

APPENDIX E. WORKFORCE PLAN

AGENCY OVERVIEW

The Texas Racing Commission (TxRC) regulates all aspects of pari-mutuel horse and greyhound racing through licensing, on-site monitoring and enforcement. Statute and rule require the Commission to:

- License racetracks that offer racing and the people directly involved with pari-mutuel wagering who work at the racetracks or own race animals.
- Allocate race dates, supervise the conduct of all races, monitor the health and safety of the race animals, and conduct drug tests to ensure the animals race without prohibited substances.
- Oversee all pari-mutuel wagering activity, approve simulcasts, test the totalisator systems (complex computer systems that tally and calculate pari-mutuel wagers), and ensure the proper allocation and distribution of revenue generated by pari-mutuel wagering.

Administer the Texas-bred Incentive Program, which provides economic incentives to support a healthy and vigorous breeding industry in the state

The General Appropriations Act authorized the agency to have 52.6 full-time equivalent positions (FTEs) in FY 2014 and FY 2015. This is down from the 62.3 authorized FTEs in FY 2012 and FY 2013. While the Racing Act requires the Commission's headquarters to be in Austin, a large number of staff members work at the operating racetracks. Many of the employees outside Austin are seasonal, working only when the racetracks conduct live racing.

TxRC's workforce features a diverse collection of professions that includes auditors, veterinarians, stewards, racing judges, investigators, licensing staff and support personnel.

TxRC has a field office at the three operating Class 1 horse racetracks and at two of the three currently operating greyhound racetracks. Additionally, staff is always present at any field office when that track is running live racing.

The agency's structure features an executive group headed by an executive director, a Division for Racing Oversight, and a Division for Finance and Wagering. A deputy director leads each division.

The Commission is self-funded by the entities it regulates and is typically appropriated only GR-Dedicated funds. The agency's revenue primarily comes from fees assessed to racetracks and occupational licensees.

Excluding Texas-bred Incentive Program pass-through funds, approximately 70 percent of the agency's operating budget is used for salaries.

TEXAS RACING COMMISSION STRATEGIC PLAN FY 2015-2019

AGENCY MISSION AND PHILOSOPHY

The mission of the Texas Racing Commission is to enforce the Texas Racing Act and its rules to ensure the safety, integrity, and fairness of Texas pari-mutuel racing. The Texas Racing Commission performs its responsibilities in strict compliance with state laws. The agency conducts its regulatory activities fairly, consistently, efficiently, and courteously.

STRATEGIC GOALS AND OBJECTIVES

Goal A. Enforce Racing Regulation	
Objective 1:	Regulate Pari-mutuel Racetracks Effectively
Strategy 1:	Provide Regulatory and Enforcement Services to Racetrack Owners
Objective 2:	Increase the Number of Texas-bred Race Animals Competing
Strategy 1:	Allocate Texas-bred Funds to Breed Registries
Objective 3:	Reduce the Rate of Rulings per Occupational Licensee
Strategy 1:	Supervise the Conduct of Racing through Enforcement and Monitoring
Strategy 2:	Monitor Occupational Licensees Activities
Objective 4:	Reduce the Percentage of Race Animals Injured or Dismissed
Strategy 1:	Inspect and Provide Emergency Care
Strategy 2:	Administer Drug Tests
Goal B. Regulate Participation	
Objective 1:	Maintain the Efficiency of the Occupational Licensing Process
Strategy 1:	Administer the Occupational Licensing Programs through Enforcement
Strategy 2:	TexasOnline
Goal C. Regulate Pari-mutuel Wagering	
Objective 1:	Increase Pass Rate for Initial Tote Test and Compliance Audits
Strategy 1:	Regulate Pari-mutuel Wagering to Maintain an Honest Racing Industry
Strategy 2:	Conduct Wagering Compliance Inspections
Goal D. Indirect Administration	
Objective 1:	Indirect Administration
Strategy 1:	Central Administration and Other Support Services
Strategy 2:	Information Resources

Anticipated Changes in Strategies

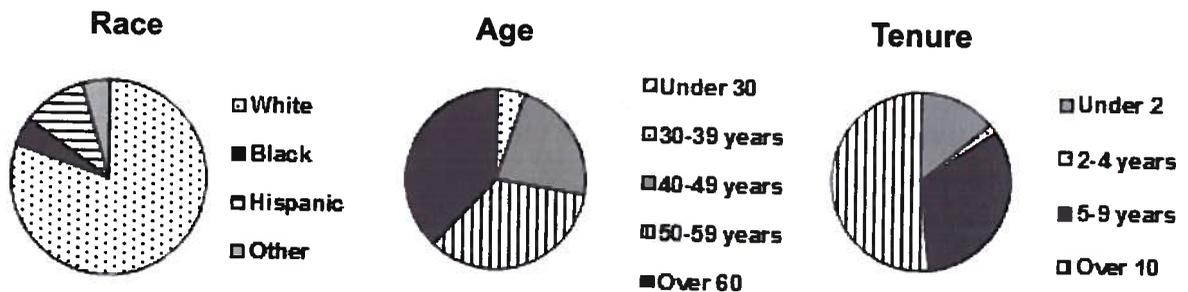
The agency may require changes to its goals or strategies over the next five years in order to mirror any changes to the Texas Racing Act that affect the Commission's regulatory responsibilities.

TEXAS RACING COMMISSION STRATEGIC PLAN FY 2015-2019

CURRENT WORKFORCE PROFILE (SUPPLY ANALYSIS)

Demographics (Fiscal Year 2013)

The Commission's workforce is 53 percent male, 47 percent female. The charts below further breakdown the Commission's workforce:



Compared to the statewide civilian figures supplied by the Texas Workforce Commission, Civil Rights Division, the Commission's workforce breaks down as follows:

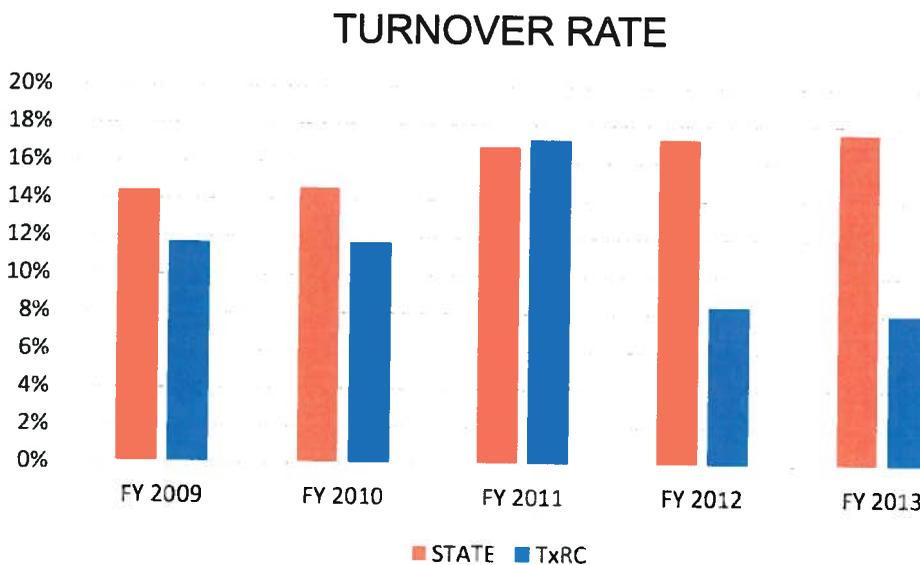
		ADMINISTRATION	PROFESSIONALS	PARA-PROFESSIONALS	ADMINISTRATIVE SUPPORT
White	Agency	90.00%	85.71%	88.89%	53.33%
	State	70.82%	63.30%	36.56%	46.20%
African American	Agency	10.00%	0.00%	3.70%	6.67%
	State	10.50%	10.90%	32.80%	19.20%
Hispanic	Agency	0.00%	14.29%	0.00%	33.33%
	State	14.80%	15.80%	28.60%	30.60%
Female	Agency	40.00%	28.57%	37.03%	86.67%
	State	52.00%	56.00%	70.60%	86.90%
Male	Agency	60.00%	71.43%	62.97%	13.33%
	State	48.00%	44.00%	29.40%	13.10%

Retirement Eligibility

According to the information from the state's USPS payroll system using age and years of state service, 24 of the agency's current employees, or 40 percent, of the authorized FTEs will be eligible to retire between 2014 and 2019. During current FY 2014, the agency employs 11 'return-to-work' retirees. Almost half of the staff occupies positions that require specialized skills or professional training that cannot be supplied by the agency through on-the-job training.

Employee Turnover

Turnover is an important issue in any organization and the Commission is no exception. In 2013, the Commission had a turnover rate of 8 percent, down from 8.4 percent in 2012. Retaining qualified and experienced staff will be the biggest workforce challenge the Commission will face for the next five years. The following graph compares the average of the Commission turnover to the state as a whole.



Critical Workforce Skills

In addition to general administrative and clerical abilities, the agency's workforce must possess the following skills for the Commission to accomplish its mission:

- Monitoring/reviewing live races for interference/misconduct
- Inspecting race animals for fitness
- Performing audits on pari-mutuel wagering activity
- Conducting racing-related investigations
- Developing and maintaining a specialized database and agency-wide computer network
- Interpreting statutes/drafting rules
- Practicing conflict resolution

FUTURE WORKFORCE PROFILE (DEMAND ANALYSIS)

Critical Functions

Assuming no change in statutory responsibilities, the Commission expects its current functions to continue in the future:

- License racetracks that offer racing and the people directly involved with pari-mutuel wagering who work at the racetracks or own race animals.
- Monitoring activities by racetrack personnel and occupational licensees for compliance with regulatory requirements.
- Supervising the conduct of the races.
- Monitoring the health and safety of the race animals and collecting specimens for drug tests.
- Overseeing all pari-mutuel wagering activity and testing totalisator equipment.
- Investigating and resolving complaints about licensees.
- Auditing the operation of racetracks and official breed registries' incentive programs.

Expected Workforce Changes

The Commission has one major workforce issue under review and action: contract personnel to ensure the integrity of wagering data.

Change in Number of Employees Required to Accomplish Mission

Assuming no significant increase in wagering or live racing activity, the Commission expects no increase in the number of FTEs required to accomplish its mission beyond what has been appropriated. For each new horse racetrack that begins simulcasting and live racing, the Commission will require up to an additional five FTEs to effectively regulate the wagering and racing activities in accordance with the Texas Racing Act and the Commission's rules. The Commission has approved live race dates for three Class 2 racetrack licenses that could open in the next biennium. The additional FTEs needed should these approved racetracks open for business are requested through contingency riders within the Legislative Appropriations Request.

Future Workforce Skills Required

In the future, the Commission will need to accomplish more with less in an increasingly tight budgetary environment. As the racing industry matures and changes with technology, the Commission's workforce must remain keenly aware of its regulatory role. All of the critical skills listed below will continue to be needed and, as technology moves ahead, advanced competencies in these skills will need to be obtained and maintained:

- Creativity and problem solving
- Communication
- Commitment to learning
- Leadership and team-building
- Organizational awareness
- External awareness
- Flexibility
- Integrity and honesty
- Computer literacy
- Software proficiency
- Web development and maintenance expertise

GAP ANALYSIS

Anticipated Surplus/Shortage of Employees or Skills

With more than 40 percent of its workforce eligible for retirement by FY 2019 and with another 18.6 percent consisting of return-to-work retirees, the Commission projects a shortage in staffing and skill levels needed to meet future requirements. These shortages will be across the agency staffing in all departments. Additionally, the Commission continues to have difficulty retaining qualified veterinarians due to significant differences in agency salaries compared to those in the private sector.