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"Ensuring Quality Podiatric Medicine For The Citizens Of Texas"

FY 2011 - FY 2015 AGENCY STRATEGIC PLAN

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Legislative Budget Board

(Pursuant to Texas Government Code Chapter 2056)

AGENCY STRATEGIC PLAN

FOR THE FISCAL YEARS 2011-2015 PERIOD

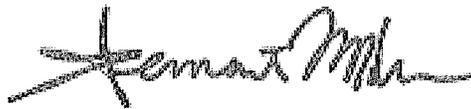
BY

TEXAS STATE BOARD OF PODIATRIC MEDICAL EXAMINERS

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Public Explanation: What is a “Strategic Plan”?

INTRODUCTION

Beginning in 1991, Texas initiated a comprehensive process of strategic planning for all state agencies within the executive branch of government. House Bill 2009, Seventy-second Legislature, Regular Session, 1991, authorized the process. This legislation established the requirements and time frame under which Texas completed its first planning cycle.

House Bill 2009 was subsequently codified as Chapter 2056 of the Government Code.

In 1993, the Legislature amended Chapter 2056 of the Government Code to consolidate certain planning requirements and to change the required planning horizon from six years to five years (i.e., the second year of the current biennium and the next two biennia). Agencies must complete and submit plans every two years; however, they may engage in planning on a continual basis and may adjust plans internally as changing conditions dictate.

CONCEPTUAL FRAMEWORK

Strategic planning is a long-term, iterative, and future-oriented process of assessment, goal setting, and decision-making. It includes a multiyear view of objectives and strategies for the accomplishment of agency goals. Clearly defined results provide feedback that leads to program performance that influences future planning, resource allocation, and operating decisions. The strategic planning process incorporates and sets direction for all agency operations.

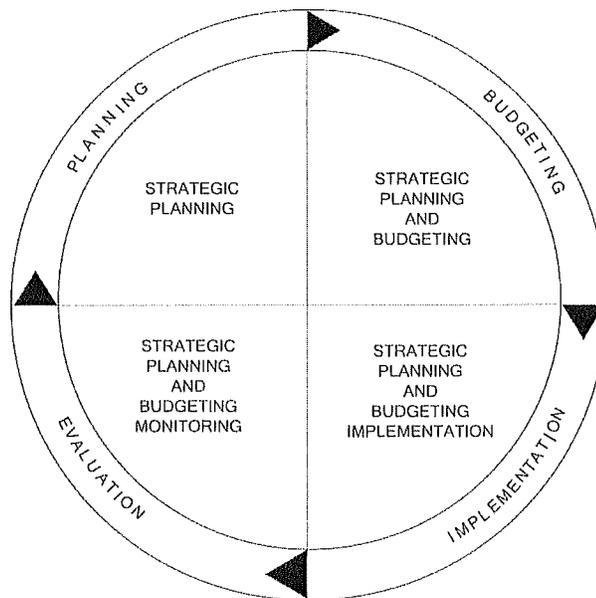
An agency's "Strategic Plan" (with a minimum "9 Tiers") is a formal document that communicates its goals, directions, and outcomes to various audiences, including the Governor and the Legislature, client and constituency groups, the public, and the agency's employees.

STRATEGIC PLANNING AND BUDGETING

A successful strategic planning process provides many benefits to agencies and those affected by their operations. As an agency clarifies its purpose and direction, it will develop a stronger identity. The plan enhances decision-making by improving internal communication, and by identifying the agency's long-term goals and the factors affecting the agency.

The process of developing the strategic plan also improves the agency's external communications and emphasizes customer service (see chart below).

Strategic planning will guide budget preparation and establish a basis for measuring success. Strategic planning relies on careful consideration of an agency's capabilities and environment and may lead to priority-based allocation of fiscal, human, technological, capital, and other resources. The strategic plan defines what an agency is and intends to be, as well as the principles guiding it. The plan outlines agency goals and objectives and produces strategies that lead to priority-based resource allocation decisions the agency plans to follow to achieve these long-term goals. Successful strategic planning is characterized not only by compliance with statutory requirements, but also by leaders, managers, and all employees of the agency being committed to the planning process and to the strategic plan. Ultimately, strategic planning will succeed or fail according to how well the process results in quality services. Producing identifiable and meaningful results is essential to a successful process.



PURPOSES OF STRATEGIC PLANNING

The goal of strategic planning is to anticipate and accommodate the future by identifying issues, opportunities, and problems. Strategic planning for Texas state government serves a number of distinct, though interrelated, purposes. These purposes include:

- to establish *statewide direction* in key policy or functional areas to move away from crisis-driven decision-making;
- to provide a starting point for *aligning resources* in a rational manner to address the critical issues facing the state now and in the future;
- to make state government *more responsive* to the needs of Texans by placing greater emphasis on benefits and results than on simply service efforts and workload;
- to bring *focused issues* to policymakers for review and debate;
- to provide a context to *link* the budget process and other legislative processes with priority issues, and to improve *accountability* for the use of state resources;
- to establish a means of *coordinating* the policy concerns of public officials with implementation efforts and to build interagency, intergovernmental, and public/private/nonprofit *partnerships*; and
- to provide a forum for communication between service providers and the constituents they serve.

STRATEGIC PLANNING TEMPLATE OVERVIEW

The Texas strategic planning template comprises nine “tiers.” The Governor and the Legislative Budget Board develop the first two, which contain the statewide vision, mission, philosophy, goals, and benchmarks (i.e., “statewide elements”). These elements serve as a foundation for the strategic planning process. Agencies develop the elements in the remaining tiers as they prepare their strategic plans. The chart below shows the “9 Tiers” of the strategic planning template. Each tier is linked to the others. The tiers are briefly described below.

1. STATEWIDE VISION, MISSION, AND PHILOSOPHY

- Vision—an inspiring view of the preferred future
- Mission—a concise statement of the basic purpose and role of Texas state government
- Philosophy—a statement of the core values and principles underlying Texas state government service

2. STATEWIDE GOALS AND BENCHMARKS

- Statewide Goals—general ends toward which the state directs its efforts
- Statewide Benchmarks—specific performance indicators and targets used to assess progress at the statewide level in achieving statewide goals

3. AGENCY MISSION

- The reason for an agency’s existence (to be developed and submitted by agencies)

4. AGENCY PHILOSOPHY

- The expression of core values and principles for the conduct of the agency in carrying out its mission (to be developed and submitted by agencies)

5. EXTERNAL/INTERNAL ASSESSMENT

- An evaluation of key factors that influence the success of an agency in achieving its mission and goals (to be developed and submitted by agencies)

6. AGENCY GOALS

- General ends toward which agencies direct their efforts (to be developed and submitted by agencies in the order of their priority)

7. OBJECTIVES AND OUTCOME MEASURES

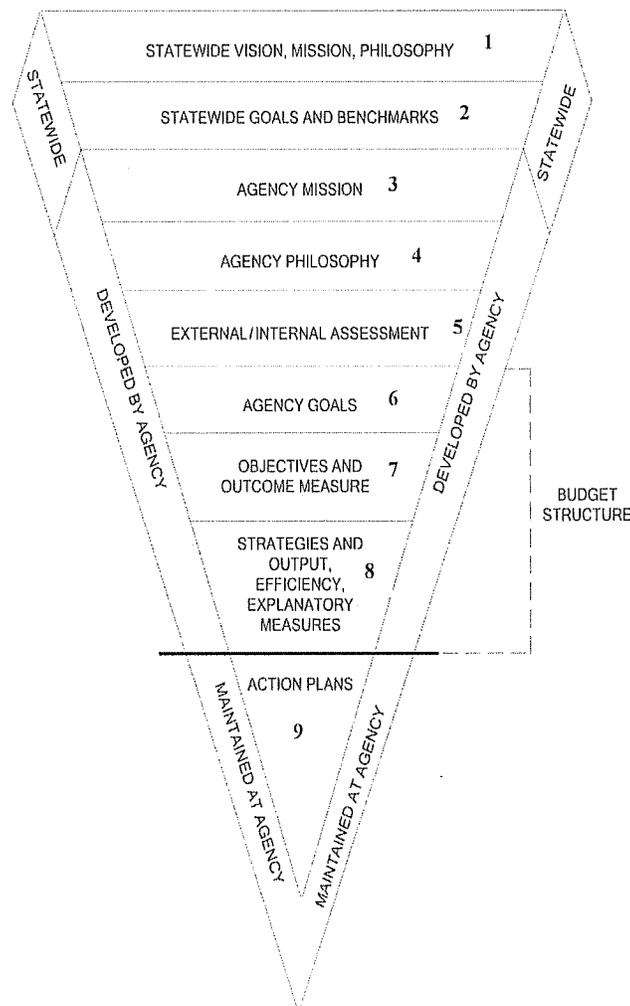
- Clear targets for specific action and the quantified results or effects of that action (to be developed and submitted by agencies in the order of their priority)

8. STRATEGIES AND OUTPUT, EFFICIENCY, AND EXPLANATORY MEASURES

- Methods to achieve goals and objectives and the quantified end products, proficiencies, and descriptive indicators of the agencies' efforts (to be developed and submitted by agencies in the order of their priority)

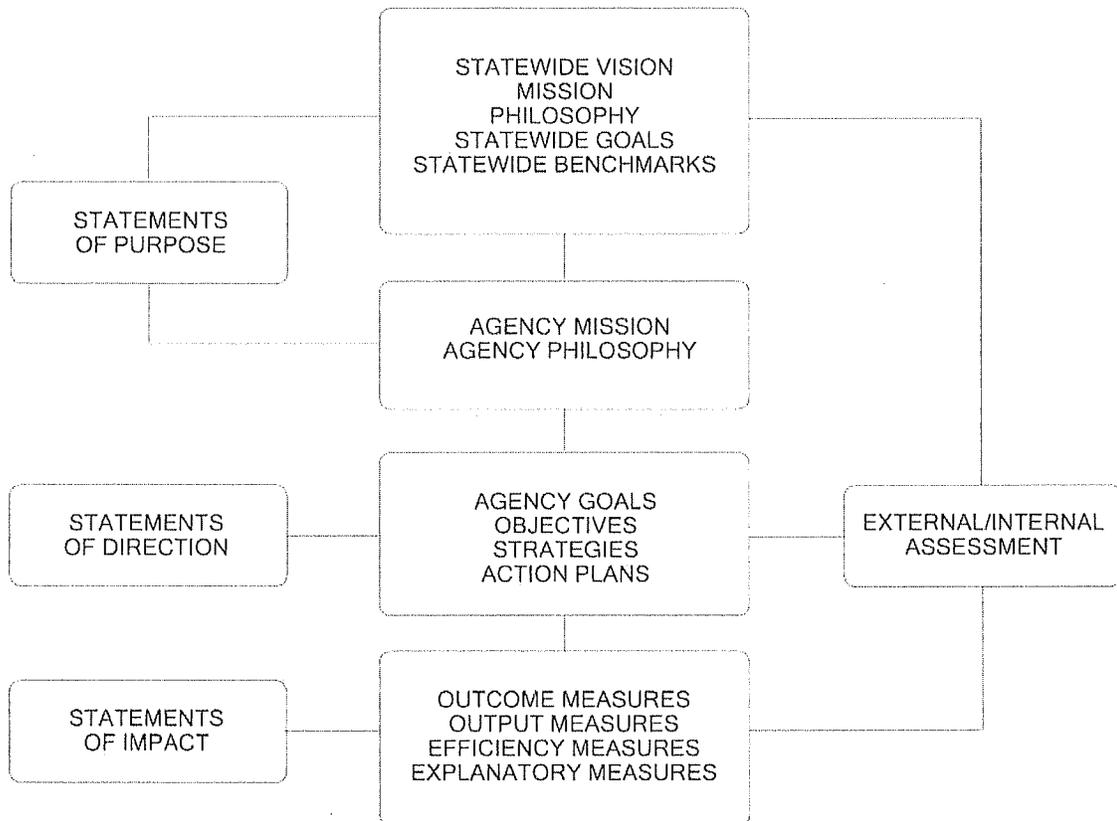
9. ACTION PLANS

- Detailed methods for implementing the strategies (to be developed and maintained by agencies, but not included as part of their strategic planning submissions)



STRATEGIC PLANNING ELEMENTS

The chart below shows the relationship between the elements of the strategic planning process. Each of these elements is described in greater detail in other parts of this document.



STRATEGIC PLANNING AND THE APPROPRIATIONS PROCESS

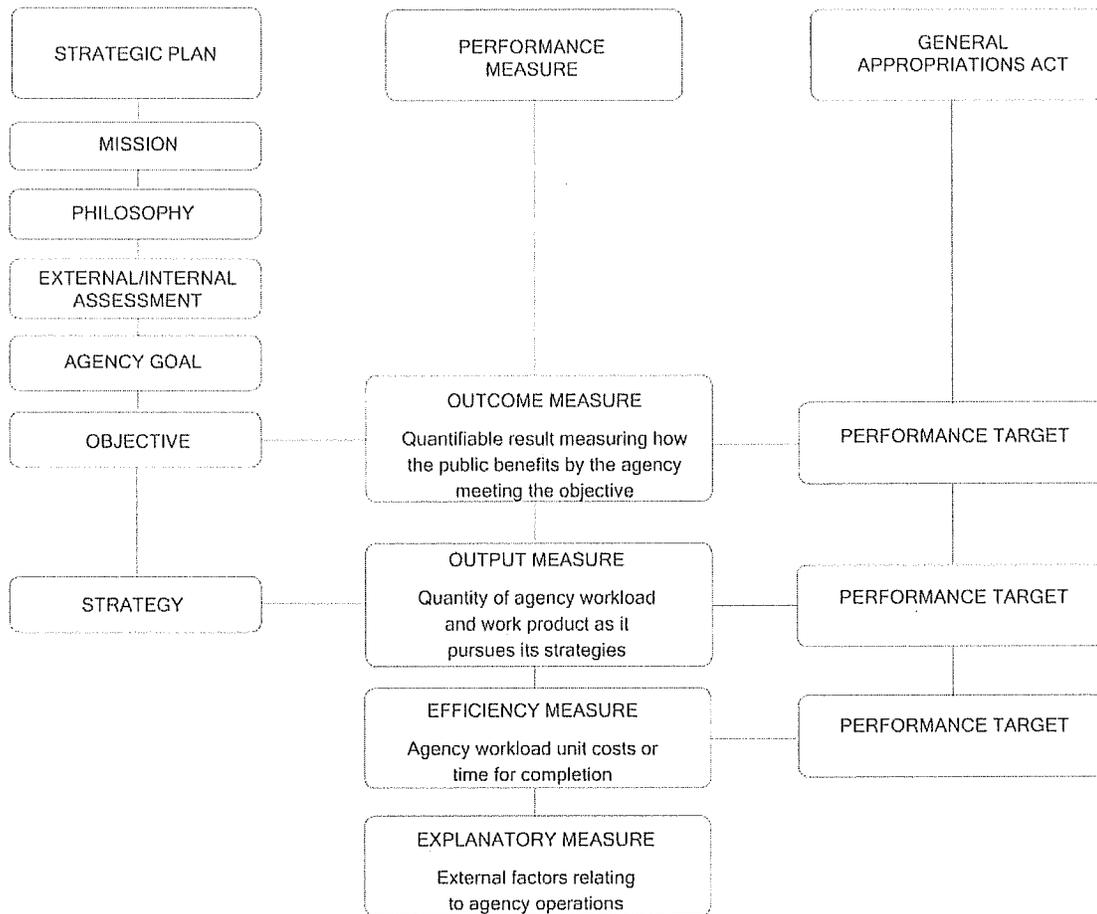
Since 1992, strategic planning has been the first step in Texas' Strategic Planning and Performance Budgeting System. This system recognizes a relationship between strategic planning, allocation of resources, and performance evidenced by quality service.

The chart below shows linkages within the Strategic Planning and Performance Budgeting System.

An agency's strategic plan is often used as a starting point for developing the agency's budget structure, (i.e., goals, strategies, measures, measure definitions, and other items of appropriation).

Agencies must develop budget structures that provide sufficient detail to be understandable. An agency's budget structure does not necessarily need to mirror its strategic plan.

Any changes to an agency's 2012–13 budget structure must be requested in writing by April 16, 2010, using the format shown in Appendix C of the instructions and approved by the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board.



STATE AGENCY PARTICIPATION AND DEFINITION

Chapter 2056 of the Texas Government Code requires strategic planning for all agencies in the executive branch of state government. For these purposes, a state agency is defined as a department, commission, board, office, or other entity of state government, other than a university system or an institution of higher education, as defined by Section 61.003, Texas Education Code that has the following characteristics:

- has authority that is not limited to a geographical portion of the state;
- was created by the constitution or a state statute and has an ongoing mission and responsibilities;
- is not the Office of the Governor or Lieutenant Governor;
- is not within the judicial or legislative branch of government; and
- is not a committee created under state law whose primary function is to advise an agency.

“STRENGTHENING OUR PROSPERITY: THE STATEWIDE STRATEGIC PLANNING ELEMENTS for TEXAS STATE GOVERNMENT”



APPENDIX E: "WORKFORCE PLAN"

OVERVIEW:

(In accordance with Texas Government Code §2056.002 and the State Auditor's Office Workforce Planning website at: <http://sao.hr.state.tx.us/Workforce/>.)

The mission of the Texas State Board of Podiatric Medical Examiners is to assure quality Podiatric Medical Care for the citizens of Texas. The Board fulfills its mission through the regulation of the practice of Podiatric Medicine. This mission supersedes the interest of any individual, the podiatric medical profession or any special interest group.

The Texas State Board of Podiatric Medical Examiners has two Strategic Goals:

1. To protect the citizens of Texas from incompetent and unethical podiatric physicians with a quality program of examination and licensure, and swift, fair and effective enforcement of statutes and rules.
2. To establish and carry out policies governing purchasing and contracting in accordance with state law that foster meaningful and substantive inclusion of Historically Underutilized Businesses.

Our agency's business functions all evolve and flow from our Strategic Goals. We annually license the Podiatric Physicians who provide medical care to the people in Texas, to ensure the competency of these medical professionals and to ensure that the people of Texas receive the best Podiatric Medical Care possible. We have an effective and efficient licensing and examination process and a revised investigative process to address complaints made against our licensees. We interact in written format, via the Internet and in person with numerous outside federal, state and local agencies, the public, law enforcement agencies, trade associations, medical entities, etc. on a daily basis to effectively accomplish these goals. Similar to a business in the private sector, we use the most efficient and effective methodology available to us at the time of contact to meet our goals and conduct the day-to-day business of the agency. For example, we conduct our agency business by use of the USPS, interagency mail, private sector courier service (UPS) and telephone service, dependant on what will provide us with the most cost-effective methodology, while still meeting our time related needs. More and more, we are providing service to our customers and are conducting our agency's business electronically, via the Internet. Examples of this are our agency's website, which provides our customers with licensing and Podiatric Physician profile information, licensee disciplinary information and detailed agency information via the Internet, in a cost-effective and efficient manner, and by our agency's heavy use of e-mail. Beginning in FY 2004, we joined "Texas On-Line," (now "Texas.gov") which allows us to provide instant license

renewal access for our licensees, twenty-four hours a day, seven days a week. We are constantly searching for ways to make our provision of service more efficient and cost-effective.

We do not presently anticipate any significant changes to our mission, strategies or goals over the next five years. We believe that our mission and goals while being very specific, remain broad enough to allow them the flexibility to embrace any significant changes that might occur.

ADDITIONAL CONSIDERATIONS:

The key economic issues facing our agency relate to our being able to continue providing a high level of quality service to our customers within a very tight/reduced budget. The need to fund all of our services within our small operating budget can be very challenging and has the potential to negatively impact our ability to provide our employees with the merit raises so vital to staff retention. By not providing our staff with merit raises, we risk losing our staff to other agencies with higher levels of funding that can afford higher salary levels and merit raises. Loss of trained staff has the potential to slow down and negatively impact our provision of services and functions.

Our challenge has been and will continue to be to path-find new ways to remain and become even more efficient and effective in our use of our appropriated funds, thus allowing us to continue to meet our goals and mission.

We have found that our current customer demands generally remain constant, with the exception of our licensee's demand for quicker response times in the provision of statute and rule information and in responding to a broad range of questions. We expect to keep up with this increased demand by the use of technology (our enhanced website, telecommunications, etc.).

We are an authorized four (4) person agency (reduced to 3 due to the mandatory FY 2010-2011 5% Budget Reduction), divided up into several component "divisions". One employee (Executive Director) is responsible for the day-to-day administration and running of the agency + investigations, one employee (Staff Services Officer II) is responsible for complaint and CME compliance investigations, one employee (Staff Services Officer V) handles all agency fiscal matters and licensing (new and renewals) and licensing examinations, and one employee (Administrative Assistant II; present "Hiring Freeze") who provides administrative support for our complaint investigations as well as serving as the agency's receptionist. All three of our present employees are multi-tasked with many "additional duties" as is the case in any small agency such as ours. The Administrative Assistant II (present "Hiring Freeze") is supervised by our Staff Services Officer V. The Staff Services Officer V and Staff Services Officer II are both supervised by the Executive Director, who in turn, reports to our nine (9) member Board, accountable to the Governor of Texas.

Due to the mandatory FY 2010-2011 5% Budget Reduction, we project that our agency's structure will not remain essentially consistent within its current form for the next five years. There could be major shifts in staff duties and/or responsibilities, as the needs of our customers evolve and as new legislative mandates and rule changes made by the Board impact our agency; in addition to addressing all budget cuts.

CURRENT WORKFORCE PROFILE:

Our agency's current workforce faces challenges in meeting the mission and goals of our agency but possesses the capacity to be sufficiently flexible, innovative and creative so as to adapt to any future critical business issues and needs. Our agency's IT functions are shared by the staff and the Health Professions Council Systems Analysts. Our Staff Services Officers have received training to enhance their knowledge and skill in the fiscal area (ABEST, SPA, USAS, USPS, etc.). Our Staff Services Officers V/II receive day-to-day training from the Board's Executive Director to enhance investigative capabilities. Additional training as our funds allow, and IT and HR support from the staff of other Health Profession Council agencies (at no cost to us) that are specialists in these areas, should allow us to remain current with the skills necessary to address future critical business issues.

The following is a demographic chart that shows the age, gender, race and tenure of our current employees:

Position	Age	Gender	Race	Tenure w Texas
Executive Director	37	Male	Asian/Pacific Islander	15+ years
Staff Services Officer V	48	Female	White	25+ years
Staff Services Officer II	48	Female	Hispanic	20+ years

Our agency presently has one agency staff (i.e. Staff Services Officer V) who would be eligible to retire from state service within the next five years.

Our agency has experienced an employee turnover rate of 25% for the last year. At face value, this seems like a high figure, except when it is applied to a small agency like ours, where the loss of only one employee in the course of a year represents a 25% staff turnover rate for the agency.

To project our potential employee attrition rate for the next five years, we need to look at this issue from two separate and distinct positions. First, at our present workforce level, the potential for attrition from staff's eligibility to retire from state service is 33% for our agency for the next five years. The second method of looking at staff attrition is from the standpoint of one or more employees voluntarily leaving their employment with us to work for another state agency or in the private sector. It is difficult to project an accurate figure for this kind of potential loss of staff, due to the wide range of variables that could impact an employee's decision to remain or not with a specific state entity. A reasonable projection would be that over the next five years, we could have at least one employee leave the agency. This equates to the potential for a minimum 33% attrition rate in any one of the next five years.

There are varied "workforce skills" that are critical to the mission and goals of our agency. The Executive Director must possess an exceptionally broad range of skills and talents to enable him to oversee the daily operations of the agency, to be a reliable resource of information and guidance for the agency's staff and Board, and to effectively perform the many, varied functions of his job. Our fiscal staff person (Staff Services Officer V) must be familiar with the agency's rules, statutory mandates and requirements for licensure and Continuing Medical Education credit, as

well as possess an intimate knowledge of “past practice” issues, to be effective in the consistent oversight of licensing as well as all federal and state fiscal requirements, in order to keep the agency compliant with federal and state mandates, such as the state’s mandate for three-day deposits of funds received. Our Staff Services Officer II must possess a strong knowledge of the agency’s rules and statute, possess the highest level of confidentiality, and have excellent investigative skills identical to those of a law enforcement criminal investigator (rules of evidence, due process, etc.). Our Administrative Assistant II (present “Hiring Freeze”) must act as the point person for Property Management and Reception functions. They must also possess excellent people and communication skills, and a broad knowledge of our rules and statutes to appropriately respond to customer questions. They must also have a working knowledge of our investigative process and demonstrate a high level of confidentiality, as they administratively assists the investigations division and has access to confidential complaint, patient and licensee information.

It is believed that the skill and experience level of the agency’s workforce could substantially change within the next five years with the possibility of the retirement of the Staff Services Officer V. Based on past trends, all staff will need to stay current with IT technology as it continues to evolve. Doing so will allow our agency to use information technology to offset the inevitability of increasing workloads and more readily allow for the most cost-effective and efficient provision of services to our customers.

The greatest challenge facing our agency as it affects our ability to recruit and retain mission critical staff is our lack of sufficient appropriated funds to allow us to reward our employees who meet specific requirements with well-deserved merit increases. In a small agency such as ours, the loss of any one staff position can have a critical impact on our ability to meet our goals and legislative mandates. Because each staff member wears many hats, the loss of any one position has a negative “spin-off” effect on one, some, and sometimes all other positions being able to complete their work in a timely manner. This has the potential to negatively impact the entire agency. It is crucial that our agency has the level of funding necessary to remain competitive with other larger state agencies (and the private sector) to avoid losing any of our staff to an agency or entity that can pay a higher salary and give out merit increases.

FUTURE WORKFORCE PROFILE (DEMAND ANALYSIS):

At present, notwithstanding the Office of the Governor’s February 2008 “BPR” report, we have experienced an immediate workforce staffing change effective February 16, 2010 due to the mandatory FY 2010-2011 5% Budget Reduction (discussed exhaustively in our “FY 2011 – FY 2015 Strategic Plan”). With all present/future budget cuts, we do not believe that our workforce will remain consistent within our current structure. Adding or removing responsibilities from one staff position to another can address things such as increased or decreased workloads. There is some potential that this could change, if, for example, the Legislature were to add any new unfunded mandates on our agency next 82nd. Session/2011 and not restore our funding. With our present heavy workload, any new mandates would require an additional (5th) FTE to keep us compliant with our goals and mandates. We believe that future workforce skills will more and more revolve around our staff having a good working knowledge of new computer hardware technology and software programs. It is through the best use of future computer technology advances that we could keep the workplace time efficient and cost effective. We feel that the increase in new Information Technology over the next five years could help to offset any potential increase in the time needed to meet our goals and mission. All of our current staff positions are

critical to performing our licensing, testing and enforcement functions necessary to support our agency's mission, goals and legislative mandates. Again, due to the FY 2010-2011 5% Budget Reduction effective February 16, 2010, we have experienced an immediate decrease in the existing staffing levels necessary to do our job as a state medical licensing and regulatory agency. We are planning to ask for additional FTE's this coming 82nd Session/2011 to recover our funding and workforce.

GAP ANALYSIS:

We have not identified any gaps or surpluses in our staffing levels based on the current information available to us. There is, however, an anticipated gap in the computer hardware and software and management skills that will be needed by our staff to remain ahead of increasing workloads. The key to the resolution of this training gap is to address the gap in the level of funding available for critical staff training, most importantly, in the IT area. We believe that continued training will be critical to keep our current level of staff prepared to meet the potentially increased pressure on staff from heavier future workload levels, by fostering effective agency leadership and management and by utilizing new methodologies and technologies (hardware and software) to level the playing field.

STRATEGY DEVELOPMENT:

At this time, our agency will eventually be impacted by the potential loss of staff due to the "aging workforce" issue. One of our four full time employees (i.e. Staff Services Officer V) is eligible to retire within the next five years by May 31, 2013. It is difficult to nearly impossible to prevent the potential loss of an employee who decides to leave this agency for other employment or retirement. Over the last seven years, we have had several employees leave our agency for a variety of reasons. One (Investigator III) left state employment to become a law enforcement officer (Captain in charge of the Investigations Division, with the Leander, Texas Police Department). The second (Administrative Technician III) left state employment (twice) to pursue her life-long dream of becoming a licensed beautician. The third (Administrative Technician II) left state employment to follow through on personal interests in Midland, Texas. The fourth (Administrative Technician IV) was lost due to a Reduction in Force (RIF) pursuant to mandated budget reductions. The fifth (Administrative Technician II) was terminated due to violations of personnel policies. The sixth Administrative Assistant II left the agency in September 2009 but that position is presently facing a "Hiring Freeze" due to the FY 2010-2011 5% Budget Reduction. Two Executive Directors resigned in 2004/2005 over concerns brought forth by the Board. The agency's Investigator V of the past 6 years then became the new Executive Director in September 2005 (and remains in this position). In addition, the Administrative Assistant II from September 2004 – December 2005 became the new Systems Analyst with the Health Professions Council due to exemplary service with the Board and the Investigator III from January – May 2006 resigned due to personnel deficiencies. Most recently, the Investigator III (effective February 16, 2010) was reclassified to a Staff Services Officer II as part of a total agency reorganization in response to the FY 2010-2011 5% Budget Reduction.

Notwithstanding the above, our agency has utilized several strategies to make our workplace a good place to work, within our limited fiscal resources. We have actively included all employees in many of the major decisions relating to the running of our agency and the policies by which we run, to make staff feel like the valued individuals they are. The Executive Director has fostered

leadership development by allowing the agency's Staff Services Officer V to act as a supervisor, developing her leadership skills under his guidance. Training to enhance our staff's development within their own areas of specialization has been encouraged, within the limited resources of the agency.

We have and will continue to cross-train our staff, and have entered into an agreement with other Health Professions Council agencies to provide mutual support in a staffing emergency, in the event that any agency staff possessing unique and critical skills should be absent from the agency due to illness, extended vacation, etc. This ensures that our agency will minimally continue to run and that all functions and responsibilities of the agency will continue uninterrupted.

ADDITIONAL CONSIDERATIONS:

At the present, there is no need to recruit competent staff to fill open positions as we have no vacancies due to the "Hiring Freeze" of the Administrative Assistant II position in regards to the FY 2010-2011 5% Budget Reduction. Historically, when positions have opened, we have been successful in attracting a diverse and qualified pool of applicants, and have successfully hired positions, from "posting of the job" to "first day on the job" within a month. We are confident that we would be able to quickly replace any of our staff positions that should open, quickly, with minimal impact to the agency provided that we are appropriately funded. In the absence of being able to fill a position, we have contracted with outside providers (i.e. the aforementioned PMR's) to supplement the duties performed by the Executive Director/Investigator; along with the new TPMA "Peer Review" process.

We do anticipate having skill or staffing imbalances due to retirements within the next five years. Any imbalances due to changing programs could be absorbed by our staff, as our positions already overlap in their responsibilities and training. One of our agency strengths is that because we are small, we are better able to adapt quickly to change. Duties and responsibilities can quickly be assigned, removed or adapted to meet any change or challenge.

We consider all of our staff as being in potential leadership positions. We use every opportunity to allow our staff to enhance their interpersonal and leadership skills. The acquisition of additional training funds will facilitate allowing our staff to attend training that we presently cannot afford to pay for.

We have made a conscious effort to be very liberal in allowing our staff to flex their work schedule so that they can attend training programs to enhance their level of personal knowledge and better prepare them for future leadership rolls.

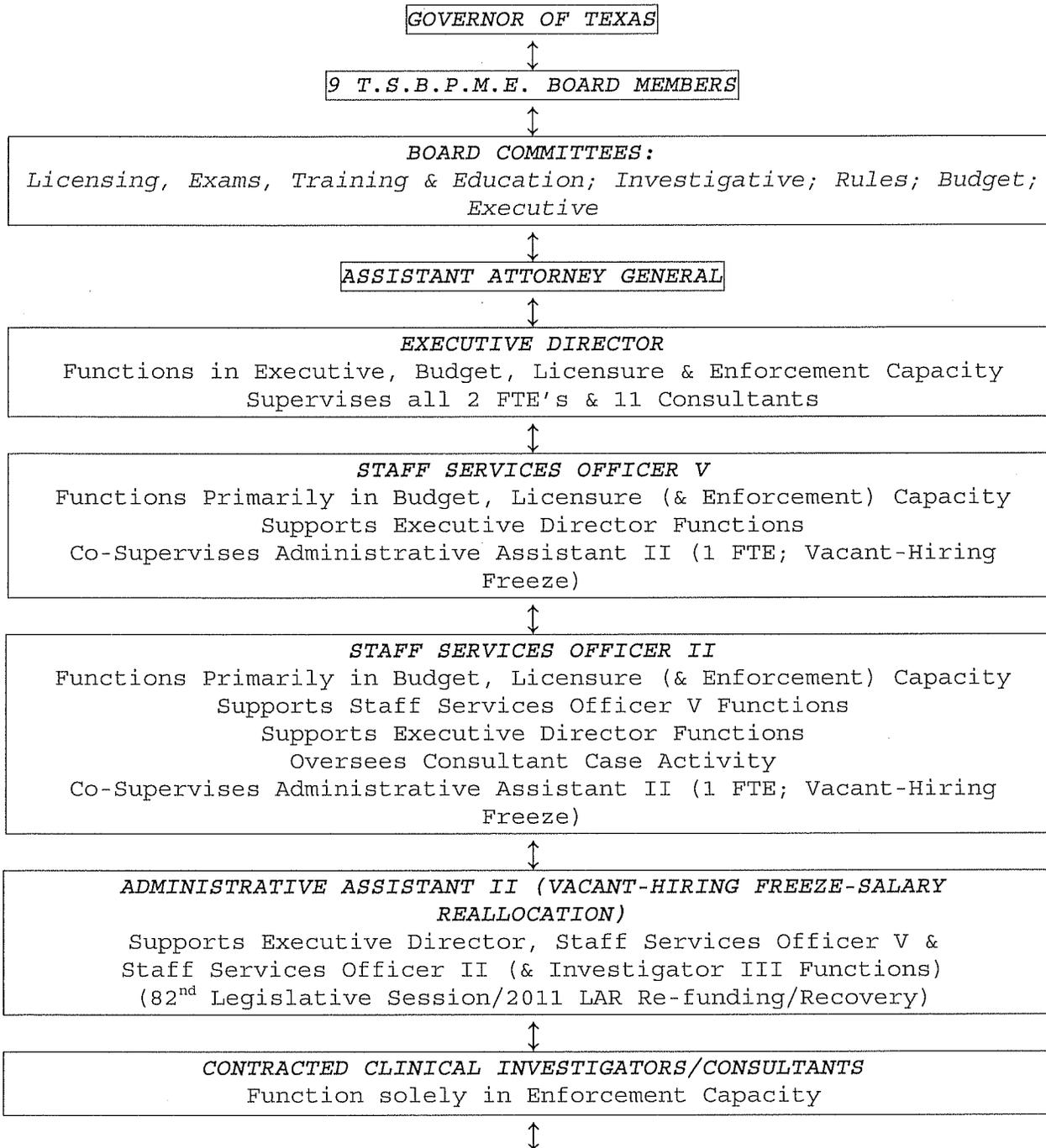
All the aforementioned allows for a sense of staff "Ownership;" a philosophy of success in the private sector whereby employees feel they "belong" to a successful team.

Again, TSBPME staff remain open to the Office of the Governor's "BPR" report and its findings in achieving the noted efficiencies to be gained as the Board proceeds towards the 82nd Legislative Session beginning in January 2011. It is staff's position that the centralization of common agency "Finance/Human Resource/Information Technology" functions within the HPC would allow the Board to focus on CORE Licensure & Enforcement functions DIRECTLY related to our Mission and expertise especially during the time of the FY 2010-2011 5% Budget Reduction.

The Board's Workforce Summary (as of 2008) prepared by the State Auditor's Office Classification Team can be found on their website at:

<http://sao.hr.state.tx.us/Publications/WFSummaries/WorkforceAnalysis/2008/512-2008.pdf>

"AGENCY ORGANIZATION" CHART (On/After 02/16/2010)



INVESTIGATOR III (Reclassified to Staff Services Officer II)*
Functions Primarily in Enforcement Capacity
Supports Staff Services Officer V/II & Executive Director Functions
Oversees Consultant Case Activity
(82nd Legislative Session/2011 LAR Recovery for Investigator III or
Attorney*)

**CURRENT BOARD STAFF HAVE AN INVALUABLE COMBINED 35+ YEARS OF
INSTITUTIONAL KNOWLEDGE OF THE BOARD'S FUNCTIONS**