Receipts from license fees charged by the agency finance the Arkansas State Board of Nursing operations. The Board is statutorily responsible for the licensing, examination, certification, endorsement, education, discipline and regulation of over 46,000 nurses and has more than sufficient fund balance to accommodate the requests described herein. The agency is operating in a highly efficient manner. In comparison with other states in the region, project expense as a percent of budget is the second lowest in the region and the ratio of numbers of licensees to each staff person is the second highest in the region. In order to execute the Board's responsibilities and fulfill the Board's public protection mission, seven budget change requests are imperative.

An emergency supplemental secretary position was approved in 1999 to implement requirements of Act 1208 of 1999, criminal background checks and to meet the over 150% increase in disciplinary demands on the agency in the last five years. The Board requests this position be converted to a permanent position. Implementing 1999 legislative requirements for criminal background checks (Act 1208), entering the Board into an interstate compact (Act 220) for mutual recognition of nurse licensure with ten other states, and replacement of funds diverted for previously approved supplemental positions has drained the operating budget. Additional funds ($32,500 – 35,000) are requested to be appropriated from the agency's revenue to meet these demands. Over ninety-nine percent of the operating expenses were expended in the previous fiscal year, therefore, carry forward authority is requested in the special language request.

An appropriation of the agency's fund is requested to implement a continuing education (CE) requirement for nurse license renewal. All other Arkansas health professionals and 32 other states require CE for licensure renewal. Appropriation to increase salaries of three staff positions which include a nurse, computer specialist and nursing administrative assistant are requested to more equitably bring into line these positions with other staff in the same positions in the agency and market compensation.

A request for appropriation of the agency's revenue to establish a database regarding nursing workforce needs and to establish a scholarship program to assist in alleviating the nursing shortage is included. At least 25 letters from universities, hospitals and organizations around the state were received asking the Board to implement this proposal.

Thirty-two states have a chemical dependency program to remove impaired nurses from practice quickly and require treatment and monitoring before reentry to practice. This eliminates the approximate five-month delay in getting the case investigated and a hearing set before the impaired nurse is taken out of practice. The Board requests an appropriation from the agency's fund balance to establish such a program.

The Arkansas Board of Nursing is proud to have been named the outstanding Board of Nursing by the National Council of State Boards of Nursing. This national award was given because of the improvements made in public protection over the last few years that were approved by the Governor and Arkansas Legislature. Approval of these requests will align the Arkansas Board of Nursing's appropriation with budgets for Boards of Nursing in surrounding states who have similar numbers of licensees.

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

Assets				Liabilities			
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total	Total Equity
$ 1,864,287	$ 166,550	$ 78,729	$ 2,109,566	$ 0	$ 42,710	$ 42,710	$ 2,066,856

Revenues					Expenditures					
Intergovern-mental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	Other Sources (Uses)
$ 0	$ 0	$ 860,380	$ 14,491	$ 874,871	$ 664,915	$ 0	$ 63,555	$ 518,385	$ 1,246,855	$ (155)

Findings	Recommendations
None.	None.

Audited by Division of Legislative Audit
SA0827798

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	2	14	16	94%
BLACK EMPLOYEES	0	1	1	6%
EMPLOYEES OF OTHER RACIAL MINORITIES	0	0	0	0%
TOTAL EMPLOYED AS OF 08/05/00 (DATE)			1 (TOTAL MINORITIES)	6%
			17 (TOTAL EMPLOYEES)	100%

Faith A. Wood
AGENCY DIRECTOR

BUDGET REVIEW OF INFORMATION TECHNOLOGY ITEMS
BY THE
DEPARTMENT OF INFORMATION SYSTEMS

STATE AGENCY: **ARKANSAS STATE BOARD OF NURSING**

AGENCY HEARING DATE: 11-Oct-00

AMOUNTS REQUESTED FOR INFORMATION TECHNOLOGY

2001-2002 FISCAL YEAR			2002-2003 FISCAL YEAR		
BASE	CHANGE LEVEL	TOTAL REQUEST	BASE	CHANGE LEVEL	TOTAL REQUEST
118,263.00	95,824.00	214,087.00	119,486.00	72,377.00	191,863.00

DIS COMMENTS: DIS/OIT does not believe that the $9,000 for acquiring and developing an Exchange Sever (hardware and software) is an efficient use of state resources, given that service is fully operational in the DIS central facility. It may also be that the $6,500 for training the computer technician need not be as high if he were not attempting to develop the email server. OIT has initiated conversation with the Director of the State Board of Nursing to try to come to terms over this item.

STATE AGENCY PUBLICATIONS

2001-2003 Biennium

Act 1276 of 1999

AGENCY: Arkansas State Board of Nursing **AGENCY #** 277

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
Annual Report	17-87-203(4)	X	200	This document is published and distributed to report activities of the Board as well as information about nurses licensed by the Board. The information is organized by licensure type and county of residence. Data on the supply and distribution of nurses licensed and residing in Arkansas is also included. This document serves as a valuable tool in statistical data research that is useful to many agencies, schools and individuals.
ASBN Update			500/month	The *ASBN Update* Newsletter is published monthly and distributed in an effort to serve and protect the public. It contains information which keeps licensed nurses, employers, schools of nursing and other entities informed about Rules & Regulations and Nurse Practice Act revisions, practice and policy updates mandated by the Board, and disciplinary action reports on nurses disciplined by the Board. Sent annually to all nurses (46,000).

The State Board of Nursing is funded from the receipt of fees charged by the Agency, as authorized by Arkansas Code §17-87-306. The Agency requests Base Level of $1,209,474 for FY02 and $1,230,023 for FY03 that includes salaries and personal services matching for sixteen positions and supporting maintenance and operating expenses. Base Level includes a payplan increase of 2.6% each year over the 2001 fiscal year salary levels for all incumbents plus appropriate Personal Services Matching costs. Changes totaling $608,916 in FY02 and $643,033 in FY03 have been requested. Of the total change requests, $139,982 in FY02 and $138,419 in FY03 relates to ongoing operations. The balance, or $468,934 in FY02 and $504,614 in FY03 corresponds to new initiatives being proposed by the Board.

The new initiatives are contingent on certain legislation being passed by the 83rd General Assembly. The first initiative is to implement three new programs within the Nursing board. The first program will allow the Board to perform **criminal background checks** as a prerequisite to nursing licensure. Act 1208 of 1999 was enacted mandating the Board to require criminal background checks but no appropriation was provided. The second program establishes a **Sexual Assault Nurse Examiner Certification (SANE)**. This certification will apply to registered nurses with advanced, specialized training in caring for victims of sexual assault. The third program will establish a **Continuing Competence Program** for nurses similar to competence programs for other health care professionals. Change requests related to these new programs include the addition of two positions at a salary cost of $77,500 in FY02 and $79,515 in FY03 plus personal service matching. Additional operating expenses of $36,224 in FY02 and $34,300 in FY03 have also been requested. Information Technology requests related to this initiative are $8,490 in FY02 and $2,155 in FY03.

The second initiative will implement two new programs within the Board of Nursing. The first program establishes a **nursing workforce data base** to collect, analyze and report data regarding Arkansas nursing workforce needs. To appropriately address the nursing manpower crisis, accurate and timely data about the nursing workforce is imperative. The second program will establish a **nursing scholarship program** to assist in alleviating the nursing shortage. This program will establish scholarships for nursing students in nursing programs throughout the State. Change requests related to these new programs include the addition of three positions at a salary cost of $104,000 each year of the biennium plus personal service matching. Additional operating expenses of $36,586 in FY02 and $33,400 in FY03 will be required. Information Technology related to this initiative is $18,333 in FY02 and $2,770 in FY03.

The last initiative is implementation of an **alternative to discipline program** for impaired nurses. The intent of this program is to

provide a voluntary alternative to traditional disciplinary action. Implementation of this program will require the addition of two new positions in the first year of the biennium at a cost of $83,483 plus matching and up to five additional positions in the second year of the biennium at a cost of $125,160 plus matching costs. Operating expense additions are estimated to be $27,750 in FY02 and $22,250 in FY03 for this program. Information Technology requests for FY02 are $8,890 and $13,570 in FY03.

Change Level requests for ongoing operations include the addition of one position that was previously approved as a supplemental position. This position is critical to fulfilling a 1999 Federal mandate to report disciplinary actions. Salary cost for this position, including matching is $40,132 in FY02 and $41,098 in FY03. Operating expense increases of $25,500 in FY02 and $29,000 in FY03 have been requested to offset anticipated increases in rental cost of non-state owned office space, lab fees, Board member expenses and other operating costs. Increases to Professional Fees and Services of $5,000 each year of the biennium have been requested for costs associated with the interstate licensure compact. A $1,500 increase in Capital Outlay each year of the biennium is being requested for replacement of outdated office equipment and a microfiche/printer. Technology requests related to ongoing operations is $38,092 in FY02 and $31,392 in FY03. The ongoing technology request by line item includes Operating Expense increases of $16,592 in FY02 and $16,192 in FY03; Conference Fees and Travel increases of $5,000 in FY02 and $2,700 in FY03; Professional Fees and services increases of $2,000 each year of the biennium; Capital Outlay increases of $11,000 in FY02 and $7,000 in FY03; and Data Processing increases of $3,500 each year of the biennium. The Board is also requesting salary upgrades for key employees of $21,146 in FY02 and $21,817 in FY03. Extra help for seasonal workload requirements of $8,612 each year of the biennium has also been requested. In summary, the total requested increase related to ongoing operations is $139,982 in FY02 and $138,419 in FY03.

The Executive Recommendation addresses the portion of the Agency request related to ongoing operations only. The portions of the request related to new initiatives are not recommended pending actions of the 83rd General Assembly. Accordingly, the Executive Recommendation provides for Base Level and additional salary and matching of $40,132 in FY02 and $41,098 in FY03 for the conversion of one supplemental emergency position. For the non-technology portion of the ongoing agency request, the Executive recommendation provides for Operating Expense increases of $25,500 in FY02 and $29,000 in FY03; Professional Fees and Services increases of $5,000 each year of the biennium; and a $1,500 increase in Capital Outlay in each year of the biennium. The Executive Recommendation for ongoing Technology requests provides for increases of $24,092 in FY02 and $29,892 in FY03. Finally, the Executive Recommendation provides for salary upgrades totaling $9,073 in FY02 and $9,311 in FY03. The total Executive Recommendation provides for increases of $105,297 in FY02 and $115,801 in FY03.

01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	EXPENDITURES 99-00 ACTUAL	EXPENDITURES 00-01 BUDGETED	00-01 AUTHORIZED APPRO	01-02 FISCAL YEAR BASE	01-02 FISCAL YEAR CHANGE LEVEL	01-02 FISCAL YEAR TOTAL REQUEST	02-03 FISCAL YEAR BASE	02-03 FISCAL YEAR CHANGE LEVEL	02-03 FISCAL YEAR TOTAL REQUEST	RECOMMENDATIONS EXECUTIVE 01-02	RECOMMENDATIONS EXECUTIVE 02-03	RECOMMENDATIONS LEGISLATIVE 01-02	RECOMMENDATIONS LEGISLATIVE 02-03
REGULAR SALARIES	636,381	654,731	654,731	671,745	314,524	986,269	689,202	362,310	1,051,512	711,029	729,507		
NUMBER OF POSITIONS	16	16	16	16	8	24	16	11	27	17	17		
EXTRA HELP	0	0	0	0	8,000	8,000	0	8,000	8,000	0	0		
NUMBER OF POSITIONS	0	0	0	0	1	1	0	1	1	0	0		
PERSONAL SERV MATCHING	162,294	173,700	167,598	166,393	80,027	246,420	169,485	97,386	266,871	176,314	179,589		
SUPPLEMENTAL EMERG SALARIES	29,593	30,772	0	0	0	0	0	0	0	0	0		
OPERATING EXPENSES	296,069	297,106	322,962	297,106	157,005	454,111	297,106	142,587	439,693	339,198	342,298		
CONF FEES & TRAVEL	17,739	17,748	17,748	17,748	9,800	27,548	17,748	7,500	25,248	17,748	18,948		
PROF FEES & SERVICES	11,076	10,482	21,500	10,482	9,000	19,482	10,482	9,000	19,482	17,482	17,482		
CAPITAL OUTLAY	14,816	15,000	15,000	0	27,060	27,060	0	12,750	12,750	3,500	8,500		
DATA PROCESSING	42,789	45,000	45,000	45,000	3,500	48,500	45,000	3,500	48,500	48,500	48,500		
REFUNDS/REIMBURSEMENTS	0	1,000	1,000	1,000	0	1,000	1,000	0	1,000	1,000	1,000		
TOTAL	1,210,757	1,245,539	1,245,539	1,209,474	608,916	1,818,390	1,230,023	643,033	1,873,056	1,314,771	1,345,824		
PROPOSED FUNDING SOURCES			**********										
FUND BALANCES	1,599,934	1,346,993	**********	1,522,375		1,522,375	1,154,906		1,154,906	1,522,375	1,658,525		
GENERAL REVENUES			**********										
SPECIAL REVENUES	957,816	1,420,921	**********	842,005	608,916	1,450,921	837,888	643,033	1,480,921	1,450,921	1,480,921		
FEDERAL FUNDS			**********										
STATE CENTRAL SERVICES FUND			**********										
NON-REVENUE RECEIPTS			**********										
CASH FUNDS			**********										
OTHER			**********										
TOTAL FUNDING	2,557,750	2,767,914	**********	2,364,380	608,916	2,973,296	1,992,794	643,033	2,635,827	2,973,296	3,139,446		
EXCESS APPRO/ (FUNDING)	(1,346,993)	(1,522,375)	**********	(1,154,906)		(1,154,906)	(762,771)		(762,771)	(1,658,525)	(1,793,622)		
TOTAL	1,210,757	1,245,539	**********	1,209,474	608,916	1,818,390	1,230,023	643,033	1,873,056	1,314,771	1,345,824		

DEPT 008 BOARDS AND COMMISSIONS - MEDICALLY RELATED

AGY 277 ARKANSAS STATE BOARD OF NURSING

APPRO 286 STATE BOARD OF NURSING

Appropriation was established through the authority of the Supplemental Emergency Provisions

FUND SBN ARK STATE BD OF NURSING-(277)

APPROPRIATION SUMMARY

BR 215

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
					EXPENDITURES		2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
							FY 2001 - 02			FY 2002 - 03					EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	DES	ACTUAL 99-00	BUDGETED 00-01	REQUEST			REQUEST					2001-02	2002-03	2001-02	2002-03
000		SBN	277 286	B	1,210,757 16	1,245,539 16	1,209,474 16			1,230,023 16					1,218,547 16	1,239,334 16		
001		SBN	277 286 100 STATE BOARD OF NURSING	C01			72,132 1			76,598 1					72,132 1	76,598 1		

The Nursing Board has had to expend close to 100% of its current budget in all characters. This request will allow for additional ongoing expenses of the Board such as increased rent for non-state owned office space, mileage for Board members and increased lab fees associated with disciplinary cases.

Additionally, this request includes the transfer from a supplemental emergency position approved in 1999 to a permanent position for the Nursing Board Secretary. This request is based on a new federal requirement to report disciplinary actions.

002		SBN	277 286 100 STATE BOARD OF NURSING	C10			21,146 0			21,817 0								

As an unclassified agency, our employees do not receive step, grade or career ladder incentive pay increases. This request is for increases for the computer services specialists position, nursing practice director and nursing administration assistant. The nursing shortage and skyrocketing information technology salaries affect salaries for these positions. In order to retain these staff, who is ultimately knowledgeable of our operations, an increase is necessary. Our computer services specialist is intimately knowledgeable with our database and licensing software and has become critical to our operation.

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
					------EXPENDITURES-------		----------2001 - 03 BIENNIUM REQUESTS----------								----------RECOMMENDATIONS----------			
				D			----------FY 2001 - 02----------					----------FY 2002 - 03----------						
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	E S	---ACTUAL--- 99-00	--BUDGETED-- 00-01	----------REQUEST------					----------REQUEST------			--------EXECUTIVE-------- 2001-02	2002-03	-------LEGISLATIVE------- 2001-02	2002-03
003		SBN	277 286 100 STATE BOARD OF NURSING	C08			82,417 0					58,499 0			24,892	29,892		

The Board has undergone major changes in technology, growing from three dumb terminals to a LAN and in house licensure database allowing tracking and provision of more data to consumers than ever before. Services to the public and staff have been automated, thereby increasing the agency's efficiency. In order to keep pace with technology, funds are required to lease computers and for training during the biennium. We also need an extra help position to help with seasonal fluctuations in our workload. Also, funds for network equipment and cabling will be necessary because of the network growth.

004		SBN	277 286 100 STATE BOARD OF NURSING	C02			133,377 2					133,826 2						

Act 1208 of 1999 mandated criminal background checks on nursing applicants. No appropriation was provided for with this mandate. This request will enable implementation of FBI checks. The Board will be seeking legislation to require continuing education requirements for renewal applicants. The Board is also seeking to begin certification of Sexual Assault Nurse Examiners, which will involve review of applications and portfolios of qualifications, establishing training program approval and implementing the certification process.

005		SBN	277 286 100 STATE BOARD OF NURSING	C03			167,899 3					167,895 3						

These requests will help establish a nursing workforce database to collect, analyze and report data regarding Arkansas nursing workforce needs. To appropriately address the nursing manpower crisis, accurate and timely data about our state's nursing workforce is imperative. This program will address the nursing manpower crisis currently existing. The request will also establish a nursing scholarship program to assist in alleviating the nursing shortage. This program will establish scholarships for nursing students in nursing programs throughout the State.

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

BR 264

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
					EXPENDITURES		2001 - 03 BIENNIUM REQUESTS								RECOMMENDATIONS			
							FY 2001 - 02			FY 2002 - 03					EXECUTIVE		LEGISLATIVE	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	DES	ACTUAL 99-00	BUDGETED 00-01	REQUEST			REQUEST					2001-02	2002-03	2001-02	2002-03
006		SBN	277 286 100 STATE BOARD OF NURSING	C04			131,945 5			184,398 5								

This request provides for implementation of an alternative to discipline program for impaired nurses. The intent of this program is to provide a voluntary alternative to traditional disciplinary action. This program is designed to protect the public through immediate intervention to ensure that the impaired nurse is removed from practice and receives treatment.