



California State Board of Pharmacy

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BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY

DEPARTMENT OF CONSUMER AFFAIRS

GOVERNOR EDMUND G. BROWN JR.

ORGANIZATIONAL DEVELOPMENT COMMITTEE

Victor Law, Licensee Member, Board President
Gregory Lippe, Public Member, Board Vice President

a. Budget Update/Report

Attachment 1

Fiscal Year 2017/2018

Fiscal year 2017/2018 ended on June 30, 2018. However, the final FY 2016/2017 numbers are not yet available. A final budget report will be provided at the next board meeting.

A summary of the revenue for the first eleven months of the fiscal year is provided below. The board received \$24,946,700 in revenue originating from the following.

Revenue Sources		
Source	Amount	Percentage
Licensing	\$22,428,200	90%
Citation Fines	\$1,720,900	7%
Cost Recovery	\$699,100	3%
Interest	\$98,500	0%

Further, as of fiscal month eleven, the board expended \$19,856,000, which is approximately 85% of its authorized budget of \$23,370,000. The largest expenditure categories are detailed below.

Expenditures		
Source	Amount	Percentage
Personnel	\$13,719,200	69%
Prorata	\$2,168,900	11%
Enforcement	\$2,486,700	13%

Below is a summary of the fund condition report prepared by the Department.

Fund Condition		
Fiscal Year	Fund Balance	Months in Reserve
2017/2018	\$9,095,000	4.1
2018/2019	\$6,415,000	2.8
2019/2020	\$3,213,000	1.4
2020/2021	- \$515,000	-0.2
2021/2022	-\$4,769,000	-2.0

When the board receives the final budget information, staff has been authorized to work with the Vice President to assess the fund condition to determine what, if any, action is necessary to address what appears to be a reduction of the board's fund.

Attachment 1 includes detailed budget charts for board revenue and expenditures as well as the fund condition.

Fiscal Year 2018/2019

The new fiscal year started July 1, 2018. The Board's authorized expenditures for the year are \$25,280,000. Detailed budget information is not yet available, but will be provided at the next quarterly board meeting.

b. Board Member Reimbursement and Attendance Information

Attachment 2

Board members may seek reimbursement for travel expenses and per diem payments. 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.

As part of the end-of-year accounting process, the payment of all travel claims has been stopped until the State Controller's Office updates the electronic program used for the reimbursement of travel expenses. Once the system has been updated for the new fiscal year, all board member travel claims will be paid. A final report of reimbursements will be provided at the next board meeting.

The reimbursements and board member attendance information are provided in **Attachment 2**.

c. **Discussion and Consideration of Authorizing Continuing Education for Pharmacists and Pharmacy Technicians Participating in the Pharmacy Technician Occupational Analysis Survey**

The Board is conducting an occupational analysis for the license category of pharmacy technician pursuant to Business and Professions Code section 139. As a part of the occupational analysis, surveys are sent to pharmacists and pharmacy technicians to determine what duties and types of knowledge bases are required to be a pharmacy technician in California.

In order to increase the response rate for surveys, board staff is recommending that a pharmacist or pharmacy technician who completes the survey be awarded 2 hours of continuing education. Board staff has reached out to the entities that offer the two pharmacy technician certification programs accepted in California – PTCB and ExCPT. Both entities have agreed to accept continuing education offered by the board for this purpose. Should the board agree with the staff recommendation, the following motion could be used.

Motion: Award two hours of continuing education credits to pharmacists and pharmacy technicians upon completion of the Pharmacy Technician Occupational Analysis Survey.

Attachment 1

0767 - Pharmacy Board Contingent Fund

Analysis of Fund Condition

Prepared 7/12/2018

(Dollars in Thousands)

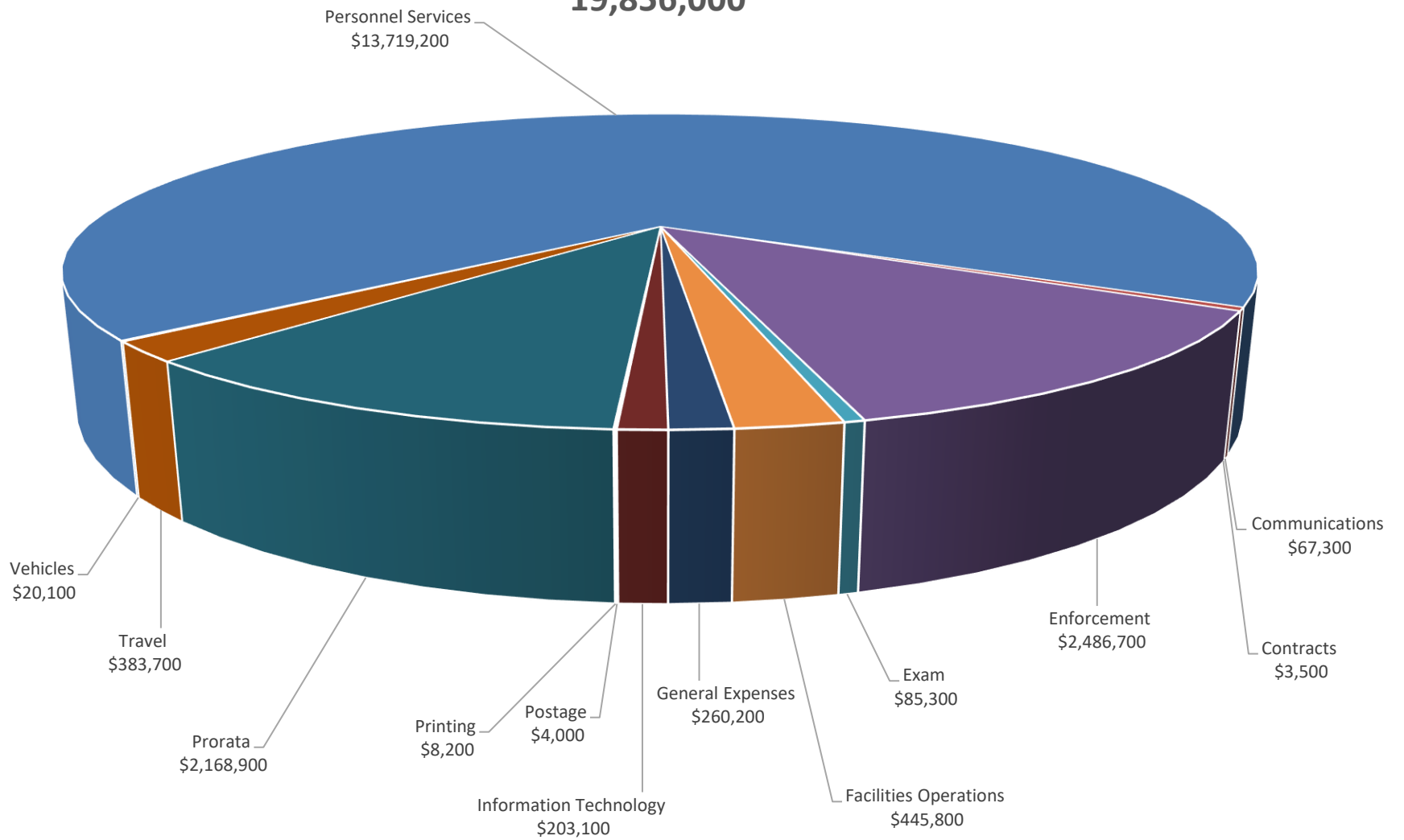
Budget Act 2018

	PY 2017-18	Budget Act CY 2018-19	BY 2019-20	BY +1 2020-21	BY +2 2021-22
BEGINNING BALANCE					
Prior Year Adjustment	\$ 8,084	\$ 9,095	\$ 6,415	\$ 3,213	\$ -515
Adjusted Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 8,084	\$ 9,095	\$ 6,415	\$ 3,213	\$ -515
REVENUES AND TRANSFERS					
Revenues:					
4121200 Delinquent fees	\$ 201	\$ 201	\$ 201	\$ 201	\$ 201
4127400 Renewal fees	\$ 18,384	\$ 18,530	\$ 18,530	\$ 18,530	\$ 18,530
4129200 Other regulatory fees	\$ 4,077	\$ 1,643	\$ 1,643	\$ 1,643	\$ 1,643
4129400 Other regulatory licenses and permits	\$ 3,763	\$ 3,752	\$ 3,752	\$ 3,752	\$ 3,752
4163000 Income from surplus money investments	\$ 25	\$ 26	\$ 10	\$ -	\$ -
Totals, Revenues	\$ 26,450	\$ 24,152	\$ 24,136	\$ 24,126	\$ 24,126
Totals, Revenues and Transfers	\$ 26,450	\$ 24,152	\$ 24,136	\$ 24,126	\$ 24,126
Totals, Resources	\$ 34,534	\$ 33,247	\$ 30,551	\$ 27,339	\$ 23,611
EXPENDITURES					
Disbursements:					
1111 Department of Consumer Affairs Program Expenditures (State Operations)	\$ 24,066	\$ 25,280	\$ 25,786	\$ 26,302	\$ 26,828
8880 Financial Information System for California (State Operations)	\$ 26	\$ 2	\$ 2	\$ 2	\$ 2
9892 Supplemental Pension Payments (State Operations)	\$ -	\$ 309	\$ 309	\$ 309	\$ 309
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 1,347	\$ 1,241	\$ 1,241	\$ 1,241	\$ 1,241
Total Disbursements	\$ 25,439	\$ 26,832	\$ 27,338	\$ 27,854	\$ 28,380
FUND BALANCE					
Reserve for economic uncertainties	\$ 9,095	\$ 6,415	\$ 3,213	\$ -515	\$ -4,769
Months in Reserve	4.1	2.8	1.4	-0.2	-2.0

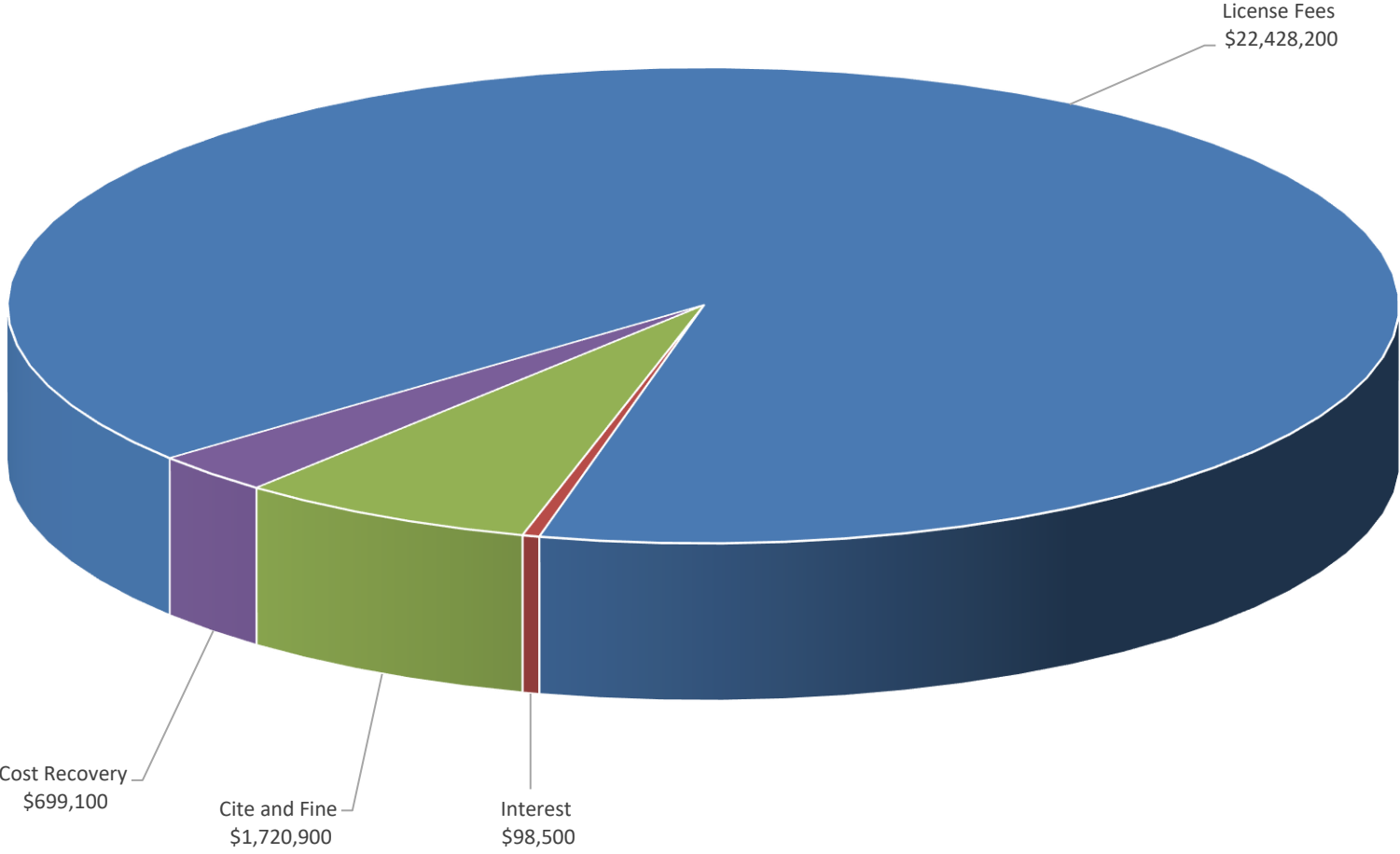
NOTES:

- ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED FOR BY AND ON-GOING.
- ASSUMES APPROPRIATION GROWTH OF 2% PER YEAR IN BY AND ON-GOING..
- ASSUMES INTEREST RATE OF 0.3%.
- PY BASED ON REVENUE AND EXPENDITURE ESTIMATES.

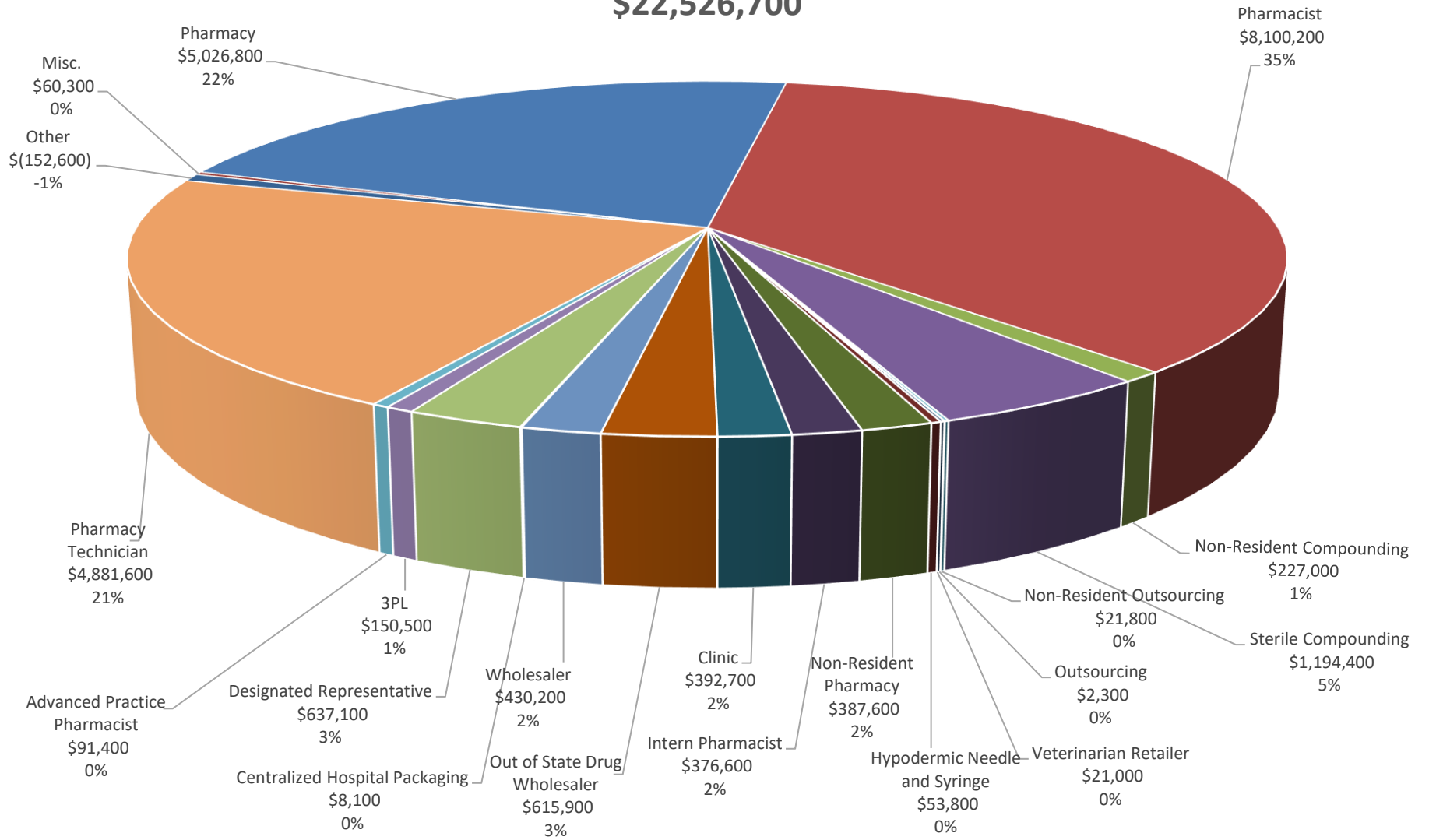
**Expenditures
FY 2017-2018
FM 11
19,856,000**



Origin of Revenue
FY 2017-18
FM 11
\$24,946,700



**Revenue by Program
FY 2017-2018
FM 11
\$22,526,700**

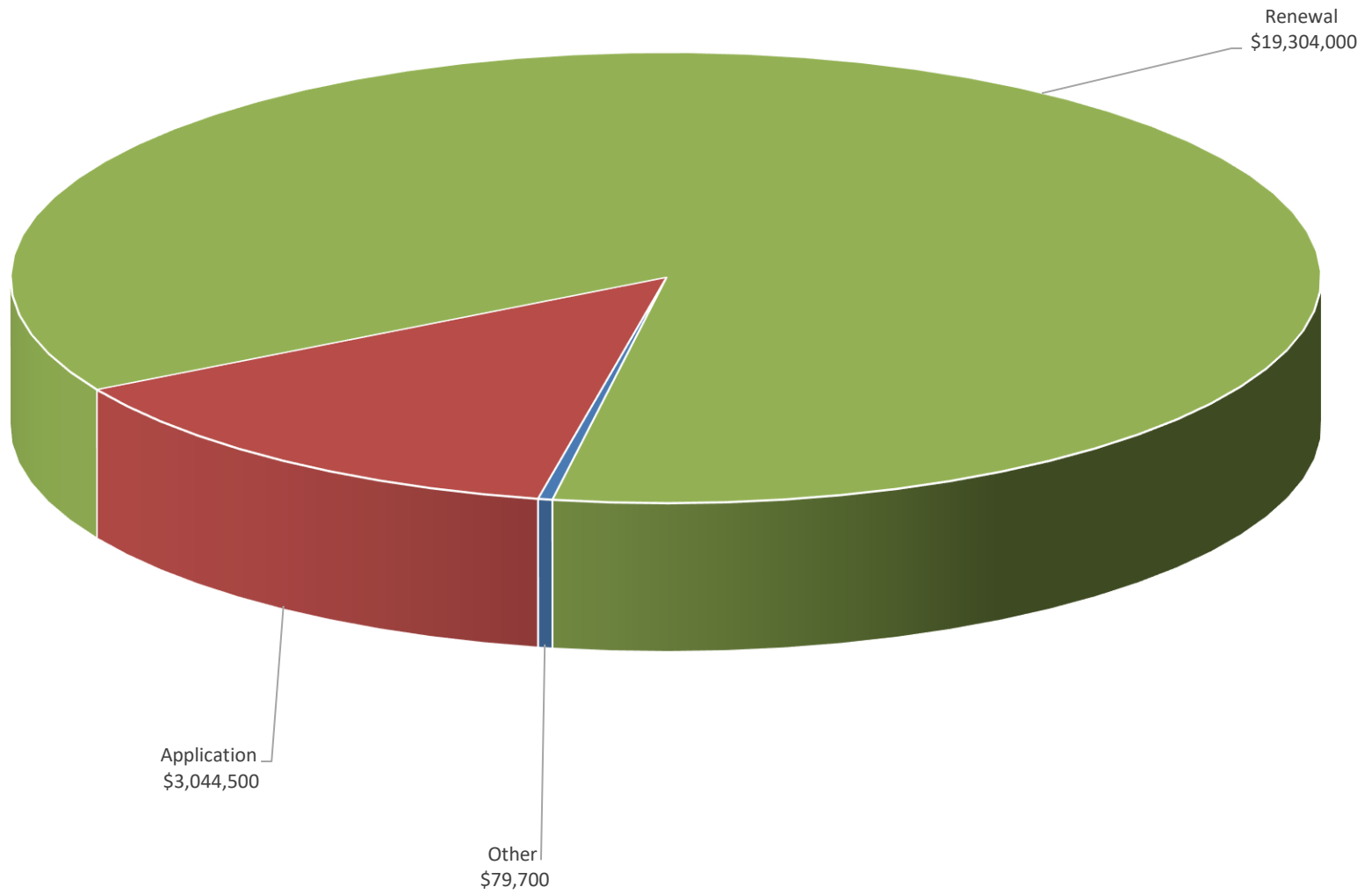


Application vs. Renewals

FY 2017_18

FM 11

\$ 22,428,200



Attachment 2

**Board Member Reimbursement
And Travel Expense Expenses
FY 2017/2018 FM 11**

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	40	\$505.52
Butler, Lavanza	80	\$1,406.66
Gutierrez, Amy	0	\$829.71
Law, Victor	128	\$1,608.62
Khan, Amjad	48	\$0.00
Lippe, Gregory	128	\$1,860.57
Munoz, Valerie	72	\$303.74
Sanchez, Ricardo	144	\$704.48
Schaad, Allen	144	\$873.17
Veale, Deborah	136	\$751.77
Weisser, Stanley	112	\$1,549.09
Wong, Albert	136	\$2,353.34

***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.**

Summary Meeting Attendance FY 2017/2018

Background: The board is required by law to meet at least once every four months and may meet more often as it determines necessary. The board's strategic plan directs four full board meetings annually.

The board's strategic plan establishes five standing committees through which the board establishes its goals and organizes its activities in pursuit of ensuring the public health, safety and welfare, and to assure the provision of quality pharmacist's care. These five committees develop policy related to a board mission-related goal. The five committees are: Licensing, Enforcement, Communication and Public Education, Legislation and Regulation, and Organizational Development. Each committee typically meets once before a quarterly board meeting. Committee assignment is at the discretion of the board president.

Note: Each board member is assigned to a different number of committees and committee assignments can change throughout the year. The chart below provides the number of meetings each member should have attended based on their individual committee assignments.

Board Member	Total Number of Board and Committee Meetings	Total Number of Board and Committee Meetings ATTENDED	Percentage
Brooks	20	6	30%
Butler	22	13	59%
Gutierrez	23	22	96%
Khan	19	6	32%
Law	16	16	100%
Lippe	22	19	86%
Munoz	22	11	50%
Sanchez	23	19	83%
Schaad	19	18	95%
Veale	21	18	86%
Weisser	23	15	65%
Wong	22	21	95%

Full Board Meetings - FY 2017/2018

	July 25 2017	July 26 2017	Sept 19 2017	Sept 28 2017	Nov 8 2017	Nov 9 2017	Dec 12 2017	Jan 11 2018	Feb 6 2018	Feb 6 2018	March 27 2018	May 2 2018	May 3 2018	June 6 2018
Brooks							x		x	x	x			
Butler	x	x		x				x	x		x	x	x	
Gutierrez	x	x	x	x	x	x		x	x	x	x	x	x	x
Khan	x	x	x		x	x					x			
Law	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Lippe	x	x	x		x	x	x		x	x	x	x	x	x
Munoz			x	x					x	x		x	x	
Sanchez	x	x		x	x	x	x	x			x	x	x	x
Schaad	x	x	x	x	x	x	x	x	x	x		x	x	x
Veale		x	x	x	x	x	x	x	x	x		x	x	x
Weisser	x	x		x				x	x	x		x	x	x
Wong	x	x	x		x	x	x	x	x	x	x	x	x	x

Enforcement Committee Meetings – FY 2017/2018

	July 12, 2017	September 15, 2017	December 11, 2017	April 3, 2018	June 7, 2018
Gutierrez	x	x	x	x	x
Lippe	x	x		x	x
Munoz	x	x	x		
Sanchez	x	N/A	N/A	N/A	N/A
Schaad	x	x	x	x	x
Weisser	N/A			x	x

Licensing Committee Meetings – FY 2017/2018					
	July 19, 2017	August 22, 2017	October 27, 2017	January 16, 2018	April 19, 2018
Brooks	N/A	x			
Butler	x	x			x
Gutierrez	N/A	N/A	x	N/A	N/A
Sanchez	x	x	x	x	x
Veale		x	x	x	x
Weisser	x	x		x	x
Wong	x	x	x	x	x

Communication and Public Education Committee Meetings - FY 2017/2018		
	September 20, 2017	January 31, 2018
Brooks	x	
Khan		
Law	x	x
Sanchez	x	x
Veale	x	x

Legislation and Regulation Committee Meetings - FY 2017/2018			
	November 8, 2017	February 6, 2018	May 2, 2018
Butler		x	x
Gutierrez	x	x	x
Khan			
Lippe	x	x	x
Munoz		x	x
Wong	x	x	x