



ORGANIZATIONAL DEVELOPMENT COMMITTEE

Amy Gutierrez, PharmD, Board President
 Victor Law, RPh, Board Vice President

a. Budget Update/Report

1. Fund Condition Report

Attachment 1

Attachment 1 includes the fund condition report prepared by the Department. The fund condition includes the midyear augment the board received to ensure sufficient funding for continuity in enforcement related activities through the end of the 2016/17 fiscal year. It also includes an augment the board received as the result of an increase in employee compensation as part of a new union contract. The information below reflects the estimated fund condition:

Fund Condition: With Fee Increase Effective July 1, 2017		
Fiscal Year	Fund Balance	Months in Reserve
2015/2016	\$10,518,000	5.5
2016/2017	\$6,858,000	3.5
2017/2018	\$8,609,000	4.3
2018/2019	\$9,945,000	4.9

2. Budget for Fiscal Year 2016/2017

Attachment 2

Fiscal year 2016/2017 ended on June 30, 2017. However, the final FY 2016/2017 numbers will not be available until the beginning of August. A final budget report will be provided at the next board meeting.

Preliminary budget information for FY 2016/2017 is summarized below.

The board received \$20,301,100 in revenue originating from the following:

Revenue Sources		
Source	Amount	Percentage
Licensing	\$16,934,500	84%
Citation Fines	\$2,094,200	10%
Cost Recovery	\$1,206,600	6%
Interest	\$67,800	0%

The board expended \$21,257,076, which is approximately 97% of its authorized budget. The largest expenditure categories are detailed below.

Expenditures		
Source	Amount	Percentage
Personnel	\$13,601,614	64%
Enforcement	\$3,377,112	16%
Prorata	\$2,586,632	12%

Attachment 2 includes detailed budget charts for board revenue and expenditures.

The new fiscal year started July 1, 2017. The board’s authorized expenditures for the year will be \$22,317,000. Detailed budget information is not yet available, but will be provided as the next quarterly board meeting.

b. Board Member Reimbursement Information

Attachment 3

Board members may seek reimbursement for travel expenses and per diem payments. Board members are paid for each day of a board meeting but, in accordance with board policy, may also submit hours for work performed doing additional board business. It is important to note that these figures only represent hours and travel expenses where reimbursement was sought. It is not uncommon for board members to waive their per diem payments or only request partial reimbursement of travel expenses. The reimbursements are provided in **Attachment 3**.

The Department has recently released a new form (Member Per Diem Certification Form) that must be signed by each board member in order to claim per diem for attending a board or committee meeting. The form requires the member to certify that they are not receiving compensation, including vacation pay, from their regular public employment for the day of the meeting. Board staff will have the forms available at the end of each meeting and will submit the completed form to the Department to process the appropriate per diem payment. A copy of the Member Per Diem Certification Form is provided in **Attachment 3**.

c. Board Member Attendance Information

Attachment 4

Historically the board provided board member attendance as part of the Organizational Development Report, but this practice stopped in 2016. At the request of the board president, this information will again be provided at each board meeting.

Attachment 4 includes the board member attendance information.

d. Personnel Update

Board Update

The board currently has one vacancy. The position is a public member appointment that was formerly held by Greg Murphy.

Staff Updates

It is with great sadness that we announce the passing of board analyst Marcie Stratton. Ms. Stratton reviewed sterile compounding applications and renewals. She worked to make what was a busy and complex desk well-functioning. She was a very well-liked by staff, applicants and licensees.

Recent Hires/Transfers/Promotions

- Cristina Perkins was hired as an intermittent Office Technician providing support to the licensing application processing desks.
- Victor Perez was promoted to a Staff Program Analyst and will focus on automating reporting functions.
- Marissa Enriquez was hired as a Seasonal Employee assisting with customer services functions.
- Joseph Wong transferred from the Compliance Inspector team to the Outsourcing Inspector team.
- Lin Hokana transferred from the Compliance Inspector team to the Compounding Inspector team.

Departures

- Kathleen Fabela, Office Technician, left the board in June.
- Kelli Williams, manager, will be leaving the board at the end of July.

Recruitments

- One manager for the Complaint Unit.
- One AGPA responsible for process Sterile Compounding applications and renewals.
- One AGPA responsible for reviewing CURES reports and supporting the board's prescription drug abuse inspection team.
- One Office Technician to perform clerical functions support the board's enforcement unit.
- Three Inspectors for the Compliance/Routine Inspection teams.
- One Inspector for the Prescription Drug Abuse team.
- One Inspector for the Outsourcing team.

e. Discussion and Possible Action to Increase the Exempt Salary Category Level for the Position of Executive Officer

Attachment 5

A representative from the Department will be attending the meeting and providing information on a possible increase in the salary category for the position of executive officer.

Attachment 5 includes flow charts showing the process for completing the exempt level increase and exempt salary increase.

f. Future Board Meeting Dates

1. Future Board Meeting Date for 2017

- November 8-9, 2017, *Sacramento*

2. Future Board Meeting Dates for 2018

Full Board Meetings
February 6-7, 2018
May 2-3, 2018
July 24-25, 2018
October 23-24, 2018

Petitioner Board Meetings
March 27, 2018
June 6, 2018
September 6, 2018
December 12, 2018

Attachment 1

0767 - State Board of Pharmacy Analysis of Fund Condition

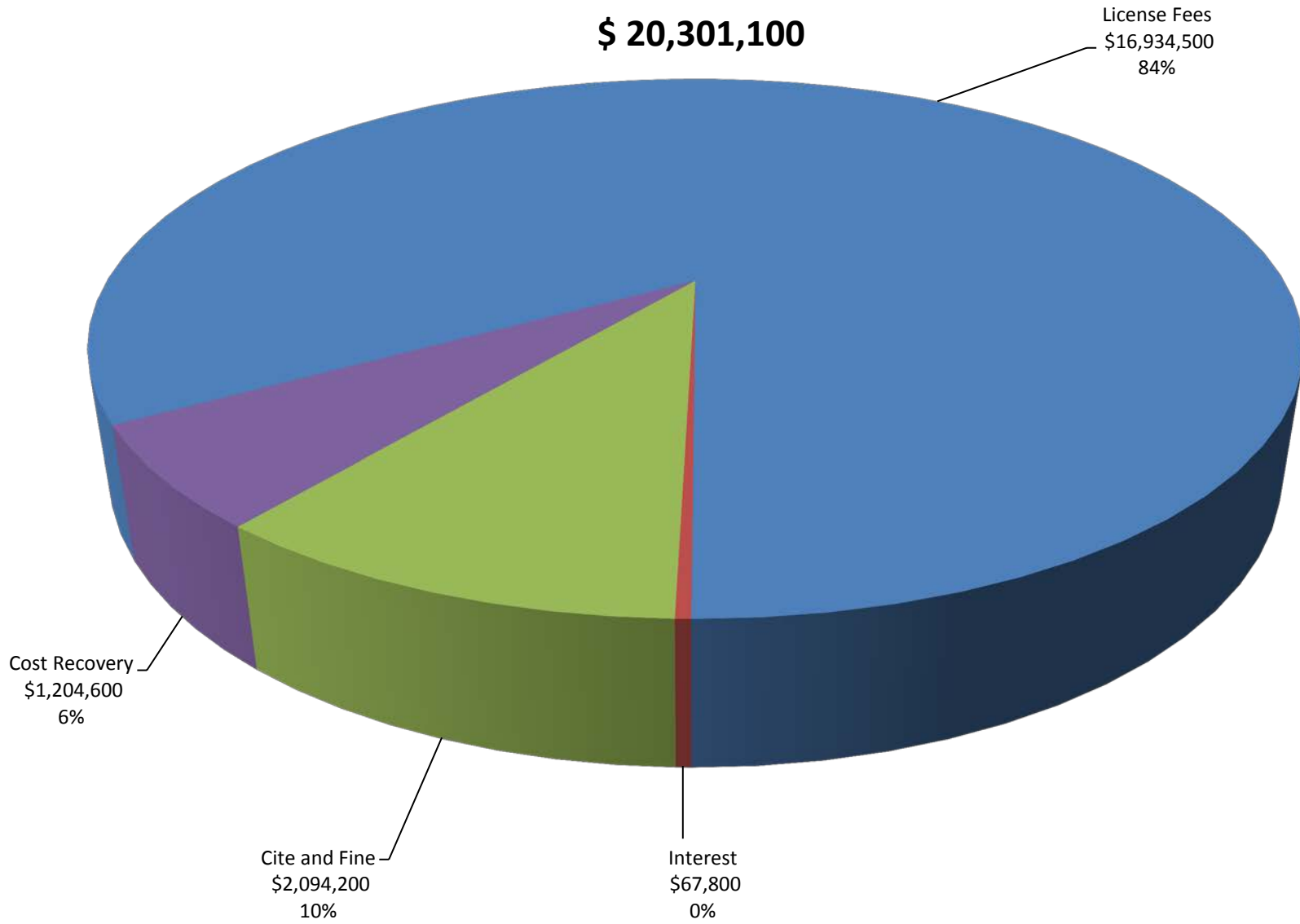
7.14.17

(Dollars in Thousands)

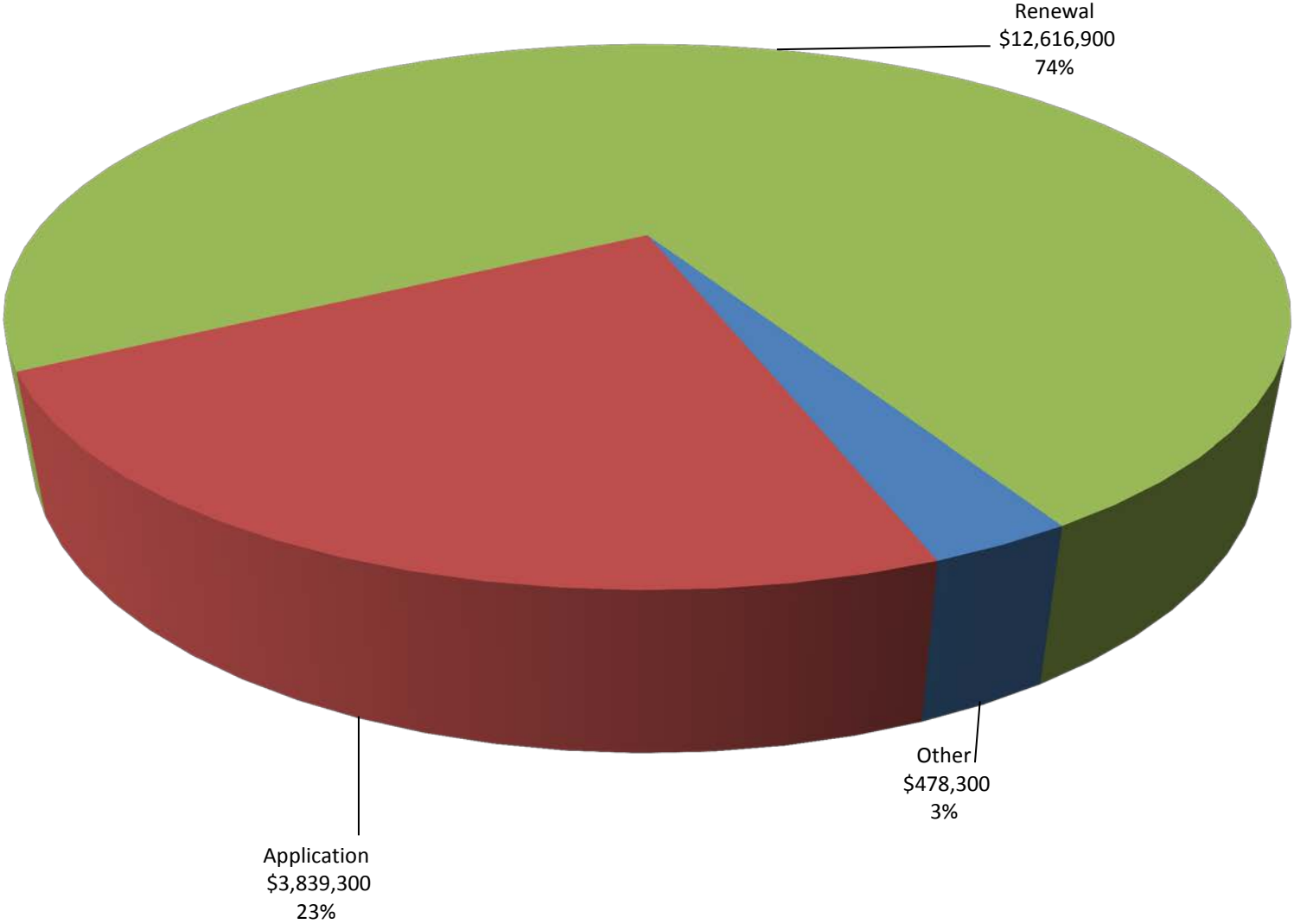
2017-18 Governor's Budget with FM 12 Projections	Governor's Budget			
	ACTUAL 2015-16	CY 2016-17	BY 2017-18	BY +1 2018-19
BEGINNING BALANCE	\$ 11,742	\$ 10,518	\$ 6,858	\$ 8,609
Prior Year Adjustment	\$ 26	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 11,768	\$ 10,518	\$ 6,858	\$ 8,609
REVENUES AND TRANSFERS				
Revenues:				
125600 Other regulatory fees	\$ 2,288	\$ 2,448	\$ 1,666	\$ 1,666
125700 Other regulatory licenses and permits	\$ 3,529	\$ 3,841	\$ 4,819	\$ 4,819
125800 Renewal fees	\$ 12,748	\$ 12,428	\$ 18,726	\$ 18,726
125900 Delinquent fees	\$ 193	\$ 189	\$ 205	\$ 205
131700 Misc. revenue from local agencies	\$ 4	\$ 2	\$ -	\$ -
141200 Sales of documents	\$ -	\$ 1	\$ -	\$ -
150300 Income from surplus money investments	\$ 49	\$ 55	\$ 26	\$ 30
160400 Sale of fixed assets	\$ 1	\$ -	\$ -	\$ -
161000 Escheat of unclaimed checks and warrants	\$ 13	\$ 114	\$ -	\$ -
161400 Miscellaneous revenues	\$ 10	\$ 7	\$ -	\$ -
Totals, Revenues	\$ 18,835	\$ 19,085	\$ 25,442	\$ 25,446
Transfers to Other Funds:				
Totals, Revenues and Transfers	\$ 18,835	\$ 19,085	\$ 25,442	\$ 25,446
Totals, Resources	\$ 30,603	\$ 29,603	\$ 32,300	\$ 34,055
EXPENDITURES				
Disbursements:				
1110 Program Expenditures (State Operations)	\$ 20,050	\$ -	\$ -	\$ -
1111 Program Expenditures (State Operations)	\$ -	\$ 21,554	\$ 22,317	\$ 22,763
8880 FISC (State Operations)	\$ 35	\$ 26	\$ 27	\$ -
9900 Statewide Pro Rata	\$ -	\$ 1,165	\$ 1,347	\$ 1,347
Total Disbursements	\$ 20,085	\$ 22,745	\$ 23,691	\$ 24,110
FUND BALANCE				
Reserve for economic uncertainties	\$ 10,518	\$ 6,858	\$ 8,609	\$ 9,945
Months in Reserve	5.5	3.5	4.3	4.9

Attachment 2

**Origin of Revenue
FY 2016-2017
FM 12
\$ 20,301,100**



Applications vs. Renewals
FY 2016-2017
FM 12
\$16,934,500

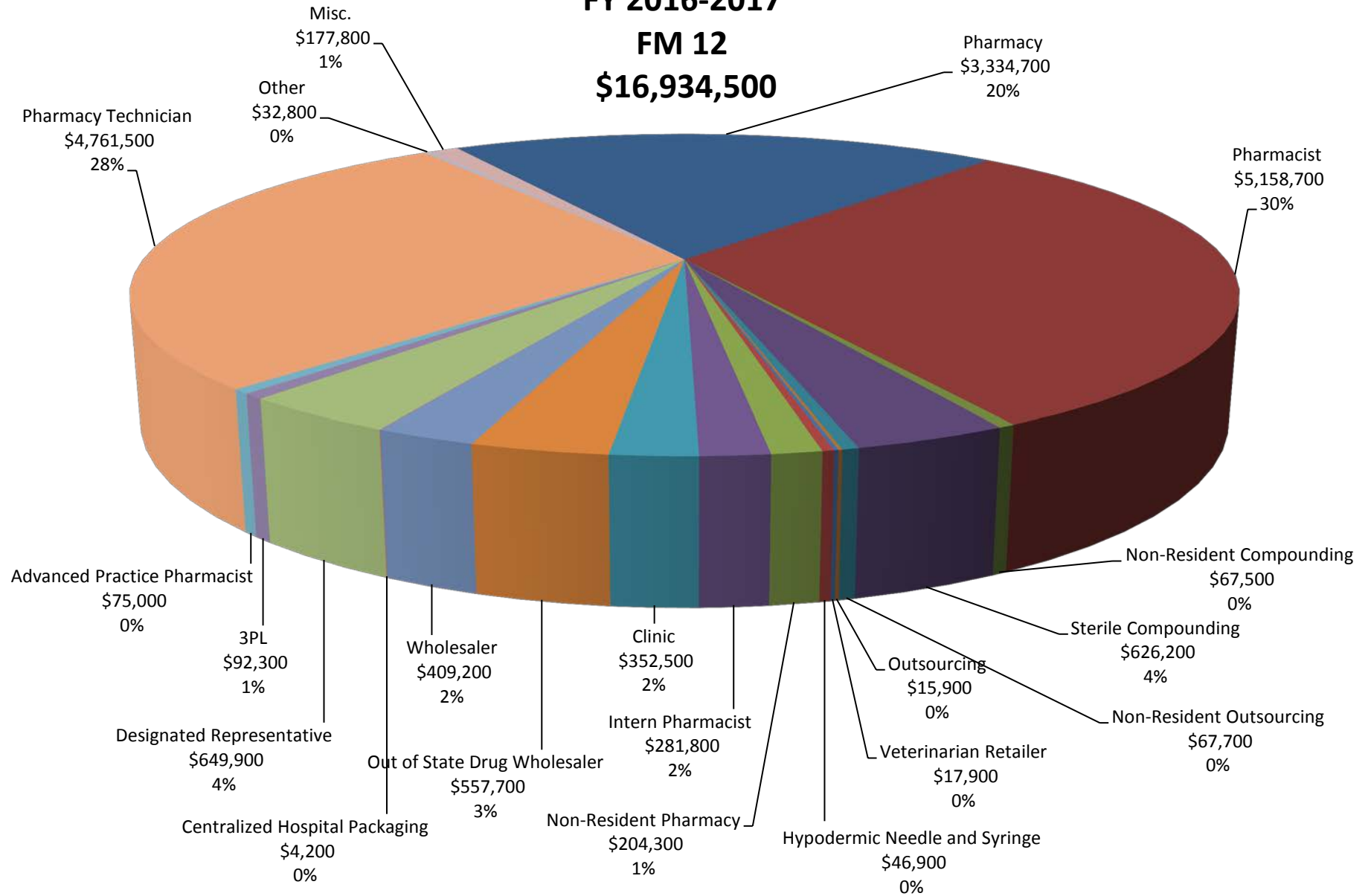


Revenue by Program

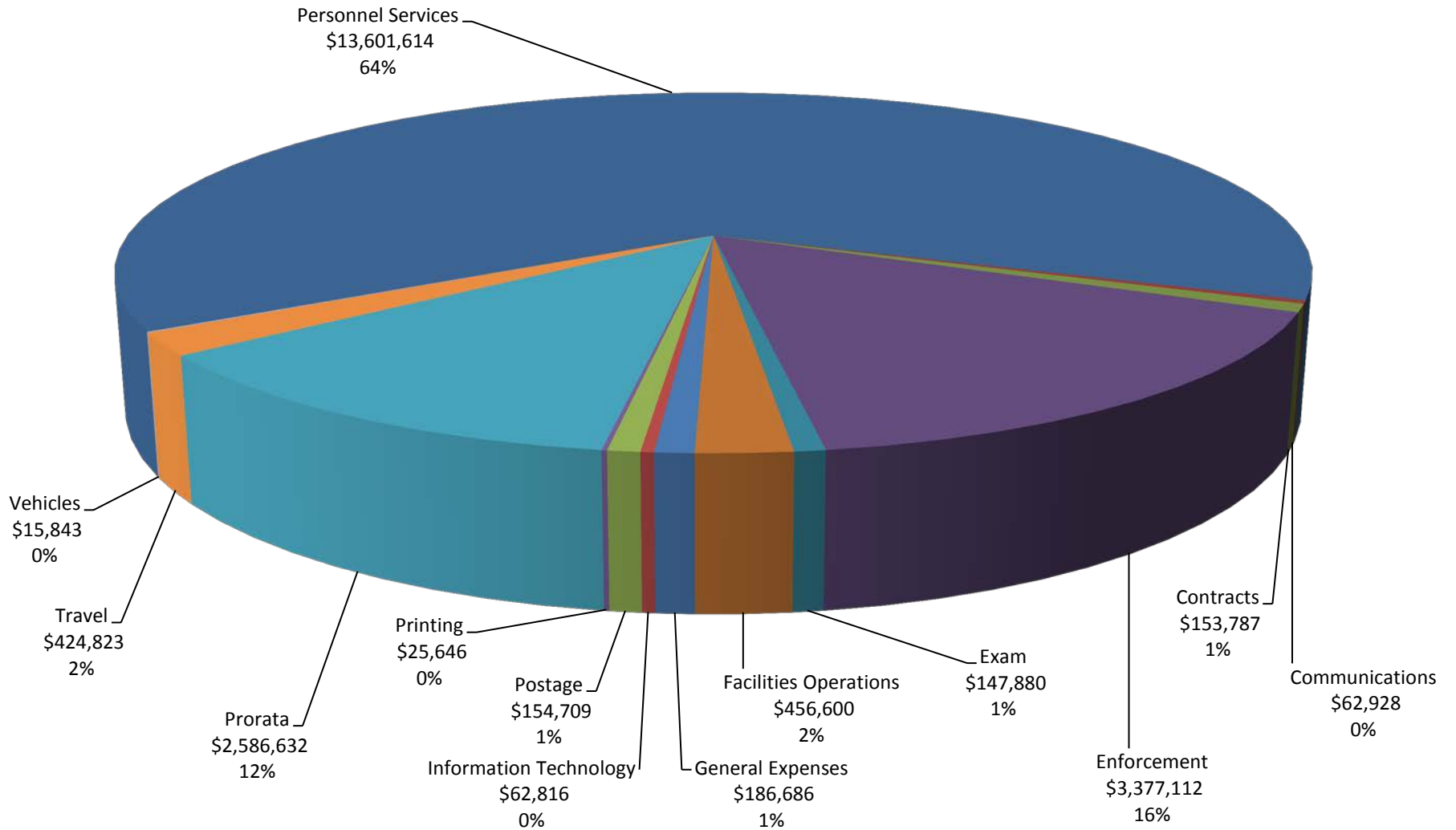
FY 2016-2017

FM 12

\$16,934,500



**Expenditures
FY 2016-2017
FM 12
\$ 21,257,076**



Attachment 3

**Board Member Reimbursement
And Travel Expense Expenses
FY 2016/17 FM 12**

Board Members	Attendance Hours* <small>Reflects reimbursements received during the current fiscal year.</small>	Travel Expenses <small>Reflects reimbursements received during the current fiscal year.</small>
Brooks, Ryan	32	\$204.18
Butler, Lavanza	112	\$2,439.12
Gutierrez, Amy	0	\$1,422.81
Law, Victor	128	\$2,305.55
Lippe, Gregory	128	\$1,951.63
Munoz, Valerie	64	\$471.14
Sanchez, Ricardo	96	\$336.58
Schaad, Allen	160	\$1,786.67
Veale, Deborah	136	\$1,685.60
Weisser, Stanley	144	\$4,128.32
Wong, Albert	96	\$2,672.74

***Board Member Attendance Hours reflects the number of hours for which board members have been reimbursed. Board members may choose not to seek reimbursement for work performed for the board.**

**Department of Consumer Affairs
 Office of Human Resources
 MEMBER PER DIEM CERTIFICATION FORM**



Member Name:	Board:
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AUTHORITY

Each member of a board, commission or committee created pursuant to various chapters of Division 3 (commencing with Section 5000) of the Business and Professions Code is eligible to receive a per diem of \$100.00 for each day actually spent in the discharge of official duties, unless on any day served, the member also received compensation for their regular public employment (Business and Professions Code section 103).

TO BE COMPLETED BY THE MEMBER

Please complete the information below, sign, date and return the form to the Board's Executive Officer/Director.

Date of official duties (month/date/year)	Type of meeting/activity	Did you receive compensation, including vacation pay, from regular public employment for this day?*
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No

* By answering "Yes", the member is not eligible for per diem.

I declare under penalty of perjury under the laws of the State of California that all of my representations on this certification form are true, correct to the best of my knowledge and belief and contain no material omissions of fact.

Signature _____	Date _____
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TO BE COMPLETED BY THE BOARD/BUREAU

Certification of member's attendance:

Signature _____	Date _____
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Printed Name _____	Phone Number _____
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Attachment 4

**Board of Pharmacy
Board Member Attendance July 2016 – June 2017**

Ryan Brooks

Board Meeting Date	Present	Absent
July 1, 2016	x	
July 12, 2016		x
July 27, 2016		x
July 28, 2016		x
August 31, 2016		x
September 22, 2016		x
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016	x	
January 24, 2017		x
January 25, 2017		x
February 17, 2017		x
March 30, 2017		x
May 3, 2017		x
May 4, 2017		x
Total Meetings: 15	Total Meetings Attended: 4	Percentage: 27%

Lavanza Butler

Board Meeting Date	Present	Absent
July 1, 2016		x
July 12, 2016	x	
July 27, 2016	x	
July 28, 2016	x	
August 31, 2016		x
September 22, 2016	x	
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016	x	
January 24, 2017	x	
January 25, 2017	x	
February 17, 2017	x	
March 30, 2017	x	
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 15	Total Meetings Attended: 13	Percentage: 87%

Amy Gutierrez

Board Meeting Date	Present	Absent
July 1, 2016	x	
July 12, 2016	x	
July 27, 2016	x	
July 28, 2016	x	
August 31, 2016	x	
September 22, 2016	x	
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016	x	
January 24, 2017	x	
January 25, 2017		x
February 17, 2017	x	
March 30, 2017	x	
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 15	Total Meetings Attended: 14	Percentage: 93%

Victor Law

Board Meeting Date	Present	Absent
July 1, 2016		x
July 12, 2016	x	
July 27, 2016	x	
July 28, 2016	x	
August 31, 2016	x	
September 22, 2016	x	
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016	x	
January 24, 2017	x	
January 25, 2017	x	
February 17, 2017	x	
March 30, 2017	x	
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 15	Total Meetings Attended: 14	Percentage: 93%

Gregory Lippe

Board Meeting Date	Present	Absent
July 1, 2016		x
July 12, 2016	x	
July 27, 2016	x	
July 28, 2016	x	
August 31, 2016	x	
September 22, 2016	x	
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016	x	
January 24, 2017	x	
January 25, 2017	x	
February 17, 2017	x	
March 30, 2017		x
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 15	Total Meetings Attended: 13	Percentage: 87%

Valerie Munoz

Board Meeting Date	Present	Absent
July 1, 2016		
July 12, 2016		
July 27, 2016		
July 28, 2016		
August 31, 2016	x	
September 22, 2016	x	
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016		x
January 24, 2017	x	
January 25, 2017		x
February 17, 2017	x	
March 30, 2017		x
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 11	Total Meetings Attended: 8	Percentage: 73%

Ricardo Sanchez		
Board Meeting Date	Present	Absent
July 1, 2016	x	
July 12, 2016		x
July 27, 2016	x	
July 28, 2016	x	
August 31, 2016	x	
September 22, 2016	x	
October 26, 2016		x
October 27, 2016		x
December 14, 2016		x
January 24, 2017	x	
January 25, 2017	x	
February 17, 2017	x	
March 30, 2017	x	
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 15	Total Meetings Attended: 11	Percentage: 73%

Allen Schaad		
Board Meeting Date	Present	Absent
July 1, 2016	x	
July 12, 2016		x
July 27, 2016		x
July 28, 2016		x
August 31, 2016	x	
September 22, 2016	x	
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016	x	
January 24, 2017	x	
January 25, 2017	x	
February 17, 2017	x	
March 30, 2017	x	
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 15	Total Meetings Attended: 12	Percentage: 80%

Deborah Veale		
Board Meeting Date	Present	Absent
July 1, 2016	x	
July 12, 2016	x	
July 27, 2016	x	
July 28, 2016	x	
August 31, 2016	x	
September 22, 2016	x	
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016	x	
January 24, 2017	x	
January 25, 2017	x	
February 17, 2017	x	
March 30, 2017	x	
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 15	Total Meetings Attended: 15	Percentage: 100%

Stanley Weisser		
Board Meeting Date	Present	Absent
July 1, 2016	x	
July 12, 2016		x
July 27, 2016	x	
July 28, 2016	x	
August 31, 2016	x	
September 22, 2016	x	
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016	x	
January 24, 2017	x	
January 25, 2017	x	
February 17, 2017		x
March 30, 2017	x	
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 15	Total Meetings Attended: 13	Percentage: 87%

Albert Wong		
Board Meeting Date	Present	Absent
July 1, 2016	X	
July 12, 2016	X	
July 27, 2016	X	
July 28, 2016	X	
August 31, 2016		x
September 22, 2016		x
October 26, 2016	x	
October 27, 2016	x	
December 14, 2016	x	
January 24, 2017	x	
January 25, 2017	x	
February 17, 2017		x
March 30, 2017	x	
May 3, 2017	x	
May 4, 2017	x	
Total Meetings: 15	Total Meetings Attended: 12	Percentage: 80%

Attachment 5

Exempt Level Increase Process

The Board evaluates the current exempt level designation against mitigating factors such as changes in the following: staffing, licensee population, regulations, responsibilities, and any other factors that have changed the role of the current exempt level.



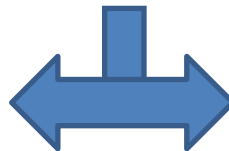
Through a vote in open session, the Board may request an exempt level increase.



The Board submits a written request that identifies the new exempt level in addition to any substantiation that supports the level increase to the Department of Consumer Affairs (DCA), Office of Human Resources (OHR).



The DCA, OHR prepares all necessary documents in addition to including the Board's written request for consideration by the Business, Consumer Services, and Housing Agency (Agency), the Office of the Governor, and the California Department of Human Resources (CalHR).



Agency, CalHR, and/or the Governor's Office may deny, modify, or seek additional clarification on the request submitted. The DCA, OHR communicates any updates to the Board and provides next steps.

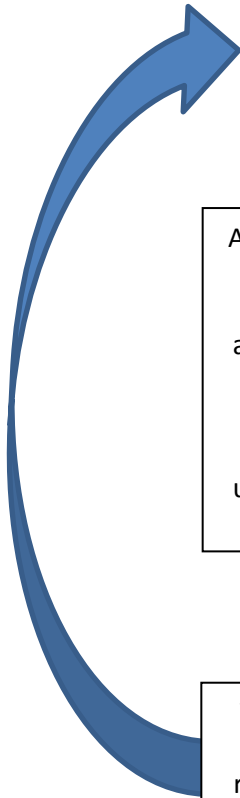
Agency, CalHR, & the Governor's Office approve or modify the request.



The DCA, OHR communicates new level information to Board Chair.



The DCA, OHR shall work with the Board on resubmitting request with additional or clarifying information.



Exempt Salary Increase Process

The Board annually evaluates the performance of the Registrar during closed session and during the evaluation process, the Board may vote to recommend an increase to the salary of the Registrar within the salary band of the exempt level designation.

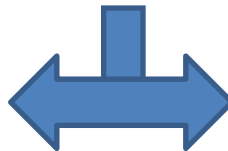


The Board submits a written justification to the Department of Consumer Affairs (DCA), Office of Human Resources (OHR), which includes the evaluation along with indicating the requested specific salary increase. The Board may also submit any additional evidence that helps supports the salary increase. The Administration expects detailed accomplishments that span the previous year to support the salary increase.



The DCA, OHR prepares all necessary documents in addition to including the Board's written request for consideration by the Business, Consumer Services, and Housing Agency (Agency), the Office of the Governor, and the California Department of Human Resources (CalHR).

Agency, CalHR, and/or the Governor's Office may deny, modify, or seek additional clarification on the request submitted. The DCA, OHR communicates any updates to the Board and provides next steps.



Agency, CalHR, & the Governor's Office approve or modify the request.



The DCA, OHR communicates new salary information to Board Chair.



The DCA, OHR shall work with the Board on resubmitting request with additional or clarifying information.

