

**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997 - 1999**

The Arkansas State Board of Nursing is statutorily responsible for the licensing, examination, certification, endorsement, education, discipline and regulation of over 45,000 nurses. In order to execute these responsibilities and fulfill the mission of the Board, seven priority budget requests are imperative.

Regular Salaries & Operating Expenses: The most essential resource the Board of Nursing must have available in order to discharge its statutory responsibility is a sufficiently staffed agency. To achieve this goal, the Board is requesting four additional staff. This will include one director of advanced practice nursing, one disciplinary coordinator, one nursing practice consultant and one attorney. In the last 20 years the number of licensees has grown 169% with a 2043% increase in disciplinary cases. The agency has had no added staff during this time period. During the last regular session of the legislature, an additional group of licensees (Advanced Practice Nurses) was added to this agency. The number of those licensed in this category is now approximately 400 and rising. During the same session the Board was given the responsibilities of issuing certificates of prescriptive authority, surveying advanced practice nursing education programs and issuing civil penalties. The Board is increasingly trying to utilize consent agreements in disciplinary cases to lessen the cost of formal hearings. This, however, requires increased staff and attorney time. A legal representative is necessary to attend Board meetings, to prepare legal papers as directed by the Board, and to be available daily for legal advice. The attorney defends the Board in all court cases and in all actions taken against nurses by the Board. Increasing staff will cause our expenses to increase for items such as postage, printing, and other related expenses; therefore, an increase above base level will be necessary to cover these expenses. The agency will work very hard to hold down expenses in every area possible.

The Board is requesting upgrades in salaries of the three nursing and one bookkeeper positions. In addition to the increased number of nurses licensed and disciplinary cases with which these staff deal, in the past 20 years there has been a 270% increase in exam applications to review, 360% increase in endorsement applications, 190% increase in RN certifications, 130% increase in PN certifications, and 30% increase in nursing schools campuses which must be surveyed for compliance with the state's minimum standards. Added responsibilities have been given to these positions as well. Comparable professional staff salaries in all other instate health related boards are higher than the nursing boards current or proposed salary increases. Surrounding states have higher salary ranges for comparable positions. Public sector positions have much much higher salary ranges for comparable positions. The Board prefers to retain its trained staff.

AGENCY ARKANSAS STATE BOARD OF NURSING	DIRECTOR FAITH A. FIELDS, M.S.N., R.N. EXECUTIVE DIRECTOR	AGENCY PROGRAM COMMENTARY BR21	PAGE 222
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Data Processing: This is a request for a one-time DCS computer programming charge to establish an automated licensure verification system for the public to confirm nursing licensure and prescriptive authority at anytime. Hospitals, nursing homes, other healthcare institutions, pharmacies, and consumers verify current, unencumbered nursing licensure and prescriptive authority through our staff. Approval of this request will provide faster and more efficient service to the public.

Professional Fees: This is a request for a one-time start up fee to establish a drug screening program to be administered by UAMS. The Board of Nursing's disciplinary caseload has increased 2043% in the past 20 years. Over 95% of the cases involve controlled drug related violations. Approval of this request will enable the Board to more efficiently monitor impaired nurses who have been disciplined by the Board for violation of the Nurse Practices Act. The program, when operational, will become self supporting.

Capital Outlay: This is a capital outlay request to replace outdated equipment, purchase a folding machine, and enlarge the Board conference table. Several of the agency computers cannot be upgraded enough to support the software necessary in the job functions. National computerized certification of nurses necessitates purchase of an additional computer and peripherals. The agency folding machine is over 18 years old and needs to be replaced. Legislation in the last session increased Board membership to 15, necessitating a larger meeting table.

Another capital outlay request is for the second half of the biennium to allow the Board to purchase equipment to expedite license renewals and move to a system using optical disc imaging. The agency is told that DCS will no longer be able to support our licensure system as it is currently in place. Nursing files are currently kept on microfilm which creates problems with storage and retrieval.

Staff salaries reflect 2.8% increases each fiscal year. We would request that any increases above that amount, given to classified positions or other unclassified positions, also be given to the employees of this agency.

The Board of Nursing operations will be funded by receipts from license fees charged by the Agency. The Board of Nursing has more than sufficient fund balance, at this time, to accommodate this request. Therefore, no new money, and no general revenue funds are requested. In developing this budget, the Board of Nursing has made an effort to make only those increases necessary to continue to serve the public in an efficient manner.

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ARKANSAS STATE BOARD OF NURSING
 SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
 FOR THE YEAR ENDED JUNE 30, 1995

Assets										
Assets				Liabilities			Total Equity			
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total				
\$ 1,867,044	\$ 101,928	\$ 50,997	\$ 2,019,969	\$ 260	\$ 26,288	\$ 26,548	\$ 1,993,421			

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	\$ 721,731	\$ 12,607	\$ 734,338	\$ 416,165	\$ 0	\$ 16,769	\$ 175,775	\$ 608,709	\$ 248

Findings					Recommendations				
None					None				

Audited by Division of Legislative Audit
 SA0827795

ARKANSAS BUDGET SYSTEM
 EMPLOYMENT SUMMARY
 AS REQUIRED BY ACT 358 OF 1993
 (A.C.A 19-4-307)

AGENCY TITLE 277 - ARKANSAS STATE BOARD OF NURSING

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>0</u>	<u>9</u>	<u>9</u>	<u>90%</u>
BLACK EMPLOYEES	<u>0</u>	<u>1</u>	<u>1</u>	<u>10%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL EMPLOYED AS OF <u>08/10/96</u> DATE			<u>1</u>	<u>10%</u>
			TOTAL MINORITIES	
			<u>10</u>	<u>100%</u>
			TOTAL EMPLOYEES	

Faith A. Sul
 AGENCY DIRECTOR

SUMMARY
STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY
 AGENCY: STATE BOARD OF NURSING (277)

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<u>APPROPRIATION: 286 - State Board of Nursing</u>				
Operating Expenses	0	\$25,087	\$25,087	The State Board of Nursing was authorized an increase in appropriation to restore the appropriation loss due to Act 494 of 1993. The Board did not expend the additional amount authorized in FY96, but budgeted \$654 of the additional amount in FY97.
Conference Fees and Travel	0	\$1,500	\$1,500	The State Board of Nursing was authorized an increase in appropriation to restore the appropriation loss due to Act 494 of 1993. The Board did not expend the additional amount authorized in FY96, but budgeted the additional amount in FY97.
Professional Fees and Services	0	\$11,500	\$11,500	The State Board of Nursing was authorized an increase in appropriation to restore the appropriation loss due to Act 494 of 1993. The Board did not expend the additional amount authorized in FY96, but budgeted \$1,500 of the additional amount in FY97.

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

The State Board of Nursing is funded from the receipt of fees charged by the Agency. Base level of \$719,491 for FY98 and \$731,764 for FY99 includes salaries and personal services matching for eleven positions and supporting maintenance and operating expenses. Priorities totaling \$368,207 in FY98 and \$364,395 in FY99 have been requested to provided for four additional positions along with increased costs in operating expenses. The four positions requested (one director of advanced practice nursing, one disciplinary coordinator, one nursing practice consultant, and one attorney) are due to an increase in workloads over the last twenty years without an increase in staff. In the last twenty years the number of licensees has grown 169% with a 2043% increase in disciplinary cases. The Operating Expense line item additional request of \$70,933 for FY98 and \$67,933 for FY99 will provide for the increase due to the new staff level as well as an increase in postage, printing, and other related expenses. Additional expenses of \$7,000 each year relating to the Conference Fees and Travel line item are for staff training. An increase of \$25,000 the first year and \$10,000 the second year is requested in the Professional Fees and Services line item to enable the Board to establish a contract with UAMS to administer a program of random drug screening of impaired nurses who have been disciplined by the Board for violation of the Nurse Practice Act. This increase in Professional Fees and Services would also provide for the restoration of appropriation loss due to Act 494 of 1993. Capital Outlay of \$28,000 for FY98 and \$51,300 for FY99 is requested for furniture and equipment for the additional staff as well as the replacement of outdated data processing equipment and the installation of a local area network. An increase of \$15,000 the first year in the Data Processing line item is requested as a one-time computer programming charge by DCS that will enable the Board to establish an automated licensure verification system for the public to confirm nursing licensure and prescriptive authority at anytime.

The Executive Recommendation provides for:

- two positions (one disciplinary coordinator and one director of advanced nursing practice)
- \$24,433 in appropriation for restoring the Operating Expense line to the current authorized level
- Agency request for the Professional Fees and Services, Capital Outlay, and Data Processing line items

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: State Bd of Nursing Code: 277	Name: State Bd of Nursing Code: 286	Name: State Bd of Nursing Cash Code: MBN	BR20	227

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	EXPENDITURES			97-98 FISCAL YEAR			98-99 FISCAL YEAR			RECOMMENDATIONS					
	95-96	96-97	96-97	97-98		98-99		97-98		98-99		97-98		98-99	
	ACTUAL	BUDGETED	AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE 97-98	EXECUTIVE 98-99	LEGISLATIVE 97-98	LEGISLATIVE 98-99		
REGULAR SALARIES	311,546	337,438	319,324	367,456	176,320	543,776	377,743	181,257	559,000	424,466	436,348				
NUMBER OF POSITIONS	11	11	11	11	4	15	11	4	15	13	13				
PERSONAL SERVICES MATCHING	84,676	93,978	78,662	103,790	45,954	149,744	105,776	46,905	152,681	120,777	123,071				
TRAINING EXPENSES	144,368	177,497	201,930	177,497	70,933	248,430	177,497	67,933	245,430	201,930	201,930				
TRAVEL FEES & TRAVEL	9,155	10,748	10,748	10,748	7,000	17,748	10,748	7,000	17,748	10,748	10,748				
TRAVEL FEES & SERVICES	10,848	15,000	25,000	15,000	25,000	40,000	15,000	10,000	25,000	40,000	25,000				
CAPITAL OUTLAY	7,680	8,000	8,000	0	28,000	28,000	0	51,300	51,300	28,000	51,300				
DATA PROCESSING	30,039	45,000	45,000	45,000	15,000	60,000	45,000	0	45,000	60,000	45,000				
TOTAL	598,312	687,661	688,664	719,491	368,207	1,087,698	731,764	364,395	1,096,159	885,921	893,397				
PROPOSED FUNDING SOURCES			*****												
UNDEVELOPED BALANCES	1,841,225	2,012,842	*****	1,993,422		1,993,422	1,573,965		1,573,965	1,993,422	1,407,535				
GENERAL REVENUES			*****												
SPECIAL REVENUES	769,929	668,241	*****	300,034	368,207	668,241	303,846	364,395	668,241	300,034	303,846				
GENERAL FUNDS			*****												
STATE CENTRAL SERVICES FUND			*****												
STATE-REVENUE RECEIPTS			*****												
TRUST FUNDS			*****												
RESERVE			*****												
TOTAL FUNDING	2,611,154	2,681,083	*****	2,293,456	368,207	2,661,663	1,877,811	364,395	2,242,206	2,293,456	1,711,381				
UNDEVELOPED APPRO/ (FUNDING)	(2,012,842)	(1,993,422)	*****	(1,573,965)		(1,573,965)	(1,146,047)		(1,146,047)	(1,407,535)	(817,984)				
TOTAL	598,312	687,661	*****	719,491	368,207	1,087,698	731,764	364,395	1,096,159	885,921	893,397				

008 BOARDS AND COMMISSIONS - MEDICALLY RELATED
 277 ARKANSAS STATE BOARD OF NURSING
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The FY97 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1995-97 biennium.

APPROPRIATION SUMMARY

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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	-----1997 - 99 BIENNIUM REQUESTS-----						-----R E C O M M E N D A T I O N S-----								
					---EXPENDITURES---		---FY 1997 - 98---		---FY 1998 - 99---		-----EXECUTIVE-----		-----LEGISLATIVE-----						
					---ACTUAL---	---BUDGETED---	---REQUEST---		---REQUEST---		1997-98	1998-99	1997-98	1998-99					
					95-96	96-97													
000		SBN	277 286	B	598,312 11	687,661 11	719,491 11				731,764 11			703,232 11	715,048 11				
001		SBN	277 286	P01		0	297,474 4				278,662 4			111,956 2	92,616 2				
<p>Four additional staff positions and associated expenses for capital outlay for office furniture and equipment, conference fees/travel, and operating expenses are requested. In the last 20 years current staff accommodated a 169% increase in licensees, 271% increase in RN exam applications, 360% increase in endorsements, 191% increase in RN certifications, 30% increase in nursing programs requiring surveys and a 2043% increase in disciplinary cases. In addition, Act 409 of 1995 mandated additional responsibilities including licensure of advanced practice nurses and issuance of prescriptive authority. Applicants are credentialled on an individual basis, requiring staff to complete disciplinary checks on registered nursing, advanced practice and prescriptive authority applicants. The additional responsibilities are beyond the capacity of the existing positions to handle.</p>																			
002		SBN	277 286	P02		0	34,433 0				34,433 0			34,433	34,433				
<p>Restoration of the 5% budget cut of Act 494 of 1993. The Board of Nursing will need to have this funding restored if we are to carry out our charge of public protection with the changes mandated by Act 409 of 1995. The total number of licensees has grown approximately 23% in the last five years; our operating expenses are directly tied to the number of licensees we serve.</p>																			

DEPT 008 BOARDS AND COMMISSIONS - MEDICALLY RELATED
 AGY 277 ARKANSAS STATE BOARD OF NURSING
 APPRO 286 STATE BOARD OF NURSING
 FUND SBN ARK STATE BD OF NURSING-(277)

RANK BY APPROPRIATION
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ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1997 - 99 BIENNIUM REQUESTS-----						-----RECOMMENDATIONS-----					
				ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
				95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
	SBN	277 286	P03		0	15,000					0			15,000			
<p>The Board is charged with protecting the public. Hospitals, nursing homes, etc. are required to validate licensure of the nurses they employ. Healthcare institutions, pharmacies, and consumers verify current, unencumbered nursing licensure and prescriptive authority through our staff. Approval of this request will enable the Board to establish an automated licensure verification system for the public to confirm nursing licensure and prescriptive authority at anytime. This is a DCS one-time computer programming charge</p>																	
	SBN	277 286	P04		0	15,000					0			15,000			
<p>The Board of Nursing's disciplinary caseload has increased 2043% in the past 20 years. Over 95% of the cases involve controlled drug related violations. Approval of this request will enable the Board to establish a contract with UAMS to administer a program of random drug screening of impaired nurses who have been disciplined by the Board for violation of the nurse practice act. This is a one-time start up fee to be borne by several health related Boards. The drug screening program, when operational, will become self supporting.</p>																	
	SBN	277 286	P05		0	6,300					6,300			6,300	6,300		
<p>Anticipated replacement of outdated equipment, folding machine, computers and peripherals, computer desk and to enlarge the Board conference table. These requests are necessitated by the advent of National computerized certification of nurses to other states and additional Board Members resulting from Act 409 of 1995.</p>																	

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 277 ARKANSAS STATE BOARD OF NURSING
 0 286 STATE BOARD OF NURSING
 SBN ARK STATE BD OF NURSING-(277)

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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	-----1997 - 99 BIENNIUM REQUESTS-----				-----R E C O M M E N D A T I O N S-----										
					-----EXPENDITURES-----		-----FY 1997 - 98-----		-----FY 1998 - 99-----		-----EXECUTIVE-----		-----LEGISLATIVE-----						
					ACTUAL	BUDGETED	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99							
					95-96	96-97													
005		SBN	277 286	P06		0		0	45,000			45,000							

We are told that DCS will no longer be able to support our licensure system as it is currently in place. This capital outlay request will allow the Board to upgrade or purchase computers, install a local area network, purchase equipment to read licensure renewal applications and transfer data to file system as well as transferring microfilm data to optical disc.

DEPT 008 BOARDS AND COMMISSIONS - MEDICALLY RELATED
AGY 277 ARKANSAS STATE BOARD OF NURSING
APPRO 286 STATE BOARD OF NURSING
FUND SBN ARK STATE BD OF NURSING-(277)

RANK BY APPROPRIATION

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