

# **LSC Greenbook**

**Analysis of the Enacted Budget**

## **Veterinary Medical Licensing Board**

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## ATTACHMENTS:

Budget Spreadsheet By Line Item

# Veterinary Medical Licensing Board

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- Appropriations of \$319,407 in each year
- Veterinary Grant Program oversight and funding returned to Board

## OVERVIEW

### Agency Overview

The Veterinary Medical Licensing Board (DVM) ensures that professional and competent veterinarians and veterinary technicians serve Ohio's citizens by examining applicants for licenses, issuing licenses, approving continuing education courses, and investigating complaints. Like many other licensing and regulatory boards, the majority of DVM's revenues come from license fees and the majority of its expenses are related to personnel.

A seven-member board appointed by the Governor is responsible for oversight. Of the seven members, five must be licensed veterinarians, one must be a licensed veterinary technician, and one member represents the public. The day-to-day operations are the responsibility of an executive director who is appointed by the Board. Including the Executive Director, DVM has two full-time employees and one part-time clerk. The Board contracts with the Department of Agriculture to handle investigations.

### Appropriation Overview

H.B. 1 appropriations for DVM are \$319,407 in each fiscal year of the FY 2010 FY 2011 biennium, a 4.25% increase over actual expenditures of \$306,380. Like many boards and commissions, the bulk of these appropriations are devoted to payroll. DVM receives support for some of its administrative tasks from the Central Services Agency (CSA) of the Department of Administrative Services. These services include help in budget development, fiscal processing, human resources, and so forth. DVM paid approximately \$10,500 for these services in FY 2009. CSA charges for FY 2010-FY 2011 are estimated to be approximately \$12,500 in each fiscal year, which includes the Board's share of costs for the eLicensing system, an on-line tool that many of the boards and commissions use to process license applications and renewals.

### License Fees and Occupational Licensing and Regulatory Fund (Fund 4K90)

Fee revenue collected by DVM is deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90). As the number of new veterinarians entering the workforce is largely controlled by the number of students that veterinary schools enroll,

DVM's number of active licenses remains relatively flat from year to year. However, in the previous biennium the Board began issuing four new licenses created by H.B. 458 of the 126th General Assembly: two different types of limited licenses, a business facility license, and a provisional graduate license. Limited licenses are for individuals whose veterinary education or qualifications might not exactly meet Ohio standards, such as veterinary practitioners who were trained in other countries. Provisional graduate licenses are for those individuals who have completed their education and want to gain more practical experience before taking the requisite exams to become fully licensed. During FY 2009, DVM granted 51 new limited licenses, 25 business facility licenses, and no new provisional graduate licenses. The license types and their related fees are listed in the table below.

<b>License Fees by License Type, FY 2009</b>	
<b>License</b>	<b>Fee (New/Renewal)</b>
Veterinarian	\$375/\$155
Veterinary Business Facility	\$300
Veterinary Specialist	\$50
Veterinary Technician	\$35
Limited License	\$35/\$155
Provisional Graduate License	\$100
Temporary License	\$100

DVM renews licenses every other year in even-numbered years. This means that in renewal years, DVM sees a large increase in revenues, exceeding operating expenses for the fiscal year. Correspondingly, in the off years when licensing revenue declines, operating expenditures exceed revenues. Nevertheless, as is the case with most boards that renew on a two-year cycle, there is a net positive balance over this period. Combined revenues from FY 2008-FY 2009 were \$900,854 compared to expenditures of \$625,426, giving a net balance of \$275,428.

### **Veterinary Student Loan Program**

H.B. 458 of the 126th General Assembly authorized DVM to initiate a new grant program that allowed veterinary students interested in large animal medicine or regulatory service to apply for assistance in paying their school loans. Grant recipients must agree to practice in Ohio for a certain period of time. If the grant is less than \$10,000, students must remain in Ohio for at least one year; if the grant is greater than \$10,000, they must stay in Ohio for at least two years.

To pay for the grants, \$10 from each license fee is taken and transferred to the Veterinary Student Loan Fund (Fund 5BU0), which had previously been maintained on

DVM's behalf by the Board of Regents. H.B. 1 transferred the administration of the fund to DVM, but did not provide appropriations. Instead, this was accomplished by the Controlling Board, which approved a request to establish an appropriation of \$60,000 in each fiscal year at the August 10, 2009 meeting. So far in FY 2010, DVM has awarded three grants for \$7,500 and one grant for \$5,000. As of September 1, the balance of the fund was \$48,452.

## ANALYSIS OF ENACTED BUDGET

Appropriations for the Veterinary Medical Licensing Board				
Fund	ALI and Name		FY 2010	FY 2011
<b>General Services Fund Group</b>				
4K90	888609	Operating Expenses	\$319,407	\$319,407

**Operating Expenses**

H.B. 1 appropriations for DVM are \$319,407 in each fiscal year of the FY 2010-FY 2011 biennium, a 4.25% increase over FY 2009 expenditures of \$306,380. This line item is used to pay DVM's operating expenses, the majority of which are related to personnel. DVM has two full-time employees and one part-time employee; it contracts with the Department of Agriculture to conduct inspections of veterinary facilities and veterinarians.

**Licensing**

In FY 2009, the Board issued 158 new veterinarian licenses, 51 limited licenses, 25 veterinary business facility licenses, and 243 registrations for veterinary technicians. There were approximately 3,861 licensed veterinarians, 74 limited licensed veterinarians, 2,168 veterinary technicians, and 33 business facility licenses. In total, the Board oversaw 6,263 licenses in FY 2009. Active license data for FY 2009 is summarized in the table below.

Active Licenses by License Type, FY 2009	
License	Active Licenses
Veterinarian	3,861
Veterinary Business Facility	33
Veterinary Specialist	124
Veterinary Technician	2,168
Limited License	74
Provisional Graduate License	0
Temporary License	3
<b>Total</b>	<b>6,263</b>

**Investigations**

As mentioned above, DVM contracts with the Department of Agriculture to share four full-time investigators. Investigators conduct inspections of veterinary clinics to ensure that they conform to veterinary laws and DVM standards; they also investigate complaints made to DVM by consumers. DVM receives approximately

200 complaints per year and expects this number to rise due to Internet access and growing consumer awareness of the procedure for filing a complaint. During FY 2009, complaints and investigations yielded \$4,644 in fees and fines.

*DVM.docx / sle*

**FY 2010 - 2011 Final Appropriation Amounts**

**All Fund Groups**

<b>Line Item Detail by Agency</b>			<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010 Appropriations</b>	<b>% Change FY09 - FY10</b>	<b>FY 2011 Appropriations</b>	<b>% Change FY10 - FY11</b>
<b>Report For: Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>					
<b>DVM Veterinary Medical Licensing Board</b>								
4K90	888609	Operating Expenses	\$ 319,407	\$ 306,380	\$ 319,407	4.25%	\$ 319,407	0.00%
<b>General Services Fund Group Total</b>			<b>\$ 319,407</b>	<b>\$ 306,380</b>	<b>\$ 319,407</b>	<b>4.25%</b>	<b>\$ 319,407</b>	<b>0.00%</b>
<b>Veterinary Medical Licensing Board Total</b>			<b>\$ 319,407</b>	<b>\$ 306,380</b>	<b>\$ 319,407</b>	<b>4.25%</b>	<b>\$ 319,407</b>	<b>0.00%</b>