

Section 1

Board of Pharmacy
Summary of Recommendations - Senate

Page VIII-43
Gay Dodson, Executive Director

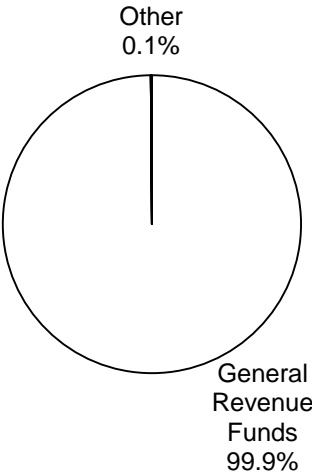
Trevor Whitney, LBB Analyst

Method of Financing	2014-15 Base	2016-17 Recommended	Biennial Change	% Change
General Revenue Funds	\$13,375,566	\$13,053,281	(\$322,285)	(2.4%)
GR Dedicated Funds	\$0	\$0	\$0	0.0%
Total GR-Related Funds	\$13,375,566	\$13,053,281	(\$322,285)	(2.4%)
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$15,460	\$15,460	\$0	0.0%
All Funds	\$13,391,026	\$13,068,741	(\$322,285)	(2.4%)

	FY 2015 Budgeted	FY 2017 Recommended	Biennial Change	% Change
FTEs	92.0	92.0	0.0	0.0%

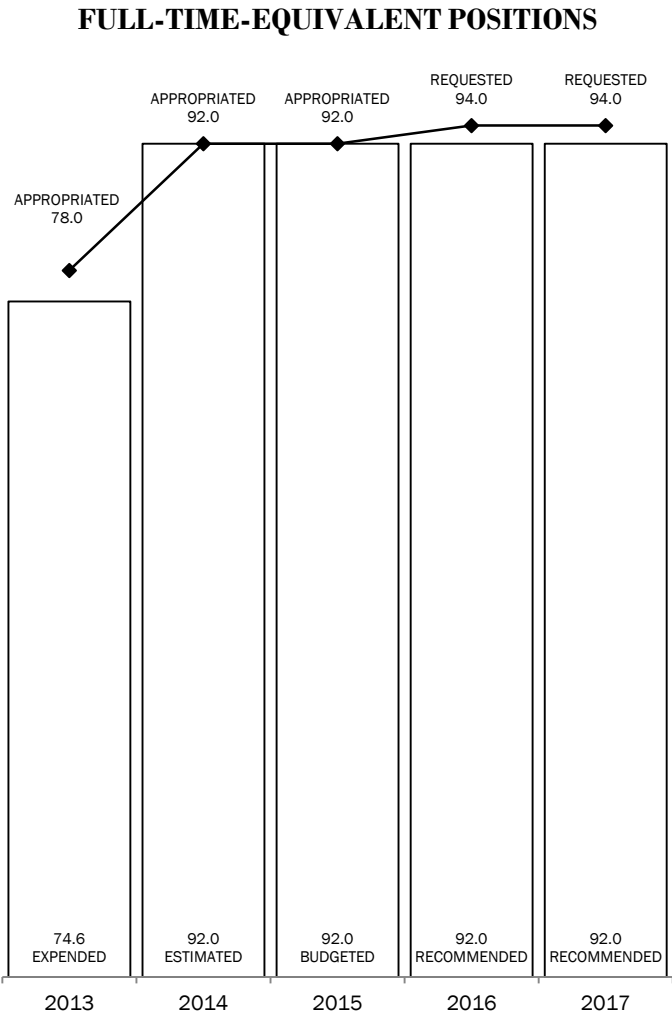
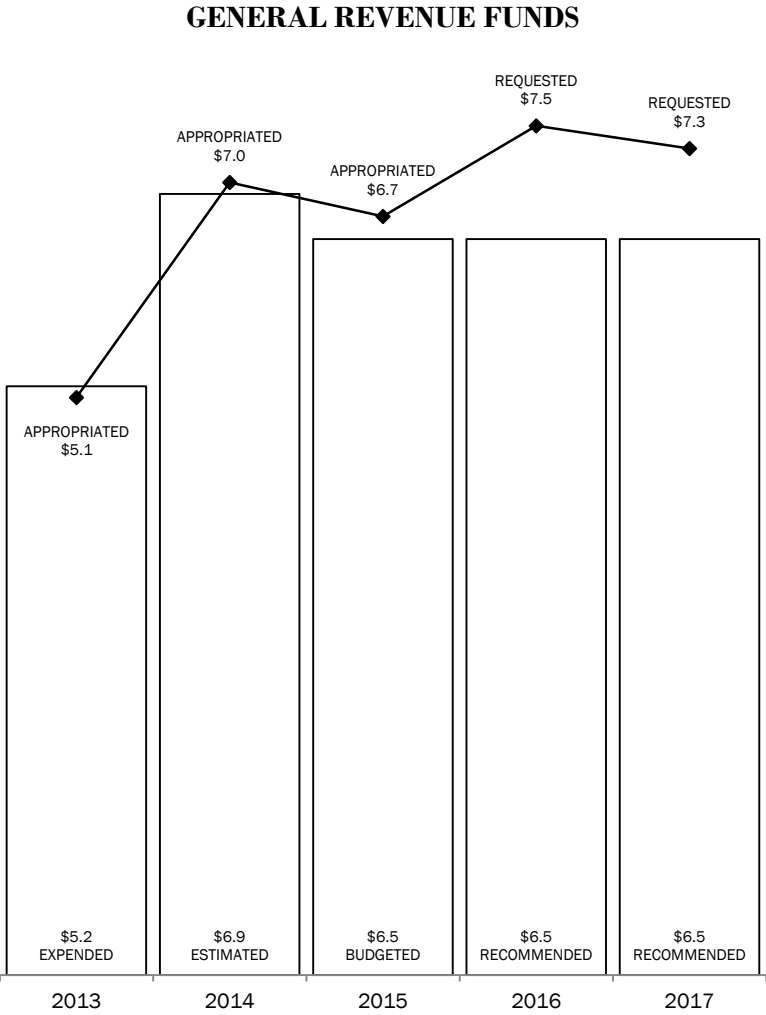
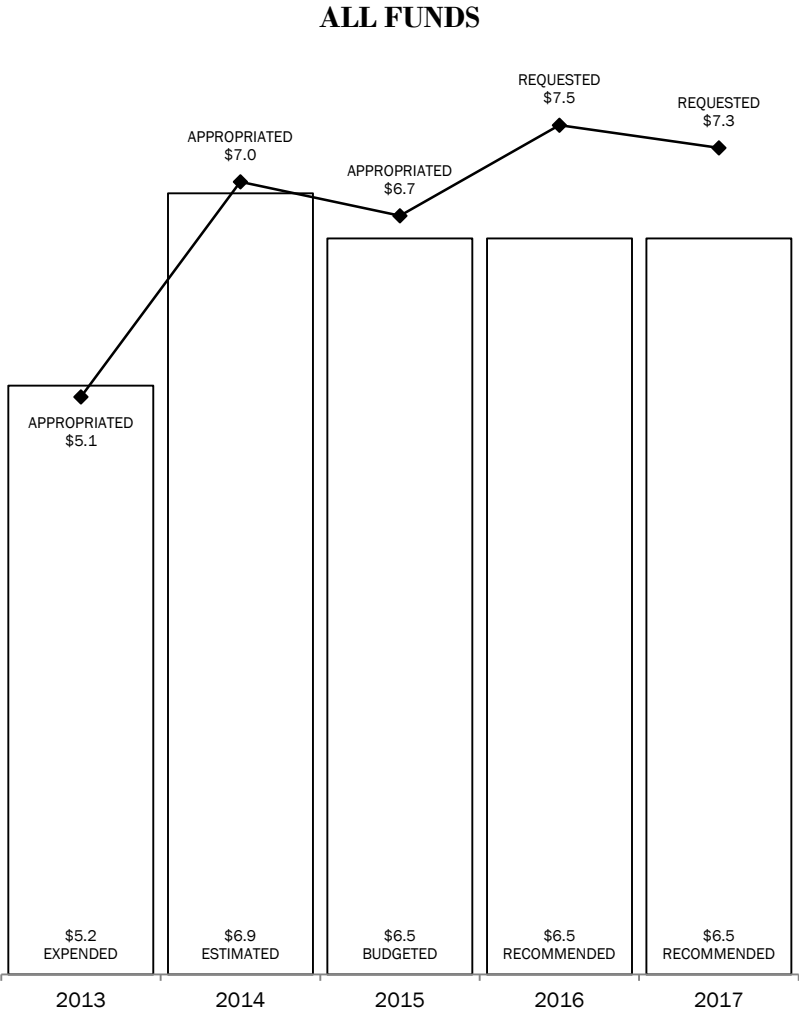
The bill pattern for this agency (2016-17 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2016-17 biennium.

RECOMMENDED FUNDING
BY METHOD OF FINANCING



Section 1
Board of Pharmacy
2016-2017 BIENNIUM
IN MILLIONS

TOTAL= \$13.0 MILLION



Section 2

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

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
LICENSING A.1.1	\$2,032,163	\$1,848,549	(\$183,614)	(9.0%)	
TEXAS.GOV A.1.2	\$346,926	\$346,926	\$0	0.0%	
Total, Goal A, MAINTAIN STANDARDS	\$2,379,089	\$2,195,475	(\$183,614)	(7.7%)	
ENFORCEMENT B.1.1	\$8,925,199	\$8,761,938	(\$163,261)	(1.8%)	
PEER ASSISTANCE B.1.2	\$467,325	\$467,325	\$0	0.0%	
Total, Goal B, ENFORCE REGULATIONS	\$9,392,524	\$9,229,263	(\$163,261)	(1.7%)	
LICENSING - INDIRECT ADMINISTRATION C.1.1	\$242,911	\$246,596	\$3,685	1.5%	
ENFORCEMENT-INDIRECT ADMINISTRATION C.1.2	\$1,376,502	\$1,397,407	\$20,905	1.5%	
Total, Goal C, INDIRECT ADMINISTRATION	\$1,619,413	\$1,644,003	\$24,590	1.5%	
Grand Total, All Strategies	\$13,391,026	\$13,068,741	(\$322,285)	(2.4%)	Recommendations include a net decrease in General Revenue of \$322,285 for the following: an increase of \$106,742 in General Revenue to biennialize salaries at the 2015 level, an increase of \$24,473 in General Revenue for increased Data Center Consolidation maintenance costs, and a decrease of \$453,500 in General Revenue for one-time funding for workspace remodeling and the replacement of thirteen vehicles during the 2014-2015 biennium.

Section 3

**Board of Pharmacy
Selected Fiscal and Policy Issues - Senate**

NONE

Section 3

Board of Pharmacy
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
Cap	78.0	92.0	92.0	92.0	92.0
Actual/Budgeted	74.6	92.0	92.0	NA	NA
Schedule of Exempt Positions (Cap)					
Executive Director, Group 4*	\$106,500	\$107,565	\$109,716	\$109,716	\$109,716

* The agency is requesting an increase in authority and funding for the Executive Director Exempt Position from \$109,716 to \$167,500 per fiscal year. The State Auditor's Office Report, Executive Compensation at State Agencies (Report No. 14-705, August 2014), indicates a market average salary of \$141,422 for the Executive Director position at the agency and does not recommend a change from the Group 4 classification.

Section 4

**Board of Pharmacy
Performance Review and Policy Report Highlights - Senate**

Reports & Recommendations	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

Section 5

**Board of Pharmacy
Rider Highlights - Senate**

- 2. **Capital Budget.** Recommendations amend the agency's capital budget rider due to the following:
 - a) a decrease in capital budget authority and funding of \$453,500 in General Revenue for one-time funding authorized by the 83rd Legislature. The agency has completed remodeling of their office workspace and purchased thirteen vehicles during the 2014-2015 biennium; and
 - b) an increase in capital budget authority only to identify base level funding included in fiscal year 2016 for personal computer replacement. The rider includes \$40,525 in fiscal year 2016 and \$26,825 in fiscal year 2017 for desktop and laptop computer purchases.

- 4. **Contingent Revenue (Deleted).** Recommendations delete this rider, in alignment with the agency's request. Additional revenues were generated and appropriations were increased during the 2014-2015 biennium for the purposes of this rider. These amounts were included in the agency's 2014-2015 base.

- 4. **Contingency for Behavioral Health Funds (New).** Add rider to identify funds subject to Article IX, §10.04, Statewide Behavioral Health Strategic Plan and Coordinated Expenditures.

- 5. **Contingent Revenue: Work Space Response.** Recommendations delete this rider, in alignment with the agency's request. According to the agency, revenue was not raised in fiscal years 2014-2015 and the agency did not request certification from the Comptroller of Public Accounts due to additional workspace being found within the Hobby Building. Amounts were not included in the 2014-2015 base.

Section 6

Board of Pharmacy
Items not Included in Recommendations - Senate

	2016-17 Biennial Total	
	GR & GR-Dedicated	All Funds
Agency Exceptional Items- In Agency Priority Order		
1. General Revenue funding and capital budget authority of \$41,200 in fiscal year 2016 and \$20,600 in fiscal year 2017 for the replacement of 3 vehicles used for field investigations.	\$ 61,800	\$ 61,800
2. General Revenue for information resource technology for mobile field inspections and document imaging.	\$ 116,917	\$ 116,917
3. General Revenue for payroll retirement contribution.	\$ 144,576	\$ 144,576
4. General Revenue funding and an increase in the full-time equivalent (FTE) cap for 1.0 FTE each fiscal year for a Network Specialist IV. Request includes \$65,888 in fiscal year 2016 and \$63,288 in fiscal year 2017.	\$ 129,176	\$ 129,176
5. General Revenue for salaries for employee reclassification.	\$ 289,222	\$ 289,222
6. General Revenue for merit salary increases for eligible classified employees.	\$ 283,540	\$ 283,540
7. General Revenue for lump sum termination pay for the Executive Director, who is expected to retire December of 2015.	\$ 29,544	\$ 29,544
8. The agency requests the authority and funding to increase the Executive Director Exempt Position from \$109,716 to \$167,500 per fiscal year. The State Auditor's Office Report, Executive Compensation at State Agencies (Report No. 14-705, August 2014), indicates a market average salary of \$141,422 for the Executive Director position at the Pharmacy Board.	\$ 115,569	\$ 115,569
Total, Items Not Included in the Recommendations	\$1,170,344	\$1,170,344

Section 7

Board of Pharmacy
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
1	Licensing- Reduce Travel Expenses	Reductions would require the agency to eliminate all staff non-service travel.	\$6,162	\$6,162		\$0	0.3%	N
	Enforcement- Reduce Travel Expenses	Reductions would require the agency to eliminate all staff non-service travel.	\$45,158	\$45,158		\$0	0.6%	N
2	Licensing- Eliminate Continuing Education Registration Fee Payments	Reductions would require the agency to eliminate payment of all board and staff registration fees for training.	\$1,928	\$1,928		\$0	0.1%	N
	Enforcement- Eliminate Continuing Education Registration Fee Payments	Reductions would require the agency to eliminate payment of all board and staff registration fees for training.	\$47,384	\$47,384		\$0	0.6%	N
3	Peer Assistance- Reduce Pharmacist Recovery Network	Reductions would require the agency to decrease funding to the Pharmasist Recovery Network.	\$37,252	\$37,252		\$0	10.4%	N
4	Licensing- Eliminate Board Member Per Diem	Reductions would require the agency to eliminate per diem payments for board members.	\$1,512	\$1,512		\$0	0.1%	N
	Enforcement- Eliminate Board Member Per Diem	Reductions would require the agency to eliminate per diem payments for board members.	\$11,388	\$11,388		\$0	0.1%	N
5	Licensing- Eliminate Remodeling Expenditures	Reductions reflect appropriations for one-time expenses for workspace remodeling.	\$200,000	\$200,000		\$0	9.7%	Y
6	Enforcement- Eliminate Vehicle Purchase	Reductions would require the agency to eliminate 5 of the 8 scheduled vehicle purchases during the biennium.	\$103,000	\$103,000		\$0	1.3%	N
7	Licensing- FTE Reductions	Reductions would require the agency to eliminate 2.0 FTEs in the Licensing program.	\$164,474	\$164,474	2.0	\$0	8.0%	N
	Enforcement- FTE Reductions	Reductions would require the agency to eliminate 5.0 FTEs in the Enforcement program.	\$696,655	\$696,655	5.0	\$0	8.8%	N
TOTAL, 10% Reduction Options			\$1,314,913	\$1,314,913	7.0	\$0		

Board of Pharmacy
Summary of 10 Percent Biennial Base Reduction Options - Senate
Agency 10% Reduction Options by Category of Reduction

