



Organizational Development Committee

Seung Oh, Licensee Member, President
 Maria Serpa, Licensee Member, Vice-President

a. Budget Update and Report

Fiscal Year 2022/2023 (Current Year)

The 2022/23 Fiscal Year (FY) began July 1, 2022. The Board's spending authorization for the year is \$31,375,000, which is an increase from the prior year.

Fiscal Year 2021/2022 (Prior Year)

Final budget figures for fiscal year 2021/2022 will not be available until later this year. However, based on current preliminary budget reports through May 2022, the Board has received \$34,883,800 in revenue originating from the following:

Revenue Sources Table: FY 2021/2022

Source	Amount	Percentage
Licensing	\$32,494,400	93%
Cost Recovery	\$1,403,100	4%
Citation Fines	\$949,800	3%
Interest	\$36,500	0%

Further, the Board estimates that it has expended \$26,767,700 through May 2022. The largest expenditure categories are detailed below.

Expenditures Table: FY 2021/2022

Source	Amount	Percentage
Personnel	\$17,279,400	65%
Prorata	\$4,232,400	16%
Enforcement	\$3,542,700	13%
Facilities Operations	\$602,700	2%

Fund Condition

Below is a summary of the Analysis of Fund Condition prepared by the department with the June 2022 budget reports. The fund condition reflects a \$2.4M loan to the general fund in FY 2020/21.

Fund Condition Table: FY 2021/2022

Fiscal Year	Fund Balance	Months in Reserve*
2020/2021	\$10,176,000	4.0
2021/2022	\$13,547,000	4.8
2022/2023	11,901,000	4.1
2023/2024	\$9,487,000	3.2
2024/2025	\$6,058,000	2.0

*Business and Professions Code section 4400 (p) provides that it is the intent of the Legislature that, in setting fees, the Board shall seek to maintain a reserve in the Board's fund equal to approximately one year's operating expenditures.

As the fund analysis projects a gradual depletion of the Board's fund, an independent audit of the Board's fund and fees is appropriate. The independent audit is underway. It is anticipated that the audit results will be completed for consideration by the Board at its October Board Meeting.

Attachment 1 includes the Analysis of Fund Condition prepared by the department and detailed budget charts.

b. Board Member Attendance Information and Mail Vote Information

Board Member Attendance Information

Attachment 2 includes a summary of Board member attendance at committee and Board meetings for FY 2021/22.

Mail Vote Information

As previously mentioned, beginning the first quarter of fiscal year 2021/2022, quarterly reporting of member participation in the mail vote process resumed.

Attachment 3 includes member participation in the mail vote process for FY 2021/22.

c. Personnel Update

The Board currently has 16.5 vacant positions detailed below.

- 3 Inspector positions, includes one position effective July 1, 2022.
- 7.5 Licensing positions, includes 2.5 new positions effective July 1, 2022.
- 2 Enforcement positions
- 4 Administration positions, including the Assistant Executive Officer and one new limited term position

d. Discussion and Consideration of Board Policy Related to Legislative Positions

Background

The Board Member Procedure Manual, among other items, details board policies in order to guide actions of board members and ensure Board effectiveness and efficiency. Related to this agenda item, the Board has a specific policy related to legislative positions provided below:

Policy: Legislative Positions Adopted April 21, 2009

Delegate the power to the Board's president and chair of the Legislation and Regulation Committee to take board positions on emergent bills between board meetings.

For Board Discussion and Consideration

The Open Meetings Act (OMA) generally provides that where two Board Members are delegated to perform an action, such delegation must be performed in a public meeting.

For a number of years, the Board President has concurrently served as the Chairperson of the Legislation and Regulation Committee. In such a scenario, the delegation was performed by a single individual in compliance with provisions of the OMA. However, recently, with the establishment of new committee memberships the Board President will no longer serve the Chairperson for the Legislation and Regulation Committee.

To ensure compliance with the Open Meetings Act while also allowing for timely action on legislation, it is recommended that the Board consider modifying its policy and delegate authority to a single member, either the President or Chairperson for the Legislation and Regulation Committee.

Further, for a number of years, executive staff have worked with the Board President to negotiate amendments consistent with Board's direction and update Board positions in response to changes in pending legislation that require urgent action. It may also be appropriate to clarify as part of the policy, this function.

Provided below is language that could be used to update the Board's policy.

Possible Motion: Update the Board's Policy Related to Legislative Positions to the following:

Delegate the power to the [Board's president or chair of the Legislation and Regulation Committee] to take board positions on emergent bills between board meetings. Further, delegation also includes working with the Executive Officer to negotiate amendments consistent with the Board's direction and update Board positions in response to changes in pending legislation that require urgent action.

e. Future Meeting Dates

Attachment 4 includes a list of future meeting dates.

Attachment 1

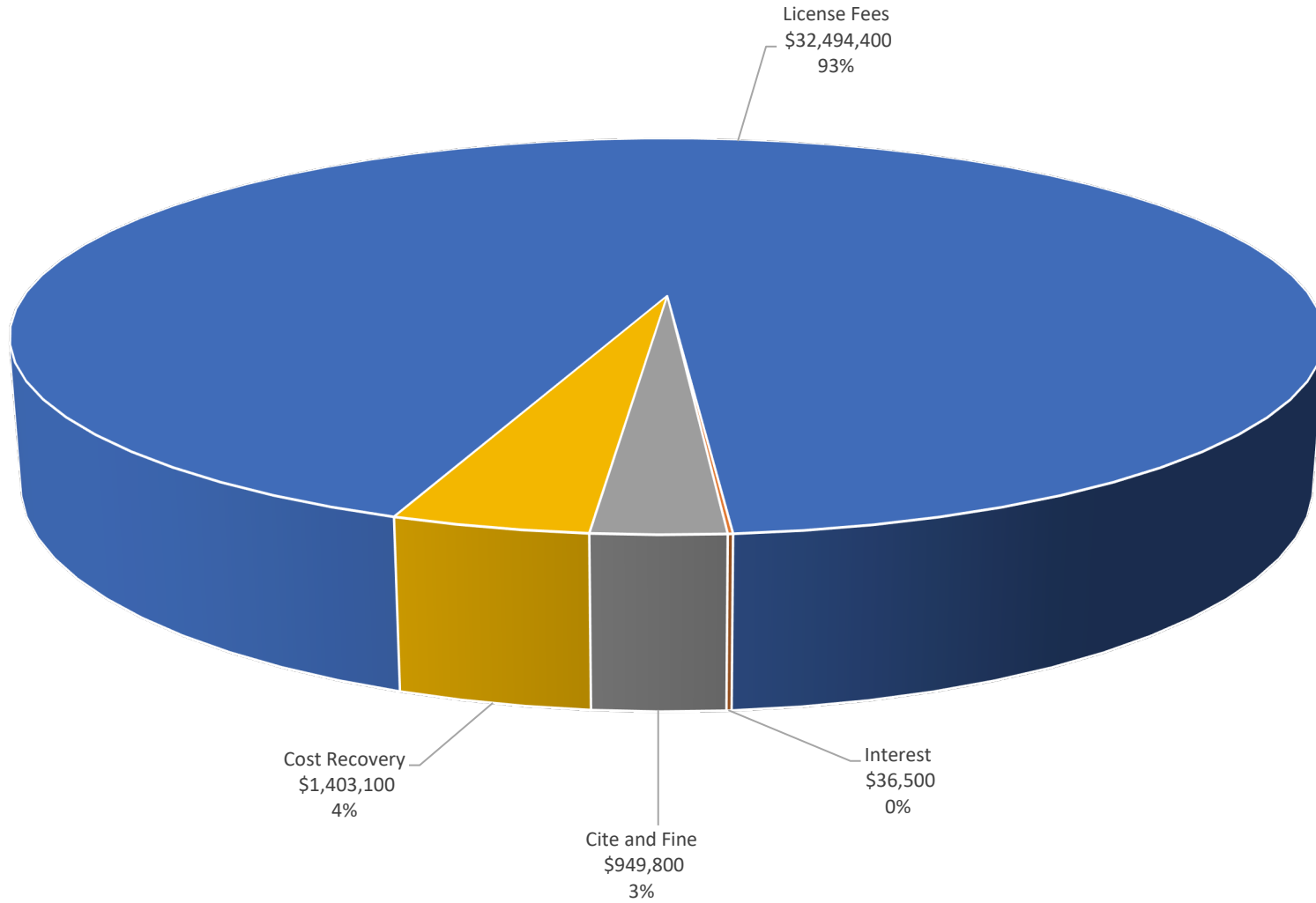
**0767 - Pharmacy Board Contingent Fund Analysis of Fund Condition
(Dollars in Thousands)
2022-23 Enacted Budget with 2021-22 FM 10 Expenditure and Revenue Projections**

	PY 2020-21	CY 2021-22	BY 2022-23	BY +1 2023-24	BY +2 2024-25	BY +3 2025-26	BY +4 2026-27	BY +5 2027-28
BEGINNING BALANCE								
Prior Year Adjustment	\$ 8,889	\$ 10,176	\$ 13,547	\$ 11,901	\$ 9,487	\$ 6,058	\$ 4,064	\$ -1,471
Adjusted Beginning Balance	\$ -865	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 8,024	\$ 10,176	\$ 13,547	\$ 11,901	\$ 9,487	\$ 6,058	\$ 4,064	\$ -1,471
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS								
Revenues								
4121200 - Delinquent fees	\$ 233	\$ 256	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240
4127400 - Renewal fees	\$ 27,356	\$ 28,314	\$ 27,013	\$ 27,013	\$ 27,013	\$ 27,013	\$ 27,013	\$ 27,013
4129200 - Other regulatory fees	\$ 894	\$ 1,130	\$ 912	\$ 912	\$ 912	\$ 912	\$ 912	\$ 912
4129400 - Other regulatory licenses and permits	\$ 4,337	\$ 4,174	\$ 4,015	\$ 4,015	\$ 4,015	\$ 4,015	\$ 4,015	\$ 4,015
4143500 - Miscellaneous Revenue from Local Agencies	\$ 1	\$ 3	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
4163000 - Income from surplus money investments	\$ 66	\$ 39	\$ 142	\$ 140	\$ 90	\$ 23	\$ 0	\$ 0
4171400 - Escheat of unclaimed checks and warrants	\$ 79	\$ 168	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
4172500 - Miscellaneous revenues	\$ 3	\$ 4	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
4173000 - Penalty Assessments	\$ 23	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Totals, Revenues	\$ 32,992	\$ 34,088	\$ 32,322	\$ 32,320	\$ 32,270	\$ 32,203	\$ 32,180	\$ 32,180
Loan from the Pharmacy Board Contingent Fund (0767) to the General Fund (0001) per Item 1111-011-0767, Budget Act of 2020	\$ -2,400	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,494	\$ 0	\$ 0
Totals, Transfers and Other Adjustments	\$ -2,400	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,494	\$ 0	\$ 0
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	\$ 30,592	\$ 34,088	\$ 32,322	\$ 32,320	\$ 32,270	\$ 34,697	\$ 32,180	\$ 32,180
TOTAL RESOURCES	\$ 38,616	\$ 44,264	\$ 45,869	\$ 44,221	\$ 41,757	\$ 40,755	\$ 36,244	\$ 30,709
Expenditures:								
1111 Department of Consumer Affairs Regulatory Boards, Bureaus, Divisions (State Operations)	\$ 26,102	\$ 28,179	\$ 31,375	\$ 32,141	\$ 33,105	\$ 34,099	\$ 35,122	\$ 36,175
9892 Supplemental Pension Payments (State Operations)	\$ 659	\$ 659	\$ 659	\$ 659	\$ 659	\$ 659	\$ 659	\$ 659
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 1,679	\$ 1,879	\$ 1,934	\$ 1,934	\$ 1,934	\$ 1,934	\$ 1,934	\$ 1,934
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$ 28,440	\$ 30,717	\$ 33,968	\$ 34,734	\$ 35,698	\$ 36,692	\$ 37,715	\$ 38,768
FUND BALANCE								
Reserve for economic uncertainties	\$ 10,176	\$ 13,547	\$ 11,901	\$ 9,487	\$ 6,058	\$ 4,064	\$ -1,471	\$ -8,059
Months in Reserve	4.0	4.8	4.1	3.2	2.0	1.3	-0.5	-2.5

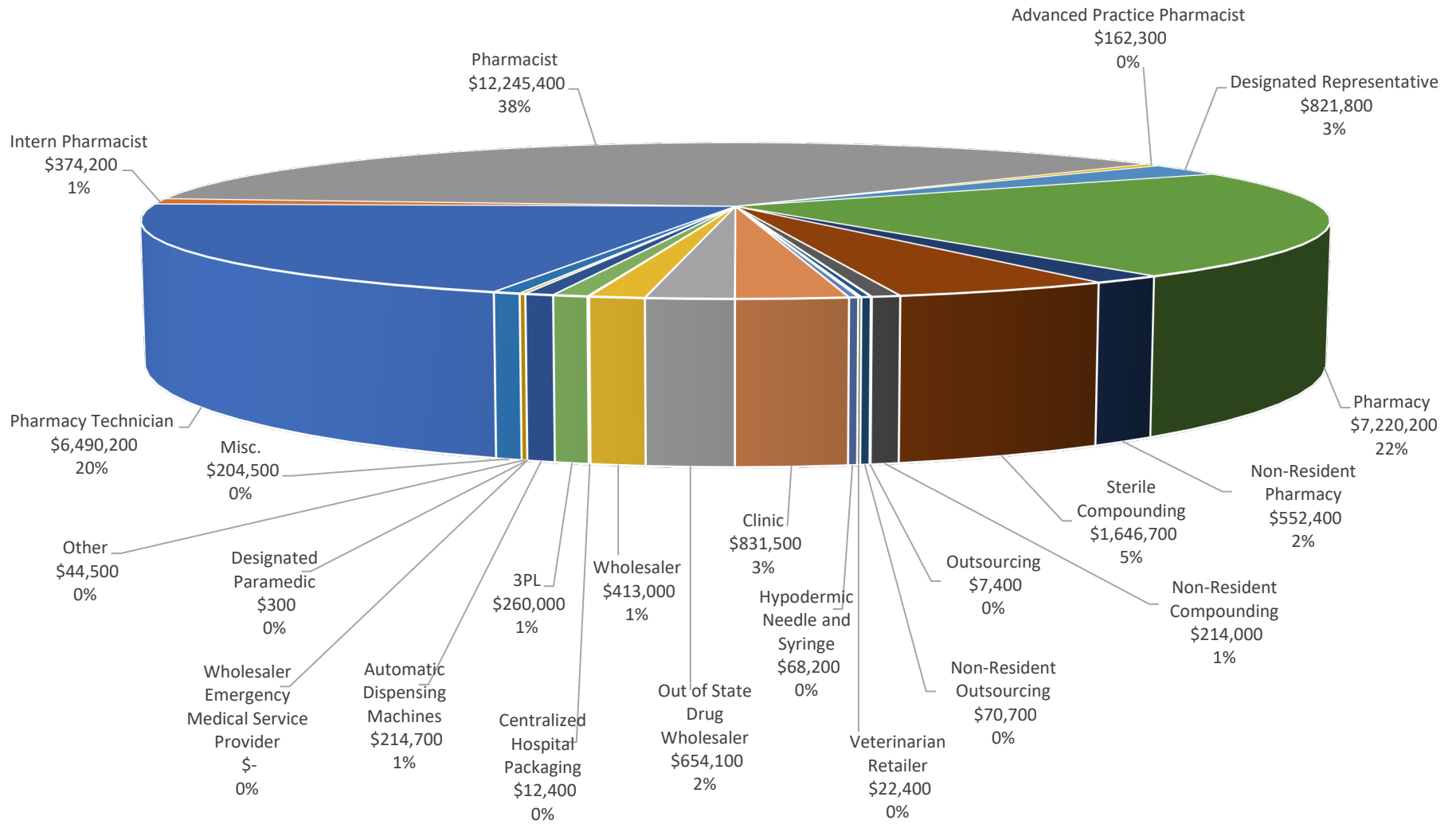
NOTES:

Assumes workload and revenue projections are realized in BY +1 and ongoing.
Expenditure growth projected at 3% beginning BY +1.

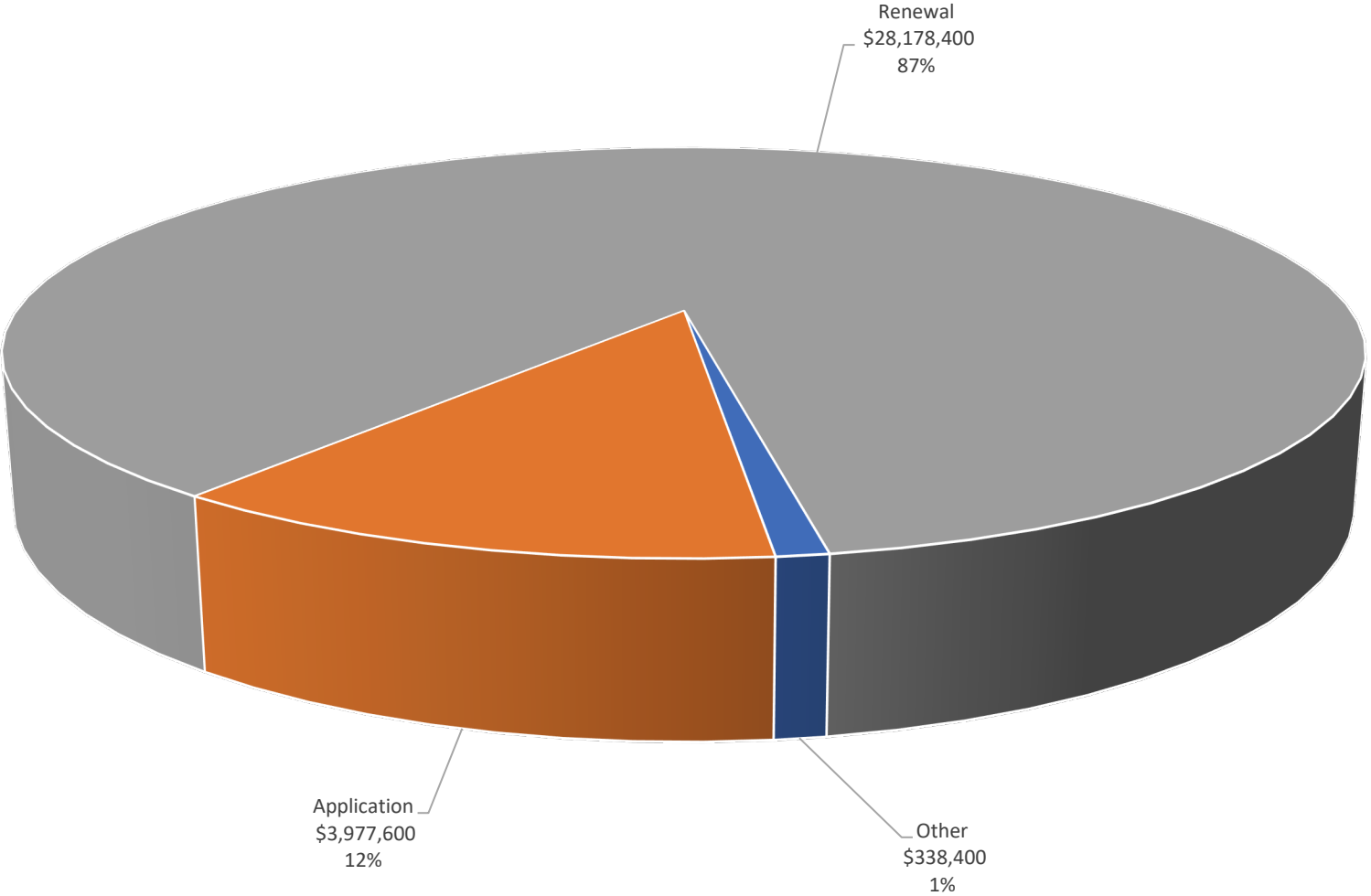
**Origin of Revenue
FY 2021-2022
FM 11
\$34,883,800**



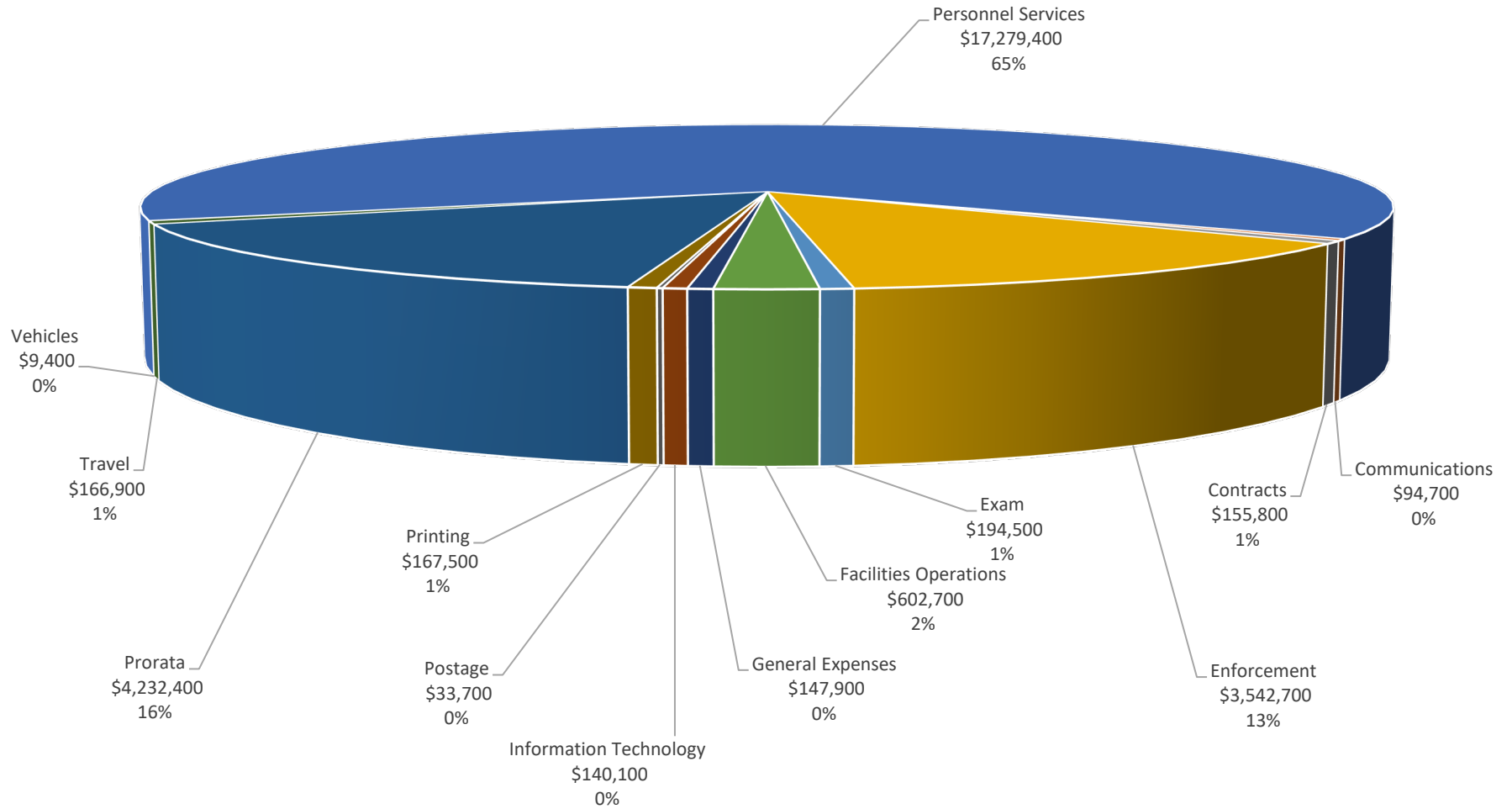
Revenue by Program
 FY 2021-2022
 FM 11
 \$32,530,900



Applications vs. Renewals
FY 2021-2022
FM 11
\$32,494,400



**Expenditures
FY 2021-2022
FM 11
\$26,767,700**



Attachment 2

**Board Member Attendance
Board Meetings – FY 2021/2022**

Board Member	7/28/21	7/29/21	9/3/21 (Emergency)	9/23	10/27	10/28	12/2
Butler	X	X	X	X	X		X
De La Paz	X	X	X	X			X
Kim	X	X		X		X	
Oh	X	X	X	X	X	X	X
Patel	X	X	X	X	X	X	X
Sanchez	X	X	X	X	X	X	X
Serpa	X	X	X	X	X	X	X
Thibeau	X	X	X	X	X	X	X
Veale	X	X	X	X	X	X	X
Weisz	X	X		X	X	X	X

Board Member	1/27/22	1/28/22	3/16/22	4/26/22	4/27/22	5/11/22	6/16/22
Butler	X	X	X	X	X		N/A
Cameron-Banks ¹	-	-	X	X	X		
Crowley ²	-	-	-	-	-		X
De La Paz			X	X	X		X
Kim	X	X					N/A
Koenig	X	X		X	X	X	X
Oh	X	X	X	X	X	X	X
Patel	X	X	X	X	X		
Sanchez	X	X	X	X	X	X	X
Serpa	X	X	X	X	X		X
Thibeau	X	X	X				
Veale	X	X	X	X	X	X	N/A
Weisz		X	X	X	X	X	X

¹ – denotes appointment to Board 2/3/22.

² – denotes appointment to the Board 5/19/22.

N/A – denotes no longer appointed as Board Member.

Board Member Attendance
Committee Meetings – FY 2021/2022

Communication and Public Education Committee Meetings – FY 2021/2022

Board Member	7/14/21	1/26/22	4/26/22
De La Paz	-	-	X
Kim	X	X	
Sanchez	X	X	X
Weisz	X	X	X

Licensing Committee Meetings – FY 2021/2022

Board Member	7/14/21	10/20/21	1/19/22	4/19/22
Butler	X	X	X	X
Oh	X	X	X	X
Patel		X	X	X
Veale	X	X	X	X
Weisz	X	X	X	X

Enforcement Committee Meetings – FY 2021/2022

Board Member	7/15/21	10/20/21	1/18/22	4/20/22
Cameron-Banks	-	-	-	X
Oh	X	X	X	X
Patel		X	X	X
Sanchez		X		X
Serpa	X	X	X	X
Veale	X	X	X	X

Legislation and Regulation Committee Meetings – FY 2021/2022

Board Member	1/18/22	4/26/22
Butler	X	X
De La Paz	X	X
Kim	X	
Oh	X	X
Serpa	X	X
Thibeau	X	

Medication Error Reduction and Workforce Committee Meetings – FY 2021/2022

Board Member	1/27/22	6/22/22
Butler	X	N/A
Crowley ²	-	X
Koenig	X	X
Oh	X	X
Patel	X	X
Thibeau	X	X

Standard of Care Ad Hoc Committee Meetings – FY 2021/2022

Board Member	3/9/22	6/22/22
Cameron-Banks	X	X
Crowley ²	-	X
Oh	X	X
Serpa	X	X
Thibeau	X	

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N/A – denotes no longer appointed as Board Member.

Attachment 3

Board of Pharmacy

Mail Vote Participation - FY 2021/22

Board Member	July - Sept (62)	Oct - Dec (76)	Jan - March (64)	Apr - Jun (56)	Total
Butler	61	41	56	23	181
Cameron-Banks*	n/a	n/a	n/a	49	49
Crowley**	n/a	n/a	n/a	10	10
De La Paz	46	51	58	45	200
Kim	0	0	11	0	11
Koenig***	n/a	n/a	13	14	27
Oh	62	76	64	55	257
Patel	62	76	53	56	247
Sanchez	41	59	56	51	207
Serpa	51	76	58	48	233
Thibeau	45	75	64	55	239
Veale	62	76	61	45	244
Weisz	61	75	34	35	205

*Cameron-Banks appointed February 2022

**Crowley appointed May 2022

***Koenig appointed December 2021

Attachment 4

Board and Committee Meeting Schedule 2022

August 24, 2022 – Standard of Care

August 25, 2022 – Enforcement and Compounding Committee

September 14, 2022 – Medication Error Reduction & Workforce Ad Hoc Committee

September 21, 2022 – Petitioner Board Meeting

October 4, 2022 – Enforcement and Compounding Committee

October 18, 2022 – Licensing Committee Meeting

October 19, 2022 – Enforcement and Compounding Committee Meeting

October 25, 2022 – Standard of Care Ad Hoc Committee

October 25-26, 2022 – Board Meeting

November 16, 2022 - Medication Error Reduction and Workforce Ad Hoc Committee

December 14, 2022 – Petitioner Board Meeting

Board and Committee Meeting Schedule 2023

January 23, 2023 – Enforcement and Compounding Committee

January 24, 2023 – Licensing Committee

January 24, 2023 – Medication Error Reduction and Workforce

February 1, 2023 – Standard of Care

February 6, 2023 – Communication and Public Education Committee

February 6 – 7, 2023 – Board Meeting

March 8, 2023 – Medication Error Reduction and Workforce

March 15, 2023 – Petitioner Board Meeting

April 12, 2023 – Licensing Committee

April 13, 2023 – Enforcement and Compounding Committee

April 26, 2023 – Legislation and Regulation Committee

April 26 – 27, 2023 - Board Meeting

May 10, 2023 – Standard of Care

May 17, 2023 – Petitioner Board Meeting

June 6, 2023 – Petitioner Board Meeting

June 7, 2023 - Medication Error Reduction

July 18, 2023 – Enforcement and Compounding Committee

July 18, 2023 - Legislation and Regulation Committee Meeting

July 19, 2023 – Licensing Committee

July 19, 2023 – Communication and Public Education Committee

August 1 – 2, 2023 - Board Meeting

September 12, 2023 – Petitioner Board

October 11, 2023 - Licensing Committee

October 12, 2023 - Enforcement and Compounding Committee

October 25 – 26, 2023 – Board Meeting

December 13, 2023 – Petitioner Board Meeting