



# OPERATING BUDGET

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FOR FISCAL YEAR 2016

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

by

Texas Lottery Commission

December 1, 2015

# Operating Budget

For Fiscal Year 2016

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Governor's Office of Budget, Planning and Policy  
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**Texas Lottery Commission  
Operating Budget for Fiscal Year 2016**

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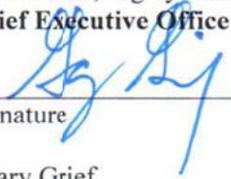
CERTIFICATE

Agency Name Texas Lottery Commission

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 Budget Division 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 PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Governor's Office will be notified in writing in accordance with House Bill 1, Article IX, Section 7.01, Eighty-fourth Legislature, Regular Session, 2015.

**Chief Executive Officer or Presiding Judge**

  
Signature

Gary Grief  
Printed Name

Executive Director  
Title

11/30/15  
Date

**Board or Commission Chair**

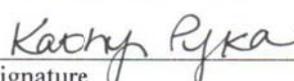
  
Signature

J. Winston Krause  
Printed Name

Chairman  
Title

12/1/2015  
Date

**Chief Financial Officer**

  
Signature

Kathy Pyka  
Printed Name

Controller  
Title

11/30/15  
Date

2.A. Summary of Budget By Strategy

DATE : 11/24/2015

TIME : 1:47:45PM

84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 362 Agency name: Texas Lottery Commission

Goal/Objective/STRATEGY	EXP 2014	EXP 2015	BUD 2016
<b>1</b> Run Self-supporting, Revenue-producing, and Secure Lottery			
<b>1</b> <i>Generate Revenue through Ticket Sales</i>			
<b>1</b> LOTTERY OPERATIONS	\$6,873,689	\$7,654,456	\$7,411,060
<b>2</b> LOTTERY FIELD OPERATIONS	\$2,458,182	\$2,560,579	\$2,804,072
<b>3</b> MARKETING AND PROMOTION	\$4,742,849	\$5,057,328	\$6,590,594
<b>4</b> SECURITY	\$4,548,074	\$4,886,363	\$6,428,915
<b>5</b> CENTRAL ADMINISTRATION	\$10,164,832	\$10,747,921	\$13,652,377
<b>6</b> LOTTERY OPERATOR CONTRACT(S)	\$94,699,044	\$94,398,225	\$97,263,577
<b>7</b> INSTANT TICKET PRODUCT. CONTRACT(S)	\$24,616,638	\$19,883,105	\$23,700,000
<b>8</b> MASS MEDIA ADVERTISING CONTRACT(S)	\$32,144,823	\$31,537,803	\$33,500,000
<b>9</b> DRAWING & BROADCAST CONTRACT(S)	\$2,809,797	\$2,602,998	\$2,945,571
<b>10</b> MARKET RESEARCH CONTRACT(S)	\$460,030	\$507,805	\$552,620
<b>11</b> RETAILER BONUS	\$1,975,652	\$2,122,926	\$4,200,000
<b>12</b> RETAILER COMMISSIONS	\$15,996,400	\$19,764,001	\$22,006,330
<b>TOTAL, GOAL 1</b>	<b>\$201,490,010</b>	<b>\$201,723,510</b>	<b>\$221,055,116</b>
<b>2</b> Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully			
<b>1</b> <i>Curtail Violations of Bingo Laws/Rules</i>			
<b>1</b> BINGO LICENSING	\$2,030,768	\$1,974,346	\$719,691
<b>2</b> BINGO EDUCATION AND DEVELOPMENT	\$157,403	\$74,246	\$152,830
<b>3</b> BINGO LAW COMPLIANCE FIELD OPER	\$1,173,004	\$1,343,020	\$1,680,943
<b>4</b> BINGO PRIZE FEE COLLECTION & ACCT	\$13,265,379	\$13,907,815	\$12,909,713
<b>TOTAL, GOAL 2</b>	<b>\$16,626,554</b>	<b>\$17,299,427</b>	<b>\$15,463,177</b>

**2.A. Summary of Budget By Strategy**

DATE : 11/24/2015

TIME : 1:47:45PM

84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 362 Agency name: Texas Lottery Commission

<b>Goal/Objective/STRATEGY</b>	<b>EXP 2014</b>	<b>EXP 2015</b>	<b>BUD 2016</b>
<b>General Revenue Funds:</b>			
1 General Revenue Fund	\$16,626,554	\$17,299,427	\$15,463,177
	<b>\$16,626,554</b>	<b>\$17,299,427</b>	<b>\$15,463,177</b>
<b>General Revenue Dedicated Funds:</b>			
5025 Lottery Acct	\$201,490,010	\$201,723,510	\$221,055,116
	<b>\$201,490,010</b>	<b>\$201,723,510</b>	<b>\$221,055,116</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$218,116,564</b>	<b>\$219,022,937</b>	<b>\$236,518,293</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>	<b>297.3</b>	<b>306.0</b>	<b>326.5</b>

**2.B. Summary of Budget By Method of Finance**  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **11/24/2015**  
 TIME: **2:10:36PM**

Agency code: **362** Agency name: **Texas Lottery Commission**

METHOD OF FINANCING	Exp 2014	Exp 2015	Bud 2016
<b><u>GENERAL REVENUE</u></b>			
<b><u>1</u></b> General Revenue Fund			
<i>REGULAR APPROPRIATIONS</i>			
Regular Appropriations from MOF Table (2014-15 GAA)	\$3,983,744	\$3,983,744	\$0
Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$0	\$2,772,945
<i>RIDER APPROPRIATION</i>			
Rider 8, Local Bingo Prize Fees (2014-15 GAA)	\$13,136,529	\$13,839,272	\$0
Rider 15, Bingo Third Party Reimbursement (2014-15 GAA)	\$32,685	\$22,534	\$0
Rider 8, Local Bingo Prize Fees (2016-17 GAA)	\$0	\$0	\$12,635,500
<i>TRANSFERS</i>			
Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)	\$21,559	\$39,201	\$0
Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17 GAA)	\$0	\$0	\$54,732
<i>LAPSED APPROPRIATIONS</i>			
Regular Appropriations from MOF Table (2014-15 GAA)	\$(547,963)	\$(585,324)	\$0
<b>TOTAL, General Revenue Fund</b>	<b>\$16,626,554</b>	<b>\$17,299,427</b>	<b>\$15,463,177</b>
<b>TOTAL, ALL GENERAL REVENUE</b>	<b>\$16,626,554</b>	<b>\$17,299,427</b>	<b>\$15,463,177</b>

**GENERAL REVENUE FUND - DEDICATED**

**5025** GR Dedicated - Lottery Account No. 5025  
*REGULAR APPROPRIATIONS*

**2.B. Summary of Budget By Method of Finance**  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **11/24/2015**  
 TIME: **2:10:36PM**

Agency code: **362** Agency name: **Texas Lottery Commission**

METHOD OF FINANCING	Exp 2014	Exp 2015	Bud 2016
Regular Appropriations from MOF Table (2014-15 GAA)	\$204,272,591	\$203,115,034	\$0
Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$0	\$220,182,308
<i>RIDER APPROPRIATION</i>			
Rider 9, Retailer Commission (2014-15 GAA)	\$0	\$2,000,000	\$0
Rider 10, Lottery Operator Contract (2014-15 GAA)	\$9,427,368	\$12,280,424	\$0
Rider 11, Appropriation of Increased Revenue (2014-15 GAA)	\$5,564,697	\$0	\$0
Art IX, Sec 8.03, Reimbursements and Payments (2014-15 GAA)	\$751,523	\$366,129	\$0
Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)	\$0	\$0	\$439,431
<i>TRANSFERS</i>			
Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)	\$199,042	\$332,602	\$0
Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17 GAA)	\$0	\$0	\$433,377
<i>LAPSED APPROPRIATIONS</i>			
Regular Appropriations from MOF Table (2014-15 GAA)	\$(9,775,445)	\$(12,681,590)	\$0
Rider 9, Retailer Commission (2014-15 GAA)	\$(3,253,600)	\$(1,485,464)	\$0
Rider 10, Lottery Operator Contract (2014-15 GAA)	\$(2,196,166)	\$(5,703,625)	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>			
Rider 11, Appropriation of Increased Revenue (2014-15 GAA)	\$(3,500,000)	\$3,500,000	\$0
<b>TOTAL, GR Dedicated - Lottery Account No. 5025</b>	<b>\$201,490,010</b>	<b>\$201,723,510</b>	<b>\$221,055,116</b>
<b>TOTAL, ALL GENERAL REVENUE FUND - DEDICATED</b>	<b>\$201,490,010</b>	<b>\$201,723,510</b>	<b>\$221,055,116</b>

**2.B. Summary of Budget By Method of Finance**  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **11/24/2015**  
 TIME: **2:10:36PM**

Agency code: **362** Agency name: **Texas Lottery Commission**

METHOD OF FINANCING	Exp 2014	Exp 2015	Bud 2016
<b>GRAND TOTAL</b>	<b>\$218,116,564</b>	<b>\$219,022,937</b>	<b>\$236,518,293</b>

**FULL-TIME-EQUIVALENT POSITIONS**

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2014-15 GAA)	326.5	326.5	0.0
Regular Appropriations from MOF Table (2016-17 GAA)	0.0	0.0	326.5

UNAUTHORIZED NUMBER OVER (BELOW) CAP

Unauthorized Amount over cap / (amount below cap)	(29.2)	(20.5)	0.0
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<b>TOTAL, ADJUSTED FTES</b>	<b>297.3</b>	<b>306.0</b>	<b>326.5</b>
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**NUMBER OF 100% FEDERALLY FUNDED FTES**

**2.C. Summary of Budget By Object of Expense**  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **11/24/2015**  
 TIME: **1:49:51PM**

Agency code: **362** Agency name: **Texas Lottery Commission**

<b>OBJECT OF EXPENSE</b>	<b>EXP 2014</b>	<b>EXP 2015</b>	<b>BUD 2016</b>
1001 SALARIES AND WAGES	\$18,417,243	\$19,631,111	\$22,075,078
1002 OTHER PERSONNEL COSTS	\$732,988	\$860,517	\$567,372
2001 PROFESSIONAL FEES AND SERVICES	\$7,279,658	\$6,898,210	\$6,502,331
2002 FUELS AND LUBRICANTS	\$5,283	\$4,579	\$5,500
2003 CONSUMABLE SUPPLIES	\$190,362	\$199,450	\$184,820
2004 UTILITIES	\$345,002	\$379,231	\$349,817
2005 TRAVEL	\$385,678	\$393,986	\$535,244
2006 RENT - BUILDING	\$3,348,834	\$3,435,859	\$4,298,968
2007 RENT - MACHINE AND OTHER	\$820,178	\$872,946	\$946,989
2009 OTHER OPERATING EXPENSE	\$173,448,294	\$172,268,368	\$188,337,645
4000 GRANTS	\$13,136,529	\$13,761,634	\$12,635,500
5000 CAPITAL EXPENDITURES	\$6,515	\$317,046	\$79,029
<b>Agency Total</b>	<b>\$218,116,564</b>	<b>\$219,022,937</b>	<b>\$236,518,293</b>

**2.D. Summary of Budget By Objective Outcomes**  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 11/24/2015  
 Time: 1:50:32PM

Agency code: 362                      Agency name: Texas Lottery Commission

Goal/ Objective / OUTCOME	Exp 2014	Exp 2015	Bud2016
1 Run Self-supporting, Revenue-producing, and Secure Lottery			
1 <i>Generate Revenue through Ticket Sales</i>			
<b>KEY      1 Percent of Retailers Satisfied with Lottery Commission</b>	96.19 %	95.85 %	95.00 %
<b>2 Per Capita Net Lottery Sales</b>	167.42	172.69	166.47
<b>3 % of Net Lottery Sales Spent on Agency Administration</b>	4.64 %	4.46 %	4.95 %
<b>4 Percentage of Bad Debt to Lottery Sales</b>	0.01 %	0.01 %	0.02 %
<b>5 Ratio of Advertising Expense to Net Lottery Sales</b>	0.74 %	0.70 %	0.76 %
<b>KEY      6 State Revenue Received Per Advertising Dollar Expended</b>	37.76	39.11	35.43
<b>7 Percent of Licensees with No Recent Violations</b>	98.59 %	98.96 %	98.00 %
<b>8 Percentage of Eligible Players Served</b>	34.70 %	37.47 %	36.00 %
2 Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully			
1 <i>Curtail Violations of Bingo Laws/Rules</i>			
<b>1 Percent of Licensees with No Recent Violations</b>	90.57 %	96.61 %	91.00 %
<b>2 Percentage of Bingo Audits Referred for Disciplinary Action</b>	62.90 %	37.88 %	65.00 %
<b>KEY      3 Percent of Complaints Referred for Disciplinary Action</b>	10.20 %	26.06 %	8.00 %
<b>4 Percent of Documented Complaints Completed within Six Months</b>	91.16 %	95.15 %	90.00 %
<b>KEY      5 Net Bingo Games Revenue Received by Charitable Orgs (in Millions)</b>	26.03	26.84	25.00
<b>KEY      6 % of Organizations Who Met the Statutory Charitable Distribution Req</b>	99.21 %	97.19 %	96.00 %
<b>7 Percentage of Organizations Receiving an Audit</b>	4.06 %	9.18 %	9.00 %
<b>8 Percentage of Organizations Receiving an Inspection</b>	20.43	20.17	21.00

3.A. Strategy Level Detail

DATE: 11/24/2015

TIME: 1:51:15PM

84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 1 Lottery Operations

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Output Measures:</b>				
KEY 1	Number of Retailer Business Locations Licensed	17,210.00	17,403.00	17,518.00
2	Number of Denials or Revocations of Licenses	185.00	102.00	190.00
3	Dollars Collected via the Debt Set-off Program (Thousands)	2,854,716.41	1,805,171.08	1,800,000.00
4	# New Licenses Issued to Individual Retailers	2,010.00	2,132.00	2,100.00
5	# Licenses Renewed to Individual Retailers	6,366.00	6,829.00	6,368.00
<b>Efficiency Measures:</b>				
1	Average Cost Per Retailer Location License Issued	169.88	167.64	158.72
<b>Objects of Expense:</b>				
1001	SALARIES AND WAGES	\$2,672,476	\$2,848,893	\$3,171,852
1002	OTHER PERSONNEL COSTS	\$128,532	\$133,507	\$105,854
2001	PROFESSIONAL FEES AND SERVICES	\$12,314	\$97,028	\$12,000
2002	FUELS AND LUBRICANTS	\$5,283	\$4,579	\$5,500
2003	CONSUMABLE SUPPLIES	\$170,847	\$188,077	\$151,200
2004	UTILITIES	\$151,965	\$177,277	\$167,372
2005	TRAVEL	\$10,020	\$13,170	\$15,000
2006	RENT - BUILDING	\$2,999,464	\$3,031,292	\$3,108,418
2007	RENT - MACHINE AND OTHER	\$249,700	\$253,053	\$253,418
2009	OTHER OPERATING EXPENSE	\$473,088	\$907,580	\$420,446
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$6,873,689</b>	<b>\$7,654,456</b>	<b>\$7,411,060</b>
<b>Method of Financing:</b>				
5025	Lottery Acct	\$6,873,689	\$7,654,456	\$7,411,060
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$6,873,689</b>	<b>\$7,654,456</b>	<b>\$7,411,060</b>

**3.A. Strategy Level Detail**

DATE: 11/24/2015

TIME: 1:51:15PM

84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 1 Lottery Operations

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$6,873,689</b>	<b>\$7,654,456</b>	<b>\$7,411,060</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>52.5</b>	<b>53.8</b>	<b>56.2</b>

3.A. Strategy Level Detail

DATE: 11/24/2015

TIME: 1:51:15PM

84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 2 Lottery Field Operations

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Output Measures:</b>				
1	Number of Prize Checks Processed from Claim Centers (Thousands)	57,594.00	63,025.00	61,081.00
<b>Objects of Expense:</b>				
1001	SALARIES AND WAGES	\$2,155,594	\$2,291,548	\$2,511,470
1002	OTHER PERSONNEL COSTS	\$113,946	\$97,892	\$86,207
2001	PROFESSIONAL FEES AND SERVICES	\$4,995	\$0	\$10,000
2003	CONSUMABLE SUPPLIES	\$2,774	\$201	\$2,700
2005	TRAVEL	\$109,490	\$105,842	\$112,300
2006	RENT - BUILDING	\$2,100	\$0	\$2,800
2007	RENT - MACHINE AND OTHER	\$1,109	\$0	\$600
2009	OTHER OPERATING EXPENSE	\$68,174	\$65,096	\$77,995
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$2,458,182</b>	<b>\$2,560,579</b>	<b>\$2,804,072</b>
<b>Method of Financing:</b>				
5025	Lottery Acct	\$2,458,182	\$2,560,579	\$2,804,072
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$2,458,182</b>	<b>\$2,560,579</b>	<b>\$2,804,072</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$2,458,182</b>	<b>\$2,560,579</b>	<b>\$2,804,072</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>47.9</b>	<b>49.0</b>	<b>50.7</b>

3.A. Strategy Level Detail

DATE: 11/24/2015

TIME: 1:51:15PM

84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 3 Marketing and Promotion

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Output Measures:</b>				
1	Number of Newsletters Distributed to Retailers	105,097.00	124,159.00	214,608.00
2	Number of Retailer Visits	506,448.00	501,418.00	455,468.00
3	Number of Retailer Surveys Completed	4,525.00	5,204.00	4,400.00
<b>Efficiency Measures:</b>				
KEY 1	Average Cost Per Survey Issued	1.98	2.39	2.00
<b>Objects of Expense:</b>				
1001	SALARIES AND WAGES	\$2,239,913	\$2,475,147	\$2,766,385
1002	OTHER PERSONNEL COSTS	\$66,891	\$77,360	\$71,061
2001	PROFESSIONAL FEES AND SERVICES	\$168,733	\$24,430	\$57,000
2003	CONSUMABLE SUPPLIES	\$3,976	\$3,388	\$7,620
2004	UTILITIES	\$206	\$64	\$210
2005	TRAVEL	\$94,500	\$97,448	\$99,000
2006	RENT - BUILDING	\$334,010	\$392,826	\$1,175,050
2007	RENT - MACHINE AND OTHER	\$85,799	\$123,347	\$123,850
2009	OTHER OPERATING EXPENSE	\$1,748,821	\$1,838,718	\$2,290,418
5000	CAPITAL EXPENDITURES	\$0	\$24,600	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$4,742,849</b>	<b>\$5,057,328</b>	<b>\$6,590,594</b>
<b>Method of Financing:</b>				
5025	Lottery Acct	\$4,742,849	\$5,057,328	\$6,590,594
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$4,742,849</b>	<b>\$5,057,328</b>	<b>\$6,590,594</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$4,742,849</b>	<b>\$5,057,328</b>	<b>\$6,590,594</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>31.8</b>	<b>34.5</b>	<b>36.8</b>

3.A. Strategy Level Detail

DATE: 11/24/2015

TIME: 1:51:15PM

84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 4 Security

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Output Measures:</b>				
1	Number of Lottery Investigations Initiated	1,261.00	1,471.00	1,300.00
2	Number of Lottery Investigations Completed	742.00	923.00	800.00
3	Number of Lottery Background Investigations Completed	461.00	528.00	550.00
<b>Efficiency Measures:</b>				
1	Average Time to Complete Investigations (Days)	38.44	42.25	60.00
2	Average Cost Per Complete Investigation	225.40	221.95	275.00
3	Average Time to Complete Lottery Background Investigations (Days)	10.26	10.51	40.00
<b>Objects of Expense:</b>				
1001	SALARIES AND WAGES	\$2,208,853	\$2,257,012	\$2,475,442
1002	OTHER PERSONNEL COSTS	\$57,624	\$72,277	\$44,750
2001	PROFESSIONAL FEES AND SERVICES	\$1,338,526	\$1,352,467	\$1,541,191
2003	CONSUMABLE SUPPLIES	\$6,212	\$4,076	\$6,800
2005	TRAVEL	\$70,399	\$69,733	\$82,804
2007	RENT - MACHINE AND OTHER	\$212,084	\$213,208	\$273,981
2009	OTHER OPERATING EXPENSE	\$654,376	\$669,036	\$1,924,918
5000	CAPITAL EXPENDITURES	\$0	\$248,554	\$79,029
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$4,548,074</b>	<b>\$4,886,363</b>	<b>\$6,428,915</b>
<b>Method of Financing:</b>				
5025	Lottery Acct	\$4,548,074	\$4,886,363	\$6,428,915
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$4,548,074</b>	<b>\$4,886,363</b>	<b>\$6,428,915</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$4,548,074</b>	<b>\$4,886,363</b>	<b>\$6,428,915</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>35.2</b>	<b>35.3</b>	<b>37.3</b>

3.A. Strategy Level Detail

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84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 362 Agency name: Texas Lottery Commission

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 5 Central Administration

Service: 09 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Objects of Expense:</b>				
1001	SALARIES AND WAGES	\$7,239,826	\$7,804,633	\$8,653,090
1002	OTHER PERSONNEL COSTS	\$252,714	\$335,725	\$199,882
2001	PROFESSIONAL FEES AND SERVICES	\$1,132,693	\$982,964	\$1,281,835
2003	CONSUMABLE SUPPLIES	\$6,063	\$3,366	\$15,200
2004	UTILITIES	\$192,135	\$201,890	\$182,235
2005	TRAVEL	\$65,854	\$76,010	\$150,600
2006	RENT - BUILDING	\$13,260	\$11,741	\$12,700
2007	RENT - MACHINE AND OTHER	\$255,951	\$267,803	\$279,606
2009	OTHER OPERATING EXPENSE	\$999,821	\$1,019,897	\$2,877,229
5000	CAPITAL EXPENDITURES	\$6,515	\$43,892	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$10,164,832</b>	<b>\$10,747,921</b>	<b>\$13,652,377</b>
<b>Method of Financing:</b>				
5025	Lottery Acct	\$10,164,832	\$10,747,921	\$13,652,377
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$10,164,832</b>	<b>\$10,747,921</b>	<b>\$13,652,377</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$10,164,832</b>	<b>\$10,747,921</b>	<b>\$13,652,377</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>93.2</b>	<b>96.2</b>	<b>100.5</b>

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Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

OBJECTIVE: 1 Generate Revenue through Ticket Sales

STRATEGY: 6 Lottery Operator Contract(s). Estimated and Nontransferable.

Statewide Goal/Benchmark: 4 0

Service Categories:

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Objects of Expense:</b>				
	2009 OTHER OPERATING EXPENSE	\$94,699,044	\$94,398,225	\$97,263,577
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$94,699,044</b>	<b>\$94,398,225</b>	<b>\$97,263,577</b>
<b>Method of Financing:</b>				
	5025 Lottery Acct	\$94,699,044	\$94,398,225	\$97,263,577
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$94,699,044</b>	<b>\$94,398,225</b>	<b>\$97,263,577</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$94,699,044</b>	<b>\$94,398,225</b>	<b>\$97,263,577</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>				

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 362 Agency name: Texas Lottery Commission

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 7 Instant Ticket Production Contract(s)

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Objects of Expense:</b>				
2009	OTHER OPERATING EXPENSE	\$24,616,638	\$19,883,105	\$23,700,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$24,616,638</b>	<b>\$19,883,105</b>	<b>\$23,700,000</b>
<b>Method of Financing:</b>				
5025	Lottery Acct	\$24,616,638	\$19,883,105	\$23,700,000
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$24,616,638</b>	<b>\$19,883,105</b>	<b>\$23,700,000</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$24,616,638</b>	<b>\$19,883,105</b>	<b>\$23,700,000</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>				

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Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

OBJECTIVE: 1 Generate Revenue through Ticket Sales

STRATEGY: 8 Mass Media Advertising Contract(s)

Statewide Goal/Benchmark: 4 0

Service Categories:

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Output Measures:</b>				
	1 \$ Amount of Advertising Budget Spent on Print Advertising (Millions)	1.76	2.33	1.12
	2 \$ Amount of Advertising Budget Spent on Radio Advertising Millions)	4.95	5.59	5.16
KEY 3	Dollar Amount of Advertising Budget Spent on TV Advertising (Millions)	12.45	8.31	7.61
	4 \$ Amt of Advertising Budget Spent on Other Advertising (Millions)	13.16	15.65	19.61
<b>Efficiency Measures:</b>				
KEY 1	Percentage of Adult Texans Aware of Lottery Advertising	55.01 %	61.12 %	59.00 %
<b>Objects of Expense:</b>				
	2009 OTHER OPERATING EXPENSE	\$32,144,823	\$31,537,803	\$33,500,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$32,144,823</b>	<b>\$31,537,803</b>	<b>\$33,500,000</b>
<b>Method of Financing:</b>				
	5025 Lottery Acct	\$32,144,823	\$31,537,803	\$33,500,000
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$32,144,823</b>	<b>\$31,537,803</b>	<b>\$33,500,000</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$32,144,823</b>	<b>\$31,537,803</b>	<b>\$33,500,000</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>				

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Agency code: 362 Agency name: Texas Lottery Commission

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 9 Drawing and Broadcast Services Contract(s)

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Objects of Expense:</b>				
2001	PROFESSIONAL FEES AND SERVICES	\$2,809,797	\$2,590,738	\$2,945,571
2009	OTHER OPERATING EXPENSE	\$0	\$12,260	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$2,809,797</b>	<b>\$2,602,998</b>	<b>\$2,945,571</b>
<b>Method of Financing:</b>				
5025	Lottery Acct	\$2,809,797	\$2,602,998	\$2,945,571
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$2,809,797</b>	<b>\$2,602,998</b>	<b>\$2,945,571</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$2,809,797</b>	<b>\$2,602,998</b>	<b>\$2,945,571</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>				

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Agency code: 362 Agency name: Texas Lottery Commission

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 10 Market Research Services Contract(s)

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Objects of Expense:</b>				
2001	PROFESSIONAL FEES AND SERVICES	\$460,030	\$507,805	\$552,620
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$460,030</b>	<b>\$507,805</b>	<b>\$552,620</b>
<b>Method of Financing:</b>				
5025	Lottery Acct	\$460,030	\$507,805	\$552,620
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$460,030</b>	<b>\$507,805</b>	<b>\$552,620</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$460,030</b>	<b>\$507,805</b>	<b>\$552,620</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>				

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Agency code: 362 Agency name: Texas Lottery Commission

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 11 Retailer Bonus

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Objects of Expense:</b>				
	2009 OTHER OPERATING EXPENSE	\$1,975,652	\$2,122,926	\$4,200,000
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$1,975,652</b>	<b>\$2,122,926</b>	<b>\$4,200,000</b>
<b>Method of Financing:</b>				
	5025 Lottery Acct	\$1,975,652	\$2,122,926	\$4,200,000
	<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>	<b>\$1,975,652</b>	<b>\$2,122,926</b>	<b>\$4,200,000</b>
	<b>TOTAL, METHOD OF FINANCE :</b>	<b>\$1,975,652</b>	<b>\$2,122,926</b>	<b>\$4,200,000</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>				

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Agency code: 362 Agency name: Texas Lottery Commission

GOAL: 1 Run Self-supporting, Revenue-producing, and Secure Lottery

Statewide Goal/Benchmark: 4 0

OBJECTIVE: 1 Generate Revenue through Ticket Sales

Service Categories:

STRATEGY: 12 Retailer Commissions. Estimated and Nontransferable.

Service: 03 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Objects of Expense:</b>				
2009	OTHER OPERATING EXPENSE	\$15,996,400	\$19,764,001	\$22,006,330
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$15,996,400</b>	<b>\$19,764,001</b>	<b>\$22,006,330</b>
<b>Method of Financing:</b>				
5025	Lottery Acct	\$15,996,400	\$19,764,001	\$22,006,330
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$15,996,400</b>	<b>\$19,764,001</b>	<b>\$22,006,330</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$15,996,400</b>	<b>\$19,764,001</b>	<b>\$22,006,330</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>				

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Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 2 Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully

Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Curtail Violations of Bingo Laws/Rules

Service Categories:

STRATEGY: 1 Determine Eligibility and Process Applications

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Output Measures:</b>				
KEY 1	Number of Licenses Issued to Individuals and Organizations	9,574.00	9,706.00	9,000.00
2	Number of Applications Processed	10,591.00	10,581.00	9,400.00
3	Number of Worker Registry Applications Processed	2,736.00	2,658.00	3,400.00
<b>Efficiency Measures:</b>				
1	Average Bingo License (New) Processing Time (Days)	113.62	104.84	65.00
2	Average Bingo License (Renewal) Processing Time (Days)	92.41	109.78	40.00
3	Average Cost Per License Issued	28.49	28.30	27.00
<b>Explanatory/Input Measures:</b>				
1	Number of Annual License Holders	1,527.00	1,474.00	1,550.00
<b>Objects of Expense:</b>				
1001	SALARIES AND WAGES	\$573,611	\$548,061	\$564,642
1002	OTHER PERSONNEL COSTS	\$65,465	\$57,189	\$17,496
2001	PROFESSIONAL FEES AND SERVICES	\$1,352,570	\$1,342,778	\$102,114
2003	CONSUMABLE SUPPLIES	\$181	\$60	\$500
2004	UTILITIES	\$696	\$0	\$0
2005	TRAVEL	\$0	\$1,003	\$0
2007	RENT - MACHINE AND OTHER	\$15,535	\$15,535	\$15,534
2009	OTHER OPERATING EXPENSE	\$22,710	\$9,720	\$19,405
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$2,030,768</b>	<b>\$1,974,346</b>	<b>\$719,691</b>
<b>Method of Financing:</b>				
1	General Revenue Fund	\$2,030,768	\$1,974,346	\$719,691

**3.A. Strategy Level Detail**

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84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 2 Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully

Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Curtail Violations of Bingo Laws/Rules

Service Categories:

STRATEGY: 1 Determine Eligibility and Process Applications

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$2,030,768</b>	<b>\$1,974,346</b>	<b>\$719,691</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$2,030,768</b>	<b>\$1,974,346</b>	<b>\$719,691</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>10.1</b>	<b>9.3</b>	<b>8.0</b>

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Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 2 Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully

Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Curtail Violations of Bingo Laws/Rules

Service Categories:

STRATEGY: 2 Provide Education and Training for Bingo Regulatory Requirements

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Output Measures:</b>				
1	Number of Individuals Receiving Education	624.00	726.00	600.00
<b>Efficiency Measures:</b>				
1	Average Cost of Bingo Training Class	0.00	0.00	0.00
<b>Objects of Expense:</b>				
1001	SALARIES AND WAGES	\$150,329	\$69,252	\$150,620
1002	OTHER PERSONNEL COSTS	\$5,571	\$4,220	\$403
2005	TRAVEL	\$0	\$81	\$500
2009	OTHER OPERATING EXPENSE	\$1,503	\$693	\$1,307
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$157,403</b>	<b>\$74,246</b>	<b>\$152,830</b>
<b>Method of Financing:</b>				
1	General Revenue Fund	\$157,403	\$74,246	\$152,830
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$157,403</b>	<b>\$74,246</b>	<b>\$152,830</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$157,403</b>	<b>\$74,246</b>	<b>\$152,830</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>3.0</b>	<b>1.2</b>	<b>2.0</b>

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Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 2 Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully

Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Curtail Violations of Bingo Laws/Rules

Service Categories:

STRATEGY: 3 Bingo Law Compliance Field Operations

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Output Measures:</b>				
	1 Number of Inspections Conducted	312.00	290.00	350.00
	2 Number of Bingo Audits and Reviews Completed	62.00	132.00	125.00
KEY	3 Number of Bingo Complaints Completed	147.00	165.00	180.00
	4 \$ Amt of Adjustments to Charitable Distributions by Audit & Inspection	24,967.00	5,459.00	15,000.00
	5 Number of Bingo Background Investigations Completed	526.00	272.00	350.00
<b>Efficiency Measures:</b>				
	1 Average Time for Bingo Complaint Completion (Days)	81.14	70.04	75.00
	2 Average Cost Per Bingo Complaint Completed	292.51	177.63	250.00
	3 Average Time to Conduct Compliance Audit (Hours)	134.83	103.14	40.00
	4 Average Time to Complete Bingo Background Investigations (Days)	22.69	20.00	40.00
	5 Average Cost per Bingo Audit Completed	3,844.14	2,958.28	5,216.00
<b>Objects of Expense:</b>				
1001	SALARIES AND WAGES	\$1,058,040	\$1,199,043	\$1,517,310
1002	OTHER PERSONNEL COSTS	\$37,060	\$76,943	\$38,080
2003	CONSUMABLE SUPPLIES	\$264	\$282	\$500
2005	TRAVEL	\$35,415	\$30,699	\$75,040
2009	OTHER OPERATING EXPENSE	\$42,225	\$36,053	\$50,013
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,173,004</b>	<b>\$1,343,020</b>	<b>\$1,680,943</b>
<b>Method of Financing:</b>				
1	General Revenue Fund	\$1,173,004	\$1,343,020	\$1,680,943
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$1,173,004</b>	<b>\$1,343,020</b>	<b>\$1,680,943</b>

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Agency code: **362** Agency name: **Texas Lottery Commission**

GOAL: 2 Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully

Statewide Goal/Benchmark: 7 0

OBJECTIVE: 1 Curtail Violations of Bingo Laws/Rules

Service Categories:

STRATEGY: 3 Bingo Law Compliance Field Operations

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$1,173,004</b>	<b>\$1,343,020</b>	<b>\$1,680,943</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>20.3</b>	<b>23.0</b>	<b>29.0</b>

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Agency code: 362 Agency name: Texas Lottery Commission

GOAL: 2 Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully  
OBJECTIVE: 1 Curtail Violations of Bingo Laws/Rules  
STRATEGY: 4 Bingo Prize Fee Collections and Accounting

Statewide Goal/Benchmark: 7 0

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2014	EXP 2015	BUD 2016
<b>Output Measures:</b>				
KEY 1	Number of Days to Allocate Payments to Local Jurisdictions	6.00	6.00	6.00
2	Percentage of Licensees Who Fail to Pay	3.13 %	4.42 %	5.00 %
3	Number of Bingo Reports Processed	5,604.00	5,175.00	7,000.00
<b>Objects of Expense:</b>				
1001	SALARIES AND WAGES	\$118,601	\$137,522	\$264,267
1002	OTHER PERSONNEL COSTS	\$5,185	\$5,404	\$3,639
2003	CONSUMABLE SUPPLIES	\$45	\$0	\$300
2009	OTHER OPERATING EXPENSE	\$5,019	\$3,255	\$6,007
4000	GRANTS	\$13,136,529	\$13,761,634	\$12,635,500
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$13,265,379</b>	<b>\$13,907,815</b>	<b>\$12,909,713</b>
<b>Method of Financing:</b>				
1	General Revenue Fund	\$13,265,379	\$13,907,815	\$12,909,713
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$13,265,379</b>	<b>\$13,907,815</b>	<b>\$12,909,713</b>
<b>TOTAL, METHOD OF FINANCE :</b>		<b>\$13,265,379</b>	<b>\$13,907,815</b>	<b>\$12,909,713</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>3.3</b>	<b>3.7</b>	<b>6.0</b>

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**SUMMARY TOTALS:**

<b>OBJECTS OF EXPENSE:</b>	<b>\$218,116,564</b>	<b>\$219,022,937</b>	<b>\$236,518,293</b>
<b>METHODS OF FINANCE :</b>	<b>\$218,116,564</b>	<b>\$219,022,937</b>	<b>\$236,518,293</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>	<b>297.3</b>	<b>306.0</b>	<b>326.5</b>

Agency code: 362

Agency name: Texas Lottery Commission

Category Code / Category Name

*Project Sequence/Project Id/ Name*

OOE / TOF / MOF CODE		EXP 2014	EXP 2015	BUD 2016
<b>5003 Repair or Rehabilitation of Buildings and Facilities</b>				
<i>3/3 New Draw Games- Studio Remodel</i>				
<b>OBJECTS OF EXPENSE</b>				
<u>Capital</u>				
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$96,468	\$0
2009	OTHER OPERATING EXPENSE	\$106,011	\$516,708	\$0
Capital Subtotal OOE, Project 3		\$106,011	\$613,176	\$0
Subtotal OOE, Project 3		<b>\$106,011</b>	<b>\$613,176</b>	<b>\$0</b>
<b>TYPE OF FINANCING</b>				
<u>Capital</u>				
CA 5025	Lottery Acct	\$106,011	\$613,176	\$0
Capital Subtotal TOF, Project 3		\$106,011	\$613,176	\$0
Subtotal TOF, Project 3		<b>\$106,011</b>	<b>\$613,176</b>	<b>\$0</b>
Capital Subtotal, Category 5003		\$106,011	\$613,176	\$0
Informational Subtotal, Category 5003				
<b>Total, Category 5003</b>		<b>\$106,011</b>	<b>\$613,176</b>	<b>\$0</b>

**5005 Acquisition of Information Resource Technologies**

*4/4 Automated Charitable Bingo System (ACBS)  
 Redesign*

**OBJECTS OF EXPENSE**

Capital

2001	PROFESSIONAL FEES AND SERVICES	\$1,247,419	\$1,184,197	\$0
Capital Subtotal OOE, Project 4		\$1,247,419	\$1,184,197	\$0
Subtotal OOE, Project 4		<b>\$1,247,419</b>	<b>\$1,184,197</b>	<b>\$0</b>

Agency code: 362

Agency name: Texas Lottery Commission

Category Code / Category Name

*Project Sequence/Project Id/ Name*

OOE / TOF / MOF CODE		EXP 2014	EXP 2015	BUD 2016
<b>TYPE OF FINANCING</b>				
<u>Capital</u>				
CA	1 General Revenue Fund	\$1,247,419	\$1,184,197	\$0
Capital Subtotal TOF, Project	4	\$1,247,419	\$1,184,197	\$0
Subtotal TOF, Project	4	<b>\$1,247,419</b>	<b>\$1,184,197</b>	<b>\$0</b>
Capital Subtotal, Category	5005	\$1,247,419	\$1,184,197	\$0
Informational Subtotal, Category	5005			
<b>Total, Category</b>	<b>5005</b>	<b>\$1,247,419</b>	<b>\$1,184,197</b>	<b>\$0</b>

**5007 Acquisition of Capital Equipment and Items**

*1/1 Capitalized Lottery Drawing Equipment*

**OBJECTS OF EXPENSE**

Capital

5000 CAPITAL EXPENDITURES		\$0	\$148,654	\$79,029
Capital Subtotal OOE, Project	1	\$0	\$148,654	\$79,029
Subtotal OOE, Project	1	<b>\$0</b>	<b>\$148,654</b>	<b>\$79,029</b>

**TYPE OF FINANCING**

Capital

CA 5025 Lottery Acct		\$0	\$148,654	\$79,029
Capital Subtotal TOF, Project	1	\$0	\$148,654	\$79,029
Subtotal TOF, Project	1	<b>\$0</b>	<b>\$148,654</b>	<b>\$79,029</b>

*2/2 New Drawing Equipment*

**OBJECTS OF EXPENSE**

Capital

2009 OTHER OPERATING EXPENSE		\$0	\$8,800	\$0
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4.A. Capital Budget Project Schedule  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2015  
 TIME : 1:52:09PM

Agency code: 362

Agency name: Texas Lottery Commission

Category Code / Category Name

*Project Sequence/Project Id/ Name*

OOE / TOF / MOF CODE		EXP 2014	EXP 2015	BUD 2016
5000	CAPITAL EXPENDITURES	\$0	\$99,900	\$0
Capital Subtotal OOE, Project	2	\$0	\$108,700	\$0
Subtotal OOE, Project	2	<b>\$0</b>	<b>\$108,700</b>	<b>\$0</b>
<b>TYPE OF FINANCING</b>				
<u>Capital</u>				
CA 5025	Lottery Acct	\$0	\$108,700	\$0
Capital Subtotal TOF, Project	2	\$0	\$108,700	\$0
Subtotal TOF, Project	2	<b>\$0</b>	<b>\$108,700</b>	<b>\$0</b>
Capital Subtotal, Category	5007	\$0	\$257,354	\$79,029
Informational Subtotal, Category	5007			
<b>Total, Category</b>	<b>5007</b>	<b>\$0</b>	<b>\$257,354</b>	<b>\$79,029</b>
<b>AGENCY TOTAL -CAPITAL</b>		<b>\$1,353,430</b>	<b>\$2,054,727</b>	<b>\$79,029</b>
<b>AGENCY TOTAL -INFORMATIONAL</b>				
<b>AGENCY TOTAL</b>		<b>\$1,353,430</b>	<b>\$2,054,727</b>	<b>\$79,029</b>
<b>METHOD OF FINANCING:</b>				
<u>Capital</u>				
1	General Revenue Fund	\$1,247,419	\$1,184,197	\$0
5025	Lottery Acct	\$106,011	\$870,530	\$79,029
Total, Method of Financing-Capital		\$1,353,430	\$2,054,727	\$79,029
<b>Total, Method of Financing</b>		<b>\$1,353,430</b>	<b>\$2,054,727</b>	<b>\$79,029</b>

4.A. Capital Budget Project Schedule  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2015  
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Agency code: 362

Agency name: Texas Lottery Commission

Category Code / Category Name

*Project Sequence/Project Id/ Name*

OOE / TOF / MOF CODE	EXP 2014	EXP 2015	BUD 2016
<b>TYPE OF FINANCING:</b>			
<u>Capital</u>			
CA CURRENT APPROPRIATIONS	\$1,353,430	\$2,054,727	\$79,029
Total, Type of Financing-Capital	\$1,353,430	\$2,054,727	\$79,029
<b>Total, Type of Financing</b>	<b>\$1,353,430</b>	<b>\$2,054,727</b>	<b>\$79,029</b>

**Capital Budget Allocation to Strategies**  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2015  
 TIME: 1:53:44PM

Agency code: 362 Agency name: Texas Lottery Commission

**Category Code/Name**

*Project Sequence/Project Id/Name*

Goal/Obj/Str	Strategy Name	EXP 2014	EXP 2015	BUD 2016
<b>5003 Repair or Rehabilitation of Buildings and Facilities</b>				
3/3	<i>New Draw Games- Studio Remodel</i>			
Capital	1-1-1 LOTTERY OPERATIONS	106,011	613,176	\$0
	TOTAL, PROJECT	\$106,011	\$613,176	\$0
<b>5005 Acquisition of Information Resource Technologies</b>				
4/4	<i>ACBS Redesign</i>			
Capital	2-1-1 BINGO LICENSING	1,247,419	1,184,197	0
	TOTAL, PROJECT	\$1,247,419	\$1,184,197	\$0
<b>5007 Acquisition of Capital Equipment and Items</b>				
1/1	<i>Capitalized Lottery Drawing Equip.</i>			
Capital	1-1-4 SECURITY	0	148,654	79,029
	TOTAL, PROJECT	\$0	\$148,654	\$79,029
2/2	<i>New Drawing Equipment</i>			
Capital	1-1-4 SECURITY	0	108,700	0
	TOTAL, PROJECT	\$0	\$108,700	\$0

**Capital Budget Allocation to Strategies**  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2015  
 TIME: 1:53:44PM

Agency code: 362      Agency name: Texas Lottery Commission

**Category Code/Name**

*Project Sequence/Project Id/Name*

Goal/Obj/Str	Strategy Name	EXP 2014	EXP 2015	BUD 2016
	TOTAL CAPITAL, ALL PROJECTS	\$1,353,430	\$2,054,727	\$79,029
	TOTAL INFORMATIONAL, ALL PROJECTS			
	TOTAL, ALL PROJECTS	<b>\$1,353,430</b>	<b>\$2,054,727</b>	<b>\$79,029</b>

**4.D. Estimated Revenue Collections Supporting Schedule**  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2015  
 TIME: 1:54:34PM

Agency Code: **362**

Agency name: **Texas Lottery Commission**

FUND/ACCOUNT	Exp 2014	Exp 2015	Bud 2016
<b>1 General Revenue Fund</b>			
Beginning Balance (Unencumbered):	\$0	\$0	\$0
Estimated Revenue:			
3152 Bingo Operators/Lessors	3,826,731	3,752,354	3,752,354
3153 Bingo Equipment	92,300	66,000	66,000
3155 Bingo Investigation or Audit	14,000	0	0
3166 Bingo Rental Tax	1,200,588	1,298,726	260,000
3170 Bingo Prize Fees	27,640,109	28,984,043	28,312,076
3719 Fees/Copies or Filing of Records	1,641	645	1,143
3727 Fees - Administrative Services	0	0	0
3754 Other Surplus/Salvage Property	1,800	0	0
3770 Administrative Penalties	50,448	57,182	53,815
3795 Other Misc Government Revenue	0	6	0
3802 Reimbursements-Third Party	31,044	21,889	26,466
Subtotal: Estimated Revenue	<u>32,858,661</u>	<u>34,180,845</u>	<u>32,471,854</u>
<b>Total Available</b>	<b><u>\$32,858,661</u></b>	<b><u>\$34,180,845</u></b>	<b><u>\$32,471,854</u></b>
<b>DEDUCTIONS:</b>			
Expended/Budgeted	(16,626,554)	(17,299,427)	(15,463,177)
Transfer - Employee Benefits	(477,405)	(526,398)	(619,831)
Benefit Replacement Pay	(9,755)	(6,675)	(7,000)
<b>Total, Deductions</b>	<b><u>\$(17,113,714)</u></b>	<b><u>\$(17,832,500)</u></b>	<b><u>\$(16,090,008)</u></b>
<b>Ending Fund/Account Balance</b>	<b><u>\$15,744,947</u></b>	<b><u>\$16,348,345</u></b>	<b><u>\$16,381,846</u></b>

**REVENUE ASSUMPTIONS:**

Revenues for FY 2016 are projected to remain relatively flat with the exception of 3166 Bingo Rental Tax. This fee was repealed in the 84th Legislative Session.

**CONTACT PERSON:**

Kathy Pyka

**4.D. Estimated Revenue Collections Supporting Schedule**  
 84th Regular Session, Fiscal Year 2016 Operating Budget  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2015  
 TIME: 1:54:34PM

Agency Code: **362**

Agency name: **Texas Lottery Commission**

<b>FUND/ACCOUNT</b>	<b>Exp 2014</b>	<b>Exp 2015</b>	<b>Bud 2016</b>
<b><u>5025</u> Lottery Acct</b>			
Beginning Balance (Unencumbered):	\$0	\$0	\$0
Estimated Revenue:			
3176 Lottery License Application Fees	280,201	299,467	289,834
3177 Lottery Ticket Sales	4,384,597,063	4,529,700,425	4,401,266,000
3178 Lottery Security Proceeds	56,250	57,275	56,763
3719 Fees/Copies or Filing of Records	11,071	11,910	11,490
3727 Fees - Administrative Services	386,852	397,942	392,397
3802 Reimbursements-Third Party	740,452	354,219	439,431
Subtotal: Estimated Revenue	<u>4,386,071,889</u>	<u>4,530,821,238</u>	<u>4,402,455,915</u>
<b>Total Available</b>	<b><u>\$4,386,071,889</u></b>	<b><u>\$4,530,821,238</u></b>	<b><u>\$4,402,455,915</u></b>
<b>DEDUCTIONS:</b>			
Expended/Budgeted	(189,997,946)	(185,943,085)	(221,055,116)
Transfer - Employee Benefits	(4,137,192)	(4,479,549)	(5,070,842)
Benefit Replacement Pay	(71,373)	(68,101)	(61,291)
Unemployment Benefits	(2,792)	(949)	(2,210)
Rider 10, Lottery Operator Contract (2014-15 GAA)	(9,427,368)	(12,280,424)	0
Rider 11, Appropriation Increased Fees (2014-15 GAA)	(2,064,697)	(3,500,000)	0
Lottery Winnings/Installment Payments	(2,741,184,820)	(2,858,319,409)	(2,777,275,062)
Retailer Commissions	(219,540,166)	(226,667,064)	(220,063,300)
Transfers to Foundation School Fund	(1,203,771,930)	(1,225,175,057)	(1,169,016,557)
Transfers to Department of State Health Services	(5,411,953)	(4,397,812)	(4,904,883)
Transfers to Texas Veterans Commission	(11,539,037)	(13,128,755)	(13,100,000)
<b>Total, Deductions</b>	<b><u>\$(4,387,149,274)</u></b>	<b><u>\$(4,533,960,205)</u></b>	<b><u>\$(4,410,549,261)</u></b>
<b>Ending Fund/Account Balance</b>	<b><u>\$(1,077,385)</u></b>	<b><u>\$(3,138,967)</u></b>	<b><u>\$(8,093,346)</u></b>

**REVENUE ASSUMPTIONS:**

Revenues for FY 2016 are projected to remain relatively flat. Lottery sales based on Comptrollers' Biennial Revenue Estimate.

**4.D. Estimated Revenue Collections Supporting Schedule**  
84th Regular Session, Fiscal Year 2016 Operating Budget  
Automated Budget and Evaluation System of Texas (ABEST)

**DATE: 11/24/2015**  
**TIME: 1:54:34PM**

Agency Code: **362**

Agency name: **Texas Lottery Commission**

**FUND/ACCOUNT**

**Exp 2014**

**Exp 2015**

**Bud 2016**

**CONTACT PERSON:**

Kathy Pyka

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