

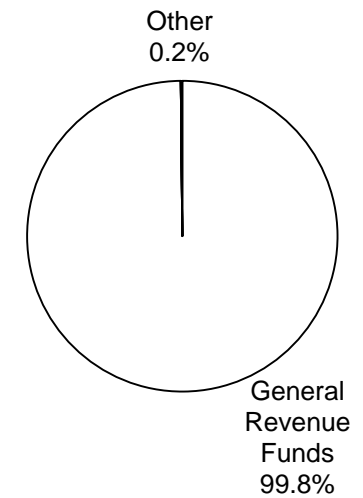
**Board of Pharmacy
Summary of Recommendations - Senate**

Page VIII-44
Gay Dodson, Executive Director

Rachel Niven, LBB Analyst

Method of Financing	2010-11 Appropriations	2010-11 Base	2012-13 Recommended	Biennial Change	% Change
General Revenue Funds	\$11,236,581	\$10,834,270	\$9,656,217	(\$1,178,053)	(10.9%)
GR Dedicated Funds	\$0	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$11,236,581</i>	<i>\$10,834,270</i>	<i>\$9,656,217</i>	<i>(\$1,178,053)</i>	<i>(10.9%)</i>
Federal Funds	\$0	\$0	\$0	\$0	0.0%
Other	\$15,460	\$15,460	\$15,460	\$0	0.0%
All Funds	\$11,252,041	\$10,849,730	\$9,671,677	(\$1,178,053)	(10.9%)

RECOMMENDED FUNDING
BY METHOD OF FINANCING



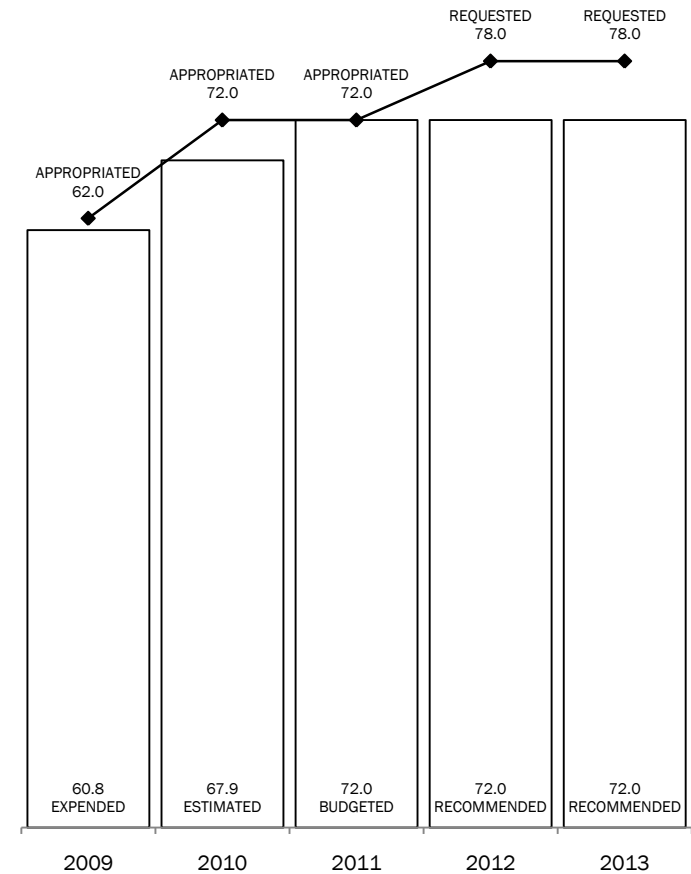
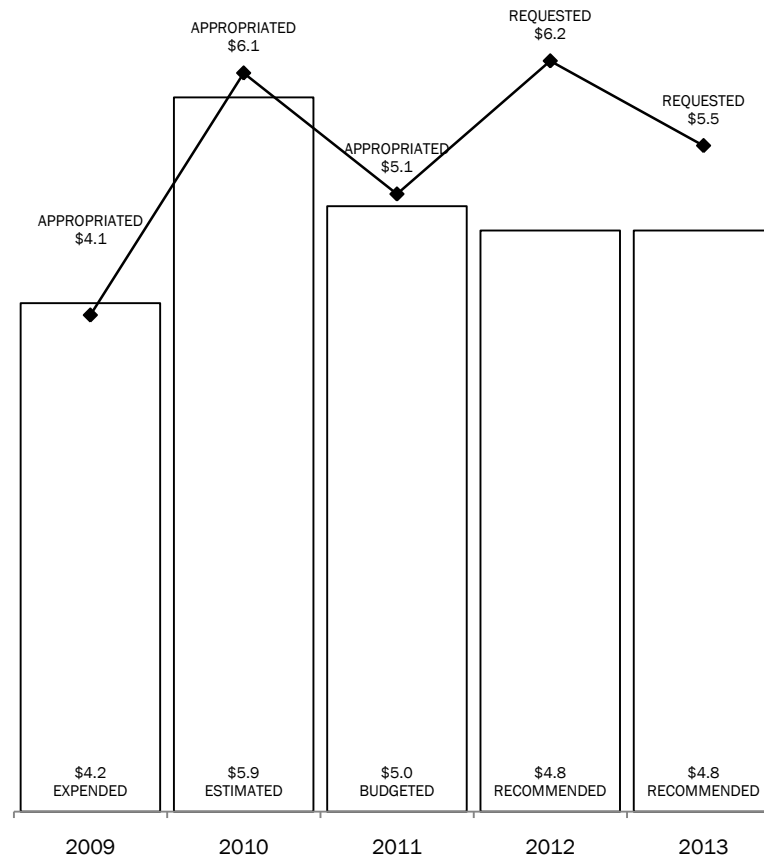
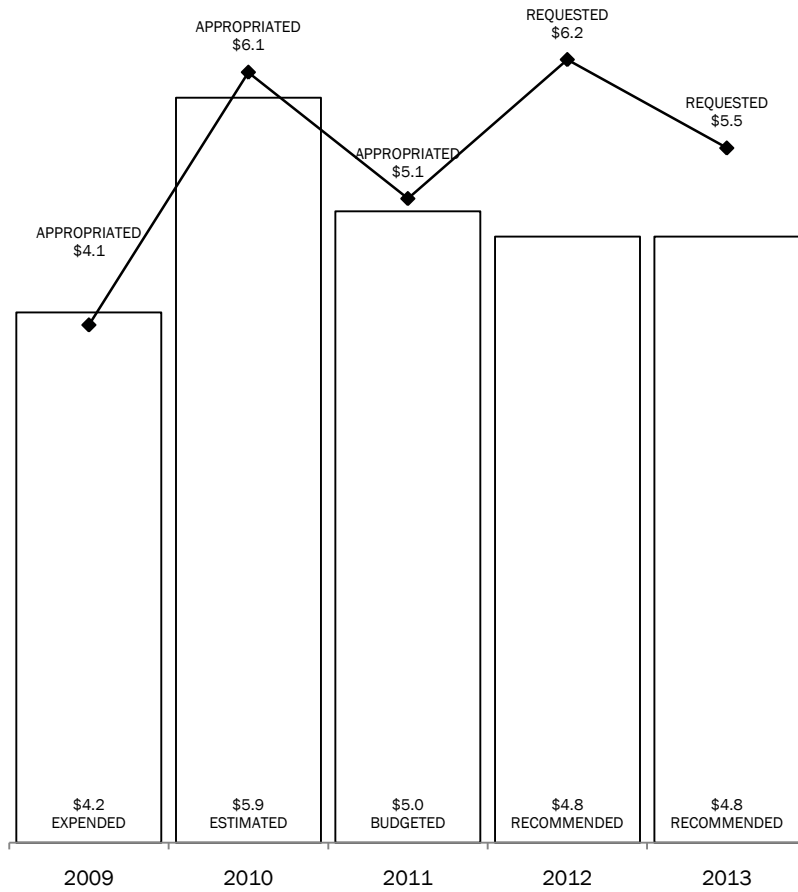
FTEs	FY 2011 Appropriations	FY 2011 Budgeted	FY 2013 Recommended	Biennial Change	% Change
	72.0	72.0	72.0	0.0	0.0%

The bill pattern for this agency (2012-13 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2012-13 biennium.

ALL FUNDS

**GENERAL REVENUE AND
 GENERAL REVENUE-DEDICATED FUNDS**

FULL-TIME-EQUIVALENT POSITIONS



Board of Pharmacy
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
LICENSING A.1.1	\$2,387,466	\$1,539,991	(\$847,475)	(35.5%)	
TEXASONLINE A.1.2	\$439,130	\$439,130	\$0	0.0%	
Total, Goal A, MAINTAIN STANDARDS	\$2,826,596	\$1,979,121	(\$847,475)	(30.0%)	
ENFORCEMENT B.1.1	\$6,352,385	\$6,076,598	(\$275,787)	(4.3%)	
PEER ASSISTANCE B.1.2	\$367,834	\$358,398	(\$9,436)	(2.6%)	
Total, Goal B, ENFORCE REGULATIONS	\$6,720,219	\$6,434,996	(\$285,223)	(4.2%)	
LICENSING - INDIRECT ADMINISTRATION C.1.1	\$182,416	\$176,483	(\$5,933)	(3.3%)	
ENFORCEMENT-INDIRECT ADMINISTRATION C.1.2	\$1,120,499	\$1,081,077	(\$39,422)	(3.5%)	
Total, Goal C, INDIRECT ADMINISTRATION	\$1,302,915	\$1,257,560	(\$45,355)	(3.5%)	
Grand Total, All Strategies	\$10,849,730	\$9,671,677	(\$1,178,053)	(10.9%)	Decrease General Revenue for program funding by \$1,178,053 for one time expenditures including funding for the Health Professions Council Shared Regulatory Database (\$828,494), funding for vehicle replacement and new vehicle purchases (\$84,714), funding for the controlled substance forfeiture program (\$100,002), funding for new technology and computer replacement (\$105,327), and one time funding associated with costs for the Health Professions Council (\$59,516).

Section 3

Board of Pharmacy Selected Fiscal and Policy Issues

1. **One-Time Expenditures.** Recommendations decrease the agency's General Revenue by \$1,178,053 for one time expenditures including \$828,494 for the Health Professions Council Shared Regulatory Database, \$84,714 for vehicle replacement and new vehicle purchases, \$100,002 for the controlled substance forfeiture program, \$105,327 for new technology and computer replacement and \$59,516 for expenses in an amount equivalent to 5 percent of Health Professions Council funding.
2. **Health Professions Council Shared Regulatory Database Ongoing Funding.** The Board of Pharmacy's ongoing costs for the Health Professions Council Shared regulatory database are higher in 2012-13 than 2010-11 resulting in the agency needing an additional \$58,588 in 2012 and \$56,146 in 2013 for a total of \$114,734 over the biennium. The agency requested the \$114,734 as an exceptional item but recommendations fund this amount in the base because it is necessary for the agency's licensing function. The total one time cost associated with the Health Professions Council Shared Regulatory Database was \$943,228 in 2010-2011. This was reduced by \$114,734 to reach the onetime cost of \$828,494 that was removed from the agency's General Revenue funding (see item #1 above).
3. **Controlled Substance Forfeiture Program Unexpended Balance Authority.** Recommendations appropriate any unexpended funds at the end of 2011 received through the Controlled Substance Forfeiture Program for the fiscal year 2012. The agency has received \$100,002 to date for this program. These funds were received through an equitable sharing program administered by the Department of Justice and can only be spent for increasing enforcement under strict guidelines determined by the Department of Justice. If the agency is unable to spend the full amount in 2011 and not appropriated the funds for 2012 the state could be required to return the funds, or the Board of Pharmacy could be found in non-compliance with the guidelines for spending the funds, resulting in the agency being ineligible for future funding through the program (see Rider Highlights #2)
4. **Capital Budget Authority.** Recommendations remove capital budget authority for vehicles and computer replacement. This will delay the agency's scheduled replacement of vehicles that will meet their replacement qualifications during the biennium. If there are maintenance issues with these vehicles this could inhibit agency investigations by preventing or delaying investigator travel. This will also delay the scheduled replacement of computers in 2012-13.
5. **Agency Fees.** The Board of Pharmacy is adjusting its fees effective December 2011. Current biennial fees are \$306 for Pharmacists, \$479 for Pharmacies, \$80 for Technicians, and an initial fee of \$53 for Technician Trainees. The new fees will be \$217 for Pharmacists, \$390 for Pharmacies, \$61 for Technicians and an initial fee of \$41 for Technician Trainees. Revenues generated from these fees will be sufficient to cover the agency's base request, as required by statute.
6. **Self-Directed Semi-Independent Status.** The agency has indicated that its board will be seeking Self-Directed Semi-Independent status this session.
7. **Executive Director Salary.** The agency is requesting the Executive Director position be added to Article IX, Sec.3.05 (c) Schedule of Exempt positions to allow the Board to set the Executive Director's salary within the Group 4 salary range of \$106,500 to \$167,500.

Section 4

Texas State Board of Pharmacy (TSBP)
Performance Review and Policy Report Highlights

Reports & Recommendations	GEER Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Is included in the Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

Section 5

Board of Pharmacy Rider Highlights

2. **(former) Capital Budget Items.** Recommendations delete this rider. All funding for capital budget items was removed from the recommendations (see Fiscal and Policy Issues #1 and #4).
2. **(new) Controlled Substance Forfeiture Program.** Recommendations amend the rider to appropriate any unexpended funds at the end of 2011 received through the Controlled Substance Forfeiture Program for the fiscal year 2012 (see Selected Fiscal and Policy Issues #3).
4. **Contingent Revenue.** Recommendations delete this rider. Additional revenues were generated and appropriations were increased during the 2010-11 biennium for the purposes of this rider. These amounts were also included in the agency's 2010-11 base.

Section 6

**Board of Pharmacy
Items not Included in Recommendations**

	2012-13 Biennial Total	
	GR & GR- Dedicated	All Funds
1. Increase General Revenue and capital budget authority for items reduced in the recommendations:	\$ 417,679	\$ 417,679
a. \$58,500 - Replacement of 3 vehicles at \$19,500 each		
b. \$22,000 - Replacement of laptops (3 in FY2012, 7 in FY2013)		
c. \$12,000 - Replacement of 12 electronic notebooks (12 in FY2013)		
d. \$28,600 - Replacement of desktop computers (17 in FY2012, 9 in FY2013)		
e. \$8,200 - Software (Anti Virus, Anti Spam, Firewall Maintenance)		
f. \$2,000 - Purchase of 2 printers		
g. \$9,000 - Replacement of web server		
h. \$12,000 - Primary domain controller		
i. \$9,250 - Increase Vehicle Maintenance		
j. \$19,690 - Peer Assistance Program		
k. \$143,639 - Testing of Compounded Products		
l. \$19,802 - Newsletter Printing and Postage		
m. \$30,046 - Training and Registration Fees		
n. \$37,200 - Travel for Board and Staff		
o. \$5,752 - Increased transfer to the Health Professions Council		
2. Increase General Revenue funding to reclassify the Chief Investigator from state classification Manager IV to Manager V, increasing salary from \$61,254 to \$70,000 per year (\$8,746 per year)	\$ 17,492	\$ 17,492

Section 6

**Board of Pharmacy
Items not Included in Recommendations**

	2012-13 Biennial Total	
	GR & GR- Dedicated	All Funds
3. Increase General Revenue funding, capital budget authority, and authority for 6.0 FTEs to maintain services for an increasing licensee population <ul style="list-style-type: none"> a. \$507,528 - Salaries and Wages <ul style="list-style-type: none"> \$152,584 - 2.0 FTE - Field Investigator IV (\$38,146 each annually) \$122,508 - 1.0 FTE - Attorney IV (\$61,254 annually) \$87,346 - 1.0 FTE - Network Specialist III (\$43,673 annually) \$81,632 - 1.0 FTE - Legal Assistant III (\$40,816 annually) \$63,458 - 1.0 FTE - Administrative assistant IV (\$31,729 annually) b. \$108,704 - Other operating Expenses c. \$13,374 - Capital budget and funding for new computers d. \$39,000 - Funding for two new vehicles (\$19,500 each) 	\$	668,606
4. The agency is requesting that the Executive Director be added to Article IX, Sec.3.05 (c) Schedule of Exempt positions to give the Board the authority to set the Executive Director's salary within the Group 4 range of \$106,500 - \$167,500. The agency is not requesting any additional funding for this item.	\$	-
Total, Items Not Included in the Recommendations	\$	1,103,777
	\$	1,103,777