

Speech-Language Pathology and Audiology Board

House Primary and Secondary Education Subcommittee

Wendy Risner, Budget Analyst

Legislative Service Commission

February 23, 2005

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LSC Redbook

for the

Speech-Language Pathology and Audiology Board

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TABLE OF CONTENTS

Overview	1
<i>CAVU Licensing System.....</i>	1
<i>Administrative Fees.....</i>	2
<i>Increases in Salary and Health Care Expenses</i>	2
<i>Governor's Recommendations</i>	2
<i>Staffing Levels</i>	3
Facts and Figures.....	4
Analysis of Executive Proposal.....	5
<i>Speech-Language Pathology and Audiology.....</i>	5
Requests Not Funded.....	6
Attachments:	
Catalog of Budget Line Items	
LSC Budget Spreadsheet By Line Item	

February 23, 2005

Speech-Language Pathology and Audiology Board

- The Board received no funding for FY 2007 and will be absorbed into the Department of Health that year
- In FY 2004, the Board licensed 6,415 professionals
- The Board contributed \$223,112 more to Fund 4K9 than expended during the FY 2003-2004 licensing cycle

OVERVIEW

The Ohio Board of Speech-Language Pathology and Audiology is part of the 4K9 Fund group. The 4K9 Fund (Occupational Licensing and Regulatory Fund) is a General Services Fund that is a repository for license fees and other assessments collected by the state's professional and occupational licensing boards. The 4K9 Fund was established by Am. Sub. H.B. 152 of the 120th General Assembly. Prior to the creation of the fund, appropriations for each licensing board were made from the GRF. This created some problems as some boards contributed more revenues than they expended and others had to be subsidized by the GRF since the revenues generated did not meet their expenditures. The 4K9 Fund eliminated these problems. The philosophy of the fund is that each board must generate enough revenues to cover their expenses. It is also quite common for the boards to develop a surplus in the fund to cover unforeseen economic hardships.

The Ohio Board of Speech-Language Pathology and Audiology was established by the Ohio General Assembly to protect the health and promote the welfare of Ohioans by licensing and regulating the practices of speech-language pathology and audiology. The Board's primary duties include the initial licensure and renewal of speech-language pathologists, audiologists, and aides, enforcement of continuing education requirements, and investigation of all alleged violations of the practice of speech-language pathology and audiology, pursuant to Chapter 4753. of the Ohio Revised Code.

As of June 30, 2004, the Board licensed 6,415 professionals, most of which were speech-language pathologists (5,276). Revenue is generated from new and renewal license fees, which are collected biennially. Expenditures are for operating expenses associated with the licensure, regulation, and enforcement processes. Expenditures and revenue for the FYs 2003-2004 renewal cycle were \$981,394 and \$758,282, respectively. The Board contributed \$223,112 more to Fund 4K9 than it expended during the two-year licensing cycle.

CAVU Licensing System

The Board, in partnership with the Department of Administrative Services, has implemented a new web-based multi-board licensing system known as CAVU. Each board pays their share of the costs for the system out of Fund 4K9. The Board's costs for the system, including the subsequent credit card fees for online renewal and application, will be \$4,175 in FY 2006 and \$3,829 in FY 2007.

Administrative Fees

During the past few years, boards have had to absorb increased administrative costs charged by other state agencies. Many boards have contracted for services that were once provided for free such as lock-box services and computer technical support. The boards currently share the services and costs of an IT support person. The Speech-Language Pathology and Audiology Board will pay \$4,263 in FY 2006 and \$4,452 in FY 2007 for this service. The Board's costs for bank processing fees will be \$1,500 in FY 2006 and \$15,500 in FY 2007 (difference in cost from FY 2006 to FY 2007 is due to the fact that the Board licenses biennially).

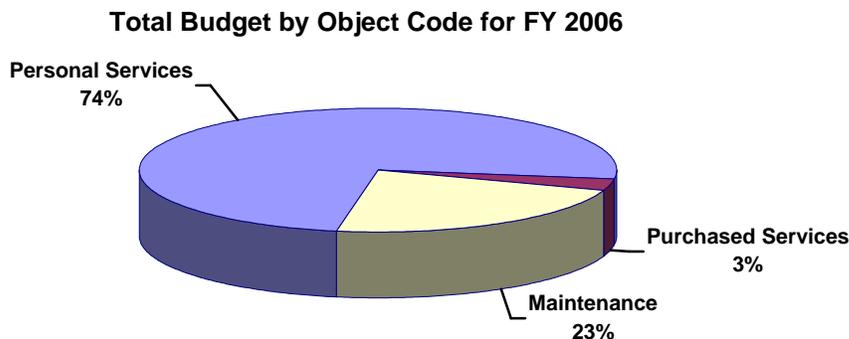
Increases in Salary and Health Care Expenses

Payroll expenditures for the Board, as well as other state boards and agencies, will increase in this biennium as a result of the negotiated 4% increase in salary for state employees.

Governor's Recommendations

The Board requested funding of \$416,554 in FY 2006 and \$422,554 in FY 2007. The Executive recommends funding of \$408,864 in FY 2006 and \$0 in FY 2007. The Executive recommends that the 27 independent occupational licensing boards be absorbed into the departments of Health, Commerce, and Public Safety. As such, the Executive recommended no funding in FY 2007 for the Boards. In the case of the Speech-Language Pathology and Audiology Board, the Board and its duties will be absorbed into the Department of Health. The specifics of this transfer will be addressed during FY 2006 by a task force consisting of the departments of Commerce, Health, Public Safety, and Administrative Services, the Office of Budget and Management (OBM), and the Governor's Office. According to OBM, current staff will be retained through FY 2006 and a hiring freeze and early retirement incentive will be offered to regulatory board staff. Effective July 1, 2006, all remaining regulatory board staff will be transferred to the relevant agency. Board members will be retained.

As can be seen from the chart below, most of the Board's expenses are for personal services (74%). Personal services decrease 4.8% for FY 2006 from estimated FY 2005 levels. The Board has two employees that do not take health benefits. Maintenance expenses increase by 11.4% from FY 2005 estimated levels.



Staffing Levels

Speech-Language Pathology and Audiology Staffing Levels						
Program Series/Division	2002	2003	2004	2005	<i>Estimated</i>	
					2006	2007
Board Members	8	8	8	8	8	8*
Administrative Staff	3	3	3	3	3	3*
Investigators	1	1	1	1	1	1*
Totals	12	12	12	12	12	12*

* In FY 2007, the 27 occupational licensing boards will be consolidated into various agencies. According to OBM, current staff will be retained through FY 2006. However, it is expected that some staff reductions will occur as a result of the implementation of a hiring freeze and early retirement incentives. Remaining staff for the Board will be transferred to the Department of Health in FY 2007. Board members will be retained.

FACTS AND FIGURES

Current License Fees

	<i>Speech-Language Pathology</i>	<i>Audiology</i>
Initial license	\$200	\$200
Renewal	\$150	\$150
Conditional	\$10	\$10
Aide – Initial	\$50	\$50
Aide – Renewal	\$50	\$50

Number of Licensees

License Type	FY 2003	FY 2004
Speech-Language Pathologist	5,137	5,276
Speech-Language Pathologist- Conditional	162	162
Speech-Language Pathology Aides	10	10
Audiologist	860	860
Audiologist-Conditional	28	28
Audiology Aides	79	79

Revenues and Expenditures

The Board issues licenses biennially.

Fund 4K9	FY 2003	FY 2004
Revenues	\$898,420	\$82,974
Expenditures	\$371,282	\$387,000
Net	\$527,138	(\$304,026)
Two-Year Net	\$223,112	

ANALYSIS OF EXECUTIVE PROPOSAL

Speech-Language Pathology and Audiology

Purpose: License and regulate the professions of speech-language pathology and audiology

The following table shows the line items that are used to fund Speech-Language Pathology and Audiology, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
General Services Fund				
4K9	886-609	Operating Expenses	\$408,864	\$0
General Services Fund Subtotal			\$408,864	\$0
Total Funding: Speech-Language Pathology and Audiology			\$408,864	\$0

Program Description: The Board of Speech-Language Pathology and Audiology licenses and regulates the professions of speech-language pathology and audiology in accordance with Chapter 4753. of the Revised Code.

Funding Source: General Services Fund Group (Fund 4K9). All revenue from 27 occupational licensing boards is placed in Fund 4K9 and then reallocated to each board. Each board is expected to raise enough revenue through its license fees to cover its expenses.

Line Items: 886-609, Operating Expenses

Implication of Executive Recommendation: The Board requested \$4016,554 in FY 2006 and \$422,554 in FY 2007. The Executive recommended funding of \$408,864 in FY 2006 and \$0 in FY 2007. The recommended funding for FY 2006 should allow the Board to maintain FY 2005 service levels. It is possible that the difference in recommended and requested funding in FY 2006 is due to the fact that two employees do not take health benefits and FY 2006 levels are budgeted to reflect this. If the two employees decide to take benefits in the future, the Board will need to make adjustments to pay for these expenses. In FY 2007, the Board will be absorbed into the Department of Health. The specifics of this transfer will be addressed during FY 2006 by a task force consisting of the departments of Commerce, Health, Public Safety, and Administrative Services, the Office of Budget and Management, and the Governor's Office.

Temporary and Permanent Law Provisions: H.B. 66, As Introduced, includes a provision that consolidates the Board into the Department of Health beginning in FY 2007. The provision also includes the creation of a transition team to ensure the consolidation occurs smoothly and on schedule. The temporary language states that the necessary statutory changes and appropriations needed for the consolidation will be introduced in FY 2006.

REQUESTS NOT FUNDED

Fund Line Item	FY 2006 Requested	FY 2006 Recommended	Difference	FY 2007 Requested	FY 2007 Recommended	Difference
	\$416,554	\$408,864	(\$7,690)	\$422,554	\$0	(\$422,554)
TOTALS	\$416,554	\$408,664	(\$7,690)	\$422,554	\$0	(\$442,554)

In FY 2006, the Executive recommended \$7,690 less than requested by the Board. According to the Board, this should not affect service or staffing levels. Two employees of the Board do not take health care benefits and it is possible that the requested funding included health care benefits for these two employees. In FY 2007, the Board requested funding of \$422,554 for operating expenses for things such as licensure and enforcement. The Executive recommended funding of \$0. The Board will be absorbed into the Department of Health. Specifics of this transfer will be addressed by a task force made up of the departments of Commerce, Health, Public Safety, and Administrative Services, the Office of Budget and Management, and the Governor's Office.

General Services Fund Group

4K9 886-609 Operating Expenses

2002	2003	2004	2005 Estimate	2006 Executive Proposal	2007 Executive Proposal
\$309,715	\$365,771	\$362,287	\$403,554	\$408,864	\$0
	18.1%	-1.0%	11.4%	1.3%	-100.0%

Source: GSF: License fees and other assessments collected by the state's professional and occupational licensing boards

Legal Basis: ORC 4753.03 and 4743.05 (originally established by Am. Sub. H.B. 152 of the 120th G.A.)

Purpose: This appropriation supports the general operating expenses, including payroll, supplies, and equipment for the Ohio Board of Speech-Language Pathology and Audiology. The Board licenses and regulates the practices of speech-language pathology and audiology.

LSC Budget Spreadsheet by Line Item, FY 2006 - FY 2007

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2004</i>	<i>Estimated 2005</i>	<i>Executive 2006</i>	<i>% Change 2005 to 2006</i>	<i>Executive 2007</i>	<i>% Change 2006 to 2007</i>
SPE Speech-Language Pathology and Audiology								
4K9	886-609	Operating Expenses	\$ 362,287	\$403,554	\$ 408,864	1.3%	\$ 0	-100.0%
General Services Fund Group Total			\$ 362,287	\$ 403,554	\$ 408,864	1.3%	\$ 0	-100.0%
Total All Budget Fund Groups			\$ 362,287	\$ 403,554	\$ 408,864	1.3%	\$ 0	-100.0%