

Veterinary Medical Board

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MEMORANDUM

DATE	November 15, 2018
TO	Veterinary Medical Board
FROM	Ethan Mathes. Operations Manager
SUBJECT	Administrative/Budget Report

Expenditure Report and Fund Condition Status

The most current Expenditure Report is attached, the Report goes through Fiscal Month 2 (August) of Fiscal Year (FY) 2018-19.

Budget Activities

Budget Change Proposal(s): As part of Senate Bill 1491 (Hill, 2018), effective January 1, 2019, the Board is mandated to annually inspect 20% of veterinary premises; staff has requested budget authority to fund additional staff and premises inspectors via a Legislative Budget Change Proposal.

FI\$Cal: The State's new FI\$Cal system continues to be a challenge to quickly and effectively monitor the Board's expenditures and revenues. Staff will continue to work with the Department's Budget Office to provide timely and accurate information and realign Expenditure Reports in the Fall to better align with actual cost areas where expenditures are drawn.

MAXIMUS Program Cost

At its May 2018 meeting, the Board requested information on Diversion Program costs to the Board to consider whether participant costs should be increased.

The Board currently contracts through MAXIMUS Health Services to run its Diversion Program (along with seven other Department Boards). The contract terms with MAXIMUS run from January 1, 2015 through December 31, 2019. Diversion Program Managers and Department contract staff are currently working on a formal Request for Proposal for a new diversion program contract once the current contract expires.

For the current contract, the Board encumbers the cost for six program participants per year and any unspent encumbered funds are returned to the Board at the end of each Fiscal Year.

In accordance with 16 CCR Section 2070, participants in the Diversion Program pay a flat \$2,000 fee, to be paid to the Board through MAXIMUS in a lump sum or installments. Participants are required to be in the Program for a minimum of three years and are not considered having completed the Diversion Program until all Board fees have been paid. Participants also pay their own cost for mandatory drug testing and health support groups.

MAXIMUS invoices the Board per Participant, per month; per the contract, current per participant fees invoiced to the Board are \$369.50 per month.

MAXIMUS Contract Cost (1/1/2015 – 12/31/2019)					
	2015	2016	2017	2018	2019
Board Cost per Participant per Month	\$338	\$348	\$358	\$369	\$380
Board Cost per Participant per Year	\$4,056	\$4,176	\$4,296	\$4,428	\$4,560
Participant Cost per Participant per Year*	\$667	\$667	\$667	\$667	\$667
<i>*assumes the minimum three-year participation in Program</i>					

MAXIMUS has been the Board's Diversion Program contractor since July 2003. In that time, it has enrolled 24 total participants of which nine have successfully completed the Program (with two currently in the Program).

VETERINARY MEDICAL BOARD - 0777
BUDGET REPORT
FY 2018-19 EXPENDITURE PROJECTION
Aug-2018

OBJECT DESCRIPTION	FY 2017-18	FY 2018-19				
	ACTUAL EXPENDITURES (MONTH 13)	BUDGET ACT 2018/19	CURRENT YEAR EXPENDITURES 8/31/2018	PERCENT SPENT	PROJECTIONS TO YEAR END	UNENCUMBERED BALANCE
PERSONNEL SERVICES						
Salary & Wages (Staff)	992,880	1,096,000	171,268	16%	1,027,608	68,392
Statutory Exempt (EO)	101,102	82,000	16,124	20%	96,744	(14,744)
Temp Help Reg (Seasonals)	33,116	33,000	6,503	0	39,018	(6,018)
Board Member Per Diem	9,500	14,000		0%	9,500	4,500
Committee Members (DEC)	3,400	11,000		0%	3,400	7,600
Overtime	2,259			N/A	2,259	
Staff Benefits	679,391	696,000	110,536	16%	663,216	32,784
TOTALS, PERSONNEL SVC	1,821,648	1,932,000	304,431	16%	1,841,745	92,514
OPERATING EXPENSE AND EQUIPMENT						
General Expense	20,335	26,000	5,000	19%	30,000	(4,000)
Fingerprint Reports		6,000		0%	0	6,000
Minor Equipment	10,393	7,000		0%	7,000	
Printing	43,491	18,000		0%	43,491	(25,491)
Communication	1,721	18,000	540	3%	3,240	14,760
Postage	28,498	26,000		0%	28,498	(2,498)
Insurance	6,280	0			6,280	(6,280)
Travel In State	32,523	148,000		0%	32,523	115,477
Travel, Out-of-State						
Training		18,000	695	4%	1,000	17,000
Facilities Operations	120,058	102,000	19,912	20%	119,472	(17,472)
C & P Services - Interdept.	84					
C & P Services - External		148,000		0%	0	148,000
DEPARTMENTAL SERVICES (PRO RATA):						
Office of Information Services	506,000	476,000	79,333	17%	476,000	0
Admin/Exec	301,000	319,000	53,167	17%	319,000	0
IA w/ OPES	0	50,000	8,333	17%	50,000	
DO I- Spec Ops (Internal)	7,000	9,000	1,500	17%	9,000	0
Communications Division	9,000	11,000	1,833	17%	11,000	0
Program Policy Review Division	47,000	39,000	6,500	17%	39,000	0
INTERAGENCY SERVICES:						
Consolidated Data Center	8,070	8,000			8,070	(70)
DP Maintenance & Supply						0
Information Technology	27,033	5,000			27,033	(22,033)
EXAM EXPENSES:						
Exam Supplies		1,000			0	1,000
Exam Site Rental		5,000			0	5,000
C/P Svcs-External Expert Examiners	288,948	31,000	47,000	152%	282,000	(251,000)
C/P Svcs-External Subject Matter						
ENFORCEMENT:						
Attorney General	837,755	672,000	45,962	7%	672,000	0
Office Admin. Hearings	113,215	134,000			113,215	20,785
Court Reporters	59,601		561		59,601	
Evidence/Witness Fees	124,067	163,000	8,506	5%	124,067	38,933
DOI - Investigations	522,000	533,000	88,833	17%	533,000	0
Major Equipment						0
Other (Vehicle Operations)		3,000		0%	0	3,000
TOTALS, OE&E	3,114,072	2,976,000	367,676	12%	2,994,490	41,111
TOTAL EXPENSE	4,935,720	4,908,000	672,107	14%	4,836,235	133,625
Sched. Reimb. - External/Private						
Sched. Reimb. - Fingerprints		(11,000)			(11,000)	
Sched. Reimb. - Other	(4,225)	(15,000)			(15,000)	
Unsched. Reimb. - Other	(215,789)					
NET APPROPRIATION	4,715,706	4,882,000	672,107	14%	4,810,235	133,625
SURPLUS/(DEFICIT):						2.7%

**Veterinary Medical Board
Summary of Expenditures - 2018-19**

Line Item	Appropriation	Summary of Expenses
Personal Services:		
Salary & Wages (Staff)	1,096,000	Board staff salaries
Statutory Exempt (EO)	82,000	Executive Officer salary
Temp Help Reg (Seasonals)	0	Wages for temporary help such as a permanent-intermittent employees, students, seasonal employees, etc.
Temp Help Reg (Exam Proctors)	33,000	Examination Proctors
Board Member Per Diem	14,000	Board members' per-diem
Committee Members (DEC)	11,000	Committee members' per-diem
Overtime		Staff Overtime
Staff Benefits	696,000	OASDI, Dental, health, retirement, life, vision, Medicare
Total Personal Services	1,932,000	
Operating Expenses & Equipment:		
General Expense	26,000	Office supplies, freight
Fingerprint Reports	6,000	Fingerprint expenses – reimbursed by candidate
Minor Equipment	7,000	Equipment less than \$5K per unit
Printing	18,000	Printed forms, office copier, copying service
Communication	18,000	Phones, cellular phones
Postage	26,000	Stamps, DCA and EDD facility mailed postage
Insurance		Insurance coverage for department owned vehicles.
Travel In-State	148,000	Board, Committee, and Staff Air, car, bus, taxi, incidentals, service fees
Travel Out-of-State		Same as above - out-of-State
Training	18,000	Registration fees, subscriptions
Facilities Operations	102,000	Rent, storage, security
C&P Services Interdept.		Services provided by other state agencies or Interagency Agreement within the Department of Consumer Affairs.
C&P Services External	148,000	Outside DCA contracts - incl. MAXIMUS and Credit Card processing
Departmental Services		
OIS Prorata	476,000	DCA Svcs: Info systems (incl. BreZEz)
Admin/Exec	319,000	Pro-rata assessments to support DCA Administrative Services (HR, Accounting, Budgets, etc.), Legal, Publications
IA w/OPES	50,000	Services provided by OPES to Board to develop examinations
DOI-Pro Rata Internal	9,000	Services provided by Division of Investigation Pro Rata
Communications	11,000	Services provided by DCA Public Affairs
Program Policy Review Division Pro Rata	39,000	Pro-rata Consumer and Community Empowerment Division
Interagency Services		
Consolidated Data Centers	8,000	CAS/Teale Data Center
DP Maintenance & Supply		Data processing supplies and maintenance
Information Technology	5,000	State services pro-rata (DGS, DOF, etc)
Exam Expenses		
Exam supplies	1,000	Examination materials, supplies not covered by contract
Exam site rental	5,000	Facility rental charge for vet exams administration
C/P Svcs-External Expert Examiners	31,000	Wages for services provided by expert examiners in the oral/ written examination process
C/P Svcs-External Subject Matter		Services provided by subject matter experts in the oral/written examination process, VET and RVT
Enforcement		
Attorney General	672,000	Office of the Attorney General/DAG legal services
Office of Admin Hearings	134,000	Office of Administrative Hearings, Admin. Law Judge and court reporter services
Court Reporters		
Evidence/Witness Fees	163,000	Expert Witness and In-house Consultants enforcement case review
DOI - Investigations	533,000	DCA Division of Investigation services
Major Equipment		Equipment more than \$5k per unit
Vehicle Operations	3,000	Leasing & maintenance of State vehicle (CPEI BCP)
Total OE&E	2,976,000	
Total Personal Services (above)	1,932,000	
Totals, Expenditures	4,908,000	
Sched. Reimb. - External		Reimbursements for OIS Public Sales
Sched. Reimb. - Fingerprints	(11,000)	Reimbursements for assessment of fingerprint processing fees
Sched. Reimb. - Other	(15,000)	Reimbursements from private individuals, firms, institutions or corporations
Unscheduled Reimbursement		Investigative Cost Recovery
Net Appropriation	4,882,000	