

**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
2001-2003**

Major parts of the 2001-2003 biennial budget request include general operating expenses and funding of positions to manage the daily affairs of the agency. Funding sources are from initial licensure, licensure by reciprocity and annual renewal fees for physical therapists, physical therapist assistants and athletic trainers.

• **REGULAR AND EXTRA HELP POSITIONS**

Two **Regular Salary** positions and one **Extra Help** position are needed for the efficient handling of agency operations and licensing functions. Base level would include a cost of living increase of 2.6% each year and related Personal Services Matching costs. Salaries, employee retirement, insurance and matching funds are priorities to ensure the efficient operation of the agency.

• **OPERATING EXPENSES**

Areas within the operating budget which attribute to the largest expenditures are costs of competency examinations and fees related to the examination; tracking of mandatory continuing credits and actions of physical therapists and physical therapist assistants; lease of office space; travel expenses and per diems for Board and Committee members; and general office and equipment expenditures.

• **CONFERENCE FEES AND TRAVEL**

Travel expenses are to cover costs for attendance of meetings of the Federation of State Boards of Physical Therapy which include continuing educational, annual and regional meetings during 2001-2003. Fifty-three jurisdictions are members of the Federation, which owns the competency examination. Participation and sharing of information regarding the administration and regulation of the profession is a means to better protect the public. It is through the Federation that each jurisdiction can submit information to the Healthcare Integrity and Protection Data Bank (HIPDB), the national health care data collection program for reporting and disclosure of adverse actions by providers.

AGENCY AR State Board of Physical Therapy	DIRECTOR Jennifer Coleman 	AGENCY PROGRAM COMMENTARY BR21	PAGE 279
----------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------	-------------------------------

ARKANSAS STATE BOARD OF PHYSICAL THERAPY
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1998

Assets					Liabilities			Total Equity	
Cash and Investments	Fixed	Other	Total	Current	Long-term	Total			
\$ 327,672	\$ 0	\$ 2,197	\$ 329,869	\$ 65,469	\$ 0	\$ 65,469	\$ 264,400		

Revenues					Expenditures				Other Sources (Uses)	
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 0	\$ 0	\$ 163,815	\$ 16,056	\$ 179,871	\$ 69,290	\$ 0	\$ 0	\$ 85,196	\$ 154,486	\$

Findings

FORGERY - On March 23, 1999, the Executive Director of the Arkansas State Board of Physical Therapy discovered the theft of unsigned checks from the Agency's checkbook. Further investigation revealed that twenty (20) of these checks had been made payable to and negotiated by Lashuna Marbley, a temporary employee of Coleman Management Resources which is owned by the Executive Director of the Agency. The signature of the Executive Director was forged on the checks. The Little Rock Police were notified and a warrant was issued for the arrest of Ms. Marbley. Regions Bank credited the total amount of the forged checks, \$15,683.84, to the Agency's account on April 28, 1999.

Recommendations

Audited by Division of Legislative Audit
SA0724798

**CASH FUND BALANCE DESCRIPTION
AS OF JUNE 30, 2000**

AGENCY: Arkansas State Board of Physical Therapy

AGENCY #: 246

ACCOUNT INFORMATION				STATUTORY/OTHER RESTRICTIONS ON USE:
FUND ACCT.	BALANCE	TYPE	LOCATION	
346	\$42,636.00	Checking	Regions Bank	A.C.A. 17-93-203 provides for the disposition of funds.
	\$63,791.92	Checking	Metropolitan Bank	
	\$161,836.00	CD's	Bank of America	
			Bank of Ozarks	
	\$92,053.00	Savings	Metropolitan Bank Regions Bank Metropolitan Bank	STATUTORY PROVISIONS FOR FEES, FINES, PENALTIES: A.C.A. 17-93-203 authorizes the agency to collect fees.
				REVENUE RECEIPTS CYCLE: Annual renewal fees are due by March of each year. Other funds are collected on an irregular basis.
				FUND BALANCE UTILIZATION: Funds are expended for the purpose of regulating, licensing and examining physical therapists and are expended throughout the fiscal year.
ACCOUNT INFORMATION				STATUTORY/OTHER RESTRICTIONS ON USE:
FUND ACCT.	BALANCE	TYPE	LOCATION	
				STATUTORY PROVISIONS FOR FEES, FINES, PENALTIES:
				REVENUE RECEIPTS CYCLE:
				FUND BALANCE UTILIZATION:

2001-2003 Biennium

Act 1276 of 1999

AGENCY: State Board of Physical Therapy

AGENCY # 246

NAME OF PUBLICATION	STATUTORY AUTHORIZATION ACT # OR A.C.A.	REQUIRED FOR GOVERNOR AND/OR GENERAL ASSEMBLY ONLY	NUMBER OF COPIES PUBLISHED & DISTRIBUTED	REASON(S) FOR CONTINUED PUBLICATION AND DISTRIBUTION
Directory	A.C.A. 17-93-202		1,800	Communication with providers and licensees
Newsletter			1,800	Annual communication vehicle for distribution of list of individuals with suspended licenses and those with disciplinary actions.
				282

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
2001 - 2003**

The Arkansas State Board of Physical Therapy was created by Act 1232 of 1991. The Board is a cash agency funded from licensure and renewal fees charged pursuant to subchapter 2 of Arkansas Code §17-93. The primary duties of the Board include the licensure of Physical Therapists and Physical Therapy Assistants through examination.

Act 154 of 1999 provided for two (2) Regular Salary positions. Subsequent legislation (Act 1230 of 1999) contained special language that authorized two (2) Extra Help positions and allowed the Board to transfer appropriation from the Regular Salary line item into Extra Help. The FY01 budgeted amount of \$191,073 consists of salaries and Personal Services Matching for two Extra Help positions, Operating Expenses, Conference Fees & Travel and Professional Fees & Services. Base Level is \$189,073 each year of the biennium.

The Board is requesting establishment of two (2) Regular Salary positions to replace the two (2) Extra Help positions currently being utilized by the Board. An extraordinary increase of \$8,000 in FY02 and a payplan increase of 2.6% in FY03 are being requested for the Administrative Assistant position. The Board is requesting retention of one (1) Extra Help position to assist in the license renewal process for a reduction of \$62,028 in FY02 and \$61,028 in FY03. This negative change level would result in an annual appropriation of \$15,000 in FY02 and \$16,000 in FY03 for the Extra Help position. An increase in Operating Expenses in the amount of \$6,972 in FY02 and \$7,597 in FY03 is being requested for increases in postage, printing costs and supplies. An additional \$1,000 each fiscal year is being requested for Conference Fees and Travel to allow attendance at two meetings of the National Federation of State Boards of Physical Therapy.

The Executive Recommendation provides for Base Level and two (2) Regular Salary positions, Executive Director and Administrative Assistant, with FY02 salary levels of \$51,329 and \$27,702 respectively and a 2.6% payplan increase for FY03. The extraordinary increase for the Administrative Assistant as well as the request to retain one (1) Extra Help position has been denied. Base Level is recommended for both Operating Expenses and Conference Fees & Travel.

AGENCY	APPROPRIATION	CASH FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas State Board of Physical Therapy Code: 246	Name: Cash Operations Code: B47	Name: Physical Therapy Code: 346	BR20	283

CHARACTER TITLE	-----EXPENDITURES-----		00-01 AUTHORIZED APPRO	-----01-02 FISCAL YEAR-----			-----02-03 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	99-00 ACTUAL	00-01 BUDGETED		BASE	CHANGE LEVEL	TOTAL REQUEST	BASE	CHANGE LEVEL	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
										01-02	02-03	01-02	02-03
REGULAR SALARIES	0	0	62,537	0	86,329	86,329	0	88,573	88,573	79,031	81,085		
NUMBER OF POSITIONS	0	0	0	0	2	2	0	2	2	2	2		
EXTRA HELP	60,796	77,028	0	77,028	-62,028	15,000	77,028	-61,028	16,000	0	0		
NUMBER OF POSITIONS	2	2	2	2	-1	1	2	-1	1	0	0		
PERSONAL SERV MATCHING	16,512	19,523	17,532	19,523	2,842	22,365	19,523	3,316	22,839	19,924	20,288		
OPERATING EXPENSES	84,036	87,033	87,033	87,033	6,972	94,005	87,033	7,597	94,630	87,033	87,033		
CONF FEES & TRAVEL	1,151	3,489	3,489	3,489	1,000	4,489	3,489	1,000	4,489	3,489	3,489		
PROF FEES & SERVICES	200	4,000	2,000	2,000	0	2,000	2,000	0	2,000	2,000	2,000		
CAPITAL OUTLAY	23,523	0	0	0	0	0	0	0	0	0	0		
TOTAL	186,218	191,073	172,591	189,073	35,115	224,100	189,073	39,458	228,531	191,477	193,895		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES	354,179	358,998	*****	360,482		360,482	331,294		331,294	360,482	364,005		
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS	191,037	190,000	*****	159,885	35,115	195,000	155,542	39,458	195,000	195,000	195,000		
OTHER			*****										
TOTAL FUNDING	545,216	548,998	*****	520,367	35,115	555,482	486,836	39,458	526,294	555,482	559,005		
EXCESS APPRO/ (FUNDING)	(358,998)	(357,925)	*****	(331,294)		(331,294)	(297,763)		(297,763)	(364,005)	(365,110)		
TOTAL	186,218	191,073	*****	189,073	35,115	224,100	189,073	39,458	228,531	191,477	193,895		

DEPT 007 REGULATORY BOARDS AND COMMISSIONS
 AGENCY 246 AR STATE BOARD OF PHYSICAL THERAPY
 APPRO B47 CASH OPERATIONS
 FUND 346 PHYSICAL THERAPY BD CASH-(246)

APPROPRIATION SUMMARY

BR 215

Act 1230 of 1999 authorized two Extra Help positions and gave the Board the authority to transfer appropriation authorized in Act 154 of 1999 for Regular Salaries to an Extra Help line item.

Capital Outlay was authorized for FY00 in the amount of \$7,230.

Budgeted exceeds Authorized in various line items due to a transfer from Cash Fund Holding Account.

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19				
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----2001 - 03 BIENNIUM REQUESTS-----						-----R E C O M M E N D A T I O N S-----									
					---ACTUAL---	---BUDGETED---	---FY 2001 - 02---			---FY 2002 - 03---			-----EXECUTIVE-----		-----LEGISLATIVE-----							
					99-00	00-01	---REQUEST---			---REQUEST---			2001-02	2002-03	2001-02	2002-03						
000		346	246 B47	B	186,218	191,073	189,073			0			189,073		189,073							
001		346	246 B47 100 AR STATE BOARD OF PHYSICAL THERAPY	C01			35,115			2			39,458		2		2,404		4,822			
<p>As of July 1, 2001 two Regular Salary positions are needed to replace the two Extra Help positions. In addition to the Executive Director, an Administrative Assistant is needed to maintain the highest level of operations. With additional accredited Physical Therapy programs, an Administrative Assistant position will allow for better education of the graduates regarding the application process and licensing issues. One Extra Help position is needed to provide administrative support for all licensure functions of Physical Therapists, Physical Therapist Assistants and Athletic Trainers. An increase in Operating Expenses is requested to cover increasing costs associated with the additional numbers of licensees such as postage and printing costs, as well as changes to online application and processing. Increase in Physical Therapy provider affects association dues which are required for examinations. Costs of examinations are expected to rise. An increase in Conference Fees and Travel is requested to cover the cost of attending the Federation of State Boards of Physical Therapy which provides two meetings annually for all 53 member jurisdictions. In the past, the Federation has funded attendance for two positions. This is not expected to continue yet the educational aspect is important. An increase in travel expenses is anticipated.</p>																						

DEPT 007 REGULATORY BOARDS AND COMMISSIONS
 AGY 246 AR STATE BOARD OF PHYSICAL THERAPY
 APT'NO B47 CASH OPERATIONS
 FUND 346 PHYSICAL THERAPY BU CASH-(246)

RANK BY APPROPRIATION
 BR 264