

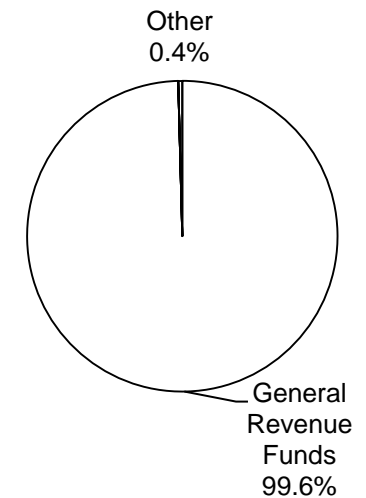
**Texas Ethics Commission
Summary of Recommendations - Senate**

Page: I-40
David Reisman, Executive Director

Demetrio Hernandez, LBB Analyst

Method of Financing	2010-11 Appropriations	2010-11 Base	2012-13 Recommended	Biennial Change	% Change
General Revenue Funds	\$4,130,949	\$3,924,326	\$3,849,064	(\$75,262)	(1.9%)
GR Dedicated Funds	\$0	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$4,130,949</i>	<i>\$3,924,326</i>	<i>\$3,849,064</i>	<i>(\$75,262)</i>	<i>(1.9%)</i>
Federal Funds	\$0	\$0	\$0	\$0	0.0%
Other	\$16,380	\$31,380	\$16,380	(\$15,000)	(47.8%)
All Funds	\$4,147,329	\$3,955,706	\$3,865,444	(\$90,262)	(2.3%)

RECOMMENDED FUNDING
BY METHOD OF FINANCING



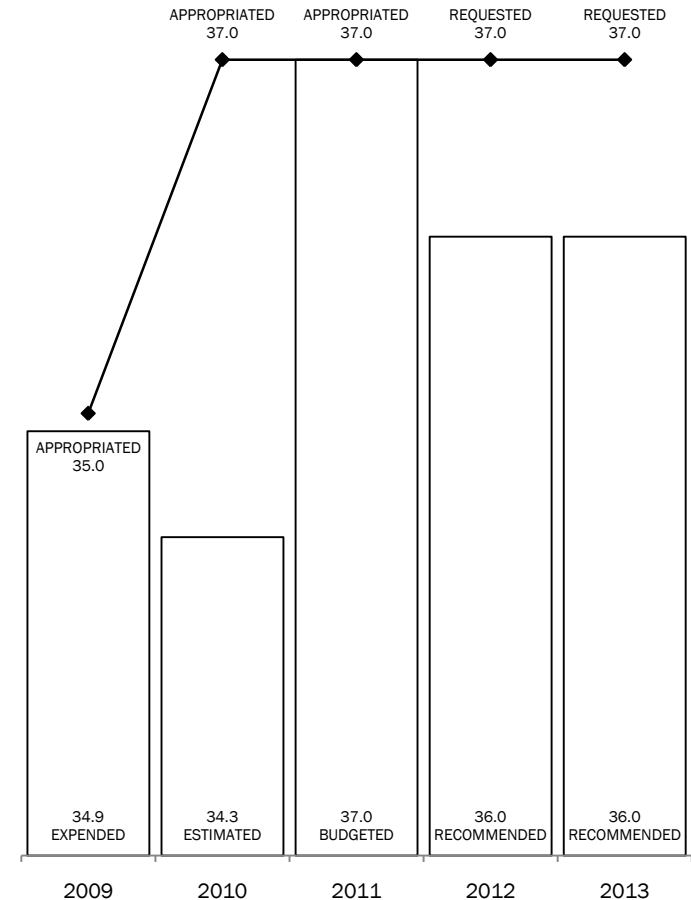
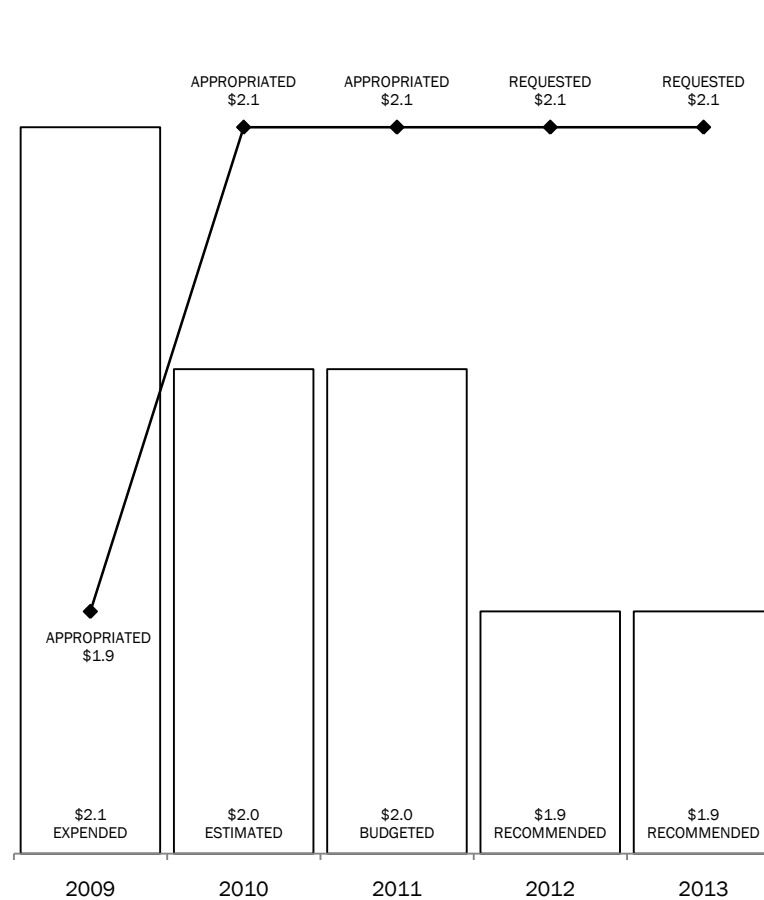
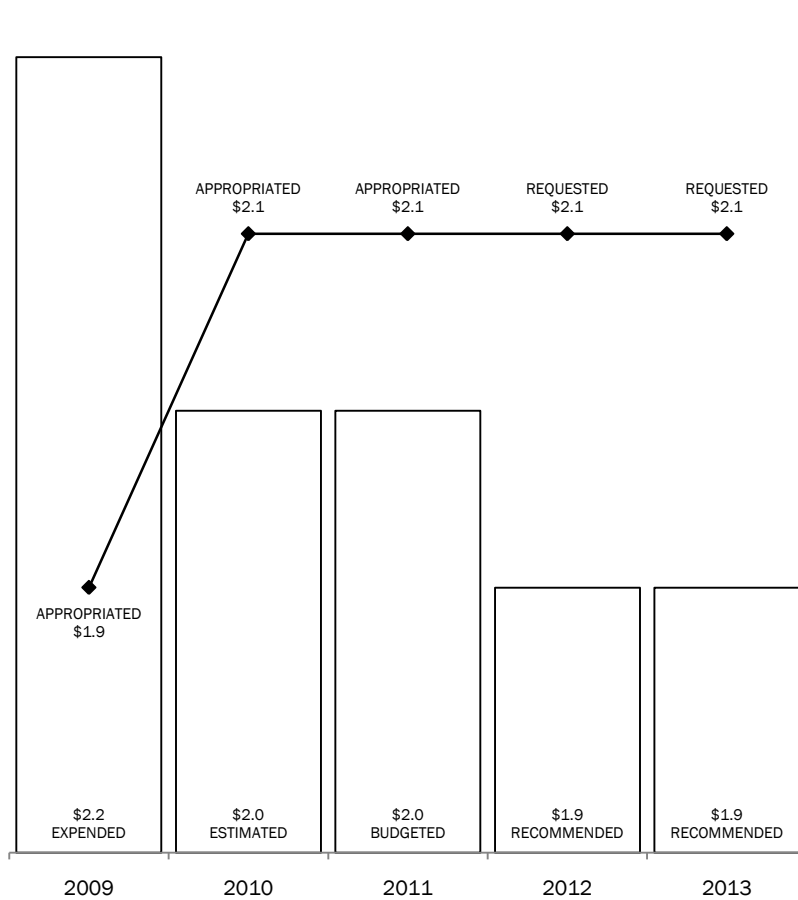
FTEs	FY 2011 Appropriations	FY 2011 Budgeted	FY 2013 Recommended	Biennial Change	% Change
	37.0	37.0	36.0	(1.0)	(2.7%)

The bill pattern for this agency (2012-13 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2012-13 biennium.

ALL FUNDS

**GENERAL REVENUE AND
 GENERAL REVENUE-DEDICATED FUNDS**

FULL-TIME-EQUIVALENT POSITIONS



Texas Ethics Commission
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments
INFORMATION FILING A.1.1	\$858,255	\$770,070	(\$88,185)	(10.3%)	Recommendations reflect a decrease of \$73,185 in General Revenue due to the agency's shifting of two FTEs from Information Filing to the agency's Computer Services Division, which is funded in the agency's Indirect Administration Strategy. This shift is to reflect the proper allocation of the FTEs based on the administrative functions they perform. The recommendations also reflect a decrease of \$15,000 in Appropriated Receipts due to a decrease in the number of copy requests the agency receives and fulfills from the public due to the increase in documents available to the public on the agency's website.
ADVISORY OPINIONS A.1.2	\$332,537	\$330,236	(\$2,301)	(0.7%)	
ENFORCEMENT A.1.3	\$1,111,038	\$1,122,510	\$11,472	1.0%	
ETHICS EDUCATION PROGRAM A.2.1	\$71,666	\$0	(\$71,666)	(100.0%)	Recommendations reflect a decrease in General Revenue due to the elimination of the agency's Ethics Education Program, which provides ethics training and educational materials to state employees and office holders.
Total, Goal A, INFORMATION ON GOVERNMENT	\$2,373,496	\$2,222,816	(\$150,680)	(6.3%)	
INDIRECT ADMINISTRATION B.1.1	\$1,582,210	\$1,642,628	\$60,418	3.8%	Recommendations reflect an increase in General Revenue due primarily to the agency's shifting of two FTEs from Information Filing to the agency's Computer Services Division, which is funded in the agency's Indirect Administration Strategy. This shift is to reflect the proper allocation of the FTEs based on the administrative functions they perform.
Total, Goal B, INDIRECT ADMINISTRATION	\$1,582,210	\$1,642,628	\$60,418	3.8%	
Grand Total, All Strategies	\$3,955,706	\$3,865,444	(\$90,262)	(2.3%)	

Texas Ethics Commission
Selected Fiscal and Policy Issues

Fiscal Implications of LBB Recommendations

- Recommendations to eliminate the agency's ethics education program and the corresponding 1 FTE would result in agencies taking on additional responsibility, without any additional appropriations, to provide ethics-related educational material to their employees. Government Code, Section 571.071, contains a statutory requirement that the Ethics Commission, in cooperation with state agencies, shall provide a program of ethics training for state employees.
- Recommendations include \$187,500 in General Revenue each fiscal year that is contingent on a statutory change that would increase the fees collected by the agency sufficient to generate \$375,000 in excess of the amount contained in Object Code 3175 in the Comptroller's 2012-13 Biennial Revenue Estimate.

Statutory Changes Required to Implement LBB Recommendations

- Increase of certain fees collected by the agency – Government Code, Section 305.005.

**Texas Ethics Commission
FTE Highlights**

Full-Time-Equivalent Positions	Expended 2009	Actual 2010	Budgeted 2011	Recommended 2012	Recommended 2013
Cap	35.0	37.0	37.0	36.0	36.0
Actual/Budgeted	34.9	34.3	37.0	NA	NA
Schedule of Exempt Positions (Cap)					
Executive Director, Group 4	\$115,000	\$115,000	\$115,000	\$115,000	\$115,000
General Counsel	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000

Reduction of 1 FTE reflects recommendation to eliminate the agency's education program (Administrative Assistant III position).

State Auditor's Office Report No. 10-706, *A Classification Study of Exempt Positions*, states that the Executive Director's current salary is within the recommended salary range and group.

**Texas Ethics Commission
Performance Measure Highlights**

	Expended 2009	Actual 2010	Budgeted 2011	Recommended 2012	Recommended 2013
<ul style="list-style-type: none"> <i>Percent of State Employees Reached by Education Program</i> <p><i>Measure of the percentage of state employees who receive the agency's educational brochure.</i></p>	100	100	100	0	0
<ul style="list-style-type: none"> <i>Percent of Requests for Educational Presentations Fulfilled</i> <p><i>Measure of the percentage of presentation requests by the public fulfilled by the agency.</i></p>	100	100	100	0	0
<ul style="list-style-type: none"> <i>Number of Educational Presentations Made by Staff</i> <p><i>Measure of the number of training presentations provided to the public and regulated community.</i></p>	14	21	17	0	0

2012-13 figures reflect recommendation to eliminate the agency's education program.

Section 4

Texas Ethics Commission (TEC)
Performance Review and Policy Report Highlights

Reports & Recommendations	GEER Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Is included in the Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

**Texas Ethics Commission
Rider Highlights**

- 2. (new) **Judgments and Settlements.** Add rider that would exempt the agency from Article IX, Section 16.02, relating to judgments and settlements. That provision states that, in the event of a judgment or settlement, the payer agency is liable for payment up to a maximum of 10 percent of its appropriations for that particular fiscal year. Currently, the agency is the named party defending the State in actions based on free speech claims brought under Title 42, United States Code, Section 1983. The recommendations are for the Comptroller to directly pay these costs rather than the Ethics Commission, whose budget would not be able to absorb the costs of a judgment or settlement related to civil rights under Title 42, United States Code, Section 1983.
- 2. (old) **Capital Budget.** Delete rider to reflect that recommendations do not include capital budget projects for 2012-13.
- 3. (new) **Contingent Revenue.** Add rider to reflect recommendation that \$187,500 of the agency's annual General Revenue appropriation is contingent on the Legislature enacting legislation that increases the fees the agency collects sufficient to generate \$375,000 in excess of the amount contained in Object Code 3175 in the Comptroller's 2012-13 Biennial Revenue Estimate.

Texas Ethics Commission
Items not Included in Recommendations - Senate

1. Eliminate contingency requirement that agency increase fees by \$375,000 for the biennium to cover agency operations, and appropriate General Revenue instead.

2012-13 Biennial Total	
GR & GR- Dedicated	All Funds
\$ -	\$ -
<div style="display: flex; justify-content: space-between;"> Total, Items Not Included in the Recommendations \$ - \$ - </div>	