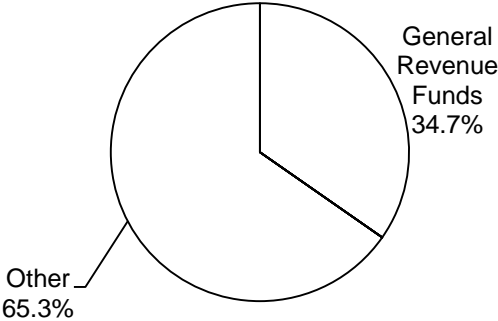


Section 1

Method of Financing	2012-13 Base	2014-15 Recommended	Biennial Change	% Change
General Revenue Funds	\$6,610,032	\$6,610,032	\$0	0.0%
GR Dedicated Funds	\$0	\$0	\$0	0.0%
Total GR-Related Funds	\$6,610,032	\$6,610,032	\$0	0.0%
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$12,609,818	\$12,446,120	(\$163,698)	(1.3%)
All Funds	\$19,219,850	\$19,056,152	(\$163,698)	(0.9%)

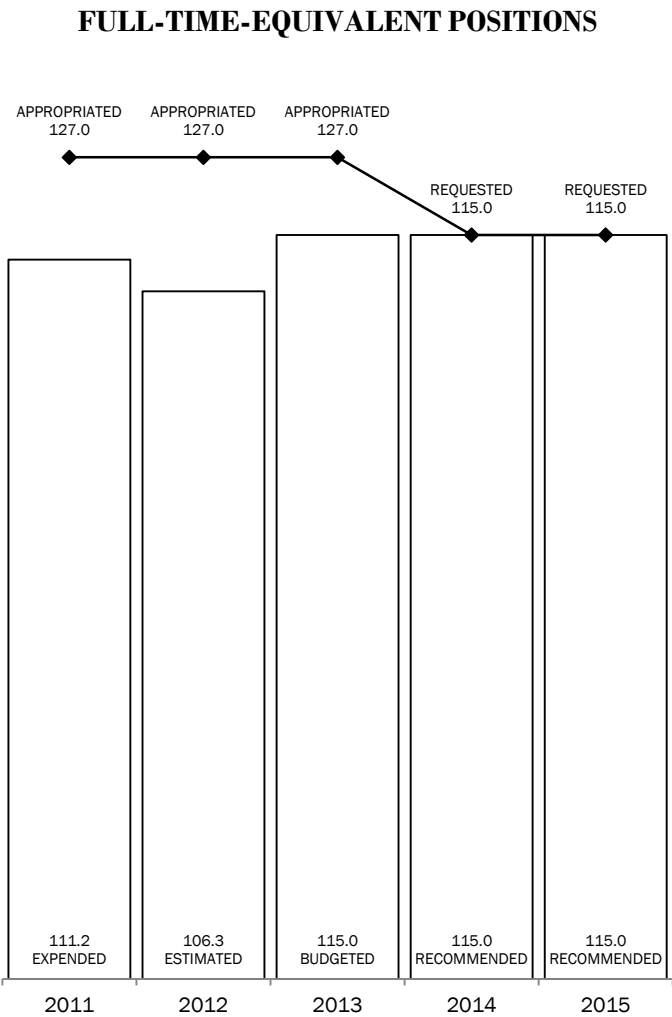
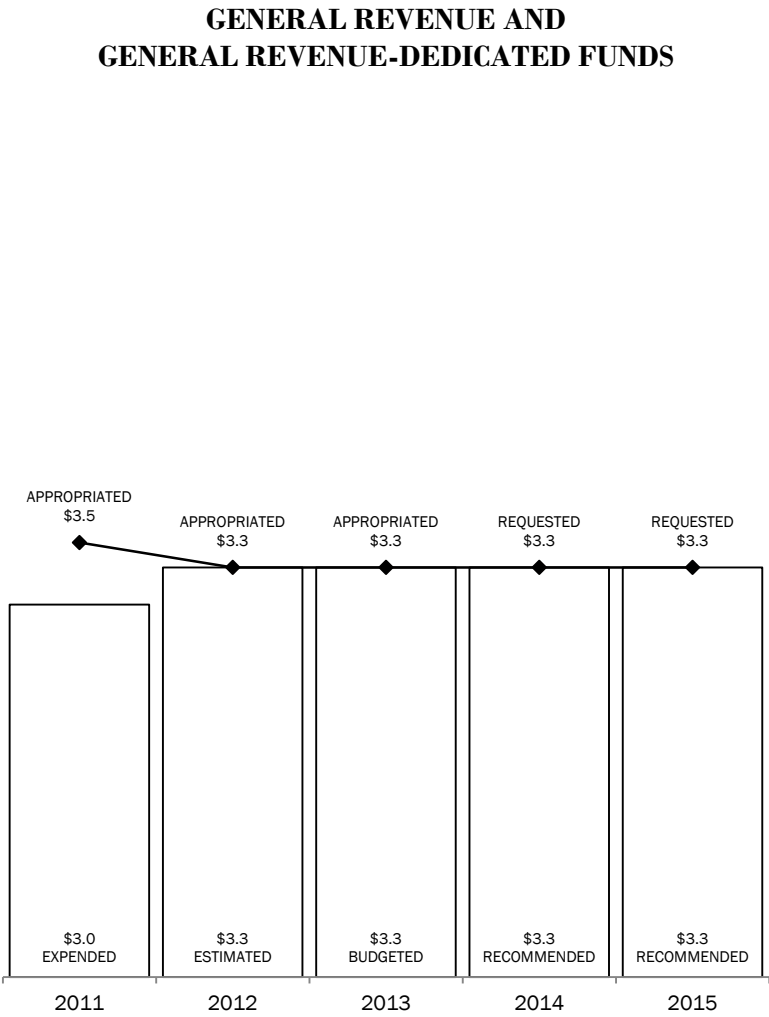
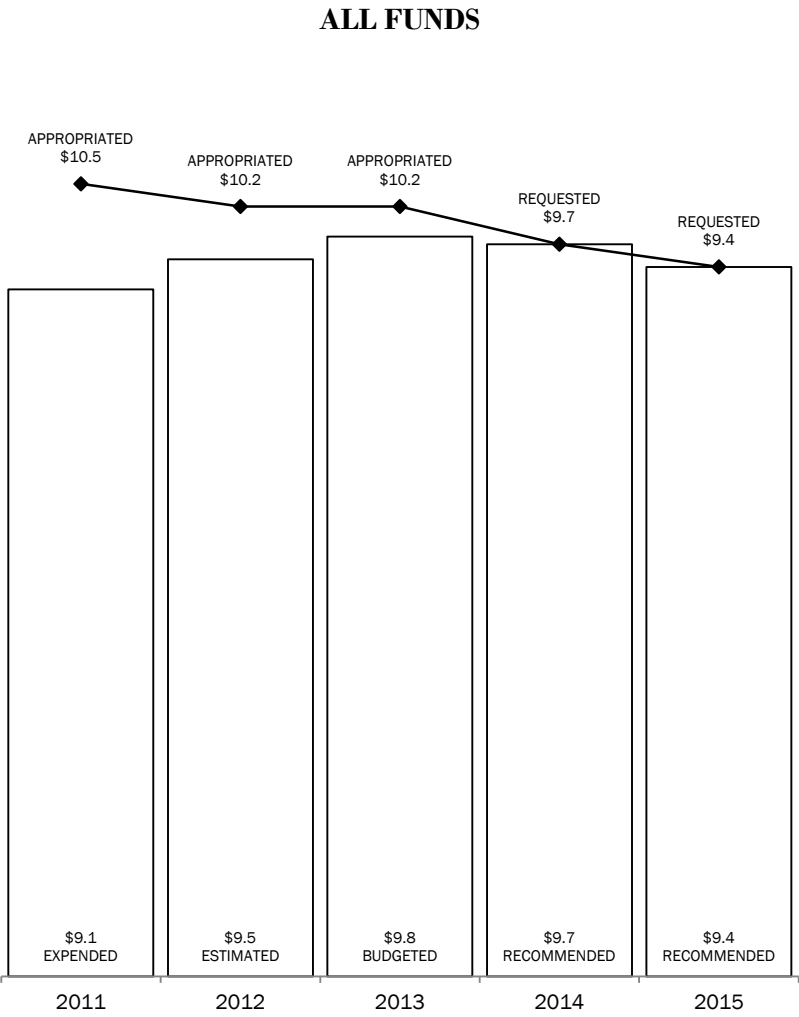
RECOMMENDED FUNDING
BY METHOD OF FINANCING



The bill pattern for this agency (2014-15 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2014-15 biennium.

Section 1
State Office of Administrative Hearings
2014-2015 BIENNIUM
IN MILLIONS

TOTAL= \$19.1 MILLION



Section 2

State Office of Administrative Hearings
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
CONDUCT HEARINGS A.1.1	\$16,412,149	\$16,437,888	\$25,739	0.2%	
CONDUCT ALT DISPUTE RESOLUTION A.2.1	\$483,180	\$470,439	(\$12,741)	(2.6%)	
Total, Goal A, ADMINISTRATIVE HEARINGS	\$16,895,329	\$16,908,327	\$12,998	0.1%	
INDIRECT ADMINISTRATION B.1.1	\$2,324,521	\$2,147,825	(\$176,696)	(7.6%)	
Total, Goal B, INDIRECT ADMINISTRATION	\$2,324,521	\$2,147,825	(\$176,696)	(7.6%)	
Grand Total, All Strategies	\$19,219,850	\$19,056,152	(\$163,698)	(0.9%)	Decrease in Other Funds (Interagency Contracts and Appropriated Receipts) is primarily due to a decrease in the number of Division of Workers Compensation cases anticipated in 2014-15.

Section 3

**State Office of Administrative Hearings
Selected Fiscal and Policy Issues**

1. In June of 2012, the State Auditor's Office (SAO) issued a report on Selected Financial Controls at the State Office of Administrative Hearings (SOAH). The report discussed areas needing improvement in SOAH's budget development methodology. These include higher accuracy in the agency's methods of tracking the costs of providing services by method of finance and in anticipating funding needs across multiple methods of finance for providing future services based on projected case loads. LBB recommendations continue agency funding at approximately 2012-13 levels in alignment with agency's request and include additional reporting requirements in the agency's Hearings Activity Report rider in alignment with the SAO's recommendations (see Rider Highlights #5).

Section 4

State Office of Administrative Hearings (SOAH)
Performance Review and Policy Report Highlights

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

Section 5

State Office of Administrative Hearings Rider Highlights

5. **Hearings Activity Report.** Recommendations amend the reporting requirement to have the agency provide the projected and actual number of cases and costs it realizes from each agency by method of finance (see Selected and Fiscal Policy Issues #1).
7. **Billing Rate for Workload.** Recommendations amend the list of agencies in subsection (c) by removing the Texas Real Estate Commission which became a self-directed semi-independent agency with the enactment of Senate Bill 1000, 82nd Legislature, Regular Session.

Section 6

**State Office of Administrative Hearings
Items Not Included in Recommendations - Senate**

NONE