



Annual Report of  
Nonfinancial Data  
for the year ended  
August 31, 2015

*Texas Department of  
Licensing and Regulation  
William H. Kuntz, Jr.  
Executive Director*





## TEXAS DEPARTMENT OF LICENSING AND REGULATION

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December 16, 2015

The Honorable Greg Abbott, Governor  
John Keel, CPA, State Auditor  
Ursula Parks, Director, Legislative Budget Board

Lady and Gentlemen:

We are pleased to submit the Texas Department of Licensing & Regulation *Annual Report of Nonfinancial Data* for the year ended August 31, 2015, in compliance with the TEX. GOV'T CODE ANN. § 2101.0115 and in accordance with the instructions for completing the Annual Report of Nonfinancial Data.

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "Will H. Kuntz, Jr.", written over a horizontal line.

William H. Kuntz, Jr.  
Executive Director

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*Mike Arismendez, Chair – Littlefield, Texas*

*Tom Butler – Deer Park, Texas*

*LuAnn Morgan – Midland, Texas*

*Fred Moses – Plano, Texas*

*Catherine Rodewald – Frisco, Texas*

*Ravi Shah – Carrollton, Texas*

*Deborah A. Yurco – Austin, Texas*

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

For the Fiscal Year Ended August 31, 2015

| Location               | Address                   | Lessor                   | Lease Number | Type           | Usable Sq. Ft. | FTEs  | Rental per Month |                |             | Comments                                                                                          |
|------------------------|---------------------------|--------------------------|--------------|----------------|----------------|-------|------------------|----------------|-------------|---------------------------------------------------------------------------------------------------|
|                        |                           |                          |              |                |                |       | Cost per Sq. Ft. | Cost per Month | Annual Cost |                                                                                                   |
| State-Owned Buildings: |                           |                          |              |                |                |       |                  |                |             |                                                                                                   |
| Austin                 | 920 Colorado              |                          |              |                | 33,315         | 211.0 |                  |                |             |                                                                                                   |
| Fort Worth             | 1501 Circle Dr, Suite 215 |                          |              |                | 1,604          | 6.0   |                  |                |             |                                                                                                   |
| Houston                | 5425 Polk Ave, Suite G80  |                          |              |                | 4,854          | 11.0  |                  |                |             |                                                                                                   |
| Free Space:            |                           |                          |              |                | 39,773         | 228.0 |                  |                |             |                                                                                                   |
| (None)                 |                           |                          |              |                |                |       |                  |                |             |                                                                                                   |
| Leased Space:          |                           |                          |              |                |                |       |                  |                |             |                                                                                                   |
| Austin                 | 1106 Clayton Lane         | Omininet Twin Towers, LP | 20208        |                |                |       |                  |                |             | Lease expires 01/31/2021.                                                                         |
|                        | Suites 125E and 325E      |                          |              | Office/Meeting | 12,650         | 21.0  | 18.72            | \$ 19,734.00   | \$ 236,808  | Suite 125 is the large meeting room used for Commission Meetings, Advisory Boards, Training, etc. |
|                        | Suites 130E and 425E      |                          |              | Offices        | 6,708          | 26.0  | 18.72            | \$ 10,464.48   | \$ 125,574  |                                                                                                   |
|                        | Suite 300E                |                          |              | Offices        | 6,379          | 88.0  | 18.72            | \$ 9,951.24    | \$ 119,415  |                                                                                                   |
|                        | Suite 105E                |                          |              | Offices        | 2,233          | 7.0   | 20.73            | \$ 3,857.51    | \$ 46,290   |                                                                                                   |
|                        |                           |                          |              |                | 27,970         | 142.0 |                  | \$ 44,007.23   | \$ 528,087  |                                                                                                   |

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**TEXAS DEPARTMENT OF LICENSING AND REGULATION (452)**  
**SCHEDULE OF PROFESSIONAL/CONSULTING AND LEGAL SERVICE FEES**  
For the Fiscal Year Ended August 31, 2015

| <u>Name</u>                                          | <u>Type of Service Rendered</u> | <u>Amount</u>              |
|------------------------------------------------------|---------------------------------|----------------------------|
| <b>Professional/Consulting Fees</b>                  |                                 |                            |
| Paid from Governmental Funds:                        |                                 |                            |
| Alliance Work Partners                               | Services for Employees          | \$10,619.65                |
| Courtney Clark and Associates                        | Training Services               | 1,000.00                   |
| Carahsoft Technology Corporation                     | Information Technology Services | 45,978.82                  |
| Department of Information Resources                  | Data Consolidation Center       | 604,333.79                 |
| Garza/Gonzalez                                       | Internal Auditing               | 38,009.00                  |
| Information System of Florida                        | Elevator Web Design             | 57,430.00                  |
| Morningside Research and Consulting Inc              | Statistical Tow Study           | 4,950.00                   |
| NF Consulting Services                               | Consulting Services             | 1,250.00                   |
| Texas Workforce Commission                           | Safety Training                 | -49.00                     |
| Total Paid from Governmental Funds                   |                                 | <u>\$763,522.26</u>        |
| Total Professional/Consulting Fees                   |                                 | <u>\$763,522.26</u>        |
| <b>Legal Service Fees</b>                            |                                 |                            |
| N/A                                                  |                                 | <u>\$0.00</u>              |
| Total Legal Service Fees                             |                                 | <u>\$0.00</u>              |
| Total Professional/Consulting and Legal Service Fees |                                 | <u><u>\$763,522.26</u></u> |

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# STATE AGENCY PROGRESS REPORT

(Source: Texas Government Code, Title 10, Subtitle D, Section 2161.124)

Agency Name: Texas Department of Licensing and Regulation Agency #: 452 Report for Fiscal: 2015

| HUB Report Procurement Categories                                                     | Fiscal 2014               |                             | Fiscal 2015               |                             | Fiscal 2016               |
|---------------------------------------------------------------------------------------|---------------------------|-----------------------------|---------------------------|-----------------------------|---------------------------|
|                                                                                       | Agency-Specific HUB Goal* | % of Dollars Spent w/HUBs** | Agency-Specific HUB Goal* | % of Dollars Spent w/HUBs** | Agency-Specific HUB Goal* |
| Heavy construction other than building contracts                                      | N/A                       | N/A                         | N/A                       | N/A                         | N/A                       |
| Building construction, including general contractors and operative builders contracts | N/A                       | N/A                         | N/A                       | N/A                         | N/A                       |
| Special trade construction contracts                                                  | 32.70%                    | 0.00%                       | 32.70%                    | 0.00%                       | 32.90%                    |
| Professional services contracts                                                       | 23.60%                    | 100.00%                     | 23.50%                    | 100.00%                     | 23.70%                    |
| Other services contracts                                                              | 24.60%                    | 5.80%                       | 24.60%                    | 3.70%                       | 26.00%                    |
| Commodities contracts                                                                 | 21.00%                    | 34.30%                      | 21.00%                    | 8.40%                       | 21.10%                    |

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

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

Prepared By:

*Jerald A. Daniels*

Printed Name: Jerald A. Daniels

Phone Number: (512) 463-3100

Approved by:

*William H. Kuntz*

Printed Name: William H. Kuntz

Phone Number: (512) 463-3170

(Rev. 12/15)

## UNAUDITED

TEXAS DEPARTMENT OF LICENSING AND REGULATION (452)  
 APPROPRIATION ITEM TRANSFER SCHEDULE\*  
 For the Fiscal Year Ended August 31, 2015

## ITEM OF APPROPRIATION

|                                               |       |                                 |    | <u>Transfers-In</u> | <u>Transfers-Out</u>   | <u>Net Transfers</u>   |
|-----------------------------------------------|-------|---------------------------------|----|---------------------|------------------------|------------------------|
| <b>A. Goal: Licensing</b>                     |       |                                 |    |                     |                        |                        |
| <b>Strategies:</b>                            |       |                                 |    |                     |                        |                        |
| A.1.1                                         | 13004 | License/Register/Certify        | \$ | 46,500.00           | \$ (176,000.00)        | \$ (129,500.00)        |
| A.1.2                                         | 13023 | License Businesses & Facilities |    | 55,450.00           |                        | 55,450.00              |
| A.1.3                                         | 13003 | Education and Examinations      |    | 910.00              | (24,510.00)            | (23,600.00)            |
| A.1.4                                         | 13008 | Customer Service                |    | 288,250.00          |                        | 288,250.00             |
| <b>Total, Goal A: Licensing</b>               |       |                                 | \$ | <u>391,110.00</u>   | \$ <u>(200,510.00)</u> | \$ <u>190,600.00</u>   |
| <b>B. Goal: Enforcement</b>                   |       |                                 |    |                     |                        |                        |
| <b>Strategies:</b>                            |       |                                 |    |                     |                        |                        |
| B.1.1                                         | 13010 | Conduct Inspections             | \$ | 32,000.00           | \$ (62,790.00)         | \$ (30,790.00)         |
| B.1.2                                         | 13024 | Building Plan Reviews           |    | 5,700.00            | (95,000.00)            | (89,300.00)            |
| B.1.3                                         | 13009 | Resolve Complaints              |    | 131,400.00          | (6,317.34)             | 125,082.66             |
| B.1.4                                         | 13025 | Investigations                  |    | 152,320.00          |                        | 152,320.00             |
| <b>Total, Goal B: Enforcement</b>             |       |                                 | \$ | <u>321,420.00</u>   | \$ <u>(164,107.34)</u> | \$ <u>157,312.66</u>   |
| <b>C. Goal: Indirect Administration</b>       |       |                                 |    |                     |                        |                        |
| <b>Strategies:</b>                            |       |                                 |    |                     |                        |                        |
| C.1.1                                         | 13800 | Central Administration          | \$ |                     | \$ (311,500.00)        | \$ (311,500.00)        |
| C.2.1                                         | 13801 | Information Resources           |    |                     | (36,595.00)            | (36,595.00)            |
| C.3.1                                         | 13802 | Other Support Services          |    | 165.00              |                        | 165.00                 |
| <b>Total, Goal C: Indirect Administration</b> |       |                                 | \$ | <u>165.00</u>       | \$ <u>(348,095.00)</u> | \$ <u>(347,930.00)</u> |
| <b>Other</b>                                  |       |                                 |    |                     |                        |                        |
|                                               | 97768 | Convenience Fees                | \$ | 17.34               |                        | \$ 17.34               |
| <b>Total, Other</b>                           |       |                                 | \$ | <u>17.34</u>        | \$ <u>-</u>            | \$ <u>17.34</u>        |
| <b>NET APPROPRIATION ITEM TRANSFERS</b>       |       |                                 | \$ | <u>712,712.34</u>   | \$ <u>(712,712.34)</u> | \$ <u>0.00</u>         |

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

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

For the Fiscal Year Ended August 31, 2015

|                                                                    |              |                     |
|--------------------------------------------------------------------|--------------|---------------------|
| <b>A. Payroll Related Costs</b>                                    |              |                     |
| FICA Employer Matching Contribution                                | \$ 1,523,473 |                     |
| Group Health Insurance                                             | 2,544,016    |                     |
| Retirement                                                         | 1,397,197    |                     |
| Unemployment                                                       | 9,792        |                     |
| <b>Total Payroll Related Costs</b>                                 |              | <b>\$ 5,474,479</b> |
|                                                                    |              |                     |
| Workers' Compensation (Indirect)                                   | \$ -         |                     |
| Benefit Replacement Pay (BRP)                                      | 52,410       |                     |
| <b>Total Workers' Compensation and BRP</b>                         |              | <b>52,410</b>       |
|                                                                    |              |                     |
| <b>B. Indirect Costs</b>                                           |              |                     |
| Bond Debt Service Payments                                         | \$ -         |                     |
| <b>Total Indirect Costs</b> (not reported on operating statements) |              | <b>-</b>            |
|                                                                    |              |                     |
| <b>C. Indirect Costs - Statewide Full Cost Allocation Plan</b>     |              |                     |
|                                                                    |              |                     |
| Building Depreciation                                              | \$ 19,600    |                     |
| CPA Fiscal and ITD                                                 | 53,834       |                     |
| CPA Purchasing & Support (TPASS)                                   | 9,816        |                     |
| CPA Rebates                                                        | (1,048)      |                     |
| DPS Capitol Security                                               | (52,223)     |                     |
| TFC Planning and Asset Mgmt                                        | 264,769      |                     |
| TFC Fac Design & Construction                                      | (3,795)      |                     |
| GOV Budget and Planning                                            | 552          |                     |
| Rounding                                                           | (1)          |                     |
| <b>Total Indirect Costs - Statewide Full Cost Allocation Plan</b>  |              | <b>291,504</b>      |
|                                                                    |              |                     |
| <b>TOTAL INDIRECT COSTS</b>                                        |              | <b>\$ 5,818,392</b> |

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**TEXAS DEPARTMENT OF LICENSING AND REGULATION (452)**  
**SCHEDULE OF STATE-OWNED VEHICLES USED BY STATE EMPLOYEES**  
For the Fiscal Year Ended August 31, 2015

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

| <b>Name</b>     | <b>Job Title</b>            |
|-----------------|-----------------------------|
| David Gunn      | Investigator                |
| Adam Foster     | Hydrologist                 |
| Alberto Jimenez | Hydrologist                 |
| Bill Kuntz      | Executive Director          |
| Brian Francis   | Deputy Executive Director   |
| George Ferrie   | Director of Compliance      |
| Lee Parham      | Manager                     |
| David Gonzales  | Manager                     |
| Robert Posey    | Program Manager             |
| Elizabeth Perez | Program Manager             |
| Eddie Morrison  | Network Specialist          |
| Jerry Daniel    | Program Specialist          |
| Larry Reichle   | Program Specialist          |
| Vicky Miller    | Program Specialist          |
| Gus Calderon    | Program Specialist          |
| Ben Delamater   | Senior Purchaser            |
| Larry Naylor    | Purchasing/Property Manager |
| Michael Withrow | Purchaser                   |
| Brian Kelly     | Purchaser                   |

The Investigator and Hydrologists perform statutorily required inspections of water wells throughout the state. The Directors, Managers, Network Specialist, Program Specialists and Purchasers use agency vehicles to make presentations and to perform supervisory, staff, and administrative functions. When the vehicles are not in use, they are garaged at headquarters. Other individuals may be added to the list with the approval of the Executive Director or Deputy Executive Director.

