

# Redbook

## LBO Analysis of Executive Budget Proposal

### State Board of Registration for Professional Engineers and Surveyors

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# LBO Redbook

## State Board of Registration for Professional Engineers and Surveyors

### Quick look...

- The State Board of Registration for Professional Engineers and Surveyors, established in 1933, regulates the professions of engineering and surveying in the state of Ohio.
- In FY 2020, the Board licensed nearly 30,000 individuals and firms.
- Licensing and application fees finance the Board's operations; it receives no GRF funding.
- The executive budget fully funds the Board's requested total appropriation of \$1.3 million for FY 2022 and FY 2023.
  - Existing service levels to be maintained.
  - Primary expenses: personal Services (65%); supplies and maintenance (34%).

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
<b>Fund 4K90 ALI 892609, Operating Expenses</b>					
\$909,753	\$957,607	\$1,049,946	\$1,312,259	\$1,312,259	\$1,312,259
% change	5.3%	9.6%	25.0%	0.0%	0.0%

### Agency overview

The State Board of Registration for Professional Engineers and Surveyors, established in 1933, regulates the professions of engineering and surveying in the state of Ohio. The Board consists of five members appointed by the Governor, including four professional engineers (one of whom is also a professional surveyor) and one professional surveyor. A staff of nine full-time employees, including an executive director, handle day-to-day operations. One of those positions is currently vacant; the Board does not plan to fill that position during the FY 2022-FY 2023 biennium. The Board receives no GRF funding, but is supported entirely by fees that are credited to the Occupational Licensing Fund (Fund 4K90).

### Analysis of FY 2022-FY 2023 budget proposal

#### Overview

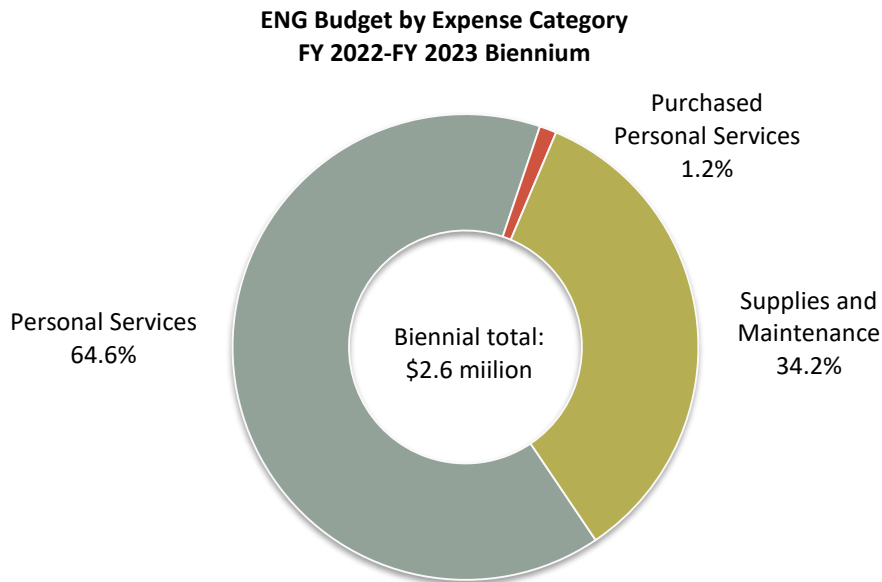
The Board is funded by a single non-GRF line item that draws its appropriation from Fund 4K90. The preceding table shows the Board's actual expenditures from FY 2018 through FY 2020, estimated expenditures for FY 2021, and recommended appropriations for FY 2022 and FY 2023. The executive budget fully funds the Board's requested appropriation in FY 2022 and

FY 2023. The Board expects that those appropriated amounts will be sufficient for it to maintain current service levels during the FY 2022-FY 2023 biennium.

### Executive recommendations by expense category

The chart below shows the \$2.6 million proposed biennial budget by expense category. The personal services category accounts for the largest share of the Board’s budget at 64.6%. This includes the wages and benefits for the Board’s staff, stipends for board members, and payroll check off charges. The Board typically meets eight to ten times per year.

The next largest expenditure category is supplies and maintenance totaling 34.2% of the budget. This category includes rent and information technology and other services provided by the Department of Administrative Services, as well as reimbursements for travel and other necessary expenses. Purchased personal services account for 1.2% of the Board’s budget.



### Fee revenue

The Board does not receive any GRF funding. The Board receives all of its funding from application fees, renewal fees, examination fees, and fines and late fees. Table 1 below shows the current fees charged by the Board.

License Type	Fee
Exam Fee – Fundamentals of Engineering (FE)/Fundamentals of Surveying(FS)	\$25
Exam Fee – Principles and Practice of Engineering (PE) and Surveying (PS)	\$75
Registration Fee for Engineers and Surveyors passing PE and PS exam	\$50
Professional Engineer/Professional Surveyor Biennial Renewal	\$40

License Type	Fee
Late Fee (Individual Renewal)	\$20
Firm Certificate of Authorization Application Fee	\$50
Firm Certificate of Authorization Biennial Renewal Fee	\$50
Late Fee (Firm Renewal)	\$25
License Verification Request Fee	\$24
Standard or NCEES Professional Surveyor Comity Application*	\$455
Standard or NCEES Professional Engineer Comity Application*	\$415

\*NCEES refers to the National Council of Examiners for Engineering and Surveying; this application is for a person licensed in another state.

Fees collected by the Board are credited to the Occupational Licensing Fund (Fund 4K90). There are 18 occupational licensing and regulatory boards and commissions, including the Board, that use Fund 4K90 as an operating account to support their regulatory operations.

Table 2 below shows the Board's operating and revenue expenditure history from FY 2015 through FY 2020. The Board's biennial renewal cycle results in revenue fluctuations between odd and even-numbered fiscal years. Revenue collected during even-numbered years is able to cover the deficit that happens during odd-numbered fiscal years when much less revenue is received. For each of the three license cycles shown in Table 2, the Board's revenues have exceeded expenditures. For example, in the FY 2019-FY 2020 renewal cycle, the Board's total revenues of approximately \$2.3 million exceeded expenditures of \$2.0 million by nearly \$245,000.

Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenue	\$633,917	\$1,735,126	\$586,641	\$1,712,990	\$566,924	\$1,684,432
Expenses	\$814,268	\$891,147	\$805,823	\$909,753	\$957,607	\$1,049,946
Net	-\$180,351	\$843,979	-\$219,182	\$803,236	-\$390,683	\$634,486

## Licenses and investigation and enforcement statistics

Table 3 shows the number of active licenses issued by the Board from FY 2019 through FY 2020.

License Type	FY 2019	FY 2020	% Change
Professional Engineer	26,917	24,949	-7.3%
Professional Surveyor	1,794	1,666	-7.1%
Firm	3,162	3,323	5.1%
<b>Total</b>	<b>31,873</b>	<b>29,938</b>	<b>-6.1%</b>

The Board is responsible for investigating complaints and alleged violations of Chapter 4733 of the Revised Code, which governs the engineering and surveying professions. Table 4 shows the history of those investigations from FY 2016 through FY 2020. Over that five-year period, the Board opened an average of 115 complaints and 49 formal investigations in each fiscal year, following through with disciplinary action if substantiated.

<b>Table 4. Enforcement Statistics, FY 2016-FY 2020</b>					
<b>Enforcement Action</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
Complaints Opened	82	157	120	124	94
Complaints Closed	57	48	71	104	49
Formal Investigations Opened	18	85	59	49	32
Formal Investigations Closed	22	67	60	73	26