



Lawrence F. Alwin, CPA
State Auditor

A Review of

The Department of Public Safety's Efforts to Increase the Number of Troopers Patrolling the Highways

April 23, 2003

Members of the Legislative Audit Committee:

The Department of Public Safety (Department) has developed a plan to comply with a General Appropriations Act requirement to increase the number of troopers patrolling Texas highways by 170 by August 31, 2003 (see text box). However, the Department's plan did not identify cost savings to fund these positions without additional appropriations.

Recently the Department has not been able to recruit as many trainees as its plan anticipated. Therefore, the Department may not have approximately 25 of the 170 additional troopers needed by August 31, 2003. In addition, key issues involving how this plan will be funded and the Department's potential noncompliance with its full-time equivalent (FTE) cap could also hinder the successful implementation of this plan.

As the General Appropriations Act recommended, the Department analyzed whether it could outsource a number of non-vital functions to minimize the cost of increasing the number of troopers patrolling the highways. (Outsourcing also could enable the Department to shift vacant positions from non-commissioned to commissioned status or transfer commissioned officers.) From that analysis, the Department concluded that these outsourcing options would provide minimal to no cost savings. While we did not audit the accuracy of the data the Department used in its analysis, we determined that the methodology the Department used in analyzing the functions it reviewed was reasonable.

The Department Asserts It Will Need an Additional \$22.3 Million for the 2004-2005 Biennium to Implement Its Plan, but a More Precise Calculation Suggests the Department Will Require \$19.3 Million

In an exceptional item included in its Legislative Appropriations Request (LAR), the Department requested \$22.3 million in additional funding for the 2004–2005 biennium from the State Highway Fund (Fund 006) to comply with the requirement to increase the number of troopers. However, the Department's methodology for calculating the \$22.3 million in additional funding was based on an analysis of certain costs that extend beyond the 2004–2005 biennium. Using a calculation focused on the cost associated with only the 170 additional troopers and their 14 direct support staff for the 2004–2005 biennium, we estimated the Department would need \$19.3 million in additional funding. Tables 1 and 2 in the attachment to this letter provide more details regarding the calculation of these figures. The Department anticipates it will need additional funding for these positions in future biennia as the new troopers are promoted through the trooper classification series.

Rider 51, page V-54 General Appropriations Act (77th Legislature)

From funds appropriated, the Department of Public Safety shall increase the number of highway patrol trooper positions to 1,873. It is the intent of the Legislature that the DPS increase by 10 percent the current number of troopers actually patrolling Texas highways by August 31, 2003. To the extent it is necessary to achieve this increase, the department may contract out non-vital agency functions, shift vacant positions from non-commissioned to commissioned status and transfer commissioned officers. Notwithstanding, the department is not authorized to reduce positions in the Texas Rangers to achieve the above directive.

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The Department included funds for 22 new administrative technician positions to support existing trooper positions in its exceptional item request for the 170 new trooper positions. Our analysis excluded the \$834,082 that the Department included in its \$22.3 million request for these positions. According to the Department, these 22 additional administrative technician positions are needed to support current troopers at various locations throughout the State. Table 3 in the attachment to this letter provides more details regarding the calculation of these figures.

The Department also included a second exceptional item in its LAR to request an additional \$14.5 million for the 2004–2005 biennium for increases in utilities, rent, and other operating expenses. According to the Department’s LAR, in the past, the Department had paid for these increases in expenses by using funds appropriated for salaries. It could do this because some positions were vacant (see text box). However, because the number of vacant positions is decreasing, the Department no longer has excess funds appropriated for salaries to offset the increases in these expenses. We did not review the Department’s support for this exceptional item.

Department Budgeted and Actual Salaries			
Fiscal Year	Budgeted Salaries	Actual Salary Expenditures	Difference
2001	\$241.2 million	\$237.3 million	\$3.9 million
2002	\$255.2 million	\$251.3 million	\$3.9 million

Source: Unaudited data from the Department of Public Safety

The Department Asserts that It Will Need an Increase in Its Full-Time Equivalent (FTE) Cap

In the \$22.3 million exceptional item in its LAR, the Department also requested an increase in its FTE cap of 206 to hire 170 additional troopers and 36 non-commissioned or administrative technicians to comply with the requirement to increase the number of troopers. (As noted previously, 22 of the administrative technician positions are to support existing trooper positions.) Because the Department plans to recruit and train 170 additional troopers, it will exceed its current FTE cap.

The Department Has Not Developed a Formal Contingency Plan

The Department has not developed a formal contingency plan for complying with the requirement to increase the number of troopers if it does not receive the additional funds it has requested. This, in turn, could affect its compliance with the requirement to police the Dallas North Tollway System. The Department reports that it may have to cut capital purchases and operating expenses and implement a hiring freeze if it does not receive funding for these positions.

The Department’s Compliance with a Requirement to Police the Dallas North Tollway System Depends on Increasing the Number of Troopers Patrolling Texas Highways

The Department can comply with another General Appropriations Act requirement to police the Dallas North Tollway System only after it complies with the requirement to increase the number of troopers patrolling Texas highways (see text box). Therefore, any factors that could hinder the implementation of Department’s plan to increase the number of troopers also have the same effect on the Department’s ability to police the Dallas North Tollway System.

Excerpt from Rider 52, page V-55 General Appropriations Act (77th Legislature)
The department is authorized 24 highway patrol service positions upon entering into an interlocal cooperation contract with the North Texas Tollway Authority to police the Dallas North Tollway Systems.... The eight FTEs authorized by this rider may not be added until the department increases by 10 percent the number of troopers patrolling Texas highways in accordance with the goals as outlined in Rider Number 51, Authorized Trooper Strength Increase.

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The Department's responses to our review are included in the attachment to this letter. We appreciate the Department's cooperation during this review. If you have any additional questions, please contact Julie Ivie, Audit Manager, at (512) 936-9500.

Sincerely,

Lawrence F. Alwin, CPA
State Auditor

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Attachment

cc: Members of the Public Safety Commission
Colonel Thomas A. Davis, Jr., Director, Department of Public Safety

Analysis of the Department of Public Safety’s Request for Additional Funding

The Department of Public Safety’s (Department) methodology for calculating the \$22.3 million in additional funding it requested for costs associated with the 170 additional troopers (or compliance with Rider 51) was based on an analysis of certain costs that extend beyond the 2004–2005 biennium. In addition, it is important to note that \$834,082 of the Department’s \$22.3 million request was for 22 administrative technician positions and related costs that will not directly support the 170 additional troopers the Department plans to hire to comply with the General Appropriations Act. As Table 1 shows, using a calculation focused on costs associated with only the 170 additional troopers and their 14 direct support staff for the 2004–2005 biennium, we estimate that the Department would need \$19.3 million in additional funding.

Table 1

Summary of Differences Between Department of Public Safety Estimate and State Auditor’s Office Estimate of Additional Funds the Department Needs to Comply with Rider 51 for the 2004-2005 Biennium			
Expense	Department Estimate	State Auditor’s Office Estimate	Difference
Salaries for commissioned officers	\$ 18,586,123	\$ 16,303,254	\$ (2,282,869)
Salaries for non- commissioned officers	1,596,840	827,991	(768,849)
Operating expenses	1,674,500	1,697,866	23,366
Capital	483,750	424,950	(58,800)
Total	\$ 22,341,213	\$ 19,254,061	\$ (3,087,152)

Table 2 provides details on the differences between the Department’s estimates and the State Auditor’s Office’s estimates.

Table 2

Detailed Differences Between Department of Public Safety Estimate and State Auditor's Office Estimate of Additional Funds the Department Needs to Comply with Rider 51 for the 2004-2005 Biennium					
Fiscal Year 2004			Fiscal Year 2005		
Department Estimate	State Auditor's Office Estimate	Difference	Department Estimate	State Auditor's Office Estimate	Difference
Expense: Captain Salary (1 FTE in 2004 and 2005)					
\$65,104.00	\$13,728.00	\$(51,376.00)	\$65,104.00	\$13,728.00	\$(51,376.00)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate was based on the entire salary for one captain position and the maximum salary in the captain pay range. ▪ The State Auditor's Office's estimate was based on only the difference between the minimum lieutenant salary and the maximum captain's salary. Normally, the Department would promote a lieutenant to this captain position rather than hire a captain externally. Therefore, only the difference in the salaries represents the additional cost. 					
Expense: Lieutenant Salaries (2 FTEs in 2004 and 2005)					
\$117,728.00	\$41,184.00	\$(76,544.00)	\$117,728.00	\$41,184.00	\$(76,544.00)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate was based on the entire salary amount for two lieutenant positions and the maximum salary in the lieutenant pay range. ▪ The State Auditor's Office's estimate was based on only the difference between the minimum sergeant salary and the maximum lieutenant salary. Normally, the Department would promote sergeants to these lieutenant positions rather than hire lieutenants externally. Therefore, only the difference in the salaries represents the additional cost. In addition, the State Auditor's Office's estimate was based on three FTEs (rather than two) because when the Department promotes a lieutenant to the captain position above, this will create a need for a total of three lieutenants. 					
Expense: Sergeant Salaries (14 FTEs in 2004 and 2005)					
\$701,792.00	\$106,080.00	\$(595,712.00)	\$701,792.00	\$106,080.00	\$(595,712.00)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate was based on the entire salary amount for 14 sergeant positions and the second-highest salary in the sergeant pay range. ▪ The State Auditor's Office's estimate was based on only the difference between the senior trooper salary and the maximum sergeant salary. Normally, the Department would promote senior troopers to these sergeant positions rather than hire sergeants externally. Therefore, only the difference in the salaries represents the additional cost. In addition, the State Auditor's Office's estimate was based on 17 FTEs (rather than 14) because when the Department promotes sergeants to the lieutenant positions above, this will create a need for a total of 17 sergeants. 					
Expense: Trooper Salaries (153 FTEs in 2004 and 2005)					
\$6,332,976.00	\$6,188,000.00	\$(144,976.00)	\$6,332,976.00	\$6,188,000.00	\$(144,976.00)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate was based on the Trooper III salary. ▪ The State Auditor's Office's estimate was based on the Trooper I salary. Troopers must have eight years of satisfactory service after graduation from the training academy before they are eligible for a Trooper III position. In addition, the State Auditor's Office's estimate was based on 170 FTEs (rather than 153) because when the Department promotes troopers to the sergeant positions above, this will create a need for a total of 170 new troopers. 					
Expense: Administrative Technician Salaries for Direct Support of the 170 Additional Troopers (14 FTEs in 2004 and 2005)					
\$322,728.00	\$322,728.00	\$0.00	\$322,728.00	\$322,728.00	\$0.00
(The Department's estimate and the State Auditor's Office's estimate are the same.)					

**Detailed Differences Between
Department of Public Safety Estimate and State Auditor's Office Estimate of
Additional Funds the Department Needs to Comply with Rider 51 for the 2004-2005 Biennium**

Fiscal Year 2004			Fiscal Year 2005		
Department Estimate	State Auditor's Office Estimate	Difference	Department Estimate	State Auditor's Office Estimate	Difference
Expense: Administrative Technician Salaries for Direct Support of Current Troopers Throughout the State (4 FTEs in 2004, 22 FTEs in 2005)					
\$92,208.00	\$0.00	\$(92,208.00)	\$507,144.00	\$0.00	\$(507,144.00)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate included salaries for administrative technician positions that will not directly support the 170 additional troopers it plans to hire to comply with the General Appropriations Act. According to the Department, additional administrative technician positions are needed to support current troopers at various locations throughout the State. ▪ The State Auditor's Office's estimate did not include these salaries because the associated positions would not directly support the 170 additional troopers needed to comply with the General Appropriations Act. The costs associated with these positions are analyzed in Table 3. 					
Expense: Benefits for the 170 Additional Troopers and 14 Administrative Technicians (in both fiscal years)					
\$2,132,404.76	\$1,886,762.42	\$(245,642.34)	\$2,132,404.76	\$1,886,762.42	\$(245,642.34)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate was based on 28.28 percent of its estimated salaries (which differed from the State Auditor's Office's estimated salaries). ▪ The State Auditor's Office's estimate was based on 28.28 percent of its estimated salaries (which differed from the Department's estimate of salaries). 					
Expense: Benefits for Administrative Technicians for Direct Support of Current Troopers Throughout the State (4 FTEs in 2004, 22 FTEs in 2005)					
\$26,076.42	\$0.00	\$(26,076.42)	\$143,420.32	\$0.00	\$(143,420.32)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate included benefits for administrative technician positions that will not directly support the 170 additional troopers it plans to hire to comply with the General Appropriations Act. According to the Department, additional administrative technician positions are needed to support current troopers at various locations throughout the State. ▪ The State Auditor's Office's estimate did not include these benefits because the associated positions would not directly support the 170 additional troopers needed to comply with the General Appropriations Act. The costs associated with these positions are analyzed in Table 3. 					
Expense: Hazardous Duty Pay					
\$27,300.00	\$0.00	\$(27,300.00)	\$41,349.00	\$14,280.00	\$(27,069.00)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate was calculated as follows: <ul style="list-style-type: none"> ▪ For fiscal year 2004, the Department estimated hazardous duty pay for (1) 1 captain and 2 lieutenants at the State of Texas Classification Hazardous Duty Pay Table rate of \$112 per month; (2) 14 sergeants at the State of Texas Classification Hazardous Duty Pay Table rate of \$56 per month; and (3) 153 troopers at approximately \$7.55 per month (which contradicted the State of Texas Classification Hazardous Duty Pay Table rate of \$7 per month). ▪ For fiscal year 2005, the Department estimated hazardous duty pay for (1) 1 captain and 2 lieutenants at the State of Texas Classification Hazardous Duty Pay Table rate of \$119 per month; (2) 14 sergeants at the State of Texas Classification Hazardous Duty Pay Table rate of \$63 per month; and (3) 153 troopers at approximately \$14.42 per month (which contradicted the State of Texas Classification Hazardous Duty Pay Table rate of \$14 per month). ▪ The State Auditor's Office's estimate was calculated as follows: <ul style="list-style-type: none"> ▪ For fiscal year 2004, the State Auditor's Office did not estimate hazardous duty pay for captain, lieutenant, or sergeant positions. Normally, the Department would promote individuals into those positions and, therefore, would have already requested funds for their hazardous duty pay. The State Auditor's Office also did not estimate hazardous duty pay for the newly hired troopers in fiscal year 2004 because the State of Texas Classification Hazardous Duty Pay Table specifies that commissioned law enforcement officers must have at least one year of service in order to receive hazardous duty pay. ▪ For fiscal year 2005, the State Auditor's Office did not estimate hazardous duty pay for captain, lieutenant, or sergeant positions. Normally, the Department would promote individuals into those positions and, therefore, would have already requested funds for their hazardous duty pay. The State Auditor's Office estimated hazardous duty pay for the 170 troopers at the State of Texas Classification Hazardous Duty Pay Table rate of \$7 per month. 					

Detailed Differences Between Department of Public Safety Estimate and State Auditor's Office Estimate of Additional Funds the Department Needs to Comply with Rider 51 for the 2004-2005 Biennium					
Fiscal Year 2004			Fiscal Year 2005		
Department Estimate	State Auditor's Office Estimate	Difference	Department Estimate	State Auditor's Office Estimate	Difference
Expense: Operating Expenses Associated with the 170 Additional Troopers					
\$541,308.08	\$541,308.08	\$0.00	\$541,308.08	\$541,308.08	\$0.00
(The Department's estimate and the State Auditor's Office's estimate are the same.)					
Expense: Operating Expenses Associated with Current Troopers Throughout the State					
\$3,191.48	\$0.00	\$(3,191.48)	\$3,191.48	\$0.00	\$(3,191.48)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate included operating expenses associated with administrative technician positions that will not directly support the 170 additional troopers it plans to hire to comply with the General Appropriations Act. According to the Department, additional administrative technician positions are needed to support current troopers at various locations throughout the State. ▪ The State Auditor's Office's estimate did not include operating expenses associated with administrative technician positions because those positions did not directly support the 170 additional troopers needed to comply with the General Appropriations Act. The costs associated with these positions are analyzed in Table 3. 					
Expense: Other Operating Expenses					
\$88,750.00	\$88,750.00	\$0.00	\$59,000.00	\$88,750.00	\$29,750.00
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate for fiscal year 2005 was stated incorrectly. ▪ The State Auditor's Office's estimate was based on the Department's average cost per commissioned highway patrol position, which is \$522, multiplied by 170 trooper positions. 					
Expense: Uniforms for New Troopers					
\$267,750.00	\$267,750.00	\$0.00	\$0.00	\$0.00	\$0.00
(The Department's estimate and the State Auditor's Office's estimate were both based on costs of \$1,575 per trooper.)					
Expense: Uniform Cleaning Allowance for New Troopers					
\$85,000.00	\$85,000.00	\$0.00	\$85,000.00	\$85,000.00	\$0.00
(The Department's estimate and the State Auditor's Office's estimate are the same.)					
Expense: Capital Acquisition Associated with the 170 Additional Troopers					
\$424,900.00	\$424,950.00	\$50.00	\$0.00	\$0.00	\$0.00
Explanation for differences:					
The \$50 difference in fiscal year 2004 arose from an error the State Auditor's Office identified in the Department's calculation of capital acquisition costs.					
Expense: Capital Acquisition Associated with Current Troopers Throughout the State					
\$10,700.00	\$0.00	\$(10,700.00)	\$48,150.00	\$0.00	\$(48,150.00)
Explanation for differences:					
<ul style="list-style-type: none"> ▪ The Department's estimate included capital expenses (computers, printers, desks, chairs) associated with administrative technician positions that will not directly support the 170 additional troopers it plans to hire to comply with the General Appropriations Act. According to the Department, additional administrative technician positions are needed to support current troopers at various locations throughout the State. ▪ The State Auditor's Office's estimate did not include capital expenses associated with administrative technician positions because those positions did not directly support the 170 additional troopers needed to comply with the General Appropriations Act. The costs associated with these positions are analyzed in Table 3. 					
Totals					
\$11,239,916.74	\$9,966,240.50	\$(1,273,676.24)	\$11,101,295.64	\$9,287,820.50	\$(1,813,475.14)

Included in the Department's estimates in Tables 1 and 2 was \$834,082 for 22 administrative technicians and related costs the Department asserts it needs to support current troopers at various locations throughout the State. These costs, however, are not directly associated with the 170 troopers the Department plans to hire to comply with the General Appropriations Act. Table 3 isolates those costs and also indicates whether the Department calculated them accurately.

Table 3

Portion of the Department's \$22.3 Million Funding Request Not Directly Associated with the 170 Troopers the Department Plans to Hire					
Fiscal Year 2004			Fiscal Year 2005		
Amount the Department Requested	State Auditor's Office Recalculation of Cost	Difference	Amount the Department Requested	State Auditor's Office Recalculation of Cost	Difference
Expense: Administrative Technician Salaries for Direct Support of Current Troopers Throughout the State (4 FTEs in 2004, 22 FTEs in 2005)					
\$92,208.00	\$92,208.00	\$0.00	\$507,144.00	\$507,144.00	\$0.00
(The Department calculated its request correctly.)					
Expense: Benefits for Administrative Technicians for Direct Support of Current Troopers Throughout the State (4 FTEs in 2004, 22 FTEs in 2005)					
\$26,076.42	\$26,076.42	\$0.00	\$143,420.32	\$143,420.32	\$0.00
(The Department calculated its request correctly.)					
Expense: Operating Expenses Associated with Current Troopers Throughout the State					
\$3,191.48	\$3,191.48	\$0.00	\$3,191.48	\$17,553.14	\$14,361.66
Explanation for difference: The Department's estimate for fiscal year 2005 was mistakenly based on a calculation of the cost of consumables per FTE multiplied by the number of FTEs for 2004 (instead of 2005). When calculated based on the number of FTEs for 2005, the correct amount is \$17,553.14.					
Expense: Capital Acquisition Associated with Current Troopers Throughout the State					
\$10,700.00	\$10,700.00	\$0.00	\$48,150.00	\$48,150.00	\$0.00
(The Department calculated its request correctly.)					
Totals					
\$132,175.90	\$132,175.90	\$0.00	\$701,905.80	\$716,267.46	\$14,361.66

Summary of Objectives, Scope, and Methodology

Our objectives were to determine whether:

- The Department's plan will achieve compliance with Rider 51.
- The Department's methodology for developing its Legislative Appropriations Request exceptional item for 170 additional troopers was reasonable.

Our scope covered the planning and analysis the Department conducted to prepare its plan for complying with Rider 51. Our methodology consisted of analyzing the underlying support for the Department's plan and exceptional item.

The information used in this report has not been subjected to the tests and confirmations that would be performed in an audit.

Management's Response

The Department asserts it will need an additional \$22.3 million for the 2004–05 biennium to implement its plan, but more precise calculation suggests the Department will require \$19.3 million.

DPS Troopers are promoted through a career path ranging from a Trooper I (\$36,400) to a Senior Trooper (\$46,384). Many of the 170 troopers will choose to remain with DPS for their career. To recognize this career path, the Department used the mid point of the Trooper Range, i.e., Trooper III (\$39,800). The State Auditor calculated salaries at the lowest trooper classification, Trooper I (\$36,400).

The Department also used the full salary rate for Captains, Lieutenants, and Sergeants, where the State Auditor used the incremental rate between these positions.

Finally, the State Auditor calculated only 14 Administrative Technicians which are needed in Rider #51. The Department requested 36 Administrative Technicians, which are needed in the Highway Patrol statewide including those needed for Rider #51.