and submit an affidavit, and TEC staff must process each request individually by carefully reviewing the filer's information. Because of the volume of requests the agency receives, the entire process can sometimes take up to a year to complete.

The TEC wants to make it easier to file these requests directly within the electronic filing system. As much as possible, the TEC also wants to automate their processing. For example, TEC rules state that first-time offenders get an automatic waiver. Rather than needing a human to review the request and manually review the file, which is a labor-intensive process, the electronic filing system could automate these waivers by using the data that is already available to it (i.e. number of prior violations).

D. Automate PFS redactions to streamline open records requests

The TEC receives approximately 250 requests for personal financial statements each year, many of which are large requests for multiple reports. By law, the agency is required to provide those reports to requestors, but not before redacting certain information, including the filer's home addresses and the names of any dependent children. Currently, those redactions are done manually in response to each request. It would streamline the process and reduce the agency's need for staff hours if the filing system was capable of making those redactions automatically.

3) **Improve Agency Website User Interface** (\$150,000 one-time funding)

The TEC seeks funding to upgrade our website to better serve our filers and the public. Specifically, several areas of the website have confusing user interfaces that could be improved. For example, it is not obvious to many of our callers how to view anything but the most recent report filed by an individual or committee. It is

also difficult for at least some users to find certain information on our website, like, for example, the agency's legal guides.

Working with an outside vendor to improve the basic usability of our website will provide the best value to the state, given the TEC's current diminished staffing levels and the high salaries required to recruit in-house programming expertise.

4) **Case Management Software including Public Information Module (\$36,857 in FY 2024 and \$39,800 in FY 2025)**

In an effort to further increase efficiency,¹¹ TEC acquired a case management system to replace its outdated system. The system uses a subscription model for its billing, and the amount needed to maintain the TEC's license has increased. The agency seeks funding for that annual shortfall of \$2,155.51 for FY 2024 and \$3,363.28 for FY2025.

The TEC has used this system with great success. Through the use of the case management system and extraordinary efforts on the part of the few members of the enforcement staff, the average number of days to resolve a sworn complaint have decreased from 187 days in fiscal year 2017 to 40 days in fiscal year 2021. This improvement is needed as the workload continues to increase—in fiscal years 2017-2021, the TEC received an average of 255 complaints; in contrast, the TEC has received 337 complaints in fiscal year 2022 as of July 1, 2022. The increase in complaint volume has likely resulted from the TEC's launch of an online sworn complaint filing portal, which better serves the public and the TEC's enforcement mission, but which has strained the enforcement division's resources. If, as enforcement staff believe, the increase is due to the online portal, this increased volume is likely to continue.

When the TEC acquired a case management system, the amount appropriated for the agency did not cover the costs of obtaining a module to track public information requests. The agency receives, on average, 450¹² public information requests per year. Not only is complying with public information requests legally required, it is critical to the agency's mission of promoting public confidence in government.¹³ A case management system to track these requests will make complying with the requests more efficient, and will eliminate work being duplicated when multiple requests are received for the same or similar information. Because the same

¹¹ In fiscal years 2021 and 2022, the Commission received a total of 620 sworn complaints, and resolved 546.

¹² This represents a total agency number of public information requests, which are counted in separate division performance measures.

¹³This averages 18 requests per agency employee.

vendor who provides the case management system also provides a public information module for their software product, the TEC can procure this module at reduced cost by adding it to its existing case management system ($\$31,546 \times 10\% = \$34,701$). This public information request module is also priced on an annual subscription-based license model.

5) IT Helpline Analyst (\$50,000 per year)

Hiring a System Support Specialist III as a dedicated technology-support employee would further improve the agency's service to filers. During each fiscal year the TEC responds to approximately 18,000 requests for technical assistance; as of June 1 of this fiscal year the TEC CSD staff has already taken 1,674 requests by telephone alone. Computer services staff estimates that nearly half of these requests were assisting filers in accessing the electronic filing system. The computer services division currently consists of 3¹⁴ FTEs, and these employees have many other duties which include maintaining the TEC website, maintaining, updating and improving the TEC electronic filing system and database, managing the agency's cybersecurity, and handling open records requests. Having a knowledgeable analyst to assist with technical calls will both improve the quality of technical assistance available to filers and free up the agency's programming staff to focus on making improvements to the filing system. Funding this request will provide a measurable increase in the availability of technical services from the TEC and significant improvements to the usability of the agency's filing system.

As exceptional items, the TEC is also asking for funding for agency staff as described below, because a fully staffed TEC will result in measurable efficiencies and better service to filers and the public.

6) Fund agency positions at the median salary for their classifications. (\$178,113 per year)¹⁵

Twenty-one employees out of 25 are paid below the median salary for their classification. This has contributed to the high turnover rate experienced by the agency in comparison with similar agencies. During fiscal year 2021, the TEC experienced a turnover rate of 15.1%. The turnover rate for other Article I agencies in FY 2021 was 11.1%. Most of the turnover was to other state agencies which pay more than the TEC. Turnover in any division at the TEC has a negative effect on the quality of service provided to filers and the public. Because

¹⁴ This does not include the director of the Computer Services Division, who also serves as the director of the Disclosure Filings Division. Please see the agency organizational chart.

¹⁵ This figure represents the amount to pay every budgeted position at the mid-range, per the SAO classification information.

of the complex electronic filing and disclosure database system and the unique areas of law under the TEC's administration, it takes a minimum of two years for TEC legal, computer services, and disclosure filings staff to become fully trained in their respective roles. Turnover is disruptive to the agency and its mission.

7) **Fund promotions to reflect the classifications that match staff's actual duties. (\$17,690)¹⁶**

TEC is constrained in promoting employees because a promotion requires a 3.4 percent increase in salary or the minimum rate for the new salary group, whichever is higher¹⁷ and the agency does not have the funds for these earned promotions. More than half of agency employees are responsible for tasks that are listed at a higher classification than their position's current classification. Misclassifying staff contributes to turnover. As examples, an employee in the disclosure filings division classified as a program supervisor whose work met the job description of a Director I left the agency for a higher-paying private sector job; an Attorney II left for an Attorney IV position at another agency.

Additionally, these employees are required to perform tasks for multiple positions. The TEC has 10 unfilled positions. Of those, there is inadequate or no funding for 6 of these positions.

8) **Adjust Executive Director and General Counsel Salaries. (\$21,363 per year)**

The TEC is requesting an increase in the salaries of the Executive Director and General Counsel to bring their pay in line with the median salary of their positions in the state.¹⁸

The Executive Director is the chief administrative officer of the TEC. In addition to managing four divisions, up to 34 FTEs, a biennial budget of over \$6 million, and the day-to-day operations of the TEC, the Executive Director has functions specifically related to the administration and enforcement of the laws under the TEC's jurisdiction. By rule, all powers of the TEC that do not require a vote have been delegated to the Executive

¹⁶ This figure represents an increase of 3.4% for one quarter of the payroll after adding the amount to bring employees up to state agency standards so that the agency has budgeted amounts to promote some employees who are doing the work of higher classifications.

¹⁷ For Classification Salary Schedule B, the schedule applicable to all but three of the agency's employees.

¹⁸ Data from the Texas Tribune Salary Explorer, downloaded July 13, 2022, shows the median salary for executive directors as \$153,354 per year, which is 10% greater than the maximum salary available of the TEC executive director since 2019; and shows the average annual salary for the position is 184,690. That same source shows the median salary for those classified as General Counsel II, III, IV, and V as \$128,750 and that the average is \$132,642. The TEC asks for funding up to the lower of the two numbers, the median state salary.

Director. Due to the complex and unique areas of law under the TEC's jurisdiction, the TEC Executive Director has historically been an attorney with significant legal, policy, administrative, and managerial experience.

The TEC's General Counsel serves as legal counsel to the Commissioners, providing legal advice on decisions related to policy, personnel, procedures, and guidance on open meetings and open records laws. The General Counsel must be a licensed attorney and have extensive legal knowledge, including the laws, regulations, and rules under the TEC's administration and enforcement.

Increasing the Executive Director's and General Counsel's salaries will allow the TEC to attract and retain highly skilled personnel in key leaderships positions and bring these exempt salaries in line with other state agencies.

9) Fund unfunded FTE positions (\$295,561)

As mentioned above, the TEC has six unfilled, unfunded positions. Filling these authorized positions will allow the TEC to accomplish its duties as intended. In the Enforcement Division, filling these unfunded positions, even at the entry level, will enable the processing of sworn complaints and administrative fine appeals more efficiently: Attorney I (\$63,616), Administrative Assistant I (\$29,320), and Investigator (\$35,819).

In the Computer Services Division, filling the three open programmer positions (\$55,602), again even at the entry level, will help both TEC filers and any member of the public who seeks the information filed with the TEC by their public servants.

10) Lump sum payments to retiring/terminating employees (\$113,835)

The TEC is required to pay retiring employees a lump sum for unused annual leave.¹⁹ Five of the Commission's current employees are eligible for retirement in fiscal year 2024 and an additional three will become eligible in fiscal year 2025. Combined, this represents nearly one-third of the current workforce. Many of these employees occupy key positions within the agency, and will be owed payments of \$113,835 in lump sum entitlements upon their retirement.

Finally, the TEC seeks funding for the following exceptional item that will modernize the agency:

¹⁹ Section 661.091, Texas Government Code.

11) **Digitalization and shredding (\$325,296 per year)**

The commission is requesting funding in the amount of \$650,592 for the 2024-2025 biennium (\$325,296 FY 2024 and \$325,296 FY 2025) to digitize the files that the TEC is required to retain. Currently the TEC stores campaign finance, lobby, and personal financial statement filings²⁰ pre-electronic filing application in paper or microfiche form with the Texas State Library and Archives Commission (TSLAC) or in-house, and all human resources and sworn complaint files in-house. The cost to digitize only those files stored with TSLAC is \$359,297.90.

The records retention schedule of the TEC provides that an electronic copy may be deemed as the original. Once the TEC has digitized the records, the records will be easily accessible and paying storage costs to the Texas State Library and Archives Commission will no longer be necessary. This would be a two-year project due to the scope.

Overview of baseline budget

The Texas Ethics Commission's budget request was developed in accordance with the instructions provided by the Legislative Budget Board and the Governor's Budget Office Division. The Commission's approved 2024-2025 baseline budget is \$6,276,116.

Included within the \$6,276,116 baseline request for the 2024-2025 budget are the following items that are significant to maintaining the agency's operation:

A. FAM Vendor Support Maintenance (\$447,890 per year)

²⁰ Sec. 572.032(d), Texas Government Code, provides that the TEC may destroy records of personal financial statements after the second anniversary of the date the individual ceases to be a state officer. This requires the TEC to retain many older reports because the retention is not based on when the report was filed.

The cost of vendor services covered by the maintenance contract²¹ has remained at the rate of the FY 2018-2019 biennium and includes coverage for the Form 1295 certificates. Continued funding is necessary because termination of the vendor's service to the TEC would delay the fixing of problems or code defects, and performance testing; this would negatively affect filers trying to file statutorily required reports by the filing deadline to avoid penalties.

B. Legal Services (\$300,000 per year)

Since August 22, 2014, the Office of the Attorney General (OAG) has declined to represent the TEC in five lawsuits and seven appeals challenging the constitutionality of laws passed by the Legislature. Since then, the TEC has paid \$1,000,928.53 out of its own budget for the work of outside counsel in defense of these lawsuits. All of the litigation funded in the previous biennium is ongoing.

The continued successful defense of these lawsuits is necessary to ensure that the TEC may continue to enforce the laws that it is statutorily tasked with enforcing, and carrying out the will of the Legislature in enacting Chapter 571, Government Code. Because of the uncertainties of litigation, the TEC cannot be certain when these cases will go to trial, or be resolved, and therefore it is necessary to have the resources to ensure payment for necessary legal representation. If the TEC is unable to successfully resolve these cases, its legislatively-conferred enforcement authority may be eliminated, and its purpose in upholding Texas's ethics laws seriously frustrated. Funding this item ensures that the laws enacted by the Legislature will continue to be enforced.

C. Case Management (Sworn Complaints) maintenance (\$22,000²² per year)

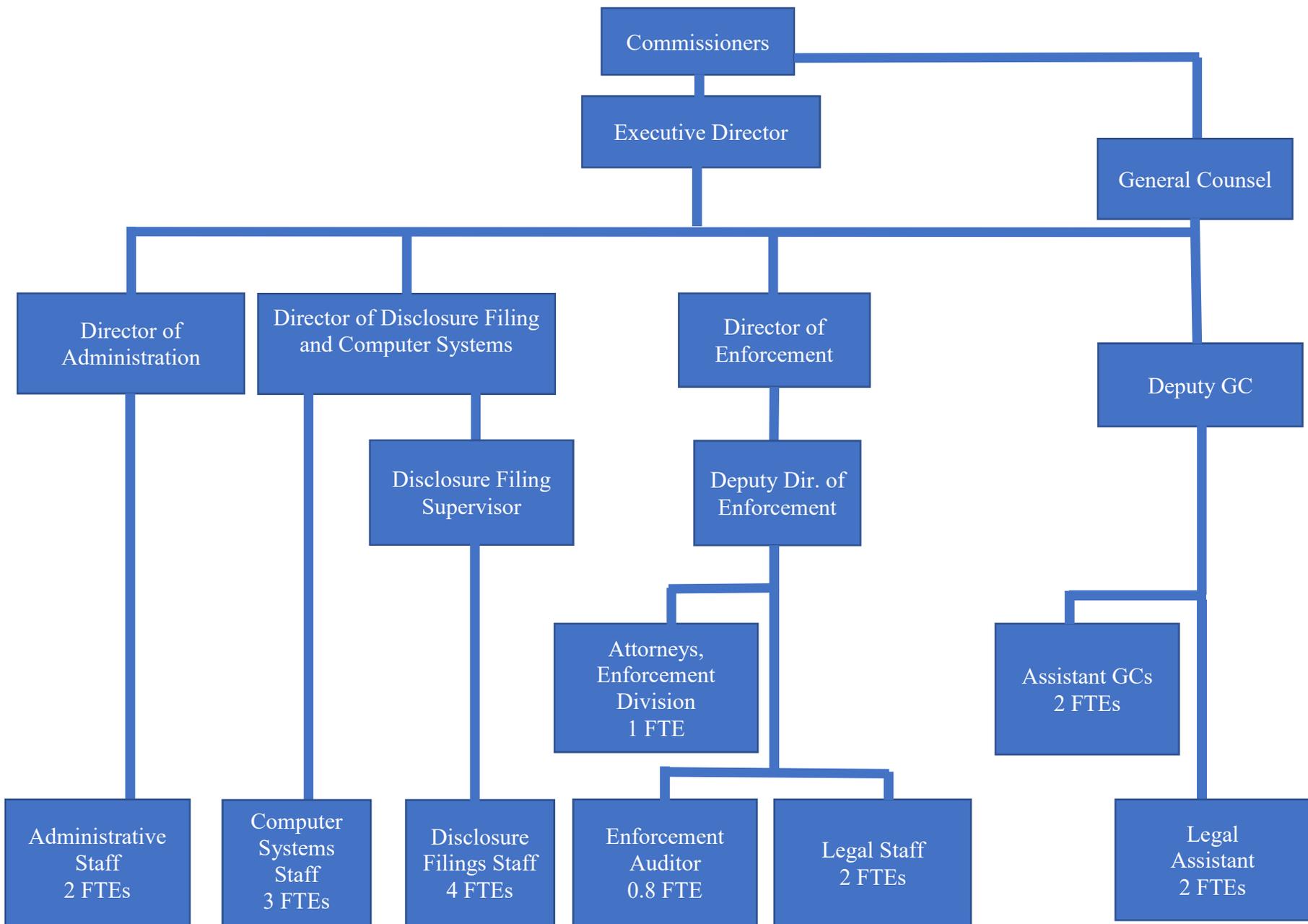
During FY 2020, TEC procured a case management system, which the TEC seeks to maintain.²³

²¹ Starting in FY 2020-2021, the cost to the TEC to maintain the electronic filing and disclosure database system is \$477,890. The current budget structure prevents the agency from transferring funds or FTEs from other divisions into the Computer Services (IT) Division to cover any increases in system maintenance or enhancement costs.

²² This amount does not cover the subscription renewal of \$23,005.25 per year, which is expected to increase by 5% in 2025.

²³ Please see Exceptional Item No. 4 above for discussion of the effectiveness of this system.

The TEC thanks the Legislature for its commitment to protecting the people of Texas by ensuring sound enforcement of the laws promulgated by the Legislature to govern campaign finance, political advertising, lobbying disclosures, and other public servant conflicts disclosures.





CERTIFICATE

Agency Name Texas Ethics Commission

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Governor's Office Budget Division (Governor's Office) 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 (2022-23 GAA).

Chief Executive Officer or Presiding Judge

A. T. Peters

Signature

Anne Temple Peters

Printed Name

Executive Director

Title

7/28/22

Date

Board or Commission Chair

Mary Katherine Kennedy

Signature

Mary Katherine Kennedy

Printed Name

Chair

Title

July 28, 2022

Date

Chief Financial Officer

Cristina Hernandez

Signature

Cristina Hernandez

Printed Name

Director of Finance + Administration

Title

07/29/2022

Date

Budget Overview - Biennial Amounts
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

356 Texas Ethics Commission
Appropriation Years: 2024-25

| | GENERAL REVENUE FUNDS | | GR DEDICATED | | FEDERAL FUNDS | | OTHER FUNDS | | ALL FUNDS | | EXCEPTIONAL ITEM FUNDS | |
|--|-----------------------|------------------|--------------|---------|---------------|---------|-------------|---------|------------------|------------------|------------------------------|--|
| | 2022-23 | 2024-25 | 2022-23 | 2024-25 | 2022-23 | 2024-25 | 2022-23 | 2024-25 | 2022-23 | 2024-25 | 2024-25 | |
| Goal: 1. Administer Public Disclosure/Ethics Laws | | | | | | | | | | | | |
| 1.1.1. Disclosure Filing | 672,220 | 630,436 | | | | | | | 672,220 | 630,436 | 669,976 | |
| 1.1.2. Office Of The General Counsel | 1,016,550 | 1,015,934 | | | | | | | 1,016,550 | 1,015,934 | 186,752 | |
| 1.1.3. Enforcement | 1,723,408 | 1,727,308 | | | | | | | 1,723,408 | 1,727,308 | 439,214 | |
| Total, Goal | 3,412,178 | 3,373,678 | | | | | | | 3,412,178 | 3,373,678 | 1,295,942 | |
| Goal: 2. Indirect Administration | | | | | | | | | | | | |
| 2.1.1. Central Administration | 802,074 | 833,274 | | | | | | | 802,074 | 833,274 | 158,326 | |
| 2.1.2. Information Resources | 2,336,864 | 2,069,164 | | | | | | | 2,336,864 | 2,069,164 | 1,799,105 | |
| Total, Goal | 3,138,938 | 2,902,438 | | | | | | | 3,138,938 | 2,902,438 | 1,957,431 | |
| Total, Agency | 6,551,116 | 6,276,116 | | | | | | | 6,551,116 | 6,276,116 | 3,253,373 | |
| Total FTEs | | | | | | | | | 28.8 | 34.4 | 1.0 | |

2.A. Summary of Base Request by Strategy

7/29/2022 9:52:07AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

356 Texas Ethics Commission

| Goal / Objective / STRATEGY | Exp 2021 | Est 2022 | Bud 2023 | Req 2024 | Req 2025 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| 1 Administer Public Disclosure/Ethics Laws | | | | | |
| 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints | | | | | |
| 1 DISCLOSURE FILING | 314,522 | 331,710 | 340,510 | 315,218 | 315,218 |
| 2 OFFICE OF THE GENERAL COUNSEL | 549,008 | 506,925 | 509,625 | 507,967 | 507,967 |
| 3 ENFORCEMENT | 790,467 | 849,204 | 874,204 | 863,654 | 863,654 |
| TOTAL, GOAL 1 | \$1,653,997 | \$1,687,839 | \$1,724,339 | \$1,686,839 | \$1,686,839 |
| 2 Indirect Administration | | | | | |
| 1 Indirect Administration | | | | | |
| 1 CENTRAL ADMINISTRATION | 412,990 | 385,437 | 416,637 | 416,637 | 416,637 |
| 2 INFORMATION RESOURCES | 1,099,312 | 1,164,782 | 1,172,082 | 1,034,582 | 1,034,582 |
| TOTAL, GOAL 2 | \$1,512,302 | \$1,550,219 | \$1,588,719 | \$1,451,219 | \$1,451,219 |
| TOTAL, AGENCY STRATEGY REQUEST | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |

2.A. Summary of Base Request by Strategy

7/29/2022 9:52:07AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

356 Texas Ethics Commission

| Goal / Objective / STRATEGY | Exp 2021 | Est 2022 | Bud 2023 | Req 2024 | Req 2025 |
|--|-------------|-------------|-------------|-------------|-------------|
| TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST* | | | | \$0 | \$0 |
| GRAND TOTAL, AGENCY REQUEST | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |
| <u>METHOD OF FINANCING:</u> | | | | | |
| General Revenue Funds: | | | | | |
| 1 General Revenue Fund | 3,166,299 | 3,238,058 | 3,313,058 | 3,138,058 | 3,138,058 |
| SUBTOTAL | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |
| Other Funds: | | | | | |
| 666 Appropriated Receipts | 0 | 0 | 0 | 0 | 0 |
| SUBTOTAL | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL, METHOD OF FINANCING | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |

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

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/29/2022 9:52:07AM

Agency code: **356** Agency name: **Texas Ethics Commission**

| METHOD OF FINANCING | Exp 2021 | Est 2022 | Bud 2023 | Req 2024 | Req 2025 |
|---------------------|----------|----------|----------|----------|----------|
|---------------------|----------|----------|----------|----------|----------|

GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2020-21 GAA)

| | | | | |
|-------------|-----|-----|-----|-----|
| \$3,466,936 | \$0 | \$0 | \$0 | \$0 |
|-------------|-----|-----|-----|-----|

Comments: FY 2021 GAA Appropriation

Regular Appropriations from MOF Table (2022-23 GAA)

| | | | | |
|-----|-------------|-------------|-----|-----|
| \$0 | \$3,175,558 | \$3,175,558 | \$0 | \$0 |
|-----|-------------|-------------|-----|-----|

Comments: FY 2022 and 2023 GAA Appropriation

Regular Appropriations from MOF Table (2024-25 GAA)

| | | | | |
|-----|-----|-----|-------------|-------------|
| \$0 | \$0 | \$0 | \$3,138,058 | \$3,138,058 |
|-----|-----|-----|-------------|-------------|

Comments: FY 2024 and FY 2025

SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS

HB 2, 87th Leg, Regular Session

| | | | | |
|-----------|-----|-----|-----|-----|
| \$275,000 | \$0 | \$0 | \$0 | \$0 |
|-----------|-----|-----|-----|-----|

Comments: Supplemental FY 2021 Appropriations for enhancement hours

2.B. Summary of Base Request by Method of Finance
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/29/2022 9:52:07AM

| Agency code: 356 | Agency name: Texas Ethics Commission | | | | |
|---|---|-----------------|-----------------|-----------------|-----------------|
| METHOD OF FINANCING | Exp 2021 | Est 2022 | Bud 2023 | Req 2024 | Req 2025 |
| <u>GENERAL REVENUE</u> | | | | | |
| HB 2, 87th Leg, Regular Session | \$(275,000) | \$0 | \$0 | \$0 | \$0 |
| Comments: UB Forward HB2 Supplemental for Enhancement Hours out from FY 2021 into FY 2022 | | | | | |
| HB 2, 87th Leg, Regular Session | \$0 | \$(137,500) | \$0 | \$0 | \$0 |
| Comments: UB Forward HB2 Supplemental for Enhancement Hours unspent FY 2022 funds into FY 2023 | | | | | |
| HB 2, 87th Leg, Regular Session | \$0 | \$275,000 | \$0 | \$0 | \$0 |
| Comments: UB FORWARD HB2 Supplemental funds out of FY21 and into FY 22 | | | | | |
| HB 2, 87th Leg, Regular Session | \$0 | \$0 | \$137,500 | \$0 | \$0 |
| Comments: UB FORWARD HB2 Supplemental funds out of FY2022 and into FY 2023 | | | | | |
| <i>LAPSED APPROPRIATIONS</i> | | | | | |
| Lapsed appropriations FY 2021 | \$(300,637) | \$0 | \$0 | \$0 | \$0 |

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

7/29/2022 9:52:07AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **356**

Agency name: **Texas Ethics Commission**

| METHOD OF FINANCING | Exp 2021 | Est 2022 | Bud 2023 | Req 2024 | Req 2025 |
|---------------------|----------|----------|----------|----------|----------|
|---------------------|----------|----------|----------|----------|----------|

GENERAL REVENUE

Comments: Lapsed FY 2021:

13001= \$16,214.51 (Salary unfilled); \$1,430.73 (consumables) and \$3,343.06 (Other Operating Expenditures)

13002=\$2,339.95 (excess Trns In for Salary shortfall); \$1,633.80 (other operating exp.)

13003=\$32,061.64 (salaries); \$57,755.98 (Legal Srvc/Professional Fees); \$292.76 (consumables); \$146.82 (Utilities); \$17,789.44 (Travel); \$287.01 (rent/machines); \$10,494.12 (other operating Exp).

13007= \$25,661.09 (salaries); \$240 (Other Personnel Cost); \$4,501.16 Prof. Fees); \$21.85 (Utilities); \$51,806.26 (Other Operating Exp)

13800=\$.08 (salaries); \$18,689.54 (Other Personnel costs); \$565.50 (Prof. Fees); \$39.87(Consumables); \$168.06 (Rent Machines); \$390.96 (Other Operating Exp)

26005: (Retirement Rider) \$38,600 from ENF (13002); \$18,000 from CSD (13007); \$8,174.05 from Admin (13800) for Unexpended Retirement rider

Lapsed Regular Appropriations 2022-2023 GAA

| | | | | |
|-----|------------|-----|-----|-----|
| \$0 | \$(75,000) | \$0 | \$0 | \$0 |
|-----|------------|-----|-----|-----|

Comments: Estimated lapses FY 2022-2023

Est: FY 2022:

13001= \$0;

13002= \$0;

13003= \$0;

13007= \$0;

13800= \$0

27004= \$75,000 (Lumpsum/Retirement Rider)

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

7/29/2022 9:52:07AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

| Agency code: 356 | | Agency name: Texas Ethics Commission | | | | |
|-------------------------------|-----------------------------|--------------------------------------|-------------|-------------|-------------|-------------|
| METHOD OF FINANCING | | Exp 2021 | Est 2022 | Bud 2023 | Req 2024 | Req 2025 |
| <u>GENERAL REVENUE</u> | | | | | | |
| TOTAL, | General Revenue Fund | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |
| TOTAL, ALL | GENERAL REVENUE | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |

OTHER FUNDS

666 Appropriated Receipts

RIDER APPROPRIATION

Art IX, Sec 8.02, Reimbursements and Payments (2020-21 GAA)

| | | | | |
|---------|-----|-----|-----|-----|
| \$5,977 | \$0 | \$0 | \$0 | \$0 |
|---------|-----|-----|-----|-----|

Comments: Collected Revenue on copy orders FY 2021

Art IX, Sec 8.02, Reimbursements and Payments (2022-23 GAA)

| | | | | |
|-----|---------|-----|-----|-----|
| \$0 | \$3,700 | \$0 | \$0 | \$0 |
|-----|---------|-----|-----|-----|

Comments: estimated collected revenue copy orders FY 22-23

LAPSED APPROPRIATIONS

Lapsed appropriations FY 2021 Funds (2020-21 GAA)

| | | | | |
|-----------|-----|-----|-----|-----|
| \$(5,977) | \$0 | \$0 | \$0 | \$0 |
|-----------|-----|-----|-----|-----|

Comments: Lapsed FY 2021:

13001=\$5,977.36 (Rev. Collected);

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

7/29/2022 9:52:07AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

| Agency code: 356 | | Agency name: Texas Ethics Commission | | | | |
|---|------------------------------|---|--------------------|--------------------|--------------------|--------------------|
| METHOD OF FINANCING | | Exp 2021 | Est 2022 | Bud 2023 | Req 2024 | Req 2025 |
| <u>OTHER FUNDS</u> | | | | | | |
| Regular Appropriations from MOF Table (2022-23 GAA)Lapsed Regular Appropriations 2022-2023 GAA | | | | | | |
| | | \$0 | \$(3,700) | \$0 | \$0 | \$0 |
| Comments: Est: FY 2022: 13001= \$3,700 (collected revenue): | | | | | | |
| TOTAL, | Appropriated Receipts | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL, ALL | OTHER FUNDS | \$0 | \$0 | \$0 | \$0 | \$0 |
| GRAND TOTAL | | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |

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

7/29/2022 9:52:07AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

| Agency code: 356 | Agency name: Texas Ethics Commission | | | | |
|--|---|-----------------|-----------------|-----------------|-----------------|
| METHOD OF FINANCING | Exp 2021 | Est 2022 | Bud 2023 | Req 2024 | Req 2025 |
| FULL-TIME-EQUIVALENT POSITIONS | | | | | |
| REGULAR APPROPRIATIONS | | | | | |
| Regular Appropriations from MOF Table (2020-21 GAA) | 34.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| Regular Appropriations from MOF Table (2022-23 GAA) | 0.0 | 34.4 | 34.4 | 0.0 | 0.0 |
| Regular Appropriations from MOF Table (2024-25 GAA) | 0.0 | 0.0 | 0.0 | 34.4 | 34.4 |
| UNAUTHORIZED NUMBER OVER (BELOW) CAP | | | | | |
| Unfilled FTEs FY 2021 | (6.2) | 0.0 | 0.0 | 0.0 | 0.0 |
| UnFilled FTEs FY 2022-2023 | 0.0 | (9.6) | (5.6) | 0.0 | 0.0 |
| Comments: Estimated vacancies | | | | | |
| TOTAL, ADJUSTED FTES | 28.2 | 24.8 | 28.8 | 34.4 | 34.4 |

**NUMBER OF 100% FEDERALLY FUNDED
FTEs**

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

7/29/2022 9:52:08AM

88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

356 Texas Ethics Commission

| OBJECT OF EXPENSE | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 1001 SALARIES AND WAGES | \$1,810,724 | \$1,931,512 | \$1,931,512 | \$1,931,512 | \$1,931,512 |
| 1002 OTHER PERSONNEL COSTS | \$256,981 | \$111,141 | \$184,161 | \$190,735 | \$190,735 |
| 2001 PROFESSIONAL FEES AND SERVICES | \$189,388 | \$314,064 | \$314,064 | \$316,668 | \$316,668 |
| 2003 CONSUMABLE SUPPLIES | \$3,693 | \$6,145 | \$6,145 | \$4,594 | \$4,594 |
| 2004 UTILITIES | \$1,362 | \$1,451 | \$1,431 | \$1,633 | \$1,633 |
| 2005 TRAVEL | \$2,210 | \$15,000 | \$15,000 | \$8,940 | \$8,940 |
| 2006 RENT - BUILDING | \$1,092 | \$985 | \$985 | \$2,525 | \$2,525 |
| 2007 RENT - MACHINE AND OTHER | \$10,955 | \$9,447 | \$9,447 | \$5,800 | \$5,800 |
| 2009 OTHER OPERATING EXPENSE | \$271,488 | \$240,923 | \$242,923 | \$205,761 | \$205,761 |
| 5000 CAPITAL EXPENDITURES | \$618,406 | \$607,390 | \$607,390 | \$469,890 | \$469,890 |
| OOE Total (Excluding Riders) | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |
| OOE Total (Riders) | | | | \$0 | \$0 |
| Grand Total | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |

2.D. Summary of Base Request Objective Outcomes
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

7/29/2022 9:52:08AM

356 Texas Ethics Commission

| Goal/ Objective / Outcome | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---|----------|----------|----------|---------|---------|
| 1 Administer Public Disclosure/Ethics Laws | | | | | |
| 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints | | | | | |
| 1 Percent of Reports Available for Public Inspection within Two Days | 99.98% | 99.98% | 99.98% | 99.98% | 99.98% |
| 2 % of Sworn Complaints Processed within Five Working Days after Filing | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| KEY 3 Percent of Advisory Opinion Requests Answered | 100.00% | 100.00% | 90.00% | 90.00% | 90.00% |

2.E. Summary of Exceptional Items Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME : 9:52:08AM

Agency code: 356

Agency name: Texas Ethics Commission

| Priority | Item | 2024 | | | 2025 | | | Biennium | |
|---|-------------------------------------|------------------------|--------------------|------------|---------------------|--------------------|------------|---------------------|--------------------|
| | | GR and GR/GR Dedicated | All Funds | FTEs | GR and GR Dedicated | All Funds | FTEs | GR and GR Dedicated | All Funds |
| 1 | Managed Cloud Services | \$660,000 | \$660,000 | | \$88,000 | \$88,000 | | \$748,000 | \$748,000 |
| 2 | Enhancement to Filing System | \$137,500 | \$137,500 | 0.0 | \$137,500 | \$137,500 | 0.0 | \$275,000 | \$275,000 |
| 3 | Website User interface | \$150,000 | \$150,000 | | \$0 | \$0 | | \$150,000 | \$150,000 |
| 4 | PIR Module & SC Case Mgmt shortfall | \$36,857 | \$36,857 | 0.0 | \$39,800 | \$39,800 | 0.0 | \$76,657 | \$76,657 |
| 5 | IT Helpline Analyst | \$50,000 | \$50,000 | 1.0 | \$50,000 | \$50,000 | 1.0 | \$100,000 | \$100,000 |
| 6 | Funding for agency staff | \$178,113 | \$178,113 | 0.0 | \$178,113 | \$178,113 | 0.0 | \$356,226 | \$356,226 |
| 7 | Fund promotions | \$17,690 | \$17,690 | | \$17,690 | \$17,690 | | \$35,380 | \$35,380 |
| 8 | Exempt Positions | \$21,363 | \$21,363 | | \$21,363 | \$21,363 | | \$42,726 | \$42,726 |
| 9 | Unfunded vacant FTE positions | \$295,561 | \$295,561 | | \$295,561 | \$295,561 | | \$591,122 | \$591,122 |
| 10 | Lumpsum and retirement payments | \$113,835 | \$113,835 | | \$113,835 | \$113,835 | | \$227,670 | \$227,670 |
| 11 | Digitization & shredding project | \$325,296 | \$325,296 | | \$325,296 | \$325,296 | | \$650,592 | \$650,592 |
| Total, Exceptional Items Request | | \$1,986,215 | \$1,986,215 | 1.0 | \$1,267,158 | \$1,267,158 | 1.0 | \$3,253,373 | \$3,253,373 |

Method of Financing

| | | | | | | | | |
|-----------------------------|--------------------|--------------------|--|--------------------|--------------------|--|--------------------|--------------------|
| General Revenue | \$1,986,215 | \$1,986,215 | | \$1,267,158 | \$1,267,158 | | \$3,253,373 | \$3,253,373 |
| General Revenue - Dedicated | | | | | | | | |
| Federal Funds | | | | | | | | |
| Other Funds | | | | | | | | |
| | \$1,986,215 | \$1,986,215 | | \$1,267,158 | \$1,267,158 | | \$3,253,373 | \$3,253,373 |

Full Time Equivalent Positions

1.0

1.0

2.E. Summary of Exceptional Items Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME : 9:52:08AM

Agency code: 356

Agency name: **Texas Ethics Commission**

| Priority | Item | 2024 | | | 2025 | | | Biennium | |
|----------|------|---------------------------|-----------|------|------------------------|-----------|------|------------------------|-----------|
| | | GR and GR/GR Dedicated | All Funds | FTEs | GR and GR Dedicated | All Funds | FTEs | GR and GR Dedicated | All Funds |

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 7/29/2022
 TIME : 9:52:08AM

Agency code: 356 Agency name: Texas Ethics Commission

| Goal/Objective/STRATEGY | Base 2024 | Base 2025 | Exceptional 2024 | Exceptional 2025 | Total Request 2024 | Total Request 2025 |
|---|----------------------|----------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| 1 Administer Public Disclosure/Ethics Laws | | | | | | |
| <i>1 Access Required Reports; Respond to Advisory Reqs & Sworn Comp</i> | | | | | | |
| 1 DISCLOSURE FILING | \$315,218 | \$315,218 | \$334,988 | \$334,988 | \$650,206 | \$650,206 |
| 2 OFFICE OF THE GENERAL COUNSEL | 507,967 | 507,967 | 93,376 | 93,376 | 601,343 | 601,343 |
| 3 ENFORCEMENT | 863,654 | 863,654 | 219,607 | 219,607 | 1,083,261 | 1,083,261 |
| TOTAL, GOAL 1 | \$1,686,839 | \$1,686,839 | \$647,971 | \$647,971 | \$2,334,810 | \$2,334,810 |
| 2 Indirect Administration | | | | | | |
| <i>1 Indirect Administration</i> | | | | | | |
| 1 CENTRAL ADMINISTRATION | 416,637 | 416,637 | 79,163 | 79,163 | 495,800 | 495,800 |
| 2 INFORMATION RESOURCES | 1,034,582 | 1,034,582 | 1,259,081 | 540,024 | 2,293,663 | 1,574,606 |
| TOTAL, GOAL 2 | \$1,451,219 | \$1,451,219 | \$1,338,244 | \$619,187 | \$2,789,463 | \$2,070,406 |
| TOTAL, AGENCY STRATEGY REQUEST | \$3,138,058 | \$3,138,058 | \$1,986,215 | \$1,267,158 | \$5,124,273 | \$4,405,216 |
| TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GRAND TOTAL, AGENCY REQUEST | \$3,138,058 | \$3,138,058 | \$1,986,215 | \$1,267,158 | \$5,124,273 | \$4,405,216 |

2.F. Summary of Total Request by Strategy
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 7/29/2022
 TIME : 9:52:08AM

Agency code: 356 Agency name: Texas Ethics Commission

| Goal/Objective/STRATEGY | Base 2024 | Base 2025 | Exceptional 2024 | Exceptional 2025 | Total Request 2024 | Total Request 2025 |
|---------------------------------------|----------------------|----------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| General Revenue Funds: | | | | | | |
| 1 General Revenue Fund | \$3,138,058 | \$3,138,058 | \$1,986,215 | \$1,267,158 | \$5,124,273 | \$4,405,216 |
| | \$3,138,058 | \$3,138,058 | \$1,986,215 | \$1,267,158 | \$5,124,273 | \$4,405,216 |
| Other Funds: | | | | | | |
| 666 Appropriated Receipts | 0 | 0 | 0 | 0 | 0 | 0 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL, METHOD OF FINANCING | \$3,138,058 | \$3,138,058 | \$1,986,215 | \$1,267,158 | \$5,124,273 | \$4,405,216 |
| FULL TIME EQUIVALENT POSITIONS | 34.4 | 34.4 | 1.0 | 1.0 | 35.4 | 35.4 |

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints Service Categories:
 STRATEGY: 1 Serve as the Repository for Statutorily Required Information Service: 02 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------------------------------------|--|------------|------------|--------------|------------|--------------|
| Output Measures: | | | | | | |
| KEY 1 | Number of Reports Logged within Two Working Days of Receipt | 94,972.00 | 96,936.00 | 92,485.00 | 92,485.00 | 92,485.00 |
| 2 | Number of Reports Received and Processed | 94,994.00 | 96,988.00 | 92,510.00 | 92,510.00 | 92,510.00 |
| Explanatory/Input Measures: | | | | | | |
| 1 | Number of Inquiries for Information | 976,768.00 | 976,768.00 | 1,147,315.00 | 976,768.00 | 1,147,315.00 |
| 2 | Number of Lobbyists Registered with the Commission | 1,803.00 | 1,594.00 | 1,803.00 | 1,594.00 | 1,919.00 |
| 3 | # of Public Officials Required to File Reports with the Commission | 2,712.00 | 2,825.00 | 2,712.00 | 2,825.00 | 2,825.00 |
| 4 | Number of Reports Due Filed Electronically | 94,782.00 | 96,704.00 | 94,782.00 | 96,704.00 | 94,782.00 |
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$239,799 | \$258,500 | \$258,500 | \$258,500 | \$258,500 |
| 1002 | OTHER PERSONNEL COSTS | \$40,240 | \$36,134 | \$44,934 | \$21,220 | \$21,220 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$247 | \$250 | \$250 | \$350 | \$350 |
| 2003 | CONSUMABLE SUPPLIES | \$1,569 | \$3,500 | \$3,500 | \$2,437 | \$2,437 |
| 2004 | UTILITIES | \$0 | \$20 | \$20 | \$0 | \$0 |
| 2005 | TRAVEL | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2006 | RENT - BUILDING | \$596 | \$600 | \$600 | \$1,710 | \$1,710 |

3.A. Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

7/29/2022 9:52:09AM

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws

OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints

Service Categories:

STRATEGY: 1 Serve as the Repository for Statutorily Required Information

Service: 02

Income: A.2

Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|--------------------------|------------------|------------------|------------------|------------------|------------------|
| 2007 | RENT - MACHINE AND OTHER | \$5,926 | \$6,000 | \$6,000 | \$900 | \$900 |
| 2009 | OTHER OPERATING EXPENSE | \$26,145 | \$26,706 | \$26,706 | \$30,101 | \$30,101 |
| TOTAL, OBJECT OF EXPENSE | | \$314,522 | \$331,710 | \$340,510 | \$315,218 | \$315,218 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$314,522 | \$331,710 | \$340,510 | \$315,218 | \$315,218 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$314,522 | \$331,710 | \$340,510 | \$315,218 | \$315,218 |
| Method of Financing: | | | | | | |
| 666 | Appropriated Receipts | \$0 | \$0 | \$0 | \$0 | \$0 |
| SUBTOTAL, MOF (OTHER FUNDS) | | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$315,218 | \$315,218 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$314,522 | \$331,710 | \$340,510 | \$315,218 | \$315,218 |
| FULL TIME EQUIVALENT POSITIONS: | | 5.9 | 5.7 | 6.0 | 6.0 | 6.0 |
| STRATEGY DESCRIPTION AND JUSTIFICATION: | | | | | | |

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints Service Categories:
 STRATEGY: 1 Serve as the Repository for Statutorily Required Information Service: 02 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

The Disclosure Filing Division handles the processing and maintenance of all reports received by the Commission. In addition, this division provides the public with information about and copies of disclosure reports filed with the agency, distributes blank disclosure reporting forms upon request, and notifies filers of their obligations and of any late or missing filings. This division administers the Commission’s directive to receive and make available for public review and inspection required disclosure reports for state officials, candidates, political committees, lobbyists, political parties, party chairs, legislative caucuses, and judicial officers.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The primary consumer of information on file with the Commission, pursuant to the disclosure statutes we administer, is the general public. While the information is available to any person, many in the general public historically rely on the agency website as its means to obtaining the disclosed information.

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints
 STRATEGY: 1 Serve as the Repository for Statutorily Required Information

Service Categories:
 Service: 02 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

| <u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u> | | <u>BIENNIAL</u> | <u>EXPLANATION OF BIENNIAL CHANGE</u> | |
|--|---|-----------------|---------------------------------------|--|
| <u>Base Spending (Est 2022 + Bud 2023)</u> | <u>Baseline Request (BL 2024 + BL 2025)</u> | <u>CHANGE</u> | <u>\$ Amount</u> | <u>Explanation(s) of Amount (must specify MOFs and FTEs)</u> |
| \$672,220 | \$630,436 | \$(41,784) | \$(38,628) | 1002: Reduce 1 x merits and projected longevity \$25,292.46 |
| | | | \$200 | 2001: Increase professional fees |
| | | | \$(2,126) | 2003: Reduce consumables |
| | | | \$(40) | 2004: Reduce Utilities expenditures |
| | | | \$2,220 | 2006: Increase rental expenses at TSLAC |
| | | | \$(10,200) | 2007: Reduce rental of machines associated to budget adjustment for copy rentals |
| | | | \$6,790 | 2009: Increase other operating expenditures associated with postage, and CCTS/TXAN fees |
| | | | \$(41,784) | Total of Explanation of Biennial Change |

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints
 STRATEGY: 2 Perform All Legal and Regulatory Functions of the Agency

Service Categories:
 Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------------------------------------|--|------------|------------|------------|------------|------------|
| Output Measures: | | | | | | |
| 1 | Number of Advisory Opinions Adopted by the Commission | 6.00 | 14.00 | 15.00 | 15.00 | 15.00 |
| 2 | Number of Public Information Requests Responded to by the Commission | 17.00 | 91.00 | 91.00 | 91.00 | 91.00 |
| 3 | Number of Unpaid Fines Referred to the Attorney General for Collection | 412.00 | 149.00 | 300.00 | 300.00 | 300.00 |
| Efficiency Measures: | | | | | | |
| KEY 1 | Average Time (Working Days) to Answer Advisory Opinion Requests | 56.00 | 65.89 | 75.00 | 75.00 | 75.00 |
| Explanatory/Input Measures: | | | | | | |
| 1 | Number of Information Requests Regarding Commission Administered Laws | 15,653.00 | 15,653.00 | 15,653.00 | 15,653.00 | 15,653.00 |
| 2 | Number of Advisory Opinion Requests Received | 15.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 3 | Number of Public Information Requests Received by the Commission | 17.00 | 91.00 | 91.00 | 91.00 | 91.00 |
| 4 | Total Amount Unpaid Fines Referred to Attorney General for Collection | 926,700.00 | 101,000.00 | 583,821.00 | 583,821.00 | 583,821.00 |
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$463,441 | \$466,818 | \$466,818 | \$466,818 | \$466,818 |

3.A. Strategy Request
88th Regular Session, Agency Submission, Version I
Automated Budget and Evaluation System of Texas (ABEST)

7/29/2022 9:52:09AM

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints
STRATEGY: 2 Perform All Legal and Regulatory Functions of the Agency

Service Categories:
Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|--|------------------|------------------|------------------|------------------|------------------|
| 1002 | OTHER PERSONNEL COSTS | \$55,447 | \$16,753 | \$19,453 | \$19,040 | \$19,040 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$824 | \$0 | \$0 | \$0 | \$0 |
| 2003 | CONSUMABLE SUPPLIES | \$262 | \$545 | \$545 | \$545 | \$545 |
| 2004 | UTILITIES | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2005 | TRAVEL | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2006 | RENT - BUILDING | \$120 | \$125 | \$125 | \$125 | \$125 |
| 2007 | RENT - MACHINE AND OTHER | \$584 | \$700 | \$700 | \$700 | \$700 |
| 2009 | OTHER OPERATING EXPENSE | \$28,330 | \$21,984 | \$21,984 | \$20,739 | \$20,739 |
| TOTAL, OBJECT OF EXPENSE | | \$549,008 | \$506,925 | \$509,625 | \$507,967 | \$507,967 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$549,008 | \$506,925 | \$509,625 | \$507,967 | \$507,967 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$549,008 | \$506,925 | \$509,625 | \$507,967 | \$507,967 |
| Rider Appropriations: | | | | | | |
| 1 | General Revenue Fund | | | | | |
| 1 | 1 % of Advisory Opinion Requests Answered by Commission w/in 120 workday | | | | \$0 | \$0 |
| TOTAL, RIDER & UNEXPENDED BALANCES APPROP | | | | | \$0 | \$0 |

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints Service Categories:
 STRATEGY: 2 Perform All Legal and Regulatory Functions of the Agency Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|-------------|------------------|------------------|------------------|------------------|------------------|
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$507,967 | \$507,967 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$549,008 | \$506,925 | \$509,625 | \$507,967 | \$507,967 |
| FULL TIME EQUIVALENT POSITIONS: | | 6.4 | 6.0 | 6.0 | 6.0 | 6.0 |

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Office of the General Counsel (“OGC”) performs all other legal and regulatory functions of the agency. The OGC’s primary responsibility is to provide legal counsel to the Commission, including advising commissioners on proposed rules and advisory opinions, the resolution of enforcement matters, and the daily operational matters of the agency. The OGC’s other functions include promoting voluntary compliance with the law by providing educational resources and outreach to filers and the general public, assisting the Office of the Attorney General or outside legal counsel in civil actions brought by or against the TEC, serving as the agency’s liaison to governmental agencies, the media, law enforcement, and the Legislature, and assuring the TEC’s compliance with EEO/AA, ADA, and agency safety and ethics requirements.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Advisory opinion requests are initiated by individuals subject to the laws administered by the Commission and are resolved by the Commission in open meetings. Accordingly, the Commission has no control over the number of requests received.

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints
 STRATEGY: 2 Perform All Legal and Regulatory Functions of the Agency

Service Categories:
 Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

| <u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u> | | <u>BIENNIAL</u> | <u>EXPLANATION OF BIENNIAL CHANGE</u> | |
|--|--------------------------------------|-----------------|---------------------------------------|---|
| Base Spending (Est 2022 + Bud 2023) | Baseline Request (BL 2024 + BL 2025) | CHANGE | \$ Amount | Explanation(s) of Amount (must specify MOFs and FTEs) |
| \$1,016,550 | \$1,015,934 | \$(616) | \$1,874 | 1002:Reduce 1 x merits and projected longevity from FY 23 to 24 but over the next biennium the cost increased by \$1,874. |
| | | | \$(2,490) | 2009: Reduce other operating expenditures associated with postage, SORM reimbursement; and CCTS/TXAN fees |
| | | | \$(616) | Total of Explanation of Biennial Change |

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints
 STRATEGY: 3 Respond to Complaints and Enforce Applicable Statutes

Service Categories:
 Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------------------------------------|--|----------|----------|----------|----------|----------|
| Output Measures: | | | | | | |
| KEY 1 | Number of Sworn Complaints Processed | 300.00 | 420.00 | 360.00 | 360.00 | 360.00 |
| 2 | Number of Late Notices Sent to Filers | 2,537.00 | 2,734.00 | 2,214.00 | 2,214.00 | 2,214.00 |
| 3 | Number of Sworn Complaints Closed | 300.00 | 392.00 | 346.00 | 346.00 | 346.00 |
| 4 | Number of Attempted Sworn Complaints Responded to | 104.00 | 101.00 | 103.00 | 103.00 | 103.00 |
| Efficiency Measures: | | | | | | |
| KEY 1 | Average Number of Working Days to Process Sworn Complaints | 3.75 | 3.31 | 3.53 | 3.53 | 3.53 |
| 2 | Average Time to Notify Late Filer of Late Report | 25.00 | 19.00 | 20.00 | 20.00 | 20.00 |
| 3 | Avg Time to Notify Complainants & Respondents/Commission Determination | 2.86 | 3.63 | 3.25 | 3.25 | 3.25 |
| 4 | Average Time to Resolve Complaints after Jurisdiction Is Accepted | 81.00 | 122.00 | 101.50 | 101.50 | 101.50 |
| Explanatory/Input Measures: | | | | | | |
| 1 | Percent of Filers Filing Timely Reports | 95.00 % | 93.00 % | 95.00 % | 93.00 % | 95.00 % |
| 2 | Number of Late Penalties Received | 397.00 | 414.00 | 518.00 | 518.00 | 518.00 |
| 3 | % Complaints Dismissed B/c Resolution Not Proposed within 120 Days | 0.00 % | 0.00 % | 0.00 % | 0.00 % | 0.00 % |

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints
 STRATEGY: 3 Respond to Complaints and Enforce Applicable Statutes

Service Categories:
 Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$442,492 | \$474,020 | \$474,020 | \$474,020 | \$474,020 |
| 1002 | OTHER PERSONNEL COSTS | \$78,255 | \$32,554 | \$55,554 | \$49,915 | \$49,915 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$180,413 | \$300,560 | \$300,560 | \$301,648 | \$301,648 |
| 2003 | CONSUMABLE SUPPLIES | \$997 | \$1,400 | \$1,400 | \$1,000 | \$1,000 |
| 2004 | UTILITIES | \$954 | \$1,001 | \$1,001 | \$1,033 | \$1,033 |
| 2005 | TRAVEL | \$2,210 | \$15,000 | \$15,000 | \$8,940 | \$8,940 |
| 2006 | RENT - BUILDING | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2007 | RENT - MACHINE AND OTHER | \$3,875 | \$2,000 | \$2,000 | \$3,200 | \$3,200 |
| 2009 | OTHER OPERATING EXPENSE | \$81,271 | \$22,669 | \$24,669 | \$23,898 | \$23,898 |
| TOTAL, OBJECT OF EXPENSE | | \$790,467 | \$849,204 | \$874,204 | \$863,654 | \$863,654 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$790,467 | \$849,204 | \$874,204 | \$863,654 | \$863,654 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$790,467 | \$849,204 | \$874,204 | \$863,654 | \$863,654 |

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints Service Categories:
 STRATEGY: 3 Respond to Complaints and Enforce Applicable Statutes Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|-------------|------------------|------------------|------------------|------------------|------------------|
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$863,654 | \$863,654 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$790,467 | \$849,204 | \$874,204 | \$863,654 | \$863,654 |
| FULL TIME EQUIVALENT POSITIONS: | | 6.4 | 5.8 | 6.8 | 9.4 | 9.4 |

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Enforcement Division investigates alleged violations of the law, recommends to the Commission appropriate action to take with respect to apparent violations, and negotiates agreed resolutions with respondents or their counsel. If an enforcement matter does not resolve through agreement, the complaint proceeds to a formal hearing at which the respondent has the opportunity to present evidence and legal argument. Respondents who wish to challenge the decision of the Commission have the right to file a de novo appeal in Travis County District Court. The TEC also automatically assesses statutory penalties to candidates, officials, and lobbyists who fail to file required reports on time. Texas law and the Commission’s rules provide a legal process for appealing those penalties, and the Enforcement Division is responsible for processing those appeals. Finally, the Enforcement Division also conducts randomized audits of reports filed with the Commission, as directed by state law. If any issues are discovered during this process, the Enforcement Division provides guidance to filers for corrective actions.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints Service Categories:
 STRATEGY: 3 Respond to Complaints and Enforce Applicable Statutes Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

Any person may file a sworn complaint. The Commission has no control over the number of sworn complaints it receives or the violations alleged in those complaints. Once a sworn complaint has been filed, the respondent named in the complaint is entitled to two separate hearings, the last one may be before the Commission or an administrative law judge. The time needed to reach a final resolution is largely outside the control of the Commission.

Federal law has little direct influence on agency functions because federal laws apply to different persons than those regulated by the Commission. However, federal court rulings, such as the U. S. Supreme Court decision in Citizens United v. Federal Election Commission, may have an effect on the laws administered and enforced by the Commission. Similarly, federal lawsuits challenging the constitutionality of the laws enforced by the Commission may have an effect on the laws administered and enforced by the Commission.

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints Service Categories:
 STRATEGY: 3 Respond to Complaints and Enforce Applicable Statutes Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

| <u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u> | | <u>BIENNIAL CHANGE</u> | <u>EXPLANATION OF BIENNIAL CHANGE</u> | |
|--|---|------------------------|---------------------------------------|---|
| <u>Base Spending (Est 2022 + Bud 2023)</u> | <u>Baseline Request (BL 2024 + BL 2025)</u> | | <u>\$ Amount</u> | <u>Explanation(s) of Amount (must specify MOFs and FTEs)</u> |
| \$1,723,408 | \$1,727,308 | \$3,900 | \$11,722 | 1002: Increase 1x merits and projected longevity over the next biennium |
| | | | \$2,176 | 2001: Increase professional fees / court transcription costs |
| | | | \$(800) | 2003: Reduce consumables |
| | | | \$64 | 2004: Increase Utilities over the next biennium associated to cell phone cost adjustments |
| | | | \$(12,120) | 2005: Reduce travel expenditures associated with Commissioner travel and cost savings due to hybrid meetings. |
| | | | \$2,400 | 2007: Increase rental of machines associated to budget adjustment for copy rentals |
| | | | \$458 | 2009: Increase other operating expenditures associated with postage, and CCTS/TXAN fees |

356 Texas Ethics Commission

GOAL: 1 Administer Public Disclosure/Ethics Laws
 OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints Service Categories:
 STRATEGY: 3 Respond to Complaints and Enforce Applicable Statutes Service: 01 Income: A.2 Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

\$3,900 Total of Explanation of Biennial Change

356 Texas Ethics Commission

GOAL: 2 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Central Administration

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

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$361,950 | \$361,214 | \$361,214 | \$361,214 | \$361,214 |
| 1002 | OTHER PERSONNEL COSTS | \$37,022 | \$11,000 | \$42,200 | \$43,380 | \$43,380 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$3,681 | \$4,754 | \$4,754 | \$4,770 | \$4,770 |
| 2003 | CONSUMABLE SUPPLIES | \$560 | \$500 | \$500 | \$512 | \$512 |
| 2004 | UTILITIES | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2005 | TRAVEL | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2006 | RENT - BUILDING | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2007 | RENT - MACHINE AND OTHER | \$432 | \$622 | \$622 | \$500 | \$500 |
| 2009 | OTHER OPERATING EXPENSE | \$9,345 | \$7,347 | \$7,347 | \$6,261 | \$6,261 |
| TOTAL, OBJECT OF EXPENSE | | \$412,990 | \$385,437 | \$416,637 | \$416,637 | \$416,637 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$412,990 | \$385,437 | \$416,637 | \$416,637 | \$416,637 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$412,990 | \$385,437 | \$416,637 | \$416,637 | \$416,637 |
| Rider Appropriations: | | | | | | |
| 1 | General Revenue Fund | | | | | |

356 Texas Ethics Commission

GOAL: 2 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Central Administration

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

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|-------------------------------------|------------------|------------------|------------------|------------------|------------------|
| 4 1 | Appropriation for Retirement Paymen | | | | \$0 | \$0 |
| TOTAL, RIDER & UNEXPENDED BALANCES APPROP | | | | | \$0 | \$0 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$416,637 | \$416,637 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$412,990 | \$385,437 | \$416,637 | \$416,637 | \$416,637 |
| FULL TIME EQUIVALENT POSITIONS: | | 4.4 | 3.0 | 5.0 | 5.0 | 5.0 |

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Administration Division handles the working function of the agency. It provides the primary support for the Commission with respect to accounting and budgeting, purchasing, travel, human resources and payroll, secretarial and reception duties, building and equipment maintenance, risk and safety management, and mail services and inventory control.

This division has the essential function of working to keep the agency in compliance with the state laws and regulations generally applicable to executive branch agencies.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The Commission recently implemented the Recruitment module on the Centralized Accounting and Payroll/Personnel System (CAPPS) system starting April 20, 2022.

356 Texas Ethics Commission

GOAL: 2 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Central Administration

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

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

| <u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u> | | BIENNIAL CHANGE | <u>EXPLANATION OF BIENNIAL CHANGE</u> | |
|--|--------------------------------------|--------------------|---------------------------------------|---|
| Base Spending (Est 2022 + Bud 2023) | Baseline Request (BL 2024 + BL 2025) | | \$ Amount | Explanation(s) of Amount (must specify MOFs and FTEs) |
| \$802,074 | \$833,274 | \$31,200 | \$33,560 | 1002: Increase 1xMerits, adjust projected longevity and adjust lumpsum expenditures over the biennium |
| | | | \$32 | 2001: Increase professional fees |
| | | | \$24 | 2003: Increase consumables |
| | | | \$(244) | 2007: Reduce rental of machines associated to budget adjustment for copy rentals |
| | | | \$(2,172) | 2009: Reduce other operating expenditures associated with postage, SORM reimbursement; and CCTS/TXAN fees |
| | | | \$31,200 | Total of Explanation of Biennial Change |

356 Texas Ethics Commission

GOAL: 2 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Information Resources

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

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Objects of Expense: | | | | | | |
| 1001 | SALARIES AND WAGES | \$303,042 | \$370,960 | \$370,960 | \$370,960 | \$370,960 |
| 1002 | OTHER PERSONNEL COSTS | \$46,017 | \$14,700 | \$22,020 | \$57,180 | \$57,180 |
| 2001 | PROFESSIONAL FEES AND SERVICES | \$4,223 | \$8,500 | \$8,500 | \$9,900 | \$9,900 |
| 2003 | CONSUMABLE SUPPLIES | \$305 | \$200 | \$200 | \$100 | \$100 |
| 2004 | UTILITIES | \$408 | \$430 | \$410 | \$600 | \$600 |
| 2005 | TRAVEL | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2006 | RENT - BUILDING | \$376 | \$260 | \$260 | \$690 | \$690 |
| 2007 | RENT - MACHINE AND OTHER | \$138 | \$125 | \$125 | \$500 | \$500 |
| 2009 | OTHER OPERATING EXPENSE | \$126,397 | \$162,217 | \$162,217 | \$124,762 | \$124,762 |
| 5000 | CAPITAL EXPENDITURES | \$618,406 | \$607,390 | \$607,390 | \$469,890 | \$469,890 |
| TOTAL, OBJECT OF EXPENSE | | \$1,099,312 | \$1,164,782 | \$1,172,082 | \$1,034,582 | \$1,034,582 |
| Method of Financing: | | | | | | |
| 1 | General Revenue Fund | \$1,099,312 | \$1,164,782 | \$1,172,082 | \$1,034,582 | \$1,034,582 |
| SUBTOTAL, MOF (GENERAL REVENUE FUNDS) | | \$1,099,312 | \$1,164,782 | \$1,172,082 | \$1,034,582 | \$1,034,582 |

Rider Appropriations:

356 Texas Ethics Commission

GOAL: 2 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Information Resources

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

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| 1 | General Revenue Fund | | | | | |
| 2 1 | Capital Budget (a) (1-2) Acquisit of Info. Resources Technologies | | | | \$0 | \$0 |
| TOTAL, RIDER & UNEXPENDED BALANCES APPROP | | | | | \$0 | \$0 |
| TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) | | | | | \$1,034,582 | \$1,034,582 |
| TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) | | \$1,099,312 | \$1,164,782 | \$1,172,082 | \$1,034,582 | \$1,034,582 |
| FULL TIME EQUIVALENT POSITIONS: | | 5.1 | 4.3 | 5.0 | 8.0 | 8.0 |

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Computer Services Division maintains the Commission’s technology infrastructure, the electronic filing system and database, and the agency’s website. This division also provides technical support to filers who are required to file reports electronically with the Commission, prepares reports in response to open records requests for data from electronically filed reports, and assists staff with computer applications. In addition, the TEC’s Computer Services staff is involved with tasks such as systems analysis and design, information security, information resource policy development, and project management.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

356 Texas Ethics Commission

GOAL: 2 Indirect Administration

OBJECTIVE: 1 Indirect Administration

STRATEGY: 2 Information Resources

Service Categories:

Service: 09

Income: A.2

Age: B.3

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

To best serve all population demographics, the Commission is continually updating and increasing the types of information available through the Internet. The Commission is also continually working to provide the public with more data. The Commission has raw data downloads available on its website. In addition to searching for individual campaign finance reports and lobby activities reports, the public and press can access and download a Campaign Finance Report Database and a Lobby Activities Report Database.

In an effort to reduce postage costs, the Commission has converted to e-mails from paper-mailed notices as the method by which to notify filers of reporting deadlines. E-mail notices to file are currently available for most reports.

356 Texas Ethics Commission

GOAL: 2 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Information Resources

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

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

| <u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u> | | BIENNIAL CHANGE | <u>EXPLANATION OF BIENNIAL CHANGE</u> | |
|--|--------------------------------------|--------------------|---------------------------------------|--|
| Base Spending (Est 2022 + Bud 2023) | Baseline Request (BL 2024 + BL 2025) | | \$ Amount | Explanation(s) of Amount (must specify MOFs and FTEs) |
| \$2,336,864 | \$2,069,164 | \$(267,700) | \$77,640 | 1002: Increase 1XMertis, projected longevity and lumpsum payments |
| | | | \$2,800 | 2001: Increase professional fees |
| | | | \$(200) | 2003: Reduce consumables |
| | | | \$360 | 2004: Increase utilities associated with cellular /hotspot increases |
| | | | \$860 | 2006: Increase rental building expenses at TSLAC |
| | | | \$750 | 2007: Increase rental of machines associated to budget adjustment for copy rentals |
| | | | \$(74,910) | 2009: Reduce Other operating expenditures associated with Software/hardware mtnce renewal budget cuts, postage, SORM reimbursement; and CCTS/TXAN fees |
| | | | \$(275,000) | 5001: Reduce capital budget rider associated with Enhancement hours |

356 Texas Ethics Commission

GOAL: 2 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Information Resources

Service Categories:

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

| CODE | DESCRIPTION | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

| | | |
|--|------------|--|
| | S(267,700) | Total of Explanation of Biennial Change |
|--|------------|--|

SUMMARY TOTALS:

| | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| OBJECTS OF EXPENSE: | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |
| METHODS OF FINANCE (INCLUDING RIDERS): | | | | \$3,138,058 | \$3,138,058 |
| METHODS OF FINANCE (EXCLUDING RIDERS): | \$3,166,299 | \$3,238,058 | \$3,313,058 | \$3,138,058 | \$3,138,058 |
| FULL TIME EQUIVALENT POSITIONS: | 28.2 | 24.8 | 28.8 | 34.4 | 34.4 |

3.B. Rider Revisions and Additions Request

| | | | | |
|----------------------------|--|--|-------------------------|-----------------------------------|
| Agency Code: 356 | Agency Name: Texas Ethics Commission | Prepared By: Cristina Hernández | Date: 07/29/2022 | Request Level: Baseline |
|----------------------------|--|--|-------------------------|-----------------------------------|

| Current Rider Number | Page Number in 2022–23 GAA | Proposed Rider Language |
|----------------------|----------------------------|-------------------------|
|----------------------|----------------------------|-------------------------|

1

I-41

Performance Measure Targets. The following is a listing of the key performance target levels for the Texas Ethics Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Ethics Commission. In order to achieve the objectives and service standards established by this Act, the Texas Ethics Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

| | <u>2022</u> <u>2024</u> | <u>2023</u> <u>2025</u> |
|---|-------------------------|-------------------------|
| A. Goal: ADMINISTER ETHICS LAWS | | |
| Outcome (Results/Impact): Percent of Advisory Opinion Requests Answered by Commission within 60 <u>120</u> Working Days of Receipt | 90% | 90% |
| A.1.1. Strategy: DISCLOSURE FILING | | |
| Output (Volume): Number of Reports Logged within Two Working Days of Receipt | 92,485 | 92,485 |
| A.1.2. Strategy: LEGAL GUIDANCE AND OPINIONS <u>OFFICE OF THE GENERAL COUNSEL</u> | | |
| Efficiencies: Average Time (Working Days) to Answer Advisory Opinion Requests | 74 | 74 |
| A.1.3. Strategy: ENFORCEMENT | | |
| Output (Volume): Number of Sworn Complaints Processed | 249.3 | 249.3 |
| Efficiencies: Average Time (Working Days) to Respond to Sworn Complaints | 4.17 | 4.17 |

3.B. Rider Revisions and Additions Request (continued)

2 I-41

Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

| | <u>2022</u> | <u>2024</u> | <u>-2023</u> | <u>2025</u> |
|---|-------------|-------------|--------------|-------------|
| a. Acquisition of Information Resource Technologies | | | | |
| (1) Vendor Support for Electronic Filing & Disclosure Database System | \$447,890 | | \$447,890 | |
| (2) Case Management Software License Subscription | \$22,000 | | \$22,000 | |
| (3) Enhancement to Filing System Filing System (EFS) | \$137,500 | | \$137,500 | |
| (4) Website User interface | \$150,000 | | \$0 | |
| (5) PIR Module & SC Case Mgmt shortfall | \$36,857 | | \$39,800 | |
| (6) Digitization & shredding project | \$325,296 | | \$325,296 | |
| Total, Acquisition of Information Resources Technologies | \$469,890 | \$1,119,543 | \$469,890 | \$972,486 |
| Total, Capital Budget | \$469,890 | \$1,119,543 | \$469,890 | \$972,486 |

Method of Financing (Capital Budget):

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| | | | | |
|----------------------------|-----------|-------------|-----------|-----------|
| General Revenue Fund | \$469,890 | \$1,119,543 | \$469,890 | \$972,486 |
| Total, Method of Financing | \$469,890 | \$1,119,543 | \$469,890 | \$972,486 |

3 I-42

Judgments and Settlements. Notwithstanding Article IX, Section 16.04, Judgments and Settlements, of this Act, payment of judgments or settlements, including attorney's fees, resulting from actions brought under Title 42 United States Code §1983 that arise from claims challenging the validity or constitutionality of a state law and prosecuted or defended by the Office of the Attorney General that are obtained against the Texas Ethics Commission, or any individual(s) acting in their official capacity on behalf of the Texas Ethics Commission, shall be paid out by the Comptroller and not from funds appropriated above to the Texas Ethics Commission.

4 I-42

Appropriation for Retirement Payments.1 Included in amounts appropriated above as General Revenue to the Texas Ethics Commission for the 2022-23 biennium, in Strategy A.1.1, Disclosure Filing, is ~~\$40,000~~ \$6,015.08 in each fiscal year; in Strategy A.1.2, Legal Guidance and Opinion, is ~~\$2,700~~ \$12,834.97 in each fiscal year; in Strategy A.1.3, Enforcement, is ~~\$25,000~~ \$25,399.57 in each fiscal year; in Strategy B.1.1, Central Administration, is ~~\$35,000~~ 28,144.90 in each fiscal year; and in Strategy B.1.2, Information Resources, is ~~\$7,300~~ \$41,439.60 in each fiscal year for payment of unused annual leave to retiring agency employees. Any part of the appropriation made for retirement payouts due at the time of agency employees' retirement that are not necessary for that purpose shall be lapsed by the agency at the end of the biennium.

3.C. Rider Appropriations and Unexpended Balances Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency Code: 356 Texas Ethics Commission

| RIDER | STRATEGY | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|-----------------------------------|---|------------|------------|------------|------------|------------|
| 1 | 1 Performance Measure Target 1-1-2 OFFICE OF THE GENERAL COUNSEL | | | | | |
| OBJECT OF EXPENSE: | | | | | | |
| Total, Object of Expense | | | | | | |
| METHOD OF FINANCING: | | | | | | |
| 1 | General Revenue Fund | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total, Method of Financing | | \$0 | \$0 | \$0 | \$0 | \$0 |

Description/Justification for continuation of existing riders or proposed new rider
 update rider

3.C. Rider Appropriations and Unexpended Balances Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency Code: 356 Texas Ethics Commission

| RIDER | STRATEGY | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|-----------------------------------|---|------------------|------------------|------------------|----------------|----------------|
| 2 1 | Capital Budget 2-1-2 INFORMATION RESOURCES | \$607,390 | \$469,890 | \$469,890 | \$0 | \$0 |
| OBJECT OF EXPENSE: | | | | | | |
| | 5000 CAPITAL EXPENDITURES | \$607,390 | \$469,890 | \$469,890 | \$0 | \$0 |
| Total, Object of Expense | | \$607,390 | \$469,890 | \$469,890 | \$0 | \$0 |
| METHOD OF FINANCING: | | | | | | |
| | 1 General Revenue Fund | \$607,390 | \$469,890 | \$469,890 | \$0 | \$0 |
| Total, Method of Financing | | \$607,390 | \$469,890 | \$469,890 | \$0 | \$0 |

Description/Justification for continuation of existing riders or proposed new rider

update rider

3.C. Rider Appropriations and Unexpended Balances Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency Code: 356 Texas Ethics Commission

| RIDER | STRATEGY | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|-----------------------------------|---|-----------------|----------------|-----------------|------------|------------|
| 4 1 | Appropriation for Retirement Paymen 2-1-1 CENTRAL ADMINISTRATION | \$15,226 | \$4,978 | \$80,000 | \$0 | \$0 |
| OBJECT OF EXPENSE: | | | | | | |
| | 1002 OTHER PERSONNEL COSTS | \$15,226 | \$4,978 | \$80,000 | \$0 | \$0 |
| Total, Object of Expense | | \$15,226 | \$4,978 | \$80,000 | \$0 | \$0 |
| METHOD OF FINANCING: | | | | | | |
| | 1 General Revenue Fund | \$15,226 | \$4,978 | \$80,000 | \$0 | \$0 |
| Total, Method of Financing | | \$15,226 | \$4,978 | \$80,000 | \$0 | \$0 |

Description/Justification for continuation of existing riders or proposed new rider

update rider

3.C. Rider Appropriations and Unexpended Balances Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency Code: 356 Texas Ethics Commission

| RIDER | STRATEGY | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|----------------|----------------|
| SUMMARY: | | | | | | |
| OBJECT OF EXPENSE TOTAL | | \$622,616 | \$474,868 | \$549,890 | \$0 | \$0 |
| METHOD OF FINANCING TOTAL | | \$622,616 | \$474,868 | \$549,890 | \$0 | \$0 |

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency code: 356 Agency name: Texas Ethics Commission

| | | | |
|-------------|--------------------|------------------|------------------|
| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|-------------|--------------------|------------------|------------------|

Item Name: Managed Cloud Services for TEC Electronic Filing System
Item Priority: 1
IT Component: Yes
Anticipated Out-year Costs: Yes
Involve Contracts > \$50,000: Yes
Includes Funding for the Following Strategy or Strategies: 02-01-02 Information Resources

OBJECTS OF EXPENSE:

| | | | |
|---------------------------------|----------------------|------------------|-----------------|
| 5000 | CAPITAL EXPENDITURES | 660,000 | 88,000 |
| TOTAL, OBJECT OF EXPENSE | | \$660,000 | \$88,000 |

METHOD OF FINANCING:

| | | | |
|-----------------------------------|----------------------|------------------|-----------------|
| 1 | General Revenue Fund | 660,000 | 88,000 |
| TOTAL, METHOD OF FINANCING | | \$660,000 | \$88,000 |

DESCRIPTION / JUSTIFICATION:

The TEC's electronic filing system software is state-of-the-art, but is now limited by the current aging hardware platform that is housed on premise and consists of servers purchased in 2014 and 2015 that are no longer supported. These servers do not have enough resources to process the very large number of transactions itemized in reports filed by high profile candidates. The agency anticipates the number of reported transactions in these reports to continue to increase.

EXTERNAL/INTERNAL FACTORS:

The electronic filing system housed on aging on-premise servers has been unable to handle the filing of an exceptionally large report without temporarily diverting server resources away from other agency systems. The agency predicts continuing problems as campaign finance reports continue to grow in size, and this will materially adversely affect public disclosure.

PCLS TRACKING KEY:

NA

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

The agency is requesting \$660,000 in FY 2024 for the migration costs and the initial subscription fees to move to a cloud-managed filing system, with an additional \$88,000 for annual cloud subscription fees in FY 25 plus 15% subscription fee increase going forward.

Moving the electronic filing system to a cloud-managed platform has a number of advantages over replacing aging on-premise servers: there are no hardware limitations as resources can be allocated on an as-needed basis; the system is more reliable; the solution is cost efficient for an organization like the TEC with large variances in web traffic concentrated around a small number of filing deadlines each year; and the solution is more resilient in response to natural disasters and power outages.

Agency code: 356

Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|-------------|-----------|-----------|
|------|-------------|-----------|-----------|

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

NEW

STATUS:

The agency's filing system is currently operated on aging on-premise servers housed in the Sam Houston State Office Building. These servers were acquired in 2013 and 2014, and are not supported by the hardware vendor after 5-7 years. The servers are vulnerable to power outages (whether by electricity reliability issues, natural disasters, or human error) because of their age and lack of support and replacement parts. The electronic filing system housed on the servers has been unable to handle the filing of an exceptionally large report without temporarily diverting server resources away from other agency systems. The agency predicts continuing problems as campaign finance reports are growing in size, and this will materially adversely affect public disclosure.

OUTCOMES:

Short-term: Cost-savings from the State's buying power, increasing data storage and data processing ability through the pay-as-you-go cloud model.

Long-term: Investments in services rather than infrastructure, allowing for cost savings and replacement of unsupported (legacy) systems. The hardware and operating system platform for the Commission's electronic filing system would be hosted in the AWS cloud, and would be managed and monitored by the vendor that wrote and maintains the electronic filing system. The vendor would be responsible for all system administration of the AWS virtual hosts.

OUTPUTS:

Moving the electronic filing system to a cloud-managed platform has a number of advantages over replacing aging on-premise servers: there are no hardware limitations as resources can be allocated on an as-needed basis; the system is more reliable; the solution is cost efficient for an organization like the TEC with large variances in web traffic concentrated around a small number of filing deadlines each year; and the solution is more resilient in response to natural disasters and power outages.

The TEC requested funding for cloud migration during the last legislative session, but that request was denied. At the time, the agency predicted that the migration would cost \$100,000. This estimate did not include any costs for labor, as the agency anticipated using only labor hours available under its existing contract with the filing system vendor.

TYPE OF PROJECT

Cloud Computing

ALTERNATIVE ANALYSIS

The Commission's current hardware platform for its electronic filing system is 8-9 years old and is considered legacy. The Commission needs to modernize the legacy hardware to provide a robust electronic filing system for the State of Texas filers. The State is highly discouraging agencies from purchasing expensive server platforms, which typically have only a 5-7 year lifespan with today's fast paced technological advancements. The cost to replace the agency's server hardware and associated infrastructure (including servers, switches, APC units, data backup system, air chilling system, adding backup generators, hiring system administrator contractors to setup, install, and configure the systems) will be over \$1,000,000, and this project will take one year to complete. The Commission does not have the floor space, rack space, electrical power, cooling power, or network bandwidth to bring up a new environment while keeping the filing system running on legacy hardware until it could be cutover to new servers in the TEC server room. The agency also does not have the necessary skills on board to successfully handle such a complex project.

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency code: 356 Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | | | | | | | Excp 2024 | Excp 2025 |
|--------------------------|-------------|-----------|----------|-----------|-----------|-----------|----------------------------|-----------|-----------|
| ESTIMATED IT COST | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total Over Life of Project | | |
| \$0 | \$0 | \$660,000 | \$88,000 | \$101,200 | \$116,380 | \$133,837 | \$505,417 | | |
| SCALABILITY | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total Over Life of Project | | |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | | |
| FTE | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | | | |
| 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | |

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Moving the agency’s electronic filing system to the cloud will require \$150,000 annual subscription fees for AWS services. The agency will apply the funds in its baseline budget allocated to the current system’s operating system license fees towards these AWS costs, but will require additional funding of \$88,000 for the shortfall for FY 2025 with a 15% increase built in every year after.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| 2026 | 2027 | 2028 |
|-----------|-----------|-----------|
| \$101,200 | \$116,380 | \$133,837 |

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

The Texas Ethics Commission’s (TEC) electronic filing system is now limited by its non-expandable legacy hardware platform that was purchased in 2014 and 2015 and consists of six Dell R820 servers. Although Dell does not publish an end-of-life date for its server models, Dell does state that it prefers to not support servers that are more than 5 to 7 years old because parts are difficult to find after that time period. The TEC has previously enjoyed contracts with Dell for 3 years of warranty and support, but, in 2020, Dell limited support and warranty contracts to one year at a time. The aging hardware platform no longer performs well enough to meet the state’s needs. Due to the rapidly rising use of popular online campaign finance fundraising engines, key political candidates and political committees are receiving very large numbers of individual

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
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Agency code: 356

Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|-------------|---|------------------|------------------|
| | <p>contributions during reporting periods, all which must be itemized on their campaign finance reports. The filing system hardware cannot process this large number of transactions in a timely manner, and could not process one large report due July 15, 2022, until July 18, 3 days after the filing deadline. It took an additional day to get the report rendered into PDF format and posted on the TEC website for public consumption.</p> <p>Because the Commission is required by Texas statute to provide an electronic filing system for the statewide campaign finance, lobby, and personal financial statement filers, the Commission can no longer risk operating the state's electronic filing system on legacy, unsupported and inadequate hardware, and has elected to migrate the electronic filing system to the Amazon Web Services (AWS) cloud. This migration will be performed by the vendor that wrote and maintains the Commission's electronic filing system. Due to the complexity of the computing environment and the difficulty to find, hire, and keep software engineering and system administration skills, the agency has opted to have the vendor handle the hosting for the electronic filing system, as well as manage and monitor the associated environments.</p> <p>The Commission is requesting the funds to outsource the initial engineering work of migrating the electronic filing system software to the cloud platform and the additional funding to cover the annual cost of the AWS cloud hosting services.</p> | | |

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency code: 356 Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|--|-----------|-----------|
| | Item Name: Electronic Filing System Enhancement, Updates & Improvements Item Priority: 2 IT Component: Yes Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: Yes Includes Funding for the Following Strategy or Strategies: 02-01-02 Information Resources | | |

OBJECTS OF EXPENSE:

| | | | |
|---------------------------------|----------------------|------------------|------------------|
| 5000 | CAPITAL EXPENDITURES | 137,500 | 137,500 |
| TOTAL, OBJECT OF EXPENSE | | \$137,500 | \$137,500 |

METHOD OF FINANCING:

| | | | |
|-----------------------------------|----------------------|------------------|------------------|
| 1 | General Revenue Fund | 137,500 | 137,500 |
| TOTAL, METHOD OF FINANCING | | \$137,500 | \$137,500 |

DESCRIPTION / JUSTIFICATION:

To enable the agency to make a number of improvements to the agency’s electronic filing system to better serve our filers.

i. Filer “dashboard” that quickly calculates and displays any unpaid penalties

If funded, the TEC will make it easier for filers to know if they owe any penalties for late or missing reports, and, if so, exactly how the penalties were accrued.

ii. Online payment portal

If funded, the TEC will streamline the payment process. The filing system should include an easier way for filers to pay electronically.

iii. Streamline process for requesting waivers and reductions of penalties

The TEC has a set of rules that permits filers to request waivers or reductions of their fines. The system impartially considers the factors relevant to penalty waiver or reduction, such as the filer’s history of compliance, and produces fair and appropriate results. However, the entire process is currently done by hand.

The TEC wishes to make it easier to file these requests directly within the electronic filing system. As much as possible, the TEC also wants to automate their processing.

iv. Automate PFS redactions to streamline open records requests

The TEC receives approximately 250 requests for personal financial statements each year. By law, the agency is required to provide those reports to requestors, but not before redacting certain information, including the filer’s home addresses and the names of any dependent children. Currently, those redactions are done manually in response to each request. It would streamline the process and reduce the agency’s need for staff hours if the filing system was capable of making those redactions automatically.

EXTERNAL/INTERNAL FACTORS:

Funding for basic technological improvements that will result in measurably better service to filers and the public. The Commission is charged by statute to provide an electronic filing solution for the state of Texas campaign finance, lobby, and personal financial statement filers. The Commission contracted with a vendor in FY2014 and FY2015 to develop and deploy a new state-of-the-art electronic filing system for campaign finance, lobby, personal financial statement, and certificates of interested parties

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
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DATE: 7/29/2022
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Agency code: 356

Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|-------------|-----------|-----------|
|------|-------------|-----------|-----------|

filings. Enhancements to the filing system are not covered under the maintenance contract with the vendor, but are billed as time and materials at \$125/hour. Enhancements to the code are required when legislative changes, new Commission rules, and requests from the public alter the underlying business rules of the filing system. The electronic filing system architecture is complex, consists of several layers of architecture, and contains 900,000 lines of Java code that run in a virtualized Red Hat JBOSS environment. The agency's IT staff has not had the resources to learn the code base at this time. Thus, the vendor that developed the software must make the code changes to the system, and this work is billed as time and materials at an hourly rate.

PCLS TRACKING KEY:

NA

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

To enable the agency to make a number of improvements to the agency's electronic filing system to better serve our filers.

i. Filer "dashboard" that quickly calculates and displays any unpaid penalties

If funded, the TEC will make it easier for filers to know if they owe any penalties for late or missing reports, and, if so, exactly how the penalties were accrued.

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

CURRENT

STATUS:

During the 87th legislature, the capital rider for enhancement hours of \$137,500 per fiscal year appropriated in FY 20 and FY 21 was removed and not awarded for the FY 22-23 biennium. Instead, the 87th legislature modified FY 2021 budget by providing TEC with an HB2 supplemental appropriation of \$275,000 that can be carried over into FY 22 and FY 23. This supplemental appropriation of \$275,000 is used to make enhancements to the Filing Application Manager and underlying software infrastructure. Several legislative unfunded mandates required several hundred hours of labor to implement. The Commission anticipates there will be technological changes required by legislative changes passed during the 88th Legislative Session. In addition, there are several enhancements projects that would streamline the process and reduce the agency's need for staff hours if the filing system were capable of making those upgrades.

OUTCOMES:

To enable the agency to make a number of improvements to the agency's electronic filing system to better serve our filers.

i. Filer "dashboard" that quickly calculates and displays any unpaid penalties

If funded, the TEC will make it easier for filers to know if they owe any penalties for late or missing reports, and, if so, exactly how the penalties were accrued.

ii. Online payment portal

Agency code: 356

Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|-------------|-----------|-----------|
|------|-------------|-----------|-----------|

If funded, the TEC will streamline the payment process. The filing system should include an automatic way for filers to pay electronically.

iii. Streamline process for requesting waivers and reductions of penalties

The TEC has a set of rules that permits filers to request waivers or reductions of their fines. The system impartially considers the factors relevant to penalty waiver or reduction, such as the filer’s history of compliance, and produces fair and appropriate results. However, the entire process is currently done by hand.

The TEC wishes to make it easier to file these requests directly within the electronic filing system. As much as possible, the TEC also wants to automate their processing.

iv. Automate PFS redactions to streamline open records requests

The TEC receives approximately 250 requests for personal financial statements each year. By law, the agency is required to provide those reports to requestors, but not before redacting certain information, including the filer’s home addresses and the names of any dependent children. Currently, those redactions are done manually in response to each request. It would streamline the process and reduce the agency’s need for staff hours if the filing system was capable of making those redactions automatically.

OUTPUTS:

To enable the agency to make a number of improvements to the agency’s electronic filing system to better serve our filers.

i. Filer “dashboard” that quickly calculates and displays any unpaid penalties

If funded, the TEC will make it easier for filers to know if they owe any penalties for late or missing reports, and, if so, exactly how the penalties were accrued.

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If funded, the TEC will streamline the payment process. The filing system should include an automatic way for filers to pay electronically.

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The TEC has a set of rules that permits filers to request waivers or reductions of their fines. The system impartially considers the factors relevant to penalty waiver or reduction, such as the filer’s history of compliance, and produces fair and appropriate results. However, the entire process is currently done by hand.

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iv. Automate PFS redactions to streamline open records requests

The TEC receives approximately 250 requests for personal financial statements each year. By law, the agency is required to provide those reports to requestors, but not before redacting certain information, including the filer’s home addresses and the names of any dependent children. Currently, those redactions are done manually in response to each request. It would streamline the process and reduce the agency’s need for staff hours if the filing system was capable of making those redactions automatically.

TYPE OF PROJECT

Acquisition and Refresh of Hardware and Software

ALTERNATIVE ANALYSIS

Software enhancement hours are priced at \$125/hr based on the vendor's current rate scale. If the \$137,5000 annual exceptional request is not funded or is reduced, the vendor will reduce the enhancement activities and services accordingly. Such a reduction could limit or deny needed changes to improve the functions on either the electronic filing application or Form 1295 filing application, thereby delaying the requested improvements in the filing application or management tool for a longer period of time. It could limit or deny performance features needed. It could limit or deny changes needed to implement functionality for new or modified rules or statutes that affect how data must be reported on required forms.

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
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Agency code: 356 Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | | | | | | | Excp 2024 | Excp 2025 |
|--------------------------|-------------|-----------|-----------|-----------|-----------|-----------|----------------------------|-----------|-----------|
| ESTIMATED IT COST | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total Over Life of Project | | |
| \$137,500 | \$137,500 | \$137,500 | \$137,500 | \$137,500 | \$137,500 | \$137,500 | \$962,500 | | |
| SCALABILITY | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total Over Life of Project | | |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | | |
| FTE | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | | | |
| 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | |

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

In order to implement any present and future legislative, Commission, and public requested enhancements to the electronic filing system and the 1295 filing application, the Commission would need to contract with the vendor for service by the hour. The vendor’s hourly time and materials rate is \$125/hour for FY2022-FY2023. This rate is not changing for FY2024-FY2025. However, technological challenges could increase the rate at 25% in future years. The Commission is anticipating some requested changes to take up to 500 hours to complete. The number of hours varies depending on the complexity of the requested enhancements. Funding to add new features to the electronic filing system will benefit the public and persons who use the system to file reports. As the system is used, a new set of user needs will surface that can be addressed by enhancing the system. Enhancements can be software and/or hardware based. Keeping up with technology will result in improved compliance and more disclosure for the public. All GR funded.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| 2026 | 2027 | 2028 |
|-----------|-----------|-----------|
| \$137,500 | \$137,500 | \$137,500 |

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

Enhancement hours are billed at an hourly rate. The Electronic Filing Software System project will include enhancements by the contractor to the system for items that were

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| | beyond the initial design of the project (\$137,500per year). | | |

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| | | | |
|-------------|--------------------|------------------|------------------|
| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|-------------|--------------------|------------------|------------------|

Item Name: Improve Agency Website User Interface
Item Priority: 3
IT Component: Yes
Anticipated Out-year Costs: No
Involve Contracts > \$50,000: Yes
Includes Funding for the Following Strategy or Strategies: 02-01-02 Information Resources

OBJECTS OF EXPENSE:

| | | | |
|---------------------------------|-------------------------|------------------|------------|
| 2009 | OTHER OPERATING EXPENSE | 150,000 | 0 |
| TOTAL, OBJECT OF EXPENSE | | \$150,000 | \$0 |

METHOD OF FINANCING:

| | | | |
|-----------------------------------|----------------------|------------------|------------|
| 1 | General Revenue Fund | 150,000 | 0 |
| TOTAL, METHOD OF FINANCING | | \$150,000 | \$0 |

DESCRIPTION / JUSTIFICATION:

Several areas of the website have confusing user interfaces that could be improved. For example, it is not obvious to many of our callers how to view anything but the most recent report filed by an individual or committee. It is also difficult for at least some users to find certain information on our website, like, for example, the agency’s legal guides. Working with an outside vendor to improve the basic usability of our website will provide the best value to the state, given the TEC’s current diminished staffing levels and the high salaries required to recruit in-house programming expertise. The requested amount covers work by the vendor for enhancements to the electronic filing and disclosure database system in response to legislative changes and requests from filers. This includes any changes to the filing software or changes to campaign finance, lobby, or personal financial disclosure reports or Form 1295 certificates. The cost of vendor services for enhancements is not covered by the maintenance contract. Without the additional funding, changes to forms or the software in response to new laws or amendments to existing laws will not happen. Failure to authorize these enhancements will negatively impact Commission filers’ ability to comply with their statutory obligations.

EXTERNAL/INTERNAL FACTORS:

Funding to upgrade our website to better serve our filers and the public.

PCLS TRACKING KEY:

NA

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

Several areas of the website have confusing user interfaces that could be improved. For example, it is not obvious to many of our callers how to view anything but the most recent report filed by an individual or committee. It is also difficult for at least some users to find certain information on our website, like, for example, the agency’s legal guides. Working with an outside vendor to improve the basic usability of our website will provide the best value to the state, given the TEC’s current diminished staffing

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levels and the high salaries required to recruit in-house programming expertise. The requested amount covers work by the vendor for enhancements to the electronic filing and disclosure database system in response to legislative changes and requests from filers. This includes any changes to the filing software or changes to campaign finance, lobby, or personal financial disclosure reports or Form 1295 certificates. The cost of vendor services for enhancements is not covered by the maintenance contract. Without the additional funding, changes to forms or the software in response to new laws or amendments to existing laws will not happen. Failure to authorize these enhancements will negatively impact Commission filers' ability to comply with their statutory obligations.

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

NEW

STATUS:

The TEC seeks \$150,000 to upgrade our website to better serve our filers and the public. Specifically, several areas of the website have confusing user interfaces that could be improved. For example, it is not obvious to many of our callers how to view anything but the most recent report filed by an individual or committee. It is also difficult for at least some users to find certain information on our website, like, for example, the agency's legal guides.

OUTCOMES:

Working with an outside vendor to improve the basic usability of our website will provide the best value to the state, given the TEC's current diminished staffing levels and the high salaries required to recruit in-house programming expertise. The requested amount covers work by the vendor for enhancements to the electronic filing and disclosure database system in response to legislative changes and requests from filers. This includes any changes to the filing software or changes to campaign finance, lobby, or personal financial disclosure reports or Form 1295 certificates. The cost of vendor services for enhancements is not covered by the maintenance contract. Without the additional funding, changes to forms or the software in response to new laws or amendments to existing laws will not happen.

OUTPUTS:

Several areas of the website have confusing user interfaces that could be improved. For example, it is not obvious to many of our callers how to view anything but the most recent report filed by an individual or committee. It is also difficult for at least some users to find certain information on our website, like, for example, the agency's legal guides. Working with an outside vendor to improve the basic usability of our website will provide the best value to the state, given the TEC's current diminished staffing levels and the high salaries required to recruit in-house programming expertise. The requested amount covers work by the vendor for enhancements to the electronic filing and disclosure database system in response to legislative changes and requests from filers. This includes any changes to the filing software or changes to campaign finance, lobby, or personal financial disclosure reports or Form 1295 certificates. The cost of vendor services for enhancements is not covered by the maintenance contract. Without the additional funding, changes to forms or the software in response to new laws or amendments to existing laws will not happen. Failure to authorize these enhancements will negatively impact Commission filers' ability to comply with their statutory obligations.

TYPE OF PROJECT

Application Remediation

ALTERNATIVE ANALYSIS

Failure to authorize these enhancements will negatively impact Commission filers' ability to comply with their statutory obligations.

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|--------------------------|-------------|-----------|------|------|------|------|----------------------------|-----------|-----------|
| ESTIMATED IT COST | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total Over Life of Project | | |
| \$0 | \$0 | \$150,000 | \$0 | \$0 | \$0 | \$0 | \$150,000 | | |
| SCALABILITY | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total Over Life of Project | | |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | | |
| FTE | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | | | |
| 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | |

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

One-time cost of \$150,000 to redesign agency website.

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| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|-----------------------------|--|-----------------|-----------------|
| | Item Name: Case Management Software including Public Information Module Item Priority: 4 IT Component: Yes Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: Yes Includes Funding for the Following Strategy or Strategies: 02-01-02 Information Resources | | |
| OBJECTS OF EXPENSE: | | | |
| 5000 | CAPITAL EXPENDITURES | 36,857 | 39,800 |
| | TOTAL, OBJECT OF EXPENSE | \$36,857 | \$39,800 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 36,857 | 39,800 |
| | TOTAL, METHOD OF FINANCING | \$36,857 | \$39,800 |

DESCRIPTION / JUSTIFICATION:

The TEC procured a subscription based case management system in FY2020. The amount needed to maintain the TEC’s license on an annual basis is slightly more than had originally been budgeted for ongoing software maintenance. The agency seeks funding for that annual shortfall of \$2,155.51 for FY2024 and \$3,363.30 for FY2025. When the TEC acquired a case management system, the amount appropriated for the agency did not cover the costs of obtaining a module to track public information requests. The agency receives, on average, 450 public information requests per year. Not only is complying with public information requests legally required, it is critical to the agency’s mission of promoting public confidence in government. A case management system to track these requests will make complying with the requests more efficient, and will eliminate work being duplicated when multiple requests are received for the same or similar information. Because the same vendor who provides the case management system also provides a public information module for their software product, the TEC can procure this module at reduced cost by adding it to its existing case management system (\$34,701 for the initial year with a 5% increase going forward). This public information request module is also priced on an annual subscription-based license model.

EXTERNAL/INTERNAL FACTORS:

The amount needed to maintain the TEC’s license on an annual basis is slightly more than had originally been budgeted for ongoing software maintenance . The agency seeks funding for that annual shortfall of \$2,155.51 for FY2024 and \$3,363.30 for FY2025. When the TEC acquired a case management system, the amount appropriated for the agency did not cover the costs of obtaining a module to track public information requests. The agency receives, on average, 450 public information requests per year. Not only is complying with public information requests legally required, it is critical to the agency’s mission of promoting public confidence in government. A case management system to track these requests will make complying with the requests more efficient, and will eliminate work being duplicated when multiple requests are received for the same or similar information. Because the same vendor who provides the case management system also provides a public information module for their software product, the TEC can procure this module at reduced cost by adding it to its existing case management system (\$34,701 for the initial year with a 5% increase going forward). This public information request module is also priced on an annual subscription-based license model.

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|------|-------------|-----------|-----------|

PCLS TRACKING KEY:

NA

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

The Commission is requesting (\$36,857 in FY 2024 and \$39,800 in FY 2025) in appropriations to fill the annual shortfall of the subscription-based licensing costs for its newly acquired case management system for our legal division and add a PIR module to our existing Case management system.

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

NEW

STATUS:

The Commission has recently acquired a subscription based, cloud-hosted case management system from GovQA. GovQA also sells a PIR management system that would be an add-in to the new GovQA case management system. Because the TEC has already licensed the base GovQA module, the PIR module can be acquired at a lesser price point than the case management system. In an effort to further increase efficiency, TEC acquired a case management system to replace its outdated system. The system uses a subscription model for its billing, and the amount needed to maintain the TEC's license has increased. The agency seeks funding for that annual shortfall of \$2,155.51 for FY2024 and \$3,363.28 for FY2025. The TEC has used this system with great success. Through the use of the case management system and extraordinary efforts on the part of the few members of the enforcement staff, the average number of days to resolve a sworn complaint have decreased from 187 days in fiscal year 2017 to 40 days in fiscal year 2021. This improvement is needed as the workload continues to increase—in fiscal years 2017-2021, the TEC received an average of 255 complaints; in contrast, the TEC has received 337 complaints in fiscal year 2022 as of July 1, 2022.

OUTCOMES:

The amount needed to maintain the TEC's license on an annual basis is slightly more than had originally been budgeted for ongoing software maintenance. The agency seeks funding for that annual shortfall of \$2,155.51 for FY 2024 and \$3,363.28 for FY2025 and funding of \$34,701 for the PIR module with out-year increase of 5% annually. The agency receives, on average, 450 public information requests per year. Not only is complying with public information requests legally required, it is critical to the agency's mission of promoting public confidence in government. A case management system to track these requests will make complying with the requests more efficient, and will eliminate work being duplicated when multiple requests are received for the same or similar information.

OUTPUTS:

A hosted solution would enable the PIR management system to be available online almost immediately after purchase. Issues in the system negatively affecting a staff member's work would be fixed quickly because the hosting vendor maintains staff to monitor and manage the hardware and software full -time.

TYPE OF PROJECT

Software as a Service

ALTERNATIVE ANALYSIS

If this project is not funded, the agency staff will continue tracking PIRs and copy orders using Excel spreadsheets and Word Documents. The process will continue to be tedious with a high risk of manual entry errors and reporting inconsistencies, and will continue as is in the less than ideal environment.

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| ESTIMATED IT COST | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total Over Life of Project | | |
| \$23,005 | \$23,005 | \$36,857 | \$39,800 | \$42,889 | \$46,134 | \$49,540 | \$261,230 | | |
| SCALABILITY | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total Over Life of Project | | |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | | |
| FTE | | | | | | | | | |
| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | | | |
| 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | |

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The public information license subscription is based on the number of users and must be renewed on a yearly basis. The vendor’s estimated rate for the PIR license subscription plus the sworn complaint case management system shortfall is \$36,857 for FY 2024 and \$39,800 for FY 2025 with an anticipated out-year rate increase of 5% on both modules, all of which will be GR funded.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| 2026 | 2027 | 2028 |
|----------|----------|----------|
| \$42,889 | \$46,134 | \$49,540 |

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

The Public Information Request module is a software for service contract. The PIR project requires a license subscription that is renewed on an annual basis with an anticipated out-year rate increase of 5% all of which will be GR funded.

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| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|--|--|-----------------|-----------------|
| | Item Name: IT Helpline Analyst- System Support Specialist III Item Priority: 5 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 02-01-02 Information Resources | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 50,000 | 50,000 |
| TOTAL, OBJECT OF EXPENSE | | \$50,000 | \$50,000 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 50,000 | 50,000 |
| TOTAL, METHOD OF FINANCING | | \$50,000 | \$50,000 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 1.00 | 1.00 |

DESCRIPTION / JUSTIFICATION:

Hiring a System Support Specialist III as a dedicated technology-support employee would further improve the agency's service to filers. During each fiscal year the TEC responds to approximately 18,000 requests for technical assistance; as of June 1 of this fiscal year the TEC CSD staff has already taken 1,674 requests by telephone alone. Computer services staff estimates that nearly half of these requests were assisting filers in accessing the electronic filing system. The computer services division currently consists of 3 FTEs, and these employees have many other duties which include maintaining the TEC website, maintaining, updating and improving the TEC electronic filing system and database, managing the agency's cybersecurity, and handling open records requests. Having a knowledgeable analyst to assist with technical calls will both improve the quality of technical assistance available to filers and free up the agency's programming staff to focus on making improvements to the filing system. Funding this request will provide a measurable increase in the availability of technical services from the TEC and significant improvements to the usability of the agency's filing system

EXTERNAL/INTERNAL FACTORS:

The computer services division currently consists of 3 FTEs, and these employees have many other duties which include maintaining the TEC website, maintaining, updating and improving the TEC electronic filing system and database, managing the agency's cybersecurity, and handling open records requests. Having a knowledgeable analyst to assist with technical calls will both improve the quality of technical assistance available to filers and free up the agency's programming staff to focus on making improvements to the filing system.

PCLS TRACKING KEY:

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DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The Commission is requesting funding to hire a System Support Specialist III as a dedicated technology-support IT Helpline position at the annual salary of \$50,000. Funding would be requested to continue for the duration the Commission has those FTE positions available. All GR funded.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| 2026 | 2027 | 2028 |
|----------|----------|----------|
| \$50,000 | \$50,000 | \$50,000 |

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| | | | |
|---|--|--|--|
| Item Name: | Fund agency positions at the median salary for its classification. | | |
| Item Priority: | 6 | | |
| IT Component: | No | | |
| Anticipated Out-year Costs: | Yes | | |
| Involve Contracts > \$50,000: | No | | |
| Includes Funding for the Following Strategy or Strategies: | 01-01-01 | Serve as the Repository for Statutorily Required Information | |
| | 01-01-02 | Perform All Legal and Regulatory Functions of the Agency | |
| | 01-01-03 | Respond to Complaints and Enforce Applicable Statutes | |
| | 02-01-01 | Central Administration | |
| | 02-01-02 | Information Resources | |

OBJECTS OF EXPENSE:

| | | | |
|------|---------------------------------|----------------|----------------|
| 1001 | SALARIES AND WAGES | 178,113 | 178,113 |
| | TOTAL, OBJECT OF EXPENSE | 178,113 | 178,113 |

METHOD OF FINANCING:

| | | | |
|---|-----------------------------------|----------------|----------------|
| 1 | General Revenue Fund | 178,113 | 178,113 |
| | TOTAL, METHOD OF FINANCING | 178,113 | 178,113 |

DESCRIPTION / JUSTIFICATION:

A fully staffed TEC will result in measurable efficiencies and better service to filers and the public. During fiscal year 2021, the TEC experienced a turnover rate of 15.1%. The turnover rate for other Article I agencies in FY 2021 was 11.1%. Most of the turnover was to other state agencies. Turnover in any division at the TEC has a negative effect on the quality of service provided to filers and the public. Because of the complex electronic filing and disclosure database system and the unique areas of law under the TEC's administration, it takes a minimum of two years for TEC legal, computer services, and disclosure filings staff to become fully trained in their respective roles. Twenty-one employees out of 25 are paid below the median salary for their classification. Misclassifying staff contributes to turnover. As examples, an employee in the disclosure filings division classified as a program supervisor whose work met the job description of a Director I left the agency for a higher-paying private sector job; an Attorney II left for an Attorney IV position at another agency.

EXTERNAL/INTERNAL FACTORS:

Twenty-one employees out of 25 are paid below the median salary for their classification. Misclassifying staff contributes to turnover. As examples, an employee in the disclosure filings division classified as a program supervisor whose work met the job description of a Director I left the agency for a higher-paying private sector job; an Attorney II left for an Attorney IV position at another agency.

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PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Twenty-one employees out of 25 are paid below the median salary for their classification. The Commission anticipates the out-year cost in FY 2024- 2028 to increase the salaries of these positions is \$178,113 per year. Funding would be requested to continue for the duration the Commission has those FTE positions available. All GR funded.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| 2026 | 2027 | 2028 |
|-----------|-----------|-----------|
| \$178,113 | \$178,113 | \$178,113 |

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| | | | |
|---|---|--|--|
| Item Name: | Fund promotions to reflect the classifications that match staff's actual duties | | |
| Item Priority: | 7 | | |
| IT Component: | No | | |
| Anticipated Out-year Costs: | Yes | | |
| Involve Contracts > \$50,000: | No | | |
| Includes Funding for the Following Strategy or Strategies: | 01-01-01 | Serve as the Repository for Statutorily Required Information | |
| | 01-01-02 | Perform All Legal and Regulatory Functions of the Agency | |
| | 01-01-03 | Respond to Complaints and Enforce Applicable Statutes | |
| | 02-01-01 | Central Administration | |
| | 02-01-02 | Information Resources | |

OBJECTS OF EXPENSE:

| | | | |
|---------------------------------|--------------------|-----------------|-----------------|
| 1001 | SALARIES AND WAGES | 17,690 | 17,690 |
| TOTAL, OBJECT OF EXPENSE | | \$17,690 | \$17,690 |

METHOD OF FINANCING:

| | | | |
|-----------------------------------|----------------------|-----------------|-----------------|
| 1 | General Revenue Fund | 17,690 | 17,690 |
| TOTAL, METHOD OF FINANCING | | \$17,690 | \$17,690 |

DESCRIPTION / JUSTIFICATION:

TEC is constrained in promoting employees because a promotion requires a 3.4 percent increase in salary or the minimum rate for the new salary group, whichever is higher and the agency does not have funds. More than half of agency employees are responsible for tasks that are listed at a higher classification than their position's current classification.

Additionally, these employees are required to perform tasks for multiple positions. The TEC has 10 unfilled positions. Of those, there is inadequate or no funding for 6 of these positions.

EXTERNAL/INTERNAL FACTORS:

TEC is constrained in promoting employees because a promotion requires a 3.4 percent increase in salary or the minimum rate for the new salary group, whichever is higher and the agency does not have funds. More than half of agency employees are responsible for tasks that are listed at a higher classification than their position's current classification.

Additionally, these employees are required to perform tasks for multiple positions. The TEC has 10 unfilled positions. Of those, there is inadequate or no funding for 6 of these positions.

PCLS TRACKING KEY:

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|------|-------------|-----------|-----------|

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

More than half of agency employees are responsible for tasks that are listed at a higher classification than their position's current classification. TEC is constrained in promoting employees because a promotion requires a 3.4 percent increase in salary or the minimum rate for the new salary group, whichever is higher and the agency does not have the funds for these earned promotions. All GR funded.

This figure represents an increase of 3.4% for one quarter of the agency payroll after adding the amount to bring employees up to state agency standards so that the agency has budgeted amounts to promote some employees who are doing the work of higher classifications. The anticipated out-year costs is \$17,689 a year. Funding would be requested to continue for the duration the Commission has those FTE positions available. All GR Funded.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| 2026 | 2027 | 2028 |
|----------|----------|----------|
| \$17,690 | \$17,690 | \$17,690 |

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| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|---|-----------|-----------|
| | Item Name: Adjust Executive Director and General Counsel Salaries. Item Priority: 8 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 01-01-02 Perform All Legal and Regulatory Functions of the Agency 02-01-01 Central Administration | | |

OBJECTS OF EXPENSE:

| | | | |
|------|---------------------------------|-----------------|-----------------|
| 1001 | SALARIES AND WAGES | 21,363 | 21,363 |
| | TOTAL, OBJECT OF EXPENSE | \$21,363 | \$21,363 |

METHOD OF FINANCING:

| | | | |
|---|-----------------------------------|-----------------|-----------------|
| 1 | General Revenue Fund | 21,363 | 21,363 |
| | TOTAL, METHOD OF FINANCING | \$21,363 | \$21,363 |

DESCRIPTION / JUSTIFICATION:

The Executive Director is the chief administrative officer of the TEC. In addition to managing four divisions, up to 34 FTEs, a biennial budget of over \$6 million, and the day-to-day operations of the TEC, the Executive Director has functions specifically related to the administration and enforcement of the laws under the TEC's jurisdiction. By rule, all powers of the TEC that do not require a vote have been delegated to the Executive Director.

Due to the complex and unique areas of law under the TEC's jurisdiction, the TEC Executive Director has historically been an attorney with significant legal, policy, administrative, and managerial experience.

The TEC's General Counsel serves as legal counsel to the Commissioners, providing legal advice on decisions related to policy, personnel, procedures, and guidance on open meetings and open records laws. The General Counsel must be a licensed attorney and have extensive legal knowledge, including the laws, regulations, and rules under the TEC's administration and enforcement.

Increasing the Executive Director's and General Counsel's salaries will allow the TEC to attract and retain highly skilled personnel in key leaderships positions and bring these exempt salaries in line with other state agencies.

EXTERNAL/INTERNAL FACTORS:

Increasing the Executive Director's and General Counsel's salaries will allow the TEC to attract and retain highly skilled personnel in key leaderships positions and bring these exempt salaries in line with other state agencies.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency code: 356 Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|-------------|-----------|-----------|
|------|-------------|-----------|-----------|

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The Commission is requesting funding to increase the Executive Director's and General Counsel's salaries by \$21,363 per year (\$153,354 for ED / \$128,750 for GC). If funded the salary increase would need to cover all additional years the Commission has an FTE in the position. All GR funded.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| | 2026 | 2027 | 2028 |
|--|----------|----------|----------|
| | \$21,363 | \$21,363 | \$21,363 |

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency code: 356 Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|---|-----------|-----------|
| | Item Name: Fund unfunded FTE positions to allow agency to serve filers and the public more efficiently Item Priority: 9 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 01-01-03 Respond to Complaints and Enforce Applicable Statutes 02-01-02 Information Resources | | |

OBJECTS OF EXPENSE:

| | | | |
|---------------------------------|--------------------|------------------|------------------|
| 1001 | SALARIES AND WAGES | 295,561 | 295,561 |
| TOTAL, OBJECT OF EXPENSE | | \$295,561 | \$295,561 |

METHOD OF FINANCING:

| | | | |
|-----------------------------------|----------------------|------------------|------------------|
| 1 | General Revenue Fund | 295,561 | 295,561 |
| TOTAL, METHOD OF FINANCING | | \$295,561 | \$295,561 |

DESCRIPTION / JUSTIFICATION:

In the Enforcement Division, filling these positions, even at the entry level, will enable the processing of sworn complaints and administrative fine appeals more efficiently: Attorney I (\$63,616), Administrative Assistant I (\$29,320), and Investigator (\$35,819).

In the Computer Services Division, filling the three open programmer positions (\$55,602), again even at the entry level, will help both TEC filers and any member of the public who seeks the information filed with the TEC by their public servants.

EXTERNAL/INTERNAL FACTORS:

In the Enforcement Division, filling these positions, even at the entry level, will enable the processing of sworn complaints and administrative fine appeals more efficiently: Attorney I (\$63,616), Administrative Assistant I (\$29,320), and Investigator (\$35,819).

In the Computer Services Division, filling the three open programmer positions (\$55,602), again even at the entry level, will help both TEC filers and any member of the public who seeks the information filed with the TEC by their public servants.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency code: 356

Agency name: Texas Ethics Commission

| | | | |
|-------------|--------------------|------------------|------------------|
| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|-------------|--------------------|------------------|------------------|

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The Commission has six vacant positions that are unfunded. If funded using GR funds, the commission would fill the following positions totaling \$295,561 per year:
 Enforcement division: Attorney I (\$63,616), Administrative Assistant I (\$29,320), and Investigator (\$35,819).

Computer Services Division: three Programmer I (\$55,602/each)

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| | | |
|-------------|-------------|-------------|
| 2026 | 2027 | 2028 |
| \$295,561 | \$295,561 | \$295,561 |

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency code: 356 Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|-------------|-----------|-----------|
|------|-------------|-----------|-----------|

| | | | |
|---|---------------------------------|--|--|
| Item Name: | Lumpsum and retirement payments | | |
| Item Priority: | 10 | | |
| IT Component: | No | | |
| Anticipated Out-year Costs: | Yes | | |
| Involve Contracts > \$50,000: | No | | |
| Includes Funding for the Following Strategy or Strategies: | 01-01-01 | Serve as the Repository for Statutorily Required Information | |
| | 01-01-02 | Perform All Legal and Regulatory Functions of the Agency | |
| | 01-01-03 | Respond to Complaints and Enforce Applicable Statutes | |
| | 02-01-01 | Central Administration | |
| | 02-01-02 | Information Resources | |

OBJECTS OF EXPENSE:

| | | | |
|---------------------------------|-----------------------|------------------|------------------|
| 1002 | OTHER PERSONNEL COSTS | 113,835 | 113,835 |
| TOTAL, OBJECT OF EXPENSE | | \$113,835 | \$113,835 |

METHOD OF FINANCING:

| | | | |
|-----------------------------------|----------------------|------------------|------------------|
| 1 | General Revenue Fund | 113,835 | 113,835 |
| TOTAL, METHOD OF FINANCING | | \$113,835 | \$113,835 |

DESCRIPTION / JUSTIFICATION:

The TEC is required to pay retiring employees a lump sum for unused annual leave. Five of the Commission's current employees are eligible for retirement in fiscal year 2024 and an additional three will become eligible in fiscal year 2025. Combined, this represents nearly one-third of the current workforce. Many of these employees occupy key positions within the agency, and will be owed payments of \$113,835 in lump sum entitlements upon their retirement.

EXTERNAL/INTERNAL FACTORS:

Five of the Commission's current employees are eligible for retirement in fiscal year 2024 and an additional three will become eligible in fiscal year 2025. Combined, this represents nearly one-third of the current workforce. Many of these employees occupy key positions within the agency, and will be owed payments of \$113,835 in lump sum entitlements upon their retirement.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency code: 356 Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|-------------|-----------|-----------|
|------|-------------|-----------|-----------|

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The TEC is required to pay retiring employees a lump sum for unused annual leave. Five of the Commission’s current employees are eligible for retirement in fiscal year 2024 and an additional three will become eligible in fiscal year 2025. Within the 2026-2028 fiscal years the agency will have an additional five staff that become retirement eligible or may choose to leave state employment for the private sector. If the staff eligible to retire between FY 22-24 wait until FY 2028 then the total anticipated out-year cost will be \$169,493 of GR funds.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| | 2026 | 2027 | 2028 |
|--|-----------|-----------|-----------|
| | \$127,010 | \$127,010 | \$169,493 |

4.A. Exceptional Item Request Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:18AM

Agency code: 356 Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|---------------------------------|--|------------------|------------------|
| | Item Name: Digitize office documents for searchable records and shred after double verification | | |
| | Item Priority: 11 | | |
| | IT Component: No | | |
| | Anticipated Out-year Costs: Yes | | |
| | Involve Contracts > \$50,000: Yes | | |
| | Includes Funding for the Following Strategy or Strategies: | | |
| | 01-01-01 Serve as the Repository for Statutorily Required Information | | |
| | 01-01-03 Respond to Complaints and Enforce Applicable Statutes | | |
| | 02-01-01 Central Administration | | |
| OBJECTS OF EXPENSE: | | | |
| 2009 | OTHER OPERATING EXPENSE | 325,296 | 325,296 |
| | TOTAL, OBJECT OF EXPENSE | \$325,296 | \$325,296 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 325,296 | 325,296 |
| | TOTAL, METHOD OF FINANCING | \$325,296 | \$325,296 |

DESCRIPTION / JUSTIFICATION:

Over the last 30+ years the Texas Ethics Commission (TEC) has amassed a sizable amount of paper documents stored in boxes and filing cabinets that cannot be destroyed due to agency retention policies. These documents include historical campaign finance reports, personal financial statements, lobby reports, communications with filers, sworn complaint records, and human resource records. Some documents were converted to microfilm/microfiche several years ago, but the agency has no technology to read these microfiche files. Some of these documents date back to before the Commission was created, and were passed to the agency from the SOS. 602 boxes of paper documents and 142 reels of microfiche are stored at the TSLAC at the Commission's expense. The equivalent of 710 boxes of paper documents are stored on premise in boxes and filing cabinets. These paper documents require considerable storage space and place a lot of weight on the 10th floor of the Sam Houston Building. Due to resource issues, the agency wishes to outsource the scanning, indexing, verification, and shredding of these paper documents. Once the documents are scanned and indexed, agency staff will more easily be able to locate records when seeking information from these old documents for internal office needs or if requested by the public via an open records request. In addition, critical agency office space will be freed up and the weight load on the 10th floor of the Sam Houston Building will be reduced.

EXTERNAL/INTERNAL FACTORS:

The agency has the equivalent of 702 boxes of paper documents stored on premise that are taking up critical office space. The agency also stores an additional 602 boxes of paper documents and 142 reels of microfiche at the TSLAC at the agency's expense. These documents consist of Campaign Finance, PFS, and Lobby reports, Sworn Complaints, and Financial and Human Resource Records files. By converting these paper files to searchable electronic files, it will make record searches fast and easier for all staff and public when seeking information.

Agency code: 356 Agency name: Texas Ethics Commission

| CODE | DESCRIPTION | Excp 2024 | Excp 2025 |
|------|-------------|-----------|-----------|
|------|-------------|-----------|-----------|

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The digitalization project will be spread out over a two year project totaling \$650,592.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

| 2026 | 2027 | 2028 |
|------|------|------|
| \$0 | \$0 | \$0 |

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

The commission is requesting funding in the amount of \$650,592 for the 2024-2025 biennium (\$325,296 per fiscal year to digitize the commissions paper human resource and sworn complaint files and historical campaign finance, PFS, C/OH files on microfiche into searchable electronic files. Currently the commission stores pre-electronic filing application C/OH, PFS, Lobby, etc. reports in paper or microfiche form at the TSLAC or in-house and all HR and sworn complaint files in-house. In order to comply with the agency record retention schedule and to ensure the reports are searchable we request funding to scan the paper form into an electronic searchable format. Due to the size of this project, it would have to be scanned over the FY 24 and FY 25 biennium.

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:19AM

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|------------------|-----------------|
| Item Name: Managed Cloud Services for TEC Electronic Filing System | | | |
| Allocation to Strategy: 2-1-2 Information Resources | | | |
| OBJECTS OF EXPENSE: | | | |
| 5000 | CAPITAL EXPENDITURES | 660,000 | 88,000 |
| TOTAL, OBJECT OF EXPENSE | | \$660,000 | \$88,000 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 660,000 | 88,000 |
| TOTAL, METHOD OF FINANCING | | \$660,000 | \$88,000 |

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:19AM

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|--|----------------------|------------------|------------------|
| Item Name: Electronic Filing System Enhancement, Updates & Improvements | | | |
| Allocation to Strategy: 2-1-2 Information Resources | | | |
| OBJECTS OF EXPENSE: | | | |
| 5000 | CAPITAL EXPENDITURES | 137,500 | 137,500 |
| TOTAL, OBJECT OF EXPENSE | | \$137,500 | \$137,500 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 137,500 | 137,500 |
| TOTAL, METHOD OF FINANCING | | \$137,500 | \$137,500 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 0.0 | 0.0 |

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:19AM

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|---|-------------------------|------------------|------------|
| Item Name: Improve Agency Website User Interface | | | |
| Allocation to Strategy: 2-1-2 Information Resources | | | |
| OBJECTS OF EXPENSE: | | | |
| 2009 | OTHER OPERATING EXPENSE | 150,000 | 0 |
| TOTAL, OBJECT OF EXPENSE | | \$150,000 | \$0 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 150,000 | 0 |
| TOTAL, METHOD OF FINANCING | | \$150,000 | \$0 |

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:19AM

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|--|----------------------|-----------------|-----------------|
| Item Name: Case Management Software including Public Information Module | | | |
| Allocation to Strategy: 2-1-2 Information Resources | | | |
| OBJECTS OF EXPENSE: | | | |
| 5000 | CAPITAL EXPENDITURES | 36,857 | 39,800 |
| TOTAL, OBJECT OF EXPENSE | | \$36,857 | \$39,800 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 36,857 | 39,800 |
| TOTAL, METHOD OF FINANCING | | \$36,857 | \$39,800 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 0.0 | 0.0 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|--|----------------------|-----------------|-----------------|
| Item Name: IT Helpline Analyst- System Support Specialist III | | | |
| Allocation to Strategy: 2-1-2 Information Resources | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 50,000 | 50,000 |
| TOTAL, OBJECT OF EXPENSE | | \$50,000 | \$50,000 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 50,000 | 50,000 |
| TOTAL, METHOD OF FINANCING | | \$50,000 | \$50,000 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 1.0 | 1.0 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|-----------------|-----------------|
| Item Name: Fund agency positions at the median salary for its classification. | | | |
| Allocation to Strategy: 1-1-1 Serve as the Repository for Statutorily Required Information | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 31,451 | 31,451 |
| TOTAL, OBJECT OF EXPENSE | | \$31,451 | \$31,451 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 31,451 | 31,451 |
| TOTAL, METHOD OF FINANCING | | \$31,451 | \$31,451 |
| FULL-TIME EQUIVALENT POSITIONS (FTE): | | 0.0 | 0.0 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|-----------------|-----------------|
| Item Name: Fund agency positions at the median salary for its classification. | | | |
| Allocation to Strategy: 1-1-2 Perform All Legal and Regulatory Functions of the Agency | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 69,897 | 69,897 |
| TOTAL, OBJECT OF EXPENSE | | \$69,897 | \$69,897 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 69,897 | 69,897 |
| TOTAL, METHOD OF FINANCING | | \$69,897 | \$69,897 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|--|----------------------|-----------------|-----------------|
| Item Name: Fund agency positions at the median salary for its classification. | | | |
| Allocation to Strategy: 1-1-3 Respond to Complaints and Enforce Applicable Statutes | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 41,764 | 41,764 |
| TOTAL, OBJECT OF EXPENSE | | \$41,764 | \$41,764 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 41,764 | 41,764 |
| TOTAL, METHOD OF FINANCING | | \$41,764 | \$41,764 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|--|----------------------|-----------------|-----------------|
| Item Name: Fund agency positions at the median salary for its classification. | | | |
| Allocation to Strategy: 2-1-1 Central Administration | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 22,061 | 22,061 |
| TOTAL, OBJECT OF EXPENSE | | \$22,061 | \$22,061 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 22,061 | 22,061 |
| TOTAL, METHOD OF FINANCING | | \$22,061 | \$22,061 |

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:19AM

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|--|----------------------|-----------------|-----------------|
| Item Name: Fund agency positions at the median salary for its classification. | | | |
| Allocation to Strategy: 2-1-2 Information Resources | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 12,940 | 12,940 |
| TOTAL, OBJECT OF EXPENSE | | \$12,940 | \$12,940 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 12,940 | 12,940 |
| TOTAL, METHOD OF FINANCING | | \$12,940 | \$12,940 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|----------------|----------------|
| Item Name: Fund promotions to reflect the classifications that match staff's actual duties | | | |
| Allocation to Strategy: 1-1-1 Serve as the Repository for Statutorily Required Information | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 3,538 | 3,538 |
| TOTAL, OBJECT OF EXPENSE | | \$3,538 | \$3,538 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 3,538 | 3,538 |
| TOTAL, METHOD OF FINANCING | | \$3,538 | \$3,538 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|----------------|----------------|
| Item Name: Fund promotions to reflect the classifications that match staff's actual duties | | | |
| Allocation to Strategy: 1-1-2 Perform All Legal and Regulatory Functions of the Agency | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 3,538 | 3,538 |
| TOTAL, OBJECT OF EXPENSE | | \$3,538 | \$3,538 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 3,538 | 3,538 |
| TOTAL, METHOD OF FINANCING | | \$3,538 | \$3,538 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|----------------|----------------|
| Item Name: Fund promotions to reflect the classifications that match staff's actual duties | | | |
| Allocation to Strategy: 1-1-3 Respond to Complaints and Enforce Applicable Statutes | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 3,538 | 3,538 |
| TOTAL, OBJECT OF EXPENSE | | \$3,538 | \$3,538 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 3,538 | 3,538 |
| TOTAL, METHOD OF FINANCING | | \$3,538 | \$3,538 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|----------------|----------------|
| Item Name: Fund promotions to reflect the classifications that match staff's actual duties | | | |
| Allocation to Strategy: 2-1-1 Central Administration | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 3,538 | 3,538 |
| TOTAL, OBJECT OF EXPENSE | | \$3,538 | \$3,538 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 3,538 | 3,538 |
| TOTAL, METHOD OF FINANCING | | \$3,538 | \$3,538 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|----------------|----------------|
| Item Name: Fund promotions to reflect the classifications that match staff's actual duties | | | |
| Allocation to Strategy: 2-1-2 Information Resources | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 3,538 | 3,538 |
| TOTAL, OBJECT OF EXPENSE | | \$3,538 | \$3,538 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 3,538 | 3,538 |
| TOTAL, METHOD OF FINANCING | | \$3,538 | \$3,538 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|----------------|--|
| Item Name: Adjust Executive Director and General Counsel Salaries. | | | |
| Allocation to Strategy: | | 1-1-2 | Perform All Legal and Regulatory Functions of the Agency |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 7,106 | 7,106 |
| TOTAL, OBJECT OF EXPENSE | | \$7,106 | \$7,106 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 7,106 | 7,106 |
| TOTAL, METHOD OF FINANCING | | \$7,106 | \$7,106 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|---|----------------------|-----------------|-----------------|
| Item Name: Adjust Executive Director and General Counsel Salaries. | | | |
| Allocation to Strategy: 2-1-1 Central Administration | | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 14,257 | 14,257 |
| TOTAL, OBJECT OF EXPENSE | | \$14,257 | \$14,257 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 14,257 | 14,257 |
| TOTAL, METHOD OF FINANCING | | \$14,257 | \$14,257 |

4.B. Exceptional Items Strategy Allocation Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:19AM

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|-----------------------------------|---|------------------|------------------|
| Item Name: | Fund unfunded FTE positions to allow agency to serve filers and the public more efficiently | | |
| Allocation to Strategy: | 1-1-3 Respond to Complaints and Enforce Applicable Statutes | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 128,755 | 128,755 |
| TOTAL, OBJECT OF EXPENSE | | \$128,755 | \$128,755 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 128,755 | 128,755 |
| TOTAL, METHOD OF FINANCING | | \$128,755 | \$128,755 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|-----------------------------------|---|------------------|------------------|
| Item Name: | Fund unfunded FTE positions to allow agency to serve filers and the public more efficiently | | |
| Allocation to Strategy: | 2-1-2 Information Resources | | |
| OBJECTS OF EXPENSE: | | | |
| 1001 | SALARIES AND WAGES | 166,806 | 166,806 |
| TOTAL, OBJECT OF EXPENSE | | \$166,806 | \$166,806 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 166,806 | 166,806 |
| TOTAL, METHOD OF FINANCING | | \$166,806 | \$166,806 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|---|-----------------------|----------------|----------------|
| Item Name: Lumpsum and retirement payments | | | |
| Allocation to Strategy: 1-1-1 Serve as the Repository for Statutorily Required Information | | | |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 6,015 | 6,015 |
| TOTAL, OBJECT OF EXPENSE | | \$6,015 | \$6,015 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 6,015 | 6,015 |
| TOTAL, METHOD OF FINANCING | | \$6,015 | \$6,015 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|---|-----------------------|-----------------|-----------------|
| Item Name: Lumpsum and retirement payments | | | |
| Allocation to Strategy: 1-1-2 Perform All Legal and Regulatory Functions of the Agency | | | |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 12,835 | 12,835 |
| TOTAL, OBJECT OF EXPENSE | | \$12,835 | \$12,835 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 12,835 | 12,835 |
| TOTAL, METHOD OF FINANCING | | \$12,835 | \$12,835 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|--|-----------------------|-----------------|-----------------|
| Item Name: Lumpsum and retirement payments | | | |
| Allocation to Strategy: 1-1-3 Respond to Complaints and Enforce Applicable Statutes | | | |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 25,400 | 25,400 |
| TOTAL, OBJECT OF EXPENSE | | \$25,400 | \$25,400 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 25,400 | 25,400 |
| TOTAL, METHOD OF FINANCING | | \$25,400 | \$25,400 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|---|-----------------------|-----------------|-----------------|
| Item Name: Lumpsum and retirement payments | | | |
| Allocation to Strategy: 2-1-1 Central Administration | | | |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 28,145 | 28,145 |
| TOTAL, OBJECT OF EXPENSE | | \$28,145 | \$28,145 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 28,145 | 28,145 |
| TOTAL, METHOD OF FINANCING | | \$28,145 | \$28,145 |

Agency code: 356 Agency name: Texas Ethics Commission

| Code | Description | Excp 2024 | Excp 2025 |
|--|-----------------------|-----------------|-----------------|
| Item Name: Lumpsum and retirement payments | | | |
| Allocation to Strategy: 2-1-2 Information Resources | | | |
| OBJECTS OF EXPENSE: | | | |
| 1002 | OTHER PERSONNEL COSTS | 41,440 | 41,440 |
| TOTAL, OBJECT OF EXPENSE | | \$41,440 | \$41,440 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 41,440 | 41,440 |
| TOTAL, METHOD OF FINANCING | | \$41,440 | \$41,440 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|-----------------------------------|--|------------------|------------------|
| Item Name: | Digitize office documents for searchable records and shred after double verification | | |
| Allocation to Strategy: | 1-1-1 Serve as the Repository for Statutorily Required Information | | |
| OBJECTS OF EXPENSE: | | | |
| 2009 | OTHER OPERATING EXPENSE | 293,984 | 293,984 |
| TOTAL, OBJECT OF EXPENSE | | \$293,984 | \$293,984 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 293,984 | 293,984 |
| TOTAL, METHOD OF FINANCING | | \$293,984 | \$293,984 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|--|-------------------------|-----------------|-----------------|
| Item Name: Digitize office documents for searchable records and shred after double verification | | | |
| Allocation to Strategy: 1-1-3 Respond to Complaints and Enforce Applicable Statutes | | | |
| OBJECTS OF EXPENSE: | | | |
| 2009 | OTHER OPERATING EXPENSE | 20,150 | 20,150 |
| TOTAL, OBJECT OF EXPENSE | | \$20,150 | \$20,150 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 20,150 | 20,150 |
| TOTAL, METHOD OF FINANCING | | \$20,150 | \$20,150 |

Agency code: **356** Agency name: **Texas Ethics Commission**

| Code | Description | Excp 2024 | Excp 2025 |
|--|-------------------------|-----------------|-----------------|
| Item Name: Digitize office documents for searchable records and shred after double verification | | | |
| Allocation to Strategy: 2-1-1 Central Administration | | | |
| OBJECTS OF EXPENSE: | | | |
| 2009 | OTHER OPERATING EXPENSE | 11,162 | 11,162 |
| TOTAL, OBJECT OF EXPENSE | | \$11,162 | \$11,162 |
| METHOD OF FINANCING: | | | |
| 1 | General Revenue Fund | 11,162 | 11,162 |
| TOTAL, METHOD OF FINANCING | | \$11,162 | \$11,162 |

4.C. Exceptional Items Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 9:52:19AM

Agency Code: **356** Agency name: **Texas Ethics Commission**

GOAL: 1 Administer Public Disclosure/Ethics Laws

OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints

Service Categories:

STRATEGY: 1 Serve as the Repository for Statutorily Required Information

Service: 02 Income: A.2 Age: B.3

| CODE DESCRIPTION | Exp 2024 | Exp 2025 |
|-------------------------|-----------------|-----------------|
|-------------------------|-----------------|-----------------|

OBJECTS OF EXPENSE:

| | | |
|----------------------------------|------------------|------------------|
| 1001 SALARIES AND WAGES | 34,989 | 34,989 |
| 1002 OTHER PERSONNEL COSTS | 6,015 | 6,015 |
| 2009 OTHER OPERATING EXPENSE | 293,984 | 293,984 |
| Total, Objects of Expense | \$334,988 | \$334,988 |

METHOD OF FINANCING:

| | | |
|---------------------------------|------------------|------------------|
| 1 General Revenue Fund | 334,988 | 334,988 |
| Total, Method of Finance | \$334,988 | \$334,988 |

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- Fund agency positions at the median salary for its classification.
- Fund promotions to reflect the classifications that match staff's actual duties
- Lumpsum and retirement payments
- Digitize office documents for searchable records and shred after double verification

4.C. Exceptional Items Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 9:52:19AM

Agency Code: **356** Agency name: **Texas Ethics Commission**

GOAL: 1 Administer Public Disclosure/Ethics Laws

OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints

Service Categories:

STRATEGY: 2 Perform All Legal and Regulatory Functions of the Agency

Service: 01 Income: A.2 Age: B.3

| CODE DESCRIPTION | Exp 2024 | Exp 2025 |
|-------------------------|-----------------|-----------------|
|-------------------------|-----------------|-----------------|

STRATEGY IMPACT ON OUTCOME MEASURES:

| | | |
|--|---------|---------|
| <u>3</u> Percent of Advisory Opinion Requests Answered | 90.00 % | 90.00 % |
|--|---------|---------|

OUTPUT MEASURES:

| | | |
|---|--------|------|
| <u>3</u> Number of Unpaid Fines Referred to the Attorney General for Collection | 300.00 | 0.00 |
|---|--------|------|

OBJECTS OF EXPENSE:

| | | |
|-------------------------|--------|--------|
| 1001 SALARIES AND WAGES | 80,541 | 80,541 |
|-------------------------|--------|--------|

| | | |
|----------------------------|--------|--------|
| 1002 OTHER PERSONNEL COSTS | 12,835 | 12,835 |
|----------------------------|--------|--------|

| | | |
|----------------------------------|-----------------|-----------------|
| Total, Objects of Expense | \$93,376 | \$93,376 |
|----------------------------------|-----------------|-----------------|

METHOD OF FINANCING:

| | | |
|------------------------|--------|--------|
| 1 General Revenue Fund | 93,376 | 93,376 |
|------------------------|--------|--------|

| | | |
|---------------------------------|-----------------|-----------------|
| Total, Method of Finance | \$93,376 | \$93,376 |
|---------------------------------|-----------------|-----------------|

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Fund agency positions at the median salary for its classification.

Fund promotions to reflect the classifications that match staff's actual duties

Adjust Executive Director and General Counsel Salaries.

Lumpsum and retirement payments

4.C. Exceptional Items Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 9:52:19AM

Agency Code: **356** Agency name: **Texas Ethics Commission**

GOAL: 1 Administer Public Disclosure/Ethics Laws

OBJECTIVE: 1 Access Required Reports; Respond to Advisory Reqs & Sworn Complaints

STRATEGY: 3 Respond to Complaints and Enforce Applicable Statutes

Service Categories:

Service: 01 Income: A.2 Age: B.3

| CODE DESCRIPTION | Exp 2024 | Exp 2025 |
|-------------------------|-----------------|-----------------|
|-------------------------|-----------------|-----------------|

STRATEGY IMPACT ON OUTCOME MEASURES:

| | | |
|--|----------|----------|
| <u>2</u> % of Sworn Complaints Processed within Five Working Days after Filing | 100.00 % | 100.00 % |
|--|----------|----------|

OBJECTS OF EXPENSE:

| | | |
|----------------------------------|------------------|------------------|
| 1001 SALARIES AND WAGES | 174,057 | 174,057 |
| 1002 OTHER PERSONNEL COSTS | 25,400 | 25,400 |
| 2009 OTHER OPERATING EXPENSE | 20,150 | 20,150 |
| Total, Objects of Expense | \$219,607 | \$219,607 |

METHOD OF FINANCING:

| | | |
|---------------------------------|------------------|------------------|
| 1 General Revenue Fund | 219,607 | 219,607 |
| Total, Method of Finance | \$219,607 | \$219,607 |

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

- Fund agency positions at the median salary for its classification.
- Fund promotions to reflect the classifications that match staff's actual duties
- Fund unfunded FTE positions to allow agency to serve filers and the public more efficiently
- Lumpsum and retirement payments
- Digitize office documents for searchable records and shred after double verification

4.C. Exceptional Items Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 9:52:19AM

Agency Code: **356** Agency name: **Texas Ethics Commission**

GOAL: 2 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 1 Central Administration

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

| CODE DESCRIPTION | Exp 2024 | Exp 2025 |
|-------------------------|-----------------|-----------------|
|-------------------------|-----------------|-----------------|

OBJECTS OF EXPENSE:

| | | |
|----------------------------------|-----------------|-----------------|
| 1001 SALARIES AND WAGES | 39,856 | 39,856 |
| 1002 OTHER PERSONNEL COSTS | 28,145 | 28,145 |
| 2009 OTHER OPERATING EXPENSE | 11,162 | 11,162 |
| Total, Objects of Expense | \$79,163 | \$79,163 |

METHOD OF FINANCING:

| | | |
|---------------------------------|-----------------|-----------------|
| 1 General Revenue Fund | 79,163 | 79,163 |
| Total, Method of Finance | \$79,163 | \$79,163 |

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Fund agency positions at the median salary for its classification.
 Fund promotions to reflect the classifications that match staff's actual duties
 Adjust Executive Director and General Counsel Salaries.
 Lumpsum and retirement payments
 Digitize office documents for searchable records and shred after double verification

4.C. Exceptional Items Strategy Request
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 9:52:19AM

Agency Code: **356** Agency name: **Texas Ethics Commission**

GOAL: 2 Indirect Administration
 OBJECTIVE: 1 Indirect Administration
 STRATEGY: 2 Information Resources

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

| CODE DESCRIPTION | Exp 2024 | Exp 2025 |
|------------------|----------|----------|
|------------------|----------|----------|

OBJECTS OF EXPENSE:

| | | |
|----------------------------------|--------------------|------------------|
| 1001 SALARIES AND WAGES | 233,284 | 233,284 |
| 1002 OTHER PERSONNEL COSTS | 41,440 | 41,440 |
| 2009 OTHER OPERATING EXPENSE | 150,000 | 0 |
| 5000 CAPITAL EXPENDITURES | 834,357 | 265,300 |
| Total, Objects of Expense | \$1,259,081 | \$540,024 |

METHOD OF FINANCING:

| | | |
|---------------------------------|--------------------|------------------|
| 1 General Revenue Fund | 1,259,081 | 540,024 |
| Total, Method of Finance | \$1,259,081 | \$540,024 |

FULL-TIME EQUIVALENT POSITIONS (FTE):

| | | |
|--|-----|-----|
| | 1.0 | 1.0 |
|--|-----|-----|

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Managed Cloud Services for TEC Electronic Filing System
 Electronic Filing System Enhancement, Updates & Improvements
 Improve Agency Website User Interface
 Case Management Software including Public Information Module
 IT Helpline Analyst- System Support Specialist III
 Fund agency positions at the median salary for its classification.
 Fund promotions to reflect the classifications that match staff's actual duties
 Fund unfunded FTE positions to allow agency to serve filers and the public more efficiently
 Lumpsum and retirement payments

5.A. Capital Budget Project Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:19AM

Agency code: 356

Agency name: Texas Ethics Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2022

Bud 2023

BL 2024

BL 2025

5005 Acquisition of Information Resource Technologies

*2/2 Vendor Support for Electronic Filing &
 Disclosure Database Systems*

OBJECTS OF EXPENSE

Capital

| | | | | | | | |
|---------|------|-------------------------------|---|------------------|------------------|------------------|------------------|
| General | 5000 | CAPITAL EXPENDITURES | | \$447,890 | \$447,890 | \$447,890 | \$447,890 |
| | | Capital Subtotal OOE, Project | 2 | \$447,890 | \$447,890 | \$447,890 | \$447,890 |
| | | Subtotal OOE, Project | 2 | \$447,890 | \$447,890 | \$447,890 | \$447,890 |

TYPE OF FINANCING

Capital

| | | | | | | | |
|---------|----|---|-------------------------------|------------------|------------------|------------------|------------------|
| General | CA | 1 | General Revenue Fund | \$447,890 | \$447,890 | \$447,890 | \$447,890 |
| | | | Capital Subtotal TOF, Project | \$447,890 | \$447,890 | \$447,890 | \$447,890 |
| | | | Subtotal TOF, Project | \$447,890 | \$447,890 | \$447,890 | \$447,890 |

*3/3 Case Management Software License
 Subscription*

OBJECTS OF EXPENSE

Capital

| | | | | | | | |
|---------|------|-------------------------------|---|-----------------|-----------------|-----------------|-----------------|
| General | 5000 | CAPITAL EXPENDITURES | | \$22,000 | \$22,000 | \$22,000 | \$22,000 |
| | | Capital Subtotal OOE, Project | 3 | \$22,000 | \$22,000 | \$22,000 | \$22,000 |
| | | Subtotal OOE, Project | 3 | \$22,000 | \$22,000 | \$22,000 | \$22,000 |

TYPE OF FINANCING

Capital

| | | | | | | | |
|---------|----|---|----------------------|----------|----------|----------|----------|
| General | CA | 1 | General Revenue Fund | \$22,000 | \$22,000 | \$22,000 | \$22,000 |
|---------|----|---|----------------------|----------|----------|----------|----------|

5.A. Capital Budget Project Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME : 9:52:19AM

Agency code: **356**

Agency name: **Texas Ethics Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---|------------------------------|------------------|------------------|-----------------|-----------------|
| Capital Subtotal TOF, Project | 3 | \$22,000 | \$22,000 | \$22,000 | \$22,000 |
| Subtotal TOF, Project | 3 | \$22,000 | \$22,000 | \$22,000 | \$22,000 |
| <i>4/4 Enhancements to Electronic Filing System</i> | | | | | |
| OBJECTS OF EXPENSE | | | | | |
| <u>Capital</u> | | | | | |
| General | 5000 CAPITAL EXPENDITURES | \$137,500 | \$137,500 | \$0 | \$0 |
| Capital Subtotal OOE, Project | 4 | \$137,500 | \$137,500 | \$0 | \$0 |
| Subtotal OOE, Project | 4 | \$137,500 | \$137,500 | \$0 | \$0 |
| TYPE OF FINANCING | | | | | |
| <u>Capital</u> | | | | | |
| General | CA 1 General Revenue Fund | \$137,500 | \$137,500 | \$0 | \$0 |
| Capital Subtotal TOF, Project | 4 | \$137,500 | \$137,500 | \$0 | \$0 |
| Subtotal TOF, Project | 4 | \$137,500 | \$137,500 | \$0 | \$0 |
| <i>5/5 Improve Agency Website User Interface</i> | | | | | |
| OBJECTS OF EXPENSE | | | | | |
| <u>Capital</u> | | | | | |
| General | 2009 OTHER OPERATING EXPENSE | \$0 | \$0 | \$0 | \$0 |
| Capital Subtotal OOE, Project | 5 | \$0 | \$0 | \$0 | \$0 |
| Subtotal OOE, Project | 5 | \$0 | \$0 | \$0 | \$0 |
| TYPE OF FINANCING | | | | | |
| <u>Capital</u> | | | | | |
| General | CA 1 General Revenue Fund | \$0 | \$0 | \$0 | \$0 |

5.A. Capital Budget Project Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME : 9:52:19AM

Agency code: 356

Agency name: Texas Ethics Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2022

Bud 2023

BL 2024

BL 2025

| | | | | | |
|-------------------------------|---|-----|-----|-----|-----|
| Capital Subtotal TOF, Project | 5 | \$0 | \$0 | \$0 | \$0 |
| Subtotal TOF, Project | 5 | \$0 | \$0 | \$0 | \$0 |

6/6 Case Management Software including Public Information Module

OBJECTS OF EXPENSE

Capital

| | | | | | | |
|-------------------------------|------|----------------------|-----|-----|-----|-----|
| General | 5000 | CAPITAL EXPENDITURES | \$0 | \$0 | \$0 | \$0 |
| Capital Subtotal OOE, Project | 6 | | \$0 | \$0 | \$0 | \$0 |
| Subtotal OOE, Project | 6 | | \$0 | \$0 | \$0 | \$0 |

TYPE OF FINANCING

Capital

| | | | | | | | |
|-------------------------------|----|---|----------------------|-----|-----|-----|-----|
| General | CA | 1 | General Revenue Fund | \$0 | \$0 | \$0 | \$0 |
| Capital Subtotal TOF, Project | 6 | | | \$0 | \$0 | \$0 | \$0 |
| Subtotal TOF, Project | 6 | | | \$0 | \$0 | \$0 | \$0 |

| | | | | | | |
|----------------------------------|-------------|--|------------------|------------------|------------------|------------------|
| Capital Subtotal, Category | 5005 | | \$607,390 | \$607,390 | \$469,890 | \$469,890 |
| Informational Subtotal, Category | 5005 | | | | | |
| Total, Category | 5005 | | \$607,390 | \$607,390 | \$469,890 | \$469,890 |

7000 Data Center/Shared Technology Services

1/1 Managed Cloud Services for TEC Electronic Filing System

OBJECTS OF EXPENSE

Capital

| | | | | | | |
|---------|------|----------------------|-----|-----|-----|-----|
| General | 5000 | CAPITAL EXPENDITURES | \$0 | \$0 | \$0 | \$0 |
|---------|------|----------------------|-----|-----|-----|-----|

5.A. Capital Budget Project Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME : 9:52:19AM

Agency code: 356

Agency name: Texas Ethics Commission

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2022

Bud 2023

BL 2024

BL 2025

Capital Subtotal OOE, Project 1

\$0

\$0

\$0

\$0

Subtotal OOE, Project 1

\$0

\$0

\$0

\$0

TYPE OF FINANCING

Capital

General CA 1 General Revenue Fund

\$0

\$0

\$0

\$0

Capital Subtotal TOF, Project 1

\$0

\$0

\$0

\$0

Subtotal TOF, Project 1

\$0

\$0

\$0

\$0

*7/7 Digitize office documents for searchable records
 and shred after double verification*

OBJECTS OF EXPENSE

Capital

General 2009 OTHER OPERATING EXPENSE

\$0

\$0

\$0

\$0

Capital Subtotal OOE, Project 7

\$0

\$0

\$0

\$0

Subtotal OOE, Project 7

\$0

\$0

\$0

\$0

TYPE OF FINANCING

Capital

General CA 1 General Revenue Fund

\$0

\$0

\$0

\$0

Capital Subtotal TOF, Project 7

\$0

\$0

\$0

\$0

Subtotal TOF, Project 7

\$0

\$0

\$0

\$0

8/8 Microsoft O365 Licenses - STS/DCS

OBJECTS OF EXPENSE

Capital

5.A. Capital Budget Project Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME : 9:52:19AM

Agency code: **356**

Agency name: **Texas Ethics Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

| OOE / TOF / MOF CODE | | | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------------------------------------|------|------------------------------------|------------------|------------------|------------------|------------------|
| General | 2009 | OTHER OPERATING EXPENSE | \$5,500 | \$7,700 | \$7,700 | \$7,700 |
| | | Capital Subtotal OOE, Project | 8 | \$5,500 | \$7,700 | \$7,700 |
| | | Subtotal OOE, Project | 8 | \$5,500 | \$7,700 | \$7,700 |
| TYPE OF FINANCING | | | | | | |
| <u>Capital</u> | | | | | | |
| General | CA | 1 General Revenue Fund | \$5,500 | \$7,700 | \$7,700 | \$7,700 |
| | | Capital Subtotal TOF, Project | 8 | \$5,500 | \$7,700 | \$7,700 |
| | | Subtotal TOF, Project | 8 | \$5,500 | \$7,700 | \$7,700 |
| | | Capital Subtotal, Category | 7000 | \$5,500 | \$7,700 | \$7,700 |
| | | Informational Subtotal, Category | 7000 | | | |
| | | Total, Category | 7000 | \$5,500 | \$7,700 | \$7,700 |
| AGENCY TOTAL -CAPITAL | | | \$612,890 | \$615,090 | \$477,590 | \$477,590 |
| AGENCY TOTAL -INFORMATIONAL | | | | | | |
| AGENCY TOTAL | | | \$612,890 | \$615,090 | \$477,590 | \$477,590 |
| METHOD OF FINANCING: | | | | | | |
| <u>Capital</u> | | | | | | |
| General | 1 | General Revenue Fund | \$612,890 | \$615,090 | \$477,590 | \$477,590 |
| | | Total, Method of Financing-Capital | \$612,890 | \$615,090 | \$477,590 | \$477,590 |
| | | Total, Method of Financing | \$612,890 | \$615,090 | \$477,590 | \$477,590 |

5.A. Capital Budget Project Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME : 9:52:19AM

Agency code: **356**

Agency name: **Texas Ethics Commission**

Category Code / Category Name

Project Sequence/Project Id/ Name

OOE / TOF / MOF CODE

Est 2022

Bud 2023

BL 2024

BL 2025

TYPE OF FINANCING:

Capital

General CA CURRENT APPROPRIATIONS

\$612,890

\$615,090

\$477,590

\$477,590

Total, Type of Financing-Capital

\$612,890

\$615,090

\$477,590

\$477,590

Total, Type of Financing

\$612,890

\$615,090

\$477,590

\$477,590

5.B. Capital Budget Project Information
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

| | | | |
|------------------|-------------|----------------|---|
| Agency Code: | 356 | Agency name: | Texas Ethics Commission |
| Category Number: | 7000 | Category Name: | Data Center/Shared Technology Svcs |
| Project number: | 1 | Project Name: | Managed Cloud Services |

PROJECT DESCRIPTION

General Information

Managed Cloud Services for TEC Electronic Filing System

| | |
|--|--|
| PLCS Tracking Key | PCLS_88R_356_1110488 |
| Number of Units / Average Unit Cost | \$660,000 FY 2024 \$88,000 Cloud subscription FY 2025, 15% incre |
| Estimated Completion Date | Until end of use |

| | | |
|--|-------------|-------------|
| Additional Capital Expenditure Amounts Required | 2026 | 2027 |
| | 101,200 | 116,380 |

| | |
|--|---------------------------|
| Type of Financing | CA CURRENT APPROPRIATIONS |
| Projected Useful Life | \$965,580 |
| Estimated/Actual Project Cost | \$965,580 |
| Length of Financing/ Lease Period | annual |

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| | | | | Total over project life |
|--|-------------|-------------|-------------|------------------------------------|
| | 2024 | 2025 | 2026 | 2027 |
| | 660,000 | 88,000 | 101,200 | 116,380 |
| | | | | 965,580 |

REVENUE GENERATION / COST SAVINGS

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

Explanation: The electronic filing system housed on aging on-premise servers has been unable to handle the filing of an exceptionally large report without temporarily diverting server resources away from other agency systems. The agency predicts continuing problems as campaign finance reports have grown in size, and this will materially adversely affect public disclosure

Project Location: The system is maintained at the Texas Ethics Commission headquarters in Austin, Texas. The system benefits filers throughout the state.

Beneficiaries: Elected/appointed public officials, political committees registered in Texas and out-of-state committees active in Texas, state/agency employees, candidates for office in Texas, registered and general public.

Frequency of Use and External Factors Affecting Use:

Daily 24x7x365

5.B. Capital Budget Project Information
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

| | | | |
|------------------|-------------|----------------|---------------------------------|
| Agency Code: | 356 | Agency name: | Texas Ethics Commission |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 2 | Project Name: | Vendor Support |

PROJECT DESCRIPTION

General Information

The agency plans to extend the current maintenance contract with the vendor that designed and developed the agency's electronic filing system to cover maintenance and warranty of the system. The contract includes maintenance for the Filing Application Manager, the campaign finance filing application, the Lobby filing application, the Personal Financial Statement filing application, the certificate of Interested Parties (Form 1295) filing application, and the underlying software infrastructure developed by the vendor.

PLCS Tracking Key

Number of Units / Average Unit Cost 1 @ \$447,890
Estimated Completion Date Until end of use of EFSS

| | | |
|--|-------------|-------------|
| Additional Capital Expenditure Amounts Required | 2026 | 2027 |
| | 447,890 | 447,890 |

Type of Financing CA CURRENT APPROPRIATIONS
Projected Useful Life Until end of use of EFSS

Estimated/Actual Project Cost \$1,791,560
Length of Financing/ Lease Period annual

| <u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u> | | | | Total over project life |
|---|-------------|-------------|-------------|------------------------------------|
| 2024 | 2025 | 2026 | 2027 | |
| 447,890 | 447,890 | 447,890 | 447,890 | 1,791,560 |

REVENUE GENERATION / COST SAVINGS

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

Explanation: Due to the complexity of the design of the software and the tight development schedule prior to putting the code into production, the understaffed IT programming staff has not had sufficient time to learn the code structure of the system. Thus, the vendor needs to be employed to not only fix defects inherent to the system, but also work with the Commission staff to provide hands-on learning to fix the code base of the system so that the staff can modify and maintain the code base in-house.

Project Location: The system is maintained at the Texas Ethics Commission headquarters in Austin, Texas. The system benefits filers throughout the state.

Beneficiaries: Elected/appointed public officials, political committees registered in Texas and out-of-state committees active in Texas, state/agency employees, candidates for office in Texas, registered and general public.

Frequency of Use and External Factors Affecting Use:
 Daily/Laws of the Legislature and court ruling that impact filing requirements.

5.B. Capital Budget Project Information
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

| | | | |
|------------------|-------------|----------------|---|
| Agency Code: | 356 | Agency name: | Texas Ethics Commission |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 3 | Project Name: | Case Management Software License |

PROJECT DESCRIPTION

General Information

The case management system procured in FY 2020 is a software license subscription that needs to be renewed on a yearly basis. The commission was appropriated \$22,000 for the ongoing maintenance of the sworn complaint case management system, which is now a software as a service license subscription fee and not a maintenance fee. The commission was able to cut cost on the initial software by entering into an annual license subscription prices at \$23,005.25 for the first three years with a 5% increase each preceding year. This is a shortfall of \$1,005.25 + 5% starting FY 2024.

PLCS Tracking Key

Number of Units / Average Unit Cost 1 @ \$23,005.25 plus 5% annual increase after initial term expires 2

Estimated Completion Date Until end of use or replacement

| | | |
|--|-------------|-------------|
| Additional Capital Expenditure Amounts Required | 2026 | 2027 |
| | 26,631 | 27,963 |

Type of Financing CA CURRENT APPROPRIATIONS
Projected Useful Life Until end of use or replacement

Estimated/Actual Project Cost \$104,113

Length of Financing/ Lease Period annual

| <u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u> | | | | | Total over project life |
|---|--------|--------|--------|--|------------------------------------|
| 2024 | 2025 | 2026 | 2027 | | |
| 24,156 | 25,363 | 26,631 | 27,963 | | 104,113 |

REVENUE GENERATION / COST SAVINGS

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

Explanation: In August 2020 the Commission entered into a SAAS, software license subscription agreement with on outside vendor that allows the agency to track the status of all the sworn complaints. It allows the public to submit complaints and supporting documentation, streamlines the process and will be able to track the sworn complaint process from beginning to end in a seamless matter with reporting capabilities. The license subscription will have a yearly 5% increase over the life of the subscription.

Project Location: The system is maintained a the Texas Ethics Commission headquarters in Austin, Texas. The system benefits filers throughout the state.

Beneficiaries: Texas Ethics Commission legal staff and citizens of the state of Texas.

Frequency of Use and External Factors Affecting Use:

Daily 24x7x365

5.B. Capital Budget Project Information
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

| | | | |
|------------------|-------------|----------------|--|
| Agency Code: | 356 | Agency name: | Texas Ethics Commission |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 4 | Project Name: | Enhancements to E-Filing System |

PROJECT DESCRIPTION

General Information

The Commission's maintenance contract with the vendor for the agency's electronic filing system does not cover enhancements to the system. Enhancements to the campaign finance, lobby, personal financial statement, and certificates of interested party filing applications are required when legislative changes and new Commission rules modify the underlying business rules of the filing system components. The Commission is also sensitive to public requests for modifying the source code for ease of use.

PLCS Tracking Key

NA

Number of Units / Average Unit Cost

(1,100) hrs @ a rate of \$125/hr= \$137,500

Estimated Completion Date

Until end of use

Additional Capital Expenditure Amounts Required

| | |
|-------------|-------------|
| 2026 | 2027 |
| 137,500 | 137,500 |

Type of Financing

CA CURRENT APPROPRIATIONS

Projected Useful Life

Until end of use of EFSS

Estimated/Actual Project Cost

\$550,000

Length of Financing/ Lease Period

annual

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| | | | | |
|-------------|-------------|-------------|-------------|---------------------|
| | | | | Total over |
| 2024 | 2025 | 2026 | 2027 | project life |
| 137,500 | 137,500 | 137,500 | 137,500 | 550,000 |

REVENUE GENERATION / COST SAVINGS

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

Explanation: Commission will continue to anticipate future changes required by legislative changes passed during the 88th Legislative Session. Commission desires to implement several enhancements to the Filing Applications if funding is awarded.

Project Location: The system is maintained at the Texas Ethics Commission headquarters in Austin, Texas. The system benefits filers throughout the state.

Beneficiaries: Elected/appointed public officials, political committees registered in Texas and out-of-state committees active in Texas, state/agency employees, candidates for office in Texas, registered and general public.

Frequency of Use and External Factors Affecting Use:

As enhancements are needed based on Laws of the Legislature and court rulings that impact filing requirements and technology growth.

5.B. Capital Budget Project Information
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
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| | | | |
|------------------|-------------|----------------|---------------------------------|
| Agency Code: | 356 | Agency name: | Texas Ethics Commission |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 5 | Project Name: | Website User Interface |

PROJECT DESCRIPTION

General Information

To better serve the public and persons filing reports under the agency's laws, the agency is looking to contract programming resources to redesign and recode the website with a modern, responsive design so that the site is easy to navigate and easily scales to mobile devices. Having the ability to modernize the agency website would enhance the use of that new system and would be of great service to the hundreds of thousands of individuals who access the website on a yearly basis.

PLCS Tracking Key NA
Number of Units / Average Unit Cost \$150,000 for one-time
Estimated Completion Date 8/31/2024

| | | |
|--|-------------|-------------|
| Additional Capital Expenditure Amounts Required | 2026 | 2027 |
| | 0 | 0 |

Type of Financing CA CURRENT APPROPRIATIONS
Projected Useful Life Used until replaced. Project completion est. 8/31/2024

Estimated/Actual Project Cost \$150,000
Length of Financing/ Lease Period one-time

| <u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u> | | | | | Total over project life |
|---|------|------|------|--|------------------------------------|
| 2024 | 2025 | 2026 | 2027 | | |
| 150,000 | 0 | 0 | 0 | | 150,000 |

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

Explanation: Redesign and retool the Commission's website. The agency's website can be difficult to navigate. Because of its many statutory duties, it is necessary for the agency to place on its website large amounts of information. To better serve the public and persons filing reports under the agency's laws, the agency is looking to contract programming resources to redesign and recode the website with a modern, responsive design so that the site is easy to navigate and easily scales to mobile devices.

Project Location: Texas Ethics Commission headquarters in Austin, Texas.

Beneficiaries: Elected/appointed public officials, political committees registered in Texas and out-of-state committees active in Texas, state/agency employees, candidates for office in Texas, registered and general public.

Frequency of Use and External Factors Affecting Use:

Daily 24x7x365

5.B. Capital Budget Project Information
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
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| | | | |
|------------------|-------------|----------------|--|
| Agency Code: | 356 | Agency name: | Texas Ethics Commission |
| Category Number: | 5005 | Category Name: | ACQUISITN INFO RES TECH. |
| Project number: | 6 | Project Name: | PIR Module & SC Case Mgmt shortfall |

PROJECT DESCRIPTION

General Information

Adding the public information request (PIR) module to the current case management system would allow the TEC to move to a more efficient system for processing PIRS and copy order requests. The Commission staff relies on Word Documents and Excel spreadsheets to keep track of and follow the progress of PIRs and copy orders to completion. There is no integration among the tools used. A PIR system would allow managers, attorneys, and legal support staff to reduce the time spent on each open records request, manage and meet deadlines, and speed up the response. Funding the shortfall will also benefit the sworn complaint case management system.

PLCS Tracking Key

NA

Number of Units / Average Unit Cost

PIR module @ \$36,856.51/FY24 includes CM shortfall & 5% yrly

Estimated Completion Date

Until end of use or replacement

Additional Capital Expenditure Amounts Required

| | |
|-------------|-------------|
| 2026 | 2027 |
| 42,889 | 46,134 |

Type of Financing

CA CURRENT APPROPRIATIONS

Projected Useful Life

Until end of use or replacement

Estimated/Actual Project Cost

\$165,680

Length of Financing/ Lease Period

Annual

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| 2024 | 2025 | 2026 | 2027 | Total over project life |
|-------------|-------------|-------------|-------------|--------------------------------|
| 36,857 | 39,800 | 42,889 | 46,134 | 165,680 |

REVENUE GENERATION / COST SAVINGS

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

Explanation: The agency receives, on avg., 450 public information requests per year. Complying w/ public information requests is legally required & critical to the agency's mission of promoting public confidence in government. A PIR module to track these requests will make the requests more efficient, & will eliminate work being duplicated when multiple requests are received for the same or similar information. The avg. number of days to resolve a SC have decreased 187 days in FY 2017 to 40 days in FY 2021

Project Location: The system is maintained at the Texas Ethics Commission headquarters in Austin, Texas. The system benefits filers throughout the state.

Beneficiaries: Texas Ethics Commission staff and citizens of the state of Texas.

Frequency of Use and External Factors Affecting Use:

Daily 24x7x365

5.B. Capital Budget Project Information
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

| | | | |
|------------------|-------------|----------------|---|
| Agency Code: | 356 | Agency name: | Texas Ethics Commission |
| Category Number: | 7000 | Category Name: | Data Center/Shared Technology Svcs |
| Project number: | 7 | Project Name: | Digitization & shredding project |

PROJECT DESCRIPTION

General Information

The commission is looking to digitize the entire office and move away from bulky paper files in order to modernize the agency by converting the records into electronic and searchable files.

PLCS Tracking Key

NA

Number of Units / Average Unit Cost

\$650,592 project cost for 126 microfiche reels and 1,322 boxes

Estimated Completion Date

August 31, 2025

Additional Capital Expenditure Amounts Required

2026

2027

0

0

Type of Financing

CA CURRENT APPROPRIATIONS

Projected Useful Life

August 31, 2025

Estimated/Actual Project Cost

\$650,592

Length of Financing/ Lease Period

2 years

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| 2024 | 2025 | 2026 | 2027 | Total over project life |
|-------------|-------------|-------------|-------------|--------------------------------|
| 325,296 | 325,296 | 0 | 0 | 650,592 |

REVENUE GENERATION / COST SAVINGS

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

Explanation: The commission inherited 142 microfiche reels that contained historic campaign finance, PFS and lobby reports prior to the creation of the Ethics Commission from the Secretary of State. These reels along with PFS submitted prior to the Electronic filing system have been stored at TSLAC and are not in a searchable format. Converting these records will make them easier to access.

Project Location: Currently the documents are stored in-house and at the TSLAC. If funded will be maintained at the Texas Ethics Commission headquarters in Austin, Texas.

Beneficiaries: Texas Ethics Commission staff and citizens of the state of Texas.

Frequency of Use and External Factors Affecting Use:

Until the completion of the digitization project of office files expected by August 31, 2025.

5.B. Capital Budget Project Information
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

| | | | |
|------------------|-------------|----------------|---|
| Agency Code: | 356 | Agency name: | Texas Ethics Commission |
| Category Number: | 7000 | Category Name: | Data Center/Shared Technology Svcs |
| Project number: | 8 | Project Name: | Microsoft O365 Licenses - STS/DCS |

PROJECT DESCRIPTION

General Information

The Commission uses Microsoft O365 products that are contracted, licensed, and managed by the State's Data Center. Currently the agency has 28 email licenses, one Microsoft Teams Room license, and one E2 Exchange license that is used for bulk emails generated by the electronic filing system. Staff productivity is improved having access to all the O365 tools using installed clients on the desktop and having access to these same products and services via outlook.com. The agency has benefited from the ease of access to Microsoft subject matter experts and service professionals that are available as part of this contract with the State of Texas DIR.

PLCS Tracking Key NA
Number of Units / Average Unit Cost estimated to cost \$7,700 per year.
Estimated Completion Date Until end of use

| | | |
|--|-------------|-------------|
| Additional Capital Expenditure Amounts Required | 2026 | 2027 |
| | 7,700 | 7,700 |

Type of Financing CA CURRENT APPROPRIATIONS
Projected Useful Life Until end of use
Estimated/Actual Project Cost \$30,800
Length of Financing/ Lease Period annual

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

| | 2024 | 2025 | 2026 | 2027 | Total over project life |
|--|-------|-------|-------|-------|----------------------------|
| | 7,700 | 7,700 | 7,700 | 7,700 | 30,800 |

REVENUE GENERATION / COST SAVINGS

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

Explanation: The Commission uses Microsoft O365 products that are contracted, licensed, and managed by the State's Data Center. Currently the agency has 28 email licenses, one Microsoft Teams Room license, and one E2 Exchange license that is used for bulk emails generated by the electronic filing system. These licenses are contracted through the STS/DCS and are billed to the agency on a monthly basis.

Project Location: The backend infrastructure is hosted in the public Microsoft Azure cloud and is managed locally by the DCS.

Beneficiaries: Texas Ethics Commission staff.

Frequency of Use and External Factors Affecting Use:
 Daily 24x7x365; In office and remote access using multiple devices.

Agency code: 356 Agency name: Texas Ethics Commission

Category Code/Name

Project Sequence/Project Id/Name

| Goal/Obj/Str | Strategy Name | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|-----------------------------|-----------|-----------|-----------|-----------|
| 5005 Acquisition of Information Resource Technologies | | | | | |
| 2/2 <i>Vendor Support</i> | | | | | |
| <u>GENERAL BUDGET</u> | | | | | |
| Capital | 2-1-2 INFORMATION RESOURCES | 447,890 | 447,890 | \$447,890 | \$447,890 |
| | TOTAL, PROJECT | \$447,890 | \$447,890 | \$447,890 | \$447,890 |
| 3/3 <i>Case Management Software License</i> | | | | | |
| <u>GENERAL BUDGET</u> | | | | | |
| Capital | 2-1-2 INFORMATION RESOURCES | 22,000 | 22,000 | 22,000 | 22,000 |
| | TOTAL, PROJECT | \$22,000 | \$22,000 | \$22,000 | \$22,000 |
| 4/4 <i>Enhancements to E-Filing System</i> | | | | | |
| <u>GENERAL BUDGET</u> | | | | | |
| Capital | 2-1-2 INFORMATION RESOURCES | 137,500 | 137,500 | 0 | 0 |
| | TOTAL, PROJECT | \$137,500 | \$137,500 | \$0 | \$0 |
| 5/5 <i>Website User Interface</i> | | | | | |
| <u>GENERAL BUDGET</u> | | | | | |
| Capital | 2-1-2 INFORMATION RESOURCES | 0 | 0 | 0 | 0 |
| | TOTAL, PROJECT | \$0 | \$0 | \$0 | \$0 |
| 6/6 <i>PIR Module & SC Case Mgmt shortfall</i> | | | | | |
| <u>GENERAL BUDGET</u> | | | | | |
| Capital | 2-1-2 INFORMATION RESOURCES | 0 | 0 | 0 | 0 |

Agency code: 356 Agency name: Texas Ethics Commission

Category Code/Name

Project Sequence/Project Id/Name

| Goal/Obj/Str | Strategy Name | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--------------|----------------|----------|----------|---------|---------|
| | TOTAL, PROJECT | \$0 | \$0 | \$0 | \$0 |

7000 Data Center/Shared Technology Services

1/1 *Managed Cloud Services*

GENERAL BUDGET

| | | | | | | |
|---------|-------|-----------------------|-----|-----|-----|-----|
| Capital | 2-1-2 | INFORMATION RESOURCES | 0 | 0 | \$0 | \$0 |
| | | TOTAL, PROJECT | \$0 | \$0 | \$0 | \$0 |

7/7 *Digitization & shredding project*

GENERAL BUDGET

| | | | | | | |
|---------|-------|------------------------|-----|-----|-----|-----|
| Capital | 2-1-1 | CENTRAL ADMINISTRATION | 0 | 0 | 0 | 0 |
| | 1-1-1 | DISCLOSURE FILING | 0 | 0 | 0 | 0 |
| | 1-1-3 | ENFORCEMENT | 0 | 0 | 0 | 0 |
| | | TOTAL, PROJECT | \$0 | \$0 | \$0 | \$0 |

8/8 *Microsoft O365 Licenses - STS/DCS*

GENERAL BUDGET

| | | | | | | |
|--|-------|-----------------------|------------------|------------------|------------------|------------------|
| Capital | 2-1-2 | INFORMATION RESOURCES | 5,500 | 7,700 | 7,700 | 7,700 |
| | | TOTAL, PROJECT | \$5,500 | \$7,700 | \$7,700 | \$7,700 |
| TOTAL CAPITAL, ALL PROJECTS | | | \$612,890 | \$615,090 | \$477,590 | \$477,590 |
| TOTAL INFORMATIONAL, ALL PROJECTS | | | | | | |
| TOTAL, ALL PROJECTS | | | \$612,890 | \$615,090 | \$477,590 | \$477,590 |

5.D. Capital Budget Operating and Maintenance Expenses
 88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

Agency Code: **356** Agency name: **Texas Ethics Commission**
 Project Number: **1** Project name: **Managed Cloud Services for TEC Electronic Filing System**

Operating Expenses Estimates (For Information Only)

| CODE DESCRIPTION | 2024 | 2025 | 2026 | 2027 |
|-----------------------------------|-------------|-------------|-------------|-------------|
| OBJECTS OF EXPENSE: | | | | |
| 5000 CAPITAL EXPENDITURES | \$0 | \$0 | \$0 | \$0 |
| TOTAL, OBJECT OF EXPENSE | \$0 | \$0 | \$0 | \$0 |
| METHOD OF FINANCING: | | | | |
| 1 General Revenue Fund | \$0 | \$0 | \$0 | \$0 |
| TOTAL, METHOD OF FINANCING | \$0 | \$0 | \$0 | \$0 |

OPERATING COSTS DESCRIPTION AND JUSTIFICATION:

The electronic filing system housed on the servers has been unable to handle the filing of an exceptionally large report without temporarily diverting server resources away from other agency systems. The agency predicts continuing problems as campaign finance reports have grown in size, and this will materially adversely affect public disclosure.

5.D. Capital Budget Operating and Maintenance Expenses
 88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

Agency Code: **356** Agency name: **Texas Ethics Commission**
 Project Number: **2** Project name: **Vendor Support for Electronic Filing & Disclosure Database Systems**

Operating Expenses Estimates (For Information Only)

| CODE DESCRIPTION | 2024 | 2025 | 2026 | 2027 |
|-----------------------------------|------------------|------------------|------------------|------------------|
| OBJECTS OF EXPENSE: | | | | |
| 5000 CAPITAL EXPENDITURES | \$447,890 | \$447,890 | \$447,890 | \$447,890 |
| TOTAL, OBJECT OF EXPENSE | \$447,890 | \$447,890 | \$447,890 | \$447,890 |
| METHOD OF FINANCING: | | | | |
| 1 General Revenue Fund | \$447,890 | \$447,890 | \$447,890 | \$447,890 |
| TOTAL, METHOD OF FINANCING | \$447,890 | \$447,890 | \$447,890 | \$447,890 |

OPERATING COSTS DESCRIPTION AND JUSTIFICATION:

The architecture of the new electronic filing system is complex. The code base consists of several hundred thousand lines of Java code that run in a virtualized Red Hat JBOSS environment. Due to the complexity of the design of the software and the tight development schedule prior to putting the code into production and the unexpected need to quickly develop, deploy, and assist filers with the new filing application to implement HB 1295 passed by the 84th Legislature, the agency IT programming staff has not had sufficient time to learn the code structure of the system. Thus, the vendor's contract needs to be renewed to not only fix the defects inherent in the system, but also work with the agency IT staff to provide hands-on learning of the code base of the new system so that the agency staff can modify and maintain the code base in-house.

5.D. Capital Budget Operating and Maintenance Expenses
 88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

Agency Code: **356** Agency name: **Texas Ethics Commission**
 Project Number: **3** Project name: **Case Management Software License Subscription**

Operating Expenses Estimates (For Information Only)

| CODE DESCRIPTION | 2024 | 2025 | 2026 | 2027 |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|
| OBJECTS OF EXPENSE: | | | | |
| 5000 CAPITAL EXPENDITURES | \$22,000 | \$22,000 | \$22,000 | \$22,000 |
| TOTAL, OBJECT OF EXPENSE | \$22,000 | \$22,000 | \$22,000 | \$22,000 |
| METHOD OF FINANCING: | | | | |
| 1 General Revenue Fund | \$22,000 | \$22,000 | \$22,000 | \$22,000 |
| TOTAL, METHOD OF FINANCING | \$22,000 | \$22,000 | \$22,000 | \$22,000 |

OPERATING COSTS DESCRIPTION AND JUSTIFICATION:

If funded the commission would be able to continue efficiently tracking sworn complaint cases and provide a report on the number received, closed and status of each case. If the commission is not funded for the shortfall, we would have to continue using an outdated database that makes managing cases more tedious, leaves room for manual errors and reporting inconsistencies.

5.D. Capital Budget Operating and Maintenance Expenses
 88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

Agency Code: **356** Agency name: **Texas Ethics Commission**
 Project Number: **4** Project name: **Enhancements to Electronic Filing System**

Operating Expenses Estimates (For Information Only)

| CODE DESCRIPTION | 2024 | 2025 | 2026 | 2027 |
|-----------------------------------|------------------|------------------|------------------|------------------|
| OBJECTS OF EXPENSE: | | | | |
| 5000 CAPITAL EXPENDITURES | \$137,500 | \$137,500 | \$137,500 | \$137,500 |
| TOTAL, OBJECT OF EXPENSE | \$137,500 | \$137,500 | \$137,500 | \$137,500 |
| METHOD OF FINANCING: | | | | |
| 1 General Revenue Fund | \$137,500 | \$137,500 | \$137,500 | \$137,500 |
| TOTAL, METHOD OF FINANCING | \$137,500 | \$137,500 | \$137,500 | \$137,500 |

OPERATING COSTS DESCRIPTION AND JUSTIFICATION:

The Commission provides a state-of-the art electronic filing system for statewide filers as required by Texas statute. This electronic filing system was put into production in 2015. Enhancements to the filing system source code are required when legislative changes, new Commission rules, and requests from agency staff and filers who use the filing applications alter the underlying business rules of the filing system. Enhancements to the Commission’s electronic filing system are not covered under the maintenance contract with the vendor, but are billed as time and materials. The billing rate for FY2022 and FY2023 is \$125/hour, and this rate is expected to increase in future years.

Ethics reform is typically a priority on legislative session agendas. New ethics related statutory changes are passed each session that require source code changes to the electronic filing system in order to satisfy the legal requirements of the new statutes. Due to the complex nature of the electronic filing system, the contracted software vendor must be employed to make enhancements to the source code, and these changes are billed hourly as time and materials.

Enhancements to the electronic filing system will always be required due to legislative changes and Commission rule changes. Because the necessary code changes must be outsourced, the Commission needs to continually fund these enhancement hours on an annual basis.

5.D. Capital Budget Operating and Maintenance Expenses
 88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

Agency Code: **356** Agency name: **Texas Ethics Commission**
 Project Number: **6** Project name: **Case Management Software including Public Information Module**
Operating Expenses Estimates (For Information Only)

| CODE DESCRIPTION | 2024 | 2025 | 2026 | 2027 |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|
| OBJECTS OF EXPENSE: | | | | |
| 5000 CAPITAL EXPENDITURES | \$36,857 | \$39,800 | \$42,889 | \$46,134 |
| TOTAL, OBJECT OF EXPENSE | \$36,857 | \$39,800 | \$42,889 | \$46,134 |
| METHOD OF FINANCING: | | | | |
| 1 General Revenue Fund | \$36,857 | \$39,800 | \$42,889 | \$46,134 |
| TOTAL, METHOD OF FINANCING | \$36,857 | \$39,800 | \$42,889 | \$46,134 |

OPERATING COSTS DESCRIPTION AND JUSTIFICATION:

Case Management Software including Public Information Module

5.D. Capital Budget Operating and Maintenance Expenses
 88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

Agency Code: **356** Agency name: **Texas Ethics Commission**
 Project Number: **7** Project name: **Digitize office documents for searchable records and shred after double verificatio**

Operating Expenses Estimates (For Information Only)

| CODE DESCRIPTION | 2024 | 2025 | 2026 | 2027 |
|-----------------------------------|------------------|------------------|-------------|-------------|
| OBJECTS OF EXPENSE: | | | | |
| 5000 CAPITAL EXPENDITURES | \$325,296 | \$325,296 | \$0 | \$0 |
| TOTAL, OBJECT OF EXPENSE | \$325,296 | \$325,296 | \$0 | \$0 |
| METHOD OF FINANCING: | | | | |
| 1 General Revenue Fund | \$325,296 | \$325,296 | \$0 | \$0 |
| TOTAL, METHOD OF FINANCING | \$325,296 | \$325,296 | \$0 | \$0 |

OPERATING COSTS DESCRIPTION AND JUSTIFICATION:

Digitalization & shredding project

5.D. Capital Budget Operating and Maintenance Expenses
 88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
 TIME: 9:52:20AM

Agency Code: **356** Agency name: **Texas Ethics Commission**
 Project Number: **8** Project name: **Microsoft O365 Licenses - STS/DCS**

Operating Expenses Estimates (For Information Only)

| CODE DESCRIPTION | 2024 | 2025 | 2026 | 2027 |
|-----------------------------------|----------------|----------------|----------------|----------------|
| OBJECTS OF EXPENSE: | | | | |
| 2009 OTHER OPERATING EXPENSE | \$7,700 | \$7,700 | \$7,700 | \$7,700 |
| TOTAL, OBJECT OF EXPENSE | \$7,700 | \$7,700 | \$7,700 | \$7,700 |
| METHOD OF FINANCING: | | | | |
| 1 General Revenue Fund | \$7,700 | \$7,700 | \$7,700 | \$7,700 |
| TOTAL, METHOD OF FINANCING | \$7,700 | \$7,700 | \$7,700 | \$7,700 |

OPERATING COSTS DESCRIPTION AND JUSTIFICATION:

The Commission uses Microsoft O365 products that are contracted, licensed, and managed by the State's Data Center. Currently the agency licenses 28 email licenses, one Microsoft Teams Room license, and one E2 Exchange license that is used for bulk emails generated by the electronic filing system. The Commission IT staff have admin access to an O365 dashboard to manage all IDs and services that are licensed to the agency. Microsoft and DCS maintain the backend infrastructure, greatly reducing the agency IT workload.

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| Category Code/Name | | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|----------------------|------------------|------------------|----------------|----------------|
| <i>Project Sequence/Name</i> | | | | | |
| Goal/Obj/Str | Strategy Name | | | | |
| 5005 Acquisition of Information Resource Technologies | | | | | |
| 2 Vendor Support | | | | | |
| OOE | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 5000 | CAPITAL EXPENDITURES | 447,890 | 447,890 | 447,890 | 447,890 |
| TOTAL, OOE's | | \$447,890 | \$447,890 | 447,890 | 447,890 |
| MOF | | | | | |
| GENERAL REVENUE FUNDS | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 447,890 | 447,890 | 447,890 | 447,890 |
| TOTAL, GENERAL REVENUE FUNDS | | \$447,890 | \$447,890 | 447,890 | 447,890 |
| TOTAL, MOF's | | \$447,890 | \$447,890 | 447,890 | 447,890 |

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Category Code/Name

Project Sequence/Name

| Goal/Obj/Str | Strategy Name | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---|----------------------|-----------------|-----------------|---------------|---------------|
| 3 Case Management Software License | | | | | |
| OOE | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 5000 | CAPITAL EXPENDITURES | 22,000 | 22,000 | 22,000 | 22,000 |
| TOTAL, OOE's | | \$22,000 | \$22,000 | 22,000 | 22,000 |
| MOF | | | | | |
| GENERAL REVENUE FUNDS | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 22,000 | 22,000 | 22,000 | 22,000 |
| TOTAL, GENERAL REVENUE FUNDS | | \$22,000 | \$22,000 | 22,000 | 22,000 |
| TOTAL, MOF's | | \$22,000 | \$22,000 | 22,000 | 22,000 |

356 Texas Ethics Commission

Category Code/Name

Project Sequence/Name

| Goal/Obj/Str | Strategy Name | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|----------------------|------------------|------------------|----------|----------|
| 4 Enhancements to E-Filing System | | | | | |
| OOE | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 5000 | CAPITAL EXPENDITURES | 137,500 | 137,500 | 0 | 0 |
| TOTAL, OOE's | | \$137,500 | \$137,500 | 0 | 0 |
| MOF | | | | | |
| GENERAL REVENUE FUNDS | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 137,500 | 137,500 | 0 | 0 |
| TOTAL, GENERAL REVENUE FUNDS | | \$137,500 | \$137,500 | 0 | 0 |
| TOTAL, MOF's | | \$137,500 | \$137,500 | 0 | 0 |

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Category Code/Name

Project Sequence/Name

| Goal/Obj/Str | Strategy Name | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|-------------------------------------|-------------------------|------------|------------|----------|----------|
| 5 Website User Interface | | | | | |
| OOE | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 2009 | OTHER OPERATING EXPENSE | 0 | 0 | 0 | 0 |
| TOTAL, OOE's | | \$0 | \$0 | 0 | 0 |
| MOF | | | | | |
| GENERAL REVENUE FUNDS | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 0 | 0 | 0 | 0 |
| TOTAL, GENERAL REVENUE FUNDS | | \$0 | \$0 | 0 | 0 |
| TOTAL, MOFs | | \$0 | \$0 | 0 | 0 |

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Category Code/Name

Project Sequence/Name

| Goal/Obj/Str | Strategy Name | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|----------------------|------------|------------|----------|----------|
| 6 PIR Module & SC Case Mgmt shortfall | | | | | |
| OOE | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 5000 | CAPITAL EXPENDITURES | 0 | 0 | 0 | 0 |
| TOTAL, OOE's | | \$0 | \$0 | 0 | 0 |
| MOF | | | | | |
| GENERAL REVENUE FUNDS | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 0 | 0 | 0 | 0 |
| TOTAL, GENERAL REVENUE FUNDS | | \$0 | \$0 | 0 | 0 |
| TOTAL, MOFs | | \$0 | \$0 | 0 | 0 |

7000 Data Center/Shared Technology Services

356 Texas Ethics Commission

| Category Code/Name | | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|-------------------------------------|----------------------|------------|------------|----------|----------|
| Project Sequence/Name | | | | | |
| Goal/Obj/Str | Strategy Name | | | | |
| 1 Managed Cloud Services | | | | | |
| OOE | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 5000 | CAPITAL EXPENDITURES | 0 | 0 | 0 | 0 |
| TOTAL, OOE's | | \$0 | \$0 | 0 | 0 |
| MOF | | | | | |
| GENERAL REVENUE FUNDS | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 0 | 0 | 0 | 0 |
| TOTAL, GENERAL REVENUE FUNDS | | \$0 | \$0 | 0 | 0 |
| TOTAL, MOFs | | \$0 | \$0 | 0 | 0 |

356 Texas Ethics Commission

| Category Code/Name | | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---|-------------------------|------------|------------|----------|----------|
| Project Sequence/Name | | | | | |
| Goal/Obj/Str | Strategy Name | | | | |
| 7 Digitization & shredding project | | | | | |
| OOE | | | | | |
| Capital | | | | | |
| 1-1-1 DISCLOSURE FILING | | | | | |
| <u>General Budget</u> | | | | | |
| 2009 | OTHER OPERATING EXPENSE | 0 | 0 | 0 | 0 |
| 1-1-3 ENFORCEMENT | | | | | |
| <u>General Budget</u> | | | | | |
| 2009 | OTHER OPERATING EXPENSE | 0 | 0 | 0 | 0 |
| 2-1-1 CENTRAL ADMINISTRATION | | | | | |
| <u>General Budget</u> | | | | | |
| 2009 | OTHER OPERATING EXPENSE | 0 | 0 | 0 | 0 |
| TOTAL, OOE's | | \$0 | \$0 | 0 | 0 |
| MOF | | | | | |
| GENERAL REVENUE FUNDS | | | | | |
| Capital | | | | | |
| 1-1-1 DISCLOSURE FILING | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 0 | 0 | 0 | 0 |
| 1-1-3 ENFORCEMENT | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 0 | 0 | 0 | 0 |
| 2-1-1 CENTRAL ADMINISTRATION | | | | | |

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| Category Code/Name | | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---|-------------------------|----------|----------|---------|---------|
| Project Sequence/Name | | | | | |
| Goal/Obj/Str | Strategy Name | | | | |
| 7 Digitization & shredding project | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 0 | 0 | 0 | 0 |
| TOTAL, GENERAL REVENUE FUNDS | | \$0 | \$0 | 0 | 0 |
| TOTAL, MOFs | | \$0 | \$0 | 0 | 0 |
| 8 Microsoft O365 Licenses - STS/DCS | | | | | |
| OOE | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 2009 | OTHER OPERATING EXPENSE | 5,500 | 7,700 | 7,700 | 7,700 |
| TOTAL, OOE | | \$5,500 | \$7,700 | 7,700 | 7,700 |
| MOF | | | | | |
| GENERAL REVENUE FUNDS | | | | | |
| Capital | | | | | |
| 2-1-2 INFORMATION RESOURCES | | | | | |
| <u>General Budget</u> | | | | | |
| 1 | General Revenue Fund | 5,500 | 7,700 | 7,700 | 7,700 |
| TOTAL, GENERAL REVENUE FUNDS | | \$5,500 | \$7,700 | 7,700 | 7,700 |
| TOTAL, MOFs | | \$5,500 | \$7,700 | 7,700 | 7,700 |

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| | | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|------------------------------|------------------------------|------------------|------------------|----------------|----------------|
| CAPITAL | | | | | |
| <u>General Budget</u> | | | | | |
| GENERAL REVENUE FUNDS | | | | | |
| | TOTAL, GENERAL BUDGET | \$612,890 | \$615,090 | 477,590 | 477,590 |
| | | 612,890 | 615,090 | 477,590 | 477,590 |
| | TOTAL, ALL PROJECTS | \$612,890 | \$615,090 | 477,590 | 477,590 |

356 Texas Ethics Commission

| Category Code / Category Name <i>Project Number / Name</i> | OOE / TOF / MOF CODE | Excp 2024 | Excp 2025 |
|---|----------------------|----------------|----------------|
| 5005 Acquisition of Information Resource Technologies | | | |
| <u>4 Enhancements to E-Filing System</u> | | | |
| Objects of Expense | | | |
| 5000 CAPITAL EXPENDITURES | | 137,500 | 137,500 |
| Subtotal OOE, Project | 4 | 137,500 | 137,500 |
| Type of Financing | | | |
| CA 1 General Revenue Fund | | 137,500 | 137,500 |
| Subtotal TOF, Project | 4 | 137,500 | 137,500 |
| <u>5 Website User Interface</u> | | | |
| Objects of Expense | | | |
| 2009 OTHER OPERATING EXPENSE | | 150,000 | 0 |
| Subtotal OOE, Project | 5 | 150,000 | 0 |
| Type of Financing | | | |
| CA 1 General Revenue Fund | | 150,000 | 0 |
| Subtotal TOF, Project | 5 | 150,000 | 0 |
| <u>6 PIR Module & SC Case Mgmt shortfall</u> | | | |
| Objects of Expense | | | |
| 5000 CAPITAL EXPENDITURES | | 36,857 | 39,800 |
| Subtotal OOE, Project | 6 | 36,857 | 39,800 |
| Type of Financing | | | |
| CA 1 General Revenue Fund | | 36,857 | 39,800 |
| Subtotal TOF, Project | 6 | 36,857 | 39,800 |
| Subtotal Category | 5005 | 324,357 | 177,300 |

7000 Data Center/Shared Technology Services

356 Texas Ethics Commission

| Category Code / Category Name <i>Project Number / Name</i> | | Excp 2024 | Excp 2025 |
|---|-------------|------------------|----------------|
| OOE / TOF / MOF CODE | | | |
| <u>1 Managed Cloud Services</u> | | | |
| Objects of Expense | | | |
| 5000 CAPITAL EXPENDITURES | | 660,000 | 88,000 |
| Subtotal OOE, Project | 1 | 660,000 | 88,000 |
| Type of Financing | | | |
| CA 1 General Revenue Fund | | 660,000 | 88,000 |
| Subtotal TOF, Project | 1 | 660,000 | 88,000 |
| <u>7 Digitization & shredding project</u> | | | |
| Objects of Expense | | | |
| 2009 OTHER OPERATING EXPENSE | | 325,296 | 325,296 |
| Subtotal OOE, Project | 7 | 325,296 | 325,296 |
| Type of Financing | | | |
| CA 1 General Revenue Fund | | 325,296 | 325,296 |
| Subtotal TOF, Project | 7 | 325,296 | 325,296 |
| Subtotal Category | 7000 | 985,296 | 413,296 |
| AGENCY TOTAL | | 1,309,653 | 590,596 |
| METHOD OF FINANCING: | | | |
| 1 General Revenue Fund | | 1,309,653 | 590,596 |
| Total, Method of Financing | | 1,309,653 | 590,596 |
| TYPE OF FINANCING: | | | |
| CA CURRENT APPROPRIATIONS | | 1,309,653 | 590,596 |
| Total, Type of Financing | | 1,309,653 | 590,596 |

356 Texas Ethics Commission

Category Code/Name

Project Number/Name

| Goal/Obj/Str | Strategy Name | Excp 2024 | Excp 2025 |
|---|---------------------------------|------------------|----------------|
| 5005 Acquisition of Information Resource Technologies | | | |
| 4 | Enhancements to E-Filing System | | |
| 2 1 2 | INFORMATION RESOURCES | 137,500 | 137,500 |
| | TOTAL, PROJECT | 137,500 | 137,500 |
| 5 Website User Interface | | | |
| 2 1 2 | INFORMATION RESOURCES | 150,000 | 0 |
| | TOTAL, PROJECT | 150,000 | 0 |
| 6 PIR Module & SC Case Mgmt shortfall | | | |
| 2 1 2 | INFORMATION RESOURCES | 36,857 | 39,800 |
| | TOTAL, PROJECT | 36,857 | 39,800 |
| 7000 Data Center/Shared Technology Services | | | |
| 1 | Managed Cloud Services | | |
| 2 1 2 | INFORMATION RESOURCES | 660,000 | 88,000 |
| | TOTAL, PROJECT | 660,000 | 88,000 |
| 7 Digitization & shredding project | | | |
| 2 1 1 | CENTRAL ADMINISTRATION | 11,162 | 11,162 |
| 1 1 1 | DISCLOSURE FILING | 293,984 | 293,984 |
| 1 1 3 | ENFORCEMENT | 20,150 | 20,150 |
| | TOTAL, PROJECT | 325,296 | 325,296 |
| | TOTAL, ALL PROJECTS | 1,309,653 | 590,596 |

6.A. Historically Underutilized Business Supporting Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/29/2022
 Time: 9:52:21AM

Agency Code: 356 Agency: Texas Ethics Commission

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

| Statewide HUB Goals | Procurement Category | % Goal | HUB Expenditures FY 2020 | | | Total Expenditures FY 2020 | | HUB Expenditures FY 2021 | | | Total Expenditures FY 2021 | |
|------------------------|---------------------------|--------|--------------------------|-------|------------------|----------------------------------|----------|--------------------------|-----------|------------------|----------------------------------|--|
| | | | % Actual | Diff | Actual \$ | % Goal | % Actual | Diff | Actual \$ | FY 2021 | | |
| 11.2% | Heavy Construction | 0.0 % | 0.0% | 0.0% | \$0 | \$0 | 0.0 % | 0.0% | 0.0% | \$0 | \$0 | |
| 21.1% | Building Construction | 0.0 % | 0.0% | 0.0% | \$0 | \$0 | 0.0 % | 0.0% | 0.0% | \$0 | \$0 | |
| 32.9% | Special Trade | 0.0 % | 0.0% | 0.0% | \$0 | \$0 | 0.0 % | 0.0% | 0.0% | \$0 | \$0 | |
| 23.7% | Professional Services | 23.7 % | 100.0% | 76.3% | \$3,106 | \$3,106 | 23.7 % | 100.0% | 76.3% | \$3,785 | \$3,785 | |
| 26.0% | Other Services | 26.0 % | 72.5% | 46.5% | \$603,653 | \$832,462 | 26.0 % | 72.8% | 46.8% | \$674,043 | \$925,985 | |
| 21.1% | Commodities | 21.1 % | 58.8% | 37.7% | \$40,715 | \$69,299 | 21.1 % | 28.8% | 7.7% | \$24,464 | \$85,070 | |
| | Total Expenditures | | 71.6% | | \$647,474 | \$904,867 | | 69.2% | | \$702,292 | \$1,014,840 | |

B. Assessment of Attainment of HUB Procurement Goals

Attainment:

The agency attained or exceeded all three, or 100%, of the applicable statewide HUB procurement goals for FY 2020 and 2021. The agency exceeded its performance measure objective in the Strategic Plan of Utilizing HUBs in at least 20% of the total value of contracts awarded.

Applicability:

The "Heavy Construction", "Building Construction", and "Special Trades" categories are not applicable to agency operations in either FY 2020 or FY 2021.

Factors Affecting Attainment:

In both FY 2020 and FY 2021, 100% of the applicable goals were met. The goals for FY 2022-2023 will remain as those listed for FY 2021.

C. Good-Faith Efforts to Increase HUB Participation

Outreach Efforts and Mentor-Protégé Programs:

The agency made and will continue to make the following good-faith efforts to comply with the statewide HUB procurement goals per Article IX of the 2020-2022 General Appropriations Act (GAA) Section 7.06 and 7.07, and Government Code, § 2161.123:

- Ensure that three out of four vendors solicited for bids are HUBs.
- Encourage prospective vendors to register with the Comptroller of Public Accounts in

6.A. Historically Underutilized Business Supporting Schedule
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Automated Budget and Evaluation System of Texas (ABEST)

Date: 7/29/2022
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Agency Code: 356 Agency: Texas Ethics Commission

order to obtain HUB status.

- Verify HUB status with both the DIR and Comptroller's USAS databases before selecting a vendor.

HUB Program Staffing:

The commission does not have a full time HUB Coordinator. It has 2 FTEs with HUB duties and whose duties include making every effort to include HUB vendors in its bid and award process.

Current and Future Good-Faith Efforts:

The Commission will continue to strengthen its agency's HUB program in FY 2022 thru 2025 by working to increase HUB participation opportunities in all categories.

6.E. Estimated Revenue Collections Supporting Schedule
 88th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **356** Agency name: **Texas Ethics Commission**

| FUND/ACCOUNT | Act 2021 | Exp 2022 | Est 2023 | Est 2024 | Est 2025 |
|---|------------------|------------------|-----------------|-----------------|-----------------|
| <u>666</u> Appropriated Receipts | | | | | |
| Beginning Balance (Unencumbered): | \$0 | \$0 | \$0 | \$0 | \$0 |
| Estimated Revenue: | | | | | |
| 3719 Fees/Copies or Filing of Records | 5,977 | 3,700 | 0 | 0 | 0 |
| Subtotal: Actual/Estimated Revenue | 5,977 | 3,700 | 0 | 0 | 0 |
| Total Available | \$5,977 | \$3,700 | \$0 | \$0 | \$0 |
| DEDUCTIONS: | | | | | |
| Expenditure for agency operations | (5,977) | (3,700) | 0 | 0 | 0 |
| Total, Deductions | \$(5,977) | \$(3,700) | \$0 | \$0 | \$0 |
| Ending Fund/Account Balance | \$0 | \$0 | \$0 | \$0 | \$0 |

REVENUE ASSUMPTIONS:

Appropriated receipts revenue is comprised of the amounts charged to customers for providing copies of information (i.e., paper copies of reports filed with the agency or information from agency databases) maintained by the commission. The commission has no control over the the number, size, or amounts of copy orders that will be received. During the 86th Legislature, the commission requested to eliminate the contingency rider for FY 2020- 2021 and any future biennium and have the \$8,190 included within the baseline of strategy 1.1. (Disclosure Filings Division). This request was approved.

CONTACT PERSON:

Cristina Hernandez

7.A. Indirect Administrative and Support Costs

7/29/2022 9:52:22AM

88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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| Strategy | | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---------------------------------------|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| 2-1-1 | Central Administration | | | | | |
| OBJECTS OF EXPENSE: | | | | | | |
| 1001 | SALARIES AND WAGES | \$361,950 | \$ 361,214 | \$ 361,214 | \$ 361,214 | \$ 361,214 |
| 1002 | OTHER PERSONNEL COSTS | 37,022 | 11,000 | 42,200 | 43,380 | 43,380 |
| 2001 | PROFESSIONAL FEES AND SERVICES | 3,681 | 4,754 | 4,754 | 4,770 | 4,770 |
| 2003 | CONSUMABLE SUPPLIES | 560 | 500 | 500 | 512 | 512 |
| 2004 | UTILITIES | 0 | 0 | 0 | 0 | 0 |
| 2005 | TRAVEL | 0 | 0 | 0 | 0 | 0 |
| 2006 | RENT - BUILDING | 0 | 0 | 0 | 0 | 0 |
| 2007 | RENT - MACHINE AND OTHER | 432 | 622 | 622 | 500 | 500 |
| 2009 | OTHER OPERATING EXPENSE | 9,345 | 7,347 | 7,347 | 6,261 | 6,261 |
| 5000 | CAPITAL EXPENDITURES | 0 | 0 | 0 | 0 | 0 |
| Total, Objects of Expense | | \$412,990 | \$385,437 | \$416,637 | \$416,637 | \$416,637 |
| METHOD OF FINANCING: | | | | | | |
| 1 | General Revenue Fund | 412,990 | 385,437 | 416,637 | 416,637 | 416,637 |
| Total, Method of Financing | | \$412,990 | \$385,437 | \$416,637 | \$416,637 | \$416,637 |
| FULL TIME EQUIVALENT POSITIONS | | 4.4 | 3.0 | 5.0 | 5.0 | 5.0 |

Method of Allocation

7.A. Indirect Administrative and Support Costs

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Automated Budget and Evaluation System of Texas (ABEST)

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| Strategy | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|-------------------------------------|-----------------|-----------------|-----------------|----------------|----------------|
| 2-1-1 Central Administration | | | | | |

The Administration Division handles the working function of the agency. It provides the primary support for the Commission with respect to accounting and budgeting, purchasing, travel, human resources and payroll, secretarial and reception duties, building and equipment maintenance, risk and safety management, and mail services and inventory control.

This division has the essential function of working to keep the agency in compliance with the state laws and regulations generally applicable to executive branch agencies.

7.A. Indirect Administrative and Support Costs

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| Strategy | | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---------------------------------------|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 2-1-2 | Information Resources | | | | | |
| OBJECTS OF EXPENSE: | | | | | | |
| 1001 | SALARIES AND WAGES | \$303,042 | \$ 370,960 | \$ 370,960 | \$ 370,960 | \$ 370,960 |
| 1002 | OTHER PERSONNEL COSTS | 46,017 | 14,700 | 22,020 | 57,180 | 57,180 |
| 2001 | PROFESSIONAL FEES AND SERVICES | 4,223 | 8,500 | 8,500 | 9,900 | 9,900 |
| 2003 | CONSUMABLE SUPPLIES | 305 | 200 | 200 | 100 | 100 |
| 2004 | UTILITIES | 408 | 430 | 410 | 600 | 600 |
| 2005 | TRAVEL | 0 | 0 | 0 | 0 | 0 |
| 2006 | RENT - BUILDING | 376 | 260 | 260 | 690 | 690 |
| 2007 | RENT - MACHINE AND OTHER | 138 | 125 | 125 | 500 | 500 |
| 2009 | OTHER OPERATING EXPENSE | 126,397 | 162,217 | 162,217 | 124,762 | 124,762 |
| 5000 | CAPITAL EXPENDITURES | 618,406 | 607,390 | 607,390 | 469,890 | 469,890 |
| Total, Objects of Expense | | \$1,099,312 | \$1,164,782 | \$1,172,082 | \$1,034,582 | \$1,034,582 |
| METHOD OF FINANCING: | | | | | | |
| 1 | General Revenue Fund | 1,099,312 | 1,164,782 | 1,172,082 | 1,034,582 | 1,034,582 |
| Total, Method of Financing | | \$1,099,312 | \$1,164,782 | \$1,172,082 | \$1,034,582 | \$1,034,582 |
| FULL TIME EQUIVALENT POSITIONS | | 5.1 | 4.3 | 5.0 | 8.0 | 8.0 |

Method of Allocation

7.A. Indirect Administrative and Support Costs

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Exp 2021

Est 2022

Bud 2023

BL 2024

BL 2025

The Computer Services Division maintains the Commission’s technology infrastructure, the electronic filing system and database, and the agency’s website. This division also provides technical support to filers who are required to file reports electronically with the Commission, prepares reports in response to open records requests for data from electronically filed reports, and assists staff with computer applications. In addition, the TEC’s Computer Services staff is involved with tasks such as systems analysis and design, information security, information resource policy development, and project management.

7.A. Indirect Administrative and Support Costs

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Automated Budget and Evaluation System of Texas (ABEST)

356 Texas Ethics Commission

| | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| GRAND TOTALS | | | | | |
| Objects of Expense | | | | | |
| 1001 SALARIES AND WAGES | \$664,992 | \$732,174 | \$732,174 | \$732,174 | \$732,174 |
| 1002 OTHER PERSONNEL COSTS | \$83,039 | \$25,700 | \$64,220 | \$100,560 | \$100,560 |
| 2001 PROFESSIONAL FEES AND SERVICES | \$7,904 | \$13,254 | \$13,254 | \$14,670 | \$14,670 |
| 2003 CONSUMABLE SUPPLIES | \$865 | \$700 | \$700 | \$612 | \$612 |
| 2004 UTILITIES | \$408 | \$430 | \$410 | \$600 | \$600 |
| 2005 TRAVEL | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2006 RENT - BUILDING | \$376 | \$260 | \$260 | \$690 | \$690 |
| 2007 RENT - MACHINE AND OTHER | \$570 | \$747 | \$747 | \$1,000 | \$1,000 |
| 2009 OTHER OPERATING EXPENSE | \$135,742 | \$169,564 | \$169,564 | \$131,023 | \$131,023 |
| 5000 CAPITAL EXPENDITURES | \$618,406 | \$607,390 | \$607,390 | \$469,890 | \$469,890 |
| Total, Objects of Expense | \$1,512,302 | \$1,550,219 | \$1,588,719 | \$1,451,219 | \$1,451,219 |
| Method of Financing | | | | | |
| 1 General Revenue Fund | \$1,512,302 | \$1,550,219 | \$1,588,719 | \$1,451,219 | \$1,451,219 |
| Total, Method of Financing | \$1,512,302 | \$1,550,219 | \$1,588,719 | \$1,451,219 | \$1,451,219 |
| Full-Time-Equivalent Positions (FTE) | 9.5 | 7.3 | 10.0 | 13.0 | 13.0 |

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Agency name: Texas Ethics Commission

| Strategy | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|---|------------------|------------------|------------------|------------------|
| 1-1-1 | Serve as the Repository for Statutorily Required Information | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$239,799 | \$258,500 | \$258,500 | \$258,500 | \$258,500 |
| 1002 OTHER PERSONNEL COSTS | 40,240 | 36,134 | 44,934 | 21,220 | 21,220 |
| 2001 PROFESSIONAL FEES AND SERVICES | 247 | 250 | 250 | 350 | 350 |
| 2003 CONSUMABLE SUPPLIES | 1,569 | 3,500 | 3,500 | 2,437 | 2,437 |
| 2004 UTILITIES | 0 | 20 | 20 | 0 | 0 |
| 2005 TRAVEL | 0 | 0 | 0 | 0 | 0 |
| 2006 RENT - BUILDING | 596 | 600 | 600 | 1,710 | 1,710 |
| 2007 RENT - MACHINE AND OTHER | 5,926 | 6,000 | 6,000 | 900 | 900 |
| 2009 OTHER OPERATING EXPENSE | 26,145 | 26,706 | 26,706 | 30,101 | 30,101 |
| 5000 CAPITAL EXPENDITURES | 0 | 0 | 0 | 0 | 0 |
| Total, Objects of Expense | \$314,522 | \$331,710 | \$340,510 | \$315,218 | \$315,218 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 308,545 | 328,010 | 340,510 | 315,218 | 315,218 |
| 666 Appropriated Receipts | 5,977 | 3,700 | 0 | 0 | 0 |
| Total, Method of Financing | \$314,522 | \$331,710 | \$340,510 | \$315,218 | \$315,218 |
| FULL-TIME-EQUIVALENT POSITIONS (FTE): | 5.9 | 5.7 | 6.0 | 6.0 | 6.0 |

DESCRIPTION

The Disclosure Filing Division handles the processing and maintenance of all reports received by the Commission. In addition, this division provides the public with information about and copies of disclosure reports filed with the agency, and notifies filers of their obligations and of any late or missing filings. This division administers the Commission's directive to receive and make available for public review and inspection required disclosure reports for state officials, candidates, political committees, lobbyists, political parties, party chairs, legislative caucuses, and judicial officers.

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Agency name: **Texas Ethics Commission**

| Strategy | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---|------------------|------------------|------------------|------------------|------------------|
| 1-1-2 Perform All Legal and Regulatory Functions of the Agency | | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$463,441 | \$466,818 | \$466,818 | \$466,818 | \$466,818 |
| 1002 OTHER PERSONNEL COSTS | 55,447 | 16,753 | 19,453 | 19,040 | 19,040 |
| 2001 PROFESSIONAL FEES AND SERVICES | 824 | 0 | 0 | 0 | 0 |
| 2003 CONSUMABLE SUPPLIES | 262 | 545 | 545 | 545 | 545 |
| 2004 UTILITIES | 0 | 0 | 0 | 0 | 0 |
| 2005 TRAVEL | 0 | 0 | 0 | 0 | 0 |
| 2006 RENT - BUILDING | 120 | 125 | 125 | 125 | 125 |
| 2007 RENT - MACHINE AND OTHER | 584 | 700 | 700 | 700 | 700 |
| 2009 OTHER OPERATING EXPENSE | 28,330 | 21,984 | 21,984 | 20,739 | 20,739 |
| 5000 CAPITAL EXPENDITURES | 0 | 0 | 0 | 0 | 0 |
| Total, Objects of Expense | \$549,008 | \$506,925 | \$509,625 | \$507,967 | \$507,967 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 549,008 | 506,925 | 509,625 | 507,967 | 507,967 |
| Total, Method of Financing | \$549,008 | \$506,925 | \$509,625 | \$507,967 | \$507,967 |
| FULL-TIME-EQUIVALENT POSITIONS (FTE): | 6.4 | 6.0 | 6.0 | 6.0 | 6.0 |

DESCRIPTION

The Office of the General Counsel (“OGC”) performs all other legal and regulatory functions of the agency. The OGC’s primary responsibility is to provide legal counsel to the Commission, including advising commissioners on proposed rules and advisory opinions, the resolution of enforcement matters, and the daily operational matters of the agency. The OGC’s other functions include promoting voluntary compliance with the law by providing educational resources and outreach to filers and the general public, assisting the Office of the Attorney General or outside legal counsel in civil actions brought by or against the TEC, serving as the agency’s liaison to governmental agencies, the media, law enforcement, and the Legislature, and assuring the TEC’s compliance with EEO/AA, ADA, and agency safety and ethics requirements.

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Agency name: Texas Ethics Commission

| Strategy | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|--|------------------|------------------|------------------|------------------|------------------|
| 1-1-3 Respond to Complaints and Enforce Applicable Statutes | | | | | |
| OBJECTS OF EXPENSE: | | | | | |
| 1001 SALARIES AND WAGES | \$442,492 | \$474,020 | \$474,020 | \$474,020 | \$474,020 |
| 1002 OTHER PERSONNEL COSTS | 78,255 | 32,554 | 55,554 | 49,915 | 49,915 |
| 2001 PROFESSIONAL FEES AND SERVICES | 180,413 | 300,560 | 300,560 | 301,648 | 301,648 |
| 2003 CONSUMABLE SUPPLIES | 997 | 1,400 | 1,400 | 1,000 | 1,000 |
| 2004 UTILITIES | 954 | 1,001 | 1,001 | 1,033 | 1,033 |
| 2005 TRAVEL | 2,210 | 15,000 | 15,000 | 8,940 | 8,940 |
| 2006 RENT - BUILDING | 0 | 0 | 0 | 0 | 0 |
| 2007 RENT - MACHINE AND OTHER | 3,875 | 2,000 | 2,000 | 3,200 | 3,200 |
| 2009 OTHER OPERATING EXPENSE | 81,271 | 22,669 | 24,669 | 23,898 | 23,898 |
| 5000 CAPITAL EXPENDITURES | 0 | 0 | 0 | 0 | 0 |
| Total, Objects of Expense | \$790,467 | \$849,204 | \$874,204 | \$863,654 | \$863,654 |
| METHOD OF FINANCING: | | | | | |
| 1 General Revenue Fund | 790,467 | 849,204 | 874,204 | 863,654 | 863,654 |
| Total, Method of Financing | \$790,467 | \$849,204 | \$874,204 | \$863,654 | \$863,654 |
| FULL-TIME-EQUIVALENT POSITIONS (FTE): | 6.4 | 5.8 | 6.8 | 9.4 | 9.4 |
| DESCRIPTION | | | | | |

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The Enforcement Division investigates alleged violations of the law, recommends to the Commission appropriate action to take with respect to apparent violations, and negotiates agreed resolutions with respondents or their counsel. If an enforcement matter does not resolve through agreement, the complaint proceeds to a formal hearing at which the respondent has the opportunity to present evidence and legal argument. Respondents who wish to challenge the decision of the Commission have the right to file a de novo appeal in Travis County District Court. The TEC also automatically assesses statutory penalties to candidates, officials, and lobbyists who fail to file required reports on time. Texas law and the Commission's rules provide a legal process for appealing those penalties, and the Enforcement Division is responsible for processing those appeals. Finally, the Enforcement Division also conducts randomized audits of reports filed with the Commission, as directed by state law. If any issues are discovered during this process, the Enforcement Division provides guidance to filers for corrective actions.

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Agency name: Texas Ethics Commission

| | Exp 2021 | Est 2022 | Bud 2023 | BL 2024 | BL 2025 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| GRAND TOTALS | | | | | |
| Objects of Expense | | | | | |
| 1001 SALARIES AND WAGES | \$1,145,732 | \$1,199,338 | \$1,199,338 | \$1,199,338 | \$1,199,338 |
| 1002 OTHER PERSONNEL COSTS | \$173,942 | \$85,441 | \$119,941 | \$90,175 | \$90,175 |
| 2001 PROFESSIONAL FEES AND SERVICES | \$181,484 | \$300,810 | \$300,810 | \$301,998 | \$301,998 |
| 2003 CONSUMABLE SUPPLIES | \$2,828 | \$5,445 | \$5,445 | \$3,982 | \$3,982 |
| 2004 UTILITIES | \$954 | \$1,021 | \$1,021 | \$1,033 | \$1,033 |
| 2005 TRAVEL | \$2,210 | \$15,000 | \$15,000 | \$8,940 | \$8,940 |
| 2006 RENT - BUILDING | \$716 | \$725 | \$725 | \$1,835 | \$1,835 |
| 2007 RENT - MACHINE AND OTHER | \$10,385 | \$8,700 | \$8,700 | \$4,800 | \$4,800 |
| 2009 OTHER OPERATING EXPENSE | \$135,746 | \$71,359 | \$73,359 | \$74,738 | \$74,738 |
| 5000 CAPITAL EXPENDITURES | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total, Objects of Expense | \$1,653,997 | \$1,687,839 | \$1,724,339 | \$1,686,839 | \$1,686,839 |
| Method of Financing | | | | | |
| 1 General Revenue Fund | \$1,648,020 | \$1,684,139 | \$1,724,339 | \$1,686,839 | \$1,686,839 |
| 666 Appropriated Receipts | \$5,977 | \$3,700 | \$0 | \$0 | \$0 |
| Total, Method of Financing | \$1,653,997 | \$1,687,839 | \$1,724,339 | \$1,686,839 | \$1,686,839 |
| Full-Time-Equivalent Positions (FTE) | 18.7 | 17.5 | 18.8 | 21.4 | 21.4 |