

# State Board of Nursing

JLBC: Chris Cranny  
 OSPB: Bob Chapko

DESCRIPTION	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 JLBC	FY 2007 JLBC
<b>OPERATING BUDGET</b>				
<i>Full Time Equivalent Positions</i>	46.2	39.2	40.2	40.2
Personal Services	1,881,700	1,522,300	1,582,300	1,582,300
Employee Related Expenditures	452,500	368,100	418,900	418,900
Professional and Outside Services	300,200	462,400	464,600	464,600
Travel - In State	10,900	22,100	22,100	22,100
Travel - Out of State	12,800	10,400	10,400	10,400
Other Operating Expenditures	482,200	481,800	488,800	509,000
Equipment	116,400	42,600	42,600	42,600
<b>OPERATING SUBTOTAL</b>	<b>3,256,700</b>	<b>2,909,700</b>	<b>3,029,700</b>	<b>3,049,900</b>
<b>SPECIAL LINE ITEMS</b>				
CNA Fingerprinting	134,900	136,400	161,400	161,400
<b>AGENCY TOTAL</b>	<b>3,391,600</b>	<b>3,046,100</b>	<b>3,191,100</b>	<b>3,211,300</b>

<b>FUND SOURCES</b>				
General Fund	134,900	136,400	161,400	161,400
<u>Other Appropriated Funds</u>				
Board of Nursing Fund	3,256,700	2,909,700	3,029,700	3,049,900
SUBTOTAL - Other Appropriated Funds	3,256,700	2,909,700	3,029,700	3,049,900
<b>SUBTOTAL - Appropriated Funds</b>	<b>3,391,600</b>	<b>3,046,100</b>	<b>3,191,100</b>	<b>3,211,300</b>
Federal Funds	366,800	680,400	680,400	680,400
<b>TOTAL - ALL SOURCES</b>	<b>3,758,400</b>	<b>3,726,500</b>	<b>3,871,500</b>	<b>3,891,700</b>

CHANGE IN FUNDING SUMMARY	FY 2005 to FY 2006 JLBC		FY 2005 to FY 2007 JLBC	
	\$ Change	% Change	\$ Change	% Change
General Fund	25,000	18.3%	25,000	18.3%
Other Appropriated Funds	120,000	4.1%	140,200	4.8%
Total Appropriated Funds	145,000	4.8%	165,200	5.4%
Non Appropriated Funds	0	0.0%	0	0.0%
Total - All Sources	145,000	3.9%	165,200	4.4%

**AGENCY DESCRIPTION** — The board licenses, regulates, conducts examinations and approves educational programs for nurses and nurse aides.

PERFORMANCE MEASURES	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Estimate	JLBC
• Average calendar days to resolve a complaint	334	237	210	200
• Number of investigations of licensees	985	788	1,650	--
• Average calendar days to renew a license	13	7.7	5	5
• Administration as a % of total cost	NA	NA	11.9	--
• Customer satisfaction rating (Scale 1-8)	NA	7.1	6.0	7.2

**Comments:** The agency did not submit information for any measure labeled as "NA".

**RECOMMENDED CHANGES FROM FY 2005**

**Operating Budget**

The JLBC recommends \$3,029,700 from the Board of Nursing Fund for the operating budget in FY 2006 and \$3,049,900 in FY 2007. These amounts would fund the following adjustments:

		<u>FY 2006</u>	<u>FY 2007</u>
<b>Standard Changes</b>	<b>OF</b>	<b>\$40,100</b>	<b>\$40,100</b>

The JLBC recommends an increase of \$40,100 from the Board of Nursing Fund in FY 2006 and FY 2007 for standard changes.

**Nurse Practice**

<b>Consultant Personnel</b>	<b>OF</b>	<b>74,000</b>	<b>74,000</b>
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The JLBC recommends an increase of \$74,000 and 1 FTE Position from the Board of Nursing Fund in FY 2006 and FY 2007 for the creation of a Nursing Center. The Governor's Task Force on the Nursing Shortage has recommended that the center be created in order to accurately assess the nursing crisis and develop comprehensive short and long-term workforce planning strategies.

<b>Private Lease Adjustment</b>	<b>OF</b>	<b>0</b>	<b>20,200</b>
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The JLBC recommends an increase of \$20,200 from the Board of Nursing Fund in FY 2007 for a private lease adjustment. This is necessary due to an increase in private lease costs taking effect on July 1, 2006.

<b>Administrative Hearings</b>	<b>OF</b>	<b>3,700</b>	<b>3,700</b>
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The JLBC recommends an increase of \$3,700 from the Board of Nursing Fund in FY 2006 and FY 2007 for administrative hearings. Based on a 27% increase in costs between FY 2002 and FY 2004, another 15% will be needed to cover the increase in costs between FY 2004 and FY 2006.

<b>CNA Testing</b>	<b>OF</b>	<b>2,200</b>	<b>2,200</b>
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The JLBC recommends an increase of \$2,200 from the Board of Nursing Fund in FY 2006 and FY 2007 for nursing assistant certification exams. The agency anticipates that there will be an increase in price of 5% for the next 4-year contract period.

**Special Line Items**

**CNA Fingerprinting**

The JLBC recommends \$161,400 and 1 FTE Position from the General Fund in FY 2006 and FY 2007 for a new Certified Nursing Assistant (CNA) Fingerprinting line item. The line item funds expenses to fingerprint CNAs. The board receives Federal monies to certify nursing assistants. Pursuant to Federal regulation, the board may not charge CNAs for certification or services related to certification, including fingerprinting. Because

fingerprinting is not required by Federal law, the board does not receive Federal Funds for fingerprinting. For comparative purposes, the FY 2004 and FY 2005 CNA Fingerprinting operating budget expenditures are now shown under this Special Line Item. These amounts would fund the following adjustments:

**Higher Fingerprint**

<b>Expense</b>	<b>GF</b>	<b>25,000</b>	<b>25,000</b>
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The JLBC recommends an increase of \$25,000 from the General Fund in FY 2006 and FY 2007 to fund a cost increase. Fingerprinting costs increased by approximately \$24,000 in FY 2004. The Board of Nursing Fund's main revenue source is licensing fees from Registered Nurses (RN) and Licensed Practical Nurses (LPN). To prevent the RN and LPN fees from subsidizing the CNA program, monies from this line item are funded from the General Fund in accordance with A.R.S. § 32-1606.

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**JLBC RECOMMENDED FORMAT** — Operating Lump Sum with Special Line Items by Agency. *(The JLBC recommends this new format because of the addition of a new Special Line Item.)*

**JLBC RECOMMENDED FOOTNOTES**

*Standard Footnotes*

This appropriation is available for use pursuant to the provisions of A.R.S. § 35-143.01C and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations until June 30, 2007.

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
<b>Board of Nursing (BNA2044/A.R.S. § 32-1611)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Monies collected by the board from the examination and licensing of nurses. The board retains 90% of these monies and deposits 10% in the General Fund.		
<b>Purpose of Fund:</b> To examine, license, investigate, and regulate nurses, and for board administration. Monies from the fund are also used to pay for the administrative and testing costs of the Nursing Aide Registration program. The program is mandated by the federal government and is funded through the Nursing Aide Training and Registration Fund, a non-appropriated subaccount of the Board of Nursing Fund.		
<b>Funds Expended</b>	3,256,700	2,909,700
<b>Year-End Fund Balance</b>	2,455,800	2,167,400
<b>Nurse Aide Training and Registration (BNA2000/A.R.S. § 35-142)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal monies passed through from the Department of Health Services (Medicare) and AHCCCS (Title XIX Medicaid), facility payments, and nurse aide fees.		
<b>Purpose of Fund:</b> To pay for the administrative and testing costs of the Nurse Aide Registration program as mandated by the federal government.		
<b>Funds Expended</b>	366,800	680,400
<b>Year-End Fund Balance*</b>	106,700	(190,100)

\* As reported by the agency. Actual ending balance will not be negative.

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