Strategic Plan
For The Fiscal Years of 2015-2019

TEXAS GENERAL LAND OFFICE &
TEXAS VETERANS' LAND BOARD

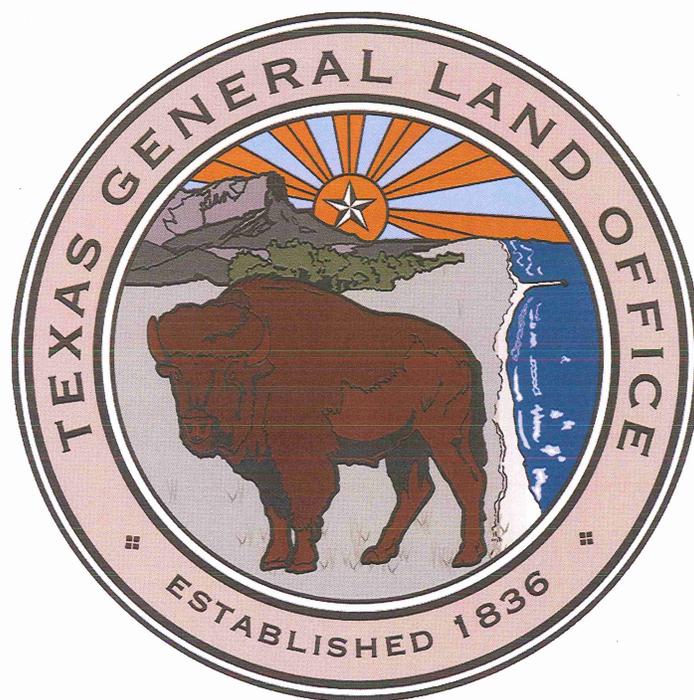## JERRY PATTERSON, COMMISSIONER AND CHAIRMAN

July 7, 2014

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

Agency Strategic Plan

For The Fiscal Years of 2015-2019

TEXAS GENERAL LAND OFFICE & TEXAS VETERANS' LAND BOARD

July 7, 2014

Signed: _____ Approved: _____
Land Commissioner   Chief Clerk

MEMORANDUM

Texas General Land Office • Jerry Patterson • Commissioner

DATE: July 7, 2014

TO: Kate McGrath, Director
Governor's Office of Budget, Planning and Policy

Ursula Parks, Director
Legislative Budget Board

FROM: Commissioner Jerry Patterson

SUBJECT: Texas General Land Office and Texas Veterans' Land Board
FY 2015-2019 Agency Strategic Plan

It is with pleasure that I submit for your consideration the General Land Office's FY 2015-2019 Agency Strategic Plan.

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VISION FOR TEXAS

VISION FOR TEXAS FROM GOVERNOR RICK PERRY

March 2014

Fellow Public Servants:

Since the last round of strategic planning began in March 2012, our nation's economic challenges have persisted, but Texas' commitment to an efficient and limited government has kept us on the pathway to prosperity. Our flourishing economic climate and thriving jobs market continue to receive national attention and are not by accident. Texas has demonstrated the importance of fiscal discipline, setting priorities and demanding accountability and efficiency in state government. We have built and prudently managed important reserves in our state's "Rainy Day Fund," cut taxes on small business, balanced the state budget without raising taxes, protected essential services and prioritized a stable and predictable regulatory climate to help make the Lone Star State the best place to build a business and raise a family.

Over the last several years, families across this state and nation have tightened their belts to live within their means, and Texas followed suit. Unlike people in Washington, D.C., here in Texas we believe government should function no differently than the families and employers it serves. As we begin this next round in our strategic planning process, we must continue to critically examine the role of state government by identifying the core programs and activities necessary for the long-term economic health of our state, while eliminating outdated and inefficient functions. We must continue to adhere to the priorities that have made Texas a national economic leader:

- ensuring the economic competitiveness of our state by adhering to principles of fiscal discipline, setting clear budget priorities, living within our means and limiting the growth of government;
- investing in critical water, energy and transportation infrastructure needs to meet the demands of our rapidly growing state;
- ensuring excellence and accountability in public schools and institutions of higher education as we invest in the future of this state and ensure Texans are prepared to compete in the global marketplace;
- defending Texans by safeguarding our neighborhoods and protecting our international border; and
- increasing transparency and efficiency at all levels of government to guard against waste, fraud and abuse, ensuring that Texas taxpayers keep more of their hard-earned money to keep our economy and our families strong.

I am confident we can address the priorities of our citizens with the limited government principles and responsible governance they demand. I know you share my commitment to ensuring that this state continues to shine as a bright star for opportunity and prosperity for all Texans. I appreciate your dedication to excellence in public service and look forward to working with all of you as we continue charting a strong course for our great state.

Sincerely,

Rick Perry

Rick Perry
Governor of Texas

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MISSION OF TEXAS STATE GOVERNMENT

Texas state government must be limited, efficient, and completely accountable. It should foster opportunity and economic prosperity, focus on critical priorities, and support the creation of strong family environments for our children. The stewards of the public trust must be men and women who administer state government in a fair, just, and responsible manner. To honor the public trust, state officials must seek new and innovative ways to meet state government priorities in a fiscally responsible manner.

"Aim high…we are not here to achieve inconsequential things!"

As reaffirmed by Governor Rick Perry
In cooperation with the Legislative Budget Board,
March 2014

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THE PHILOSOPHY OF TEXAS STATE GOVERNMENT

The task before all state public servants is to govern in a manner worthy of this great state. We are a great enterprise, and as an enterprise, we will promote the following core principles:

First and foremost, Texas matters most. This is the overarching, guiding principle by which we will make decisions. Our state, and its future, is more important than party, politics, or individual recognition.

Government should be limited in size and mission, but it must be highly effective in performing the tasks it undertakes.

Decisions affecting individual Texans, in most instances, are best made by those individuals, their families, and the local government closest to their communities.

Competition is the greatest incentive for achievement and excellence. It inspires ingenuity and requires individuals to set their sights high. Just as competition inspires excellence, a sense of personal responsibility drives individual citizens to do more for their future and the future of those they love.

Public administration must be open and honest, pursuing the high road rather than the expedient course. We must be accountable to taxpayers for our actions.

State government has a responsibility to safeguard taxpayer dollars by eliminating waste and abuse and providing efficient and honest government.

Finally, state government should be humble, recognizing that all its power and authority is granted to it by the people of Texas, and those who make decisions wielding the power of the state should exercise their authority cautiously and fairly.

As reaffirmed by Governor Rick Perry
In cooperation with the Legislative Budget Board
March 2014

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RELEVANT STATEWIDE GOALS AND BENCHMARKS

Below are statewide functional goals, which specifically relate to the work of the General Land Office (GLO). Each goal is followed by a description of how the GLO assists to fulfill the objective of the stated goal.

Goal 01. To provide an attractive economic climate for current and emerging industries and market Texas as a premier business expansion and tourist destination that fosters economic opportunity, job creation, and capital investment by:

- Promoting a favorable business climate and a fair system to fund necessary state services;
- Addressing transportation needs;
- Maintaining economic competitiveness as a key priority in setting State policy; and
- Developing a well-trained, educated, and productive workforce.

01.01 The Texas economy will be diversified and healthy, creating and retaining the jobs needed for a prosperous Texas and its investments.

The GLO enhances the Texas economy through its efforts to create and sustain markets for environmentally sound goods and services. In addition, the agency oversees programs that promote energy savings, leasing activities, direct land sales, investment opportunities, erosion protection, removal of derelict vessels, and the provision of low-cost loans to veterans. The GLO supports a healthy Texas economy under the umbrella of the preceding activities. Some of the agency's notable programs that enhance and support the state economy are outlined below.

The Energy Resources and Financial Management Program Areas enhance public education in Texas by: maximizing revenue to the Permanent School Fund (PSF) through the leasing of state-owned mineral rights and ensuring lease compliance; through the sale of state oil and gas production and associated power; and by providing energy savings to as many Public Retail Customers (PRC) as possible.

The GLO Archives and Records Program Area provides educational training for three main client groups, land surveyors, genealogists, and Texas history educators and administrators. Interaction with these stakeholder groups leads to greater knowledge of agency and Texas history and greater economic opportunities in the state.

The Professional Services Program continues to support this statewide goal by promoting leasing opportunities that are mutually beneficial to the State of Texas and the expansion of business. Public, private, and industrial developments on state lands enhance energy, communication, recreation, and transportation infrastructure statewide, while producing revenues that are deposited directly into the PSF for the support of public education.

Through the purchase, management and direct sale of state-owned land, and investment in real estate, the Asset Management Program contracts with various businesses throughout the State of Texas. Examples of these businesses include: Engineering and Survey Firms, Commercial Brokerage Firms, Appraisers, Investment Companies, and other various service companies providing property maintenance to preserve and protect its real property investments.

The GLO is responsible for a number of initiatives designed to foster sound stewardship of Texas' natural resources and economic growth along the Texas Coast. Many of those initiatives are implemented by the Coastal Resources and Oil Spill Program Areas. Some of Coastal Resources' and Oil Spill's major initiatives are enumerated below.

A flourishing Texas Gulf Coast is an essential component for maintaining a robust state economy. With a large portion of the nation's energy production, manufacturing, and transportation all linked to the Texas shores, it is imperative to maintain, enhance, protect, and restore the state's coastal interests. To help foster growth, the General Land Office's Coastal Resources Program Area works directly with coastal communities to contribute to the conservation, maintenance, protection, and restoration of Texas' shores, which, in turn, are a vehicle for creating and retaining jobs, capital investment, and efficiently-planned infrastructure along the Texas coast.

The Coastal Erosion Planning and Response Act (CEPRA) program uses state appropriated money, along with leveraged federal and local stakeholder funds, to invest in beach nourishment, dune restoration, and shoreline protection projects. Since Texas has some of the highest coastal erosion rates in the country, this program is essential to keeping the Texas coast a strong economic engine.

Texas is home to the nation's busiest port for foreign trade. According to a 2012 survey by Martin Associates, the Port of Houston had a $178.5 billion impact on statewide economic activity, which in turn, contributed to 1,026,820 jobs in Texas and $4.5 billion in state and local taxes. The CEPRA program, in coordination with the U.S. Army Corps of Engineers, provides incremental funds for several dredging activities in the Gulf Intra-Coastal Waterway (GIWW) to keep canals navigable for the barges that transport the billions of dollars of commodities along the Texas coast. In return, dredge material is then beneficially placed on nearby beaches to help combat erosion.

The Coastal Impact Assistance Program (CIAP) is a federally funded program administered by the U.S. Fish and Wildlife Service for the protection, conservation, enhancement, and restoration of coastal areas. CIAP is funded with federal royalties from offshore oil and gas leases to assist those states that have either supported or been impacted by oil and gas exploration and development along the Outer Continental Shelf. Texas continues to benefit from more than $109 million in CIAP funds appropriated during fiscal 2007-2010. CIAP funds were used to fund various projects, including conducting light and radar (LiDAR)

studies, constructing breakwaters and artificial reefs, restoring habitat, and acquisition of land and conservation easements.

On average, Texas receives $2.59 million each year in Coastal Management Program (CMP) grant funds for the management of the state's 16 coastal natural resource areas. Coastal Resources passes through 90 percent of the CMP funding to grant applicants for projects in local coastal communities, leaving 10 percent of the money for administration of the program. CMP funds are used for projects in the following approved categories: coastal natural hazards response; critical areas enhancement; public access; waterfront revitalization and ecotourism development; permit streamlining/assistance, governmental coordination and local government planning assistance; and water sediment quantity and quality improvement.

The Coastal Resources Program Area also plays an integral role in the state's Hazard Mitigation Program, which updates the Coastal Resources Tropical Storm and Hurricane Plan and works with FEMA in the review of applications for mitigation grants. Having a risk management plan for coastal natural disasters is critical to the livelihood of coastal communities. When Hurricane Ike hit the Upper Texas Gulf Coast region in 2008, jobs were lost, commerce ceased, structures were swept away, agriculture was damaged, public health concerns rose and natural habitats, including wetlands, oyster beds, and fishing grounds, were covered with harmful sediment. The state's Hazard Mitigation Program helps to reduce the extreme negative impact of coastal hazards on Texans and streamline the recovery.

In an effort to enhance and promote a favorable business climate and take care of the state's coastal natural resources, the Coastal Resources Program Area, with funding from the National Oceanic and Atmospheric Administration, is developing a long-term coastwide planning initiative and Geographic Information System (GIS) tool to help identify and protect key resources along the coast to balance coastal economic growth with the protection of critical habitats and ecosystems.

While planning and mapping coastal areas for a variety of purposes has been conducted in Texas, traditionally, the various economic and ecologic activities are managed on a sector-by-sector or case-by-case approach. This can result in different approaches and potential conflicts, making it difficult for decision makers to plan for and shape actions that could lead to more cost-effective and desirable outcomes for their communities. Through the abovementioned GIS tool/effort, a more integrated and comprehensive approach to planning, managing, and preventing conflict within the state's coastal and marine areas will enhance the various economic and ecologic activities. Rather than focusing on individual coastal sectors and projects, a spatial planning process will integrate information and bring stakeholders to the table to identify goals and objectives. The coastwide spatial planning initiative will guide state and local policy makers to achieve a sustainable balance among ecological, social, and economic governance objectives; it will also create greater certainty and less risk for users, while also streamlining permitting and regulation processes.

The Derelict Vessel and Structure Removal Program will continue to encourage local coastal governments to develop local ordinances that provide them with greater authority to identify potential derelict vessels and their owners, and to encourage owners to be responsible for their vessels before they become a burden on the state. Removal of these vessels before they become a hazard will reduce spills and spill response costs. Because this program is critical to promoting a favorable business climate and safety, the Oil Spill Program Area will continue to identify and develop a dedicated funding stream for derelict vessel removal and disposal.

The agency's veterans programs also serve to foster economic opportunity and investment. The endeavors of the agency's Veterans Land and Housing and Veterans Homes and Cemeteries Program Areas are detailed below.

The Veterans Land Board (VLB) Land and Home Loan programs help create an attractive economic climate for several industries, including construction contracting services, mortgage lenders, real estate agents/brokers, land developers, and advertising/media services. By participating with companies within these industries, the VLB is able to achieve its goals while promoting economic growth. Additionally, the VLB works to recognize real estate industry professionals and counties that successfully promote VLB loan programs. Moreover, the VLB is directly involved in economic activity that helps individual veterans, as well as the counties in which they purchase property. These activities are provided at no cost to Texas taxpayers. In doing so, the VLB loan programs not only equips individual Texas veterans and their families with key opportunities to build wealth through land and home ownership, it also provides a source of county revenue to enable county veteran service offices to provide local representation for veterans who need assistance in filing claims for their other state and federal veteran benefits.

The Veterans Homes and Cemeteries Program Area (TSVH&C) provides significant contributions to the Texas economy by providing low-cost affordable long-term skilled care services for Texas veterans, spouses, and Gold Star parents. Between 2016 and 2018, the VLB anticipates the addition of a ninth nursing home. Each of the current homes employs up to 150 healthcare professionals and service workers. Annual payrolls are approximately $4 million. In addition, the state veterans cemeteries provide employment opportunities to Texas.

The VLB has made significant progress in meeting its obligation to increase the burial capacity for our state's veterans and their families. The addition of more than 4,700 burial plots, currently in progress, will ensure honorable resting places are provided for the state's veterans and their families.

The VLB has also received approval to perform renovations on each of the four original state veteran homes. The construction, general, and subcontract work being performed in each of the locations is anticipated to provide added employment opportunities in four distinct regions of the state. The operation of these homes along with the development of

additional state veterans homes and state veterans cemeteries will continue to provide stimulus to local economies.

Additionally, web-based technology is being used to develop a well-trained workforce in the area of dementia care and other issues related to the care of veterans. In FY 2014, staff working in the Memory Support Units in all eight Texas State Veterans Homes received training and certification in advanced dementia care through the CARES program.

Goal 02. To provide citizens with greater access to government services while reducing service delivery costs and protecting the fiscal resources for current and future taxpayers by:

- Supporting effective, efficient, and accountable state government operations;
- Ensuring the state's bonds attain the highest possible bond rating; and
- Conservatively managing the state's debt.

02.01 To support effective, efficient and accountable state government operations.

The Professional Services Program Area continues to examine existing internal and external processes to assess the need for new customer driven efficiency measures. The program area divisions are regularly tasked with evaluating business practices and working toward implementing processes to increase efficiency in state government, as well as promote the availability of online information to our customers. All contract applications can be digitally submitted by email and may be signed using electronic DocuSign delivery methods for all lease types. Electronic signatures have been introduced into a number of contract processes (i.e. legal contracts) and will soon be incorporated into other review processes, as well.

Online renewals and payments have continued to increase over the past year and as the Professional Services Program streamlines the customer experience, improvements will be made to both the electronic, paper, and online renewal processes. The GLO has launched a new lease management system, Asset Lease Activity Management & Operations Database (ALAMO), to consolidate and enhance operations by organizing all PSF information in a central location. ALAMO has expanded the online presence for lease renewals with additional functionality that presents an electronic copy of an existing lease to customers prior to renewal. These enhancements contribute to the overall effectiveness, efficiency, and accountability of program operations.

The Energy Resources Program Area's Mineral Leasing Division provides and displays data related to leasing activity on the GLO's GIS viewer to keep the public and industry informed. Also, through an agreement with the U.S. Army Corps of Engineers, Energy Resources is issuing authorizations under the Gulf of Mexico and bay general oilfield development permits significantly - reducing the processing time for development permits. This provides the oil and gas industry with more certainty for scheduling their projects.

Energy utilizes a gas management system through the State Energy Marketing Program (SEMP) to improve its efficiency in managing state gas. The net enhancements earned by the SEMP Division are deposited into the PSF. Upon request, SEMP assists customers by procuring renewable energy as part of their power needs. The GLO's Public Gas Program is now the provider of clean burning natural gas to Texas A&M. SEMP adds value by helping Public Retail Customers (PRCs) control cost and add additional income to the PSF to lessen the burden on the taxpayer.

The division's new Energy Management Services Portal is designed to enable greater reporting and enhanced transparency as required by HB 3693(80R). This portal will help customers with key performance measures to compare facilities utility usage by head count, square footage, and other customizable reporting tools.

The Archives and Records Program Area promotes a favorable business climate and provides citizens with greater access to government services at a reduced cost by providing high-quality, fully-downloadable, full-color digital scans of Land Grant and Mineral Files for attorneys, land surveyors, landmen, and oil and gas professionals, as well as all others interested in Texas history and the records of the GLO. All maps have been scanned and placed online for research, and full-color copies are available for a relatively low cost of $20 - $40. When copies of maps or documents are ordered, the program area can typically provide a 1-2 day turn-around. Historically, these files would have only been available to these clients by coming to Austin and physically inspecting them. The GLO Archives and Records investment in the digitization of files allows any researcher to view said files for free at any time of day or night. Additionally, these companies are saving money on travel and time that would otherwise be associated with visiting the GLO. The net result is good for the citizens and businesses of Texas.

Moreover, the GLO archives have 35.5 million documents and 45,000 maps that are vital assets of the state that must be conserved and preserved for future generations. Although the GLO does not receive legislatively appropriated money to pay for the conservation work of documents and maps, it uses an innovative method to remain accountable to the conservation and preservation charge of state government. The GLO Archives and Records Program Area has taken an entrepreneurial approach to funding the conservation of these items by actively marketing map duplications and selling inexpensive copies of documents. Through this approach, the agency has been able to raise at least $100,000 per/year for conservation over the last decade. Moving forward, the Archives and Records intends to seek more donations and grants from private individuals and organizations to supplement current activities.

The Asset Management Program Area maintains an inventory of state agency real property and conducts evaluations on a four year cycle to identify unused or underutilized state agency real property. A report of this inventory is provided annually to the legislature with recommendations on retaining or disposing of state agency real property. Additionally, the program area conducts sales and trades of state real property as authorized by law.

The Coastal Resources Program Area develops the monitoring plan, implements a risk assessment model, and performs monitoring reviews to ensure fulfillment of the Land Office's responsibilities in managing federal assistance programs. Pass-through entities receiving federal funds are required to monitor their subrecipients to ensure that the federal awards are used in compliance with laws and regulations and to ensure performance measures are achieved. In addition, pass-through entities are required to ensure that their subrecipients meet the related audit requirements. These requirements are set forth in the Office of Management and Budget (OMB) Circular A-133 and the A-133 Compliance Supplement. A monitoring plan is essential to this process, which includes a risk assessment and single audit compliance reviews as major components.

The CEPRA program works closely with local governments to address significant erosion problems along the Texas Gulf Coast. As a cost-sharing program, CEPRA funding is used to leverage federal, local, private, and other state resources to fund coastal erosion projects and studies. In addition, the CEPRA program utilizes the Competitive Sealed Proposal process as a vetting tool to ensure that the best qualified and most cost-efficient contractor will be selected for each construction project. The CMP and CIAP programs also work with local and private entities to leverage state funds and ensure coastal projects are completed on time and within approved budgets. Project managers for all coastal programs conduct site visits to verify the project's deliverables and the subrecipient's accountability.

The Beach Access and Dune Protection Program (Beach/Dune Program) enforces the Open Beaches Act, Dune Protection Act, and Texas Administrative Code rules to ensure the protection of coastal natural resources and public health and safety. The Beach/Dune Program works hand-in-hand with local governments and the public – often communicating with them on a daily basis – to oversee management of local beach access plans, including the maintenance of more than 150 public access points along the coast. The Beach/Dune Program also supports local governments with their implementation of a statute passed by the 81st Texas Legislature, which requires each local government to establish and administer a plan to reduce public expenditures for erosion and storm damages. The plan may include provisions for establishing a building setback, protecting public beach access and the public beach easement, and procedures for preserving, restoring, and enhancing critical sand dunes that are necessary to protect public and private property and critical infrastructure from storms and erosion. Lastly, the Beach/Dune Program is responsible for conducting line of vegetation (LOV) determinations to delineate the boundaries of public beach easements and to verify the LOV location during permitting actions. In addition, the program reviews and certifies Beach Access Dune Protection Plan amendments, which involves a formal rule-making process and requires public comments and hearings.

Through the Beach Maintenance Reimbursement program (BMR) and the Beach User Fee program (BUF), the GLO and local governments share in the management responsibility for our state's beaches. The BMR program provides state reimbursement to qualified city and county governments for certain expenses incurred while maintaining clean and safe public beaches. The Beach User Fee program allows local governments to collect fees in exchange for providing services to beach users and protecting public access, safety, and health at Texas

public beaches. Fees collected through the BUF program must be used for beach related services such as lifeguards, cleaning equipment and personnel, restroom facilities, and other amenities.

The agency administers the Texas Beach Watch Program, which receives funding from the Environmental Protection Agency (EPA) to monitor water quality at Texas recreational beaches. When bacteria levels in the water exceed acceptable standards established by the EPA and the Texas Commission on Environmental Quality, Coastal Resources works with local governments to issue advisories warning the public not to swim in affected waters. Signs are placed at various beach access points to communicate when bacteria levels are unsafe. Results and advisories also are posted on the Texas Beach Watch website, TexasBeachWatch.com, which Coastal Resources maintains.

An initiative of the Hazard Mitigation Program is to improve coordination and cooperation of coastal communities in mitigation actions. Communities must have a FEMA-approved mitigation action plan to be eligible for federal mitigation and disaster grants. At a disaster location, regional workgroups will provide direct accessibility to state and federal resources.

The agency's Disaster Recovery (DR) efforts support this goal in a variety of ways. First, the DR Program does not require state funds to operate, since each grant is sourced through federal funding and allows up to 5% of grant funds to be utilized for administrative purposes – such as the ongoing distribution and management of the Disaster Recovery operation. Second, the agency has been able to run the program at less than 5% administrative costs, which is evidence of efficient governance. The GLO-DR Program is performing to expectations and has had a positive impact upon Texas' recovery from the recent hurricanes and wildfires – at no extraneous cost to the people of Texas.

The VLB Land and Housing Program supports effective and efficient operations by focusing on the achievement of clear and measureable goals that ensure significant return on investment to the VLB fund. The VLB's programs receive no appropriated funding from taxpayers; the programs operate as an enterprise supported by the Texas Veterans Land Fund. As such, the programs have a fiduciary duty to ensure that an appropriate return on investment, from the fund, is made. In that regard, key annual program goals are established to ensure that those budgetary allocations generate new loans to the fund portfolio. Today, the VLB manages a $1.3 billion dollar loan portfolio. This year's $3.5 million dollar operational budget is expected to produce new loans exceeding a half billion dollars. This financial model is expected to continue during future years.

Revenues generated at the Alamo Complex are deposited into the Alamo Complex Account in the State Treasury. The GLO has contracted with the Daughters of the Republic of Texas (DRT) to perform the daily operations of the Alamo Complex. Procedures are established to review the Alamo expenses so that prudent oversight and management of annual budgets and business plans support both current operations and long-term preservation, restoration, and maintenance needs at the Alamo Complex. The agency has developed effective strategies for monitoring the

contract for the gift shop operations with the goal of increasing revenues in retail operations. The agency's efforts in the preceding areas are for the purpose of creating effective, efficient, and accountable management of the Alamo Complex and the revenues it procures. The agency is studying ways to increase revenues in other operations of the Alamo, such as Alamo Hall. Enhancing the visitor experience with paid battlefield tours, audio tours, after-hours tours and rental of Alamo Hall and the Gallagher Building for events has the potential to increase revenue significantly.

Goal 03. To conserve and protect our state's natural resources (air, water, land, wildlife, and mineral resources) by:

- Providing leadership and policy guidance for state, federal, and local initiatives;
- Maintaining Texas' status as a leader in agriculture; and
- Encouraging responsible, sustainable economic development.

03.01 Ensure that Texas' coastal natural resources will be protected, maintained, preserved, and enhanced through prudent and innovative management.

The GLO is the steward of state-owned lands and is, thereby, responsible for the management and protection of the 367 miles of Gulf beaches and more than 3,300 miles of shoreline along its bays and estuaries. The designated coastal natural resource areas include coastal wetlands, coastal shore areas, critical dune areas, coastal barriers, tidal sand and mud flats, coastal prairies, habitats for rare, threatened or endangered species, coastal public access, coastal recreation areas and coastal conservation lands. The Coastal Resources Program Area works directly with the federal, state and local governments, private entities, and coastal communities to contribute to the conservation, maintenance, and restoration of Texas shores. The division does this through the various programs and grants it administers, which support and protect the infrastructure, industries, tourism, fish, and wildlife of the Texas coast.

Program staff work with local jurisdictions and stakeholders to enhance accessibility to the public beach. To provide enhanced access to Texas beaches, the Beach/Dune Program developed and facilitated the completion of the Texas Beach Accessibility Guide to ensure beach access points and facilities are accessible for persons with disabilities. The Beach/Dune Program worked with the Texas Department of Licensing and Registration (TDLR), the agency tasked with enforcing the Texas Accessibility Standards, and other divisions within the GLO to create the guidance document. Several local governments have constructed new American with Disabilities Act (ADA) compliant walkovers and access ways.

The GLO is also paving the way to encourage the continued livelihood of the state's coastal natural resources, by developing a coastal and marine spatial plan (CMSP) to assist communities in managing their coastal resources. A more integrated and comprehensive approach can help ensure compatibility between natural and human

uses. To achieve this goal, the CMSP will gather information on current and emerging industry uses, human uses, agricultural uses, environmental conditions, and stakeholder ideas to assess the most applicable approaches to continue economic and ecological prosperity along the Texas coast.

Coastal Resources is involved in the state and federal consistency review process, which provides a basis for protecting, restoring, and responsibly developing our coastal communities and resources by reviewing actions that may negatively impact our coastal natural resource areas. For actions requiring water quality certification, oil and gas exploration and seismic permitting, project reviews are conducted in coordination with the Coastal Coordination Advisory Committee, which consists of: the GLO, Texas Department of Transportation, Railroad Commission of Texas, Texas Parks and Wildlife Department, Texas Water Development Board, Texas State Soil and Water Conservation Board, Texas Sea Grant College Program, Texas Commission on Environmental Quality, and four Commissioner-appointed members.

The GLO and the Texas Water Development Board contract with the Conrad Blucher Institute for Surveying and Science at Texas A&M University-Corpus Christi for operation and maintenance of the Texas Coastal Ocean Observation Network (TCOON), a state-of-the-art electronic water monitoring system to provide state and federal coastal managers, as well as the general public, with real-time data on tides, wind speed, water height, wind direction, and other water-related parameters along the Texas coast. The water level and meteorological information assists coastal communities with preparations for incoming hurricanes and tropical storms. Coastal Resources monitors and analyzes the TCOON data for quality assurance. With state and federal funding from the U.S. Army Corps of Engineers, TCOON operates 30 stations along the coast. TCOON provides critical data for marine safety and emergency evacuations along the Texas coast. The data generated by the program also helps support research in the areas of height modernization, land subsidence, fish kills prevention, hazard mitigation and planning, navigation safety, storm forecast, and coastal flooding.

The Hazard Mitigation Program plays a leadership role in the face of a natural disaster by working with state and local government officials to assist local communities and provide direct solutions and disaster relief. The Texas Beach Watch Program allows the public to access up-to-date information regarding the water quality at the state's recreational beaches. Funding for this program may be in jeopardy, as the President's fiscal 2015 budget request eliminates funding for the BEACH Act. States will be responsible for funding the program if Congress fails to appropriate funding.

Wheelchair Beach Mats

The Beach/Dune Program works directly with coastal communities to secure funding for ADA dune walkovers that provide unobstructed beach access. The program has worked with the Coastal Management Program to enhance ADA access

for the public in Corpus Christi, Nueces County, Brazoria County, and South Padre Island.

ADA Walkover

With Texas beaches eroding at an alarming rate, the CEPRA program is critical to ensure the state's coastline is protected, maintained, and preserved. The types of erosion response projects and studies Coastal Resources conducts through the CEPRA program include beach nourishment, dune restoration, shoreline protection, marsh habitat restoration, structure relocation, debris removal, and projects with the USACE. CEPRA studies that help with basic understanding of coastal conditions and project planning include shoreline change analyses, sand source investigations, and economic/natural resource benefits analyses.

Within the CEPRA program is the Beach Monitoring and Maintenance Plan which conducts annual beach surveys and aerial photography to assess the erosion rate of engineered beaches and determines which of those beaches are in need of renourishment. Several CEPRA-funded projects are highlighted below:

Port Aransas Nature Preserve Shoreline Protection – Shoreline protection project to repair Hurricane Ike's impact to a 2,000 linear-foot section of a rock revetment along the south bank of the Corpus Christi Ship Channel, adjacent to the Port Aransas Nature Preserve, and to enhance the structure under a FEMA Hazard Mitigation project component. The project was physically completed in December 2013.

Before

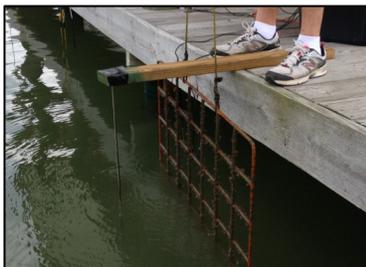
After

End of Seawall Resen Waves Shoreline Stabilization Demonstration Project – Physical modeling and material testing (product feasibility) phase of a shoreline protection demonstration project, to test the concept of utilizing the Resen Waves "technology" as an artificial reef-type breakwater.

Material Testing-Rebar Frame

Scale Model of Breakwater Frame
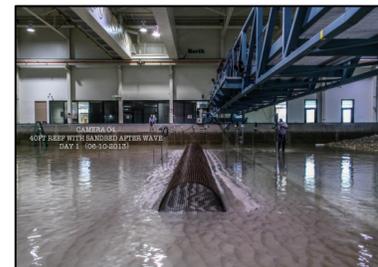
Modeling-Wave Tank Testing

GIWW-Rollover Bay Reach Beach Nourishment with Beneficial Use of Dredged Material (BMMP maintenance project) – Beach nourishment project beneficially utilizing approximately 173,000 cubic yards of dredged material, from the U.S. Army Corps of Engineers Fall 2013 maintenance dredging of the GIWW Rollover Bay Reach, placed along approximately 102,000 linear feet of Caplen Beach - west of Rollover Pass. Work was completed in February 2014.

For state-owned submerged lands along the coast, the GLO is updating Resource Management Codes, on a tract by tract basis, utilizing various datasets. These codes provide potential oil and gas lessees and permittees with recommendations from the applicable natural resource agencies that promote the conservation of living marine resources.

The agency's Inspection Division of Professional Services is responsible for the inspection, permitting, and management of approximately 708,000 acres of upland property, 4,000,000 acres of coastal public land (submerged land), and 1,000,000 acres of non-tidal state-owned creeks and river beds. Additionally, this division actively manages 404 boat-only accessible fishing cabins through the Cabin Program, which in 2013 held its fifth cabin bid offering for two sites along the Texas Coast. By conducting field inspections and monitoring activities in all water bodies, biologists in program field offices can ensure activities on state land are in compliance with the statutory requirements of the Texas Natural Resources Code §33.001(b) and the goals and policies of the Texas Coastal Management Program. Since 2009, over 3,400 acres of Coastal Public Land has been leased for environmental creation or restoration projects. Specifically, field offices monitor activities within the tidally influenced portions of all water bodies, evaluate applications for proposed uses of state land, negotiate project designs with clients, document findings, coordinate with various resource agencies, and conduct educational initiatives aimed at reducing compliance violations.

As administrator and statewide facilitator of the Adopt-A-Beach program, the GLO encourages responsible cleanliness by mobilizing volunteers and program sponsors to clean Texas beaches during cleanups held throughout the year. The program is celebrating its 28th anniversary this year and will continue to educate the citizens of Texas about marine debris, continue to work to change the behaviors of those who trash our shores, and ultimately remove trash from the Texas coast.

The Oil Spill Prevention and Response Act of 1991 (OSPRA) designated the GLO as the lead state agency for the prevention of and response to oil spills in the marine environment. In FY14, the program expects to have responded to approximately 600 reported incidents. Despite the increasing amount of crude oil and refined products handled in Texas waters, the number of significant spills continues to decrease due to the program's aggressive

enforcement program, compliance activities, and increased prevention activities that include facility inspections, vessel assessments, and boat patrols.

Should an oil spill occur, response officers are located in Jefferson, Harris, Calhoun, Nueces, and Cameron counties and will respond to any spill notification within two hours anywhere along the coast. Personnel maintain state-owned equipment in a "ready" condition at GLO warehouses and at strategic locations in remote coastal areas and wildlife refuges. The program's "toolkit," for vessel owners, operators, and federal or state response authorities, contains the latest response information and map data to facilitate response activities. The toolkit is updated annually and is available online and on portable electronic media such as CDs and flash memory sticks.

The GLO Oil Spill Prevention and Response Program, under the authority of section 40.302 of the Texas Natural Resources Code, establishes the availability of $1.25 million per fiscal year to be dedicated towards research and development activities. Funded projects offer continued support for ongoing, long-term projects that will be monitored and audited for deliverables. Additionally, the agency will solicit new prospective projects designed to enhance forecasting models, wetlands restoration, data delivery, and other oil spill prevention and response related activities.

The Texas Automated Buoy System (TABS) was established in 1995 in support of oil spill preparedness and response; the system has continued to supply uninterrupted service since its inception. The current measurements provided by the buoys and the current forecasts provided by the TABS Regional Ocean Modeling System have become a routine part of oil spill trajectory analysis during spill events in the northwestern Gulf of Mexico. Oil spill trajectories allow spill response managers to forecast a step ahead of an oil spill and TABS is Texas' most important oil spill trajectory resource.

The mission of the GLO's Natural Resource Damage Assessment (NRDA) Trustee Program is to restore natural resources injured as a result of oil spills or hazardous substance releases into the environment. In partnership with TPWD, TCEQ, and the federal trustee agencies NOAA and FWS, the NRDA Trustee Program conducts damage assessments that provide the basis for determining restoration needs, in response to spills or releases, to address the public's loss and use of natural resources. Once the damages are assessed, Texas trustees negotiate legal settlements with the responsible parties or take legal actions to obtain, from the responsible parties, the funds necessary to restore the lost natural resources at no expense to the taxpayer.

In addition, NRDA staff is handling a significant amount of work related to the BP Deepwater Horizon (BP-DWH) oil spill. Working with NRDA Trustee staff at TPWD and TCEQ, GLO NRDA staff participates in the "early restoration" NRDA process funded by BP, as well as the overall NRDA restoration planning process for the spill. The three trustee agencies also work with the National Fish and Wildlife Foundation to suggest restoration projects for around $200 million in negotiated settlement funds arising from criminal plea bargains in the DWH case. The three agencies are also working together to implement the RESTORE Act, which will bring millions of dollars of coastal restoration funding to Texas.

GLO's NRDA staff will be closely involved in BP-DWH restoration planning and implementation for at least the next five years.

The Oil Spill Program Area is representing the GLO on the National Equipment Surge Work Group, an inter-governmental committee, to analyze the existing pollution response equipment surge strategy and develop a new national equipment surge strategy. This strategy will include recommendations to revise, where necessary, the national planning regulations, policy, and doctrine to reduce barriers to surging equipment and provide recommendations that will facilitate rapid deployment of pollution response equipment during a major spill incident from unaffected regions to impacted areas.

The National Equipment Surge Work Group will coordinate across Coast Guard program offices and other federal and state agencies and tribes to identify and recommend solutions to current resource movement issues. The Work Group will work closely with industry representatives to obtain necessary information regarding equipment surge and will keep industry informed of the Work Group's progress and recommendations.

The program's participation in the Natural Disaster Operational Workgroup (NDOW) process supports the management and protection of Texas' coastal natural resources following natural disasters. NDOW has conducted regional training along the Texas coast prior to the start of hurricane seasons. In addition to the refresher training this year, conducted in May, the group conducted a table-top exercise.

Lastly, the agency's Asset Management Program Area periodically assists in the acquisition, disposition, and/or trade of PSF assets, along the Texas Gulf and bay communities, for the enhancement of conservation, preservation, and protection of coastal natural resources.

03.02 Texas' natural and productive resources will be used wisely to support the people and the economy.

The GLO manages 20.3 million acres of state lands and mineral-rights properties. Included in that portfolio are the beaches, bays, estuaries and other "submerged" lands out to 10.3 miles in the Gulf of Mexico, institutional acreage, grazing lands in West Texas, timberlands in East Texas, and commercial sites in urban areas throughout the state. In managing that property, the Land Office leases drilling rights for oil and gas production on state lands, producing revenue and royalties which are applied to the state's Permanent School Fund (PSF). The GLO also offers loans to veterans through the Veterans' Land Board and is involved with oil spill prevention, Adopt-A-Beach, and other programs that protect our natural resources. The Professional Services Program Area's efforts result in revenues that are deposited into the PSF fund, which in turn support public education. The revenues are received from royalties and rentals due under terms of oil and gas leases and hard mineral leases, as well as rent and other payments from private, public, and commercial uses of the surface estates. The School Land Board, chaired by the Commissioner of the GLO, is the trustee of the PSF.

The Asset Management Program Area coordinates within the framework of a Memorandum of Agreement with the Texas Historical Commission to protect Texas' natural and cultural history in accordance with the Antiquities Act of 1906. Each sovereign tract of PSF Land that is sold is evaluated in an effort to identify significant historical and cultural artifacts and when discovered are protected with easements prior to disposition.

Energy Resources' field inspectors and petroleum engineers conduct oil and gas well inspections at production and storage facilities on state lands, to identify operational issues that lead to the underpayment of royalties due to improper metering. In the event that environmental issues are detected, they are reported to the applicable regulatory authority. Energy Resources' staff ensures that oil and gas operators comply with the terms of their oil and gas lease in an effort to maximize royalties deposited into the PSF. Energy Resources also monitors bankruptcy filings and participates with legal counsel to ensure that every effort is made to collect those royalties.

03.03 Texas will have access to outdoor recreational opportunities while the natural habitats of our wildlife will be regulated and protected through prudent management.

Several CIAP and CMP projects allow for direct access to coastal recreational opportunities, while projecting the state's valuable natural resources. A sample of the projects follows:

Erosion Protection of Pelican Island in Corpus Christi Bay – The project created 1,074 linear feet of additional breakwater (Phase 2), which resulted in a total structure length of 2,384 linear feet (Phase 1 and Phase 2) of a hard substrate that provides aquatic habitat that should benefit fisheries and wildlife resources.

Construction of Freshwater Ponds – This project expanded brushy and tree habitat and added ponds and an irrigation system at the South Padre Island Birding and Nature Center. The Center presents a microcosm of rich habitats. Dune meadows, salt marsh and intertidal flats are all represented here, along with thickets of native shrubs and trees that are enticing to migrating birds. Providing

ponds, freshwater sources, and brushy habitat will be crucial for the long-term welfare and protection of many migrating bird species, as well as Barrier Island/coastal species of birds, mammals, and reptiles.

Construction of Artificial Reefs – Pre-existing reefing material - including bridge material, an unseaworthy barge, and concrete culverts are repurposed as reefing material and deployed at pre-permitted Texas Parks and Wildlife Department artificial reef sites.

Half Moon Reef – The project constructed a three-dimensional sub-tidal reef structure over 25-30 acres within the historic footprint of Half Moon Reef in Matagorda Bay.

Texas Farm and Ranch Lands Conservation Program – The Texas Agriculture Lands Trust protected coastal natural resources with the acquisition of agriculture conservation easements on 363 acres of Paul Bulanek Farm.

San Antonio Bay Watershed Protection Plan, Phase 1 – The San Antonio Bay Partnership in coordination with the Coastal Bend Bays and Estuaries Program completed two major components of a Comprehensive Management Plan for the San Antonio Bay System: 1) a Habitat Conservation Plan and 2) Coastal Public Access Plan. Collectively, these

components form the Habitat Conservation and Coastal Public Access Plan for the San Antonio Bay System.
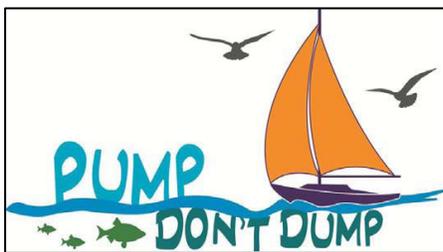
Boater Waste Education Campaign – The Galveston Bay Foundation expanded the Boater Waste Education Campaign (BWEC) from an educational marketing campaign into a full-fledged water quality monitoring and enforcement networking program by creating a Texas Stream Team certified volunteer Water Quality Monitoring Team, developing an enforcement networking website called the Galveston Bay Action Network, and creating partnerships with local marinas to conduct BWEC projects.

Development and Implementation of a Sanitary Survey Program for Texas Beaches – Texas A&M University-Corpus Christi initiated a standard sanitary survey pilot-program, a program currently lacking in Texas, and gathered sufficient data from 65 Coastal Bend beaches to suggest changes in tier classifications at four

beaches for consideration under the BEACH Act for funding to support the Texas Beach Watch Program.

The Oil Spill Program Area provides critical services designed to protect natural habitats along the Texas coast. One such program is the Bilge Water Reclamation/Used Oil Collection Facility Program. This program combines education with free disposal to discourage dumping of bilge water and motor oil in Gulf and bay waters. It is an innovative response to the large number of spills from commercial and recreational vessels. Contaminated bilge water can cause thousands of dollars worth of environmental damage and cleanup costs while adversely affecting the state and local economy. These spills kill shrimp and fish larvae and the livelihood of local fisherman. Without the benefit of these bilge water facilities, unlawful discharges of oil and contaminated water will continue to occur frequently along the Gulf coast.

The Asset Management Program coordinates closely with the Uplands Leasing Division of the Professional Services Program to provide PSF opportunities, related to leasing land to the public, for recreation. In addition, the Asset Inspection Division of Professional Services issues instruments of authorization to the public for the use of grazing, hunting, recreational purposes, crop production, timber management, right of way easements, and other various commercial purposes. The program has staff with a diversity of technical expertise including marine biology, commercial leasing, real estate, range and wildlife management, animal science, property management, and records management specialists who monitor these activities to ensure applicable statutes, rules, and established professional standards are in compliance with the Texas Natural Resource Code and the Texas Coastal Management Plan. The program provides direct customer service to the public, performs regular site inspections, negotiates projects, and issues instruments of authorization for land use. These enforcement measures help ensure consistency, provide additional protections, and coordinate the assessment of environmental impacts to our natural habitats and resources.

03.04 Texas will encourage conservation of natural resources by expanding promotion of renewable energy as a percent of energy used.

To support public education in the State of Texas, the Renewable Energy Section is working with the State Energy Marketing Program (SEMP) to increase revenue to the Permanent School Fund and to encourage development of a renewable energy industry in Texas. The state now has let seven wind leases offshore and one uplands wind lease on PSF property. Upon request, SEMP assists customers by procuring renewable energy as part of their power needs. The GLO's Public Gas Program is now the provider of clean burning natural gas to Texas A&M University.

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AGENTCY MISSION

The mission of the Texas General Land Office is to serves the schoolchildren, veterans, and all people of Texas by preserving their history, protecting their environment, expanding economic opportunity, helping communities rebuild after disasters, and maximizing state revenue through innovative administration and prudent stewardship of state lands and resources.

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AGENCY PHILOSOPHY

The Texas General Land Office considers innovation, creativity, and imagination to be a part of its basic duty. The agency's purpose is accomplished using the highest standards of efficiency, professionalism, ethics, fairness, and friendliness toward those we serve -- the citizens of Texas and the personnel of the agency.

The agency's employees are its most valuable asset. The Land Office will support its personnel's personal and professional growth and fulfill its responsibility to reflect the rich diversity of Texans, through its composition and its understanding. Quality will mark every product and every system and process. Inclusion will be a benchmark of good governance and policy, and we will consider differing opinions from competing interests in our continuing efforts to further the common good.

The General Land Office philosophy is based on nine values that guide its decision-making processes and ensure balance between its resources and mission.

Accountability
We will create a climate of accountability that enhances productivity and satisfaction for employees and customers. We will strive to maintain accountability among our fellow employees and to those we serve.

Diverse Workforce
We believe that diversity is paramount and essential. We will strive to encourage a recruitment and retention process to reflect the diversity of Texas.

Efficiency
We continually strive to improve the efficiency of operations. We will spend resources wisely -- always in the best interest of the citizens of Texas and in accordance with statutory responsibilities. We will strive to minimize bureaucracy by delegating authority and decision-making and eliminating ineffective procedures.

Ethics
We will set a high standard of ethics that promotes better service to employees and the citizens of Texas. We will strive to develop, maintain, and direct measures to ensure this standard.

Fairness
We will conduct business with the public and agency cohorts in an equitable, impartial, and honest manner, without prejudice and favoritism. We will make decisions with objective and balanced judgment and in accordance with the agency's mission, established rules, and procedures.

Inclusiveness

We believe that inclusiveness is important and essential. We will strive to create an environment where all employees and citizens of Texas have opportunities for access and participation.

Innovation

We will foster a work environment where employees are encouraged to make suggestions for improvements; productive suggestions will be implemented, and employees will be recognized for their ideas.

Professionalism

We will strive for professionalism in providing the highest quality service to customers. This service will be a model of consistency that ensures courtesy and integrity.

Quality

We are committed to providing extraordinary service at the lowest possible cost with the greatest sense of pride.

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EXTERNAL/INTERNAL ASSESSMENT

The following provides an overview of operational program areas and the external and internal factors that present both challenges and opportunities for the GLO over the next five years.

OVERVIEW

In 1837, the GLO was established constitutionally as the first agency in the new Nation of Texas and had the responsibility and oversight for more than 83 million acres of Texas sovereign land.

Today, the agency's responsibilities include management of oil, gas, and other natural resources; portfolio management of the real assets investment portfolio of the Permanent School Fund (PSF) for the purpose of providing long-term income and appreciation to the PSF; initiating the chain of title on all sovereign lands and issuing land patents and awards, deeds of acquaintance, and other title documentation; evaluation and inventorying of all state-owned real estate; granting of land-use contracts for private and public recreation and commercial uses of submerged state-owned coastal public lands; ensuring protection of natural resources on state real property; management of the Texas Veterans' Land Board, which was created in 1946; providing for the protection of the historical and architectural integrity of the Alamo Complex through the preservation, maintenance and restoration of the Alamo, its contents, and its grounds; and, providing grants for the rebuilding or rehabilitation of single- and multi-family homes in storm damaged areas while addressing the needs of low-to-moderate income families.

The history of public land management, and thus the GLO, is illustrative of the history of Texas and figures prominently in the economic transformation of the state. Notable historical points include:

> Early in the state's history, the public domain was used to lure settlers to the Texas frontier. Land grants to increase the population may have been among the most important transactions of the infant Texas.

> Between 1852 and 1876, Texas deeded 32 million acres of the public domain to the railroads to construct tracks across the state, thus increasing population, improving transportation, and establishing trade with those outside Texas.

> When oil was discovered in commercial quantities in Texas near the turn of the 20th century, the prevailing wisdom about the public domain and the economy of the state changed dramatically. Public land management policy and the Texas economy rode the wave of the oil and gas industry for the next 80 years.

Today, the GLO is helping move Texas into a new era. The GLO seeks to be the first among state agencies in developing new and better ways of accomplishing its tasks.

Asset Management

The primary mission of the Asset Management Program is to manage the internal Permanent School Fund (PSF) portfolio including the acquisitions and dispositions of investment-grade real property and sovereign land tracts for the benefit of the PSF Special Account. In addition, the Program inventories and performs evaluations every four years on all state agency-owned real property, and manages the disposition of underutilized state agency real property as authorized. In performing both functions, Asset Management is responsible for evaluating properties with regard to archeological importance and establishing, where appropriate, conservation easements and deed restrictions to protect potentially important cultural sites.

Successful Initiatives for FY 2014:

- **Internal Investment-Grade Portfolio** - Through December 31, 2013, the Program recognized annual time-weighted investment returns of 8.6% for the internal portfolio since-inception.

- **Internal Investment-Grade Dispositions -** The Program disposed of five investment-grade properties from the internal portfolio. The combined sales price for the five dispositions exceeded $29,900,000.

- **State Agency Real Property Evaluations -** The Program conducted over 385 evaluations of state agency and PSF properties identifying underutilized and under performing properties as candidates for disposal.

- **State Agency Real Property Dispositions -** The Program disposed of four state agency properties that had previously been identified as underutilized on the Program's state agency report to the Governor. Total state-agency sales closed exceeded $1,200,000, to date.

- **State Agency Real Property Report -** The Program implemented procedural changes to the State Agency Real Property Report that is published annually. These changes allow the Program to produce the report more efficiently and reduce appraisal costs for utilized state agency real property.

- **Texas Farm and Ranch Land Conservation Program -** Management of this program has been transferred to the Uplands Leasing Division of the Professional Services Program Area. The Uplands Leasing Division staff are trained wildlife and range specialists. Their expertise and contacts in the farm and ranch conservation community will provide enhanced perspective as the agency works to grow the program.

Key Emphases Moving Forward FY 2015-FY 2019:

- **ALAMO Property Database -** The Program continues to enhance business practices to meet the new property database (ALAMO) tools for tracking land attributes, asset classes, and disposition strategies.

- **Management of Investment-Grade Assets -** The Program continues to manage the further entitlement and disposition of internal investment-grade real estate portfolio to maximize return for the PSF. This includes the ongoing management of commercial development partnerships for investment-grade assets.

- **Investment-Grade Acquisitions/Dispositions -** The Program will work to capitalize on investment-grade real estate acquisition and disposition opportunities throughout Texas to maximize return to the PSF.

- **Sovereign Land/Assets Portfolio -** The Program will continue to utilize opportunities to enhance PSF sovereign tracts through additional entitlements, development opportunities, and/or strategic land acquisition.

- **State Real Property Report -** The Program will work to implement enhanced business practices for the annual State Real Property Report and associated evaluations. Enhancements include increased process efficiency, reduced paper dependency, reduced appraisal costs, and innovative reporting technology changes.

Energy Resources

Energy Resources manages state-owned mineral lands, and the agency's mission subsumes the program's mission: "Through prudent and innovative management of state-owned minerals, Energy Resources serves the school children and taxpayers of Texas by maximizing revenue and expanding economic opportunities in environmentally sound ways."

In 1999, the Texas Legislature passed electric utility deregulation and authorized the Texas Land Commissioner to convert the GLO's mineral royalty interests into other forms of energy. The State Energy Marketing Program was organized to sell electricity to public retail customers such as school districts, state agencies, and state institutions of higher education and provides additional revenue to the PSF. The State Energy Marketing Program reviews terms of gas purchase contracts to ensure that state agencies are procuring gas for the lowest price available.

Successful Initiatives for FY 2014:

- As of April 2014, the Energy Resources Program Area (Energy) generated over $88 million for the Permanent School Fund (PSF) from oil and gas lease bonus payments and over $48 million in lease rentals in FY 2014. Of note, during the same time period in FY 2013, the GLO had collected over $55 million in lease bonus and $5 million in rentals.

- Collected over $5.5 million in claims from underreported production volumes.

- As in recent years, Energy continued to lease significant acreage for development of the Wolfbone (Wolfcamp/Bone Spring) oil and gas play in West Texas - as well as acreage in all other plays, such as the Eagle Ford Shale Play in South Texas.

- As of April 2014, oil and gas leases issued by the program area's Mineral Leasing Division generated over $233 million in oil and natural gas royalty revenue to the PSF in FY 2014.

- In order to evolve with a changing oil and gas industry, Energy now negotiates production sharing agreements, subject to School Land Board review, in addition to pooled units, to ensure that the state's mineral interests participate fairly in production from horizontal wells.

- The State Energy Marketing Program (SEMP) deployed a new Energy Management Services Portal for customers to better manage their utility cost and to calculate spending by program area, campus, square footage, weather normalized, and customizable. Customers can review their actual usage as well as invoices and payments on-line. Partnering with a third party vendor, GLO can also offer additional fee based services such as utility bill auditing.

- Along with continuing natural gas sales to The University of Texas at Austin, Energy now serves Texas A&M University in the State Gas Program.

- Won the competitive power bid for Houston Community College.

- Lowered energy commodity costs to Public Retail Customers (PRCs).

- Contracted with two third party vendors to provide Demand Response services, for customers who elect to participate, by voluntarily lowering demand during times of power scarcity in order to prevent rolling brown outs and other crippling load shedding events.

- Continue to improve existing transportation rates, which are net savings to PRCs.

- Reviewed Take-In-Kind (TIK) candidate leases resulting in either TIK inclusion or audit discussions on payments.

Key Emphases Moving Forward FY 2015-FY 2019:

- Maximize revenues from state-owned minerals through leasing at highest market rates.

- Ensuring contractual compliance with lease terms and conditions by inspecting production facilities for under-reported volumes, reviewing industry activity to identify uncompensated drainage, reviewing pooling/unitization requests to ensure that the state's interests are protected.

- Complete the redesign and update of the lease management system to improve access to the data necessary for accomplishing the program area's tasks.

- Continue to provide a net enhancement to the PSF through the SEMP while providing cost savings to PRCs.

- Continue to evaluate cash royalties, looking for enhancement opportunities or non-compliance on deductions.

- Educate SEMP customers on utility usage analysis tools and savings opportunities that can be identified with the new Energy Management Services Portal.

Professional Services

The mission of the Professional Services Program is to consistently provide the highest level of responsive service to all of its clients while maximizing revenue to the Permanent School Fund (PSF) and reducing environmental impacts to state land on behalf of the General Land Office (GLO). Central to that mission is the staff and their diverse experience, education, and professional achievements that they contribute toward the program area's resume.

Successful Initiatives for FY 2014:

- **U.S. Army Corps of Engineers Coordination** – The Coastal Field Operations and Environmental Review Team continued to show a commitment for working with the Galveston U.S. Army Corps of Engineers (USACE) to improve the General Permit process and provide better customer service for residential pier applicants. Expanding on this coordination, staff from both agencies discussed the possibility of a USACE Cabin General Permit and successfully amended the Cooperative Agreement. The amended Cooperative Agreement now allows the GLO to administer the USACE Residential Pier General Permit (SP/GP), which improved efficiency for the USACE and GLO, reduced applicant paper work, and eliminated redundancies.

- **Texas Administrative Code Modifications** - The Professional Services Program successfully modified the Texas Administrative Code to increase the number of structures that qualify for a one-time Structure Registration (SP), which is valid for the life of the structure. As a result, most residential structures qualify for this authorization, reducing paperwork and time to process applications, as well as improving customer service.

- **Contract Consolidation and Term Extension** - Single-family residential contract templates have been consolidated and reduced from a 15-page template to a 6-page contract, including attachments. This has reduced the overall complexity of the contracts and should reduce the processing time for over 3,000 contracts. The standard easement term was also extended from 5 years to 10 years, which further reduces processing time.

- **Veterans Land Board (VLB) Inventory Inspection** - A new initiative to conduct inspections of Type II Forfeited land tracts for the VLB was started this year. Tracts are inspected for overall condition, signs of illegal activities and encroachments, and

posted signage for "no trespassing" and sale information. Report information is used by the VLB to enhance marketing and monitor changes in areas where tracts are located.

- **Texas Farm and Ranch Land Conservation Program** - Added to the program area's responsibility in FY 2014 was the Texas Farm and Ranch Land Conservation Program, which coordinates the purchase of development rights on agricultural land. Established in 2005 by the 79th Legislature, the program facilitates the acquisition of conservation easements that protect undeveloped rural land in Texas.

- **Alamo Complex Survey** - The Surveying Division performed an on-the-ground survey of the historic Alamo Complex site in San Antonio for the purpose of identifying the boundaries of the complex, locating and mapping all the buildings, visible utilities, hardscapes, and trees. The plat produced from this survey will be used in the planning of future site improvements.

- **Agency Leasing and Asset Management Operations (ALAMO)** - Professional Services assisted in replacing the old lease management system called the Permit Tracking System (PTS), which was used to create and track leases, permits, and easements with the new lease management system ALAMO. ALAMO is now launched and additional refinements in the system are being made to help the program increase efficiency and provide a better level of customer service by reducing the processing times for new leases and lease renewals. ALAMO has expanded the online presence for lease renewals with additional functionality that presents an electronic copy of the existing lease to customers prior to renewal.

- **Electronic Signature Initiative** - Email and DocuSign delivery of contracts is another initiative the Professional Services Program has implemented successfully. The Coastal Commercial Leasing, Cabin, and Miscellaneous Easements Teams have successfully implemented the electronic signature initiative and the process is being expanded to allow additional instrument types. This new process reduces the administrative time, from application through execution, for leasing activities.

- **Construction Services** - Construction Services staff is working on process improvements for Construction Oversight, Construction Project Management, Facilities Maintenance Oversight and Management. The consolidation of project management for internal projects provides improved consistency and oversight. Construction Services is currently reviewing long-term maintenance, renovation and cemetery expansion, and coastal construction plans. These assessments will assist in implementing plans for long-term maintenance and renovation of the Texas State Veteran Homes and Cemeteries and identify areas for process improvements and efficiency in execution of coastal construction projects in a scalable model. Once completed the result will reduce impacts of TSVH improvements to the operations and the veteran residents. The long-term planning for the TSVH cemeteries will ensure that veterans and their families are honored and served well into the future. Increased efficiency in coastal construction projects will ensure the program's ability to handle additional projects when anticipated funding is made available.

- **Derelict Structure and Debris Removal** - The Unauthorized Structure Removal Team of Construction Services continues to investigate unauthorized structures along the Texas Gulf Coast. Large scale projects were implemented to reduce relative mobilization costs. The entire Arroyo Colorado was completed as a single project, over 1,200 hazardous pilings were removed from Galveston Bay, and 15 derelict oil and gas structures, in areas of high recreational boater use areas of Galveston Bay, were addressed. The Unauthorized Structure Removal Team works with other program areas within the GLO, the U.S. Parks and Wildlife Departments, U.S. Army Corps of Engineers (USACE), and U.S. Coast Guard to remove unauthorized structures from state submerged lands. The GLO has entered into a cooperative contract with a third party to inventory all potential structures that could be candidates for removal along the entire Texas coast. This work will assist in identification and prioritization of removal efforts as funds become available.

Key Emphases Moving Forward FY 2015-FY 2019:

- **USACE Coordination for Cabin General Permit and Shoreline Stabilization Projects** - The Professional Services Program will continue to work with the USACE to identify ways to streamline and simplify the permitting process for different types of projects, including cabin permits and projects that have a shoreline stabilization component. This goal is aimed at enabling stakeholders, of residential projects, to utilize the Permit Service Center as a "One Stop Shop" for most projects, thereby reducing application processing time, minimizing impacts to natural resources, and ensuring all structures have all required authorizations.

- **Expand the Online Lease Renewals Process** - Professional Services will continue to work on expanding the online renewal process for all 10,400 Professional Services leases. This emphasis will improve the efficiency of the process, reduce processing times, and enhance the customer experience.

Coastal Resources

Coastal Resources has the overall mission to encourage, promote and engage in sound stewardship practices that preserve and enhance the use and enjoyment of the state's natural resources, while fostering economic growth along the Texas coast.

Successful Initiatives for FY 2014:

Beach Access and Dune Protection Program

- Assisted local jurisdictions with the development of nine erosion response plans (ERP). Eight of the ERPs are approved and are being implemented.
- Reviewed and processed 418 permit applications in fiscal year 2013; on track to process over 450 permits in fiscal year 2014.
- Reviewed beach access and management plan amendments for the following six communities: Galveston County, City of Galveston, Jamaica Beach, Village of Surfside Beach, Brazoria County and Cameron County.
- Certified and adopted Dune Protection and Beach Access Plan amendments for Cameron County and Brazoria County. The Cameron County amendment focused on beach access and space flight activity, and the Brazoria County amendment enhanced pedestrian beach access.
- Assisted local governments in enhancing public access points at over nine sites, including access for persons with disabilities.
- Developed a shoreline change study for Cameron County and assisted the local jurisdiction and stakeholders in a public meeting to present findings and discuss local interests.
- Obtained an injunction to prevent unauthorized beachfront construction and obtained penalties for violations of the Dune Protection Act in Cameron County; this case is currently being appealed.
- Worked with local governments and permit applicants to achieve compliance with over 80 non-compliance issues.
- Coordinated with the Coastal Management Program to provide mobi-mats for the public at South Padre Island, Nueces County, Corpus Christi and Brazoria County.
- Amended Title 31, Chapter 15 of the Texas Administrative Code in conformance with House Bill 3459 (83R), which relates to the suspension of a line of vegetation determination following a meteorological event.

Beach Maintenance Reimbursement (BMR) and Beach User Fee (BUF) Programs

- Added two communities to the BUF program and trained new partner staff on how to report and implement programs according to the administrative rules.
- Investigated non-compliance issues and achieved participant compliance through corrective actions and enhanced reporting.

Beach Watch Program

- Underwent an Environmental Protection Agency (EPA) Region 6 fiscal year 2013 End-of-Year Evaluation Report on 11/13/2013 for cooperative agreements CU-00F31701, CU-00F49501 and CU-00F72701. The EPA report indicated no deficiencies in grant management, and all required administrative and financial reports were completed accurately and timely.
- In 2013, awarded an EPA cooperative agreement for $359,000 to fund the Beach Watch Program during fiscal year 2014.
- In 2014, submitted an EPA grant application for $367,000 to fund the Beach Watch

Program in fiscal year 2015.

- EPA selected the GLO to test their draft guidance "Six Key Steps for Developing and Using Predictive Tools at Your Beach," on Texas beaches during the summer of 2014, prior to the guidance's publication and release.
- Began implementation of the Texas Marine Beach Annual Sanitary Survey and Routine Sanitary Survey developed by Texas A&M University – Corpus Christi's Center for Water Supply Studies and funded by the Texas Coastal Management Program.
- Submitted the Texas Beach Watch Program's Quality Assurance Project Plan and received approval by EPA in December 2013 for a two-year period.
- Submitted and received EPA approval of the GLO's Quality Management Plan.
- Conducted an annual review of a Beach Watch contracted laboratory, as per requirements of the Quality Assurance Project Plan.
- Secured GLO surplus trucks for use by Lamar University, Galveston County Health District and Corpus Christi-Nueces County Public Health District.

Circular A-133 Compliance Program

- Brought all federal GLO programs into compliance for single audit reporting requirements and issued management decision letters to subrecipients. Followed up and resolved each noted concern.
- Developed a risk assessment model, a key component of the monitoring plan.
- Incorporated the significant required changes the OMB posted to the Single Audit Guidance into all work processes and the Single Audit SOP.

Coastal Erosion Planning and Response Act (CEPRA) Program

- Completed 10 coastal erosion response projects and studies. Examples include:
  - *GIWW - Rollover Bay Reach Beach Nourishment Project*, in partnership with the U.S. Army Corps of Engineers (USACE) for the beneficial use of dredged material;
  - *Nueces Bay Portland Causeway Marsh Restoration* breakwater construction;
  - *Port Aransas Nature Preserve Shoreline Protection Repair*;
  - *Effects of Ike – Post Storm Assessment Report*;
  - *Sargent Beach Nourishment Project*;
  - *Galveston End of Seawall Resen Waves Beach Stabilization Study*; and
  - *West Galveston Island Shoreline Stabilization Study*.
- Updated the Beach Monitoring and Maintenance Plan.
- Secured state funding for UT-Austin Bureau of Economic Geology (UT-BEG) for updates of Gulf Coast critical erosion rates.
- Developed the Rollover Pass Recreational Amenities Plan.
- Coordinated efforts within Coastal Resources for the implementation of the CEPRA database that facilitates the tracking of technical and financial data.
- Completed integration of CEPRA database into project management work flow, including the entry of back data and invoices for <u>active</u> projects.

Coastal Impact Assistance Program (CIAP)
- Coordinated with project partners to complete eight CIAP projects on schedule and within approved budgets. Examples include:
  - *Erosion Protection at Pelican Island* – constructed 1,074 linear feet of additional breakwater for total 2,384 linear feet of breakwater.
  - *Construction of Freshwater Ponds* – constructed freshwater ponds and installed landscaping that focused on an increase of brush and tree habitat for migratory birds.
  - *Shoreline Change and Beach/Dune Morphodynamics Along the Gulf Coast* – UT-BEG conducted airborne LiDAR surveys of the Texas Gulf of Mexico shoreline from Sabine Pass to the Rio Grande in 2010, 2011, and 2012, and used that information to determine the short-term shoreline change rates, and map the beach and dune boundaries.
  - *Construction of Artificial Reefs* – Texas Parks and Wildlife Department reefed a medium harbor tug boat at the Port Mansfield reef site and 2,915 tons of concrete bridge material at the 40-acre reef site at Matagorda Island. At the Port Mansfield Harbor, approximately 890 concrete culverts (1,036 tons), 40 obsolete hatchery troughs (540 tons) and over 4,000 culverts (estimated 5,052 tons) were reefed at the 160-acre Port Mansfield reef. Over 320 tons of concrete and granite quarry block were deployed at the George Vancouver Liberty Ship Reef site.
  - *Half Moon Reef Oyster Reef Restoration* – The Nature Conservancy restored 34 acres of oyster habitat within the historic Half Moon Reef footprint in Matagorda Bay.
  - *Texas Farm & Ranch Lands Conservation Program (Bulanek Farms)* – The Texas Agricultural Land Trust acquired agricultural conservation easements on 363 acres of Pat Bulanek Farm Tract #1 and 300 acres of Pat Bulanek Farm Tract #2 in Brazoria County.
  - *Follets Island Conservation Initiative* – Brazoria County purchased 441.727 acres on Follets Island from the School Land Board and donated the tract to Texas Parks and Wildlife Department for long-term management.
- To date, the CIAP Program has spent $63,314,419 of the $109,269,690 awarded. The CIAP program ends December 31, 2016.

Coastal Management Program (CMP)
- Coordinated with project partners to complete 21 CMP projects on time and within approved budgets. Examples include:
  - *Development and Implementation of a Sanitary Survey Program for Texas Beaches* – Texas A&M University-Corpus Christi initiated a standard sanitary survey pilot-program, a program currently lacking in Texas, and gathered sufficient data from 65 Coastal Bend beaches to suggest changes in tier classifications at four beaches for consideration under the BEACH Act for funding to support the Texas Beach Watch Program.
  - *San Antonio Bay Watershed Protection Plan, Phase 1* – The San Antonio Bay Partnership in coordination with the Coastal Bend Bays and Estuaries Program completed two major components of a Comprehensive Management Plan for

the San Antonio Bay System: 1) Habitat Conservation Plan, and 2) Coastal Public Access Plan.

- *Boater Waste Education Campaign: Educating Boaters and the Community About Water Quality* – The Galveston Bay Foundation expanded the Boater Waste Education Campaign (BWEC) from an educational marketing campaign into a full-fledged water quality monitoring and enforcement networking program by creating a Texas Stream Team certified volunteer Water Quality Monitoring Team, developing an enforcement networking website called the Galveston Bay Action Network, and creating partnerships with local marinas to conduct BWEC projects.

- Worked with the Coastal Coordination Advisory Committee (CCAC) to update the grant guidance document and recommend Cycle 19 projects for funding.
- Worked with Information Systems to further refine the electronic grant application submission system and grants database to better meet the needs of the applicants and to assist staff with an effective project management tool.
- Conducted five grant workshops to provide information on CMP funding opportunities.
- Coordinated with the national Government Accountability Office (GAO) in a successful review of CMP projects and processes with the Texas program.

CMP Consistency and Planning & Policy Programs

- Conducted a comprehensive review of the Resource Management Codes (RMC) to update their application and visually display their corresponding data sets in a new RMC GIS viewer for submerged land leasing and permitting.
- On track to review and process 175 proposed projects in fiscal year 2014 (federal permit and license applications, federal activities, federal financial assistance, outer continental shelf plans and state agency rule revisions) for federal consistency with the CMP.
- Submitted program changes to NOAA's Office of Ocean and Coastal Resources Management (OCRM) regarding statutory and rule revisions enacted and adopted during the period of January 1, 1997 – December 31, 2011. The program changes were approved by OCRM.
- Released an overview report, "The Texas Coast: Shoring up Our Future," which highlights the ecologic and economic features along the Texas coast, and identifies the primary issues of concern threatening its sustainability. The report was presented to the Texas Legislature and the Texas members of Congress. The report is available on the new CMSP webpage, www.ShoringUpTexas.org.
- Met with local elected officials in the coastal regions and discussed the coastal issues that are relevant to their communities. The five Coastal Issues Forums were held in Beaumont, Galveston, Port Lavaca, Corpus Christi and Port Isabel. The forums provided the GLO an opportunity to meet with elected officials to discuss the critical coastal areas in their regions and the issues affecting them, and examine the economic benefits and social value of their coastal communities.
- Established a coastal planning website to access the "The Texas Coast: Shoring up Our Future" report, which will be expanded and enhanced this next fiscal year.

- Continued working with Legal Services staff on revising CMP rules to reflect changes in Title 31, Part 16, Chapters 501, 503, 504, 505 and 506 of the Texas Administrative Code.

Hazard Mitigation Program
- Updated the Coastal Resources Tropical Storm and Hurricane Plan.
- Published and printed the "Texas Homeowner's Handbook to Prepare for Coastal Natural Hazards" in English (20,000) and Spanish (9,000) for use by local governments and individuals in planning for catastrophic events and other natural hazards along the Texas coast.
- Participated in the review and edit of the State of Texas Hazard Mitigation Plan.
- Reviewed and updated the GLO sections of the State of Texas Hazard Mitigation Plan for the Texas Division of Emergency Management, which was submitted and approved by FEMA, Region 6.
- Participated as a member of the State Hazard Mitigation Team, in the review and selection of grant applications submitted to the Texas Division of Emergency Management, which were forwarded to FEMA Region 6 for funding recommendations.

Texas Coastal Ocean Observation Network (TCOON)
- The GLO hosted the TCOON annual meeting with participation from the Texas Water Development Board, the U.S. Army Corps of Engineers, the National Oceanic Atmospheric Administration, and Texas A&M University – Corpus Christi (TAMU-CC).
- Worked to procure increased funding, under a CIAP grant, to construct an additional two sentinel stations -- bringing the total to four sentinel stations to be constructed at the jetties on South Padre Island, Port Aransas, Matagorda Ship Channel and Freeport, and joining the two stations at Galveston North Jetty and Texas Point. Texas will be the only state to have NOAA Sentinels of the Coast at every port entry, which are built to withstand a Category 4 hurricane.

Other Coastal Resources Activities
- Completed the division's Agency Business Processes.
- Completed scanning and loading of U.S. Army Corps of Engineers data (1940 - 2006) for the TxSed database and set up the system for the U.S. Army Corps of Engineers to upload new data for the GLO to process.
- Improved the division's accessibility to business records and its responsiveness to public information requests and litigation requests by digitizing and improving accessibility to business records.

Key Emphases Moving Forward FY 2015-FY 2019:

Beach Access and Dune Protection Program
- Work with local governments and land owners to ensure compliance with the Dune Protection Act and Beach/Dune Rules and their local Beach Access and Dune Protection Plans.

- Seek federal and state grant funding to enhance beach access for the public, including ADA accessible areas.
- Implement new Beach and Dune procedures to reflect new standards for determining public beach easements.
- Complete comprehensive quadrennial update to Title 31, Chapters 15 and 25 of the Texas Administrative Code.
- Continue to work through issues resulting from the Supreme Court of Texas ruling on *Severance vs. Patterson* and seek information and solutions to ensure public access.
- Maintain annual aerial imaging data collection and identify and collect data on beach use and easement locations to determine public/private beach access.
- Update the Dune Protection Manual and Texas Accessibility Guide and develop a comprehensive beach access and amenities list.
- Certify Dune Protection and Beach Access Plan amendments for the following communities: Galveston County, City of Galveston, Jamaica Beach and the Village of Surfside Beach.

Beach Maintenance Reimbursement (BMR) and Beach User Fee (BUF) Programs
- Continue to assist local governments with implementing the BMR and BUF programs and resolving compliance issues and concerns.
- Ensure partner compliance and improve efficiency of program administration.
- Incorporate additional communities into the programs, as requested.
- Maintain Standard Operating Procedures (SOP) guidance documents for each program and modify them iteratively, as changes to programs are made.
- Work with the field inspection team to optimize their processes and review.
- Implement and file any changes and clarifications to the administrative rules pertaining to each program.
- Review the administrative rules pertaining to each program and update, as needed.

Beach Watch Program
- Review and comment on EPA's draft 2014 National Beach Guidance and Required Performance Criteria for Grants.
- Implement sanitary surveys at additional coastal recreational beaches.
- Secure surplus trucks for use by local government laboratories for Texas Beach Watch sample collection.
- Continue to refine the Beach Watch Program to identify cost savings while maintaining the established testing protocols.
- Conduct a review of a contracted laboratory, per requirements of the Quality Assurance Project Plan.
- Provide the Texas Commission on Environmental Quality with data for inclusion in the yearly Integrated Report, which determines Texas recreational beaches impaired for bacteria.
- The GLO's Quality Management Plan will be submitted annually to EPA for their review and approval.

Circular A-133 Compliance Program
- Develop the monitoring plan including the monitoring timing, focus and resource planning.
- Pilot test the risk assessment model, gather feedback and revise as necessary.
- Revise and update the monitoring plan, including policies, procedures, and guidelines.
- Create a method to gather the data required internally to determine the monitoring population.

Coastal Erosion Planning and Response Act (CEPRA) Program
- Maximize ongoing opportunities for the use of FEMA Public Assistance funds to provide federal funding for the repair and enhancement of previously-constructed erosion response projects impacted by tropical storm events.
- Maximize ongoing opportunities to partner with the USACE for the beneficial use of dredged material arising from federal maintenance dredge events.
- Continue implementation of the Beach Monitoring and Maintenance Plan for engineered beaches.
- Establish a more streamlined and coordinated working relationship with federal regulatory agencies (e.g., USACE-Galveston District, USFWS, FEMA) to expedite the federal permitting process for erosion response projects, including the development of new general permits for beach nourishment.
- Initiate construction activities for the closure of Rollover Pass.
- Construct the McFaddin National Wildlife Refuge Beach Ridge Restoration Project to provide up to 20 miles of clay core dune to protect 30,000 acres of fresh-to-brackish wetlands.
- Complete the Bird Island Estuarine Habitat Restoration Project.
- Construct the Galveston Island Seawall and End of Seawall Beach Nourishment Projects.
- Complete the Surfside revetment repairs and beach nourishment activities.
- Complete upper coast beach and dune restoration projects involving Hurricane Ike damage claims presently pending FEMA approval (e.g., Jamaica Beach, Bolivar Peninsula, CR 257).
- Construct the Arturo Galvan Coastal Park Living Shoreline at Port Isabel.
- Execute new erosion response projects selected for Cycle 9 funding.
- Obtain permitting, design and construction for an engineered erosion response solution as the long-term response to address the chronic and worsening erosion at the Village of Surfside Beach.
- Maintain, protect, and restore a minimum of 10 percent of the critically-eroding shoreline each biennium.
- Leverage a minimum of 150 percent of CEPRA funds with federal funds each biennium.
- Continue funding for the UT-BEG updates of Gulf Coast critical erosion rates.
- Periodically update the Texas Coastal Erosion Response Plan.
- Complete the economic benefit-cost analysis study for CEPRA Cycle 7 construction projects.

- Continue regular flight missions for the expanded-capability LiDAR/aerial photography system by UT-BEG in support of coastal monitoring and erosion response projects.
- Initiate the Feeder Beach at Follet's Island study to look at permitting and engineering design of a beach nourishment project west of Treasure Island.
- Begin and complete Phase III of the CEPRA database.
- Complete basic back data entry for completed projects in the CEPRA database.

Coastal Impact Assistance Program (CIAP)
- Closeout all CIAP-funded projects by December 31, 2016, when authorization ends.
- Continue partnership with Information Systems on grants database for use as a project management tool.

Coastal Management Program (CMP)
- Continue to solicit project applications and award funds for CMP projects in compliance with state and federal guidelines.
- Prepare the CMP biennial report for the Texas Legislature on the effectiveness of the program.
- Conduct Section 309 assessment and strategies for 2015 – 2019. The draft is due to NOAA on May 1, 2015.

CMP Consistency and Planning & Policy Programs
- Update the Beach & Bay Access Guide data to incorporate post-Ike conditions and expand the information provided regarding amenities and activities available at each site.
- Continue to review and comment on actions for consistency with our CMP, incorporating efforts to streamline the review process, utilizing federal and agency partnerships.
- Submit program changes to NOAA's Office of Ocean and Coastal Resources Management, which incorporate the CMP rule revisions to Texas Administrative Code Chapters 501-506.
- Continue expanding the coastal planning website, www.ShoringUpTexas.org, to include specifics on resiliency and information gathered on regional issues of concern from meetings with the Technical Advisory Committee, local elected officials, and stakeholders.
- Develop a new GIS viewer and a common geodatabase of natural resource information, expanding upon the RMC data, to incorporate natural resources and human uses and activities to highlight potentially conflicting use areas for resource management decisions and planning.
- Develop new publication to build upon the information provided in "The Texas Coast: Shoring up Our Future" on the importance of the Texas coast to inform the Legislature and public.
- Begin work on resiliency efforts along the Texas coast and facilitate tools for local coastal communities to use for planning efforts.

Gulf of Mexico Energy Security Act (GOMESA) Program
- Continue to refine the contract template for GOMESA projects.
- Continue to develop a guidance document in anticipation of increase revenue for this grant program in the coming years.

Hazard Mitigation Program
- Participate in the adoption and implementation of the State of Texas Hazard Mitigation Plan.
- Continue to update the Coastal Resources Tropical Storm and Hurricane Plan each year.
- Participate, as a member of the State Hazard Mitigation Team, in the review and selection of grant applications submitted for funding to the Texas Division of Emergency Management.
- Send the "Texas Homeowner's Handbook to Prepare for Coastal Natural Hazards" in English and Spanish to local government officials in the Texas Coastal Management Zone and give the elected officials the opportunity to request additional Handbooks for distribution in their respective communities.

Texas Coastal Ocean Observation Network (TCOON)
- Continue to attend annual meetings with all partners and quarterly meetings with key partners.
- Construct five new TCOON tide gauge stations, which will increase the total TCOON stations to 32.
- Work with the TCOON partners to begin branding the TCOON Program, to expand to users the TCOON data currently utilized for both commercial and recreational purposes.

Other Coastal Resources Activities
- Update and reorganize Coastal Resources external web pages.
- Organize the General Correspondence on DocuShare and make it searchable.
- Attach procedures and other reference material to the Agency Business Processes.

Adopt-a-Beach

The Adopt-A-Beach program keep Texas beaches clean through annual all-volunteer cleanups, educates Texans, young and old, about harmful marine debris and rallies Texas support for the state, national and international action to clean coastal waters. The program works with various partners including the Ocean Conservancy and the International Coastal Cleanup, and Keep America Beautiful and the Great American Cleanup in order to educate the public on marine based debris and the effects that debris has on our shores. Without this program and its supporters, the public effort of keeping our beaches clean would not be as effective.

Successful Initiatives for FY 2014:

- Held a Beach Cleanup Expedition on a 4-wheel drive section of a remote beach on the Padre Island National Seashore, the first of its kind for the Adopt-A-Beach program.

- Increased our social media presence using Facebook, Twitter and online advertising.

- Worked with GIS to develop a GIS based Beach Guardian map that identifies the coordinates of each Beach Guardian's mile adoption location.

- Applied for and received a $20,000 grant from Shell Oil Company to help with online advertising and social media presence.

- Researched peer to peer fundraising and working to obtain software to help with a planned giving campaign.

- Received more than $19,000 in sponsorship dollars to help further the program's missions and goals and help underwrite the cost of the cleanups.

Key Emphases Moving Forward FY 2015-FY 2019:

- Develop planned giving campaign.

- Streamline online registration process for beach cleanup volunteers.

- Re-work Children's Art Contest rules and guidelines.

- Develop alternative, less costly ways to spotlight Beach Guardian groups.

- Revise rules and guidelines for becoming a Beach Guardian.

- Continue to research the use of an online store to help support the program, its mission and goals.

- Hold a coordinator workshop for site coordinators.

- Develop more educational materials.

- Work on getting more recycling available at check-in locations and work towards creating zero waste events.

Oil Spill

With over 4 billion gallons of imported oil going through Texas ports each month, the state has a unique responsibility to prevent and clean up oil spills. Oil spill prevention is a charge taken seriously at the Texas General Land Office. The Land Office's Oil Spill Prevention and Response Program (OSPR) was created in 1991 to take on this special mission and has grown into an internationally recognized model for coastal protection.

The mission of the program is simple: Educate, Prevent and Respond. This entails educating the public and the petrochemical industry about the danger of oil spills, taking measures to prevent even the smallest spills, and when spills do occur, responding immediately to protect the coast – day or night – because, even the smallest amount of oil in Texas' bays and estuaries can be devastating to fish, shrimp and other marine life, and the coastal economy.

Successful Initiatives for FY 2014:

- The program area put into production the long awaited MOSA (Main Oil Spill application) database, which replaced the fifteen year old OSDS application. Over two years in development, MOSA is a web-based, user friendly application that provides the functionality of three previous databases. Housing all of the data in one system eliminates duplicative data entry and thereby minimizes the potential for data entry errors, as well as enhancing the program's data management capability.

- The Program served as the lead State agency in the response to the Texas City Y incident which involved a 4,000 barrel oil spill caused by the collision between the cargo vessel Summer Wind and tank barge Kirby 27706 which occurred on March 22, 2014. The Program, using MOSA, tracked and invoiced actual expenses and received $459,773 in response costs reimbursements from Kirby on June 16, 2014.

- The Program significantly upgraded its maritime response capabilities. The agency designed and purchased a new $131,000 boat that will serve as a test bed for new technology which will be in service by August 1, 2014. This six-person boat's new technology includes: specifically designed aluminum alloy for salt-water environment, electrical features for longer hull life, new sonar and safety technology. It will allow safer response in rougher weather than any other vessel the program has ever owned. The agency also acquired five (one for each of our regional offices) 25' safe boats built to military standards from General Services Administration (GSA) at no cost, which was great re-use of taxpayer money. Four will be placed in service this year. The fifth is being re-fitted and will be in service in FY 2015. The average value of each of the boats is $200,000. Although the program acquired the boats for free, putting each boat into service costs between $10,000 and $40,000. Finally, the agency has used its innovative self-remodeled trailer (nicknamed "Snatcher") to remove several abandoned vessels, saving the state thousands of dollars.

- The Program coordinated and established a Memorandum of Understanding (MOU) with the Texas Commission on Environmental Quality whereby the TCEQ will pay the GLO $34,800 per year for FY14-21 for the services associated with state-wide 24-hour 1-800 Environmental Hotline. The Hotline is managed by the GLO and the GLO has absorbed all of the expense since 1991. FY14 is the first year the agency received assistance with the funding from TCEQ.

- Region 3 upgraded the communications of their mobile command post and received $100,000 on March 7, 2014, for reimbursement from FEMA.

- The Natural Disaster Operational Workgroup (NDOW) made strides in the process in 2014. Following the response and recovery from Hurricane Ike in 2008, a review identified several areas that needed improvement and better coordination relative to Emergency Support Function (ESF) 3 (Public Works and Engineering) and ESF-10 (Oil and Hazardous Materials Response). The review is required by the National Response Framework (NRF) and the National Contingency Plan (NCP). A work group of operational personnel was initially formed from two state agencies and two federal agencies. They included the Texas Commission on Environmental Quality (TCEQ), Texas General Land Office (GLO), U.S. Environmental Protection Agency (EPA) Region 6 and the U.S. Coast Guard (USCG) District Eight-Gulf Strike Team (GST). The group, NDOW, has been meeting since April 2009 and has developed one centralized data management system with agreed upon Data Quality Objectives. EPA's Response Manager software is the centralized data management system utilized. Data Quality Objectives have been created by all agencies to utilize during a natural disaster event to fit all operational and reporting requirements. Standardized field data sheets have been created to utilize in the field during the assessment, response and recovery process. Currently, seven Standard Operating Procedures have been finalized by the workgroup, and include Rapid Needs Assessment, Orphan Container Evaluation, Orphan Container Recovery, Facility Vessel Oil Spill Assessment, Facility Vessel Oil Spill Removal, Water Infrastructure Assessment and Waste Collection Pad set-up and Operation. Four field data sheets have been finalized for field use. Since May 2010, four multi-day training sessions have been held in Corpus Christi, Houston, Port Arthur and Harlingen/Brownsville, and in Mobile, Alabama. Personnel from TCEQ, GLO, USCG, TPWD and NOAA have been trained in EPAs Response Manager software, the SOPs and field data sheets. Over 200 Federal, State and Local response personnel have been trained. The most recent training exercise was conducted in the Houston/Galveston area on June 2-3, 2014. Additional information can be found at http://NDOW.net. All of these NDOW documents are included in the 2013 Texas Coastal Oil Spill Planning and Response Toolkit (Toolkit), which in itself was an accomplishment.

- The 15th annual Toolkit was rolled out at the Clean Gulf Conference in Tampa in December of 2013. This effort was directed by our Scientific Support Coordinator and it includes over 200 new Geographic Response Plans (GRPs) as well as the newly revised USCG District 8 Area Contingency Plan.

- The GLO's Hurricane Storm Plan was finalized and released in June 2014.

- Forty abandoned vessels were removed from Texas coastal waters in calendar year 2013.

Key Emphases Moving Forward FY 2015-FY 2019:

- Personnel will continue to develop and implement prevention initiatives with industry and the United States Coast Guard in order to decrease the number of

spills in Texas coastal waters. Aggressive enforcement of program regulation and the continued imposition of administrative penalties will continue to be the cornerstones of this effort.

- The program will continue its efforts to identify and remove abandoned and/or derelict vessels and structures. Nationally, marine debris, and more specifically the removal of coastal abandoned vessels and structures is a high priority, as identified by NOAA's National Ocean Service, Office of Response and Restoration. Prevention, Removal and Education/Outreach are three primary program goals. While many vessel owners dispose of their property properly, the trend of a growing coastal population, decreasing commercial fishing and increasing recreational fishing and commercial coastal development has resulted in a steady increase in the number of abandoned vessels and structures coast-wide. Currently, over nine hundred (900) vessels have been documented as derelict and abandoned. Over the last decade, several non-governmental organizations have coordinated, organized and secured funding for vessel and structure removals, but there has never been a state-wide coordinated effort or a dedicated funding source. Prior to 2005, no significant deterrent or state or federal regulatory mechanism existed to address this problem. In 2005, the 79th Texas Legislature passed H.B. 2096 relating to the removal and disposal of vessels and structures in coastal waters, and the bill was signed into law by Governor Perry. The law expands the authority of the Texas Land Commissioner to remove and dispose of any vessel or structure that has been abandoned in Texas coastal waters and is in a wrecked, derelict or substantially dismantled condition, after a finding that the vessel or structure: has been involved in an actual or threatened unauthorized discharge of oil; is a threat to public health, safety, or welfare; is a threat to the environment; or is a navigation hazard. A specific budget appropriation was not attached to the legislation. The program is currently being funded by three separate CIAP grants totaling $2,112,000, which has been used to remove over 700 of the vessels referenced above and over a dozen coastal structures. As these CIAP grant funds are drawn down, future funding for the program is uncertain. Developing a permanent, dedicated funding source is a high priority. The impact that a successful vessel and structure removal program can have on both short-term and long-term coastal vitality, sustainability and environmental health will be felt for generations.

- The program will continue to support the NDOW process because of the enhanced efficiency achieved during the response and recovery to natural disasters. Protecting human health, safety and welfare, and reducing impacts to the coastal environments is the group's highest priority.

- The program will continue to maintain and enhance bilge reclamation facilities. Region three is working on an upgrade of GLO Bilge Facility piping system at the Aransas County Navigation district, South Cove Harbor, Aransas County, Texas.

- The Deepwater Horizon (BP-DWH) Natural Resource Damage Assessment process could provide much-needed funding for coastal restoration and conservation projects, but it will be long and labor-intensive. The OSPR Program will support and implement the NRDA process in order to obtain the maximum benefit for restoration of natural resources lost because of the BP-DWH oil spill.

- Events surrounding the BP-DWH incident will require the program to closely monitor federal legislative and regulatory activity. This incident will likely result in a dramatic and comprehensive restructuring of oil spill policy on a national level. It may also impact state policy, depending on its scope and applicability.

VLB - Veterans Land and Housing

The VLB provides efficient land and housing loan programs that produce opportunities for Texas veterans, military members, their families, and industry associates by incorporating sound business practice, advanced technology and cutting edge innovations to offer the very best package of veterans' benefits in the nation.

Successful Initiatives for FY 2014:

- Increased visibility in digital media: increased number of "likes" on Facebook from 10,000 in 2013 to more than 25,000 in 2014; quadrupled monthly unique visits to VLB Blog from 868 in 2013 to 3,308 in 2014; generated 31% increase in unique visits to TexasVeterans.com.

- Fully implemented an outbound call process for direct outreach to veterans, military members, and their families.

- Established an intergovernmental partnership with the U.S. Department of Veterans Affairs, the Texas Veterans Commission and the Adjutant General Department to host regional veteran benefit fairs at VA health care facilities; the events accrued no facility or direct mail costs, resulting in annual savings of more than $50,000. A feedback survey indicated the benefit fairs were one of the most significant reasons veterans learned about VLB land and home loan programs.

- Expanded outreach and enhanced relationships with participating industry partners to include: realtors, lenders, contractors, developers, County Veterans Service Officers, advertisers, and media.

- Conducted an assessment of the impact of the 2009 brand campaign to be used in development of future branding and marketing strategies.

- As of the FY 2014 third quarter, the agency is on track to meet its FY 2014 goal of achieving 2,500 pre-qualification land loan applications that are expected to produce 1,270 contracts.

- The agency successfully developed a media campaign using actor and Marine Veteran Barry Corbin to expand demand for land loans and to meet the demand for home and home improvement loans.

- As of the FY 2014 third quarter, loan operations achieved an average 8-day reduction in land loan (contract to closing) processing time.

- Successfully employed an electronic signature advanced technology software to provide a more effective loan operation and business process.

- Successfully developed and employed a cutting edge electronic dashboard software program that provides a real time status of key performance indicators.

- Improved loss mitigation performance using advanced technology to allow online bidding, which provides a more efficient and timely process for forfeited land sales.

- As of the FY 2014 third quarter, the land program is on track to increase annual originated land loans by over 30%.

- As of the FY 2014 third quarter, the VLB saved more than 70% of its delinquent loans from forfeiture.

- Restructured the Veterans Home Improvement Loan application process for a more user friendly and sound business practice.

Key Emphases Moving Forward FY 2015-FY 2019:

- Seek board review and consideration for offering land loans with varying terms that are less than 30 years.

- Seek board review and consideration for lower land loan interest rates, to be made available for applicants who seek shorter terms.

- Seek board review and consideration to expand the current $25,000 home improvement loan limit.

- Seek board review and consideration to expand the current $100,000 land loan limit.

- Conduct a feasibility study to assess, for board review and consideration, additional loan benefit programs that include: Refinancing Home Loans, Establishing Home Equity loans, and providing for additional authority to overcome Home Improvement Loan impediments.

- Develop future FY operational budgets with measureable performance goals that will meet demand for home and home improvement loans consistent with fund limitations.

- Develop future FY operational budgets with measurable performance goals that will create demand for land loans.

- Develop an advanced technology bidding process for forfeited tracts available to the general public that incorporate sound business processes and an integrated database for recording, auditing and reporting these sales.

- Enhance automated data integration to reach, teach, and serve more veterans, military members and their families through our Customer Relationship Management System (CRMS).

- Develop and implement a mobile friendly website.

- Increase visits to TexasVeterans.com by 10 % per year.

- Apply cutting edge technology (e.g. Webinars) to reach and teach participating industry professionals, Veterans, Military members and their families.

- Collaborate with intergovernmental partners and industry professionals to assist Veterans with credit repair and enhance Veterans ability to repay loans.

- Maintain an abandoned call rate of 3.75% or less for the Texas Veterans Hotline Call Center.

- Provide Marketing and Texas Veterans Hotline Call Center support for the State Veterans Home and Cemetery Programs.

- Provide Texas Veterans Hotline Call Center support for the Texas Veterans Commission.

VLB - Veterans Homes and Cemeteries

The Veterans Land Board, Texas State Veterans Homes and Cemeteries Program Area is a leader in providing quality, attractive and dignified long-term care facilities and cemeteries for veterans. The program area is committed to the needs and values of the communities it serves, while making a positive difference in the lives of veterans and their families on a daily basis.

Successful Initiatives for FY 2014:

- Completed a reorganization and restructuring of responsibilities and activities to improve the oversight and monitoring actions of the program.

- Developed and implemented a program area-wide FY 2014 Strategic Plan comprised of five strategic priorities with measureable objectives.

- Developed a risk-based approach, the Accelerated Performance Improvement Plan, to plan interventions and conduct monitoring visits to the Texas State Veterans Homes (TSVH). The plan is developed by a wide range of criteria, including an analysis of clinical outcome data to improve the quality of care in the TSVHs.

- Initiated and developed a military environmental assessment and training program designed to improve the TSVH environments by recognizing the impact and importance of military culture. The "Understanding the Veteran Resident" training

initiative has been recognized at state and national levels, including the National Association of State Veterans Homes. The accompanying video was recommended for the 2014 NASVH Summer Conference viewing and an award of continuing education credits.

- Developed and implemented a Memory Support Unit (MSU) project that included training in the CARES program for over 407 staff members (including non-MSU staff) in all eight Texas State Veterans Homes, development of activity stations in each MSU, and additional training through the Virtual Dementia Tour (VDT). The VDT provided significant insight into the lives of residents suffering with dementia.

- Maintained a steady increase in the average daily census in the Texas State Veterans Homes since the opening of the Watkins-Logan Texas State Veterans Home in Tyler in FY 2012, as illustrated by the following chart.

- Continued to pursue projects through the federal Veterans Administration's Home Construction Grant Program (65 percent federal match) and Cemetery Grant Program (100 percent federal match). Texas has three projects on the USDVA's 2014 Priority List totaling $7.1 million and two grants submitted for FY 2015 funding totaling more than $5.9 million.

- Completed over $7.6 million in grant renovation projects at the four original Texas State Veterans Homes. Changes and upgrades included: replacement of rooftop HVAC air handling units, dishwashers, boilers, and nurse call systems; remodeling of nurse stations and kitchenettes; and, upgrades to departure alert systems, fire alarm panels, and shower rooms.

- Received awards for two grants from the USDVA's National Cemetery Administration in FY 2014 totaling $5.4 million. Seven hundred columbarium niches are being added to the Rio Grande Valley State Veterans Cemetery and 4,000 crypts to the Central Texas State Veterans Cemetery.

- Completed the TSVH&C data dashboard design infrastructure to support TSVH&C data management and improve monitoring of operational key point indicators.

- Increased community awareness of burial benefits to Texas veterans and their families through a re-focused and aggressive marketing and outreach campaign.

- Received a 2014 Bronze American Health Care Association (AHCA)/National Center for Assisted Living (NCAL) National Quality Award for the Clyde W. Cosper TSVH and a 2013 Bronze AHCA/NCAL National Quality Award for the Frank M. Tejeda TSVH in Floresville after successful completion of survey compliance status.

- 63 percent of long-stay quality measures are performing at or better than the Comparison Group State Average across all TSVHs.

- 10 of 14 long-stay quality measures monitored across all TSVHs have demonstrated a downward trend over the past 6 months; at least three data points of consecutive improvement.

Key Emphases Moving Forward FY 2015-FY 2019:

- Increase the use of electronic medical records to ensure uniformity across all Texas State Veterans Homes and enhance how the TSVH&C serves veterans while providing coordination of care across the continuum.

- Increase community involvement, awareness, and support of the Texas State Veterans Homes and Cemeteries.

- Continue the directed campaign to advance and improve the TSVH Memory Support (Alzheimer's) programs by using web-based training programs developed by Healthcare Interactive and the Alzheimer's Association that provide certification in advanced dementia care to staff successfully passing required exams.

- Improve care coordination and care delivery processes to reduce healthcare acquired conditions.

- Increase the use of technology and improve communications and processes to better manage and deliver services across the TSVH&C operations.

- Provide customer service that is relevant, timely, and accurate to meet the needs of resident, families, and the communities we serve.

Archives and Records

The Mission of Archives and Records (A&R) is to collect, preserve, and provide access to the historical records of the Texas General Land Office. The division is dedicated to preserving and continually improving access to the unique material under the agency's care. Through stewardship, innovation, and commitment to quality customer service, the division's goal is to make the archival holdings of the Texas General Land Office available to the broadest audience at the least cost and to advance a greater understanding and appreciation of Texas history.

Successful Initiatives for FY 2014:

- Attended 60 outreach events, including exhibitor booths and presentations for the public, outside of the agency. Customer groups the agency focused on this

year included leadership groups of House and Senate constituents, land surveyors, genealogy groups, Texas history educators and administrators, graduate students in history, the Tejano history community, historical/vocational groups, librarians, and archivists.

- Hosted 60 tours of the GLO Archives for the public. There were 837 people who attended these tours.

- Hosted the 4th Annual Save Texas History Symposium, at the Alamo. There were 237 attendees.

- Partnered in hosting the 1st "Genealogypalooza" with the Texas State Genealogical Society (TSGS). There were 100 attendees.

- Developed two exhibits at the Alamo: *Alamo Origins: The Birth of Spanish Texas* & *Standing Their Ground: Tejanos at the Alamo*. Both were well received, and garnered goodwill for the Alamo and the GLO.

- Researched content and images for a brand new Alamo commemorative guide, which is now on sale at the Alamo Gift Shop.

- Researched content and images for an Alamo orientation film to be used at the Alamo, and to be aired on the History Channel and available for purchase.

- Completed the first physical inventory of Map Vault, and determined that there are 45,000 unique items.

- Acquired the digital images of all maps that feature Texas from the Library of Congress, adding to our online map database – there were over 50 images that were acquired to add to the GLO's collection.

- Purchased 15 maps to supplement the agency's map collection for research and purchases.

- Added 110 additional descriptions of GLO archival collections to the Texas Archival Resources Online (TARO) and added to the Additional Collections section of the GLO's website.

- Acquired new digital equipment for the Research Room: A new digital microfilm reader, four new laptop computers for use by customers, and acquired flash drives for purchase by customers to take better advantage of numerous digital assets while reducing the photocopying of GLO archival documents.

- Adjusted fees for digital images and publication fees, to be more consistent with other archives, and simplified the pricing structure; digital images and publication/use fees are now $50/each.

- Partnered with the Texas State Historical Association (TSHA) to begin the scanning of map collections of private individuals to build the division's digital map collection for research and purchase.

- Scanned 10,830 Land Grant and School Files, or 110,974 pages. The division has scanned all land grant files for 35 of 38 Land Districts in Texas. It will take approximately four years to finish the last three land districts.

- Scanned 1440 Mineral Files, or 221,509 pages, and placed the digital images online.

- Scanned 6,695 files for the GLO Legal Department, Coastal Program, Office of Veterans Records (OVR), and the Alamo/DRT, or 80,558 pages, for various uses of those digital files by the other program areas.

- A&R performed exceptionally well on the 2014 Customer Service Survey, with an overall 98% satisfaction rating.

- Educational workshops the division successfully participated in, during 2014, include:
    - A&R staff attended the Texas Society of Professional Surveyors Annual Conference, and led a 4-hour workshop on using the resources of the GLO.
    - A&R staff attended the TxDOT Annual Surveyors Conference and led a 2-hour workshop on using the resources of the GLO. A&R staff participated in 3 other regional surveying meetings.
    - A&R staff attended the Texas Council on Economic Education and led a 2-hour workshop on using the resources of the GLO for educators and Texas economists.
    - A&R staff attended the Texas State Genealogical Society Annual Conference and led a 2-hour workshop on using the resources of the GLO for genealogists. A&R staff participated in 15 additional genealogy conferences/meetings across the state.
    - A&R staff attended the Texas Library Association Annual Conference and led a 1-hour workshop on using the resources of the GLO for librarians.
    - A&R staff attended the Texas State Historical Association Annual Conference, and actively participated in several different aspects of the event.

Key Emphases Moving Forward FY 2015-FY 2019:

- Improve User Interfaces (UI) for Online Map Database and Online Land Grant Database to serve as better research tools, as well as a better store front for map purchases.

- Release new publication about the history of the Land Office and Land Commissioners.

- Acquire 400+ boxes of early GLO administrative records that are currently housed at the Texas State Library and Archives Commission. These records represent the earliest known documents about the administration of the GLO

prior to the Civil War in the 19th Century. A&R can create in-depth finding aids for this material and provide better access to them than is presently happening, while better researching the early history of the agency.

- Implement Archives and Records Social Media Plan to better connect with users and interested persons.

- Implement a Point-of-Sale (POS) system for map and copy sales to simplify the purchasing process for customers.

- Establish a crowdsourcing transcription service as part of the Land Grant Database to allow "the crowd" to transcribe historical documents. This engages users and makes documents more accessible/searchable. A&R is currently planning to have the largest crowdsourcing transcription project in the country.

- Release publications regarding the history of cartography of Texas, and smaller publications about various Special Collections at GLO.

- Ongoing Projects:
  - Pursue grant opportunities to fund conservation, educational outreach, and digital projects.
  - Scan map collections of other archival entities in Texas, to provide better access to their collections, and provide new revenue streams by adding to the agency's digital collection.
  - Continue digitizing Land Grant records, Mineral Files, School Land Files, etc.
  - Raise the profile of the Spanish Collection by creating bilingual online exhibits, a Spanish Collection web page, and release a publication about Spanish and Mexican land policies before 1836.
  - Acquire historic maps of Texas to compliment the current map collection, providing the most comprehensive online map resource for Texas and the Southwest.
  - Find new markets and opportunities for map sales and educational opportunities for the public.
  - Seek new revenue streams to continue funding the conservation program.
  - Develop historic GIS tools with the GLO GIS Team.
  - Continue to support the Alamo with assistance and resources for historical exhibits.
  - Expand collaborative efforts with other institutions and agencies.
  - Expand archival training and other educational opportunities for staff.
  - Maintain the current level of outreach opportunities in the midst of tight state budgets.

Disaster Recovery

The Disaster Recovery (DR) Program seeks to rebuild, restore, and revitalize communities affected by disasters. This includes housing (both single and multi-family and down-payment assistance) and infrastructure (public facilities from roads to seawalls, drainage, and energy generators), as well as long-term planning and economic development. The most prevalent example of DR's work would be the $3.1 billion HUD Community Development Block Grant (CDBG) that the DR Program manages for recovery related to Hurricanes Dolly and Ike. The DR Program also provides oversight of $36 million in HUD grant funds to help restore both homes and infrastructure in Bastrop and other areas affected by the wildfires of 2011. In total, DR has projects in 64 counties that represent about 45% of the Texas population.

Successful Initiatives for FY 2014:

- GLO-DR has closed 25 different community housing grants (both single family and multifamily) during the first three quarters of fiscal year 2014 in addition to 31 non-housing grants.

- The closed grants represent 806,010 beneficiaries served from projects funded by the CDBG-DR program.

- Successfully closed out the housing program in Bastrop which was state run from start to completion.

- Began building a comprehensive, public facing, SharePoint website where all DR program policies and procedures will be published. The new website will also contain videos, training and social media elements to continue to educate program participants and the public about the DR program. This website is being built to establish a model for future disasters.

- Began development of the Texas Recovery System (T-RecS) database to automate the processes within disaster recovery and to combine the multiple systems previously used when the program was spread between more than one agency. T-RecS will capture, manage, store, preserve, and deliver content and documents related to the program.

- Became the lead agency researching the feasibility of a state-wide data sharing project to support expedited service to the citizens of Texas impacted by disasters.

- Founded a multi-state forum in FY2014 to exchange ideas and allow existing programs to advise and assist other states in starting up their own Disaster Recovery programs. Participants have included New York, New Jersey, Colorado, Mississippi, and Louisiana.

Key Emphases Moving Forward FY 2015-FY 2019:

- Continue to evaluate existing procedures for a leaner, less bureaucratic approach.

- Continue to further the programs emphasis on Fair Housing while providing quick and efficient long-term disaster recovery services to Texas communities.

- Continue to develop and expand the Texas Recovery System (T-RecS) database to streamline the disaster recovery process.

- Continue work on content of new DR website – to go live to the public in early FY 2015 – to include ongoing updates.

- Continue emphasis on improving the program Grantees' responses to providing economic opportunities and improved job prospects for local residents through DR's Section 3 Program.

- Develop long-term initiatives for DR Program sustainability in the face of potential future disasters that may affect Texas in order to provide expedited preparedness, continuity, and the most efficient disaster recovery available in any state in the U.S.

The Alamo Complex

The General Land Office has jurisdiction over the Alamo Complex and therefore plays a critical role in the preservation, maintenance, and restoration of the Alamo Complex and its contents. The Land Office's operations participate in the protection of the historical and architectural integrity of the exterior, interior, and grounds of the Alamo Complex. On January 1, 2012, the GLO entered into a Management and Operating Agreement with the Daughters of the Republic of Texas (DRT) for the management, operation, and financial support of the Alamo Complex. The GLO has entered into a 3-year renewal with DRT, effective September 1, 2013.

The second Annual Management Plan, effective September 1, 2013, was prepared and submitted by the DRT. The Management Plan includes the Alamo's budget, improvements to the Alamo's educational programs, improvements in operational efficiencies, increases in revenue, and building financial support to enhance the preservation efforts.

Successful Initiatives for FY 2014:

- Executed a 5-year contract with Event Network to operate the Alamo gift shop in October 2013. Per capita spending by visitors in the gift shop has increased 51%.

- Began implementing special temporary exhibits to improve the visitor experience and encourage repeat visits.

- A new website was brought online. Navigation was improved and new features to assist the visitor were added including online membership options for Allies of the Alamo and the ability to accept donations online.

- The GLO continues to work with an outside law firm that specializes in trademarks and patents. The agency is in the process of getting rights for THE ALAMO and THE ALAMO with the roofline logo included. To date, the agency has been awarded mark rights from the USPTO for six classes under THE ALAMO mark and four classes under THE ALAMO w/Roofline logo mark. The GLO has also successfully filed applications for five more classes (inc. both marks) and anticipate getting approval within the next 4-6 months.

  The GLO is in talks with two local firms to improve and target markets for branding and product expansion. These talks will continue through this summer with an estimated contract negotiation/signing in the fall of 2014.

- The 83rd Legislature appropriated $1.5 million for repairs and maintenance of the Alamo Complex. Maintenance and repair projects include: Arbor roof extension (completed Spring 2014), replace HVAC equipment throughout the complex (Administrative Offices January 2014 / Gift Shop and Long Barracks were completed Spring 2014), installed a handicapped ramp at the entrance of Alamo Hall (complete Fall 2013), designed and installed energy efficient exterior lighting throughout the complex (will recoup cost with energy savings in 3 years), restore windows and doors (in progress), remodel Alamo Hall (in progress), and IT improvements (in progress).

- An existing grant from the Ewing Halsell Foundation is being used to fund five preservation contracts which were awarded to perform structural studies of stone conditions, explore pre-colonial paint/graffiti, temperature and humidity studies and documentation, and infrared photography to study the interior walls. Additionally, this grant was used to replace the roof of the Shrine (2012) and is currently being used to fund the replacement of the roof on the Long Barrack.

- GLO Information Systems is working on Phase I implementation of hardware and software replacement and refresh schedules - coinciding with the GLO's internal operations - at The Alamo. The project will upgrade the Wifi in the Shrine in order to install Data Loggers to collect needed temperature and humidity information used for future restoration projects and to qualify for traveling temporary exhibits. Most projects require a minimum of 12 months data in order to be considered for scheduling or continued research.

- The Alamo Endowment was established and its 501(c)(3) status was secured.

- An inventory of Alamo artifacts was completed and documented. The inventory of the Alamo Research Center is on going.

- The City of San Antonio established a committee to study and make recommendations about the future of Alamo Plaza. The GLO has a seat on the committee.

Key Emphases Moving Forward FY 2015-FY 2019:

- Complete the remodel of Alamo Hall – includes updating the sound system, repainting, restoration work on the doors and windows, cleaning and refinishing the historic tile floors, and improving the acoustics. This remodeling will enhance the ability to rent out the facility, which in turn will increase revenue for The Alamo Complex.

- Complete the HVAC replacement plan.

- Complete Phase I and begin Phase II of IT improvements.

- Establish fundraising activities for the Alamo Endowment.

- Continue to research and establish a plan to create a virtual classroom for schools to use when studying the history of the Alamo.

- Implement a phased approach for upgrading all interior lighting to energy efficient LED lamps. All interior lights will be museum quality and approved for displaying artifacts and documents.

- Complete and review all health and safety identified projects throughout the complex: repair/replace all uneven sidewalks to prevent tripping hazards, address poor drainage of rain runoff in low areas, test and update all electrical outlets, boxes, etc.

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EXTERNAL FACTORS

The summary of information contained within the following section will provide a synopsis for how program areas within the agency directly interface with the public and/or provide services for the public's direct benefit. In addition, further details are provided to describe the external forces that influence the agency operations carried out under the purview of its program areas. In aggregate, these narratives illustrate how the agency impacts and is impacted by, the external operating environment. The next few paragraphs will detail the core operations of various program areas, followed by analyses under the captions for economic conditions, trends, opportunities, federal and state legislation, litigation, and demographics.

Asset Management

The Asset Management Program consists of two divisions, housing 10 employees. The Asset Management Program is responsible for managing the internal Permanent School Fund (PSF) portfolio, including the acquisitions and dispositions of investment-grade real property and sovereign land tracts for the benefit of the PSF. The investment-grade portfolio of properties is managed by the Discretionary Portfolio Management team and the sovereign land portfolio is managed by the Inventory and Dispositions team. Both teams work to maximize returns on PSF property through the negotiation of acquisition and disposition transactions. Many investment-grade assets in the internal portfolio have created significant economic development activity in the state and have had a positive effect on local communities. Taking advantage of investment opportunities has an external influence on local and regional markets by effectively providing investment capital toward long-term development projects.

The Program also inventories and performs evaluations every four years on all state agency-owned real property and manages the disposition of underutilized state agency real property as authorized. The marketing and sale of underutilized state agency properties provides opportunities to extend the life of specific state assets for the good of the state and local economy.

Professional Services

The Professional Services Program Area is comprised of four main divisions: Appraisal, Asset Inspection, Survey, and Technical Support/Construction Services. These four divisions, total 93 employees, whom are located throughout the state including offices in Austin, Alpine, Corpus Christi, and La Porte, Texas. All services are in accordance with applicable statutes, rules and established professional standards to ensure the highest quality work product. The aim of the program area is to maximize revenue to the Permanent School Fund (PSF), while balancing environmental considerations. The Professional Services Program promotes

excellent, responsive customer service at all times, as it is a frequent point of contact between the customer and the agency.

Coastal Resources

As stewards of state-owned lands, the GLO is responsible for management of 367 miles of Texas coastline - from the vegetation line on the beach to 10.3 miles into the Gulf of Mexico, as well as millions of acres of submerged land in coastal bays. The Texas coast includes a complex system of barrier islands and peninsulas with more than 191,000 miles of rivers and streams, seven major estuaries, and approximately 200 major springs. Of the 12 major watersheds in Texas, only one does not flow into the Texas coast.

The 18 counties within the Texas coastal zone make up one-tenth of the state's total land area and include six million residents, which represent roughly 26 percent of the state's population. The Texas coast has tremendous biodiversity. More than 457 species of fish and 343 species of invertebrates are found in the estuarine and marine waters of Texas. The health of the Texas coast is vital to the environment, the economy, and the well-being of Texas coastal communities and the entire nation.

Texas beaches, coastal waterways, and habitats are essential components of the state's economy. Making sure that these vital resources continue to thrive is the mission of the Coastal Resources Program Area.

Oil Spill

The GLO is the state's lead agency for responding to oil spills that enter, or threaten to enter, coastal waters. When oil spills into coastal waters, the Oil Spill Prevention and Response Program (OSPR) springs into action, working with the United States Coast Guard and the responsible party, to direct resources aimed at stopping, containing and cleaning up oil spills. Accomplishing such tasks requires cooperation with several external parties including the ports, industrial plants and petroleum refineries that are the keystone to the state's economy, as well as commercial shrimpers, fishermen and others who work and play on the water. The OSPR Program responds to even the smallest reported oil spills that enter, or threaten to enter, Texas coastal water - with very few exceptions (ex: weather-related safety issues). The OSPR Program is world-renowned for its pro-active, preventive approach to keeping oil out of the state's waters. Five Oil Spill field offices are located along the Texas coast to directly serve as resources to the public and monitor the Gulf waters along the Texas shore.

In addition, the OSPR Program Area includes: a research and development division; a compliance program that includes oil-handling facility certifications; vessel inspections and registrations; vehicle and boat patrol components; a program to remove abandoned and derelict vessels; and the Natural Resources Damage

Assessment Trustee Program. Each of the preceding areas has a distinct impact on the external operating environment.

VLB - Veterans Land and Housing

The Veterans Land and Housing program serves Texas veterans with: land loans, home loans, home improvement loans, Texas State Veterans Homes and Texas State Cemeteries. The Texas Veterans Hotline 1-800-252-VETS is also managed by the VLB in partnership with the Texas Veterans Commission (TVC). Through the Texas Veterans Hotline, direct marketing outreach and the VLB's digital marketing efforts, the VLB connects Texas veterans with the entitlements and resources available to them.

VLB - Veterans Homes and Cemeteries

State Veterans' Homes: The Veterans Land Board currently contracts for the operation of eight long-term care veterans homes. The homes are located in Amarillo, Big Spring, Bonham, El Paso, Floresville, McAllen, Temple, and Tyler. Each home is a modern, Medicare and Medicaid–certified nursing facility accommodating between 100 and 160 residents in semi-private or private rooms. Each home is also certified for Alzheimer's care, with a separate living area for these residents and a separate, secured courtyard area. The VLB continues to seek funding to construct additional facilities to meet the demonstrated need for Texas veterans.

State Veterans' Cemeteries: Built through a partnership between the State of Texas and the USDVA, the Texas state cemeteries are managed by the VLB and are located to complement the four national cemeteries in San Antonio, Houston, Dallas-Fort Worth, and El Paso. Located in Killeen, Abilene, Mission, and Corpus Christi, the four Texas State Veterans Cemeteries allow the capacity to provide a final resting place to over 141,000 veterans and families.

Archives and Records

Established in 1837, the Archives of the Texas General Land Office consists of land grant records and maps dating to the 17th Century and the passage of Texas public lands to private ownership. Still important to Texas because of their legal value, the materials are also now highly regarded by historians, genealogists, lawyers, surveyors, landmen, archeologists, geographers, teachers, students, and other external constituents. The core functions of Archives and Records have been identified as one of the critical functions of the General Land Office.

Disaster Recovery

As stated previously, the DR Program maintains administrative costs consistently fewer than 5%, which exceeds federal mandate on all HUD grant monies. This

accomplishment allows a far greater impact of federal dollars to accrue to the benefit of the people and communities of Texas affected by the natural disasters for which the grant funds are intended. More infrastructure projects are thus produced and more homes rebuilt or rehabilitated.

Energy Resources

Energy Resources is comprised primarily of two departments, being the Mineral Leasing and the State Energy Marketing Program. Mineral Leasing leases state-owned minerals for oil, gas, and other mineral, benefitting the Permanent School Fund and other State agencies. Further, Mineral Leasing facilitates the leasing of PSF lands for solar, geothermal and wind resources. Mineral Leasing also issues geophysical permits and prospect permits for mineral exploration; reviews pooling/unitization applications; provides research and mapping expertise; processes lease terminations, delay rentals and shut-in royalty payments; performs volumetric reviews, such as drainage and metering/commingling cases; and physically inspects and monitors leases producing state-owned oil, gas, and hard minerals throughout the state. Mineral Leasing's operations ensure that the PSF receives market rates for mineral and renewable leases and monitors lease compliance by lessees.

SEMP examines oil and gas production from state lands and determines whether taking that production in kind rather than in cash would be profitable to the PSF. SEMP then markets state oil and gas production and associated power, providing energy savings to Public Retail Customers, PRCs, while enhancing earnings to the PSF. SEMP adds value by helping PRCs control cost and provides additional income to the PSF to lessen the burden on the taxpayer. The current economic climate has placed strain on PRCs' budgets. Energy Resources adds value by providing state natural gas and electricity generated from natural gas to PRCs at competitive rates. Approximately sixty percent of electricity generated in Texas is sourced from natural gas. Since natural gas prices are depressed and electricity demand is down due to the recession, PRCs have the opportunity to reduce their energy costs.

Adopt-A-Beach

Since the GLO's implementation of this statewide, all-volunteer campaign in 1986, more than 458,000 volunteers have removed more than 8,700 tons of trash from Gulf and bay beaches from Jefferson County to Cameron County. The program helps educate citizens about the sources of marine debris and beach litter, and generates support for state, national an international action to clean up beaches and coastal waters.

The Adopt-A-Beach program held its first Beach Cleanup Expedition this year at the Padre Island National Seashore near Corpus Christi. The event had both an educational component and also an active participant component in removing trash from a remote, 4-wheel drive section of the seashore. Participants were first briefed about the types of marine debris that is found on our shores, how long it takes to decompose in the environment, and how the oblique and loop currents wreak havoc on our shores. They

were then driven to various locations on the beach and worked in teams to remove the most amount of trash from their section of the beach. There was such a large amount of trash found that day that it mobilized the volunteers to help spread the word about keeping our beaches and coastal waters clean for future generations. Participants tweeted about it – during and after the cleanup and have helped the agency acquire more followers on both Facebook and Twitter.

The Alamo Complex

More than 1.5 million people a year visit the 4.2 acre complex known worldwide as "The Alamo." Located on Alamo Plaza in downtown San Antonio, Texas, the Alamo represents nearly 300 years of history. Four buildings - the Shrine, Long Barrack Museum, Alamo Research Center and Gift Museum - house exhibits on the Texas Revolution and Texas History. Visitors are welcome to stroll through the beautiful Alamo Gardens. Admission to the Alamo is free. The Alamo is a "must see" for all who come to San Antonio. This visitor volume has a direct affect on the maintenance and upkeep of the historical site.

Economic Conditions

Coastal Resources

The availability of funding for the coastal programs is key to continuing to foster economic activity in Texas. The CEPRA program, Beach/Dune Program, Texas Coastal Ocean Observation Network Program (TCOON), and the Beach Maintenance Reimbursement Fund program work from state appropriated money. The Texas Legislature appropriates this funding from the sporting goods sales tax, through the Texas Parks and Wildlife Department, to the GLO for coastal management and coastal erosion response projects. Only with ongoing state funding for these programs will Texas be able to adequately preserve, maintain, protect, restore, and enhance its coastal shorelines.

The CIAP, CMP, GOMESA, a portion of TCOON, and the Texas Beach Watch program are each funded with federal dollars. The federal funding for CIAP and Beach Watch is currently vulnerable to budget cuts, as they were identified in the President's fiscal 2013 budget request to have their funding reduced or eliminated. If passed, states will be responsible for the funding.

The Beach/Dune program is required to review and comment on beachfront construction certificates and dune protection permit applications within ten days. An increase in economic activity often leads to increases in construction activity, which results in higher demands on the personnel resources required to properly review construction activities and ensure compliance with industry standards.

All of the programs in the Coastal Resources Program Area have had great success in using their appropriated funds to leverage federal, local, private, and other state

resources to increase the positive impact division projects have on Texas. Reducing or eliminating the funding for these efficient and effective programs would have a negative impact on Texans, the economy, and the health of the environment.

Energy Resources

Oil and gas royalties collected and bonuses paid for leases are heavily dependent on commodity prices. These prices are affected by national and global supply and demand, as well as commodity speculation. While the price of crude oil gas remained high, it has fluctuated greatly over time. Currently, the price of natural gas is very low due to oversupply, proportionately depressing gas royalties and SEMP enhancements to the PSF. Other factors include costs of transmission and distribution, and the costs of other mandatory fees and assessments.

VLB - Veterans Land and Housing

As reported by the Texas Comptroller of Public Accounts, via its *Texas in Focus: A Statewide View of Opportunities* publication, the Texas population is expected to increase by 71.5% between 2000 and 2040. Texas will grow from 20.9 million to 35.8 million during that time period. Texas boasts one of the healthiest real estate markets in the United States. With its overall population growth and rank as the second-most populous state for veteran residents, the VLB is poised as a leading source for veteran benefits. Meeting the demand for home and land loans in Texas, however, is dependent upon the availability of housing and land inventory. Currently, the VLB housing program has a demand but there is a reported statewide shortage of housing valued at $300,000 or less. Although the VLB offers housing loans up to $417,000, the average home loan sale in Texas is approximately $240,000. Lastly, the rising cost of paid media and increased competition for earned media could negatively impact the Veterans Land Board's ability to broadly reach veterans; increased costs would negatively affect the VLB's current marketing strategy by creating the need for a reduced media schedule.

VLB - Veterans Homes and Cemeteries

After the opening of the veterans home in Tyler, greater visibility was brought to the program and the new design of the facility has created greater interest in this new care model for veterans across the country from other state veterans homes programs. Opening the new state veterans cemetery in Corpus Christi also brought greater visibility to the TSVC program and the opportunity to support and assist more veteran families.

Although greater visibility for and interest in the TSVH&C programs has been achieved, census data showing a population surge to the Big Spring and Floresville areas, where two TSVHs are located presents, may illustrate a market condition related to wage disparity between the energy and healthcare industries. The surge in Big Spring and Floresville population is due to the demand for oil and gas field

workers and not for healthcare industry staff. The employment wages the energy industry offers oilfield workers far exceeds any potential to match the wages in the healthcare industry. With this large differential in wages there is a shift in healthcare staff reverting to positions within the energy industry, which reduces the ability to recruit and retain staff in the healthcare sector of burgeoning energy markets.

In addition to the preceding, Public Law 112-154, Section 105, provides an allowance for state veterans homes to uniquely serve specific service-connected veterans, in need of nursing home care, with an allowance the use a payment mechanism that best meets the veteran's skilled nursing needs. The VLB entered into provider agreements with the Veterans Administration on February 2, 2013, rather than continuing in the contractual agreement previously used. The provider agreement differs from the prior per diem rates set for all veterans by adapting the USDVA calculation rate commonly called the "prevailing Medicare rate." The prevailing Medicare rate exceeds the contractual per diem paid for 70 percent service-connected veterans. The number of service-connected veterans being served by the state veterans homes communities continues to increase. With this increase in revenue, the VLB will be better able to provide skilled nursing services and well positioned to increase the number of veterans' serviced.

Archives and Records

The increased exploration for oil and gas in Texas has raised the demand for timely and accurate survey and mineral information on state lands and non-state lands alike.

Professional Services

The turnover of residential littoral property is an economic trend affecting the coastal authorization activities carried out in Professional Services. Each time a grantee sells littoral property, adjacent to state submerged lands, they are authorized to use, the current agreement with that entity and the GLO is terminated and a new agreement must be entered into with the new property owner. The occurrence of such turnovers in the agency's operating environment creates a measure of workload that the program area must manage.

Coastal and Upland Surface Leasing activities in the Asset Inspection Division of the Professional Services Program are also tied to the state's economy. As agricultural business opportunities increase so does the demand to lease uplands tracts for various uses – such as agriculture and grazing operations. Moreover, fluctuations in coastal tourism, as well as commercial and residential development activities along the Texas coast, create a demand for the public and private use of coastal state-owned lands. With this in mind, Coastal and Uplands Surface Leasing staff constantly seek new opportunities to enhance commercial, residential, and agricultural leasing activities by capitalizing on positive trends in the economy.

Issuance of miscellaneous easements by the Asset Inspection Division of Professional Services remains at a near constant level as new technologies to harvest oil and gas in South and West Texas are discovered. Continued development in those areas of Texas will contribute future economic influences impacting the agency's easement revenue. In addition, there is an anticipated increase in residential development associated with the regional oil boom.

Asset Management

Downturns within local economies create a notable impact on Asset Management's ability to actively market properties for disposition, while negotiating the highest potential return on investment for the PSF. The Program's general mission is fulfilled through its ability to successfully market and dispose of properties at returns that benefit the PSF and the state. Thus, the impact of real estate markets, during either upturns or downturns, has a considerable affect on Asset Management's operations and asset strategies.

Oil Spill

Although not anticipated, a significant and prolonged contraction of the state's economic vitality and a corresponding reduction in state tax revenue could lead to agency budget cuts that might reduce the operational capability of the program area. Program efficiency could suffer if resources are not available to fully support essential operations.

Moreover, the GLO and contractors at Texas A&M University have been using technological improvements and other innovative cost saving measures to hold down costs of the maintenance and operation (M&O) budget of the Texas Automated Buoy System - such as extended life battery systems, modernized electronics, and by extending the time between service cruises; these measures are beginning to reach their limitations. The program has been operating under the same budget since 2000. Costs have steadily increased in all areas of M&O associated with this response tool including salaries, cost of electronics and vessel time. For example, the cost of ship time for vessels large enough to lift and service the buoys has gone from approximately $3,500 per day to over $20,000 per day since the beginning of the TABS program. With these increases in costs, there are instances when parts of the Texas coast are left without coverage due to equipment failures resulting from the lack of sufficient funds to provide basic service to those buoys.

Adopt-A-Beach

The Adopt-A-Beach program relies on donor contributions to help fund the program. When economic times are tough, it has a direct impact on the level of funding that the program receives from outside sources. More and more companies are lessening the dollar amounts that they give to support programs such as Adopt-A-Beach. The program has established other mechanisms to help offset the demands on corporate sponsorship. There is annual SECC campaign that nets approximately $10,000 per year and the specialty license plate program brings in approximately

$7,000 per year. Research is currently being done to establish an annual planned giving campaign.

Disaster Recovery

Economic influences include fluctuations in the costs of building materials, fuel, and labor. The current boom in the oil & gas sector, for example, reduces the labor force available at more reasonable wage levels (cf. Texas Workforce). Moreover, elections are another important factor that potentially affects the external operating environment in which the DR Program functions. Anytime a key local official, such as a Mayor, or County Judge, changes, it may influence other factors in the operation, resulting in adjustments to either housing or non-housing (infrastructure) projects.

Trends

Energy Resources

The price of natural gas rebounded somewhat, increasing gas royalties over the same period, as last report, by $9 million. Higher natural gas prices positively affect the economic viability of renewal energy projects, due to the relative cost of power generation. With respect to oil and natural gas liquids production, technological advances in horizontal drilling and staged hydraulic fracturing have continued to increase production. During the first eight months of FY 2014, oil royalties increased by 39%.

The agency estimates that over two thirds of PRCs now engage a broker. Broker fees are very costly to the PRC. The Land Office submits bids to the broker who tacks on their broker fee adder to the commodity cost, which could be $1 MWh (+/-) over the life of the contract. Educating customers to where they would be comfortable managing their own energy procurement or to competitively secure a broker would preserve resources. Broker services make it more challenging to develop a customer relationship.

Archives and Records

The most noteworthy trend relevant to Archives and Records is the decreased amount of funds gathered for duplication services, due to increased free content on the agency's website. Archives and Records provides effective and efficient access to government records through digitization that allows the public to have better access to documents under the agency's purview. Because of the efficiency and effectiveness of A&R's scanning program, the agency's collection of duplication fees has experienced a reduction. As the Land Office continues to digitize items and as its databases become increasingly easier to navigate and use, it will continue to see these fees decline as a source of revenue. The agency will need to pursue other avenues for raising money to meet its goal of spending at least $100,000/year on the

conservation of archival materials. The A&R Program Area will pursue additional private grants over the next several years in order to continue conservation goals and discover other entrepreneurial possibilities.

Professional Services

A continued socio-political trend affecting operations both directly and indirectly is the rising awareness for environmental sustainability. Rising concerns in this arena affect the frequency for different types of authorization activities issued by the Asset Inspection Division -- specifically, coastal and uplands leases for environmental and wildlife preservation, research, and public recreational purposes.

Asset Management

Over the past year, the Program has noted a substantial upturn in the real estate investment market - thereby positively impacting its ability to dispose of properties for positive returns. The Program continues to identify opportunities to improve its investment portfolio by availing itself to properties owned by motivated sellers.

Coastal Resources

Coastal Resources' staff has developed strong partnerships with state, federal and private entities to procure and produce the coastal projects in the most economical manner. This collaboration helps to ensure that coastal projects are completed on time, within approved budgets and in the most effective manner. Staff is involved in many coastal-related programs, groups and task forces, which are vital to maintaining a strong working relationship and to demonstrating leadership with coastal communities, other state agencies, and federal organizations.

Public beaches in urbanizing areas are experiencing increased usage and development. In many of these areas, there is increased interest for closing beaches to vehicular traffic. While there are rules to address pedestrian-only beaches, this trend could lead to reduced access for anglers, birders, the disabled, and/or recreational boaters.

Oil Spill

Dramatic advances in drilling technology have pushed the operating depth of deepwater drilling to 10,000 feet and beyond. This promising development is not without risks however, as evidenced by 2010's Deepwater Horizon spill off of Louisiana. Closer to home, major oil companies are now drilling deepwater wells off the Texas coast, approximately 125 miles due east of South Padre Island and 220 miles south of Galveston in the Alaminos Canyon tract. Oil Spill Program Area personnel are closely monitoring this offshore activity and are participating in oil spill response drills and exercises designed to heighten preparedness levels. It is expected that other deepwater wells will be drilled in this region and the level of

activity is expected to grow. The program is committed to ensuring the state's interests are protected as production grows.

In addition, explosive growth of the Eagle Ford Shale production continues in South Central Texas and its impact on crude oil transportation along the mid-coast provides yet another trend. Fiscal year 2014 experienced exponential growth in the number of crude oil barge shipments out of the Ports of Port Lavaca and Victoria – the ports grew from a few thousand barrels a month to over one million. This growth will test infrastructure that was not designed for such significant volumes of vessel traffic. Additionally, spill response contractors and response equipment inventories will be monitored to ensure sufficient stockpiles are available to meet the corresponding threat level.

The oil spill regulatory policy picture is changing in the aftermath of the Deepwater Horizon oil spill. If significant and onerous federal regulations impose additional requirements on OSPR and the regulated community, agency and program stakeholders could be adversely affected. Costs of compliance might negatively impact corporate growth decision making.

Adopt-A-Beach

During economic downturns, a number of corporations experience and begin to manage budget reductions. The economic reality dealt with by corporations directly impacts the Adopt-A-Beach Program. As corporations now have fewer resources to dedicate toward goodwill initiatives, procuring donations through their annual gift giving programs has become far more competitive. The agency has been fortunate in that it has developed relationships with donors who continue to give to the program - even if that means a scale back in the dollar amount of those donations each year.

The Alamo Complex

While the Alamo is in good financial condition, the extent of needed repairs and maintenance requires another source of significant funds. The number of visitors between September 2012 and January 2014 was in decline, but has since begun to level off. The reduced number of visitors has a negative impact on revenue. The opportunity for the Alamo to produce enough revenue for additional maintenance and repair, funded strictly from operations, is limited, which increases the need for additional and significant fund raising. The Alamo Endowment will be the entity to explore major fundraising opportunities.

VLB - Veterans Land and Housing

With an increasing number of veterans referencing TexasVeterans.com as the primary medium used when contacting the VLB, it is critical that the organization continue to work towards establishing a stronger online presence. With stakeholders increasingly relying upon the internet for information, the agency's annual number of incoming calls by the

Texas Veterans Hotline has been relatively flat. However, there has been a substantial increase in outbound calls in support of key performance goals, which further illustrates the need to work toward an enhanced online presence. The VLB's initial steps toward that goal may materialize through its emphasis to reach, teach, and serve veterans and their families through its Customer Relationship Management System. Enhanced data integration through CRMS is expected to increase demand, allowing the agency to reach and serve more veterans. Lastly, an expectation for continued increases in land loan applications will result in a corresponding increase in demand for support from the agency's appraisal team.

VLB - Veterans Homes and Cemeteries

Public support of veterans programs across the country and increasing levels of expectation relating to the care for the veteran population may affect policymaking and reimbursement budgeting. Potential fluctuations in Medicare and Medicaid program reimbursement combined with increasing labor and energy costs will impact room rate setting and contracting rates amongst TSVH operators. In addition, state budget pressures may result in budget reductions across the board for all programs.

Additionally, the current USDVA goal is to have a veterans cemetery within 75 miles of 95 percent of the nation's veterans. Currently, USDVA national cemeteries and state veterans cemeteries are within 75 miles of 90 percent of the nation's veterans and more state and national cemeteries are being built every year. As the USDVA achieves its goal of 95 percent coverage, the agency can expect the congressional budget for construction grants for new state veterans cemeteries to be reduced.

Due to the recent oil boom in Texas, the demand for oil and gas field workers has dramatically increased. This increase in demand for oilfield workers coupled with the employment wages the energy industry offers, has caused great difficulty for the TSVHs in Big Spring and Floresville. Recruiting and retaining staff in these areas has been challenging.

Furthermore, the overall economy has seen increases in gasoline cost, airfares, hotel cost, food cost, medical supplies, utilities, wholesale goods, and staffing cost. Those items have their distinct impact on program operations. The costs for petroleum and petroleum-based products like fertilizer and weed control chemicals have also increased, which causes subsequent increases to the operational contract -- as contracts are renegotiated.

With inflation beginning to accelerate, the amount of grant money allocated for initial equipment purchases may be inadequate. The VLB may need to supplement funds for initial equipment purchases for new cemeteries. As equipment at the cemeteries begins to age, the number of gravesites maintained continues to grow in number. The VLB will need to consider additional funding for replacement equipment and augmented staffing to properly maintain the cemeteries.

The percentage of families selecting cremation as an interment alternative is increasing across the nation and in Texas each year. To date about 33 percent of interments in Killeen, about 37 percent in Abilene, about 43 percent of interments in Mission, and about 40 percent of interments in Corpus Christi are cremations. This will require more columbaria and in-ground burial sites for cremated remains and fewer traditional full-casketed burial sites in future cemeteries. This may also require changes to cemetery master plans for expansion in future phases.

There also appears to be a small, but growing interest in green burials (e.g., no embalming, casket made of natural materials) and in pet burials with their human masters. Neither trend will impact the TSVC program much, given the VA is slow to change from its traditional burial philosophy.

With the growth of the state population, climate change, and the recent history of droughts, the availability of water in Texas has become more of a concern. The cost of irrigation water and the restrictions on the amount of irrigation water used for cemeteries will increase throughout the state. This will affect the look of the cemeteries and perhaps begin to impact the type of landscaping used in cemeteries. The TSVH&C Program Area will need to use recycled water, wherever it is available.

Opportunities Outside of the GLO

Coastal Resources

The Texas coast and adjoining waters are experiencing a growing number of important and often competing activities, such as maritime transportation, oil and gas drilling, development of offshore and coastal renewable energy, and waste disposal. These uses extend into recreational and conservation activities, such as fishing, boating, bird watching and beach recreation. Traditionally, these activities have been managed using a sector-by-sector and case-by-case approach, resulting in competition among and between users, and within the marine/coastal environment. As a result, decision-makers have reacted to events rather than taking the opportunity to plan and shape actions that could lead to more cost-effective and desirable outcomes.

Encouraged by regional planning efforts through the Gulf of Mexico Alliance, the Texas Coastal Management Program is moving forward with its long-term planning strategy to enhance the CMP based on identified needs. Gaining a baseline of the primary issues of concern along the coast was the first step to help build a coastal framework and resiliency planning tools. This information will increase the opportunity for coastal communities to have a voice in prioritizing uses.

Archives and Records

There are strategic partnerships that could be made with other archives in Texas and around the United States, as well as private individuals with map collections. Specifically,

the agency has an ability to scan and reproduce large-format items better and more efficiently than almost any archive in the state; the agency's commitment to digitization technology has yielded its excellent reputation in this sphere. The Land Office efficiency, willingness to collaborate, and speed in tackling scanning projects, affords it an opportunity to leverage its assets toward scanning and reproducing the large-format items of other archives. Providing such services on a contractual basis might serve as a way to increase funding for the GLO, thereby increasing funds for conservation.

Two Austin-based archives, the Austin History Center and the Dolph Briscoe Center for American History, at UT Austin, have been identified as potential clients in the near future. Beyond that, there are archives across the state and nation with similar needs, possibly starting with the Western States Land Commissioners Association (WSLCA). Many of the partner-members of WSLCA do not have the resources to digitize and reproduce large-format items. Accordingly, there is an opportunity for the agency to meet the needs of such organizations, providing them with increased access to their documents, while acquiring the benefit of an additional revenue stream that brings in revenues that can later be used for other government/divisional services. To that end, the public as a whole would be benefited by increased access to government and archival records.

Lastly, there are also many granting opportunities that are available for conservation, educational outreach, and digital projects. A&R intends on pursuing those opportunities to help fund supplement the costs of its operations. The impact such grant opportunities would have on internal agency stakeholders would relate to grant reporting and the tracking of funds.

Asset Management

The Asset Management Program routinely evaluates and refines, as necessary, statutory provisions to enhance business practices and create more efficiency when conducting business for the PSF and/or the state. Specifically, the program area pursued recent changes in Chapter 31 of the Natural Resources Code pertaining to Special Boards of Review. The changes added clarification and further defined the role of the School Land Board with regard to State Agency property and local zoning jurisdictions.

Professional Services

The Professional Services Program continues to work with other agencies, such as the U.S. Army Corps of Engineers (USACE), to implement creative business decisions that help customers adapt to the existing economy and ensure continued revenue growth for the PSF. The amended Cooperative Agreement made with the USACE authorizes the GLO to administer the USACE Residential Pier General Permit (SP/GP).

Additionally, Professional Services evaluates its business practices to determine if legislative enhancements are appropriate, as it relates to the Texas Natural Resources Code - Chapters 33 and 51 - and all related administrative rules. When appropriate, rules are cleaned up to better align with current demands and practices, such as the modifications

made to the Texas Administrative Code, which now allows more structures to qualify for one-time Structure Registration (SP).

Adopt-A-Beach

The Adopt-A-Beach (AAB) Program is looking to help offset the burden on our corporate donors by utilizing a peer-to-peer fundraising campaign to help the program thrive and survive during difficult economic times. It has missed out on an opportunity to get funding from supporters – volunteers, who are advocates of the program. The AAB Program captures their contact information from past beach cleanups and is now able to enter that information into a database. The program hopes to start an annual giving campaign with the peer-to-peer fundraising next year.

Disaster Recovery

The GLO-DR is leading a feasibility study in the State of Texas to research the benefits of data sharing across agencies that have a role in disaster recovery activities. The study will yield results on percentage of data overlap with recommendations for technological solutions to bridge the data gap through technology such as the Cloud. Building and implementing a system of this nature is contingent upon consensus from participating agencies that will undoubtedly have concerns about data integrity, data security, and the protection of personally identifiable information (PII). The ultimate goal is to hopefully create a single digital warehouse of information to identify areas of need and locate applicants, as well as maintain historical data, thus minimizing duplicative data collection while streamlining project implementation, and enhancing long-term compliance.

National attention on climate change policy and new resiliency requirements applied to the HUD CDBG-DR program (announced in Superstorm Sandy allocation) have set the stage for positive traction on resiliency studies and efforts currently underway in the DR program. GLO-DR is currently working with various groups inside and outside the GLO on a Coastal Resiliency Study to investigate viable solutions for protecting the coast against the impacts of extreme weather and climate change. On June 14, 2014, the White House announced the "National Disaster Resilience Competition," a competition that focuses on disaster rebuilding initiatives. GLO-DR will be leading the effort for the State of Texas.

Energy Resources

Due to continuing technical advances in the oil and gas industry, numerous new opportunities to establish production on state-owned lands are expanding. Plays, such as the Wolfbone, Wolfberry, Wolffork, Eagle Ford, Granite Wash, and Haynesville in Texas, all include state-owned mineral acreage. In addition, many PRCs are captive to their power supplier. Cooperatives and Municipalities do not allow PRCs to seek competitive supply. Should circumstances change, PRCs and taxpayers would benefit and SEMP could compete for these opportunities, further enhancing revenues to the PSF while providing savings to PRCs.

VLB - Veterans Land and Housing

Veteran's benefit issues at the federal and state level are complex and continuously changing. There are important intergovernmental relationships that may create unintended consequences for Veterans. This is especially true for the foreseeable future where the back log of VA benefit processing detrimentally affects VLB Loan Operations. In order to understand the effect those programs and processes have with one another, continued training and professional development between the agencies is essential for staff to understand and take appropriate action to mitigate the negative impact that may occur to VLB and VA stakeholders.

VLB - Veterans Homes and Cemeteries

The increased use of technology will create program opportunities through improved communications between the TSVH communities and the VLB, as well as improved care coordination between the communities, the VAMCs of jurisdiction, and other referral sources. In addition, the implementation of electronic document management systems at the four Texas State Veterans Cemeteries, as well as the progression towards electronic record keeping, will increase security of TSVC records and increase the efficiency of processing and filing.

Changes in the legislation that directs the payment structure for veterans with 70% Service Connected Disability (SCD) will continue to impact the future case mix of the TSVH communities and the program's ability to meet the needs of 70% SCD veterans. Availability of USDVA grant funding could impact future renovations of the veterans homes.

Opportunities in GLO Programs

Energy Resources

Public Retail Customer's are still in a buyer's market and many Retail Electric Providers (REPs) will experience credit collateral issues with the rising State Wide Offer Cap (SWOC) to $9,000 MWh. The GLO has outstanding credit through its power marketing vendors. As credit tightens, credit worthiness as well as price will become more important.

VLB - Veterans Homes and Cemeteries

By improving alignment and coordination across the TSVH communities and between the operators, the TSVH&C program can enhance its consistency in programmatic activities, community outreach efforts and expectations, policies and procedures, and admission application and screening processes. With regard to the new admissions process, enhancements could make the TSVH communities a more attractive referral

source and enhance customer perception and satisfaction at the beginning of the process.

Moreover, enhanced coordination and communication between the VLB, state and federal organizations, and partners responsible for veterans care - such as the VISNs, USDVA, TDADS, CMS and TVC - could create additional opportunities. Improved coordination reduces the likelihood of duplication of efforts, reduces costs, and improves the quality of healthcare delivery services for the veterans being served by the Veterans Land Board programs.

Coastal Resources

Funding for RESTORE may be long forthcoming and undecided as to the agency that will coordinate and administer projects. However, should the opportunity present itself to the GLO's Coastal Resources Program Area to administer funding, the agency has existing processes in place to manage large quantity and large scale grant projects. This would allow networked-CMP agencies to be involved, if assigned in such a way.

Professional Services

The Texas Farm and Ranch Lands Conservation Program may be funded through federal grants, state appropriations, and/or individual contributions. Contributions of land or money greatly enhance the ability to pay more landowners for conservation easements and to assist them with administrative costs. State appropriated would supplement the program's long-term ability to improve water quality, protect natural resources, and prevent urban sprawl, which has long been associated with the degradation of the environment thereby impacting all Texans.

Disaster Recovery

Much like the agency's Oil Spill Program, developing a sustainable state-wide Disaster Recovery Program that is at-the-ready, effective, and operates quickly when a disaster strikes is good policy for the state and good business for the GLO. Additionally, the opportunity to provide more jobs for local residents and improved economic prospects is available through DR's Section 3 Program.

The Alamo Complex

The Alamo has received no monetary support from the local or federal government and limited support from the state ($1.5 million for the FY 14-15 biennium). The revenue to fund its operations is self-generated from the Alamo gift shop, sales of tours and events in Alamo Hall, and donations from individuals and private foundation grants that fund educational programming and general operation. An opportunity for major financial support may develop with the establishment of the Alamo Endowment, a 501(c)(3) foundation to raise preservation funds and develop

enhanced visitor experience opportunities at the Alamo Complex. The Alamo Endowment is currently putting together fundraising plans.

In addition, the agency has received positive feedback since the Alamo implemented special temporary exhibits to improve the visitor experience. Plans to have at least one new exhibit each year offer the opportunity to encourage repeat visitors.

Federal Legislation

Office of Policy & Governmental Affairs (OPGA) provides research and analysis on local, state and federal government issues relevant to the GLO, and assists in the development and execution of strategies to effectively educate the Legislature and Congress regarding the GLO's legislative package. The GLO also coordinates with the Texas Office of State-Federal Relations in Washington D.C., and OPGA staff monitors legislation that may impact the GLO.

There has been no federal legislation that would have a major policy impact the GLO. The federal sequestration had minimal impacts on the GLO, with a loss of $8,000 to the federally funded Coastal Management Program.

The GLO's Beach Watch program funding was reduced by a small amount. This federally required program was funded by the U.S. Environmental Protection Agency (EPA) to monitor water quality at Texas' recreational beaches and issue advisories when bacteria levels exceeded acceptable standards. Funding has been provided in FY14 but it is unclear if the federal government will continue to fund this program in the future.

State Legislation: Bills Passed By the 81st Texas Legislature

During the 83rd Legislature a number of bills were enacted which impact GLO programs and operations.

HB 622- This bill requires the General Land Office to submit a report on the effectiveness of the coastal management program every two years. This report is due on or before January 15th of odd number years. Previously this report was prepared annually, but only submitted to the legislature every two years.

HB 724- The bill created a 17 member commission to study unclaimed land grant mineral proceeds in the possession of the Comptroller, by quantifying the amount and developing procedures to determine ownership, notify owners, and distribute the proceeds.

The bill defines an original land grant as the initial conveyance, title, or patent, from: the Crown of Spain, Mexico, the Republic of Texas, or this state. The commission is made up of 3 members who represent the interest of the land grant heirs, appointed by the governor; 3 members who have expertise in property law, appointed by the governor; the lieutenant governor or up to 2 designees; the speaker of the house of representatives or up to 2

designees; the commissioner of the General Land Office or 2 designees; the Comptroller or 2 designees; the executive director of the Texas Historical Commission or 2 designees; the state historian or a designee.

HB 1044- The bill authorized an operator of an all-terrain vehicle to drive the vehicle on a beach that is open to motor vehicle traffic, with restrictions as outlined in the bill. Additionally, the bill authorizes the Texas Department of Transportation (TxDOT) or a county or municipality to prohibit the operation of an all-terrain vehicle on a beach if TxDOT or the governing body of the county or municipality determines that the prohibition is necessary in the interest of safety.

HB 2571- This bill allows the General Land Office to assess penalties on oil and gas lessees who do not produce information requested in an audit in a timely manner. The bill requires lessees to produce within 60 days information or documents requested by the commissioner, attorney general, or governor. If unable to provide the requested information within 60 days, the lessee would have to provide a written response within 30 days explaining why it was unable to do so. The requestor could then extend the deadline for receiving the information or deny the request. If the requestor chose to not extend the deadline the lessee would then have 5 days to produce the information. A lessee who chose to withhold the information on a good faith legal basis would have to give the requestor a detailed explanation of the reason for withholding the information no later than 60 days after receiving the request.

The General Land Office commissioner can assess a penalty against a lessee who intentionally withheld information past the deadline. The maximum penalty is $100 per day after the deadline to produce the information for the first 60 days and $1000 per day for each day after. The commissioner can not assess a penalty for withholding information on a good faith legal basis until the commissioner determines that the requestor was entitled to the information.

HB 2623- This bill authorizes the closure of a public beach on the Gulf of Mexico to protect public health and safety during a space launch or space flight activities. HB 2623 outlines summer dates where approval of the General Land Office is required prior to approval of the launch. The General Land Office may also adopt rules governing the closure of a beach for space flight activities and enter into a memorandum of agreement with a county that plans beach closures.

HB 3212- The bill would establish the Red River Boundary Commission (RRBC), providing for the powers, duties, membership, and compensation of the RRBC. The bill provides that the General Land Office, the Office of the Attorney General, and the Texas Commission on Environmental Quality would provide staff support to the newly created commission. The RRBC would be established to oversee the redrawing of the boundary between Texas and Oklahoma in the Texoma area. The RRBC is comprised of 5 members appointed by the Governor to represent private property owners; local governments; state elected officials, and the general public.

The bill requires the RRBC, not later than January 15, 2015, to report to the governor, lieutenant governor, speaker of the house of representatives, and appropriate committees of the legislature RRBC's finding and recommendations concerning joint action by this state and the State of Oklahoma regarding amendment of the Texoma Area Boundary Agreement to incorporate the boundary between this state and the State of Oklahoma in the Texhoma area as redrawn.

HB 3459- The bill allows the Land Commissioner to determine when a storm causes an avulsive change or when the movement is gradual and within the normal rate of erosion in order to determine where the public has an easement. The bill allows the Land Commissioner to issue an order following a storm that would suspend line of vegetation determinations for a period of up to 3 years. During the duration of the order the public easement will be 200 feet from mean low tide. At the expiration of the order the Commissioner shall determine if the event was avulsive, and may consult the Bureau of Economic Geology of The University of Texas at Austin and consider other factors regarding the natural erosion rate for the effected area when making the determination.

Additionally, HB 3459 established a joint interim committee to study the implementation of the bill, the feasibility and desirability of a storm surge protection system that includes a system of gates and barriers to storm surge, and authorizing coastal property owners to grant easements to governmental entities to construct and maintain stabilized dunes in connection with or separately from the system. The interim committee includes the members of Senate Natural Resources Committee, House Land and Resource Management Committee and two Senators and two Representatives from the coast.

SB 211- This is the Texas Facilities Commission (TFC) sunset bill, but it impacts the General Land Office. TFC will develop a Capitol Complex Master Plan and is required to include several agencies in the development, one of which is the General Land Office. The plan must be submitted for review and comment to the General Land Office at least 60 days prior to a public meeting on the plan.

SB 211 also amended the Public Private Partnership process (PPP). If an agency cannot come to agreement with a local government on a zoning change for a state-owned property that will be developed, as a PPP, the agency may appeal to a newly created special board of review. The Land Commissioner will chair the special board of review, and the other members will include the mayor, county judge, executive director of the agency and a member appointed by the Governor. The special board of review is required to hold a public hearing and adopt a development plan to govern the development of the property. The General Land Office must adopt rules governing the process.

Additionally, SB 211 amended Section 31.155, Natural Resources Code, to exclude properties in the Capitol Complex from the General Land Office's real property inventory and evaluation process.

SCR 30- The resolution allows the State of Texas, on behalf of the Permanent School Fund (PSF) and through Jerry Patterson, Commissioner of the General Land Office and Chairman

of the School Land Board to sue The University of Texas System (UT), Board of Regents, regarding a boundary issue.

Litigation

The State of Texas and the GLO are involved in several lawsuits where landowners are seeking to obtain title through boundary disputes to Permanent School Fund land. In boundary cases, the future cost to the State, if the GLO failed or refused to defend title, would be substantial, both because of precedent and the future loss of oil, gas, hard minerals, and surface leasing and other revenue to the PSF. Several royalty lessees also have pursued cases or disputed claims on royalty recovery. These suits, if lost, can have a direct, adverse affect on GLO contributions to the Permanent School Fund.

The Permanent School Fund (PSF) derives substantial income from the public lands dedicated to it by the Texas Constitution. The GLO and the School Land Board manage the PSF's real property interests. Therefore, the GLO is often involved in litigation relating to the PSF's various interests in public lands. The GLO must vigorously defend against claims that would diminish the value of PSF lands; for example, lawsuits seeking boundary interpretations that would decrease the area of PSF lands. An unfavorable decision in such a case could have a direct negative impact on the fund's value by decreasing the amount of mineral royalties that the GLO would receive for the PSF's benefit. Moreover, adverse boundary and title decisions in litigation could set negative precedents that would diminish the fund's income. Thus, the GLO actively pursues and defends against litigation with the objective of preserving and enhancing the value of interests in public lands for the PSF's benefit.

INTERNAL FACTORS

The summary of information contained within this section will provide an inward-focused evaluation of the key matters that influence the agency's business units. The following paragraphs will briefly detail factors, opportunities, technologies, policy changes, and other relevant items that create challenges, efficiencies, or new dimensions of performance within the agency.

Archives and Records

The division could benefit from improvements to the technology that supports customer databases, such as the Map Database and Land Grant Database. Moving forward, improving the function of Archives and Records (A&R) customer databases may very well require a programmer. In addition, A&R staff identified a Point of Sale (POS) System that would greatly increase the efficiency and effectiveness of the division's Research Room and the Outreach Team; the alternative POS system will not only improve their abilities to serve customers wishing to make purchases, it will also assist with the Funds Custodian's financial reporting and help front-line staff (Research Room and Outreach Team) do their jobs more efficiently.

With regard to technology, the division could benefit from additional memory on its computer server drives. Lack of memory has caused a tremendous strain in the past, requiring a tremendous amount of staff time spent shuffling digital assets from servers to DVDs, to detachable drives and back to servers as space becomes available. Some headway has been made, especially within the last year; however, additional memory is needed over the next five years.

Energy Resources

Energy Resources Land and Lease Management System (ALAMO) has and continues to present challenges to programmers, data entry, reliability and usefulness. This impairs optimal lease and land administration.

Professional Services

The Professional Services Program is constantly looking for ways to improve its business practices, overall service, and performance. The program frequently analyzes operations with the goal of increasing the agency's value for stakeholders. It is imperative that the program area continue to evaluate the GLO's customer base and forecast the changing needs of internal and external customers. The program's approach allows the Land Office to make sound business decisions for continued revenue growth and for maintaining partnerships with clientele. Professional Services continues to seek methods that increase efficiency in its work flow by utilizing advances in information technology; one such technological improvement is the agency's ALAMO system, a new lease management system, which will increase the Leasing Divisions' online presence and generate efficient data collection.

Asset Management

The Asset Management Program anticipates a continued effort to reevaluate and improve business practices around the utilization of the new ALAMO land management database, which was implemented by the agency in November 2013. The Asset Management Program continues to evaluate its role in conjunction with the Funds Management Program to manage internal and external assets with the same goal of maximizing returns to the PSF.

Oil Spill

Although four years has passed since the Deepwater Horizon/Macondo well was capped, significant and necessary federal regulatory and policy changes have yet to materialize. As a result, in the ensuing years program personnel have monitored developments at various federal agencies and have provided comments on agency rulemakings. Ample studies have been initiated and concluded, and provide guidance on what regulatory reforms need to be enacted to enhance safety in the deepwater environment. The technological advancements in the realm of deepwater exploration have created a new level of monitoring requirements that the program area is integrating into its operational focus.

Adopt-A-Beach

The agency is continuing to look at ways to streamline the online registration process for beach cleanups. It is currently working well, but the GLO is trying to reduce the number of internal personnel it takes to set up this process. Setting up the online registration process for each check in site location has helped to alleviate the number of phone calls and emails that once inundated staff. Now when a volunteer signs up for a specific check in location – the site coordinator, the volunteer, and the Adopt-A-Beach program are all sent an email confirmation. Also, with the program's Facebook page and Twitter account, personnel are able to get the word out quickly about a variety of educational topics, events, and other interesting news.

Disaster Recovery

Major influences upon the DR Program include: HUD policy changes that directly affect how the program performs its internal processes and procedures; also, increased on-site visits by DR staff ensure grantees/subrecipients have adequate tools and training to perform duties and ensure compliance with program requirements due to implementation of new monitoring processes and increased on-site activities.

A new enterprise content management system (T-RecS) and new public facing website increase performance and efficiency. The T-RecS database centralizes program procedures providing grantees and contractors with direct access to project profiles and status summaries. The development of the public website will provide a comprehensive collection of program rules and accomplishments for program participants and partner states. Through technological initiatives such as these, DR continues to innovate procedures and empower communities - while building a model DR program.

The Alamo Complex

The process to integrate and familiarize the GLO with the existing operations of the Alamo Complex has engaged multiple program areas within the agency. Staff throughout the agency review the operations at the Alamo Complex and have developed plans to improve its infrastructure including policies, procedure, maintenance, information technology, finances, construction, and marketing. GLO responsibilities include: Providing leadership and vision for the Alamo; Oversight of business, financial, and operational affairs; and Offering strategic approaches to marketing and business planning. The GLO's involvement through these processes provides the Alamo Complex the benefit of the agency's array of skills, experiences, and individuals that enhance the Alamo's business affairs and encourage innovation.

Coastal Resources

The Coastal Resources Program Area strives to continually identify opportunities that allow the program area to improve its performance and efficiency, various examples are noted below:

- An integral part of developing coastal management tools is updating the Resource Management Codes (RMCs) and the supporting geospatial data. The RMCs are assigned to state-owned tracts in Texas bays and Gulf waters and provide development guidelines for activities within the tracts to minimize adverse impacts to sensitive natural resource areas. The Planning and Policy Team is working with the Harte Research Institute to conduct a comprehensive review of current Resource Management Codes and to develop GIS-based resources and tools to assist managers and coastal stakeholders in planning for the use and sustainability of the ecologic, economic, and social assets of the Texas coast.

- A CIAP grant is being used to develop a GLO *Coastal Rapid Response System* (CRRS), which is a combination of hardware, software, training, and tools for quickly processing and serving the data acquired by Chiroptera, the state's LiDAR system. The data and analyses received from The University of Texas Bureau of Economic Geology (UT-BEG) and processed/stored in CRRS will be critical for data development, analysis, and decision-making for the Texas coast. Many areas within the GLO, as well as other entities and the general public, will benefit from the use of the CRRS to process and serve data from Chiroptera.

- CEPRA staff currently receives and processes LiDAR elevation data from the UT-BEG from a GLO-funded state-of-the-art LiDAR/Multispectral Imaging system, which began operation in August 2012. This new system allows simultaneous acquisition of LiDAR elevation and bathymetric data and multi-band high-resolution imagery. These data sets enhance the GLO's ability to quickly assess and mitigate storm damages as well as to monitor and predict coastal erosion/shoreline changes.

- The Beach/Dune Team is working with Coastal GIS to have aerial imaging data collected on at least an annual basis. This will assist the GLO, local jurisdictions, and property owners in understanding changes to the line of vegetation, public use of the beach, and the overall beach-dune system. This aerial imaging data will also aid in developing mitigation plans and violation notices for unauthorized construction activities.

- The Chiroptera LiDAR/imaging system and the infrastructure composing the Coastal Rapid Response System will help the GLO, the Texas Attorney General's Office, and others to determine vegetation lines, establish construction setback lines, define beach-dune permitting zones, identify eroding shorelines, identify and prioritize critical habitats, and assess status and trends of the nearshore-beach-dune system, wetlands, aquatic habitats, and submerged lands along the Texas CNRAs. Coastal zone monitoring and planning tools developed as part of the collaborative efforts of the BEG,

GLO, and others will be useful for delineating coastal cultural/recreational features and commercial facilities in the event of oil spills, identifying unauthorized activities on state lands, assisting in locating derelict structures and pipe lines, facilitating pre- and post-storm surveys for GLO-FEMA assessment and claims, identifying debris along surf-zone following hurricanes, quantifying near-shore process and morphology and beach-dune migration and shoreline changes, and monitoring and assessment of natural-resource damage after large-magnitude storms (e.g., hurricanes), as well as sand-resource investigations for nourishing eroding beaches along the Texas coast.

VLB - Veterans Land and Housing

An increased demand for communication with customers across multiple platforms has presented both a challenge and an opportunity for the Veterans Land Board; today, the VLB answers inquiries via email, its blog, Facebook, text message, in person, and by phone. Managing these platforms and cutting edge tools requires a properly trained staff that can appropriately and satisfactorily respond to the needs of agency stakeholders, via the multiple avenues in which they approach the agency for assistance.

VLB - Veterans Homes and Cemeteries

In 2014, the TSVH&C Program Area, under the direction of a new Deputy Commissioner, continued to improve the oversight and monitoring actions of the program by adding dedicated resources to produce a more data driven approach to management and operational systems, as well as training, consulting, and technical support focused on key program area operational programs and the development of future programs. Part of the program improvement that is currently underway is the development and implementation of the following:

- TSVH&C Strategic Plan that defines the program area's mission, vision, core values, critical success factors, five strategic priorities and twenty measurable strategic objectives, which include:

  Priority 1: Increase community involvement, awareness and support of the Texas State Veteran Homes and Cemeteries.
  Priority 2: Implement a directed campaign and plan to advance and improve the TSVH Memory Support (Alzheimer's) programs.
  Priority 3: Improve care coordination and care delivery processes to reduce healthcare acquired conditions.
  Priority 4: Increase the use of technology and improve communications and processes to better manage and deliver services across TSVH&C Operations.
  Priority 5: Provide customer service that is relevant, timely, and accurate to meet the needs of resident, families and the communities we serve.

- Expanded role of the management analyst to support all facets of the TSVH&C program. The analyst plays an integral role in facilitating the TSVH&C Strategic

Plan's Priority Committee's continued focus on the priority objectives associated with overall improvement of care at each TSVH.

- Establishment of procedures to ensure the integrity of all data received, processed, and/or transmitted from the TSVH&C program.

- The expanded use of the electronic dashboard that is used to visually manage and monitor operator performance and division activities to accomplish and fulfill the Strategic Plan. The dashboard is available for review by all levels of the agency.

- The continued implementation and continuous improvement program, as designed by the project manager, specifically focused on the improvement of care in the TSVH Memory Support Units.

- Continued improvement of the TSVH&C contract monitoring systems, which allow agency staff to closely monitor and manage operator compliance with each of the operator contracts for both the veterans homes and cemeteries.

- Continued monitoring of clinical aspects at the Texas State Veterans Homes with the Accelerated Performance Improvement Plan to ensure the highest level of quality of care.

In addition to the aforementioned reorganization and strategic planning, the program received notification from the federal USDVA's Home Construction Grant Program that funding will be available for life safety renovations to six Texas State Veterans Homes, including the four original TSVH communities. Items include replacement of emergency generators, switchgears, and departure alert systems.

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GOAL: To enhance the value of state assets, and the revenues they generate through prudent and innovative management, acquisition, and investments of agency and state-owned land, minerals, and other assets.

Texas Natural Resources Code, Ann. Chapters 31, 32, 33, 34, 51, 52, 53, and 141 (West 2013)

This agency goal corresponds to state functional goals 4 and 6.

GOAL: To preserve, protect, improve and restore the Texas environment, beaches and coastal areas, and promote the wise use of resources while creating new markets and jobs, while creating resilient coastal communities through environmental and community initiatives that partner the public and private sector.

Texas Natural Resources Code, Ann. Chapters 32, 33, 40, 51, 61 and 63 (West 2013)

This agency goal corresponds to state functional goals 6 and 8.

GOAL: To provide Texas veterans with self-supporting benefit programs offering below-market interest rate loans for land, homes, and home improvements; high quality long-term nursing home care; and an honorable final resting place.

Texas Natural Resources Code, Ann. Chapters 161, 162, and 164 (West 2013)

This agency goal corresponds to state functional goals 4 and 8.

GOAL: Oversee long-term recovery efforts by administering the Community Development Block Grant disaster recovery program for the State of Texas by providing grants for economic development infrastructure and housing projects.

Texas Government Code, Ann. Chapter 401 (West 2013)

This agency goal corresponds to state functional goal 8.

GOAL: To establish and carry out policies governing purchasing and service contracts that foster meaningful and substantive inclusion of Historically Underutilized Businesses (HUBs).

Texas Government Code, Ann. Chapter 2161 (West 2013)

This agency goal corresponds to state functional goal 8.

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OBJECTIVES AND OUTCOME MEASURES

OBJECTIVE: Generate revenue from the lease of state land each year in amounts commensurate with projected trends in the energy market; ensure at least 10 percent of oil and gas revenues through auditing, in-kind marketing and power marketing activities and renewable energy activities on an annual basis; and ensure at least 75 percent of Permanent School Fund uplands acreage is leased each year.

Outcome Measures:
- Mineral Lease Revenue as a Percent of Statewide Mineral Production Value
- Percent of Permanent School Fund Uplands Acreage Leased
- Percent of Oil and Gas Revenue from Audits/Reconciliations of Mineral Leases
- Gas Utility Savings Generated by State Energy Marketing Program
- Total Mega Watt Hours (MWh) Sold Per Year

OBJECTIVE: Enhance the value of the Permanent School Fund by generating income and capital appreciation through investment in real assets.

Outcome Measures:
- Annual Rate of Return on RESFA Investments
- 5-Year Average Annual Gross Return of RESFA Investments

OBJECTIVE: Maintain oversight of the Alamo and Alamo Complex.

Outcome Measures:
- N/A

OBJECTIVE: Protect and Maintain 20% each year of developed, accessible, and eroding gulf shorelines.

Outcome Measures:
- Percent of Shorelines Maintained, Protected, Restored
- Percent of Federal Funds Leveraged
- Percent Beach Waters Meeting or Exceeding Water Quality Standards

OBJECTIVE: Provide constant capability to prevent or respond to oil spills and decrease the number of spills by 11.0 percent by fiscal year 2016.

Outcome Measures:
- N/A

OBJECTIVE: Manage program assets to cover 100 percent of loan demand, debt service and program expenses; reach one-third of Texas veterans annually with program information; maintain delinquency and foreclosure ratios at less than industry averages; and provide veterans with quality nursing home care and dignified burial sites.

<u>Outcome Measures</u>:
- Percent Loan Income Used for Administration
- Number of Land and Home Improvement Loans Funded by VLB
- Number of VLB Housing Loans Purchased from Participating Lenders
- Dollar Value of VLB Housing Loans Purchased from Participating Lenders

<u>OBJECTIVE</u>:   Provide grants for rebuilding or rehabilitation single-and multi-family homes in storm damaged areas while addressing the needs of low-to moderate- income families, urgent needs and furthering affirmative fair housing.

<u>Outcome Measures</u>:
- N/A

<u>OBJECTIVE</u>:   To make a good faith effort to assist Historically Underutilized Businesses (HUBs) to receive contracts and subcontracts awarded annually by the agency in the specific procurement categories while striving to meet or exceed the HUB percentage goal for the particular category utilized.

<u>Outcome Measures</u>:
- Percent of Total Dollar Value of Commodity and Service Contracts Awarded to HUBs

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STRATEGIES AND OUTPUT, EFFICIENCY AND EXPLANATORY MEASURES

STRATEGY: Assess the revenue potential of state lands for energy leasing and conduct aggressive energy leasing and revenue management activities.

Output Measures:
- Number of Active Mineral Leases Managed
- Number of Mineral Value Assessments Performed
- Number of Mineral Lease Documents Processed
- Amount of Revenue From Audits/Lease Reconciliations

Efficiency Measures:
- Program Cost As a Percent of Revenue Generated
- Average Management Cost Per Mineral Lease
- Average Revenue Detected Per Auditor/Account Examiner
- Program Cost As a Percent of Detected Revenue

Explanatory/Input Measures:
- Value of Total Statewide Mineral Production (Billions)
- Annual Mineral Lease Revenue (Millions)
- Amount of Detected Revenue Collected

STRATEGY: Promote the sale and use of state-owned energy resources, including renewable energy resources, to maximize the revenues generated by assets and develop public-private partnerships and programs to promote economic development.

Output Measures:
- Average Monthly Volumes of Gas Sold In Million British Thermal Units (MMBtu)
- Annual Revenue from Electric Marketing
- Number of Acres Evaluated for Renewable Energy Development Projects
- Permanent School Fund Revenue from Renewable Energy Development Projects
- Number of Heavy-Duty Natural Gas Vehicles

Efficiency Measures:
- Program Cost As a Percent of Utility Savings and Permanent School Fund Revenue
- Percent of Revenue Enhancement Generated by State Energy Marketing Program

Explanatory/Input Measures:
- Number of Customers in State Energy Marketing Program

STRATEGY: Prosecute for the defense of title to Permanent School Fund lands and the Relinquishment Act, royalty deficiencies and other mineral lease claims or cases.

STRATEGY: Promote and conduct Coastal and Upland/Surface leasing activities for Permanent School Fund and state agency lands.

Output Measures:
- Annual Revenue from Uplands Surface Leases
- Number of Active Uplands Surface Leases Managed
- Number of PSF Uplands Acres Leased
- Number of Uplands Field Inspection Reports Completed
- Number of Active Coastal Leases Managed
- Annual Revenue from Coastal Leases

Efficiency Measures:
- Program Cost As a Percent of Revenue Generated

Explanatory/Input Measures:
- Dollar Amount of Surface Damage Fee Assessments Collected

STRATEGY: To evaluate, acquire and dispose of real property on behalf of the Permanent School Fund and to evaluate and dispose of underutilized state-owned land.

Output Measures:
- Evaluations of Permanent School Fund and Other State Agency Land

Efficiency Measures:
- Disposition Transactions, Percent Above Fair Market Value
- Acquisition Transactions, Percent Below Fair Market Value

Explanatory Measures:
- Percent Receipts Released to SBOE/TEA

STRATEGY: Conduct surveys and appraisals on Permanent School fund and state agency lands.

STRATEGY: Preserve, maintain and restore the Alamo Complex and its contents and the protection of the historical and architectural integrity of the exterior, interior and grounds of the Alamo complex.

STRATEGY: Administer federally-funded Texas Coastal Management Program (CMP), CMP grants, Coastal Impact Assistance Program (CIAP), Beach Watch, state-funded beach management programs and a coastal erosion control and beach nourishment program.

Output Measures:
- Number of Joint Permit Application Forms (JPAFs) processed
- Number of Coastal Management Program Grants Awarded
- Number of Federal Actions and Activities Reviewed

- Number of Volunteers Participating in Cleanups
- Trash Collected by Volunteers
- Number of Beach Water Samples Collected

STRATEGY: Develop and implement a comprehensive Coastal Erosion Response Grants Program.

Output Measures:
- Number of Miles of Shoreline Maintained, Protected and Restored

Explanatory Measures:
- Cost/Benefit Ratio for Coastal Erosion Planning and Response Act Projects

STRATEGY: Develop and implement an oil spill response program and respond quickly and efficiently to oil spills.

Output Measure:
- Number of Oil Spill Responses

Explanatory/Input Measures:
- Number of Substance Releases Reported to Emergency Reporting System
- Total Amount of Oil Spill Response Program Costs Recovered

STRATEGY: Develop and implement a comprehensive oil spill prevention program to monitor the integrity of oil transport through Texas' coastal waters.

Output Measures:
- Number of Prevention Activities - Oil Handling Facilities
- Number of Prevention Activities - Vessels
- Total Number of Oil Spill Related Patrols

Efficiency Measures:
- Percent of Field Staff Time Expended on Preparedness, Response and Prevention Activities

Explanatory/Input Measures:
- Number of Certified Oil Handling Facilities
- Number of Vessel Contingency Plans
- Number of Derelict Vessels in Texas Coastal Waters

STRATEGY: Provide veterans with benefit information, below-market lending opportunities, and efficient loan services; manage active loan accounts and bond funds to ensure the financial integrity of VLB loan programs.

Output Measures:
- Number of Real Estate, Lending, and Home-Building Professionals Trained
- Number of Processing Days for VLB Land Program Loans
- Dollar Value of Land and Home Improvement Loans Funded by the VLB

Efficiency Measures:
- Percent of Debt Service, Loan Demand and Program Costs Self-Funded
- Percent of Delinquent VLB Land Program Loans Removed from Forfeiture
- Percent of Foreclosed Loans in Portfolio

Explanatory/Input Measures:
- Number of VLB Land Loans Serviced by Outside Contractors

STRATEGY: Administer nursing home facilities to ensure veterans receive quality nursing home care.

Output Measures:
- Occupancy Rate at Veterans Homes

STRATEGY: Provide burial sites for Texas veterans.

Output Measures:
- Number of Burial Industry Professionals Educated

Explanatory/Input Measures:
- Number of Interments Provided by the State Veterans Cemetery Program

STRATEGY: Rebuild or repair single- and multi-family homes in storm damaged areas.

Output Measures:
- Total Number of QA/QC Onsite Reviews Conducted
- Total Number of QA/QC Desk Reviews Conducted
- Number of Completed Housing Grants

STRATEGY: Rebuild the infrastructure in storm damaged communities.

Output Measures:
- Number of New Community/Economic Development Contracts Awarded
- Number of Programmatic Monitoring Visits Conducted
- Number of Completed Non-Housing Grants

STRATEGY: Develop and implement a plan for increasing the use of Historically Underutilized Businesses through purchasing and service contracts.

<u>Output Measures</u>:
- Number of HUB Contacted for Bid Proposals
- Number of HUB Contracts Awarded
- Dollar Value of HUB Contracts Awarded

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TECHNOLOGY RESOURCE PLANNING

INTERNAL FACTORS

Technological Assessment
Mission Statement: I.T. professionals serving the agency and the citizens of Texas through partnerships that achieve agency goals and improve the business of government.

The Information Systems (IS) Program Area supports agency business needs as well as strategic and tactical initiatives by providing reliable, technically innovative, affordable, and user friendly computing solutions for agency employees and the citizens we serve. As agency business processes and strategies change, we strive to provide technology innovation that supports our agency's mission and goals and aligns with industry best practices. We align our technology with statewide regulations wherever practicable and affordable.

The GLO provides technology services that cost a fraction of gross income as compared to a similarly sized organization in the private sector. IS uses innovative methodologies and cost-effective practices that allow us to leverage technology market trends to provide established technologies at a lower cost while using those savings to help fund new services and solutions.

Challenges We Face
While we have seen significant increases in hardware, software licensing and support costs, IS has been able to minimize the adverse effects of the variable funding rates seen in state government in recent years. We project IT costs will continue to increase for the foreseeable future, providing even greater challenges in our ability to purchase new enabling technologies and support existing ones.

IS is further challenged by the fact that the GLO is made up of many diverse business units with vastly different business processes and technology needs. IS strives to find and create products and services that meet the needs of as many business units as possible, eliminating wherever practicable, redundant systems and data.

Proactive IT Management
IS carefully evaluates the potential costs and benefits of in-sourcing versus out-sourcing opportunities for technology services. We pay particular attention to business requirements, return on investment, and true total cost of ownership over the projected life of the initiative.

IS closely follows technology market trends and uses evolving technologies such as cloud services, mobile technology, virtualization, software as a service, and next-gen security services to the greatest extent possible.

Upcoming GLO Business Priorities:
(The following priorities will be expanded under the Technology Initiative Assessment and Alignment)

- *Analytics and Business Intelligence* - With a focus on the agency goal *Enhancing State Assets* which generates revenue for the Permanent School Fund, the Royalty Reporting and Control 2.0 project seeks to provide external oil and gas partners with better visibility into the data they report to the GLO. The existing RRAC application will be enhanced to add modern search capabilities and automated analysis of production versus payment data. These new features will reduce the risk of underpayment on their accounts and will also lead to fewer reporting errors. From the companies' perspective these changes will make it easier to do business with the GLO.

- *Mobile-centric Environment* - With a focus on the agency goal *Caring for the Coast*, Information Systems is enabling staff through mobile solutions and responsive web design. A considerable portion of the GLO staff works in the field, away from the central office in Austin. Tablet-based applications for field inspections and data gathering activities will make field staff more efficient by allowing them to capture data on-site as they perform their duties. Responsive design will be employed on targeted web resources to make those resources more user-friendly when accessed on smart phones and tablets.

- *Data Consolidation and Master Data Management* - With a focus on the agency goal *Disaster Recovery*, the GLO will be implementing a series of related projects that seek to consolidate data from different data silos into a single, master dataset that supports activities of the GLO's Disaster Recovery Program. Data Consolidation initiatives reduce risk and improve data quality, often while eliminating inefficient tasks like redundant data entry and manual reconciliation of disparate data sources.

- *Empowering Constituents and Customers with New Online Capabilities* - All five of the GLO's mission goals have identified important projects that seek to provide new features and capabilities to external customers and constituents through web based applications and portals. These initiatives will lead to improved staff efficiency while at the same time enhancing customer service and providing citizens with new capabilities that deliver added features and convenience.

- *Connecting Texas' Past to Future Generations* - With a focus on the agency goal for Historical Preservation, IS is creating a technological environment that will provide an interactive and immersive experience for Alamo Shrine visitors. This technology could potentially extend to the public's experience with agency archival treasures, such as Davy Crockett's signature and original land grants of our state's founding fathers.

- *Infrastructure Modernization* - The existing network and server infrastructure will be refreshed to take advantage of modern network speed and additional security. This initiative will lead to improved staff efficiency and service delivery through efficient and cost-effective technology enhancements.

IS Past Biennium Accomplishments:

- *ALAMO Application* - The **A**gency **L**ease and **A**sset **M**anagement **O**perations system (ALAMO) is an enterprise-class web application that drives all business activities of GLO staff that support land management and leasing for the Permanent School Fund (PSF). The new database is the result of a data consolidation and master data management initiative that integrated fifteen different data silos. For the first time it is possible to go to one place to see all leasing and revenue activities on a PSF land tract. Other benefits include: streamlined data entry and workflow, integrated GIS mapping, and direct links to the agency content management system. ALAMO includes a custom query tool, access to canned reports, and integrated document generation that combines static text with dynamic document parts and real time data from the application's database. This system is a giant leap forward for land and lease management at the GLO, providing staff with innovative new features, streamlined workflow, and a "single version of the truth" for PSF management activities.

- *CEPRA Grant Application* - The **C**oastal **E**rosion **P**lanning and **R**esponse **A**ct system (CEPRA) is a new web-based application that allows the business users in Coastal Resources and Financial Management to manage all aspects of a CEPRA grant project. Prior to the new application the CEPRA grant program was serviced with a paper-based, time-intensive manual process that required a significant amount of staff hours to manage. The new system minimizes the time and effort needed to manage administrative tasks and allows staff to focus their time on actual grant project management.

- *GLO University* - In the fall of 2013, IS rolled out **GLO University**, the agency's first web-based learning management system. From within this portal, employees can access the agency's mandatory training courses, become a GLO University graduate, sign up for live classes and workshops, and, based on the employee's interest, self-enroll in courses in technology, business, customer service, and leadership. Starting in the fall of 2014, the IS Technology Training team will begin delivering project-based hybrid learning workshops. These workshops will have a three-pronged outcome of expanded contextual knowledge (of an agency goal, as an example), increased technological skills, and a "take-away" that will serve as a reference guide after the workshop's conclusion, created by the employee through the various software applications used within the workshop.

- *VLB Call Center* - The VLB Call Center project is a major leap forward for the communication and marketing capabilities of the VLB Land and Housing Program. Those manning the call center now have modern tools at their disposal, including instant access to caller information with each call. The new system also offers advanced call routing and call monitoring capabilities allowing management to listen to and audit any active call in real time. Callers receive automated email communication after their call that provides additional information about topics of interest. The Call Center solution was delivered using a combination of purchased software and services that were brought together with adept project management, process engineering, and data integration by the GLO's Information Systems staff. The new call center features enhance the VLB's ability to provide excellent customer service to veterans and the marketing capabilities provide additional leads which will lead to an increase in mortgages let.

- *VLB Quarterly Online Sales* - The VLB Quarterly Online Sales project moves the land sale into the 21st century with an online auction website. This system was designed and developed in-house by GLO developers and analysts with key contributions from Network Services and VLB staff. With the new application a user can create a profile, shop the available land tracts, and place and rank their bids. At the close of the sale the results are automatically tabulated, eliminating the need for staff to process the bids manually. The new system will increase interest and participation in the process because there is no longer the need to fill out a paper bid and drop it in the mail. Bids are submitted in real-time and users enjoy features that are consistent with other mainstream online services.

- Main Oil Spill Application ("MOSA") is the name coined by Oil Spill staff to describe their new web-based application that supports prevention and response activities. MOSA consolidates several disconnected databases into a single, enterprise-class software application. Advanced search features provide the staff with the capability to quickly and effectively search, analyze, and export data relating to spill incidents. The application has a revenue component in that it drives business processes relating to fees and penalties for spill violations. MOSA has increased staff efficiency, improved data accuracy, and introduced a new standardized approach to reporting.

- *Disaster Recovery Process Engineering Initiative* - In some instances the value Information Systems provides is driven more by business process engineering than by technology. IS Business Analysts worked with DR Operations to convert to a paperless process. By using software to directly comment and annotate documents DR staff was able to eliminate the confusion and inefficiency that results from passing paper documents back and forth through the mail. Processing times have shrunk and auditors are happy because we have eliminated the risk of losing important documents. IS analysts also helped the DR Finance Division optimize a billing process. These changes significantly improved efficiency and contributed directly to the business unit's ability to work through their backlog of projects and provide better, more timely service to external customers. Combined, the process

improvements contributed to three "Best Practice" findings from a recent federal audit of the GLO's Disaster Recovery Program.

TECHNOLOGY INITIATIVE ASSESSMENT AND ALIGNMENT

The following series of charts/templates will provide a brief description of the agency's key IT Initiatives.

Initiative: Analytics and Business Intelligence

1. Initiative Description: Brief description of the technology initiative.
The term "Business Intelligence and Analytics" refers to technology solutions that allow users to make better use of business data. Tools like dashboards, reports, and other visualization tools and techniques empower users to gain a better understanding of their business. The end result can lead to reduced costs, identification of trends and business drivers, and increased process efficiencies.

2. Associated Project(s): Name and status of current or planned project(s), if any, that support the technology initiative and that will be included in agency's Information Technology Detail.

Name	Status
RRAC 2.1 - Search Tool	Planning Phase
RRAC 2.2 - Online Ledger	Planned for 2015
DRMS - Business Intelligence	Planning Phase
Disaster Recovery Online Portal	Design Phase
VLB Housing & Cemeteries Dashboard	Planning Phase
SEMP Online Portal	User Acceptance Testing Phase

3. Agency Objective(s): Identify the agency objective(s) that the technology initiative supports.

1.1 Enhance State Assets/ Lease of State-Owned Lands
3.1 Veterans' Land Board/Veterans' Benefit Programs
4.1 Disaster Recovery/Provide Grants

4. Statewide Technology Priority(ies): Identify the statewide technology priority or priorities the technology initiative aligns with, if any.

• P1 – Cloud	• P6 – Mobility
• P2 – Data Management	• P7 – Network
• P3 – Data Sharing	• P8 – Open Data
• P4 – Infrastructure	• P9 – Security and Privacy

• P5 – Legacy Applications	• P10 – Social Media

- P1 – Cloud – The GLO currently uses (and plans to continue to utilize) cloud-based services for some business intelligence initiatives, such as the SEMP Online Portal.

- P2 – Data Management – Virtually all of the GLO's planned business intelligence projects include a heavy data management component, allowing users to better analyze, interpret, and manage core business data.

5. Guiding Principles: As applicable, describe how the technology initiative will address the following statewide technology guiding principles:
- Connect – expanding citizen access to services
- Innovate – leveraging technology services and solutions across agencies
- Trust – providing a clear and transparent accounting of government services and data
- Deliver – promoting a connected and agile workforce

- Connect – expanding citizen access to services – Many of the GLO's Business Intelligence initiatives are targeted toward providing external customers and constituents with expanded accesses to services.

- Innovate – leveraging technology services and solutions across agencies – Cities, counties, and other COGs will have the ability to leverage some of our Business Intelligence solutions. For instance, the Disaster Recovery Online Portal will provide valuable information about the program and its benefits.

- Trust – Business intelligence gives staff the ability to better understand business data. This understanding can provide a clear and transparent accounting of agency performance and identify issues that need to be addressed.

6. Anticipated Benefit(s): Identify the benefits that are expected to be gained through the technology initiative. Types of benefits include:
- Operational efficiencies (time, cost, productivity)
- Citizen/customer satisfaction (service delivery quality, cycle time)
- Security improvements
- Foundation for future operational improvements
- Compliance (required by State/Federal laws or regulations)

- Operational efficiencies (time, cost, productivity): Business intelligence solutions will permit staff to analyze data and make decisions that save both time and money. For instance, the RRAC 2.2 - Online Ledger is specifically focused on using analytics to generate revenue by identifying potential imbalances between oil and gas production and payments. This tool will allow companies to find the imbalances themselves, leading to reduction in staff time needed to perform these activities.

- Citizen/customer satisfaction (service delivery quality, cycle time): Business intelligence can empower staff to work more efficiently. By analyzing business data, management can fine tune processes to run more smoothly, reducing cycle time and improving service quality.

- Compliance (required by State/Federal laws or regulations) - Business Intelligence tools help staff report on key performance measures. The tools can also identify operational issues that may have been unnoticed. Easy to access performance measures and better visibility will undoubtedly provide management with better information that will lead to improved compliance with laws and regulations.

7. Capabilities or Barriers: Describe current agency capabilities or barriers that may advance or impede the agency's ability to successfully implement the technology initiative.

Capability - The GLO's Information Systems program has analysts, trainers, and other IT professionals that work closely with agency operations staff. The close ties between business and IT will help the GLO to be successful with Business Intelligence initiatives.

Barrier - The rapid increases in license costs for some business intelligence products could eventually become a barrier to successful implementation of these initiatives.

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Initiative: Mobile-Centric Environment

1. Initiative Description: Brief description of the technology initiative.

Tablets and smart phones provide new tools with the potential to unleash and empower employees that perform work in the field. These devices allow users to capture data in real time and transfer that data back to enterprise systems without the need for redundant data entry. They also provide revolutionary capabilities not previously seen in the field, such as real-time access to key applications and business data. Tools like integrated GIS maps and cameras allow field staff to perform their duties with the convenience of using a single device, rather than lugging around an array of equipment.

2. Associated Project(s): Name and status of current or planned project(s), if any, that support the technology initiative and that will be included in agency's Information Technology Detail.

Name	Status
Mobile Application for Tarball Collection	Contracting Phase
Mobile Application for Beach Debris Collection	Contracting Phase
Responsive Design for VLB Online Auction	Planned for 2015
Disaster Recovery Online Portal	Design Phase
Electronic Signatures	Implementation Phase
MIP Upgrade	Contracting Phase
Responsive Design for GLO University	Implementation Phase

3. Agency Objective(s): Identify the agency objective(s) that the technology initiative supports.

1.1 Enhance State Assets/ Lease of State-Owned Lands
1.2 Enhance State Assets/ Sale/Purchase of Real Property
2.1 Protect the Coastal Environment/Protect Coastal Natural Resources
3.1 Veterans' Land Board/Veterans' Benefit Programs
4.1 Disaster Recovery/Provide Grants

4. Statewide Technology Priority(ies): Identify the statewide technology priority or priorities the technology initiative aligns with, if any.

• P1 – Cloud	• P6 – Mobility
• P2 – Data Management	• P7 – Network
• P3 – Data Sharing	• P8 – Open Data
• P4 – Infrastructure	• P9 – Security and Privacy

• P5 – Legacy Applications	• P10 – Social Media

- P1 - Cloud - The GLO will look for opportunities to utilize cloud-based services as one component of delivery of mobile centric solutions.

- P2 - Data Management - Mobile-centric solutions will make it easier for staff to manage business data by allowing the capture and access of data in the field.

- P5 – Legacy Applications – Responsive design can breathe new life into dated legacy applications by making online access more "mobile friendly"

- P6 – Mobility – Mobility is the entire focus of our "Mobile-Centric" business priority. Tools like our Beach Debris mobile app will allow agency staff to use a smart phone to catalog debris that needs removal.

5. Guiding Principles: As applicable, describe how the technology initiative will address the following statewide technology guiding principles:
- Connect – expanding citizen access to services
- Innovate – leveraging technology services and solutions across agencies
- Trust – providing a clear and transparent accounting of government services and data
- Deliver – promoting a connected and agile workforce

- Connect - Field staff will be more connected as a result of Mobile-Centric solutions. This will be especially evident when field inspectors and first-responders can use a tablet to access real time information stored on GLO databases.

- Innovate – Mobile Solutions will provide innovation to existing processes by allowing field staff to work in a more efficient, effective manner. Real-time on-site data entry, access to enterprise information assets, and the convenience of carrying less equipment will deliver meaningful change for existing business processes.

- Deliver – Connectivity and agility are two of the primary drivers of our Mobile-Centric. These solutions will make staff more connected by providing easy access to business information in the field. Tools like GIS maps, integrated cameras, and other feature-packed apps will convey immediate agility to our inspectors, biologists, and other team members.

6. Anticipated Benefit(s): Identify the benefits that are expected to be gained through the technology initiative. Types of benefits include:
- Operational efficiencies (time, cost, productivity)
- Citizen/customer satisfaction (service delivery quality, cycle time)
- Security improvements
- Foundation for future operational improvements
- Compliance (required by State/Federal laws or regulations)

- Operational efficiencies (time, cost, productivity) - Mobile-Centric solutions will significantly increase operational efficiency by reducing time spent searching for/accessing/using paper-based processes. It will facilitate better communication among agency staff and will eliminate redundant data entry.

- Citizen/customer satisfaction (service delivery quality, cycle time) - This system will help to improve our service delivery times by helping to increase the speed and efficiency of our inspection processes.

- Foundation for future operational improvements - Our current Mobile-Centric focus is the GLO's first foray into mobile solutions. The improvements delivered in this initial phase will undoubtedly form the building blocks for future mobile initiatives.

7. Capabilities or Barriers: Describe current agency capabilities or barriers that may advance or impede the agency's ability to successfully implement the technology initiative.

Capability - The agency has a stable of highly skilled technology staff members who are capable of learning the skills necessary to implement mobile solutions. Additionally, recent outsourcing initiatives have enhanced management's abilities to identify and contract with skilled partners who can help train internal staff while implementing projects that drive us toward a Mobile-Centric Environment.

Barrier - The greatest barrier to our Mobile-Solutions goal is resource related. Implementing mobile solutions requires different programming skills than traditional web applications. The GLO will have to identify money to contract for these skills or will have to dedicate existing staff to learn the required technologies. Either choice will consume resources from the same pool dedicated to building and enhancing our existing business applications. In other words, increasing our focus in mobile will likely lead to reduced resources for traditional development initiatives.

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Initiative: Data Consolidation and Master Data Management

1. Initiative Description: Brief description of the technology initiative.

During the past biennium the GLO has undertaken a number of projects that included data consolidation as one of the key project benefits. The strategy of consolidating and integrating related data silos has proven effective, yielding immediate improvements in data quality and the elimination of redundant data entry. Data consolidation makes it possible to employ a strategy of *Master Data Management* (MDM), which provides governance over a clearly defined "single source of the truth."

There are still internal business units that stand to benefit from Data Consolidation and Master Data Management. For instance, when the Community Development Block Grant – Disaster Recovery (DR) initiatives were consolidated at the GLO from two other agencies, the DR Program brought with it four data silos from the agencies that previously managed the program. One goal of our DRMS Program is to consolidate these data sources so that the DR Program can reap the benefits that come from having a single source of master data.

2. Associated Project(s): Name and status of current or planned project(s), if any, that support the technology initiative and that will be included in agency's Information Technology Detail.

Name	Status
DRMS Contract Management	Implementation Phase
Oil & Gas Well Inventory	Planning Phase
SEMP Online Portal	User Acceptance Testing
Disaster Recovery Online Portal	Design Phase
Financial Data Mart	Implementation Phase
ALAMO 1.1	Implementation Phase
VLB Database Consolidation	Implementation Phase

3. Agency Objective(s): Identify the agency objective(s) that the technology initiative supports.

1.1 Enhance State Assets/ Lease of State-Owned Lands
1.2 Enhance State Assets/ Sale/Purchase of Real Property
3.1 Veterans' Land Board/Veterans' Benefit Programs
4.1 Disaster Recovery/Provide Grants

4. Statewide Technology Priority(ies): Identify the statewide technology priority or priorities the technology initiative aligns with, if any.

• P1 – Cloud • P2 – Data Management • P3 – Data Sharing • P4 – Infrastructure • P5 – Legacy Applications	• P6 – Mobility • P7 – Network • P8 – Open Data • P9 – Security and Privacy • P10 – Social Media

- P2 – Data Management – Consolidation of multiple data sets into a single enterprise data sources will improve data management at the GLO.

- P3 – Data Sharing – Agencies can share data with increased confidence and reduced risk when a master data management strategy has been implemented to provide control and governance over valuable data sources.

- P5 – Legacy Applications – Consolidation of multiple data sources leads to the elimination of unnecessary redundant data silos, many of which are legacy systems.

- P9 – Security and Privacy – Implementation of master data management can help to identify sensitive data and provide the governance necessary to promote security and privacy.

5. Guiding Principles: As applicable, describe how the technology initiative will address the following statewide technology guiding principles:
- Connect – expanding citizen access to services
- Innovate – leveraging technology services and solutions across agencies
- Trust – providing a clear and transparent accounting of government services and data
- Deliver – promoting a connected and agile workforce

- Innovate - Once improved data quality and efficiency are achieved, the agency will be able to better utilize existing resources to provide innovation and improvement to existing processes and systems.

- Trust - MDM leads to data quality. Data quality is at the core of an agency's ability to provide a clear and transparent accounting of government services and information.

6. Anticipated Benefit(s): Identify the benefits that are expected to be gained through the technology initiative. Types of benefits include:
- Operational efficiencies (time, cost, productivity)
- Citizen/customer satisfaction (service delivery quality, cycle time)
- Security improvements
- Foundation for future operational improvements
- Compliance (required by State/Federal laws or regulations)

- Operational efficiencies (time, cost, productivity) - This initiative will significantly increase operational efficiency by reducing time spent identifying the correct information. It will also lead to a reduction in redundant tasks like data entry.

- Security improvements - Implementation of master data management can help to identify sensitive data and provide the governance necessary to promote security and privacy.

- Foundation for future operational improvements - System consolidation reduces application sprawl and maintenance requirements. With a decreased maintenance commitment, existing resources can be redirected to provide innovative new solutions to support agency goals.

- Compliance (required by State/Federal laws or regulations) - Improved data consistency is likely to reduce risk and improve the agency's ability to comply with state and federal reporting requirements.

7. Capabilities or Barriers: Describe current agency capabilities or barriers that may advance or impede the agency's ability to successfully implement the technology initiative.

Capability - Existing technical staff has experience with data consolidation and master data management projects. They are also very familiar with the GLO's business goals and mission. These two factors point to a high likelihood of success for the Data Consolidation and Master Data Management initiative.

Barrier - Operational staff sometimes lack the commitment to abide by rigid processes that can accompany governance initiatives. If management does not compel staff to abide by MDM guidelines then this initiative could fall short of its expected goals.

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<u>Initiative</u>: Empowering Constituents and Customers with New Online Capabilities

1. Initiative Description: Brief description of the technology initiative.	

The GLO has a powerful and diverse portfolio of web-based applications in use today. While most of those applications exist to empower agency staff that carry out the business of our various programs, several online tools serve our external customers. All five of the GLO's mission goals have identified important projects that seek to provide new features and capabilities to external customers and constituents through web based applications and portals. These initiatives will lead to improved staff efficiency while at the same time enhancing customer service and providing citizens with new capabilities that deliver added features and convenience.

2. Associated Project(s): Name and status of current or planned project(s), if any, that support the technology initiative and that will be included in agency's Information Technology Detail.

Name	Status
Historic Map Viewer	User Acceptance Testing Phase
DRMS Contract Management	Implementation Phase
Online Oil & Gas Lease Auctions	Analysis Phase
RRAC 2.1 - Search Tool	Planning Phase
RRAC 2.2 - Online Ledger	Planned for 2015
Disaster Recovery Online Portal	Design Phase
SEMP Online Portal	User Acceptance Testing Phase
Responsive Design for VLB Online Auction	Planned for 2015
ALAMO 1.1 Online Lease Renewal	Implementation Phase

3. Agency Objective(s): Identify the agency objective(s) that the technology initiative supports.

1.1 Enhance State Assets/ Lease of State-Owned Lands
2.1 Protect the Coastal Environment/Protect Coastal Natural Resources
3.1 Veterans' Land Board/Veterans' Benefit Programs
4.1 Disaster Recovery/Provide Grants

4. Statewide Technology Priority(ies): Identify the statewide technology priority or priorities the technology initiative aligns with, if any.

• P1 – Cloud	• P6 – Mobility
• P2 – Data Management	• P7 – Network

• P3 – Data Sharing • P4 – Infrastructure • P5 – Legacy Applications	• P8 – Open Data • P9 – Security and Privacy • P10 – Social Media

• P1 – Cloud – The GLO will consider cloud-based services for some online application initiatives, such as the SEMP Online Portal.

• P2 – Data Management – The majority of our *Online Capabilities* initiatives include functionality for external users to participate in business processes by reviewing or managing data.

• P3 – Data Sharing - Our *Online Capabilities* projects seek to make data available to external customers. The RRAC 2.1 Search Tool allows oil and gas companies to perform real time searches of production and payment information, and to download their data as well.

• P8 – Open Data – These projects all seek to make data more easily available to external customers and constituents.

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5. Guiding Principles: As applicable, describe how the technology initiative will address the following statewide technology guiding principles:
  • Connect – expanding citizen access to services
  • Innovate – leveraging technology services and solutions across agencies
  • Trust – providing a clear and transparent accounting of government services and data
  • Deliver – promoting a connected and agile workforce

• Connect – All of our *Online Capabilities* initiatives have a significant component that targets expanding our customers' access to data and services. For instance, the RRAC 2.1 Search Tool will allow Oil and Gas companies to search their own records on-demand.

• Innovate – Many of the new features included in these initiatives provide innovative new features to external users. Our Historic Map Viewer combines maps from the past and present into a single viewer that gives users access to a mash-up of information not previously available.

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6. Anticipated Benefit(s): Identify the benefits that are expected to be gained through the technology initiative. Types of benefits include:
  • Operational efficiencies (time, cost, productivity)
  • Citizen/customer satisfaction (service delivery quality, cycle time)
  • Security improvements
  • Foundation for future operational improvements
  • Compliance (required by State/Federal laws or regulations)

- Operational efficiencies (time, cost, productivity) – Many of our *Online Capabilities* initiatives provide external users with self-service capabilities. While this provides convenience to our customers, it can make staff more efficient by transferring some of the workload to the external user.

- Citizen/customer satisfaction (service delivery quality, cycle time) – The enhanced features and new capabilities provided by these projects will lead to improved customer satisfaction. Because some of the features are available "on-demand" the user will naturally experience a reduction in delivery time. Our DRMS Contract Management project allows environmental service providers working with the GLO to initiate draw requests 24/7/365.

- Foundation – Many of the improvements delivered in this initiative will undoubtedly form the building blocks for future projects and system enhancements. The ALAMO Online Lease Renewal capability will provide only basic lease renewal features. Future enhancements will see this portal expanded to add new functionality.

7. Capabilities or Barriers: Describe current agency capabilities or barriers that may advance or impede the agency's ability to successfully implement the technology initiative.

Capabilities - The GLO has the experience necessary to successfully implement project using in-sourcing, outsourcing, or a blend of the two strategies. Our IT staff is in tune with our operational objectives. Our project experience and business familiarity will fuel the agency's success on our *Online Capabilities* initiatives.

Barriers - The GLO has a very diverse mission, making it difficult to leverage solutions across multiple program areas. This adds both volume and complexity to our workload. The challenges of volume and complexity coupled with the normal shifts of business processes and goals may prove to be a barrier to successfully implementing all of our *Online Capabilities* initiatives.

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Initiative: Connecting Texas' Past to Future Generations

1. Initiative Description: Brief description of the technology initiative.
We plan to install a technological infrastructure at the Alamo Shrine in San Antonio that will ultimately provide an upgrade to the current server and network infrastructures that are deficient for required services.

2. Associated Project(s): Name and status of current or planned project(s), if any, that support the technology initiative and that will be included in agency's Information Technology Detail.	
Name	**Status**
Alamo Complex Information Technology Infrastructure	In Progress
Internet Access to Alamo Digital Assets	Beyond 2019
Alamo Digital Experience	Beyond 2019

3. Agency Objective(s): Identify the agency objective(s) that the technology initiative supports.
1.1 Enhance State Assets/ 1.3 Alamo Complex

4. Statewide Technology Priority(ies): Identify the statewide technology priority or priorities the technology initiative aligns with, if any.	
• P1 – Cloud • P2 – Data Management • P3 – Data Sharing • P4 – Infrastructure • P5 – Legacy Applications	• P6 – Mobility • P7 – Network • P8 – Open Data • P9 – Security and Privacy • P10 – Social Media

- P4 – Infrastructure: The upgraded network will serve as infrastructure for business operations, video and audio distribution, as well as multimedia presentations.
- P7 – Network: The existing Alamo network is aged, outdated, and susceptible to failure. New technology can be deployed that will address all of these issues.
- P9 – Security and Privacy: The Alamo is a high-profile historical icon. It's important that we implement modern network defenses in order to properly protect the digital assets of the facility.

5. Guiding Principles: As applicable, describe how the technology initiative will address the following statewide technology guiding principles: • Connect – expanding citizen access to services • Innovate – leveraging technology services and solutions across agencies • Trust – providing a clear and transparent accounting of government services and

data
- Deliver – promoting a connected and agile workforce

- Connect – expanding citizen access to services through expansion of reliable and efficient network services to the Alamo staff who, in turn, serve the citizens.
- Deliver – promoting a connected and agile workforce through the same reliable and efficient network services noted in *Connect*.

6. Anticipated Benefit(s): Identify the benefits that are expected to be gained through the technology initiative. Types of benefits include:
- Operational efficiencies (time, cost, productivity)
- Citizen/customer satisfaction (service delivery quality, cycle time)
- Security improvements
- Foundation for future operational improvements
- Compliance (required by State/Federal laws or regulations)

- Operational efficiencies (time, cost, productivity)- The new infrastructure allows the Alamo staff to save time and increase productivity.
- Security improvements – The new infrastructure provides enhanced security controls that will protect the Alamo's data and the integrity of its infrastructure.
- Foundation for future operational improvements - The new infrastructure provides the speed and reliability needed for future growth.

7. Capabilities or Barriers: Describe current agency capabilities or barriers that may advance or impede the agency's ability to successfully implement the technology initiative.

Capabilities:
- Skills: GLO IT staff are highly skilled in all of the technologies necessary to upgrade the Alamo IT infrastructure.
- Partnerships: We have an existing partnership with a local vendor to provide maintenance and support of the infrastructure once it is put into place.

Barriers:
- Costs: Because the Alamo is an historic site, any work done to upgrade their technological infrastructure will be more complex and far more regulated. Consequently the associated costs will be significantly higher than would otherwise be the case.
- Staff Capacity: Our Infrastructure Team is already inundated with projects across the agency. Time allocated to this project, will pull time away from other projects around the agency.

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Initiative: Infrastructure Modernization

1. Initiative Description: Brief description of the technology initiative.
We plan to refresh our network and server infrastructures with new high speed network equipment and servers throughout our headquarters and regional offices. Our goal is to implement a network that can meet today and tomorrow's business and technological demands.

2. Associated Project(s): Name and status of current or planned project(s), if any, that support the technology initiative and that will be included in agency's Information Technology Detail.

Name	Status
End of Life Network Components	Planned
End of Life Server Components	Planned

3. Agency Objective(s): Identify the agency objective(s) that the technology initiative supports.

Agency wide: All Goal-Obj-Strat under the agency's purview

Infrastructure initiatives, such as this one, support the entire agency and, subsequently, each of the agency's objectives.

4. Statewide Technology Priority(ies): Identify the statewide technology priority or priorities the technology initiative aligns with, if any.

• P1 – Cloud	• P6 – Mobility
• P2 – Data Management	• P7 – Network
• P3 – Data Sharing	• P8 – Open Data
• P4 – Infrastructure	• P9 – Security and Privacy
• P5 – Legacy Applications	• P10 – Social Media

• P2 – Cloud Services
• P7 – Virtualization
• P10 – Network
This project meets the following goals of the 2015 – 2019 State Strategic Plan for Information Resources Management. Cloud services, where applicable, provides services to drive cost-effective and efficient operations. Virtualization virtualizes existing server environments to reduce operation costs and improve service delivery. For network, provide innovative network services to allow agencies to improve efficiency and successfully deliver citizen services.

5. Guiding Principles: As applicable, describe how the technology initiative will address the following statewide technology guiding principles:
• Connect – expanding citizen access to services
• Innovate – leveraging technology services and solutions across agencies

• Trust – providing a clear and transparent accounting of government services and data • Deliver – promoting a connected and agile workforce
• Innovate – leveraging technology services and solution across agencies • Deliver – promoting a connected and agile workforce
6. Anticipated Benefit(s): Identify the benefits that are expected to be gained through the technology initiative. Types of benefits include: • Operational efficiencies (time, cost, productivity) • Citizen/customer satisfaction (service delivery quality, cycle time) • Security improvements • Foundation for future operational improvements • Compliance (required by State/Federal laws or regulations)
• Operational efficiencies (time, cost, productivity) • Security improvements • Foundation for future operational improvements (including legacy system modernization)
7. Capabilities or Barriers: Describe current agency capabilities or barriers that may advance or impede the agency's ability to successfully implement the technology initiative.
We feel that existing budget and staff capacity and skill-set will enable us to be successful in our infrastructure modernization initiative.

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HISTORICALLY UNDERUTILIZED BUSINESS PLAN

Goal

The General Land Office (GLO) is committed to maximizing the purchasing value of public funds while providing Historically Underutilized Businesses (HUBs) a "good faith" effort to competitively bid in procurement opportunities. Through the continued efforts of outreach and networking events, it is a goal of the HUB program to increase the HUB participation in bids as well as increase the HUB awards. The program will continue to evaluate the agency's projected purchasing needs and system reporting methods against the assessment of HUB bid opportunities and HUB awards.

Objectives

In accordance with Texas Government Code, Title 10, Subchapter A, Section 2161 and Texas Comptroller of Public Accounts (CPA) Texas Administrative Code (TAC), Title 34, Part 1, Chapter 1, all state agencies shall make a "good faith effort" to include HUBs within the six procurement categories where available. The GLO has set its own objective goals based on previous procurement needs as follows:

Heavy Construction	00.0%
Building Construction	8.70%
Special Trade Construction	21.80%
Professional Services	22.20%
Other Services	13.10%
Commodities	12.30%

Outreach

HUB Coordinator - Act as liaison and point of contact between HUBs and agency purchasers aimed at expanding and increasing the HUB contacts to further increase HUB participation and meeting agency set HUB goals. HUB Coordinator will further provide:
- Annual HUB Outreach report;
- HUB vendor contact reports to purchasing staff and division directors;
- Expand cooperative efforts with Minority Trade Associations, Chambers of Commerce and other agencies to sponsor and attend HUB related forums, events and trade shows specific to the agency's objective categories and reporting requirements;
- Assist small businesses in certification processes;
- Assist small business in education and training in state procurement processes;
- Increase agency sponsored Mentor/Protégé agreements and promote those agreements within the GLO;
- Provide courtesy assistance on HUB subcontract plans;
- Provide agency HUB reports.

Forums - Increase GLO HUB Forums annually. Our forums and events will concentrate on the areas and objectives, i.e. building construction, special trade construction, professional services, other services, commodities and Mentor/Protégé agreements that meet the expected needs of GLO program areas.

HUB Presentations - The HUB Coordinator will arrange HUB presentations for HUBs wishing to introduce themselves to the agency and its appropriate staff and division leads as meets the agency and program area needs.

Research - The Centralized Master Bidder's List (CMBL) and HUB Directory and HUB Coordinator contacts will continually be referenced and researched to encourage the agency's HUBs participation of qualified HUBs to participate in agency needs.

Reporting

Statewide HUB reports will be submitted quarterly, semi-annually and annually to the CPA Statewide HUB Program. http://www.window.state.tx.us/procurement/prog/hub/hub-reporting/

Strategies

The GLO is committed to providing a good faith effort to include all qualified HUBs and will continue to encourage small, minority, certified service disabled veteran and woman owned businesses to certify themselves and participate in procurement needs as HUBs.

Procurements will be reviewed and evaluated to determine if they can be divided into smaller lots to enhance more HUB participation. The agency will continue to provide and ensure that bids are written to specifications in accordance with the state procurement laws. The Centralized Master Bidder's List (CMBL) and HUB Directory will continue to be the tool utilized by the GLO to identify qualified HUB vendors for bidding. The HUB Coordinator will continue to work closely with the Procurement staff to share all new HUB contacts.

Solicitation will include lists of HUB vendors to assist prime contractors in finding HUB subcontractors for identified products and/or services. The GLO will continue to ensure bond and insurance requirements are reasonable and do not limit.

When identifying types of goods and services, the GLO uses HUBs as a first source for contracts of discretionary purchases for products and services totaling $5,000 or less.

Review of internal procurement documentation and processes to assure a better communication system between procurement and HUB.

Internal Assessment

In accordance with the objectives set forth by the agency, the GLO has the following internal assessments of the various procurement categories listed below to further increase its HUB participation.

A monthly HUB Expenditure Report by program area is already produced and will be used to encourage each program area to think "HUB" first before purchasing and contacting the HUB Coordinator for assistance.

Heavy Construction – The GLO does not participate in this procurement category therefore the agency sets a **0.0%** procurement goal.

Building Construction – This purchasing category goal is 8.70%. GLO has been tasked with building and maintaining Texas State Veterans Homes and Texas State Veterans Cemeteries as well as the Historic Alamo. Currently, the GLO has constructed eight (8) Veteran Homes and four (4) Veteran Cemeteries. GLO HUB outreach will continue its efforts to find to qualified HUB vendors for participation in construction and maintenance related projects and will further continue to include HUB subcontracting plans for more HUB participation.

Special Trade Construction – The GLO will continue to include HUBs under the Coastal Erosion Planning and Response Act (CEPRA) on erosion response projects within the bidding process as well as within the HUB subcontracting requirements. As a general rule the GLO includes a list of potential HUBs from the Centralized Master Bidders List (CMBL) for the specific commodities and services in its solicitation documents for subcontracting opportunities.

Professional Services – The GLO will continue to perform outreach and research the market for qualified HUBs within the professional service provider category for prime and subcontractor needs.

Other Services – A large portion of the funds expended in "Other Services" category is for payment to operators of the veterans' homes and cemeteries, where currently there are no HUB operators. The GLO will continue to research the market for qualified HUBs to provide the subcontracting needs of products and services to the facilities and further focus more on the "other services" needs of the agency where HUBs are more readily available.

Commodity Purchasing – In-kind gas payments are currently being captured in the HUB report under the commodities category.

Prime Contractor Progress Assessment (PAR) Reports - PAR Reports are maintained and reported in the required HUB reports.
http://www.window.state.tx.us/procurement/prog/hub/hub-reporting/

The Disaster Recovery (DR) Program - The majority of contracting for the DR program is carried out by local governments as they will retain their own procurement practices and procedures to hire within their own infrastructure and not through the GLO's procurement.

Energy Power Program - The GLO has two representatives in the State Power Program. The original representative is Reliant Energy (Reliant) and in November 2009 the GLO added Cavallo Energy Texas LLC (Cavallo).

GLO Agency HUB Outreach Report - An Internal Annual "HUB Outreach Report" will include the events, forums, and individual meetings that the GLO HUB Coordinator has participated in and attended in efforts to find qualified and interested HUBs to participate in the GLO's contract opportunities.

Note - A significant portion of the agency's budget is spent on products and services where HUBs are not available, i.e. operators of the veterans' homes and cemeteries, pharmaceuticals, bulk natural gas, gas transportation (pipeline) and specialized professional and consulting services.

The GLO will continue to include "special circumstances" within the Supplemental Letter that is included in the Annual Statewide HUB report.

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Appendices

Appendix A

Strategic Planning Process

July 2014

Appendix A-
A. <u>Agency Strategic Planning Process</u>

This document is the culmination of a collaborative effort to assess and refine the strategic vision of the agency. The GLO'S strategic planning process afforded this administration an opportunity to reassess the agency's core functions, mission, and philosophy. Goals, objectives, and performance measures have been updated to better reflect agency priorities and strategies that ensure continued effective and efficient management of agency resources and its people.

Management, senior, and line staff provided leadership in the development of the agency's strategic plan. Directors met with their teams to get input and feedback at the lowest level. A timeline was established with work components that afforded input on the agency's strengths, opportunities, trends, and threats for all functional areas. This information was used for the plan and will provide direction for implementation of the agency's action plans. Through a systematic approach, an agency-wide strategic planning process took shape, encouraged participation throughout the organization, and sought the buy-in of those persons critical to carrying out the core operations of the strategic vision encapsulated within this document. As we move forward in our efforts to provide better service in a timely manner, the strategic planning process will continue on an on-going basis.

Appendix B

Current Organization Chart

July 2014

General Land Office/Veterans Land Board

B. Current Organizational Chart

Texas Land Commissioner
Jerry Patterson

Deputy Land Commissioner & Chief Clerk
Larry Laine

Internal Audit Deputy Commissioner
Tracey Hall

Communications Director
Mark Loeffler

General Counsel & Deputy Commissioner for Legal Services
Bill Warnick

Financial Management Deputy Commissioner
Kenny McLeskey

Funds Management Deputy Commissioner
Rusty Martin

Professional Services Deputy Commissioner
Rene D.Truan

Oil Spill Prevention & Response Deputy Commissioner
Greg Pollock

Archives & Records Deputy Commissioner
Mark Lambert

VLB: Homes & Cemeteries Deputy Commissioner
John Berkely

VLB: Land & Housing Deputy Commissioner & Executive Secretary
William McLemore

Information Systems Deputy Commissioner
Stephen Paxman

Chief Administrative Officer
James LeGrand

Human Resources Director
Greg Simpson

Administration
James LeGrand

Coastal Resources Deputy Commissioner
Helen Young

Disaster Recovery
Jorge Ramirez

Energy Resources Deputy Commissioner
Louis Renaud

Asset Managment Deputy Commissioner
Rene D.Truan

B-127

May 14, 2014

Appendix C

Five-Year Projections for Outcomes

July 2014

C. Five Year Projections for Outcomes

GENERAL LAND OFFICE AND VETERANS' LAND BOARD (305)
(Cultural and Natural Resources)

Summary of Outcome Projections 2015-2019

Outcome Measure	Targets				
	2015	2016	2017	2018	2019
Mineral Lease Revenue as a Percent of Statewide Mineral Production Value	0.90%	0.40%	0.40%	0.40%	0.40%
Percent of PSF Uplands Acreage Leased	88.00%	87.75%	87.50%	87.25%	87.00%
Percent Oil and Gas Revenue from Audits/Reconciliations of Mineral Leases	2.26%	1.50%	1.50%	1.50%	1.50%
Utility Savings Generated by State Energy Marketing Program	8,600,000	8,600,000	8,600,000	8,600,000	8,600,000
Total Mega Watt Hours (MWh) Sold Per Year	5,000,000	3,600,000	3,700,000	3,800,000	3,900,000
Annual Rate of Return on RESFA Investments	6.00%	6.00%	6.00%	6.00%	6.00%
5-Year Average Annual Gross Return of RESFA Investments	6.00%	6.00%	6.00%	6.00%	6.00%
Percent of Shorelines Maintained, Protected, Restored	15.00%	10.00%	15.00%	10.00%	15.00%
Percent of Federal Funds Leveraged	150.00%	150.00%	150.00%	150.00%	150.00%
Percent Beach Waters Meeting or Exceeding Water Quality Standards	20.00%	20.00%	20.00%	20.00%	20.00%
Percent Loan Income Used for Administration	15.00%	15.00%	15.00%	15.00%	15.00%
Percent of Total Dollar Value of Commodity and Service Contracts Awarded to HUB's	10.00%	11.00%	12.00%	14.00%	15.00%

Appendix D

**List of Measure Definitions
For FY 2016-2017**

July 2014

D. List of Measure Definitions

Goal:	Enhance State Assets and Revenues by Managing State-owned Lands
Objective:	Generate Revenue from the Lease of State-owned Lands

Outcome Measure:	**Mineral Lease Revenue as a Percent of Statewide Mineral Production Value**
	Definition
	This measure is comprised of the mineral lease revenue and the Comptroller's estimate of total statewide mineral production.
	Data limitations
	None
	Data Source
	Sources of data are automated GLO internal management reports and the State Comptroller's report on statewide mineral production value.
	Methodology
	Divide the Annual Mineral Lease Revenue by the State Comptroller estimate for the value of total statewide mineral production.
	Purpose
	Historically, PSF oil and gas royalty revenue closely follows the pattern of total statewide mineral production value.

New Measure	Calculation Type	Target Attainment
No	Noncumulative	Higher

Outcome Measure:	**Percent of Permanent School Fund Uplands Acreage Leased**
	Definition
	This measure reflects the percentage of PSF surface inventory leased for uplands surface leases, uplands special documents and uplands commercial leases.
	Data limitations
	The percentage of uplands acres leased may vary annually and from each quarter, due to land sales by the agency, lease renewal cycles, and the economy.
	Data Source
	Internal databases provide a summary of the total acres in the PSF inventory and the total acres leased.
	Methodology
	The total acres leased is divided by the total acres in the inventory to calculate the percentage.
	Purpose
	To track the overall increase/decrease in the percentage of PSF uplands acres leased.

	New Measure	Calculation Type	Target Attainment
	No	Noncumulative	Higher

Outcome Measure:	**Percent of Oil and Gas Revenue from Audits/ Reconciliations of Mineral Leases**		
	Definition		
	Derived by dividing annual collections from audits and lease reconciliations of State mineral leases by annual mineral lease revenue		
	Data limitations		
	None		
	Data Source		
	Source of data is the internally generated management reports.		
	Methodology		
	Divide the total annual collections from audits and lease reconciliations by the total annual mineral lease revenue.		
	Purpose		
	To collect revenue due from the lease of State-owned lands and to assess State lands' revenue potential from mineral production.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Noncumulative	Higher

Outcome Measure:	**Gas Utility Savings Generated by State Energy Marketing Program**		
	Definition		
	Total dollar savings of all customers purchasing gas from the State Energy Marketing Program as opposed to "tariff" gas from local suppliers. Include fixed priced volumes but translate the fixed price back to an equivalent indexed price as part of this analysis.		
	Data limitations		
	Timing issues associated with lead/lag and rates filed subject to refund.		
	Data Source		
	Internal management reports and utility tariffs.		
	Methodology		
	The difference between the delivered gas costs associated with the in-kind gas volumes and State Energy Marketing Program, and the alternate gas cost available from the local suppliers.		
	Purpose		
	To determine the savings public retail customers within the program enjoy as a result of purchases made from the Energy Resources, State Energy Marketing Program.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Cumulative	Higher

Outcome Measure:	Total Mega Watt Hours (MWh) Sold Per Year		
	Definition Total number of MWh sold within the year for the electric power contract portfolio. A contract portfolio is the number of contracts within the program as of the end of the measurable period.		
	Data limitations Timing issues associated with the difference between the reported amounts and the billed amounts. Volumes are not reported until payment is collected.		
	Data Source Internal management reports and external reports from contracted agent for electric service.		
	Methodology Total number of MWh billed within the year, as reported by the State Energy Marketing group and the contracted agent for electric service.		
	Purpose To determine the energy growth within the State Energy Marketing Program as deliveries occur to public retail customers within the program portfolio.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Cumulative	Higher

Outcome Measure:	Number of Land and Home Improvement Loans Funded by the VLB		
	Definition This measure represents the total number of land and home improvement loans funded by Veterans Land Board (VLB) staff.		
	Data limitations The number of loans originated may be impacted by economic conditions; market supply and demand; state and federal rules, regulations, and laws; generally accepted lending industry standards and practice; and availability of qualified staffing.		
	Data Source VLB Mortgage Builder database.		
	Methodology A monthly report created by VLB staff is retrieved from the Mortgage builder data base specifying the number of land and home improvement loans funded.		
	Purpose To measure the outcome of the VLB goal to provide land and home improvement loan services to eligible Texas veterans and to increase loan value to the Veterans Land Fund.		
	New Measure	**Calculation Type**	**Target Attainment**
	Yes	Cumulative	Higher

Outcome Measure:	**Number of VLB Housing Loans Purchased from Participating Lenders**		
	Definition		
	This measure reflects the total number of housing program loans purchased from participating lenders by the VLB contracted program administrator.		
	Data limitations		
	The number of loans purchased may be impacted by economic conditions; market supply and demand; applicable state and federal rules, regulations, and laws; generally accepted lending industry standards and practice; and availability of qualified staffing.		
	Data Source		
	Program Loan Administrator database.		
	Methodology		
	A report is created and posted to a secure portal by the contracted program administrator. The report is retrieved monthly by the VLB staff.		
	Purpose		
	To measure the outcome of the VLB goal to meet the demand for eligible veterans home loans.		
	New Measure	**Calculation Type**	**Target Attainment**
	Yes	Cumulative	Higher

Outcome Measure:	**Dollar Value of VLB Housing Loans Purchased from Participating Lenders**		
	Definition		
	This measure reflects the dollar value of housing program loans purchased from participating lenders by the VLB contracted program administrator.		
	Data limitations		
	The dollar value of loans purchased may be impacted by economic conditions; market supply and demand; applicable state and federal rules, regulations, and laws; generally accepted lending industry standards and practice; and availability of qualified staffing.		
	Data Source		
	Program Loan Administrator database.		
	Methodology		
	A report is created and posted to a secure portal by the contracted program administrator. The report is retrieved monthly by the VLB staff.		
	Purpose		
	To measure the outcome of the VLB goal to meet the demand for eligible veterans home loans.		
	New Measure	**Calculation Type**	**Target Attainment**
	Yes	Cumulative	Higher

Goal:	Enhance State Assets and Revenues by Managing State-owned Lands
Objective:	Sale and Purchase of Real Property

Outcome Measure:	**Annual Gross Rate of Return on RESFA Investments**		
	Definition		
	The annual rate of rate of return on investments.		
	Data limitations		
	Availability of external funds statements at same intervals as measurement – some may need to be estimated.		
	Data Source		
	An independent third-party investment performance measurement agent calculates agency's investment portfolio performance. The performance measurement agent submits a summary table of time-weighted returns to the agency's Funds Management Division. The table serves as the agency's source document. Data for the performance measurement agent's calculations originates from information submitted by the agency's third-party investment managers directly to the performance measurement agent. The performance measurement agent maintains said data.		
	Methodology		
	Time-weighted gross one-year portfolio return, without cash equivalents, as calculated by third-party performance measurement agent.		
	Purpose		
	To determine overall performance of measurable investment assets employed and in production.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Noncumulative	Higher

Outcome Measure:	**5-Year Average Annual Gross return of RESFA Investments**
	Definition
	A measurement of the average annual gross total return over rolling 5-year periods on the real assets in the RESFA managed by TXGLO.
	Data limitations
	Performance is calculated as of the end of each calendar quarter. The calendar quarters do not match the state's fiscal quarters. Therefore, GLO will use the June 30 ending quarter to report the fiscal year ending August 31 performance.
	Data Source
	Performance will be performed externally by an independent performance measurement agent. Monthly and quarterly accounting and cash flow data will be provided by the GLO to the external agent to assist in the performance calculation.

Methodology	An independent third-party investment performance measurement agent calculates agency's investment portfolio performance. The performance measurement agent submits a summary table of time-weighted returns to the agency's Funds Management Division. The table serves as the agency's source document. Data for the performance measurement agent's calculations originates from information submitted by the agency's third-party investment managers directly to the performance measurement agent. The performance measurement agent maintains said data.

Purpose	To measure the Average Annual Gross Total Return on real assets as compared to a recognized industry standard benchmark. Favorable returns will grow the Permanent School Fund investments for future generations.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Goal:	Protect the Environment, Promote Wise Resource Use, and Create Jobs
Objective:	Protect and Maintain Texas' Coastal and Natural Resources

Outcome Measure:	**Percent of Shorelines Maintained, Protected, Restored**

Definition

A measure of the percentage of critically-eroding shorelines maintained, protected or restored through completion of erosion response construction projects. This measure is expressed as the ratio of miles of critically-eroding shoreline maintained, protected or restored to the mileage of critically-eroding shoreline determined by the Land Commissioner. Critically eroding shorelines is identified by the Land Commissioner as "critical coastal erosion area" which is legally defined under TNRC §33.601 (4) as a coastal area that is experiencing historical erosion, according to the most recently published data of the Bureau of Economic Geology of the University of Texas at Austin, that the commissioner finds to be a threat to (a)public health, safety or welfare; (b) public beach use or access;(c)general recreation;(d)traffic safety; (e) public property or infrastructure;(f) private commercial or residential property;(g)fish or wildlife habitat;(h)an area of regional or national importance.

Data limitations

The level of state appropriations obligated for the CEPRA program. Targets should be set using the formulas shown in the Method of Calculation.

Data Source

Information collected generally by the Bureau of Economic Geology (BEG) and specific information collected for the implementation of each erosion project.

	Methodology
	The numerator for this measure indicates the level of project construction activity of the erosion response program and should use the mileage target for the output measure 2.1.2 Op1 (# of miles of coastal shoreline restored and maintained annually) which is derived using a formula that takes into account state funding levels in a biennium. The denominator is the number of miles of critically eroding developable coastline identified by the Land Commissioner. E.g., if the biennium mileage target for output measure 2.1.2 Op 1 was 20 miles, and the denominator is 60 miles of critically developable coastline, the biennium target for this measure would be 33%. For each biennium, the first year should be based on achievement of 25% of the total biennium target, the second year based on achievement of 75% of the total biennium target.
	Purpose
	Provides to the legislature how much progress is being made in remedying shoreline erosion and represents a good planning and decision-making tool.

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Higher

Outcome Measure:	**Percent of Non-CEPRA Funds Leveraged**	

Definition
The ratio of total federal funds to total CEPRA funds obligated under Project Cooperation Agreements (PCA).

Data limitations
The amount of federal funding successfully sought may not be as high as expected due to circumstances beyond the GLO's sphere of control (e.g. federal match requirements may be changed in future years).

Data Source
PCAs outlining the amount of federal funds matched to state appropriated CEPRA funds obligated to specific CEPRA projects.

Methodology
The amount of non-CEPRA funds that pass through the Treasury and are matched to state appropriated CEPRA funds obligated to approved CEPRA projects, as outlined in Project Cooperation Agreements (PCAs) executed during each reporting period. The numerator for this measure indicates the amount of non-CEPRA funding committed under executed PCAs that pass through the Treasury. The denominator for this measure indicates the amount of CEPRA state-appropriated funds obligated under PCAs.

Purpose
To measure the extent/success to which state appropriated CEPRA funds can be matched with federal funds, thereby leveraging the ability of limited state funds for CEPRA projects. Optimization of funding for CEPRA is vital to the state's ability to protect public beaches, other coastal shorelines, public infrastructure, and private property. Funding spent on CEPRA projects will also save millions in future public funds for post-storm cleanup and recovery.

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Higher

Outcome Measure:	Percent of Beach Waters Meeting or Exceeding Water Quality Standards		
	Definition		
	The Texas Beach Watch Program is a quasi-regulatory program that monitors water for Enterococcus bacteria along the Texas Coast. Enterococcus bacteria thrive in waters where sewage or storm runoff is present. When Enterococcus levels exceed those recommended by the Environmental Protection Agency (EPA) and standards promulgated by the Texas Commission on Environmental Quality (TCEQ), water quality advisories are recommended.		
	Data limitations		
	Continued EPA federal funding and additional funding to expand the sampling locations and number of weeks monitored per year; Equipment and database malfunctions.		
	Data Source		
	Commercial Laboratories/universities/local governments conduct water collecting and testing and report all Enterococcus bacteria testing results.		
	Methodology		
	Calculation derived from samples collected and results reported from the Commercial Labs/universities and local governments. The program monitors at 62 recreational beaches. Within the 62 of 169 recreational beaches, multiple water samples are collected at 165 stations.		
	Purpose		
	To ensure notification to the public on Enterococcus bacteria levels that exceed water quality standards and to provide the TCEQ with advisory information for TCEQ's 303(d)/305(b) assessment in order to protect human health by identifying beaches with persistent advisories.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Cumulative	Higher

Goal:	Provide Benefit Programs to Texas Veterans
Objective:	Veterans' Benefit Programs

Outcome Measure:	Percent Loan Income Used for Administration
	Definition
	To determine administrative cost for administrating the VLB programs.
	Data limitations
	Data will be limited to funds expended and encumbered at 8/31 and interest receipted as of 8/31 of each fiscal year.
	Data Source
	Data for the measure will be taking from the 8/31 SAGE MIP report for Fund 522 and report, BD ZZ LP LAR Interest calc Fund 522 from SAGE MIP.

	Methodology
	Total funds expended/encumbered for the measure (taken from the 8/31 SAGE MIP report for Fund 522) will be divided by total interest (taken from BD ZZ LP LAR Interest calc Fund 522, from SAGE MIP) to come up with a percent.
	Purpose
	Provide an indication of actual cost incurred by a self-supporting program and to ensure that cost is being reviewed by the agency.

New Measure	Calculation Type	Target Attainment
No	Noncumulative	Lower

Goal:	Establish and carry out policies governing purchasing and service contracts
Objective:	Assist Historically Underutilized Businesses to receive state contracts

Outcome Measure:	**Percent of Total Dollar Value of Commodity and Service Contracts Awarded to HUBs**
	Definition
	The percentage of total dollars of contracts awarded to HUBs in the six procurement categories: heavy construction other than building contracts, building construction including general contractors and operative builders contracts, special trade construction contracts, professional services contracts, other services contracts, and commodities contracts.
	Data limitations
	Data is from an expenditure report and is not all from one source. Other data, i.e. procurement card payments, subcontracting, etc. are collected and reported through alternate means.
	Data Source
	Report is obtained from the agency's in-house HUB report. Data for this report is collected primarily from USAS and Texas Building and Procurement Commission's vendor database.
	Methodology
	The percentage is obtained by dividing the HUB expenditures by all expenditures. This percentage is automatically calculated on the report.
	Purpose
	This measure addresses the extent to which the agency abides with the Commission's policy of encouraging the use of HUBs in state procurement based on Disparity Study findings.

New Measure	Calculation Type	Target Attainment
No	Noncumulative	Higher

Goal:	Enhance State Assets and Revenues by Managing State-owned Lands
Objective:	Generate Revenue from the Lease of State-owned Lands

Strategy:	Assess State Lands' Revenue Potential and Manage Energy Leases/Revenues

Efficiency Measure:	Program Cost As a Percent of Revenue Generated		
	Definition		
	The cost to manage state leases vs. the income generated from those leases.		
	Data limitations		
	None		
	Data Source		
	Program expenditures are derived from the agency's financial system Sage MIP Accounting system and revenues (annual mineral lease revenue) are derived from Cash Management Division (Sage MIP Accounting system and Summary of Wire Transfer from BOEMRE by Fiscal Year).		
	Methodology		
	Program expenditures are divided by the annual mineral lease revenue.		
	Purpose		
	To measure the cost effectiveness of our management of state leases.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Noncumulative	Lower

Efficiency Measure:	Average Management Cost Per Mineral Lease		
	Definition		
	Average cost to manage each mineral lease. The number of active mineral leases managed is shown under output measures for this strategy.		
	Data limitations		
	None		
	Data Source		
	Expenditures are derived from the agency's Sage MIP Accounting system.		
	Methodology		
	Expenditures divided by the number of active leases managed equals the average management cost per mineral lease.		
	Purpose		
	To measure the cost effectiveness of each lease.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Noncumulative	Lower

Efficiency Measure:	Average Revenue Detected Per Auditor/Account Examiner
	Definition
	Total reconciliation revenue detected divided by the total number of auditors/account examiners.

	Data limitations
	Internal and Railroad Commission.
	Data Source
	Sources of data are internally generated from the program area's information system and Sage MIP Accounting system.
	Methodology
	Divide total annual reconciliation revenue detections by number of auditors/account examiners.
	Purpose
	To collect revenue due from the lease of State-owned lands and to assess State lands' revenue potential from mineral production.

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Higher

Efficiency Measure:	**Program Cost As a Percent of Detected Revenue**
	Definition
	Program cost, defined as actual funds expended by the audit and reconciliation functions, divided by total detected revenue.
	Data limitations
	Agency's financial system and GLO databases.
	Data Source
	Source of data is from the agency's financial Sage MIP Accounting system.
	Methodology
	Divide total program costs by total detected revenue.
	Purpose
	To collect revenue due from leases of State-owned lands and to assess State lands' revenue potential from mineral production and to ensure the reporting companies/royalty payers are in compliance with the terms of the lease agreement.

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Lower

Explanatory Measure:	**Value of Total Statewide Mineral Production (Billions)**
	Definition
	Comptroller estimates for the value of total statewide mineral production.
	Data limitations
	None
	Data Source
	Data is derived from the Comptroller of Public Accounts, Revenue estimating division.

	Methodology
	Utilizing the data from the Comptroller's office – crude oil, condensate and natural gas values equals the value of total statewide mineral production.
	Purpose
	This data is utilized as a benchmark in comparing lease revenues.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Explanatory Measure:	**Annual Mineral Lease Revenue (Millions)**
	Definition
	The annual mineral lease revenue is the sum of the royalty, rental and bonus.
	Data limitations
	None
	Data Source
	Revenues (annual mineral lease revenue) are derived from Cash Management Division (Sage MIP Accounting system and Summary of Wire Transfer from BOEMRE by Fiscal Year).
	Methodology
	Utilizing the Sage MIP Accounting system, add the revenue from the following departments: 121 (School land/Special board rental/bonus), 122 (School land/special board royalty), 222 (Take-in-kind/special board royalty); and utilizing BOEMRE (Summary of wire transfer), add OCS Royalties (PSF data only). The royalty data tabulated from the cash management and BOEMRE wire transfer comprise the Annual mineral lease revenue (millions).
	Purpose
	To indicate the amount of revenue paid by companies that lease state minerals.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Explanatory Measure:	**Amount of Detected Revenue Collected**
	Definition
	Amount of detected revenue collected from audits and lease reconciliations and collection efforts associated with Legal Services' Energy attorneys.
	Data limitations
	None
	Data Source
	Source of data is the agency's Sage MIP Accounting system.
	Methodology
	Sum of the total audit/lease reconciliation revenue collected, including related collection efforts by Legal Services.

	Purpose
	To collect revenue due from the lease of State-owned lands and to assess State lands' revenue potential from mineral production.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Number of Active Mineral Leases Managed**	
	Definition	
	This number reflects the number of oil, gas and other mineral tracts that are currently leased and in good standing.	
	Data limitations	
	None	
	Data Source	
	Utilizing GLO base and Microsoft access applications.	
	Methodology	
	Using GLO databases and Microsoft Access, appropriate queries are set up to derive the number of active or producing leases.	
	Purpose	
	To evaluate leasing policies and the marketplace.	

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Higher

Output Measure:	**Number of Mineral Value Assessments Performed**
	Definition
	Mineral value assessments are performed on prospective leases to determine the amount of bonus, royalty and rental that should be charged and how long the primary term should be. This number includes assessments of tracts proposed for lease by sealed bid, Relinquishment Act and highway right-of-way tracts, and other state agency and miscellaneous tracts.
	Data limitations
	As the number of assessments is driven largely by industry demand, it is subject to numerous external factors. And, the amount of time spent assessing a specific tract and/or mineral there under varies depending upon the unique characteristics of the tract. Therefore, the number of assessments does not necessarily relate directly to the total work output.
	Data Source
	The data is collected from internal reports.
	Methodology
	Summation of the numbers contained in the internal reports.

	Purpose
	This output measure tracks the number of tracts assessed for lease. As the number of tracts assessed is directly related to industry demand, this measure is indicative of market conditions, such as, oil and gas prices, technological innovation and new discoveries of oil and gas, as well as other minerals.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Output Measure:	Number of Mineral Lease Documents Processed
	Definition
	The number represents mineral royalty documents filed, electronically or by paper, associated with oil, gas, or hard minerals taken in-kind or in cash. Documents include original filings, adjustments, amendments, deletions and corrections generally made by producers, but a small number may be generated internally.
	Data limitations
	None
	Data Source
	The number of documents is summed from querying the agency database and internal management reports. These documents are called GLO-1, GLO-2, GLO-3, MA-3, and TIK (take in kind) reports. An SSRS report extracts the data from the RRAC reporting system and is combined with other internal reports.
	Methodology
	Add the number of production documents (original filings, adjustments, amendments, deletions and corrections) and the number of payment documents. This total equals the number of mineral lease documents processed.
	Purpose
	The number processed indicates compliance with the terms of the lease agreement as relates to leasing state lands that require reporting and payment of royalties. The number processed also indicates the amount of data analyzed during other processes related to the leasing state lands such as audits, reconciliation, and collections.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Output Measure:	Amount of Revenue from Audits/Lease Reconciliations
	Definition
	Total revenue detected from audits/reconciliations of oil and gas leases. Revenue also includes assessments for late paying and late reporting. Revenue is considered detected when an exception has been identified, quantified, and a billing notice has been sent.
	Data limitations
	GLO databases and systems and the Railroad Commission.

Data Source	
Source of revenue data is from the GLO database and from requested documents provided by the auditee and from the revenue detections/collections from Sage MIP Accounting system.	
Methodology	
Summation of the annual detections from audits of federal and mineral leases and from the revenue detections (billing invoices).	
Purpose	
To collect revenue due from the sale and lease of State-owned lands and to assess State lands' revenue potential from mineral production and to ensure the reporting companies and royalty payers are in compliance with the terms of the lease agreement.	

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Goal:	Enhance State Assets and Revenues by Managing State-owned Lands
Objective:	Generate Revenue from the Lease of State-owned Lands
Strategy:	Energy Marketing

Efficiency Measure:	**Program Cost As a Percentage of Utility Savings and Permanent School Fund Revenue**
	Definition
	The funds expended for the gas and oil In-Kind Program divided by the sum of the utility savings to the customers and the revenue enhancement to the PSF.
	Data limitations
	Tariff filings used to calculate utility savings may lead, lag, or be filed subject to refund, thereby, distorting savings calculations.
	Data Source
	Internal management reports and program expenditures.
	Methodology
	The sum of direct and indirect overheads divided by the sum of the utility savings for the customers and the enhancement to the PSF.
	Purpose
	Reflects the net margin of the program, on a percentage basis.

New Measure	Calculation Type	Target Attainment
No	Noncumulative	Lower

Efficiency Measure:	**Percent of Revenue Enhancement Generated by State Energy Marketing Program**
	Definition
	Amount of total revenue enhancement received from in-kind oil, gas, and power sales, divided by total annual Energy Resources royalty mineral lease revenue.

	Data limitations
	None
	Data Source
	Internal management reports.
	Methodology
	Amount of in-kind oil, gas, revenue enhancement plus enhancement divided by total annual Energy Resources royalty revenue from mineral leases.
	Purpose
	This calculation will reflect what portion of total oil and gas revenues are attributable to the State Energy Marketing Program.

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Higher

Explanatory Measure:	**Number of Customers in State Energy Marketing Program**		
	Definition		
	The number of customers participating in the State Energy Marketing Program.		
	Data limitations		
	None		
	Data Source		
	The data is collected from internal reports.		
	Methodology		
	Summation of the numbers of contracts executed.		
	Purpose		
	To measure the actual number of customers actually taking advantage of the savings offered.		

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Average Monthly Volumes of Gas Sold in Million British thermal Units (MMBtu)**
	Definition
	The monthly volumes disposed of through sales, transfer, storage, and/or transportation, storage, or imbalance use.
	Data limitations
	Timeliness of receipt of external reports.
	Data Source
	Internal management reports, external transportation and storage reports, and external imbalance statements.

	Methodology
	Using the total of all production volumes available, the total sales and uses (balancing – make-up gas) are summed to assure that all volumes are accounted for via some type of disposition. The average is derived by taking the amounts sold each month and obtaining an average for the quarter.
	Purpose
	Intended to show total dispositions further segregated into revenue and expense categories.

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Higher

Output Measure:	**Annual Revenue from Electric Marketing**	
	Definition	
	The PSF revenue enhancement from electricity delivered to Public Retail Customers.	
	Data limitations	
	Data only available in service functions where sales occur.	
	Data Source	
	The information comes from contracted values for the sale of units of electricity and usage projections based on historical demand provided by the traditional utilities and the customers themselves.	
	Methodology	
	The difference between the costs associated with generation and delivery of the electricity to Public Retail Customers and the receipts from the sales of these units of electricity.	
	Purpose	
	The measure is intended to indicate the increase in revenue that the State Energy Marketing Program will generate and contribute to the Permanent and Available School Funds.	

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Number of Acres Evaluated for Renewable Energy Development Projects**
	Definition
	Number of PSF acres evaluated that are eligible for Renewable Energy Development. Requests may be written or verbal, from internal or external customers. Evaluation includes the potential for renewable energy development and/or the desirability of retention of renewable energy rights on PSF land prior to disposition. Evaluation is based on a variety of internal and external factors including, renewable energy resource potential and compatibility with other planned or existing projects.
	Data limitations
	None

	Data Source
	Research sources may include other GLO program areas, internally and/or externally produced maps, and data from regulatory entities and private industry. Documentation of requests and research are retained in the Renewable Energy working and/or lease files and in the Performance Measures folders.
	Methodology
	Using documentation from requests, count all acres evaluated during the quarter.
	Purpose
	Provides for another source of highest and best use of our state lands and aids in maximizing revenue to the Permanent School Fund.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Output Measure:	**PSF Revenue from Renewable Energy Development Projects**
	Definition
	Revenue generated from the leases associated with renewable energy projects.
	Data limitations
	The lessee capturing and reporting the information correctly.
	Data Source
	GLO internal monthly and quarterly management reports of renewable energy revenue.
	Methodology
	Summation of revenue reported by lessees of renewable energy.
	Purpose
	Provides for another source of the highest and best use of state lands and aids in maximizing revenue to the Permanent School Fund.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Output Measure:	**Number of Heavy Duty Natural Gas Vehicles**
	Definition
	Estimated number of heavy–duty natural gas vehicles with a gross vehicle weight rating (GVWR) of 8,500 pounds or more.
	Data limitations
	Inherent risks of obtaining information that is either not current or inaccurate.
	Data Source
	Annual estimate of heavy-duty natural gas vehicles, based on data collected from Alternative Fuels Data Center, supplemented by a GLO survey of data from public and private sources, including the Comptrollers Office, Clean Cities coordinators around the state, natural gas fuel providers, the Texas Building and Procurement Commission and Energy Information Administration (EIF).

	Methodology
	Aggregation of data collected from the sources noted above.
	Purpose
	This measure aids in ascertaining whether the use of natural gas vehicles is increasing, decreasing or stagnating. It will help chart the impact of the other performance measures.

	New Measure	**Calculation Type**	**Target Attainment**
	No	Noncumulative	Higher

Goal:	Enhance State Assets and Revenues by Managing State-owned Lands
Objective:	Generate Revenue from the Lease of State-owned Lands
Strategy:	Coastal and Uplands Leasing and Inspection

Efficiency Measure:	**Program Cost As a Percent of Revenue Generated**		
	Definition		
	Percentage relationship of program cost versus revenue received from uplands and coastal instruments.		
	Data limitations		
	Estimation difficulty based on complexity of projects.		
	Data Source		
	Revenues from uplands instruments and coastal instruments are tracked by an internal database. The expenditure report is created by the agency's internal accounting system.		
	Methodology		
	Determined by dividing program expenditures allocated to management of Uplands and Coastal instruments by the total revenue generated from these instruments.		
	Purpose		
	Track program cost in relation to revenue generated. Ensure land use fees are adequate to cover program costs for these instruments.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Noncumulative	Lower

Explanatory Measure:	**Dollar Amount of Surface Damage Fee Assessments Collected**
	Definition
	A Surface Damage Fee is collected from permitees, lessees and other entities whose activities impact state-owned properties. The primary source of revenue at this time is generated by fees assessed for geophysical permits.
	Data limitations
	It is difficult to accurately project future collections, as the number of dollars collected is driven largely by market demand and is subject to numerous external economic factors.

	Data Source
	The data is collected from internal reports.
	Methodology
	Summation of the dollar amounts contained in the internal reports.
	Purpose
	This output measure tracks the total dollars collected for surface damages to state-owned properties. Typically, the amount collected is directly related to the size and scope of the impacts caused by the permitted activity, therefore this measure is indicative of such impacts on state-owned properties.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Annual Revenue from Uplands Surface Leases**	
	Definition	
	This measure reflects the total revenue collected from uplands commercial leases, uplands surface leases, uplands special documents and uplands miscellaneous easements.	
	Data limitations	
	Due to the varying renewal cycles, and payment requirements, such as some leases or easements pay the total consideration up front, others require monthly, quarterly, or annual payments; some periods will reflect higher lease revenue than others.	
	Data Source	
	Internal database tracks the consideration received for each instrument.	
	Methodology	
	Sum of all payments received during each quarter.	
	Purpose	
	To determine the revenue generated from uplands leasing and easement activities.	

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Number of Active Uplands Surface Leases Managed**	
	Definition	
	This measure counts the total number of active uplands commercial leases, upland surface leases, uplands special documents and uplands miscellaneous easements.	
	Data limitations	
	The total number of active uplands leases may vary annually, and from each quarter, due to lease renewal cycles, changes in the economy, and land sales.	
	Data Source	
	Internal database tracks the total number active uplands leases and easements.	

	Methodology
	The total number reflects all active instruments in the PSF inventory at the time the report is generated each quarter.
	Purpose
	To track the overall increase/decrease in the number of active upland leases and easements managed.

New Measure	Calculation Type	Target Attainment
No	Noncumulative	Higher

Output Measure:	Number of PSF Uplands Acres Leased
	Definition
	This measure reflects the total acres of upland property leased.
	Data limitations
	Changes in the inventory (i.e., land sales, acquisitions) and the economy may cause an unexpected variance in data.
	Data Source
	Internal database provides a summary of the total acres of PSF upland property leased.
	Methodology
	The numbers used for calculations reflect average acreage in the inventory at the time the reports are generated each quarter.
	Purpose
	To track the overall increase/decrease in the total acres of upland property leased.

New Measure	Calculation Type	Target Attainment
No	Noncumulative	Lower

Output Measure:	Number of Uplands Field Inspection Reports Completed
	Definition
	The number of field inspections resulting in a field report, memo or other written report.
	Data limitations
	None
	Data Source
	Tracked through the monthly summary of Uplands activities.
	Methodology
	Utilize internal reports to track inspections reported by Uplands staff. Total number of inspections done during each quarter.
	Purpose
	Track number of inspections completed and relationship of inspections performed to leases issued.

	New Measure	Calculation Type	Target Attainment
	No	Cumulative	Higher

Output Measure:	**Number of Active Coastal Leases Managed**		
	Definition		
	This value is the total number of active coastal instruments.		
	Data limitations		
	None		
	Data Source		
	Internal automated database is maintained on the number of instruments by instrument type.		
	Methodology		
	Counting the total number of active coastal instruments each quarter utilizing automated database.		
	Purpose		
	Track the total number of coastal instruments managed and new instruments issued. Used to track fluctuations in issuance of instruments from quarter to quarter and year to year.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Noncumulative	Higher

Output Measure:	**Annual Revenue from Coastal Leases**		
	Definition		
	This value equals the total revenue collected from coastal instruments.		
	Data limitations		
	Due to the varying payment and renewal schedules, (i.e., initial, one-time, monthly, quarterly, or annual payments), some periods will reflect higher lease revenue than others.		
	Data Source		
	Revenues from coastal leases are tracked by an automated information system.		
	Methodology		
	Adding all revenue received during each quarter generated by coastal instruments.		
	Purpose		
	To determine amount of revenue received from coastal instruments. Data is used to assess increase/decrease in revenue activity.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Cumulative	Higher

Goal:	Enhance State Assets and Revenues by Managing State-owned Lands
Objective:	Sale and Purchase of Real Property
Strategy:	PSF and State Agency Real Property Evaluation/Acquisition/Disposition

Efficiency Measure:	**Disposition Transactions, Percent of Fair Market Value**

Definition

This measure reflects the extent to which PSFS dispositions exceed fair market value (FMV) by reflecting the disposition prices as a percentage of the FMV for all dispositions during the period.

Data limitations

Data derived from the database must be verified by reviewing disposition documents due to data entry lag times. Dispositions related to the Paseo del Este transaction from 1998 are omitted from the performance measure calculation.

Data Source

The Agency Lease and Asset Management Operations (ALAMO) system provides a summary of disposition price and FMV for each disposition.

Methodology

The percentage is calculated as the total disposition price for all sales during the period divided by the total FMV for all sales during the period.

Purpose

To measure the managerial efficiency and/or agency achievement with regard to negotiating disposition prices that exceed FMV.

New Measure	**Calculation Type**	**Target Attainment**
Yes	Non-Cumulative	Higher

Efficiency Measure:	**Acquisition Transactions, Percent of Fair Market Value**

Definition

This measure reflects the extent to which PSFS acquisitions are at or below fair market value (FMV) by reflecting the acquisition prices as a percentage of the FMV for all acquisitions during the period.

Data limitations

Data derived from the database must be verified by reviewing acquisition documents due to data entry lag times.

Data Source

The Agency Lease and Asset Management Operations (ALAMO) system provides a summary of acquisition prices and FMV for each acquisition.

Methodology

The percentage is calculated as the total acquisition price for all acquisitions during the period divided by the total FMV for all acquisitions during the period.

Purpose

To measure the managerial efficiency and/or agency achievement with regard to negotiating acquisition prices below FMV.

	New Measure	Calculation Type	Target Attainment
	Yes	Non-Cumulative	Lower

Explanatory Measure:	**Percent receipts Released to SBOE/TEA**

Definition

The annual amount released from the Real Estate Special Fund Account ("RESFA") to SBOE/TEA and/or ASF as determined annually by the School Land Board.

Data limitations

Data from external performance measurement reports are calculated on calendar quarters and will thus not match state's fiscal quarter timing. GLO will use June 30 data for calculation.

Data Source

Data will be extracted from GLO accounting records and external performance measurement reports.

Methodology

Divide actual annual amount released from the RESFA to SBOE/TEA and/or ASF by the trailing 16-quarter market value of the RESFA.

Purpose

The purpose of this measure is to determine the annual amount of RESFA assets released to SBOE/TEA and/or ASF expressed as a percentage of the total market value of the RESFA assets.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Output Measure:	**Evaluations of Permanent School Fund and Other State Agency Land**

Definition

Using automated internal management reports as the source of data, this number represents the total number of property evaluations performed on PSF and other state agency land.

Data limitations

None

Data Source

An internal database is used to store, sort, report, and retrieve evaluation reporting data.

Methodology

The number of evaluations completed represents a percentage of the total number of required property evaluations performed on other state agency land. An evaluation is tabulated upon completion of the first draft property report.

Purpose

To measure, track, and assess progress of evaluations.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Goal:	Enhance State Assets and Revenues by Managing State-owned Lands
Objective:	Alamo Complex
Strategy:	Alamo Complex

Efficiency Measure:	**Alamo Operational Costs per Visitor**

Definition

A measure of the efficiency of the operations at the Alamo Complex. This measure is expressed as a ratio of the costs to operate the Alamo Complex to the total number of visitors at the Alamo Complex.

Data limitations

An exact count of total visitors to the Alamo Complex is not possible given the public's free access to the complex via multiple points of entry.

Data Source

All expense data from Alamo operations is captured in the accounting system monthly. Operational costs are all expenses of running the Alamo Complex. There are consistently more visitors to the Gift Shop than the Shrine. Therefore, the Number of Gift Shop Visitors is more representative of the number of visitors to the Alamo Complex.

Methodology

The ratio of operational costs to number of visitors is calculated by dividing the total cost of operations by the total number of visitors to the Alamo Complex.

Purpose

Provides the Legislature with an understanding of how the costs to operate the Alamo Complex correlate to the number of visitors.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Lower

Efficiency Measure:	**Alamo Net Revenue Per Visitor**

Definition

Measures the amount of revenue generated by the Alamo Complex for each visitor. This is expressed as a ratio of the net revenue to the total number of visitors at the Alamo Complex.

Data limitations

An exact count of total visitors to the Alamo Complex is not possible given the public's free access to the complex via multiple points of entry.

Data Source

The data used will be the Alamo Net Revenue (includes donations, vending, rental, tours) and number of visitors.

Methodology

The ratio of Alamo Net revenue to the number of visitors is calculated by dividing the Alamo Net revenue by the total number of visitors.

Purpose	
This measure provides the Legislature with net revenue generated from each visitor to the Alamo Complex.	

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Number of Alamo Shrine Visitors**

Definition
Captures the number of individuals that visit the Alamo Shrine.

Data limitations
An individual that does not enter the Shrine is not counted. Likewise, an individual that leaves the Shrine and enters again will be counted twice.

Data Source
Data is captured using a system called Flonomics. A camera is used to count individuals entering the Shrine each day. A daily report is generated from the system and stored in a permanent file on the Alamo servers. A copy is also stored on the Flonomics' servers.

Methodology
All individuals entering the Shrine will be counted using the Flonomics system.

Purpose
To know how many people visit the Alamo Shrine. The number of visitors impacts all operational areas of Alamo operations – maintenance, utilities, horticultural, administration, and education.

New Measure	**Calculation Type**	**Target Attainment**
Yes	Cumulative	Higher

Output Measure:	**Number of Alamo Gift Shop Visitors**

Definition
Captures the number of individuals that enter the Gift Shop

Data limitations
An individual that leaves the gift shop and enters again will be counted twice.

Data Source
Data is captured using a system called Flonomics. A camera is used to count individuals entering the Gift Shop each day. A daily report is generated from the system and stored in a permanent file on the Alamo servers. A copy is also stored on the Flonomics' servers.

Methodology
All individuals entering the Gift Shop will be counted using the Flonomics system.

Purpose
To know how many people visit the Gift Shop. The number of visitors impacts all operational areas of Alamo operations – maintenance, utilities, horticultural, administration, and education. Gift shop revenue accounts for the majority of revenue that supports the operations at the Alamo Complex.

	New Measure	**Calculation Type**	**Target Attainment**
	Yes	Cumulative	Higher

Output Measure:	**Alamo Gift Shop Revenue in Dollars**

Definition

The amount of revenue generated by contracting out the operation of the gift shop to a third party.

Data limitations

None

Data Source

Payments made by the third party contractor are captured monthly and reported to the accounting system. Variable income is calculated at the end of the fiscal year.

Methodology

Total Alamo Gift Shop Revenue received from the third party contractor.

Purpose

Gift Shop sales generate the majority of the revenue that supports the operations at the Alamo Complex. This metric will provide the Legislature with an ability to measure the success of the gift shop in generating revenue at the Alamo Complex.

New Measure	**Calculation Type**	**Target Attainment**
Yes	Cumulative	Higher

Goal:	Protect the Environment, Promote Wise Resource Use, and Create Jobs
Objective:	Protect and Maintain Texas' Coastal and Natural Resources
Strategy:	Coastal Management

Output Measure:	**Number of Joint Permit Application Forms Processed**

Definition

Using internal records, the number of responses associated with permitting assistance in the Individual and Small Business Assistance Program. Joint Permit Applications are processed each year by the Permit Service Center (PSC).

Data limitations

None

Data Source

Database maintained by PSC staff.

Methodology

Using an internal database, report quarterly the total number of joint permit application forms processed by the PSC.

Purpose

This function is highly important to the success of the projects undertaken at the community level. These efforts are essential to keep the projects on going and prevent excessive delays.

	New Measure	Calculation Type	Target Attainment
	No	Cumulative	Higher

Output Measure:	**Number of Coastal Management Program Grants Awarded**

Definition
Using internal agency reports, the number of grants and contracts awarded each year by the Coastal Management Division.

Data limitations
None

Data Source
CMP grant database.

Methodology
The team efforts enumerated above within the definition are tracked and aggregated on a quarterly basis for reporting purposes.

Purpose
The function of grant administration represents over 50 percent of the budget associated with the program area and aids significantly in assisting our coastal communities to maintain safe beaches, healthy dunes, clean beaches and accessibility.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Output Measure:	**Number of Federal Actions and Activities Reviewed**

Definition
Using internal agency reports, the number of federal consistency certifications and determinations for federal actions and activities technically-reviewed by the coastal management staff.

Data limitations
Sometimes the permitee provides insufficient data to make determinations regarding the potential impacts to our natural resources. When this occurs, the permitee is contacted for the warranted information. Projects are also received that fall outside the coastal zone boundary, that are not technically-reviewed or included in these measures.

Data Source
Database of permit applications from the Corps of Engineers and other federal agencies.

Methodology
Quarterly summation of reviews conducted.

Purpose
To track certifications and determinations for federal agency projects on the Texas coast.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Output Measure:	Number of Volunteers Participating in Cleanups		
	Definition		
	The number of volunteers is calculated by adding up the total number of volunteers reporting to each check-in location reported by the local volunteer coordinators.		
	Data limitations		
	Human error only. With the training and commitment level of our volunteers, these risks are minimal.		
	Data Source		
	Database of information is maintained regarding all volunteers and recruitment efforts.		
	Methodology		
	Aggregating the number of volunteers from data sheets maintained at each cleanup effort.		
	Purpose		
	Critical to the success of this endeavor. There is not enough staff employed to perform cleanups independent of volunteers. Additionally, these hands on types of experiences help better educate our citizens and communities regarding our coastal areas and keeping them free of debris.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Cumulative	Higher

Output Measure:	Trash Collected by Volunteers	
	Definition	
	The amount of trash is calculated by adding the total pounds of trash collected at each cleanup site as reported by the local volunteer coordinators.	
	Data limitations	
	Very minimal, with the exception of having to depend on the accuracy of sites that do not have access to scales in order to weigh the trash collected at the check-in point location. With the formula provided above, and the training and commitment level of the local Adopt-A-Beach volunteer coordinators, these risks are minimal.	
	Data Source	
	Texas General Land Office Adopt-A-Beach local volunteer coordinator worksheets that document the amount of trash removed during the cleanup.	
	Methodology	
	The amount of trash collected by volunteers is calculated by weighing in bags and debris on scales, and/or by calculating trash bags amounts using the following formula: Number of bags multiplied by 25 pounds equals pounds of trash then divided by 2,000 equals tons of trash. This is done at each check-in site location and reported by the local volunteer coordinators. Summation of data source.	
	Purpose	
	The purpose of this measure is that it records the amount of marine debris found on accessible public beaches and bays in Texas. Additionally, this information is instrumental in helping us better educate our citizens and communities regarding Texas coastal areas, keeping them free of debris and safe for all to enjoy.	

	New Measure	Calculation Type	Target Attainment
	No	Cumulative	Higher

Output Measure:	**Number of Beach Water Samples Collected**

Definition

The Texas Beach Watch Program is a quasi-regulatory program that monitors water for Enterococcus bacteria along the Texas Coast. Enterococcus bacteria thrive in waters where sewage or storm runoff is present. When Enterococcus levels exceed those recommended by the Environmental Protection Agency (EPA) and standards promulgated by the Texas Commission on Environmental Quality (TCEQ), water quality advisories are recommended.

Data limitations

Continued EPA federal funding and additional funding to expand the sampling locations and number of weeks monitored per year; Equipment and database malfunctions.

Data Source

Commercial Laboratories/universities/local governments conduct water collecting and testing and report all Enterococcus bacteria testing results.

Methodology

Calculation derived from samples collected and results reported from the Commercial Labs/universities and local governments. The program monitors at 62 of 169 recreational beaches. Within the 62 of 169 recreational beaches, multiple water samples are collected at 165 stations.

Purpose

To ensure notification to the public on Enterococcus bacteria levels that exceed water quality standards and provide the TCEQ with advisory information for TCEQ's 303(d)305(b) assessment in order to protect human health by identifying beaches with persistent advisories.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Goal:	Protect the Environment, Promote Wise Resource Use, and Create Jobs
Objective:	Protect and Maintain Texas' Coastal and Natural Resources
Strategy:	Coastal Erosion Control Grants

Explanatory Measure:	**Cost/Benefit Ratio for Coastal Erosion Planning and Response Act Projects**

Definition

Benefit/Cost Ratio for CEPRA Projects

Data limitations

Given that the measure must be reported annually, project close-out/determination of final project costs of all subject projects examined (e.g. projects will be on different schedules, each project may face timeline challenges-permitting delays, turtle nesting season delays, construction delays-that will affect the availability of final completion and hence known actual project costs) will vary. Consequently, this crucial piece of information may not be available for all projects in the study universe by the end of the biennium, but only a sub-set thereof, given the varying timelines of projects under construction at different times during a given biennium.

Data Source

The General Land Office and Veterans' Land Board (GLO) is statutorily required to collect this information. In the past, the agency has done so in conjunction with the University of Texas Bureau of Economic Geology and private engineering firms in undertaking a study to facilitate the calculation of the cost-benefit ratio of each subject project. The GLO (CEPRA staff with the assistance of Financial Management staff)will determine which construction projects should be considered in the study and provide project-related information, including project construction data and final total project costs based on paid invoices and construction payment applications. At least 20 percent of the projects completed per fiscal year/biennium and at least one project from each category for which a project was undertaken should be included in the study universe.

Methodology

Each biennium, the benefit-to-cost (B/C) ratio will be calculated by a CEPRA study, using a universe of CEPRA construction projects funded during the preceding biennium. The study will be performed by a Professional Services Provider under contract to the agency. Comparing the estimated benefits to the project costs shows the net benefits of the assessed projects. Dividing the estimated benefits by the cost produces the B/C ratio. B/C ratios greater than one indicate the cost effectiveness of a project. In short, for each constructed CEPRA project, project benefits are calculated by considering storm damage reduction benefits, beach visitation benefits (if for a BN-DR type project) and the natural resource restoration benefits (derived through quantification of natural resource benefits). These benefits are examined against the estimated project life and multiplier effects taken into consideration, along with present-value and inflation adjustments.

Purpose

This measure provides information regarding the economic and financial benefits the state receives from the money spent on Coastal Erosion Planning and Response Act (CEPRA) projects. This will help the legislature determine the benefits of funding CEPRA, increase program transparency, and make information easily accessible when future funding decisions are being made.

New Measure	Calculation Type	Target Attainment
No	Noncumulative	Higher

Output Measure:	**Number of Miles of Shoreline Maintained, Protected and Restored**
	Definition
	Miles of coastal shoreline re-nourished, restored or maintained through the coastal erosion initiatives.

Data limitations	
Monitoring for the proper construction in one facet of CEPRA projects, but on-going monitoring to measure the anticipated results will also be an integral part of reviewing the success of this program.	
Data Source	
Monitoring the design and engineering plans.	
Methodology	
The number of miles restored is reasonably measurable through construction project plans and specifications and verified via monitoring:	
1) A baseline three-dimensional measurement of cubic yards of sand placed per lineal foot of coastal shoreline. The method of calculation establishes a three-dimensional baseline measurement of 10 cubic yards of sand per linear foot of beach shoreline.	
2) A marsh acreage conversion factor to lineal footage measurement and define the amount of area restored or protected. The recommended conversion is 25 acres of maintained, protected or restored marsh to one mile of shoreline maintained, protected or restored.	
The basic formula should be: [($CEPRA) x (3.0 leverage factor)] ÷ ($1.5 M/mile avg. cost) = # miles biennia target. To work through an example, if $10M CEPRA funds were appropriated in a particular biennia, then the formula would be solved as such: [($10M CEPRA) x (3.0)] ÷ $1.5 M/mile =20 miles as the biennial target.	
Purpose	
The Coastal Erosion Planning and Response Act (CEPRA) is significant in providing for protecting our public beaches, public infrastructure and private property. It will also save millions in future public funds for post-storm cleanup and recovery.	

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Goal:	Protect the Environment, Promote Wise Resource Use, and Create Jobs
Objective:	Prevent and Respond to Oil Spills
Strategy:	Oil Spill Response

Explanatory Measure:	**Number of Reporting System Calls Reported to the Emergency Reporting System**
	Definition
	This number includes all phone calls to the 1-800 reporting system.
	Data limitations
	None
	Data Source
	The Program Area's 1-800 Database

	Methodology
	All incoming calls to the 1-800-832-8224 emergency reporting line are entered into the database and tallied every quarter.
	Purpose
	This 24-hour state-wide environmental emergency reporting line is used by the GLO, TCEQ, and the RRC for notification of incidents requiring immediate evaluation/response by the appropriate jurisdictional agency.

	New Measure	**Calculation Type**	**Target Attainment**
	No	Cumulative	Lower

Explanatory Measure:	**Total Amount of Oil Spill Response Program Costs Recovered**		
	Definition		
	Total monies recovered to the Coastal Protection Fund through fines, penalties, response cost reimbursements, facility certification fees, and National Pollution Funds Center reimbursements.		
	Data limitations		
	None		
	Data Source		
	The Agency's Abila MIP accounting system.		
	Methodology		
	A report is run using Abila MIP to determine all monies posted for penalties, response related reimbursements, and facility certifications during a given reporting period. Revenues falling under the preceding categories are housed under unique revenue GLA codes that are used to query MIP. The resulting report returns the total revenue reported under this measure.		
	Purpose		
	This measure is intended to address the extent to which the program complies with Section 40.153 of the Natural Resources Code, which states: "The commissioner shall recover to the use of the fund, either from persons responsible for the unauthorized discharge or otherwise liable or from the federal fund, jointly and severally, all sums owed to or expended from the fund."		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Cumulative	Higher

Output Measure:	**Number of Oil Spill Responses**
	Definition
	This number includes GLO physical responses to reported spills that occur on or threaten coastal waters.
	Data limitations
	There are many factors beyond the agency's control which affect the number of reported spills.

	Data Source
	The program area's Main Oil Spill Application (MOSA).

	Methodology
	Anytime a Response Officer goes to the site of a notification (with the exception of duplicates and drills), the appropriate field is marked in MOSA for the incident. A standardized query is performed of the MOSA data for the quarter and a report is generated.

	Purpose
	This measure provides an indication of the program's spill response activity. as required by OSPRA 40.004(a).

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Lower

Goal:	Protect the Environment, Promote Wise Resource Use, and Create Jobs
Objective:	Prevent and Respond to Oil Spills
Strategy:	Oil Spill Prevention

Efficiency Measure:	**Percent of Field Staff Time Expended on Prep, Response and Prevention Activities**

	Definition
	The percentage of time field staff are engaged in preparedness, response, or prevention field activities compared to the total available field staff time.

	Data limitations
	None

	Data Source
	The agency's Timekeeper application.

	Methodology
	All program area field staff enter their daily activities into the agency's timekeeper application. Once their time has been approved, the Agency Timekeeper will furnish a report that distinguishes field staff hours spent on preparedness, response, and prevention (PRP) activities, from administrative type activities. PRP activities include duties such as: patrols, inspections, audits, drills, exercises, spill response, maintenance of equipment, and public outreach programs conducted by field staff. Administrative time includes activities usually performed in the office, but not associated with a PRP activity. Examples of administrative duties include: staff meetings, weekly reports, personnel evaluations, and like activities. Once total PRP hours and total administrative hours have been documented and identified, measure performance is calculated. The numerator contains the sum of all available field staff time spent on PRP activities. The denominator contains all worked time (i.e. the sum of PRP time plus Administrative time). The result of this calculation is a percentage. Leave time is excluded for purposes of this measure.

	Purpose
	This number indicates the efficiency at which field staff is utilized to conduct operational activities in support of program goals. Operational activities such as spill responses, patrols, audits, inspections and exercises are recognized as the primary tools for protection of the Texas maritime environment in accordance with the Oil Spill Prevention and Response Act.

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Explanatory Measure:	**Number of Certified Oil Handling Facilities**
	Definition
	The number of oil handling facilities subject to General Land Office jurisdiction. This number includes all facilities identified and certified as being within the operations of which are determined to have the potential of spilling oil into Texas coastal waters.
	Data limitations
	None
	Data Source
	The Program Area's Compliance Database.
	Methodology
	A standardized query in the database is run utilizing the facilities table and a report is generated which lists all facilities currently certified by the Program Area.
	Purpose
	This number is indicative of a work amount that is required to be coordinated on a periodic basis to ensure facilities comply with Section 40.109 of the Oil Spill Prevention & Response Act.

New Measure	Calculation Type	Target Attainment
No	Noncumulative	Higher

Explanatory Measure:	**Number of Registered Vessel Company Accounts**
	Definition
	The number of vessel owners/operators registered with the GLO as having vessels required to submit information to the agency prior to transiting Texas coastal waters.
	Data limitations
	None
	Data Source
	On-line and Internal Program Area Vessel Database
	Methodology
	A standardized query in the database is run utilizing the company table and a report is generated which lists all registered vessel company accounts.

	Purpose
	This number indicates the number of vessel operators that have registered vessels with the Oil Spill Prevention and Response Program as required by Title 31, Texas Administrative Code, Section 19.61(b).

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Higher

Explanatory Measure:	**Number of Derelict Vessels in Texas Coastal Waters**
	Definition
	The number includes all derelict vessels subject to removal in Texas coastal waters.
	Data limitations
	None
	Data Source
	DVS - The internal database for vessels identified as derelict and subject to removal.
	Methodology
	The number is derived by totaling the number of derelict vessels remaining to be removed. Once the vessel is removed, the record is marked indicating such. Only those vessels/structures that have not yet been removed make up this reporting number.
	Purpose
	H.B. No. 2096 amended Section 40.108 of the Natural Resources Code relating to the removal and disposal of certain vessels and structures in Texas coastal waters.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Lower

Output Measure:	**Number of Prevention Activities - Oil Handling Facilities**
	Definition
	Preventive activities at oil handling facilities include audits and inspections conducted to determine response preparedness, adequacy of responses and prevention initiatives.
	Data limitations
	None
	Data Source
	The program area's Compliance Database.
	Methodology
	A standardized query in the Compliance Database is processed and utilizes the projects table, which contains all facility-related activities entered by field staff. The standardized query is filtered to return a specific criterion, facility-related activity. The resulting report will then list only facility-related activities performed during the time period identified by the query. The report is used to furnish a count.

	Purpose
	The measure indicates the number of facility-related prevention and preparedness activities conducted by program personnel. Activities are conducted in both announced and unannounced fashion to facilitate comprehensive compliance with known pollution prevention and preparedness practices. These facility activities are designed to elevate oil pollution awareness, identify potential oil spill problems, and raise preparedness factors across the spectrum of facilities in accordance with the Oil Spill Prevention and Response Act.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Number of Prevention Activities - Vessels**		
	Definition		
	This number for preventive activities involving vessels reflects the number of audits, inspections, and other prevention activities conducted on vessels and vessel operators located in or planning to transit Texas coastal waters.		
	Data limitations		
	None		
	Data Source		
	The program area's Compliance Database.		
	Methodology		
	A standardized query in the Compliance Database is processed and utilizes the projects table, which contains all vessel-related activities entered by field staff. The standard query is filtered to return a specific criterion, vessel-related activity. The resulting report will then list only vessel-related activities performed during the time period identified by the query. The report is used to furnish a count.		
	Purpose		
	The measure indicates the number of prevention activities conducted by program personnel. Activities are conducted in both announced and unannounced fashion to facilitate comprehensive compliance with known pollution prevention and preparedness practices. These vessel activities are designed to elevate oil pollution awareness, identify potential oil spill problems, and raise preparedness factors across the spectrum of vessels in accordance with the Oil Spill Prevention and Response Act.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Cumulative	Higher

Output Measure:	**Total Number of Oil Spill Related Patrols**
	Definition
	This number includes all patrols done by GLO personnel via boat or aircraft in/over harbors, waterways and via vehicle on public property near oil handling facilities and docks.
	Data limitations
	None

| | **Data Source** |
| | The program area's Compliance Database. |

| | **Methodology** |
| | Forms have been developed to capture patrol information. Field staff enters all patrol activity into the database. A standardized query in the Compliance Database is processed and utilizes the projects table, which contains all patrol activity entered by field staff. The standard query is filtered to return a specific criterion, patrol activity. The resulting report will then list only patrol related activities performed during the time period identified by the query. The report is used to furnish a count, |

| | **Purpose** |
| | This activity is critical to the prevention of oil spills and to their timely reporting. It has been proven that the "presence" of regulatory or law enforcement personnel deters violations of the law. The patrol is one of the primary methods GLO uses to obtain "presence." In addition, patrols allow the GLO to keep up with the changing world of the waterfront. New facilities are identified, vessels are monitored and unreported spills are found. |

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Goal:	Provide Benefit Programs to Texas Veterans
Objective:	Veterans' Benefit Programs
Strategy:	Veterans' Loan Programs

Efficiency Measure:	**Percent of Debt Service, Loan Demand and Program Costs Self-Funded**

| | **Definition** |
| | This measure determines the effectiveness of the VLB in self-funding its programs. |

| | **Data limitations** |
| | None |

| | **Data Source** |
| | The information is obtained primarily from vouchers submitted to the Comptroller's office requesting warrants for the purchase of land, housing, and home improvement loans; the payment of administrative expenses; and the payment of debt service on outstanding VLB bonds. |

| | **Methodology** |
| | The dollar amount of warrants not funded due to lack of funds is divided by the dollar amount of total warrants funded, then subtracted from 1, then converted to a percentage by multiplying the result times 100. |

| | **Purpose** |
| | The measure indicates the percentage of VLB expenses funded through the management of VLB bond funds. A measure of 100% indicates that no draws are required from the state's general revenue fund to administer VLB programs. |

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Higher

Efficiency Measure:	Percent of Delinquent Loans in Portfolio		
	Definition		
	This measure reflects the percent of all land, housing, and home improvement loans in the TVLB portfolio which are 90 or more days delinquent. It included loans originated by TVLB and participating lenders.		
	Data limitations		
	None		
	Data Source		
	For purposes of the quarterly reports, data provided as of the end of each quarter will be used to calculate the number of delinquent accounts. A report supplied by the land loan servicer provides the number of land loans 90 or more days delinquent. Financial reports from the Program Administrator provide statistics on delinquent housing and home improvement program loans. A report is supplied from the land loan servicer to determine the number of active land loan accounts. Housing and home improvement program active accounts are provided by the Program Administrator.		
	Methodology		
	Reports provided by the Program Administrator and land loan servicer provide the number of program loans that are 90 or more days delinquent. The number of delinquent and active accounts for each program are entered into a master spreadsheet and added to obtain the total number of delinquent loans and the total number of active loans. This total number of delinquent accounts is divided by the total number of active loans in the portfolio to obtain the percentage of delinquent loans.		
	Purpose		
	Tracking delinquent loans enables the TVLB to have an overview of the rate of delinquency in all TVLB programs. Identifying delinquent loans gives the agency and servicers the opportunity to work with veterans to remedy their delinquency in an attempt to keep accounts from being foreclosed.		
	New Measure	**Calculation Type**	**Target Attainment**
	No	Noncumulative	Lower

Efficiency Measure:	Percent of Foreclosed Loans in Portfolio		
	Definition		
	This measure reflects the percent of all land, housing, and home improvement loans in the TVLB portfolio that are foreclosed and possible losses. It includes loans originated by TVLB and participating lenders.		
	Data limitations		
	None		
	Data Source		
	This measure reflects the percent of all land, housing, and home improvement loans in the TVLB portfolio that are foreclosed and possible losses. It includes loans originated by TVLB and participating lenders.		

	Methodology
	The number of foreclosed loans for each program and the number of active accounts are entered into a master spreadsheet and added to obtain the total number of foreclosed loans and the total number of active accounts. The total number of foreclosed accounts is divided by the total number of active loans in the portfolio to obtain the percentage of foreclosed loans.
	Purpose
	To ensure the stability of all loan programs, the percentage of all properties in foreclosure is carefully monitored.

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Lower

Efficiency Measure:	**Percent of Delinquent VLB Land Program Loans Removed from Forfeiture**
	Definition
	This measure represents the percent of delinquent contract for deed accounts that are eligible for forfeiture (more than 120 days delinquent) and VLB staff performs loss mitigation services to remove the property from forfeiture.
	Data limitations
	None
	Data Source
	Program loan servicers database
	Methodology
	A report is created and posted to a secure portal by the contracted program servicer. The report is retrieved monthly by the VLB staff.
	Purpose
	To maintain a low percentage of forfeited land loans.

New Measure	**Calculation Type**	**Target Attainment**
Yes	Cumulative	Higher

Explanatory Measure:	**Number of VLB Land Loans Serviced by Outside Contractors**
	Definition
	This measure reflects the number of active land loan accounts that are serviced by our servicer, Dovenmuehle Mortgage Inc. (DMI).
	Data limitations
	None
	Data Source
	Loan servicing data for the Land program loans are maintained on the contracted program loan servicer's database. Reports are generated by contracted servicer and downloaded by VLB staff.

	Methodology
	Monthly reports indicate the number of active accounts and the status of those accounts. The number of active accounts change daily, so the count at the last day of the month will be used for the calculation.
	Purpose
	The purpose of the measure is to track the number of active land loans serviced by DMI.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Number of Real Estate, Lending, and Home-Building Professionals Trained**
	Definition
	This measure reflects the number of real estate, lending industry, and home-building professionals who have been trained regarding the programs of the TVLB.
	Data limitations
	None
	Data Source
	Sign in sheets will be maintained to track attendance at training sessions including professionals from the real estate and/or home-building industries. A spreadsheet of certificates issued will be maintained for lending professionals educated. Some training could be on a one-to-one basis. Data will be compiled by management through reports generated from spreadsheets. Targeted professions include those licensed by the Texas Real Estate Commission, and members of the Texas Mortgage Bankers Association, Texas Association of Mortgage Brokers, Association of Professional Mortgage Women or the Texas Association of Builders.
	Methodology
	The number of attendees at each real estate professionals session certificates awarded to lending professionals will be added to obtain the total number of professionals who were trained.
	Purpose
	The purpose of this measure is to inform and train professionals of the real estate and lending industries about opportunities available to Texas veterans. These professionals are the traditional first contacts veterans make for purchasing and lending services.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Goal:	Provide Benefit Programs to Texas Veterans
Objective:	Veterans' Benefit Programs
Strategy:	State Veterans' Homes

Output Measure:	**Occupancy Rate at Veterans Homes**

	Definition
	This measure compares the ratio of occupied veterans' nursing home beds to the number of beds available.
	Data limitations
	None
	Data Source
	Daily census reports are provided to the Veterans Land Board by the operators of the Texas State Veterans Homes.
	Methodology
	The average number of occupied beds of an accounting period, divided by the total number of available beds for the same period, determines the occupancy rate.
	Purpose
	The purpose of this measure is to maximize operational revenues that meet or exceed operational costs plus bond indebtedness while meeting veterans appropriate demand for skilled nursing care.

New Measure	**Calculation Type**	**Target Attainment**
No	Noncumulative	Higher

Output Measure:	**Number of Processing Days for VLB Land Program Loans**		
	Definition		
	This measure reflects the cumulative average processing days between receipt of buyer/seller land contracts to the date of funding.		
	Data limitations		
	None		
	Data Source		
	VLB Mortgage Builder database.		
	Methodology		
	A monthly report created by the VLB Staff is retrieved from the Mortgage builder data base specifying the YTD average number of processing days between receipt of buyer/seller land contracts to the date of funding.		
	Purpose		
	To maintain a processing time goal of 30-days or less from receipt of buyer/seller land contracts to the date of funding.		
	New Measure	**Calculation Type**	**Target Attainment**
	Yes	Cumulative	Higher

Output Measure:	**Dollar Value of Land and Home Improvement Loans Funded by the VLB**
	Definition
	This measure represents the dollar value of land and home improvement loans funded by Veterans Land Board (VLB) staff.

Data limitations	
The dollar value of loans originated may be impacted by economic conditions; market supply and demand; state and federal rules, regulations, and laws; generally accepted lending industry standards and practice; and availability of qualified staffing.	
Data Source	
VLB Mortgage Builder database.	
Methodology	
A monthly report created by the VLB Staff is retrieved from the Mortgage builder data base specifying the dollar value of land and home improvement loans funded.	
Purpose	
To measure the outcome of the VLB goal to provide land and home improvement loan services to eligible Texas veterans and to increase loan value to the Veterans Land Fund.	

New Measure	Calculation Type	Target Attainment
Yes	Cumulative	Higher

Goal:	Provide Benefit Programs to Texas Veterans
Objective:	Veterans' Benefit Programs
Strategy:	State Veterans' Cemeteries

Explanatory Measure:	Number of Interments Provided by the State Veterans Cemetery Program
Definition	
This measure represents the number of veterans and dependents who have been buried in a Texas State Veterans' Cemetery.	
Data limitations	
None	
Data Source	
The contract operator of each cemetery maintains daily burial sheets regarding interments of veterans and dependents.	
Methodology	
Reports are submitted monthly from each cemetery operator showing the number of new interments during the month. The reports are totaled to obtain the number of interments during any specified period.	
Purpose	
The purpose of this measure is to monitor interments at the Texas State Veterans Cemeteries to ensure maximum utilization of burial benefits by veterans and their families.	

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

Output Measure:	Number of Burial Industry Professionals Educated

Definition	
This measure reflects the number of industry professionals who have been educated regarding the Texas State Veterans Cemetery Program. This includes professionals who work with veterans and their families on burials.	
Data limitations	
None	
Data Source	
Sign in sheets will be maintained to track attendance for large educational presentations. Most education will be on a one-to-one basis. A spreadsheet record will be maintained for individual sessions. Data will be compiled by management through monthly reports generated from operators. Targeted professionals include state licensed funeral directors and mortuary staff, case workers and nursing supervisors in hospice organizations and nursing homes, and social workers in hospitals. As case workers and nursing supervisors in hospice organizations, nursing homes, and hospitals often assist dying patients in making decisions regarding their final resting place, they are included as professionals educated for this measure.	
Methodology	
The number of attendees at each educational session will be added to obtain the total number of professionals who were educated.	
Purpose	
The purpose of this measure is to inform professionals of the burial, hospice and long term care industries about burial benefits available to Texas veterans. These professionals are the traditional first contacts veterans and their families make for burial services.	

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Goal:	Oversee Long-Term Disaster Recovery thru Community Economic Development and Housing Projects
Objective:	Provide Grants for Repair and Reconstruction
Strategy:	Rebuild or repair Damaged Homes

Output Measure:	**Total Number of Onsite Monitoring Reviews Conducted**
Definition	
Measure represents the number of monitoring reviews performed, by Disaster Recovery.	
Data limitations	
No limitations	
Data Source	
The data is gathered from information maintained by the disaster recovery department.	
Methodology	
The number reported is the actual number of reviews performed.	

	Purpose
	The measure meets statutory and agency requirements

	New Measure	Calculation Type	Target Attainment
	No	Cumulative	Higher

Output Measure:	Total Number of Desk Monitoring Reviews Conducted
	Definition
	Measure represents the number of desk monitoring reviews, performed, by Disaster Recovery.
	Data limitations
	None identified
	Data Source
	The data is gathered by program from Department databases
	Methodology
	The number reported is the actual number of reviews performed.
	Purpose
	The measure meets statutory and agency requirements.

	New Measure	Calculation Type	Target Attainment
	No	Cumulative	Higher

Output Measure:	Number of Completed Housing Construction Projects
	Definition
	Number housing construction projects in which all grant funded construction activities have been completed.
	Data limitations
	No limitations.
	Data Source
	The data is gathered from information maintained by the Disaster Recovery Program.
	Methodology
	The project is closed when all construction activities have been inspected and closed by the local authorities, reported to the GLO, and all funds expended to the grantee by the GLO.
	Purpose
	This measure is a pertinent performance measure to evaluate the GLO on the CDBG housing program.

	New Measure	Calculation Type	Target Attainment
	Yes	Cumulative	Higher

Goal:	Oversee Long-Term Disaster Recovery thru Community Economic Development and Housing Projects
Objective:	Provide Grants for Repair and Reconstruction
Strategy:	Rebuild Infrastructure

Output Measure:	Number of Completed Non-Housing Construction Projects		
	Definition		
	Number of non-housing construction projects in which all grant funded construction activities have been completed.		
	Data limitations		
	No limitations.		
	Data Source		
	The data is gathered from information maintained by the Disaster Recovery Program.		
	Methodology		
	The project is closed when all construction activities have been inspected and closed by the local authorities, and reported to the GLO.		
	Purpose		
	This measure is a pertinent performance measure to evaluate the GLO on the CDBG non-housing program.		
	New Measure	**Calculation Type**	**Target Attainment**
	Yes	Cumulative	Higher

Goal:	Establish and carry out policies governing purchasing and service contracts
Objective:	Assist Historically Underutilized Businesses to receive state contracts
Strategy:	Increase the use of Historically Underutilized Businesses through purchasing and service contracts

Output Measure:	Number of HUB Contacted for Bid Proposals
	Definition
	The number of HUB contacted (via telephone or formal written bid) for bids and/or proposals for acquisition of goods, services, and public utility contracts.
	Data limitations
	The VCID is a separate database from the main purchasing system. The degree of accuracy is dependent upon the information for each affected contract being entered into two separate systems.
	Data Source
	Procurement staff members enter into the agency's Vendor Contact Information Database (VCID) all vendors contacted for goods, services, and public utility contracts.

	Methodology
	The report generated shows the number of HUBs contacted for bids and/or proposals by gender and ethnicity for any specified reporting period.
	Purpose
	This measure addresses the extent to which the agency makes a good faith effort to provide economic opportunities to HUBs in contracting for state government contracts by contracting directly with the HUB. The agency abides with the Commission's policy of ensuring that HUBs are included in each procurement opportunity.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Number of HUB Contracts Awarded**
	Definition
	The number of HUB awards for goods, services, and public utility contracts.
	Data limitations
	The accuracy of the report generated is dependent upon the accuracy of ethnicity/gender type entered into REPERS for each requisition.
	Data Source
	Procurement staff members enter into the agency's Requisitioning, Encumbrance, Purchasing, Expenditure, Reporting System (REPERS) the gender and ethnicity of the vendor for each requisition award.
	Methodology
	The report generated shows the number of HUB awards by ethnicity and gender for selected purchasing (goods, services and public utility) contracts for any specified reporting period.
	Purpose
	This measure addresses the extent to which the agency assists HUBs in receiving contract awards through its efforts to participate in outreach programs in order to increase economic opportunities in state purchasing for HUBs.

New Measure	**Calculation Type**	**Target Attainment**
No	Cumulative	Higher

Output Measure:	**Dollar Value of HUB Contracts Awarded**
	Definition
	The total dollar amount of contracts awarded to HUBs in the six procurement categories: heavy construction other than building contracts, building construction including general contractors and operative builders contracts, special trade construction contracts, professional services contracts, other services contracts, and commodities contracts.

Data limitations	
Data is from an expenditure report and is not all from one source. Other data, i.e. procurement card payments, subcontracting, etc. are collected and reported through alternate means.	
Data Source	
Report is obtained from the agency's in-house HUB report. Data for this system is collected primarily from USAS and Texas Building and Procurement Commission's vendor database.	
Methodology	
The report generated shows the total HUB expenditures for any reporting period.	
Purpose	
This measure addresses the extent to which the agency makes a good faith effort to assist HUBs in receiving awards.	

New Measure	Calculation Type	Target Attainment
No	Cumulative	Higher

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Appendix E

Workforce Plan

July 2014

General Land Office
Workforce Plan
Fiscal Years 2015-2019

General Land Office

Workforce Plan
Fiscal Years 2015-2019

I. Overview

A. Agency Mission and Philosophy

1. **Mission.** The Texas General Land Office serves the schoolchildren, veterans, and all people of Texas by preserving their history, protecting their environment, expanding economic opportunity, helping communities rebuild after disasters, and maximizing state revenue through innovative administration and prudent stewardship of state lands and resources.

2. **Philosophy.** The Texas General Land Office considers innovation, creativity, and imagination to be a part of its basic duty. The agency's purpose is accomplished using the highest standards of efficiency, professionalism, ethics, fairness, and friendliness toward those we serve -- the citizens of Texas and personnel of the agency.

   The agency's employees are its most valuable asset. The General Land Office will support its personnel's personal and professional growth and fulfill its responsibility to reflect the rich diversity of Texans, through its composition and its understanding. Quality will mark every product and every system and process. Inclusion will be a benchmark of good governance and policy, and we will consider differing opinions from competing interests in our continuing efforts to further the common good.

   The General Land Office's philosophy is based on nine values that will guide the decision-making processes and ensure balance between its resources and mission.

   - Accountability. We will create a climate of accountability that enhances productivity and satisfaction for employees and customers. We will strive to maintain accountability among our fellow employees and to those we serve.

   - Diverse Workforce. We believe that diversity is paramount and essential. We will strive to encourage a recruitment and retention process to reflect the diversity of Texas.

   - Efficiency. We continually strive to improve the efficiency of operations. We will spend resources wisely - always in the best interest of the citizens of Texas and in accordance with statutory responsibilities. We will strive to minimize bureaucracy by delegating authority and decision-making and eliminating ineffective procedures.

   - Ethics. We will set a high standard of ethics that promotes better service to employees and the citizens of Texas. We will strive to develop, maintain, and direct measures to ensure this standard.

- Fairness. We will conduct business with the public and agency cohorts in an equitable, impartial, and honest manner, without prejudice and favoritism. We will make decisions with objective and balanced judgment and in accordance with the agency's mission, established rules and procedures.

- Inclusiveness. We believe that inclusiveness is important and essential. We will strive to create an environment where all employees and citizens of Texas have opportunities for access and participation.

- Innovation. We will foster a work environment where employees are encouraged to make suggestions for improvements, productive suggestions will be implemented, and employees will be recognized for their ideas.

- Professionalism. We will strive for professionalism in providing the highest quality service to customers. This service will be a model of consistency that ensures courtesy and integrity.

- Quality. We are committed to providing extraordinary service at the lowest possible cost with the greatest sense of pride.

B. Strategic Goals, Objectives and Strategies

Goal I	To enhance the value of state assets, and the revenues they generate through prudent and innovative management, acquisition, and investments of agency and state-owned land, minerals, and other assets.
Objective	Generate revenue from the lease of state land each year in amounts commensurate with projected trends in the energy market; ensure at least 10 percent of oil and gas revenues through auditing, in-kind marketing, and power marketing activities and renewable energy activities on an annual basis; and ensure that at least 75 percent of Permanent School Fund uplands acreage is leased each year.
Strategies	Assess the revenue potential of state lands for energy leasing and conduct aggressive energy leasing and revenue management activities. Promote the sale and use of state-owned energy resources, including renewable energy resources, to maximize the revenues generated by assets and develop public-private partnerships and programs to promote economic development. Prosecute for the defense of title to Permanent School Fund lands and the Relinquishment Act, royalty deficiencies and other mineral lease claims or cases. Promote and conduct Uplands/Surface leasing activities for Permanent School Fund and state agency lands. Promote and conduct coastal leasing activities for Permanent School Fund and state agency lands.

Objective	Enhance the value of the Permanent School Fund by generating income and capital appreciation through investment in real assets.
Strategies	To evaluate, acquire and dispose of real property on behalf of the Permanent School Fund and to evaluate and dispose of underutilized state-owed land. Conduct surveys and appraisals on Permanent School Fund and state agency land.
Objective	Maintain oversight of the Alamo and Alamo Complex.
Strategy	Preserve, maintain and restore the Alamo Complex and its contents and the protection of the historical and architectural integrity of the exterior, interior and grounds of the Alamo complex.
Goal II	To preserve, protect, improve and restore the Texas environment, beaches and coastal areas, and promote the wise use of resources while creating new markets and jobs, through environmental initiatives in partnership with the public and private sector.
Objective	Protect and maintain 20 percent each year of developed, accessible, and eroding gulf shorelines.
Strategies	Administer federal-funded Texas Coastal Management Program (CMP), CMP grants, Coastal Impact Assistance Program (CIAP), Beach Watch, state funded beach management program and a coastal erosion control and beach nourishment program. Develop and implement a comprehensive coastal erosion response program and grants.
Objective	Provide constant capability to prevent or respond to oil spills and decrease the number of spills by 11.0 percent by fiscal year 2016.
Strategies	Develop and implement an oil spill response program and respond quickly and efficiently to oil spills. Develop and implement a comprehensive oil spill prevention program to monitor the integrity of oil transport through Texas coastal waters.
Goal III	To provide Texas veterans with self-supporting benefit programs offering below-market interest rate loans for land, homes and home improvements; high quality long-term nursing home care; and an honorable final resting place.

Objective	Manage program assets to cover 100 percent of loan demand, debt service and program expenses; reach one-third of Texas veterans annually with program information; maintain delinquency and foreclosure ratios at less than industry averages; and provide veterans with quality nursing home care and dignified burial sites.
Strategies	Provide veterans with benefit information, below-market lending opportunities, and efficient loan services; manage active loan accounts and bond funds to ensure the financial integrity of the VLB loan programs. Administer nursing home facilities to ensure veterans receive quality nursing home care. Provide burial sites for Texas veterans.
Goal IV	Oversee long-term recovery efforts by administering the Community Development Block Grant disaster recovery program for the State of Texas by providing grants for economic development infrastructure and housing projects.
Objective	Provide grants for rebuilding or rehabilitation single-and multi-family homes in storm damaged areas while addressing the needs of low-to moderate- income families, urgent needs and furthering affirmative fair housing.
Strategies	Rebuild or repair single- and multi-family homes in storm damaged areas. Rebuild the infrastructure in storm damaged communities.
Goal V	To establish and carry out policies governing purchasing and service contracts that foster meaningful and substantive inclusion of Historically Underutilized Businesses (HUBs).
Objective	To make a good faith effort to assist Historically Underutilized Businesses (HUBs) to receive contracts and subcontracts awarded annually by the agency in the specific procurement categories while striving to meet or exceed the HUB percentage goal for the particular category utilized.
Strategy	Develop and implement a plan for increasing the use of Historically Underutilized Businesses through purchasing and service contracts.

C. Agency Business Functions

In 1836, the Republic of Texas Congress formed the General Land Office (GLO) to manage the public domain. The charge was to collect and keep records, provide maps and surveys, and issue titles. Because the federal government would not take Texas' land as debt payments, Texas entered the Union owning its public land. Also, unlike other Gulf states, Texas owned its submerged lands - or tidelands - three marine leagues (about 10.3 miles) into the Gulf of Mexico. This proved to be a bounty that would yield rich rewards for the Lone Star State for generations since the Texas Constitution of 1876 set aside half of Texas' remaining public lands to establish a Permanent School Fund (PSF), to help finance public schools.

Since then, the GLO's responsibilities have grown and diversified, and now include:

- maximizing revenues from 13 million surface and mineral acres of state-owned land for the Permanent School Fund,
- auditing oil, gas and hard mineral leases on state lands to ensure payment of royalties to the Permanent School Fund,
- unifying state acreage into more manageable tracts by analyzing acreage and coordinating land trades and sales,
- conducting ground and aerial surveys of state-owned land,
- leasing state lands for renewable energy projects,
- identifying underused state properties and recommending uses for them,
- funding low-cost home, land and home improvement loans for Texas veterans,
- providing long-term care nursing homes for Texas veterans, their spouses and Gold Star parents,
- overseeing state veterans cemeteries for Texas veterans and their spouses,
- preserving the memories of Texas veterans through the Voices of Veterans oral history program,
- archiving more than 35 million historical land documents,
- digitizing historical land documents and making them available over the Internet,
- managing the Save Texas History program to conserve our historic documents ,
- preventing oil spills and ensuring cleanup of oil spills in state waters,
- providing free disposal of oily bilge water along the Texas coast,
- inspecting coastal refineries and fishing vessels to prevent oil spills,
- reversing coastal erosion through beach renourishment projects,
- protecting coastal dunes that alleviate storm surge impacts,
- helping coastal communities prepare for and recover from tropical storms,
- managing the Adopt-A-Beach Cleanup Program to keep our coast free of trash and debris, and
- enforcing the Texas Open Beaches Act on behalf of all Texans.

D. Anticipated Changes to the Mission, Objectives, Strategies and Goals

In 2011, Governor Perry transferred administration of the Community Development Block Grant-Disaster Recovery (CDBG-DR) program from the Texas Department of Housing and Community Affairs and the Texas Department of Rural Affairs to the GLO. As a result, the GLO is now the lead state agency for managing disaster recovery grants through the U.S.

Department of Housing and Urban Development (HUD). These grants total more than $3 billion and are designed to help local communities recover from hurricanes Dolly and Ike.

Also in 2011, the 82nd Legislature passed House Bill 3726 and granted jurisdiction of the Alamo Complex to the GLO. The GLO assumed ownership of the Alamo on behalf of the State of Texas on September 1, 2011, and is responsible for the preservation, maintenance, and restoration of the Alamo Complex and the protection of the historical and architectural integrity of the exterior, interior, and grounds of the Alamo Complex.

In early 2012, the Governor designated the GLO as the administrator of over $30 million of CDBG funds HUD has allocated as disaster recovery assistance for wildfires that occurred between April 6, 2011 and December 31, 2011.

Although significant work will continue as the GLO implements these major new responsibilities, the GLO's core mission is not expected to change in the next five years and no major changes to the GLO's objectives, strategies and goals are expected.

II. Current Workforce Profile

A. Workforce Demographics

The following charts profile the GLO's regular, full-time and part-time workforce as of December 31, 2013, based on data from the Uniform Statewide Payroll System[1].

The GLO's current workforce is comprised of approximately 53 percent males and 47 percent females. This reflects an increase for females of three percent compared to the last Workforce Report.

Approximately 71 percent of GLO employees are age 40 or over, 41 percent are age 50 and over, 10 percent are age 60 and over, and 10 percent are under age 30. Compared to the last Workforce Report:

- the percentage of those over 40 has decreased less than two percent,
- the percentage of those over 50 has increased less than one percent,
- the percentage of those over 60 has decreased less than one percent, and
- the percentage of those under 30 has increased less than two percent.

Approximately 41 percent of GLO employees have less than five years GLO service, and approximately 22 percent have 15 or more years GLO service. Compared to the last Workforce Report:

- the percentage of those with 15 or more years of GLO service has decreased less than four percent, and
- the percentage of those with less than 5 years of GLO service has increased less than six percent.
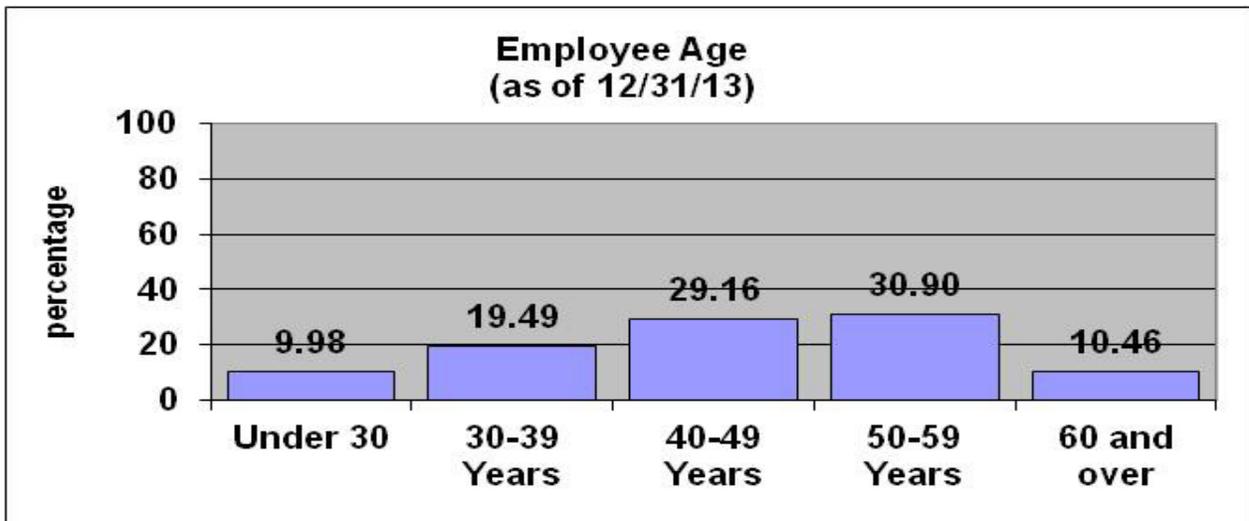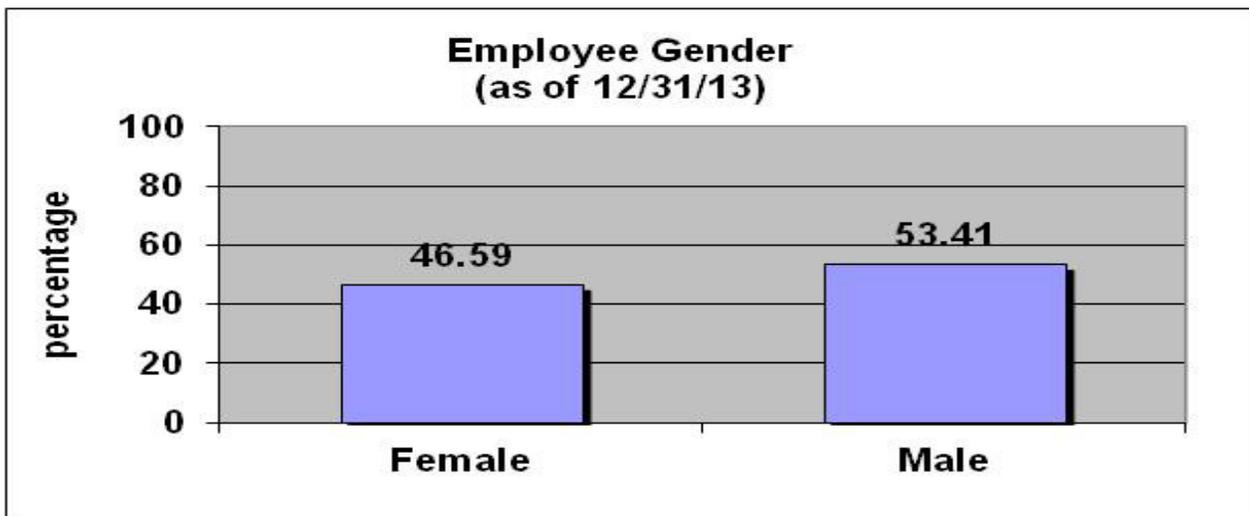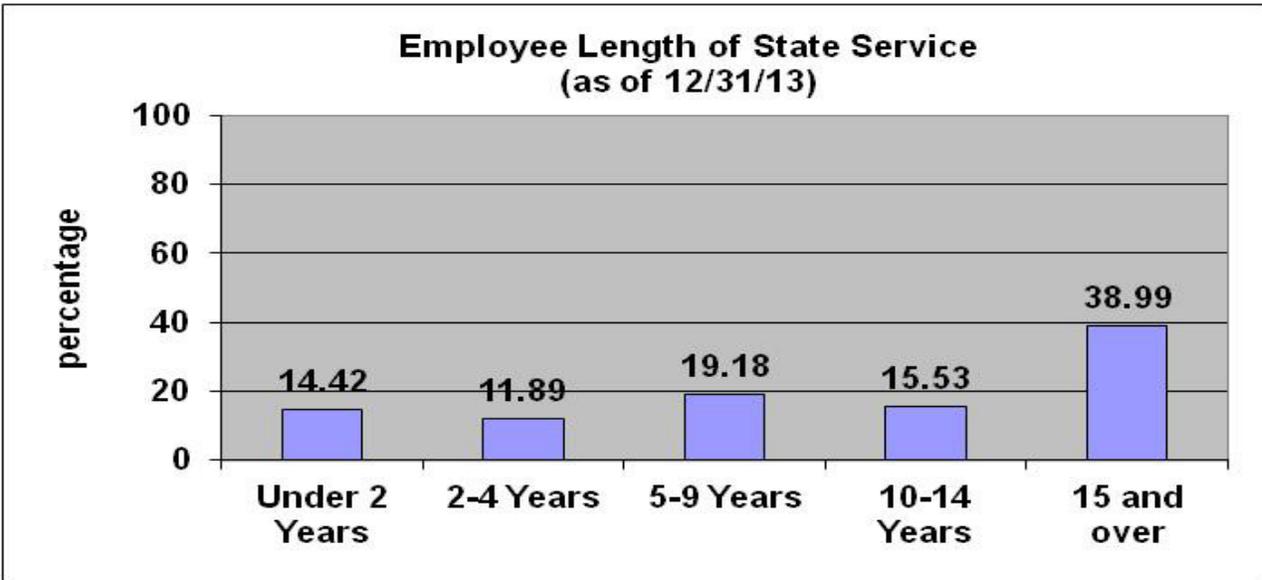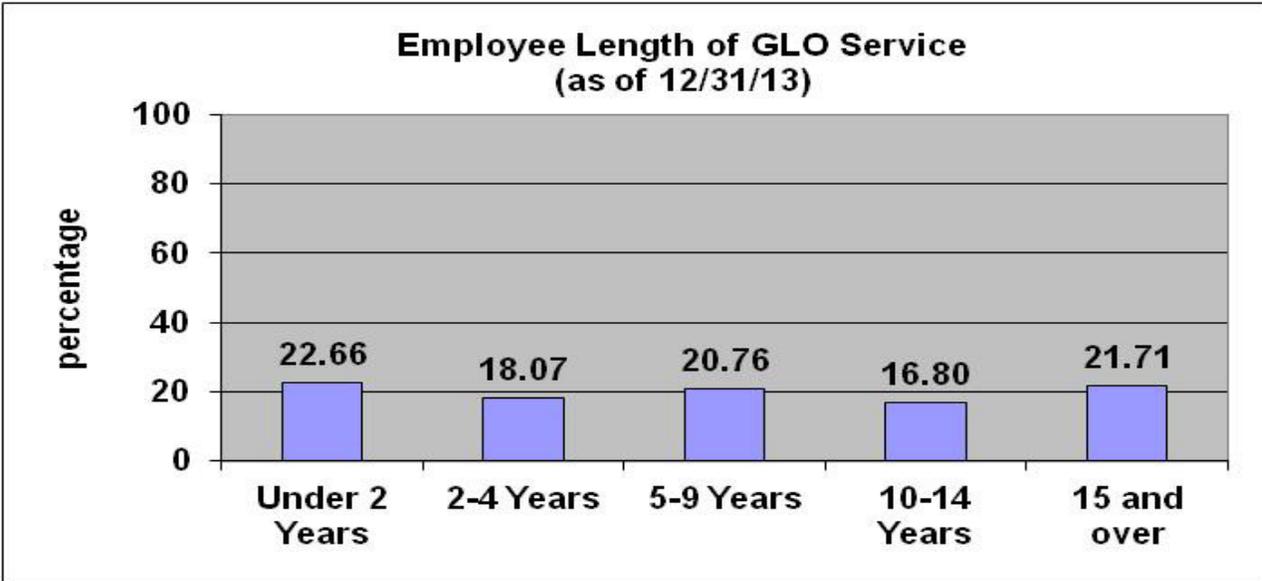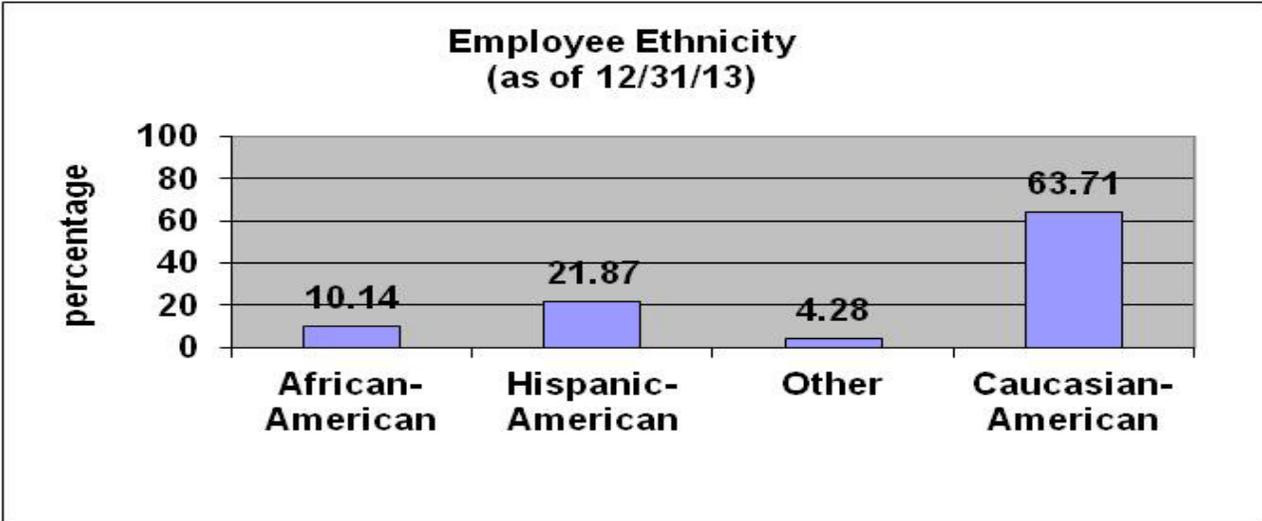
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[1] This analysis does not include the Commissioner of the General Land Office, board members, or temporary employees, such as summer interns.

These small changes are consistent with the fact that the GLO offered a voluntary retirement incentive plan in the summer of 2013. Because being eligible to retire was a prerequisite to participating in this plan, those choosing to do so tended to be older employees with many years of service. In addition, 39 percent of the participants were women, while women represent almost 47 percent of the GLO workforce.

Even with these shifts, the GLO workforce still tends to be mature and experienced, with:

- 71 percent of employees over 40,
- 22 percent with at least 15 years of GLO experience, and
- 39 percent with 15 or more years of state service.

Employee Gender
(as of 12/31/13)

Gender	Percentage
Female	46.59
Male	53.41

Employee Age
(as of 12/31/13)

Age Group	Percentage
Under 30	9.98
30-39 Years	19.49
40-49 Years	29.16
50-59 Years	30.90
60 and over	10.46

Employee Ethnicity
(as of 12/31/13)

Ethnicity	Percentage
African-American	10.14
Hispanic-American	21.87
Other	4.28
Caucasian-American	63.71

Employee Length of GLO Service
(as of 12/31/13)

Length of Service	Percentage
Under 2 Years	22.66
2-4 Years	18.07
5-9 Years	20.76
10-14 Years	16.80
15 and over	21.71

Employee Length of State Service
(as of 12/31/13)

Length of Service	Percentage
Under 2 Years	14.42
2-4 Years	11.89
5-9 Years	19.18
10-14 Years	15.53
15 and over	38.99

The following charts compare the GLO's ethnicity and gender percentages as of December 31, 2013 to that of the statewide civilian workforce[2].

2013 GLO Workforce and Statewide Civilian Workforce Comparison-Ethnicity

2013 GLO Workforce and Statewide Civilian Workforce Comparison-Gender

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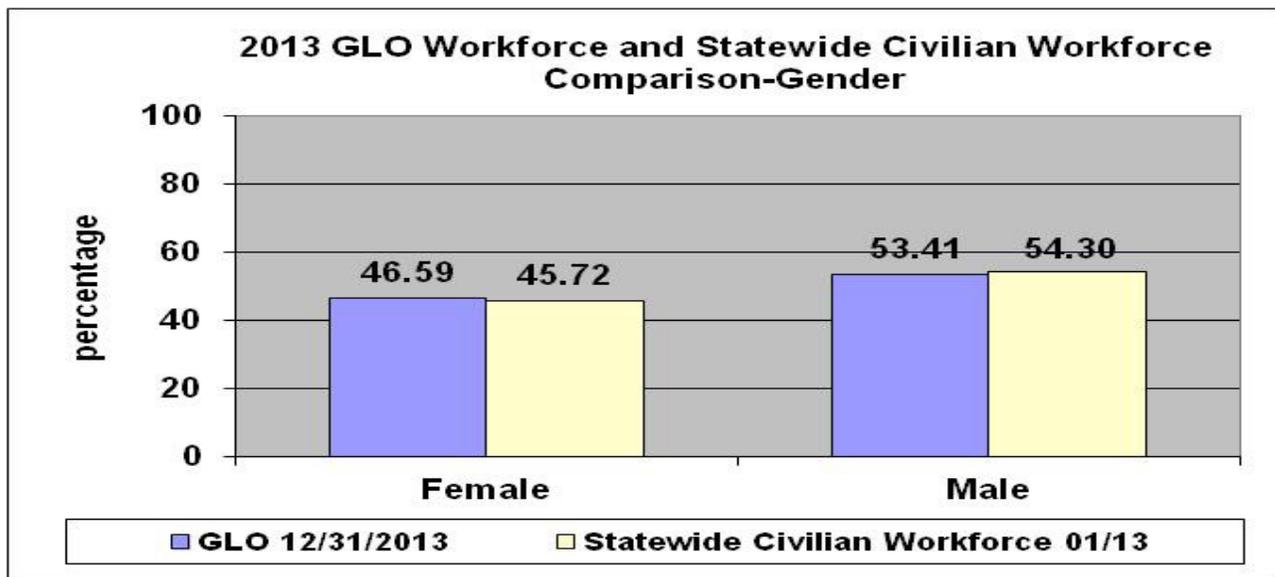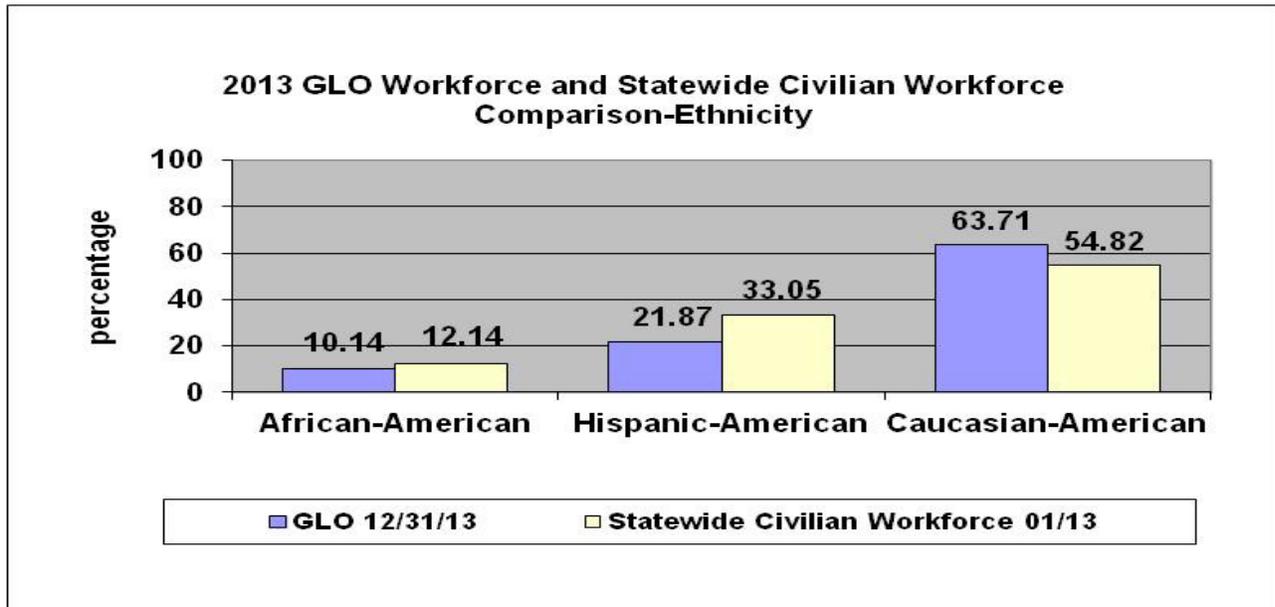
[2] Texas Workforce Commission's Statewide Civilian Workforce Composition (Table 1 of the TWC's January 2013 Equal Employment Opportunity and Minority Hiring Practices Report). This report only contains data regarding the state's Caucasian, African American, Hispanic, and female workforce.

For the January 2013 report, the Texas Workforce Commission compiled the Statewide Civilian Workforce Percentage Composition by using data from the Bureau of Labor Statistics (BLS). BLS distinguishes between ethnicity (Hispanic or Non-Hispanic) and race (White, Black, Other) and captures data on these classifications independent of each other. As a result, Hispanics are included in both the White and Black racial numbers. BLS also allows respondents to report themselves in more than one racial category. The statewide job application, used to capture GLO ethnicity data, does not allow multiple ethnic entries. It also does not distinguish between ethnicity and race. Rather, it treats Hispanic as an ethnic choice, along with White, Black, Asian/Pacific Islander, or American Indian/Alaskan Native. Accordingly, the statewide African American and Caucasian American statistics are not a direct comparison to the GLO's numbers because the statewide statistics include Hispanics.

December 31, 2013

Job Category[3]	Caucasian American		African American		Hispanic American		Other		Females	
	GLO%	State %	GLO%	State %	GLO%	State %	GLO%	State %	GLO %	State %
Officials/Administrators	78.6%	71.5%	**4.1%**	9.0%	**14.3%**	19.5%	3.1%	N/A	37.8%	39.3%
Professional	65.3%	71.3%	9.9%	11.3%	19.8%	17.4%	5.1%	N/A	**44.9%**	59.1%
Technician	64.1%	64.5%	**5.1%**	14.2%	28.2%	21.4%	2.6%	N/A	**10.3%**	41.5%
Para-Professional[4]	56.7%	N/A	10.4%	N/A	26.9%	N/A	6.0%	N/A	59.7%	N/A
Administrative Support	**41.7%**	55.9%	22.2%	13.6%	34.7%	30.5%	1.4%	N/A	75.0%	65.6%
Service and Maintenance	100.0%	37.1%	0.0%	14.7%	0.0%	48.2%	0.0%	N/A	0.0%	40.8%

Overall, the agency percentages are slightly below the state workforce percentages for African-Americans and slightly above for females, but are 11 percent below the state averages for Hispanics. Job categories where the GLO percentages are less than 80 percent of the state percentage are shown in red (for those job categories found at the GLO). Agency recruitment will continue to seek out various ways to reach those segments of the state workforce that are underrepresented at the GLO in an effort to obtain an applicant pool that reflects the diversity of the state, and thereby help reduce the differentials noted above.

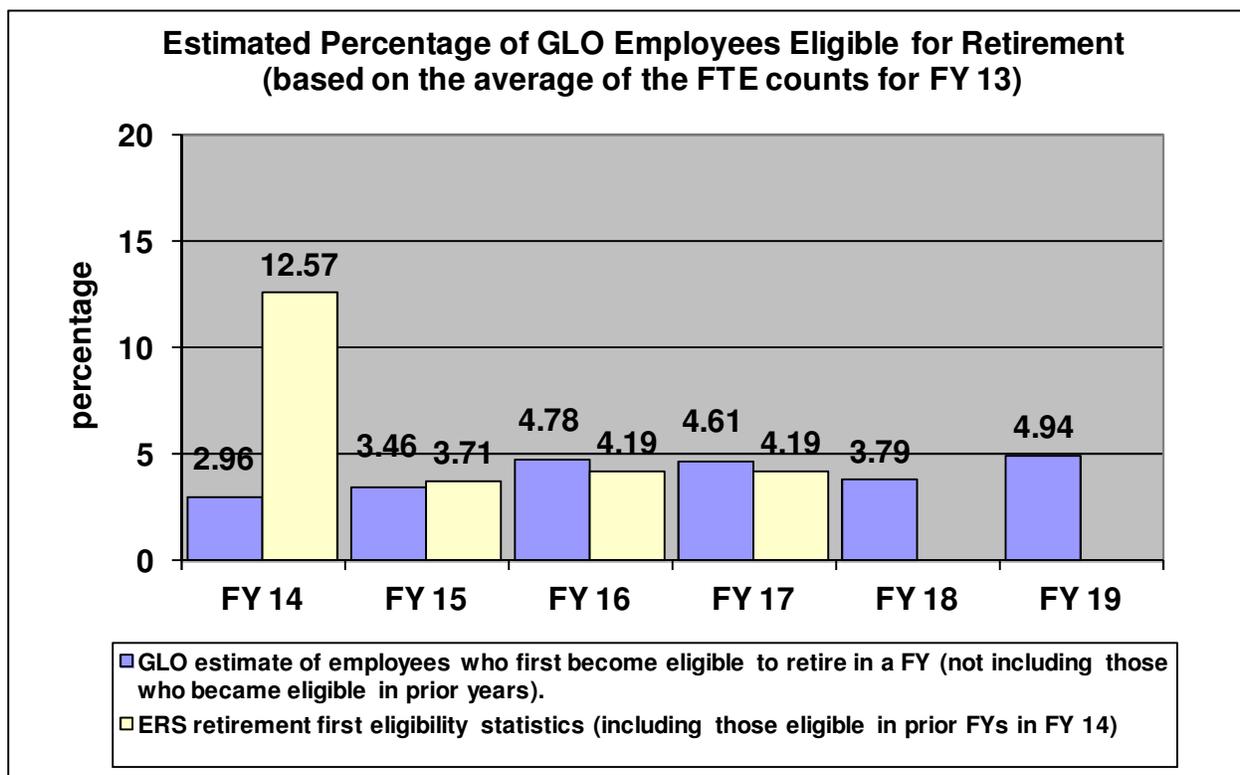3 The totals do not include job categories in which the GLO has no employees.

4 The January 2013 TWC Equal Employment Opportunity and Minority Hiring Practices Report indicated that TWC has combined the statewide percentages for the Para-Professional and the Service & Maintenance EEO categories because they were not available separately from their BLS source report, accordingly, there is no Statewide paraprofessional statistic available for comparison.

Retirement Eligibility

Because the GLO is a mature agency (with over 71 percent of its employees over the age of 40 and 41 percent of its employees over the age of 50), retirements will have a big impact on the agency over the next five years. This could result in the loss of important institutional knowledge and expertise. Regardless of the exact number of retirements in any given calendar year, it is important to minimize the loss of critical program knowledge and organizational experience with departing employees.
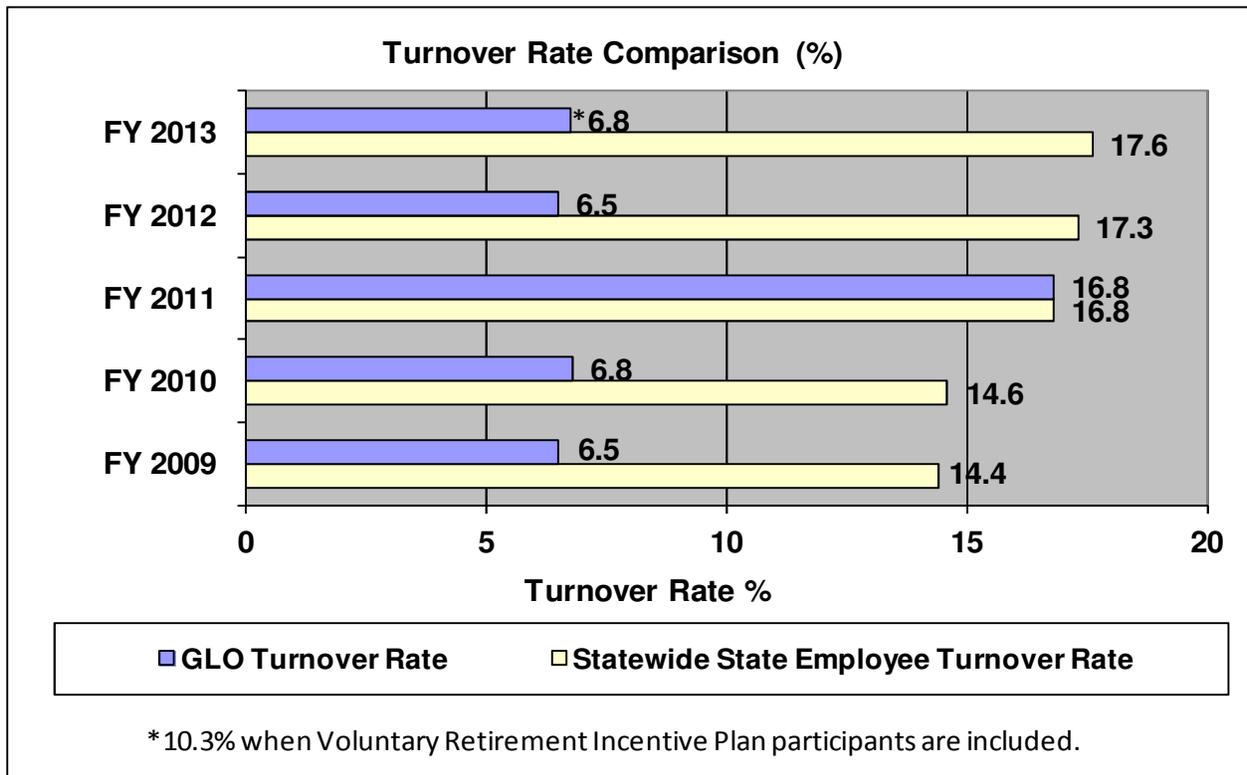
Using employees' ages and state service credits as shown in USPS as of December 31, 2013, the GLO estimates that approximately 25 percent of the agency's employees could retire by the end of FY 19. This does not include other creditable state service employees may have, but that is not reflected in USPS.

Using available ERS estimated GLO retirements (for FY14 through FY17) and GLO estimates for FY18 and FY19, approximately a third of the GLO workforce will be eligible to retire by the end of FY19.

Estimated Percentage of GLO Employees Eligible for Retirement
(based on the average of the FTE counts for FY 13)

FY	GLO estimate	ERS statistics
FY 14	2.96	12.57
FY 15	3.46	3.71
FY 16	4.78	4.19
FY 17	4.61	4.19
FY 18	3.79	
FY 19	4.94	

percentage (y-axis: 0, 5, 10, 15, 20)

□ GLO estimate of employees who first become eligible to retire in a FY (not including those who became eligible in prior years).
□ ERS retirement first eligibility statistics (including those eligible in prior FYs in FY 14)

B. Employee Turnover

Turnover is an important issue in any organization, and the GLO is no exception. The following chart depicts GLO turnover data for FY 09-13 compared to the FY 097-13 turnover data for the Texas state employee workforce as a whole (reported on the Employee Turnover Statistics — Statewide Turnover Rate page of the State Auditor's Office Human Resources web site)[5]. Although the GLO's turnover rate is traditionally well below that for the state workforce, the GLO experienced higher than usual turnover rate for FY 13 due in large part to its retirement incentive program offered in the summer of 2013. When the participants in that voluntary program are deducted from the calculation, the GLO FY13 turnover rate was more in line with previous years and about ½ the statewide rate.

Turnover Rate Comparison (%)

Fiscal Year	GLO Turnover Rate	Statewide State Employee Turnover Rate
FY 2013	*6.8	17.6
FY 2012	6.5	17.3
FY 2011	16.8	16.8
FY 2010	6.8	14.6
FY 2009	6.5	14.4

Turnover Rate %

☐ GLO Turnover Rate   ☐ Statewide State Employee Turnover Rate

*10.3% when Voluntary Retirement Incentive Plan participants are included.

In calendar year 2013, highest turnover at the GLO has occurred for:

- program specialist V (9.68 percent)
- administrative assistant IV (8.06 percent)
- auditor VI (6.45 percent)

Sixty percent (3 of 5) of the Administrative Assistant IV separations and 75 percent (3 of 4) of the Auditor VI separations were due to employee participation in the voluntary retirement incentive plan offered in the summer of 2013.

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[5] Turnover analyses do not include board members or temporary employees, such as summer interns.

Using FY 13 involuntary and voluntary turnover data from the State Auditor's Office (SAO) for the GLO and GLO's estimated GLO retirements, the following are the predicted GLO turnover rates for FY 14 and the next five fiscal years:
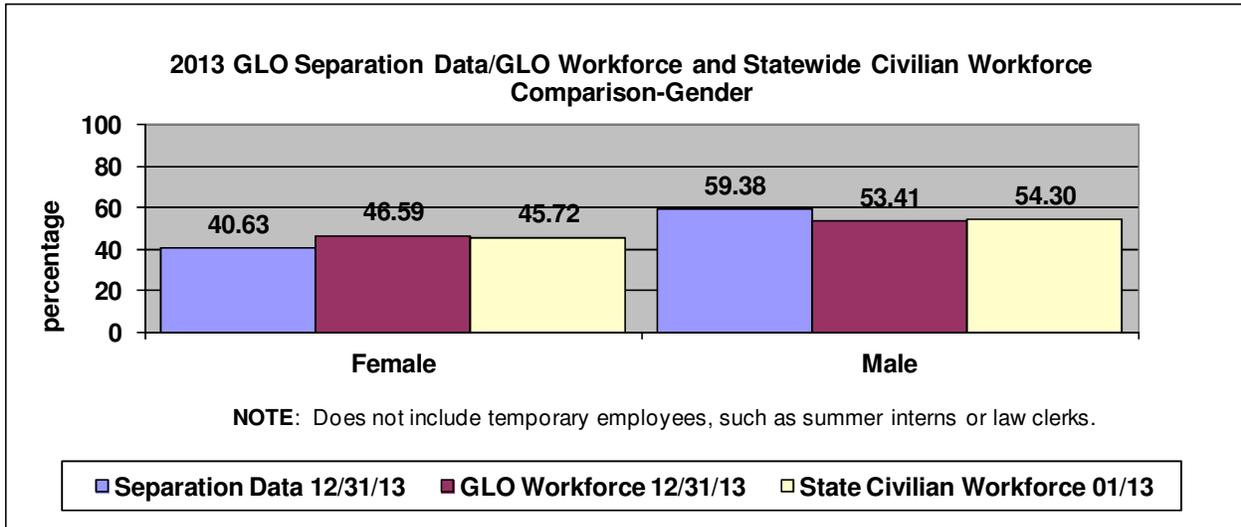
Estimated GLO Turnover

Fiscal Year	Percentage
FY 14	8.00
FY 15	8.50
FY 16	9.80
FY 17	9.60
FY 18	8.80
FY 19	9.90
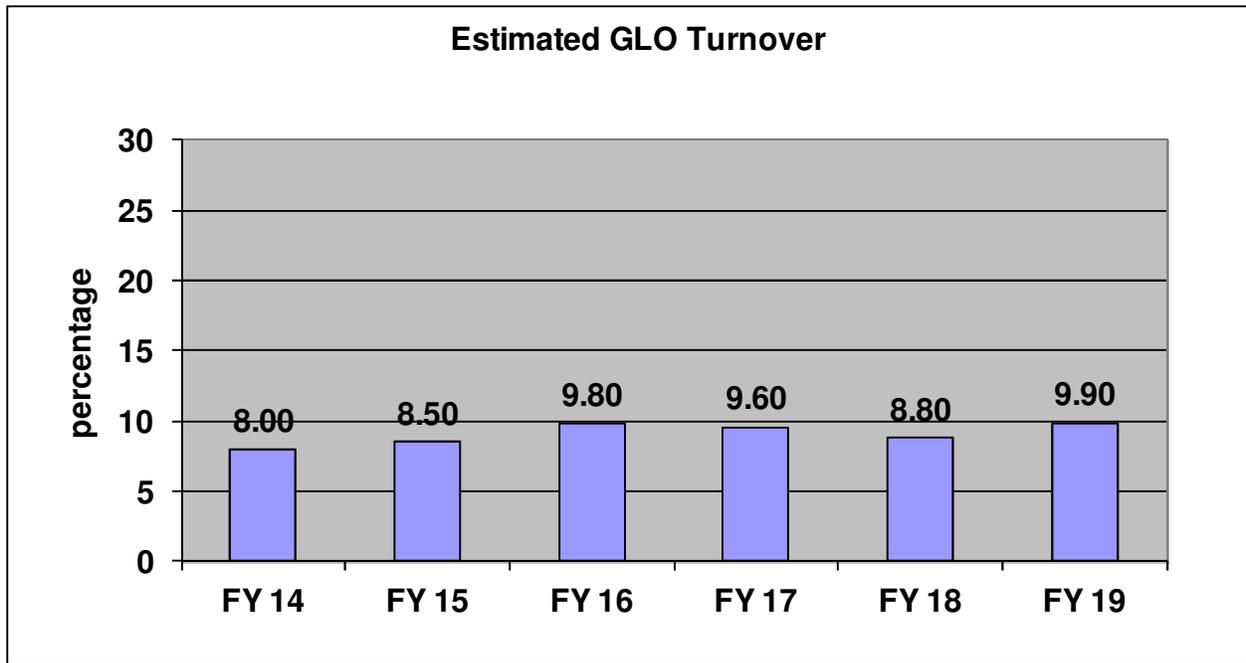
These estimates do not include those who were eligible to retire prior to FY14. As these employees eventually choose to retire, they will add to the GLO's retirement rate. These estimates also do not include the impact of expected delayed retirements due to the recession's reduction of the value of employee retirement funds or the later potential surge of retirements as these workers retire as the economy recovers.
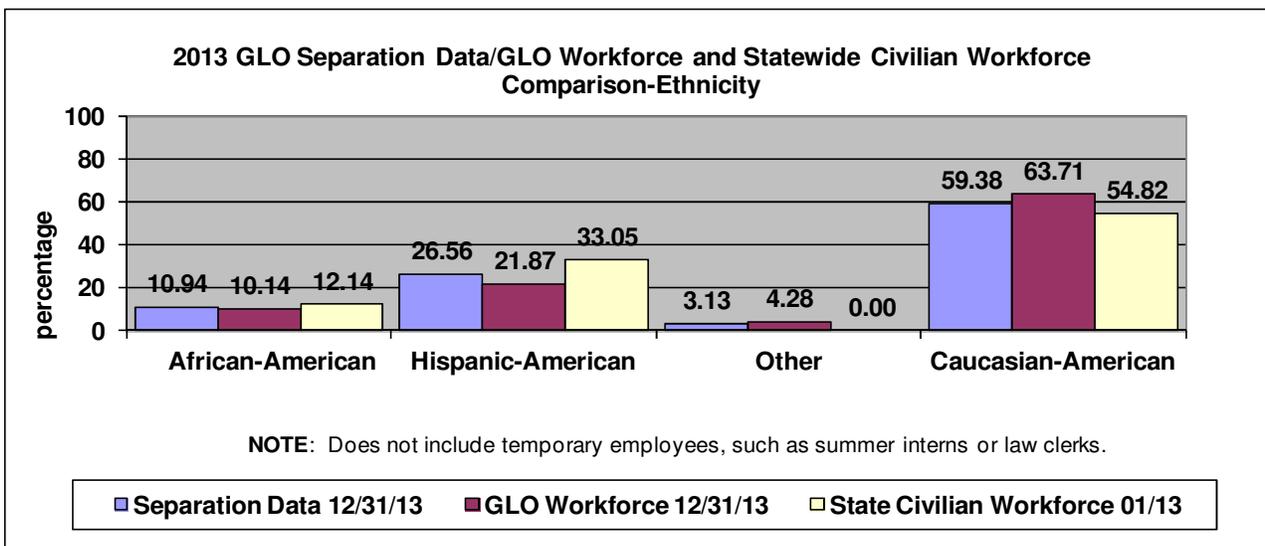
To further evaluate turnover at the GLO, the following charts show the GLO's CY 2013 turnover data by gender and ethnicity and compare that data to the demographics of the GLO and the statewide workforce[6].

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[6] Texas Workforce Commission's Statewide Civilian Workforce Composition (Table 1 of the TWC's January 2013 Equal Employment Opportunity and Minority Hiring Practices Report). This report only contains data regarding the state's Caucasian, African American, Hispanic, and female workforce. See further information in footnote 1. Temporary employees are not included in GLO or ERS turnover data in this report.
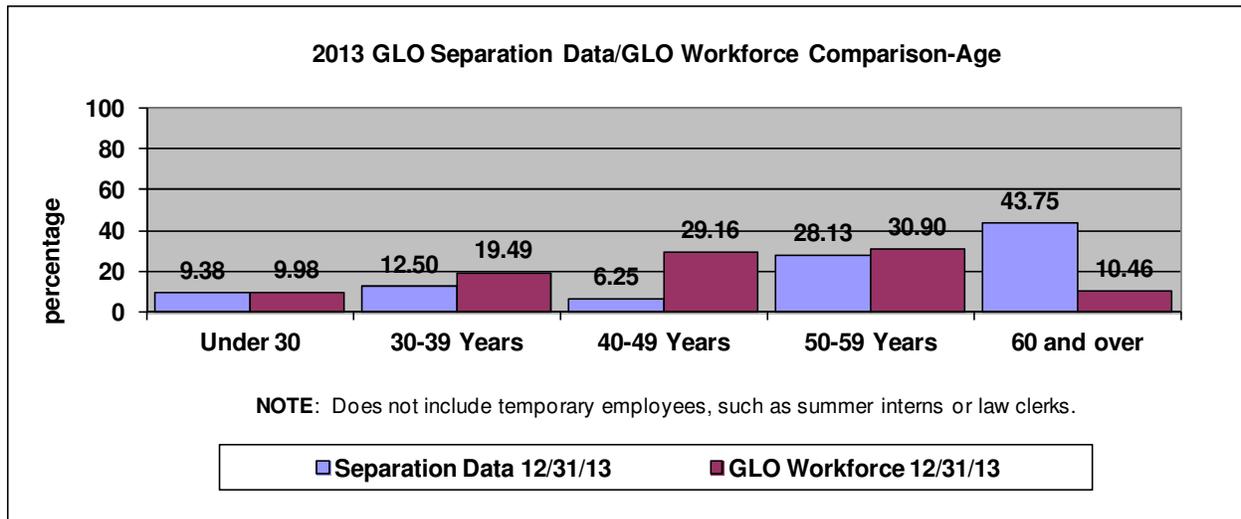
GENDER

2013 GLO Separation Data/GLO Workforce and Statewide Civilian Workforce Comparison-Gender

	Female	Male
Separation Data 12/31/13	40.63	59.38
GLO Workforce 12/31/13	46.59	53.41
State Civilian Workforce 01/13	45.72	54.30

percentage (0–100)

NOTE: Does not include temporary employees, such as summer interns or law clerks.

◻ Separation Data 12/31/13   ◼ GLO Workforce 12/31/13   ◻ State Civilian Workforce 01/13

ETHNICITY

2013 GLO Separation Data/GLO Workforce and Statewide Civilian Workforce Comparison-Ethnicity

	African-American	Hispanic-American	Other	Caucasian-American
Separation Data 12/31/13	10.94	26.56	3.13	59.38
GLO Workforce 12/31/13	10.14	21.87	4.28	63.71
State Civilian Workforce 01/13	12.14	33.05	0.00	54.82

percentage (0–100)

NOTE: Does not include temporary employees, such as summer interns or law clerks.

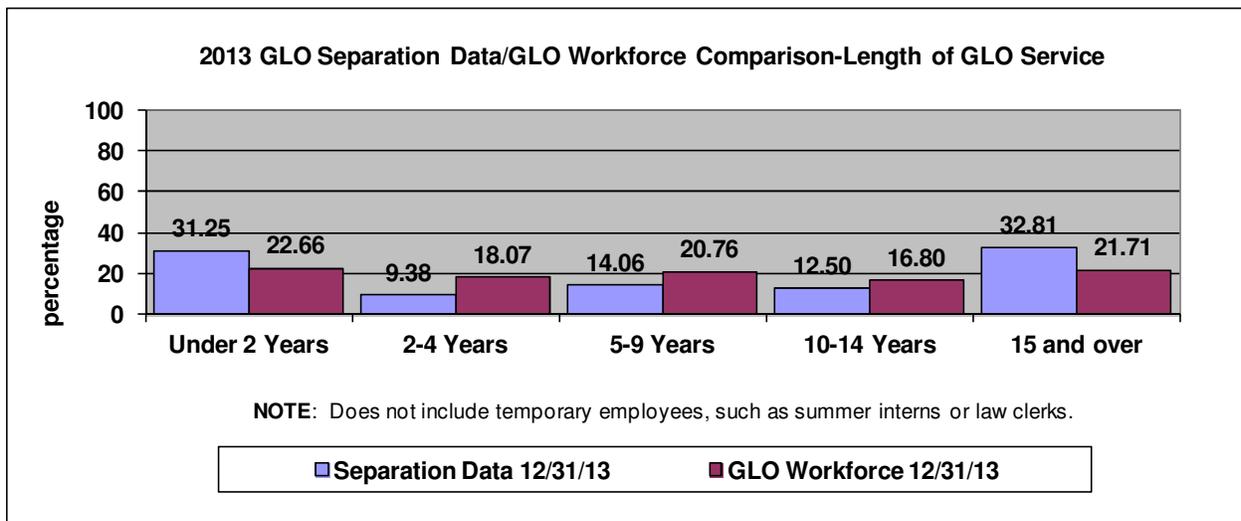◻ Separation Data 12/31/13   ◼ GLO Workforce 12/31/13   ◻ State Civilian Workforce 01/13

The following charts show the GLO's turnover data by age and length of service and compare the GLO's turnover data to the GLO's workforce data for CY 2013. Note: The currently available EEOC statewide civilian workforce report does not contain age or length of service data and is therefore not included in the following charts.

AGE

2013 GLO Separation Data/GLO Workforce Comparison-Age

	Under 30	30-39 Years	40-49 Years	50-59 Years	60 and over
Separation Data 12/31/13	9.38	12.50	6.25	28.13	43.75
GLO Workforce 12/31/13	9.98	19.49	29.16	30.90	10.46

NOTE: Does not include temporary employees, such as summer interns or law clerks.

LENGTH OF SERVICE

2013 GLO Separation Data/GLO Workforce Comparison-Length of GLO Service

	Under 2 Years	2-4 Years	5-9 Years	10-14 Years	15 and over
Separation Data 12/31/13	31.25	9.38	14.06	12.50	32.81
GLO Workforce 12/31/13	22.66	18.07	20.76	16.80	21.71

NOTE: Does not include temporary employees, such as summer interns or law clerks.

Turnover percentages are higher than their percentages in the GLO workforce for employees over 60 years of age and for employees with more than 15 years of GLO service. This trend is consistent with the fact that many of the employees in these categories are retirement eligible.

D. Critical Workforce Skills

Skills are needed in the following substantive areas in order for the General Land Office to accomplish its basic business functions:

- Mortgage and loan processing
- Long-term care facility and cemetery construction and management
- Real estate leasing, sale, development, investment, and management
- Energy (including renewable energy) leasing, sale, and management
- Coastal improvement, protection, and management
- CDBG Disaster Recovery fund distribution
- Historical asset (including documents, oral history, and the Alamo Complex) archiving, preservation, maintenance, restoration, and management.

To succeed at its substantive functions, GLO employees also need skills in:

- Computer technology
- Research and analysis
- Problem solving
- Financial and fund management
- Leadership and personnel management
- Negotiation/facilitation/collaboration

- Strategic planning
- Customer service
- Communication/marketing
- Business process management
- Data and information management
- Project, contract, and grant management

III. Future Workforce Profile (Demand Analysis)

A. Expected Workforce Changes

- Periodic reorganization, outsourcing, and other changes to realign resources to achieve agency goals (particularly as the Disaster Recovery program continues to evolve)
- Increasing emphasis on the use of technology to serve customers and to revise and streamline work processes to make them more efficient and paperless, including continued implementation of GLO programs and services online
- An aging, experienced workforce, which may result in retirement of significant historical knowledge, expertise, and experience. As the economy recovers from recessionary impacts and/or if benefits are substantially changed there could be a surge of retirements by those who had delayed leaving the workforce
- Periodic difficulty in attracting and retaining qualified employees in certain positions due to fluctuations and cycles in the labor market (especially in terms of the impact of private sector business cycles) and because labor market shortages (especially since fewer workers are expected to be available to replace retirees leaving the aging workforce)
- Increased diversity in employee and customer demographics, backgrounds, experience and other characteristics

B. Future Workforce Skills Needed

For the foreseeable future, GLO employees will continue to need the critical workforce skills listed above. In addition, the GLO may face a continued, and possibly growing, need for the following skills:

- As the agency continues to use technology to improve productivity and serve its customers, employees will need a strong ability and willingness to learn to use new and more advanced computer systems and applications on an on-going basis. For example, expected increased emphasis on more online programs and services could lead to the need for staff with more web-oriented skills.

- To be ready for the projected high number of future retirements, the GLO will need employees with strong skills in:

  - ► retention of valued employees,
  - ► preparation for the loss of highly skilled and experienced employees,
  - ► knowledge transfer (such as cross training, process documentation, and mentoring), and
  - ► recruitment of skilled employees.

- As our workforce continues to age, the GLO will need employees with strong skills in:

  - ► working effectively with a wider variety of generations, and
  - ► understanding their benefits and leave, time, and work schedule policies and laws that may be relevant for aging workers or workers caring for aging parents (such as FMLA and flextime options).

- If the agency experiences significant changes, such as budget cuts, reorganizations, or outsourcing, and/or if the cost/structure of employee benefits is negatively changed, all GLO employees will need to be adept at working effectively and productively during times of change. For example, GLO managers will need a wide array of management and operations skills to creatively:

  - ► identify and implement ways to save money, operate more efficiently, and otherwise fulfill the agency's mission with less funding, and
  - ► lead and motivate their staff, build and maintain morale, productivity, and loyalty, resolve conflict, and retain valued staff.

- As Texas becomes more diverse in terms of age, ethnicity, language, and other factors, employees will need to be able to work, manage, and provide service in an increasingly diverse environment.

- In a tight labor market, the agency must be able to creatively recruit and market the agency to attract needed workers.

C. Anticipated Increase/Decrease in Number of Employees Needed to do the Work

The GLO does not anticipate needing additional FTEs in FY 15-19. Increased workload demands will be addressed by the reallocation of FTEs within the agency. Increased and changing demands will also be facilitated by optimum utilization of technology and by continuous review and development of efficient work processes.

It is expected that the CDBG-DR program will complete its assignments in FY 15, so staffing of that program will be reduced at that time based on workload demands. Extension of the program due to future disasters would postpone some or all of that reduction. Any other decrease in GLO staffing would significantly impact the GLO's ability to meet its goals.

D. Critical Functions

The General Land Office's critical functions are:

- managing and maximizing revenues from millions of state-owned surface and mineral acres
- providing Texas veterans access to low-cost home, land and home improvement loans, quality nursing home care, and dignified burial sites
- archiving, conserving, and making available more than 35 million historical land documents and veterans' oral histories
- preventing oil spills and ensuring cleanup of oil spills in state waters
- cleaning and protecting Texas beaches, dunes, and coastal areas
- overseeing the management of the Texas Alamo Complex
- managing the distribution of Disaster Recovery funds to help communities recover from hurricanes and wildfire disasters
- operating the State Power Program to serve public retail customers

To successfully complete these critical functions, the General Land Office relies on a strong set of support areas with expertise in areas such as:

- Legal services
- Surveying
- Information technology
- Financial reporting and management
- Funds management
- Budget

- Communications
- Appraisal
- Auditing
- Minerals leasing and energy marketing
- Construction/design
- Fleet/asset management
- Facilities management

- Procurement/travel
- Human resources
- Employee relations
- Governmental relations
- Mail/delivery

IV. Gap Analysis — Anticipated Surplus or Shortage of Workers or Skills

A. Potential Worker Shortage/Surplus

The GLO does not anticipate an FTE shortage in FY 15-19. Increased workload demands will be addressed by the reallocation of FTEs within the agency. Increased and changing demands will be facilitated by optimum utilization of technology and by continuous review and development of efficient work processes.

It is expected that the CDBG-DR program will complete its current assignments in FY 15. If at that time this program is not extended due to additional disasters, staffing will be reduced based on workload demands and would result in surplus FTEs. Any other decrease in staffing would significantly impact the GLO's ability to meet its goals.

B. Potential Skill Shortage/Surplus

Due to the workforce data and anticipated changes noted above, the agency may experience periodic shortages of employees with the following skills:

- Employees with the skills needed to lead and motivate staff, communicate effectively, resolve conflict, and coordinate with other program areas in the agency, especially during times of change and challenges, in order to meet agency goals
- Employees with the technology skills needed to develop, maintain, and fully utilize the agency's continually advancing computer systems
- Employees with the knowledge, skills, abilities, and experience needed to replace future retirees and managers prepared to find replacements for these vacated positions
- Employees with the skills needed to work in and manage others in an environment that is increasingly diverse in terms of age, ethnicity, language, and other factors
- Employees with the skills needed to hire qualified staff for vacancies that are hard to fill due to fluctuations and cycles in the labor market (examples: nursing, long-term care, and information systems positions) and/or because of overall labor shortages (as fewer workers are expected to be available to replace retirees leaving an aging workforce)

The GLO will have a surplus of personnel when the CDBG-DR program completes its assignments, so staffing of that program will be reduced at that time based on workload demands. This is anticipated to occur in FY 15, but it is possible that the program could be extended due to future disasters, which would postpone some or all of that reduction.

V. Strategy Development

In order to address the potential gaps between the current workforce and future demands, the GLO has developed goals for the current workforce plan. These are based on a range of factors identified through analyzing the agency and its workforce.

I. Potential Gap	**Employees with the skills needed to lead and motivate staff, communicate effectively, resolve conflict, and coordinate with other divisions in the agency, especially during times of change and challenges, in order to meet agency goals**
Goal	To employ managers who are able to effectively lead, develop, and manage their staff during times of change, especially during reorganizations, outsourcing, and other organizational changes
Rationale	The agency may periodically make changes such as reorganizations and outsourcing to realign resources to achieve agency goals. These changes can lead to reduced productivity, morale, and loyalty, and increased conflict and turnover. The GLO needs employees who are adept at working effectively and productively during times of change, including managers who can both: • lead and motivate their staff, build and maintain morale, productivity, and loyalty, resolve conflict, and retain valued staff, and • identify and implement ways to save money, operate more efficiently, and otherwise fulfill the agency's mission with less funding
Action Steps	• Continue to provide mid-level managers leadership and management training. Include other high-potential employees to prepare them for future leadership roles. Educate senior managers on the approach of this training so they will be prepared to support this program to develop their management staff • Educate agency managers/team leaders on leadership skills needed during times of difficult change to help them increase morale, loyalty, optimism, and productivity. • Continue to encourage managers to implement appropriate retention strategies (from training provided in 2012 and posted online for viewing as needed) • Require new managers and team leaders to view the Core Management training that is posted on GLO University online to give them grounding in GLO-specific management expectations • Continue to send senior managers to the Governor's Executive Development Program when possible to train them in the leadership skills that will be valuable in challenging times • Continue to make GLO Budget staff available to managers to consult with them on responsible and efficient budget management • Maintain the GLO's Employee Assistance Program and continue to remind employees of its many services that they can use (or they can refer staff to use) to help employees handle change and stress • Provide several avenues employees may use to resolve conflict and manage stress that may result during time of change

II. Potential Gap	**Employees with the technology skills needed to develop, maintain, and fully utilize the agency's continually advancing computer systems**
Goal	To employ staff with the technology skills needed to develop, maintain, and fully utilize the existing and future agency computer systems
Rationale	As the agency continues to use technology to improve the efficiency and productivity of its work and its customer service, the agency will need adequate staffing of qualified information technology workers and employees with who are willing and able to learn to use new and more advanced computer systems and applications on an on-going basis.
Action Steps	• Recruit employees with highly technical skills to further develop and refine the information management systems • Use and promote GLO University and Web-X technology where appropriate to facilitate employee training • Maintain GLO IT training staff and facilities to continually offer employees training on how to use various GLO applications • Continue to offer employees the option of taking online computer training to reach field staff and fit employee schedules. Remind employees, especially field staff, that this resource is available to them • Encourage employees to take computer training by allowing job-related courses to count toward employees' required annual training credits • Continually evaluate IT staffing to consider any need to add, shift, and/or train staff to respond to agency technology needs (For example, an increased emphasis on more online programs and services could lead to the need for more staff with more web-oriented skills.)

III. Potential Gap	**Employees with valuable institutional knowledge, expertise, and experience;** **Employees needed to replace future retirees; and/or** **Employees with the skills needed to fill vacancies during a tight labor market**
Goal	To maintain a competent and knowledgeable workforce — even when experienced personnel are lost due to retirement or during a tight labor market — the GLO must be able to effectively develop, recruit, and retain good employees
Rationale	Up to one-third of the GLO workforce is estimated to be eligible to retire by the end of FY 19. In addition, shortages of certain workers in the labor market will make filling some positions difficult, such as is presently the case for appraisal, nursing/long-term care, and information technology positions. Further, the recent economic downturn has caused some employees to postpone retirement, which could lead to a large wave of retirements as the economy recovers. As experienced agency employees retire or as employees otherwise leave the agency during a tight labor market, the GLO must be ready to either fill these vacancies with existing staff, or aggressively recruit from outside the agency. Accordingly, the GLO must work to retain its existing employees with valuable institutional knowledge, skills and experience and develop those employees with the interest and ability to learn new competencies so they are prepared to progress into more advanced positions. The GLO must also be prepared to recruit and hire external candidates for vacancies, even during a tight labor market.
Action Steps	Continue to reinforce previous **Succession Planning** training by: • Providing managers access to online videos of previous succession planning training classes (and associated planning worksheets) • Making Human Resources' staff available for one-on-one assistance with succession plans as needed • Reviewing the status of program succession planning efforts as part of the Chief Clerk's annual Deputy evaluation meetings • Encouraging programs to ensure that institutional knowledge and important program information is retained with written procedures, cross-training to ensure continuity of business functions and processes (with regular opportunity for practice), and/or mentoring • Continuing employee development efforts (below) to help staff prepare for advancement • Including team leaders in management training classes to help them learn the skills that will be needed should they move into management positions • Considering periodic retirement incentives, as appropriate, to allow for

planned retirements. By receiving notice of a retirement several months before it is effective, succession training/institutional knowledge transfer or targeted recruitment efforts can be coordinated and accomplished to save the agency time and money and ensure uninterrupted service to customers

Continue to reinforce previous **Employee Development** training by:

- Providing managers access to online videos of previous employee development training
- Continuing the GLO's mandatory training program (that requires all employees to earn a minimum number of training credits each year) and the GLO's tuition reimbursement program
- Encourage managers to create programs that allow employees who are seeking new challenges to work on special projects, rotations and/or developmental assignments (to help them increase their knowledge/experience even if promotional opportunities are temporarily stagnant)
- Encouraging managers to be proactive in planning employee training (perhaps as part of the performance evaluation process) to make sure that it provides for their development (such as budget training for a potential manager)
- Offering employee training to help develop critical skills (internal and external; classroom as well as on-line and DVD training to make training available to field employees and accommodating to employees' schedules) and informing employees about training opportunities, such as those offered by the GLO's Employee Assistance Program and by other agencies
- Providing leadership training to all levels of agency managers, as well as potential managers
- Conducting regular training needs assessments to identify training of interest to employees and managers
  Offering the GLO mentoring program to match experienced/skilled employees with employees seeking to learn from them and plan their career development

Continue the following **Recruitment** efforts**:**

- Offering competitive salaries to the extent possible
- Offering recruitment bonuses in appropriate circumstances, such as to recruit staff in hard to fill positions
- Broadly marketing GLO positions in an effort to achieve a qualified applicant pool (examples: attending career fairs, posting jobs in Work in Texas, advertising jobs in relevant newspapers, journals, publications, or web sites, and coordinating with colleges/universities and other contacts in the community)
- Establishing contacts at relevant colleges, universities, and schools to assist with recruiting (regular hires as well as student volunteers and interns)
- Coordinating with employees familiar with targeted positions to seek assistance with recruiting

- Holding regular recruitment meetings in which employees are invited to brainstorm about how to recruit for posted positions
- Using contract and/or temporary workers to fill positions at all levels during a tight labor market or when otherwise appropriate

Continue to reinforce previous **Retention** training by:

- Maintaining competitive salaries to the extent possible
- Providing access to online videos of previous retention training classes
- Offering retention bonuses in appropriate circumstances, such as to retain staff in hard to fill positions
- Promoting the use of non-monetary rewards for exceptional performance (e.g., Administrative Leave for Outstanding Performance, etc.)
- Encouraging employees to pursue professional certification(s) in their areas of employment when possible
- Reminding managers of the wide array of tools discussed in previous retention training that they may use to retain valuable employees, including:
  - ➢ utilizing one of the many employee recognition/reward/incentive options presented in the training
  - ➢ offering flexible schedules and telecommuting arrangements where appropriate
  - ➢ providing flexible and challenging work/projects for staff
  - ➢ reminding staff of the benefits and advantages of working for the GLO
  - ➢ keeping in mind the different motivational interests of the various generations in the workforce
  - ➢ seeking other retention/motivating ideas from staff
- Further develop and promote agency mentoring programs to assist new employees in acclimating to the GLO
- Monitoring turnover data, Survey of Organizational Excellence results, and exit interview feedback to identify and address any trends or issues that could be contributing to turnover

Multi-purpose:

- Continue the activities of the GLO Cultural Awareness Council (CAC) to create cultural awareness and opportunities at the GLO and to offer employees the opportunity to interact with different employees from throughout the agency
- Continue the activities of the GLO Wellness Council to provide information and motivation in an effort to promote employee wellness

IV. Potential Gap	Employees with the skills needed to work with and manage others in an increasingly diverse work environment
Goal	To employ staff who can effectively work and manage in a diverse environment
Rationale	As Texas and the GLO continue to become more diverse in terms of age, ethnicity, language, and other characteristics, agency employees must be able to work with and manage people with all kinds of differences in order to do the agency's work and to be the kind of workplace that can attract and retain qualified employees.
Action Steps	• Offer speakers/training/events on a variety of topics to promote an environment that is inclusive and draws upon the various strengths of the GLO workforce • Provide access to online videos of diversity-related training classes • Utilize the recruitment strategies listed under Potential Gap III in an effort to achieve a qualified, diverse applicant pool that more closely mirrors the workforce. • Require regular training regarding EEO/ADA laws and policies to remind all staff of the various types of prohibited discrimination/harassment and the avenues available to employees to resolve any concerns • Continue to offer one-on-one assistance and online information to help employees understand their benefits as well as the leave, time, and work schedule issues that may be increasingly relevant to older employees and employees caring for aging parents (such as FMLA and flextime options) • Regularly review agency demographics, looking for trends that suggest areas of further emphasis in development, recruitment, and/or training • Enforce agency policies prohibiting illegal discrimination/harassment • Evaluate any Survey of Organizational Excellence feedback for the diversity construct and take appropriate action • Continue the activities of the GLO Cultural Awareness Council (CAC) to create cultural awareness and opportunities at the GLO and to offer employees the opportunity to interact with different employees from throughout the agency