

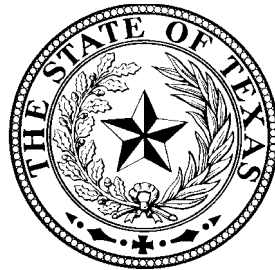
# **Operating Budget**

for Fiscal Year 2004

Submitted to the  
Governor's Office of Budget, Planning and Policy  
and the Legislative Budget Board

by

**State Office of Risk Management**



*December 1, 2003*



## CERTIFICATE

**Agency Name** \_\_\_\_\_ State Office of Risk Management

This is to certify that the information contained in the agency operating budget filed with the Legislative Budget Board (LBB) and the Governor's Office of Budget, Planning and Policy (GOBPP) is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the bound paper copies are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the GOBPP will be notified in writing in accordance with Article IX, Section 7.01 (2004-05 GAA).

### Chief Executive Officer or Presiding Judge

\_\_\_\_\_  
Signature  
Ron Josselet  
Printed Name  
\_\_\_\_\_  
Executive Director  
Title  
December 1, 2003  
Date

### Board or Commission Chair

\_\_\_\_\_  
Signature  
Martha Rider  
Printed Name  
\_\_\_\_\_  
Board Chairman  
Title  
December 1, 2003  
Date

### Chief Financial Officer

\_\_\_\_\_  
Signature  
Stuart B. Cargile  
Printed Name  
\_\_\_\_\_  
Director of Fund Accounting  
Title  
December 1, 2003  
Date

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**II.A. SUMMARY OF BUDGET BY STRATEGY**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 12/3/2003  
 TIME : 8:41:11AM

Agency code: 479                      Agency name: State Office of Risk Management

| <b>Goal/Objective/STRATEGY</b>              | <b>EXP 2002</b>    | <b>EXP 2003</b>    | <b>BUD 2004</b>    |
|---|--------------------|--------------------|--------------------|
| <b>1</b> Manage Workers' Compensation Costs |                    |                    |                    |
| <b>1</b> <i>Risk Management</i>             |                    |                    |                    |
| <b>1</b> RISK MANAGEMENT PROGRAM            | \$1,623,359        | \$1,762,986        | \$2,110,929        |
| <b>2</b> <i>Claims Administration</i>       |                    |                    |                    |
| <b>1</b> PAY WORKERS' COMPENSATION          | \$4,724,796        | \$4,506,397        | \$4,798,735        |
| <b>TOTAL, GOAL 1</b>                        | <b>\$6,348,155</b> | <b>\$6,269,383</b> | <b>\$6,909,664</b> |

**II.A. SUMMARY OF BUDGET BY STRATEGY**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 12/3/2003  
 TIME : 8:41:11AM

Agency code: 479                      Agency name: State Office of Risk Management

| <b>Goal/Objective/STRATEGY</b>        | <b>EXP 2002</b>    | <b>EXP 2003</b>    | <b>BUD 2004</b>    |
|---------------------------------------|--------------------|--------------------|--------------------|
| <b>General Revenue Funds:</b>         |                    |                    |                    |
| 1 GENERAL REVENUE FUND                | \$4,759,887        | \$4,543,109        | \$4,799,465        |
|                                       | <b>\$4,759,887</b> | <b>\$4,543,109</b> | <b>\$4,799,465</b> |
| <b>Other Funds:</b>                   |                    |                    |                    |
| 666 APPROPRIATED RECEIPTS             | \$0                | \$0                | \$0                |
| 777 INTERAGENCY CONTRACTS             | \$1,588,268        | \$1,726,274        | \$2,110,199        |
|                                       | <b>\$1,588,268</b> | <b>\$1,726,274</b> | <b>\$2,110,199</b> |
| <b>TOTAL, METHOD OF FINANCING</b>     | <b>\$6,348,155</b> | <b>\$6,269,383</b> | <b>\$6,909,664</b> |
| <b>FULL TIME EQUIVALENT POSITIONS</b> | <b>109.9</b>       | <b>119.7</b>       | <b>124.0</b>       |

**II.B. SUMMARY OF BUDGET BY METHOD OF FINANCE**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/3/2003**  
 TIME: **8:44:14AM**

Agency code: **479** Agency name: **State Office of Risk Management**

| <b>METHOD OF FINANCING</b>   | <b>EXP 2002</b>    | <b>EXP 2003</b>    | <b>BUD 2004</b>    |
|--|--------------------|--------------------|--------------------|
| <b><u>GENERAL REVENUE</u></b>  |                    |                    |                    |
| <b>1</b> General Revenue Fund  |                    |                    |                    |
| <i>REGULAR APPROPRIATIONS</i>  |                    |                    |                    |
| Regular Appropriation from MOF Table                                   | 4,679,163          | 4,583,763          | 5,332,623          |
| <i>RIDER APPROPRIATION</i>   |                    |                    |                    |
| SB 1, 77th Leg, RS Art IX, Section 10.39, Contingent Appn for HB 2600  | 171,307            | 148,018            | 0                  |
| HB 1, 78th Leg., R.S. Art I, Rider # 3, Page I-77 UB                   | 0                  | 0                  | (531,020)          |
| <i>TRANSFERS</i>   |                    |                    |                    |
| S.B. 1, 77th Leg., R.S., Art IX, Sec 10.12 Appn for Longevity Increase | 23,540             | 26,340             | 0                  |
| S.B. 1, 77th Leg., R.S., Art IX, Sec. 10.12 Approp for a Salary Incr   | 116,154            | 153,168            | 0                  |
| SB 1 77th Leg, RS, GAA, Art. IX, Sec. 10-36 Pg IX-91 Cont Rider SB311  | (1,342)            | 0                  | 0                  |
| SB 1, 77th Leg., R.S., Art IX, Sec 10.23, Page IX-87 HB 2976 - Reappr  | 71,184             | 20,147             | 0                  |
| SB 1, 77th Leg, R.S., Art IX, Sec 8.03, Pg IX-66, Reimb & Payments     | 802                | 66                 | 0                  |
| H.B. 1, 78th Leg., R.S., Art IX, Sec 8.03, Pg IX-57, Reimb & Payments  | 0                  | 0                  | 881                |
| House Bill 7 (78th Leg, Regular Session, 2003) Appropriation Reduction | 0                  | (351,077)          | 0                  |
| HB 1, 78th Leg, RS, Art IX, Sec 12.03, Pg IX-96 Retirement Incentives  | 0                  | 0                  | (3,423)            |
| HB 1, 78th Leg, RS, Art IX, Sec 12.03, Pg IX-96 Retirement Incentives  | 0                  | 0                  | 404                |
| <i>LAPSED APPROPRIATIONS</i>   |                    |                    |                    |
| Lapsed Appropriations  | (300,921)          | (37,316)           | 0                  |
| <b>TOTAL, General Revenue Fund</b>                                     | <b>\$4,759,887</b> | <b>\$4,543,109</b> | <b>\$4,799,465</b> |

**II.B. SUMMARY OF BUDGET BY METHOD OF FINANCE**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/3/2003**  
 TIME: **8:44:14AM**

Agency code: **479**

Agency name: **State Office of Risk Management**

| <b>METHOD OF FINANCING</b>  | <b>EXP 2002</b>    | <b>EXP 2003</b>    | <b>BUD 2004</b>    |
|---|--------------------|--------------------|--------------------|
| <b>TOTAL, ALL GENERAL REVENUE</b>                                     | <b>\$4,759,887</b> | <b>\$4,543,109</b> | <b>\$4,799,465</b> |
| <b><u>OTHER FUNDS</u></b>   |                    |                    |                    |
| <b><u>777</u> Interagency Contracts</b>                               |                    |                    |                    |
| <i>REGULAR APPROPRIATIONS</i>   |                    |                    |                    |
| Regular Appropriation from MOF Table                                  | 1,097,709          | 1,097,709          | 2,109,254          |
| <i>RIDER APPROPRIATION</i>  |                    |                    |                    |
| S.B. 1, 77th Leg., R.S. Art IX, Section 8.03 IAC Appropriated         | 12,414             | 0                  | 0                  |
| S.B. 1, 77th Leg., R.S., Art IX, Sec. 10.34 Rider HB 1203             | 610,000            | 610,000            | 0                  |
| S.B. 1, 77th Leg., R.S. Art IX, Section 8.03 IAC Appropriated         | 22,257             | 22,257             | 0                  |
| <i>TRANSFERS</i>  |                    |                    |                    |
| HB 1 78th Leg, R.S, Art IX, Sec 12.03, Pg IX-96 Retirement Incentives | 0                  | 0                  | (4,347)            |
| HB 1 78th Leg, R.S, Art IX, Sec 12.03, Pg IX-96 Retirement Incentives | 0                  | 0                  | 5,292              |
| <i>LAPSED APPROPRIATIONS</i>  |                    |                    |                    |
| Lapsed Appropriations   | (154,112)          | (3,692)            | 0                  |
| <b>TOTAL, Interagency Contracts</b>                                   | <b>\$1,588,268</b> | <b>\$1,726,274</b> | <b>\$2,110,199</b> |
| <b>TOTAL, ALL OTHER FUNDS</b>   | <b>\$1,588,268</b> | <b>\$1,726,274</b> | <b>\$2,110,199</b> |
| <b>GRAND TOTAL</b>  | <b>\$6,348,155</b> | <b>\$6,269,383</b> | <b>\$6,909,664</b> |
| <b>FULL-TIME-EQUIVALENT POSITIONS</b>                                 | <b>109.9</b>       | <b>119.7</b>       | <b>124.0</b>       |

**II.C. SUMMARY OF BUDGET BY OBJECT OF EXPENSE**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/3/2003**  
 TIME: **8:41:58AM**

Agency code: **479**

Agency name: **State Office of Risk Management**

| <b>OBJECT OF EXPENSE</b>            | <b>EXP 2002</b>    | <b>EXP 2003</b>    | <b>BUD 2004</b>    |
|-------------------------------------|--------------------|--------------------|--------------------|
| 1001 SALARIES AND WAGES             | \$3,814,212        | \$4,325,251        | \$4,477,354        |
| 1002 OTHER PERSONNEL COSTS          | \$126,434          | \$81,075           | \$79,330           |
| 2000 OPERATING COSTS                | \$0                | \$0                | \$0                |
| 2001 PROFESSIONAL FEES AND SERVICES | \$1,328,166        | \$1,296,961        | \$1,386,550        |
| 2003 CONSUMABLE SUPPLIES            | \$49,644           | \$34,240           | \$41,460           |
| 2004 UTILITIES                      | \$13,460           | \$8,071            | \$20,168           |
| 2005 TRAVEL                         | \$120,769          | \$85,005           | \$103,656          |
| 2006 RENT - BUILDING                | \$7,943            | \$9,155            | \$9,155            |
| 2007 RENT - MACHINE AND OTHER       | \$20,731           | \$17,224           | \$21,678           |
| 2009 OTHER OPERATING EXPENSE        | \$847,677          | \$399,215          | \$569,437          |
| 5000 CAPITAL EXPENDITURES           | \$19,119           | \$13,186           | \$200,876          |
| <b>Agency Total</b>                 | <b>\$6,348,155</b> | <b>\$6,269,383</b> | <b>\$6,909,664</b> |



**II.D. SUMMARY OF OBJECTIVE OUTCOMES**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 12/3/2003  
 Time: 8:43:52AM

Agency code: 479                      Agency name: **State Office of Risk Management**

| <b>Goal/ Objective / OUTCOME</b> |   | <b>Actual<br/>2002</b> | <b>Actual<br/>2003</b> | <b>Projected<br/>2004</b> |
|----------------------------------|---|------------------------|------------------------|---------------------------|
| 1                                | Manage Workers' Compensation Costs  |                        |                        |                           |
| 1                                | <i>Risk Management</i>  |                        |                        |                           |
| <b>KEY</b>                       | <b>1 Incident Rate of Injuries &amp; Illnesses/100 Covered FT State Employees</b> | 4.75 %                 | 4.07 %                 | 4.90 %                    |
|                                  | <b>2 % State Agencies with Approved Written Risk Management Plans</b>             | 100.00 %               | 100.00 %               | 100.00 %                  |
| 2                                | <i>Claims Administration</i>  |                        |                        |                           |
| <b>KEY</b>                       | <b>1 Cost of Workers' Compensation Per Covered State Employee</b>                 | 416.00                 | 416.00                 | 440.00                    |

**III.A. STRATEGY LEVEL DETAIL**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/3/2003  
 TIME: 8:41:35AM

Agency code: **479** Agency name: **State Office of Risk Management**

GOAL: 1 Manage Workers' Compensation Costs Statewide Goal/Benchmark: 7 0  
 OBJECTIVE: 1 Risk Management Service Categories:  
 STRATEGY: 1 Est Risk Mgt Guidelines; Assist/Review/Monitor Agencies' Risk Mgt Pgms Service: 05 Income: A.2 Age: B.3

| CODE                               | DESCRIPTION   | EXP 2002           | EXP 2003           | BUD 2004           |
|------------------------------------|---|--------------------|--------------------|--------------------|
| <b>Output Measures:</b>            |   |                    |                    |                    |
| 1                                  | Number of Written Risk Management Program Reviews Conducted       | 55.00              | 56.00              | 32.00              |
| 2                                  | Number of On-site Consultations Conducted                         | 193.00             | 202.00             | 250.00             |
| 3                                  | Number of Risk Management Training Sessions Conducted             | 186.00             | 245.00             | 250.00             |
| <b>Efficiency Measures:</b>        |   |                    |                    |                    |
| 1                                  | Cost Per Hour of Direct Risk Management Service Provided          | 76.78              | 72.54              | 80.00              |
| <b>Explanatory/Input Measures:</b> |   |                    |                    |                    |
| 1                                  | % State Agency Facility Locations Provided On-site Consultations  | 9.54 %             | 9.92 %             | 10.00 %            |
| 2                                  | Percentage of Total Assessments Collected Used for Claim Payments | 92.55 %            | 92.56 %            | 99.00 %            |
| 3                                  | Amount of Grants Awarded for Loss Prevention Purposes             | 0.00               | 0.00               | 0.00               |
| 4                                  | Number of Grants Awarded for Loss Prevention Purposes             | 0.00               | 0.00               | 0.00               |
| <b>Objects of Expense:</b>         |   |                    |                    |                    |
| 1001                               | SALARIES AND WAGES  | \$1,136,537        | \$1,559,896        | \$1,643,991        |
| 1002                               | OTHER PERSONNEL COSTS   | \$31,784           | \$30,247           | \$28,943           |
| 2000                               | OPERATING COSTS   | \$0                | \$0                | \$0                |
| 2001                               | PROFESSIONAL FEES AND SERVICES                                    | \$4,032            | \$6,701            | \$26,550           |
| 2003                               | CONSUMABLE SUPPLIES   | \$19,831           | \$9,079            | \$14,824           |
| 2004                               | UTILITIES   | \$3,485            | \$1,723            | \$9,890            |
| 2005                               | TRAVEL  | \$54,691           | \$29,483           | \$44,920           |
| 2006                               | RENT - BUILDING   | \$72               | \$344              | \$344              |
| 2007                               | RENT - MACHINE AND OTHER  | \$17               | \$270              | \$3,566            |
| 2009                               | OTHER OPERATING EXPENSE   | \$367,714          | \$125,243          | \$160,001          |
| 5000                               | CAPITAL EXPENDITURES  | \$5,196            | \$0                | \$177,900          |
| <b>TOTAL, OBJECT OF EXPENSE</b>    |   | <b>\$1,623,359</b> | <b>\$1,762,986</b> | <b>\$2,110,929</b> |

**III.A. STRATEGY LEVEL DETAIL**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/3/2003  
 TIME: 8:41:35AM

Agency code: **479** Agency name: **State Office of Risk Management**

GOAL: 1 Manage Workers' Compensation Costs

Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Risk Management

Service Categories:

STRATEGY: 1 Est Risk Mgt Guidelines; Assist/Review/Monitor Agencies' Risk Mgt Pgms

Service: 05 Income: A.2 Age: B.3

| CODE   | DESCRIPTION           | EXP 2002           | EXP 2003           | BUD 2004           |
|--|-----------------------|--------------------|--------------------|--------------------|
| <b>Method of Financing:</b>                  |                       |                    |                    |                    |
| 1  | GENERAL REVENUE FUND  | \$57,348           | \$58,969           | \$730              |
| <b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b> |                       | <b>\$57,348</b>    | <b>\$58,969</b>    | <b>\$730</b>       |
| <b>Method of Financing:</b>                  |                       |                    |                    |                    |
| 777  | INTERAGENCY CONTRACTS | \$1,566,011        | \$1,704,017        | \$2,110,199        |
| <b>SUBTOTAL, MOF (OTHER FUNDS)</b>           |                       | <b>\$1,566,011</b> | <b>\$1,704,017</b> | <b>\$2,110,199</b> |
| <b>TOTAL, METHOD OF FINANCE :</b>            |                       | <b>\$1,623,359</b> | <b>\$1,762,986</b> | <b>\$2,110,929</b> |
| <b>FULL TIME EQUIVALENT POSITIONS:</b>       |                       | <b>27.5</b>        | <b>37.0</b>        | <b>38.5</b>        |

**III.A. STRATEGY LEVEL DETAIL**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/3/2003  
 TIME: 8:41:35AM

Agency code: **479** Agency name: **State Office of Risk Management**

GOAL: 1 Manage Workers' Compensation Costs Statewide Goal/Benchmark: 7 0  
 OBJECTIVE: 2 Claims Administration Service Categories:  
 STRATEGY: 1 Review Claims, Determine Liability and Pay Eligible Claims Service: 05 Income: A.2 Age: B.3

| CODE                               | DESCRIPTION                                       | EXP 2002           | EXP 2003           | BUD 2004           |
|------------------------------------|---|--------------------|--------------------|--------------------|
| <b>Output Measures:</b>            |   |                    |                    |                    |
| 1                                  | Number of Initial Eligibility Determinations Made | 9,530.00           | 8,823.00           | 9,000.00           |
| 2                                  | Number of Medical Bills Processed                 | 196,132.00         | 195,195.00         | 198,000.00         |
| 3                                  | Number of Indemnity Bills Paid                    | 69,264.00          | 66,960.00          | 69,000.00          |
| <b>Efficiency Measures:</b>        |   |                    |                    |                    |
| 1                                  | % Claims Processed within 7 Days                  | 92.42 %            | 95.60 %            | 100.00 %           |
| 2                                  | % of Medical Bills Paid within 45 Days            | 97.99 %            | 97.98 %            | 100.00 %           |
| 3                                  | Average Cost to Administer Claim                  | 336.00             | 333.00             | 335.00             |
| <b>Explanatory/Input Measures:</b> |   |                    |                    |                    |
| 1                                  | Amount of Subrogation Payments Obtained           | 263,938.06         | 934,160.12         | 550,000.00         |
| <b>Objects of Expense:</b>         |   |                    |                    |                    |
| 1001                               | SALARIES AND WAGES                                | \$2,677,675        | \$2,765,355        | \$2,833,363        |
| 1002                               | OTHER PERSONNEL COSTS                             | \$94,650           | \$50,828           | \$50,387           |
| 2000                               | OPERATING COSTS                                   | \$0                | \$0                | \$0                |
| 2001                               | PROFESSIONAL FEES AND SERVICES                    | \$1,324,134        | \$1,290,260        | \$1,360,000        |
| 2003                               | CONSUMABLE SUPPLIES                               | \$29,813           | \$25,161           | \$26,636           |
| 2004                               | UTILITIES   | \$9,975            | \$6,348            | \$10,278           |
| 2005                               | TRAVEL  | \$66,078           | \$55,522           | \$58,736           |
| 2006                               | RENT - BUILDING                                   | \$7,871            | \$8,811            | \$8,811            |
| 2007                               | RENT - MACHINE AND OTHER                          | \$20,714           | \$16,954           | \$18,112           |
| 2009                               | OTHER OPERATING EXPENSE                           | \$479,963          | \$273,972          | \$409,436          |
| 5000                               | CAPITAL EXPENDITURES                              | \$13,923           | \$13,186           | \$22,976           |
| <b>TOTAL, OBJECT OF EXPENSE</b>    |   | <b>\$4,724,796</b> | <b>\$4,506,397</b> | <b>\$4,798,735</b> |

**Method of Financing:**

**III.A. STRATEGY LEVEL DETAIL**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/3/2003  
 TIME: 8:41:35AM

Agency code: **479** Agency name: **State Office of Risk Management**

GOAL: 1 Manage Workers' Compensation Costs

Statewide Goal/Benchmark: 7 0

OBJECTIVE: 2 Claims Administration

Service Categories:

STRATEGY: 1 Review Claims, Determine Liability and Pay Eligible Claims

Service: 05 Income: A.2 Age: B.3

| CODE                                   | DESCRIPTION                                  | EXP 2002           | EXP 2003           | BUD 2004           |
|--|--|--------------------|--------------------|--------------------|
| 1                                      | GENERAL REVENUE FUND                         | \$4,702,539        | \$4,484,140        | \$4,798,735        |
|  | <b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b> | <b>\$4,702,539</b> | <b>\$4,484,140</b> | <b>\$4,798,735</b> |
| <b>Method of Financing:</b>            |  |                    |                    |                    |
| 666                                    | APPROPRIATED RECEIPTS                        | \$0                | \$0                | \$0                |
| 777                                    | INTERAGENCY CONTRACTS                        | \$22,257           | \$22,257           | \$0                |
|  | <b>SUBTOTAL, MOF (OTHER FUNDS)</b>           | <b>\$22,257</b>    | <b>\$22,257</b>    | <b>\$0</b>         |
| <b>TOTAL, METHOD OF FINANCE :</b>      |  | <b>\$4,724,796</b> | <b>\$4,506,397</b> | <b>\$4,798,735</b> |
| <b>FULL TIME EQUIVALENT POSITIONS:</b> |  | <b>82.4</b>        | <b>82.7</b>        | <b>85.5</b>        |

**III.A. STRATEGY LEVEL DETAIL**  
78th Regular Session, Fiscal Year 2004 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/3/2003  
TIME: 8:41:35AM

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**SUMMARY TOTALS:**

|  |                    |                    |                    |
|--|--------------------|--------------------|--------------------|
| <b>OBJECTS OF EXPENSE:</b>             | <b>\$6,348,155</b> | <b>\$6,269,383</b> | <b>\$6,909,664</b> |
| <b>METHODS OF FINANCE :</b>            | <b>\$6,348,155</b> | <b>\$6,269,383</b> | <b>\$6,909,664</b> |
| <b>FULL TIME EQUIVALENT POSITIONS:</b> | <b>109.9</b>       | <b>119.7</b>       | <b>124.0</b>       |

IV.A. CAPITAL BUDGET PROJECT SCHEDULE  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/3/2003  
 TIME : 1:28:21PM

Agency code: 479

Agency name: State Office of Risk Management

**Category Code / Category Name**

*Project Sequence/Project Id/ Name*

**OOE / TOF / MOF CODE**

**EXP 2002**

**EXP 2003**

**BUD 2004**

**5005 Acquisition of Information Resource Technologies**

*1/1 Upgrade Existing Personal Computer CPUs*

**OBJECTS OF EXPENSE**

Informational

|                                       |                 |            |            |
|---------------------------------------|-----------------|------------|------------|
| 2009 OTHER OPERATING EXPENSE          | \$49,877        | \$0        | \$0        |
| Informational Subtotal OOE, Project 1 | \$49,877        | \$0        | \$0        |
| Subtotal OOE, Project 1               | <b>\$49,877</b> | <b>\$0</b> | <b>\$0</b> |

**TYPE OF FINANCING**

Informational

|                                       |                 |            |            |
|---------------------------------------|-----------------|------------|------------|
| CA 1 GENERAL REVENUE FUND             | \$40,299        | \$0        | \$0        |
| CA 777 INTERAGENCY CONTRACTS          | \$9,578         | \$0        | \$0        |
| Informational Subtotal TOF, Project 1 | \$49,877        | \$0        | \$0        |
| Subtotal TOF, Project 1               | <b>\$49,877</b> | <b>\$0</b> | <b>\$0</b> |

*2/2 Risk Management Information System*

**OBJECTS OF EXPENSE**

Capital

|                                 |     |     |           |
|---------------------------------|-----|-----|-----------|
| 5000 CAPITAL EXPENDITURES       | \$0 | \$0 | \$151,900 |
| Capital Subtotal OOE, Project 2 | \$0 | \$0 | \$151,900 |

Informational

|                                       |            |            |                  |
|---------------------------------------|------------|------------|------------------|
| 2004 UTILITIES                        | \$0        | \$0        | \$8,000          |
| 2009 OTHER OPERATING EXPENSE          | \$0        | \$0        | \$18,000         |
| Informational Subtotal OOE, Project 2 | \$0        | \$0        | \$26,000         |
| Subtotal OOE, Project 2               | <b>\$0</b> | <b>\$0</b> | <b>\$177,900</b> |

**TYPE OF FINANCING**

Capital

IV.A. CAPITAL BUDGET PROJECT SCHEDULE  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/3/2003  
 TIME : 1:28:21PM

Agency code: 479

Agency name: State Office of Risk Management

Category Code / Category Name

*Project Sequence/Project Id/ Name*

OOE / TOF / MOF CODE

EXP 2002

EXP 2003

BUD 2004

CA 777 INTERAGENCY CONTRACTS

\$0

\$0

\$151,900

Capital Subtotal TOF, Project 2

\$0

\$0

\$151,900

Informational

CA 777 INTERAGENCY CONTRACTS

\$0

\$0

\$26,000

Informational Subtotal TOF, Project 2

\$0

\$0

\$26,000

Subtotal TOF, Project 2

**\$0**

**\$0**

**\$177,900**

Capital Subtotal, Category 5005

\$0

\$0

\$151,900

Informational Subtotal, Category 5005

\$49,877

\$0

\$26,000

**Total, Category 5005**

**\$49,877**

**\$0**

**\$177,900**

**AGENCY TOTAL -CAPITAL**

**\$0**

**\$0**

**\$151,900**

**AGENCY TOTAL -INFORMATIONAL**

**\$49,877**

**\$0**

**\$26,000**

**AGENCY TOTAL**

**\$49,877**

**\$0**

**\$177,900**

**METHOD OF FINANCING:**

Capital

777 INTERAGENCY CONTRACTS

\$0

\$0

\$151,900

Total, Method of Financing-Capital

\$0

\$0

\$151,900

Informational

1 GENERAL REVENUE FUND

\$40,299

\$0

\$0

777 INTERAGENCY CONTRACTS

\$9,578

\$0

\$26,000

Total, Method of Financing-Informational

\$49,877

\$0

\$26,000

**Total, Method of Financing**

**\$49,877**

**\$0**

**\$177,900**



IV.A. CAPITAL BUDGET PROJECT SCHEDULE  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/3/2003**  
 TIME : **1:28:21PM**

Agency code: **479**

Agency name: **State Office of Risk Management**

**Category Code / Category Name**

*Project Sequence/Project Id/ Name*

**OOE / TOF / MOF CODE**

**EXP 2002**

**EXP 2003**

**BUD 2004**

**TYPE OF FINANCING:**

Capital

CA CURRENT APPROPRIATIONS

\$0

\$0

\$151,900

Total, Type of Financing-Capital

\$0

\$0

\$151,900

Informational

CA CURRENT APPROPRIATIONS

\$49,877

\$0

\$26,000

Total, Type of Financing-Informational

\$49,877

\$0

\$26,000

**Total, Type of Financing**

**\$49,877**

**\$0**

**\$177,900**

### IV.C. Retirement Incentives Schedule

|                                 |  |            |                      |            |  |            |                         |
|---------------------------------|--|------------|----------------------|------------|--|------------|-------------------------|
| <b>Agency Code:</b><br>479      | <b>Agency Name:</b><br>STATE OFFICE OF RISK MANAGEMENT |            |                      |            | <b>Prepared By:</b><br>Stuart B. Cargile |            | <b>Date:</b><br>12/1/03 |
| <b>Item</b>                     | <b>2004</b>  |            | <b>2004</b>          |            | <b>2005</b>                              |            |                         |
|                                 | <b>Actual (effective 8-31-03)</b>                      |            | <b>Estimated</b>     |            | <b>Estimated</b>                         |            |                         |
|                                 | <b>Amount</b>  | <b>MOF</b> | <b>Amount</b>        | <b>MOF</b> | <b>Amount</b>                            | <b>MOF</b> |                         |
| Retirement Incentive Payments   | \$8,558<br>\$10,868                                    | 1<br>777   | \$6,063<br>\$12,702  | 1<br>777   |  |            |                         |
| <b>Total Payments</b>           | <b>\$19,425</b>  |            | <b>\$18,765</b>      |            | <b>\$0</b>                               |            |                         |
| Retirement Incentive Reductions | \$3,423<br>\$4,347                                     | 1<br>777   | (\$404)<br>(\$5,292) | 1<br>777   | \$20,469<br>\$32,997                     | 1<br>777   |                         |
| <b>Total Reductions</b>         | <b>\$7,770</b>   |            | <b>(\$5,697)</b>     |            | <b>\$53,465</b>                          |            |                         |

|   |                      |          |                    |          |                      |          |
|---|----------------------|----------|--------------------|----------|----------------------|----------|
| <b>Combined Payments and Reductions</b> |                      |          |                    |          |                      |          |
|   | \$11,981<br>\$15,215 | 1<br>777 | \$5,659<br>\$7,409 | 1<br>777 | \$20,469<br>\$32,997 | 1<br>777 |
| <b>Combined Total</b>                   | <b>\$27,195</b>      |          | <b>\$13,068</b>    |          | <b>\$53,465</b>      |          |

|                              |   |   |   |
|------------------------------|---|---|---|
| Number of Employees Retiring | 2 | 2 | 0 |
| Number Rehired               | 0 |   |   |

# **WORKERS' COMPENSATION PAYMENTS**

**II.A. SUMMARY OF BUDGET BY STRATEGY**  
78th Regular Session, Fiscal Year 2004 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 12/3/2003  
TIME : 8:34:22AM

Agency code: 40A Agency name: Workers' Compensation Payments

| <b>Goal/Objective/STRATEGY</b>   | <b>EXP 2002</b>     | <b>EXP 2003</b>     | <b>BUD 2004</b>     |
|----------------------------------|---------------------|---------------------|---------------------|
| 1 Workers' Compensation Payments |                     |                     |                     |
| 1 Workers' Compensation Payments |                     |                     |                     |
| 1 WORKERS' COMPENSATION PAYMENTS | \$67,546,255        | \$69,950,825        | \$78,648,395        |
| <b>TOTAL, GOAL 1</b>             | <b>\$67,546,255</b> | <b>\$69,950,825</b> | <b>\$78,648,395</b> |

**II.A. SUMMARY OF BUDGET BY STRATEGY**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 12/3/2003  
 TIME : 8:34:22AM

Agency code: 40A                      Agency name: Workers' Compensation Payments

| <b>Goal/Objective/STRATEGY</b>        | <b>EXP 2002</b>     | <b>EXP 2003</b>     | <b>BUD 2004</b>     |
|---------------------------------------|---------------------|---------------------|---------------------|
| <b>General Revenue Funds:</b>         |                     |                     |                     |
| 1 GENERAL REVENUE FUND                | \$66,526            | \$67,464            | \$0                 |
| 788 AG DEBT COLLECTION                | \$0                 | \$0                 | \$0                 |
|                                       | <b>\$66,526</b>     | <b>\$67,464</b>     | <b>\$0</b>          |
| <b>Other Funds:</b>                   |                     |                     |                     |
| 666 APPROPRIATED RECEIPTS             | \$263,938           | \$934,160           | \$550,000           |
| 777 INTERAGENCY CONTRACTS             | \$67,215,791        | \$68,949,201        | \$78,098,395        |
|                                       | <b>\$67,479,729</b> | <b>\$69,883,361</b> | <b>\$78,648,395</b> |
| <b>TOTAL, METHOD OF FINANCING</b>     | <b>\$67,546,255</b> | <b>\$69,950,825</b> | <b>\$78,648,395</b> |
| <b>FULL TIME EQUIVALENT POSITIONS</b> |                     |                     |                     |

**II.B. SUMMARY OF BUDGET BY METHOD OF FINANCE**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/3/2003**  
 TIME: **8:38:21AM**

Agency code: **40A**

Agency name: **Workers' Compensation Payments**

| <b>METHOD OF FINANCING</b>    |  | <b>EXP 2002</b> | <b>EXP 2003</b> | <b>BUD 2004</b> |
|-------------------------------|--|-----------------|-----------------|-----------------|
| <b><u>GENERAL REVENUE</u></b> |  |                 |                 |                 |
| <b><u>1</u></b>               | General Revenue Fund   |                 |                 |                 |
|                               | <i>REGULAR APPROPRIATIONS</i>  |                 |                 |                 |
|                               | Regular Appropriation from MOF Table                                   | 84,825,775      | 0               | 0               |
|                               | <i>RIDER APPROPRIATION</i>   |                 |                 |                 |
|                               | S.B. 1, 77th Leg., R.S. Art I, Page I-77, UB Authority                 | (40,452,185)    | 40,452,185      | 0               |
|                               | SB 1, 77th Leg, R.S. Art IX, Sec 10.23, Pg IX-87 Cont Appn for HB2976  | 0               | (1,700,000)     | 0               |
|                               | S.B. 1, 77th Leg., R.S. Art IX, Sec 10.39 (c ) Page IX-93 Rider HB2600 | 0               | (2,724,958)     | 0               |
|                               | <i>TRANSFERS</i>   |                 |                 |                 |
|                               | S.B. 1, 77th Leg., R.S., Art IX, Sec 10.23 Pg IX-87, HB 2976 Reappr    | (44,307,064)    | (25,724,988)    | 0               |
|                               | <i>LAPSED APPROPRIATIONS</i>   |                 |                 |                 |
|                               | Lapsed Appropriations  | 0               | (10,234,775)    | 0               |
| <b>TOTAL,</b>                 | <b>General Revenue Fund</b>  | <b>\$66,526</b> | <b>\$67,464</b> | <b>\$0</b>      |
| <b><u>788</u></b>             | Attorney General Debt Collection Receipts                              |                 |                 |                 |
|                               | <i>REGULAR APPROPRIATIONS</i>  |                 |                 |                 |
|                               | 788 Attorney General Debt Collection Receipts                          | 18,000,000      | 0               | 0               |
|                               | <i>RIDER APPROPRIATION</i>   |                 |                 |                 |
|                               | S.B. 1, 77th Leg., R.S., Art I, page I-77, UB Authority                | (18,000,000)    | 18,000,000      | 0               |
|                               | <i>TRANSFERS</i>   |                 |                 |                 |
|                               | S.B. 1, 77th Leg., R.S., Art IX, Sec 10.23 Page IX-87, HB 2976 Reappr  | 0               | (18,000,000)    | 0               |

**II.B. SUMMARY OF BUDGET BY METHOD OF FINANCE**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/3/2003**  
 TIME: **8:38:21AM**

Agency code: **40A**

Agency name: **Workers' Compensation Payments**

| <b>METHOD OF FINANCING</b> |  | <b>EXP 2002</b>  | <b>EXP 2003</b>  | <b>BUD 2004</b>  |
|----------------------------|--|------------------|------------------|------------------|
| <b>TOTAL,</b>              | <b>Attorney General Debt Collection Receipts</b>                       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       |
| <b>TOTAL, ALL</b>          | <b>GENERAL REVENUE</b>   | <b>\$66,526</b>  | <b>\$67,464</b>  | <b>\$0</b>       |
| <b><u>OTHER FUNDS</u></b>  |  |                  |                  |                  |
| <b>666</b>                 | Appropriated Receipts  |                  |                  |                  |
|                            | <i>REGULAR APPROPRIATIONS</i>  |                  |                  |                  |
|                            | Regular Appropriations from MOF Table                                  | 1,100,000        | 0                | 550,000          |
|                            | <i>RIDER APPROPRIATION</i>   |                  |                  |                  |
|                            | S.B. 1, 77th Leg., R.S. Art I, Page I-77, UB Authority                 | (836,062)        | 836,062          | 0                |
|                            | SB 1, 77th Leg., R.S. Art IX, Sec 10.23, Pg IX-87, HB 2976 Assessments | 0                | 98,098           | 0                |
| <b>TOTAL,</b>              | <b>Appropriated Receipts</b>   | <b>\$263,938</b> | <b>\$934,160</b> | <b>\$550,000</b> |
| <b>777</b>                 | Interagency Contracts  |                  |                  |                  |
|                            | <i>REGULAR APPROPRIATIONS</i>  |                  |                  |                  |
|                            | Regular Appropriation from MOF Table                                   | 0                | 0                | 82,750,000       |
|                            | <i>RIDER APPROPRIATION</i>   |                  |                  |                  |
|                            | SB 1, 77th Leg., R.S. Art IX, Sec 10.23, Pg IX-87, HB 2976 Assessments | 72,914,033       | 69,805,383       | 0                |
|                            | H.B. 1, 78th Leg., R.S. Art IX, Sec 6.34, Page IX-50, Payments to SORM | 0                | 0                | (11,170,514)     |
|                            | <i>UNEXPENDED BALANCES AUTH</i>  |                  |                  |                  |
|                            | SB 1, 77th Leg, R.S. Art IX, Sec 10.23, Pg IX-87, Conting Appn HB2976  | (5,698,242)      | 5,698,242        | 0                |
|                            | S.B. 1, 77th Leg., R.S. Art IX, Sec 10.23, Pg IX-87, Cont Appn HB2976  | 0                | (6,554,424)      | 6,554,424        |

**II.B. SUMMARY OF BUDGET BY METHOD OF FINANCE**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/3/2003**  
 TIME: **8:38:21AM**

Agency code: **40A**

Agency name: **Workers' Compensation Payments**

| <b>METHOD OF FINANCING</b>   | <b>EXP 2002</b>     | <b>EXP 2003</b>     | <b>BUD 2004</b>     |
|--|---------------------|---------------------|---------------------|
| H.B. 1, 78th Leg., R.S. Art IX, Sec 6.34, Page IX-50, Payments to SORM | 0                   | 0                   | (35,515)            |
| <b>TOTAL, Interagency Contracts</b>                                    | <b>\$67,215,791</b> | <b>\$68,949,201</b> | <b>\$78,098,395</b> |
| <b>TOTAL, ALL OTHER FUNDS</b>  | <b>\$67,479,729</b> | <b>\$69,883,361</b> | <b>\$78,648,395</b> |
| <b>GRAND TOTAL</b>   | <b>\$67,546,255</b> | <b>\$69,950,825</b> | <b>\$78,648,395</b> |
| <b>FULL-TIME-EQUIVALENT POSITIONS</b>                                  |                     |                     |                     |



**II.C. SUMMARY OF BUDGET BY OBJECT OF EXPENSE**  
78th Regular Session, Fiscal Year 2004 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/3/2003**  
TIME: **8:36:22AM**

Agency code: **40A**

Agency name: **Workers' Compensation Payments**

| <b>OBJECT OF EXPENSE</b>     | <b>EXP 2002</b>     | <b>EXP 2003</b>     | <b>BUD 2004</b>     |
|------------------------------|---------------------|---------------------|---------------------|
| 2009 OTHER OPERATING EXPENSE | \$67,546,255        | \$69,950,825        | \$78,648,395        |
| <b>Agency Total</b>          | <b>\$67,546,255</b> | <b>\$69,950,825</b> | <b>\$78,648,395</b> |

**II.D. SUMMARY OF OBJECTIVE OUTCOMES**

Date : 12/3/2003  
Time: 8:36:47AM

Automated Budget and Evaluation system of Texas (ABEST)

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Agency code: **40A**

Agency name:

Goal/ *Objective* / **OUTCOME**

**Actual**

**Actual**

**Projected**

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**III.A. STRATEGY LEVEL DETAIL**  
 78th Regular Session, Fiscal Year 2004 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/3/2003  
 TIME: 8:35:54AM

Agency code: **40A** Agency name: **Workers' Compensation Payments**

GOAL: 1 Workers' Compensation Payments  
 OBJECTIVE: 1 Workers' Compensation Payments  
 STRATEGY: 1 Workers' Compensation Payments

Statewide Goal/Benchmark: 7 0  
 Service Categories:  
 Service: 05 Income: A.2 Age: B.3

| CODE   | DESCRIPTION             | EXP 2002            | EXP 2003            | BUD 2004            |
|--|-------------------------|---------------------|---------------------|---------------------|
| <b>Objects of Expense:</b>                   |                         |                     |                     |                     |
| 2009   | OTHER OPERATING EXPENSE | \$67,546,255        | \$69,950,825        | \$78,648,395        |
| <b>TOTAL, OBJECT OF EXPENSE</b>              |                         | <b>\$67,546,255</b> | <b>\$69,950,825</b> | <b>\$78,648,395</b> |
| <b>Method of Financing:</b>                  |                         |                     |                     |                     |
| 1  | GENERAL REVENUE FUND    | \$66,526            | \$67,464            | \$0                 |
| 788  | AG DEBT COLLECTION      | \$0                 | \$0                 | \$0                 |
| <b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b> |                         | <b>\$66,526</b>     | <b>\$67,464</b>     | <b>\$0</b>          |
| <b>Method of Financing:</b>                  |                         |                     |                     |                     |
| 666  | APPROPRIATED RECEIPTS   | \$263,938           | \$934,160           | \$550,000           |
| 777  | INTERAGENCY CONTRACTS   | \$67,215,791        | \$68,949,201        | \$78,098,395        |
| <b>SUBTOTAL, MOF (OTHER FUNDS)</b>           |                         | <b>\$67,479,729</b> | <b>\$69,883,361</b> | <b>\$78,648,395</b> |
| <b>TOTAL, METHOD OF FINANCE :</b>            |                         | <b>\$67,546,255</b> | <b>\$69,950,825</b> | <b>\$78,648,395</b> |
| <b>FULL TIME EQUIVALENT POSITIONS:</b>       |                         |                     |                     |                     |

**III.A. STRATEGY LEVEL DETAIL**  
78th Regular Session, Fiscal Year 2004 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/3/2003  
TIME: 8:35:54AM

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**SUMMARY TOTALS:**

|  |                     |                     |                     |
|--|---------------------|---------------------|---------------------|
| <b>OBJECTS OF EXPENSE:</b>             | <b>\$67,546,255</b> | <b>\$69,950,825</b> | <b>\$78,648,395</b> |
| <b>METHODS OF FINANCE :</b>            | <b>\$67,546,255</b> | <b>\$69,950,825</b> | <b>\$78,648,395</b> |
| <b>FULL TIME EQUIVALENT POSITIONS:</b> |                     |                     |                     |