

LSC Greenbook

Analysis of the Enacted Budget

State Board of Embalmers and Funeral Directors

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TABLE OF CONTENTS

OVERVIEW	1
Agency Overview.....	1
Appropriation Overview	1
Fees and Fund 4K90.....	1
ANALYSIS OF ENACTED BUDGET	3
Operating Expenses (881609)	3
Licenses	3
Investigation and Enforcement Statistics	3

ATTACHMENT:

Budget Spreadsheet By Line Item

State Board of Embalmers and Funeral Directors

- Funding of \$561,494 for FY 2012 and \$551,958 for FY 2013
- Increased administrative duties related to S.B. 196 of the 127th General Assembly which regulates pre-need funeral contracts

OVERVIEW

Agency Overview

The Board of Embalmers and Funeral Directors (FUN) is required to license and regulate the funeral profession in the state of Ohio. The Board carries out this mandate by licensing and regulating embalmers, embalming facilities, funeral directors, funeral homes, crematories, and, to a limited degree, overseeing pre-need funeral contracts. At the end of FY 2010, the Board oversaw 6,828 active licenses and approximately 1,200 funeral-related facilities.

The Board's governing body consists of seven members, five of whom must be licensed embalmers and practicing funeral directors. One of the five members must be knowledgeable in the area of cremation. The other two members represent the public. Day-to-day operations are overseen by an executive director who is appointed by the Board. In addition to the executive director, FUN has five full-time, permanent employees. The full-time employees include two inspectors, two administrative assistants, one certification-licensure examiner, and a secretary. The Board receives no GRF funding; rather, it is entirely supported by fees and other receipts deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90).

Appropriation Overview

The main operating budget provides the Board with funding of \$561,494 in FY 2012, a 10.8% reduction when compared to FY 2011 expenditures of \$629,707. The amount appropriated for FY 2013 is \$551,958, a 1.7% decrease when compared to the FY 2012 appropriation.

Fees and Fund 4K90

The Board issues nine primary licenses. As with many of the state's occupational licensing and regulatory boards, the fees collected by FUN are deposited in the Occupational Licensing and Regulatory Fund (Fund 4K90). Table 1 below illustrates the license types that the Board oversaw in FY 2011 and the associated fee.

License	Fee
Crematory	\$200
Embalmer Apprentice	\$10
Embalmer Registration	\$25
Embalmer	\$140
Embalming Facility	\$200
Funeral Director Apprentice	\$10
Funeral Director Registration	\$25
Funeral Director	\$140
Funeral Home	\$250

FUN renews licenses in odd-numbered fiscal years. As can be seen in Table 2 below, this means that in renewal years revenue intake exceeds operating expenses. Correspondingly, in the off years, income lags operating expenses. However, as is the case with most boards that renew on a two-year cycle, there is generally a net positive balance over that span. For example, combined revenues from FY 2010-FY 2011 were \$1,216,582; expenditures for the same period were \$1,143,896, giving a net balance over that license period of \$72,686.

	FY 2008	FY 2009	FY 2010	FY 2011
Revenues	\$88,114	\$1,164,020	\$60,918	\$1,155,664
Expenditures	\$572,159	\$597,323	\$514,189	\$629,707
Net	(\$484,045)	\$566,697	(\$453,271)	\$525,957

ANALYSIS OF ENACTED BUDGET

Appropriation for the Embalmers and Funeral Directors Board				
Fund	ALI and Name		FY 2012	FY 2013
General Services Fund Group				
4K90	881609	Operating Expenses	\$561,494	\$551,958

Operating Expenses (881609)

Fund 4K90 line item 881609, Operating Expenses, is used to pay all of the Board's operating expenses. The enacted funding for this line item is \$561,494 in FY 2012, a 10.8% reduction when compared to FY 2011 expenditures of \$629,707. The amount appropriated for FY 2013 is \$551,958, a 1.7% decrease when compared to the FY 2012 appropriation. FUN employs six full-time staff.

Licenses

Table 3 below shows the number of active licenses issued by the Board for FY 2009 and FY 2010. Overall, the Board oversees nine license types. However, the vast majority of the Board's responsibilities revolve around just three licenses: Embalmers, Funeral Directors, and Funeral Homes. Together in FY 2010, these 6,502 licenses accounted for 95.2% of the 6,828 active licenses in that fiscal year. This was only a slight change compared to FY 2009, when there were 6,803 active licenses.

License Type	FY 2009	FY 2010	% Change
Crematory	100	103	3.0%
Embalmer Apprentice	48	46	-4.2%
Embalmer Registration	43	37	-14.0%
Embalmer	2,280	2,294	0.6%
Embalming Facility	4	4	0.0%
Funeral Director Apprentice	65	71	9.2%
Funeral Director Registration	71	65	-8.5%
Funeral Director	3,016	3,028	0.4%
Funeral Home	1,176	1,180	0.3%
Total	6,803	6,828	0.4%

Investigation and Enforcement Statistics

As part of its oversight responsibilities, the Board conducts random inspections and investigates complaints concerning allegations of incompetent or unhygienic practices. These responsibilities are carried out by the Board's two full-time inspectors. During FY 2010, the Board inspected 817 funeral homes, 62 crematoriums, and five embalming facilities. These inspections resulted in 37 violations being issued. The

Board investigated 88 complaints. As a result of these investigations and enforcement activities, the Board collected \$9,000 in forfeitures and \$14,100 in renewal penalty fees in FY 2010.

Enforcement Action	Amount
Funeral Home Inspections	817
Complaint Investigations	88
Crematorium Inspections	62
Embalming Facility Inspections	5
Administrative Hearings	5

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FY 2012 - FY 2013 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Appropriations FY 2012	FY 2011 to FY 2012 % Change	Appropriations FY 2013	FY 2012 to FY 2013 % Change
Report For Main Operating Appropriations Bill			Version: Enacted					
FUN State Board of Embalmers and Funeral Directors								
4K90	881609	Operating Expenses	\$ 520,097	\$ 629,707	\$ 561,494	-10.83%	\$ 551,958	-1.70%
General Services Fund Group Total			\$ 520,097	\$ 629,707	\$ 561,494	-10.83%	\$ 551,958	-1.70%
State Board of Embalmers and Funeral Directors Total			\$ 520,097	\$ 629,707	\$ 561,494	-10.83%	\$ 551,958	-1.70%