

Executive Council of Physical Therapy and Occupational Therapy Examiners
Summary of Recommendations - House

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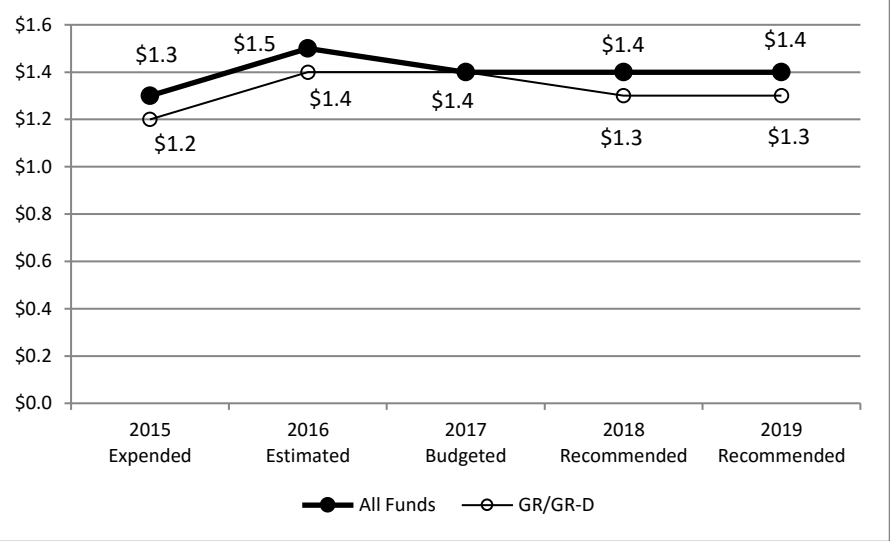
John Maline, Executive Director
Andrew Overmyer, LBB Analyst

Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$2,725,055	\$2,681,503	(\$43,552)	(1.6%)
GR Dedicated Funds	\$0	\$0	\$0	0.0%
Total GR-Related Funds	\$2,725,055	\$2,681,503	(\$43,552)	(1.6%)
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$182,000	\$112,000	(\$70,000)	(38.5%)
All Funds	\$2,907,055	\$2,793,503	(\$113,552)	(3.9%)

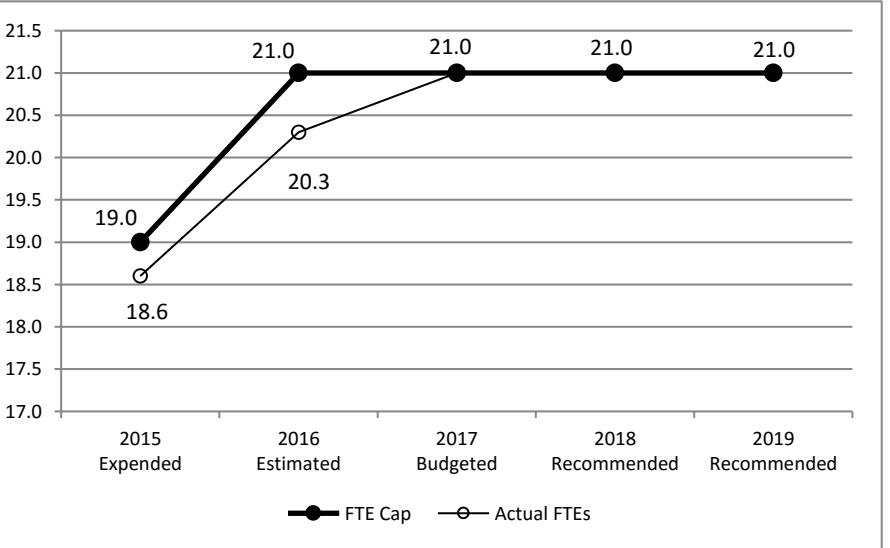
	FY 2017 Budgeted	FY 2019 Recommended	Biennial Change	Percent Change
FTEs	21.0	21.0	0.0	0.0%

The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



**Executive Council of Physical Therapy and Occupational Therapy Examiners
Summary of Funding Changes and Recommendations - House**

Section 2

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
Funding Changes and Recommendations							
A)	Decrease of one-time items, including, 1) \$30,800 for licensing database replacement; 2) \$26,950 for website update; 3) \$16,000 for painting and carpet replacement; 4) \$6,500 for copy machine replacement; 5) \$5,000 for network server replacement; and 6) \$13,752 for other operating expenses, pursuant to the four percent reduction	(\$99,002)	\$0	\$0	\$0	(\$99,002)	A.1.1, B.1.1
B)	Decrease of \$70,000 in appropriated receipts anticipated to be collected by the agency from a reduction in an electronic newsletter fee included in license renewals	\$0	\$0	\$0	(\$70,000)	(\$70,000)	A.1.1, B.1.1, C.1.1, C.1.2
C)	Lump sum annual leave payments for employees eligible to retire during the 2018-19 biennium.	\$55,450	\$0	\$0	\$0	\$55,450	A.1.1, B.1.1
TOTAL Funding Changes and Recommendations		(\$43,552)	\$0	\$0	(\$70,000)	(\$113,552)	As Listed
<i>Funding Increases</i>		\$55,450	\$0	\$0	\$0	\$55,450	As Listed
<i>Funding Decreases</i>		(\$99,002)	\$0	\$0	(\$70,000)	(\$169,002)	As Listed

**Executive Council of Physical Therapy and Occupational Therapy Examiners
Selected Fiscal and Policy Issues - House**

1. **Sunset Review.** The council and its two associated boards are currently undergoing Sunset review (see Rider Highlights #2). The Sunset Commission recommends the continuation of the council and boards for twelve years and also recommends the discontinuation of the registration of physical therapy and occupational therapy facilities.
2. **Lump Sum Annual Leave Payout.** Recommendations include \$65,450 in General Revenue for anticipated lump sum annual leave payments to four employees eligible to retire in the 2018-19 biennium, contingent on their retirement (see Rider Highlights #3). This is an increase of \$55,450 above 2016-17 base levels; recommendations retain \$10,000 for the same purpose that was submitted as part of the agency's four percent reduction.

**Executive Council of Physical Therapy and Occupational Therapy Examiners
Rider Highlights - House**

New Riders

2. **Sunset Contingency.** Recommendations add a contingency provision for the agency's upcoming Sunset review (see Selected Fiscal and Policy Issues #1).
3. **Lump Sum Annual Leave Payout.** Recommendations add a rider for funds appropriated for the purpose of lump sum payment of accrued annual leave to retiring employees. Recommendations include unexpended balance authority for these funds between fiscal years of the biennium, and a provision requiring that unspent funds dedicated for this purpose would lapse at the end of the biennium (see Selected Fiscal and Policy Issues #2).

**Executive Council of Physical Therapy and Occupational Therapy Examiners
Items Not Included in Recommendations - House**

Section 5

	2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items - In Agency Priority Order

1)	Travel (\$37,406), contracted computer programming services (\$24,800) and other operating expenses (\$36,796) reduced as a result of the four percent reduction.	\$99,002	\$99,002	0.0	Yes	No	\$99,002
2)	Installation of Voice Over IP (VoIP) phone system, as required by the Department of Information Resources.	\$10,400	\$10,400	0.0	Yes	No	\$1,600
3)	Modification of the current agency database to integrate with the implementation of the Centralized Accounting and Payroll/Personnel System (CAPPS).	\$31,500	\$31,500	0.0	Yes	No	\$0
4)	Targeted staff salary merit increases for four employees.	\$75,678	\$75,678	0.0	No	No	\$75,678
5)	Replacement of one agency server.	\$4,000	\$4,000	0.0	Yes	No	\$0
6)	Health Professions Council (HPC) Exceptional Item Funding. This item would cover the agency's proportional cost of HPC's requested exceptional item, an upgrade in digital documentation software.	\$8,827	\$8,827	0.0	Yes	No	\$3,400
7)	Travel expenses for board meetings and licensee investigations conducted by the agency.	\$32,800	\$32,800	0.0	No	No	\$36,000
8)	Replacement of office furniture.	\$5,000	\$5,000	0.0	No	No	\$0

Executive Council of Physical Therapy and Occupational Therapy Examiners
Items Not Included in Recommendations - House

		2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
		GR & GR-D	All Funds	FTEs			
9)	Agency contributions to employee health care and retirement.	\$31,224	\$31,224	0.0	No	No	\$31,224
TOTAL Items Not Included in Recommendations		\$298,431	\$298,431	0.0			\$246,904

Executive Council of Physical Therapy and Occupational Therapy Examiners
Appendices - House

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* Appendix is not included - no significant information to report

Executive Council of Physical Therapy and Occupational Therapy Examiners
Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
OPERATE LICENSING SYSTEM A.1.1	\$1,636,366	\$1,563,154	(\$73,212)	(4.5%)	Net decrease of \$73,212 due to the following: - A decrease of \$64,351 in General Revenue (GR) Funds pursuant to the four percent reduction, including 1) \$20,020 for licensing database replacement; 2) \$17,518 for website update; 3) \$10,400 for painting and carpet replacement; 4) \$4,225 for copy machine replacement; 5) \$3,249 for network server replacement; and 6) \$8,939 for other operating expenses; - A decrease of \$44,904 in appropriated receipts; and - An increase of \$36,043 in GR Funds for lump sum annual leave payments to retiring employees.
TEXAS.GOV A.1.2	\$363,930	\$363,930	\$0	0.0%	
Total, Goal A, LICENSING AND REGISTRATION	\$2,000,296	\$1,927,084	(\$73,212)	(3.7%)	
ADMINISTER ENFORCEMENT B.1.1	\$878,984	\$839,638	(\$39,346)	(4.5%)	Net decrease of \$39,346 due to the following: - A decrease of \$34,651 in GR Funds pursuant to the four percent reduction, including 1) \$10,780 for licensing database replacement; 2) \$9,432 for website update; 3) \$5,600 for painting and carpet replacement; 4) \$2,275 for copy machine replacement; 5) \$1,751 for network server replacement; and 6) \$4,813 in other operating expenses; - A decrease of \$24,102 in appropriated receipts; and - An increase of \$19,407 in GR Funds for lump sum annual leave payments to retiring employees.
Total, Goal B, ENFORCEMENT	\$878,984	\$839,638	(\$39,346)	(4.5%)	
LICENSING INDIRECT ADMINISTRATION C.1.1	\$16,665	\$16,070	(\$595)	(3.6%)	Decrease in appropriated receipts.
ENFORCEMENT INDIRECT ADMINISTRATION C.1.2	\$11,110	\$10,711	(\$399)	(3.6%)	Decrease in appropriated receipts.
Total, Goal C, INDIRECT ADMINISTRATION	\$27,775	\$26,781	(\$994)	(3.6%)	

Executive Council of Physical Therapy and Occupational Therapy Examiners
Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
Grand Total, All Strategies	\$2,907,055	\$2,793,503	(\$113,552)	(3.9%)	Overall net decrease of \$113,552 due to the following: - A decrease of \$99,002 in GR Funds pursuant to the four percent reduction, including 1) \$30,800 for licensing database replacement; 2) \$26,950 for website update; 3) \$16,000 for painting and carpet replacement; 4) \$6,500 for copy machine replacement; 5) \$5,000 for network server replacement; and 6) \$13,752 for other operating expenses; - A decrease of \$70,000 in appropriated receipts; and - An increase of \$55,450 in GR Funds for lump sum annual leave payments to retiring employees.

**Executive Council of Physical Therapy and Occupational Therapy Examiners
Summary of Ten Percent Biennial Base Reduction Options - House**

Appendix E

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
			GR & GR-D	All Funds	FTEs			
1)	Eliminate three licensing clerk positions	Eliminate three licensing clerk positions. This would impact all licensing output and efficiency measures.	\$210,000	\$210,000	3.0	\$0	8%	No
2)	Eliminate longevity pay for three licensing clerk positions	Elimination of longevity pay associated with the three licensing clerk positions eliminated in Item #1.	\$10,200	\$10,200	0.0	\$0	0.4%	No
3)	Reduced per diem reimbursements to board members	Reduced per diem reimbursements to board members for board, committee, and council meetings.	\$5,000	\$5,000	0.0	\$0	0.2%	No
4)	Eliminate Employee Assistance Program & other contracts	Elimination of Employee Assistance Program and contracts for document shredding and furniture and equipment moving.	\$3,664	\$3,664	0.0	\$0	0.1%	No
5)	Reduced licensee database and website programming/maintenance	Reduced licensee database and website programming/maintenance. This could result in reduced efficiency in licensing.	\$5,000	\$5,000	0.0	\$0	0.2%	No
6)	Reduction in use of consumable supplies	Consumable supply purchases would be reduced. This could reduce the agency's ability to file reports and engage in correspondence with external entities.	\$2,400	\$2,400	0.0	\$0	0.1%	No
7)	Foregoing of emergency repairs	Foregoing of emergency repairs to end of life office furniture and small equipment.	\$3,341	\$3,341	0.0	\$0	0.1%	No

Executive Council of Physical Therapy and Occupational Therapy Examiners
Summary of Ten Percent Biennial Base Reduction Options - House

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
			GR & GR-D	All Funds	FTEs			
8)	Reduction in board and council meetings and investigator travel	Reduction in meetings of the PT board, OT board, and Executive Council from four meetings per year to two for each entity. This would result in a delay in board rulemaking and decisions. Investigator travel would also be reduced, which would impact all enforcement performance measures.	\$22,000	\$22,000	0.0	\$0	0.8%	No
TOTAL, 10% Reduction Options			\$261,605	\$261,605	3.0	\$0		