

KANSAS DENTAL BOARD

| | Actual FY 2014 | Agency Est. FY 2015 | Gov. Rec. FY 2015 | Agency Req. FY 2016 | Gov. Rec. FY 2016 | Agency Req. FY 2017 | Gov. Rec. FY 2017 |
|-------------------------|-------------------|------------------------|----------------------|------------------------|----------------------|------------------------|----------------------|
| Operating Expenditures: | | | | | | | |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Other Funds | 417,868 | 391,943 | 390,203 | 406,000 | 403,712 | 418,000 | 415,666 |
| TOTAL | \$ 417,868 | \$ 391,943 | \$ 390,203 | \$ 406,000 | \$ 403,712 | \$ 418,000 | \$ 415,666 |
| Capital Improvements: | | | | | | | |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Other Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| GRAND TOTAL | \$ 417,868 | \$ 391,943 | \$ 390,203 | \$ 406,000 | \$ 403,712 | \$ 418,000 | \$ 415,666 |

Percentage Change:

Operating Expenditures

| | | | | | | | |
|--------------------|------------|------------|------------|------------|------------|------------|------------|
| State General Fund | -- % | -- % | -- % | -- % | -- % | -- % | -- % |
| All Funds | 5.4 | (6.2) | (6.6) | 3.6 | 3.5 | 3.0 | 3.0 |
| FTE Positions | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Non-FTE | | | | | | | |
| Perm.Uncl.Pos. | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | 3.0 |

AGENCY OVERVIEW

The Kansas Dental Board was established in 1943 to enforce the Dental Practices Act, KSA 65-1420 to 65-1469. The Dental Board licenses qualified candidates desiring to practice dentistry or dental hygiene in the state of Kansas. The Board administers examinations and issues credentials to applicants according to licensure regulations. The Board also issues sedation permits to dentists and extended care permits to hygienists.

The Board conducts inspections of licensees to ensure compliance with sanitary and other regulations. Complaints of incompetence, negligence, illegal practice, and other violations of the Dental Practices Act are investigated by the Board. When warranted, administrative hearings are held and the Board is empowered to suspend, restrict, or revoke the license of the practitioner.

In 1998, the Board was expanded from five to nine members, including six dentists, two dental hygienists, and one

MAJOR ISSUES FROM PRIOR YEARS

The **2005 Legislature** set new statutory maximum limits on fees collected by the Dental Board in SB 91. The bill increases the statutory caps on fees collected by the Board in conjunction with licensing and regulating dentists and dental hygienists. SB 91 also added the authority to collect three new fees.

The **2008 Legislature** passed HB 2072, which made two changes to the Dental Practices Act. First, it allows dental hygienists who are licensed in other states to provide clinical education at meetings of the Kansas State Dental Association or other dental organizations approved by the Dental Board. Second, it requires out-of-state applicants who seek licensure

member from the general public. Board members are appointed for four-year terms by the Governor, and of the six licensed dentist Board members, one is to be appointed from each congressional district and two from the state at-large.

Starting in 2006, the Board began staggering the renewal of all licenses based on license numbers. Odd numbered licenses renew in odd years, and even numbered licenses renew in even years. Prior to 2006, dentists and hygienists renewed in alternating years. Previously, the Board collected more revenue in years when the dental licenses renewed because renewal fees for dentists are higher. The change has allowed the agency to operate with a more consistent revenue stream.

As of September 2014, the agency reported there are 2,148 licensed dentists and 2,768 licensed dental hygienists in Kansas.

by credentials to meet the 24-month continuing education requirement applicable to Kansas licensees.

The **2008 Legislature** also passed HB 2781, which amended KSA 65-1435 to allow dentists to own two satellite offices in addition to their primary location, as long as those offices meet the following criteria: the satellite offices are within a 125-mile radius of the primary office, and the satellite offices are located in counties with populations of less than 10,000.

The **2011 Legislature** passed HB 2181, the Omnibus Health Bill, which allowed the franchise practice of dentistry in Kansas and revised portions of the Dental Practices Act pertaining to definitions and oversight functions of the Kansas Dental Board. Under prior law, licensed dentists were prohibited from entering into arrangements with unlicensed proprietors and specifically prohibited from the franchise practice of dentistry.

The **2012 Legislature** passed HB 2631, which made several changes and additions to the Dental Practices Act for the purpose of expanding dental service in the state, including targeting children who are dentally underserved by creating an additional extended care permit (ECP) level of service for dental hygienists via creation of a new permit level (ECP III); encouraging additional capacity for Kansas residents in dental schools; establishing a volunteer license for retired dentists who

choose to donate their services in certain settings; expanding the locations where such special volunteer license dentists and dental hygienists may provide free services and be exempt from liability under the Kansas Tort Claims Act; extending the length of time dentists may be employed to provide services to patients after the death or substantial disability of a dentist until the practice can be sold or closed; and directing the ECP III dental hygienist to notify the patient or the patient's legal guardian when the need for treatment by a dentist is indicated.

The **2014 Legislature** passed HB 2611, which amended KSA 65-1435 to reduce the amount of time a dentist must actively work in a dental office that they own or advertises under their name to 20 percent of the time patients are being treated in that office. Under prior law a dentist had to be present a majority of the time patient's were being treated.

BUDGET SUMMARY AND KEY POINTS

FY 2015 Agency Estimate

The **agency** requests a revised estimate of \$391,943, all from special revenue funds. This is the same as the amount approved by the 2014 Legislature. The agency also requests a

revised estimate of 3.0 FTE positions, the same as the approved number.

FY 2015 Governor Recommendation

The **Governor** recommends a budget of \$390,203, all from special revenue funds, in FY 2015. This is a decrease of \$1,740, or 0.4 percent, below the approved amount. This

decrease is due to the KPERS employer contribution rate reduction in the Governor's December allotment plan.

FY 2016 Agency Request

The **agency** requests a budget of \$406,000, all from special revenue funds. This request is an increase of \$14,057, or 3.6 percent, above the FY 2015 revised estimate. This increase is

primarily attributable to increased expenditures for contractual services. The request includes 3.0 FTE positions, the same as the FY 2015 revised estimate.

FY 2016 Governor Recommendation

The **Governor** recommends a budget of \$403,712, all from special revenue funds, for FY 2016. This is a decrease of \$2,288, or 0.6 percent, below the agency's request. This decrease is attributable to the recommended reduction in employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$47,468 for FY 2016.

FY 2017 Agency Request

The **agency** requests a budget of \$418,000, all from special revenue funds. This request is an increase of \$12,000, or 3.0 percent, above the agency's FY 2016 request. This increase is

attributable to increased expenditures for contractual services and salaries and wages. The request includes 3.0 FTE positions the same number as the agency's FY 2016 request.

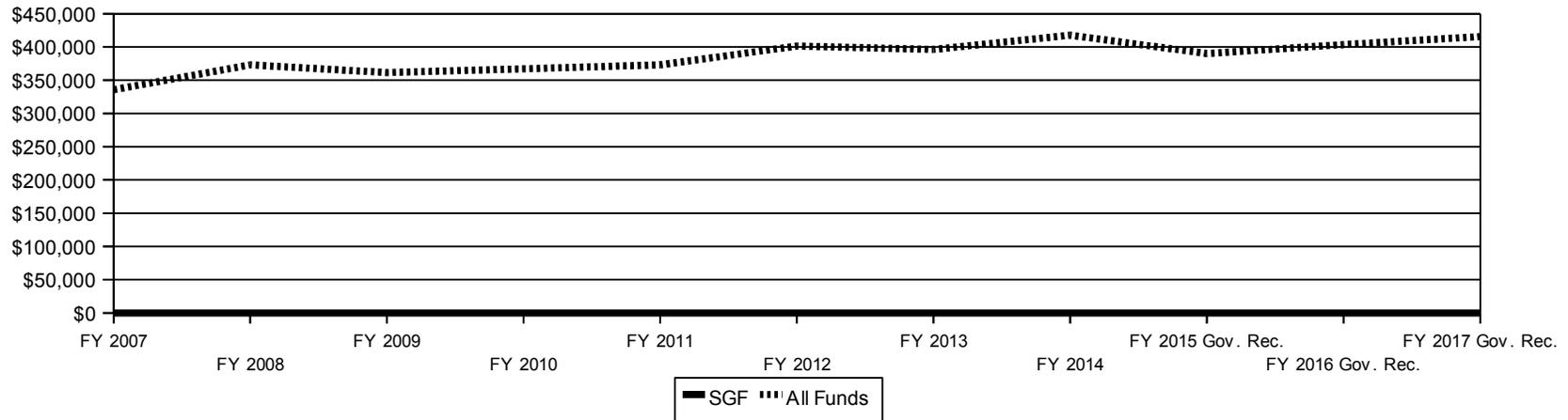
FY 2017 Governor Recommendation

The **Governor** recommends a budget of \$415,666, all from special revenue funds, for FY 2017. This is a decrease of \$2,334, or 0.6 percent, below the agency's request. This decrease is attributable to the recommended reduction in employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$47,118 for FY 2017.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2007 – FY 2017



| Fiscal Year | SGF | % Change | All Funds | % Change | FTE |
|--------------------|------|----------|------------|----------|-----|
| 2007 | \$ 0 | -- % | \$ 335,809 | 7.9 % | 3.0 |
| 2008 | 0 | -- | 373,186 | 11.1 | 3.0 |
| 2009 | 0 | -- | 361,640 | (3.1) | 3.0 |
| 2010 | 0 | -- | 367,285 | 1.6 | 3.0 |
| 2011 | 0 | -- | 373,237 | 1.6 | 3.0 |
| 2012 | 0 | -- | 401,457 | 7.6 | 3.0 |
| 2013 | 0 | -- | 396,337 | (1.3) | 3.0 |
| 2014 | 0 | -- | 417,868 | 5.4 | 3.0 |
| 2015 Gov. Rec. | 0 | -- | 390,203 | (6.6) | 3.0 |
| 2016 Gov. Rec. | 0 | -- | 403,712 | 3.5 | 3.0 |
| 2017 Gov. Rec. | 0 | -- | 415,666 | 3.0 | 3.0 |
| Eleven-Year Change | \$ 0 | -- % | \$ 79,857 | 23.8 % | 0.0 |

Summary of Operating Budget FY 2014 - FY 2016

| | Actual 2014 | Agency Estimate | | | | Governor's Recommendation | | | |
|--|-------------------|---------------------|--------------------|--------------------------------|---------------------------------|---------------------------|-------------------|--------------------------------|---------------------------------|
| | | Estimate FY 2015 | Request FY 2016 | Dollar Change from FY 15 | Percent Change from FY 15 | Rec. FY 2015 | Rec. FY 2016 | Dollar Change from FY 15 | Percent Change from FY 15 |
| By Program: | | | | | | | | | |
| Administration | \$ 417,868 | \$ 391,943 | \$ 406,000 | \$ 14,057 | 3.6 % | \$ 390,203 | \$ 403,712 | \$ 13,509 | 3.5 % |
| By Major Object of Expenditure: | | | | | | | | | |
| Salaries and Wages | \$ 182,211 | \$ 186,910 | \$ 186,227 | \$ (683) | (0.4) % | \$ 185,170 | \$ 183,939 | \$ (1,231) | (0.7) % |
| Contractual Services | 217,298 | 202,268 | 216,484 | 14,216 | 7.0 | 202,268 | 216,484 | 14,216 | 7.0 |
| Commodities | 8,778 | 2,765 | 3,289 | 524 | 19.0 | 2,765 | 3,289 | 524 | 19.0 |
| Capital Outlay | 7,690 | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Debt Service | 0 | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Subtotal - Operations | \$ 415,977 | \$ 391,943 | \$ 406,000 | \$ 14,057 | 3.6 % | \$ 390,203 | \$ 403,712 | \$ 13,509 | 3.5 % |
| Aid to Local Units | 0 | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Other Assistance | 1,891 | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| TOTAL | \$ 417,868 | \$ 391,943 | \$ 406,000 | \$ 14,057 | 3.6 % | \$ 390,203 | \$ 403,712 | \$ 13,509 | 3.5 % |
| Financing: | | | | | | | | | |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | -- % | \$ 0 | \$ 0 | \$ 0 | -- % |
| All Other Funds | 417,868 | 391,943 | 406,000 | 14,057 | 3.6 | 390,203 | 403,712 | 13,509 | 3.5 |
| TOTAL | \$ 417,868 | \$ 391,943 | \$ 406,000 | \$ 14,057 | 3.6 % | \$ 390,203 | \$ 403,712 | \$ 13,509 | 3.5 % |

Summary of Operating Budget FY 2016 - FY 2017

| | Agency Estimate | | | | Governor's Recommendation | | | |
|--|--------------------|--------------------|--------------------------------|---------------------------------|---------------------------|-----------------|--------------------------------|---------------------------------|
| | Request FY 2016 | Request FY 2017 | Dollar Change from FY 16 | Percent Change from FY 16 | Rec. FY 2016 | Rec. FY 2017 | Dollar Change from FY 16 | Percent Change from FY 16 |
| By Program: | | | | | | | | |
| Administration | \$ 406,000 | \$ 418,000 | \$ 12,000 | 3.0 % | \$ 403,712 | \$ 415,666 | \$ 11,954 | 3.0 % |
| By Major Object of Expenditure: | | | | | | | | |
| Salaries and Wages | \$ 186,227 | \$ 194,427 | \$ 8,200 | 4.4 % | \$ 183,939 | \$ 192,093 | \$ 8,154 | 4.4 % |
| Contractual Services | 216,484 | 220,028 | 3,544 | 1.6 | 216,484 | 220,028 | 3,544 | 1.6 |
| Commodities | 3,289 | 3,545 | 256 | 7.8 | 3,289 | 3,545 | 256 | 7.8 |
| Capital Outlay | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Debt Service | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Subtotal - Operations | \$ 406,000 | \$ 418,000 | \$ 12,000 | 3.0 % | \$ 403,712 | \$ 415,666 | \$ 11,954 | 3.0 % |
| Aid to Local Units | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Other Assistance | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| TOTAL | \$ 406,000 | \$ 418,000 | \$ 12,000 | 3.0 % | \$ 403,712 | \$ 415,666 | \$ 11,954 | 3.0 % |
| Financing: | | | | | | | | |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | -- % | \$ 0 | \$ 0 | \$ 0 | -- % |
| All Other Funds | 406,000 | 418,000 | 12,000 | 3.0 | 403,712 | 415,666 | 11,954 | 3.0 |
| TOTAL | \$ 406,000 | \$ 418,000 | \$ 12,000 | 3.0 % | \$ 403,712 | \$ 415,666 | \$ 11,954 | 3.0 % |

BUDGET OVERVIEW

A. FY 2015 – Current Year

Adjustments to Approved Budget

| | CHANGE FROM APPROVED BUDGET | | | | |
|--------------------|------------------------------------|-------------------------------|-----------------------------------|-----------------------------|-------------------------------------|
| | Legislative Approved FY 2015 | Agency Estimate FY 2015 | Agency Change from Approved | Governor Rec. FY 2015 | Governor Change from Approved |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| All Other Funds | 391,943 | 391,943 | 0 | 390,203 | (1,740) |
| TOTAL | <u>\$ 391,943</u> | <u>\$ 391,943</u> | <u>\$ 0</u> | <u>\$ 390,203</u> | <u>\$ (1,740)</u> |
| FTE Positions | 3.0 | 3.0 | 0.0 | 3.0 | 0.0 |

The **agency** requests a revised estimate in FY 2015 of \$391,943, all from special revenue funds. This is the same amount approved by the 2014 Legislature.

primarily for a dentist sanitation inspector and complaint investigator, a contract attorney, and office rent.

This request includes the following items.

- **Salaries and Wages.** The revised estimate includes \$186,910 for salaries and wages to fund 3.0 FTE positions.
- **Contractual Services.** The revised estimate includes \$202,268 for contractual services,

- **Commodities.** The estimate includes \$2,765 for office supplies and equipment.

The **Governor** recommends a budget of \$390,203, all from special revenue funds, in FY 2015. This is a decrease of \$1,740, or 0.4 percent, below the approved amount. This increase is due to the KPERS employer contribution rate reduction in the Governor’s December allotment plan.

B. FY 2016 – Budget Year

| FY 2016 OPERATING BUDGET SUMMARY | | | |
|---|-------------------|------------------------------|------------|
| | Agency Request | Governor's Recommendation | Difference |
| Total Request/Recommendation | \$ 406,000 | \$ 403,712 | \$ (2,288) |
| FTE Positions | 3.0 | 3.0 | 0.0 |
| Change from FY 2015: | | | |
| <i>Dollar Change:</i> | | | |
| State General Fund | \$ 0 | \$ 0 | |
| All Other Funds | 14,057 | 13,509 | |
| TOTAL | <u>\$ 14,057</u> | <u>\$ 13,509</u> | |
| <i>Percent Change:</i> | | | |
| State General Fund | -- % | -- % | |
| All Other Funds | 3.6 | 3.5 | |
| TOTAL | <u>3.6 %</u> | <u>3.5 %</u> | |
| Change in FTE Positions | 0.0 | 0.0 | |

The **agency** requests a budget of \$406,000 all special revenue funds, for FY 2016. This is an increase of \$14,057, or 3.6 percent, above the FY 2015 revised estimate.

the FY 2015 revised estimate and allows for the maintenance of existing staff. The request includes 3.0 FTE positions, the same number as the FY 2015 revised estimate.

- **Salaries and Wages.** The agency requests \$186,227 for salaries and wages for FY 2016. This is a decrease of \$683, or 0.4 percent, below

- **Contractual Services.** The agency requests \$216,484 for contractual services for FY 2016.

This is an increase of \$14,216, or 7.0 percent, above the FY 2015 revised estimate. The increase is primarily attributable to a relocation expenses and increased rent for the agency's new office space and information technology upgrades through Office of Information Technology Services (OITS).

- **Commodities.** The agency requests \$3,289 for commodities for FY 2016. This is an increase of \$524, or 19.0 percent, above the FY 2015 revised estimate. This total is attributable to increased expenditures for stationary and office supplies.

The **Governor** recommends a budget of \$403,712, all from special revenue funds, for FY 2016. This is a decrease of \$2,288, or 0.6 percent, below the agency's request. This decrease is attributable to Governor's recommended reduction in employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$47,468 for FY 2016.

C. FY 2017 – Budget Year

| FY 2017 OPERATING BUDGET SUMMARY | | | |
|---|-------------------|------------------------------|------------|
| | Agency Request | Governor's Recommendation | Difference |
| Total Request/Recommendation | \$ 418,000 | \$ 415,666 | \$ (2,334) |
| FTE Positions | 3.0 | 3.0 | 0.0 |
| Change from FY 2016: | | | |
| <i>Dollar Change:</i> | | | |
| State General Fund | \$ 0 | \$ 0 | |
| All Other Funds | 12,000 | 11,954 | |
| TOTAL | <u>\$ 12,000</u> | <u>\$ 11,954</u> | |
| <i>Percent Change:</i> | | | |
| State General Fund | -- % | -- % | |
| All Other Funds | 3.0 | 3.0 | |
| TOTAL | <u>3.0 %</u> | <u>3.0 %</u> | |
| Change in FTE Positions | 0.0 | 0.0 | |

The **agency** requests a budget of \$418,000 all from special revenue funds, for FY 2017. This is an increase of \$12,000, or 3.0 percent, above the agency's FY 2016 budget request.

- **Salaries and Wages.** The agency requests \$194,427 for salaries and wages for FY 2017. This is an increase of \$8,200, or 4.4 percent, above the agency's FY 2016 request. The

increase is attributable to increased KPERS employer contribution rates, insurance costs, and the 27th pay period in FY 2017. The request includes 3.0 FTE positions, the same number as the FY 2016 request.

- **Contractual Services.** The agency requests \$220,028 for contractual services for FY 2017.

This is an increase of \$3,544, or 1.6 percent, above the agency's FY 2016 request. The increase is primarily attributable to increasing rent and OITS charges.

- **Commodities.** The agency requests \$3,545 for commodities for FY 2017. This is an increase of \$256, or 7.8 percent, above the agency's FY 2016 budget request. This total is attributable to increased expenditures for stationary and office supplies.

The **Governor** recommends a budget of \$415,666, all from special revenue funds, for FY 2017. This is a decrease of \$2,334, or 0.6 percent, below the agency's request. This decrease is attributable to Governor's recommended reduction in employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$47,118 for FY 2017.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The 2014 Legislature approved funding of \$11.3 million, including \$4.5 million from the State General Fund, in FY 2015 for a \$250 bonus for all full-time employees except elected officials who were employed on December 6, 2013, and which was paid December 6, 2014. **For this agency, the FY 2015 bonus totals \$906, all from special revenue funds, and affects 3 employees.**

Longevity Bonus Payments. For FY 2016 and FY 2017, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400), and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008 are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2016 payments is \$7.2 million, including \$2.8 million from the State General Fund. For FY 2017, the estimated cost for the payments is \$7.7 million, including \$3.0 million from the State General Fund. **For this agency, FY 2016 longevity payments total \$440, all from special revenue funds, and FY 2017 longevity payments total \$480, all from special revenue funds.**

Group Health Insurance. The Governor recommends Group Health and Hospitalization employer contributions of \$282.8 million, including \$108.2 million from the State General Fund, for FY 2016 and \$289.2 million, including \$110.7 million from the State General Fund, for FY 2017. For FY 2016 and FY 2017, the Governor recommends reducing the employer contributions for group health insurance by 8.5 percent. **For this agency this is a reduction of \$2,288, all from special revenue funds, for FY 2016. This is a reduction of \$2,334, all from special revenue funds, for FY 2017.**

Kansas Public Employees Retirement System (KPERs) Rate Adjustments. The FY 2015 employer retirement contribution for KPERs regular and school members was scheduled to be 11.27 percent, an increase of 1.0 percent from 10.27 in FY 2014. The Governor reduced the employer contribution rate from 11.27 percent to 8.65 percent for the second half of FY 2015, for an effective contribution rate of 9.96 percent as part of the Governor's allotment plan. For FY 2016, the Governor recommends the retirement rate increase by 2.41 percent from 9.96 percent to 12.37 percent. For FY 2017, the Governor recommends the retirement rate increase by 1.2 percent from 12.37 percent to 13.57 percent. This increase is attributable to the annual statutory increase for financing the unfunded liability of the KPERs fund.

In addition, the employer contribution for the KPERs death and disability insurance rate will be increased to 1.0 percent, from 0.85 percent, for FY 2016 and for FY 2017.

The Governor further proposes offering \$1.5 billion in Pension Obligation Bonds, backed by the State General Fund, to be paid back over 30 years and extending the amortization on the current bonds by ten years to 2043. The proceeds of the bonds would be used to help reduce the future employer contribution rates of the State/School Group. The Kansas Public Employee Retirement System estimates this plan could reduce employer contributions by \$68.43 million in FY 2016 and \$132.85 in FY 2017. The Kansas Development Finance Authority estimates that the bond service would be \$90.3 million in FY 2016 through FY 2017, assuming the Kansas credit ratings are not downgraded.

Funding Sources

| Funding Source | Agency Req. Percent of Total FY 2016 | Gov. Rec. Percent of Total FY 2016 | Agency Req. Percent of Total FY 2017 | Gov. Rec. Percent of Total FY 2017 |
|-----------------------|--|--|--|--|
| Dental Board Fee Fund | 100.0 % | 100.0 % | 100.0 % | 100.0 % |

Dental Board Fee Fund Analysis

The Dental Board receives most of its revenue from biennial registration fees. The 1995 Legislature passed legislation changing the Board's practice of annual licensing to biennial licensing. This change reduced the Board's mailing expenses and related costs. Starting in FY 2015, the biennial fee for dentists was reduced from \$300 to \$275, with a statutory maximum of \$325. The biennial fee for dental hygienists was reduced from \$150 to \$125, with a statutory maximum of \$160. These new biennial fees will be effective for FY 2015 and FY 2016 renewals and will be reassessed by the agency after FY 2016.

The agency also collects receipts from credential verifications, certification fees, corporation fees, license verifications, penalties, directories of dental personnel, and application fees for examinations. The Board created a *pro rata* fee that helped with the collection of biennial fees listed above. The schedule breaks the fee a licensee pays into 24-month blocks. The agency's statutory fee limits were increased by the 2005 Legislature.

Prior to 2006, dental and hygienist licenses were renewed in alternating years. Since the fee for dental licenses is greater

than that of hygienist licenses, the Dental Board was collecting more revenue in years when the dental licenses renewed and less in the years when the hygienist licenses renewed. Starting in 2006, the Board began staggering the renewal of all licenses based on license numbers. Odd numbered licenses renew in odd years, and even numbered licenses renew in even years.

As a fee funded agency, the Dental Board currently contributes the lesser of 10 percent or \$100,000 of fee revenue to the State General Fund for the cost of support services provided by other state agencies under KSA 75-3170a. The Governor's 2015 budget includes a recommendation to increase this contribution rate to the lesser of 20 percent or \$200,000 of fee revenue beginning in FY 2016. That change would affect this agency's reported revenue and fund balance beginning in FY 2016.

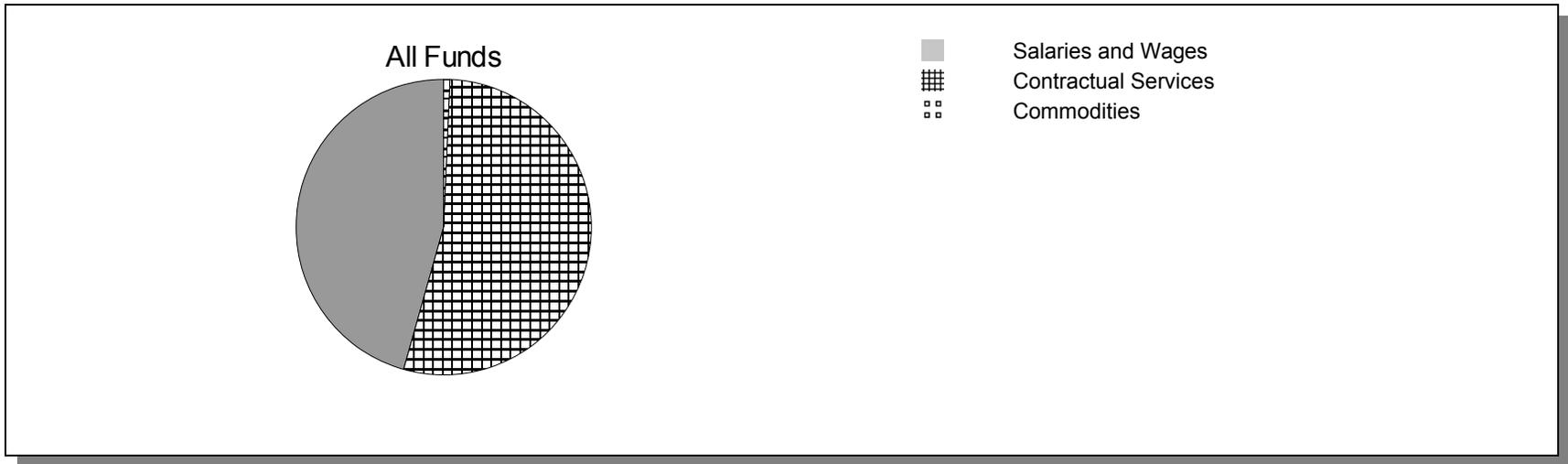
The table below summarizes estimated receipts and fund balances based upon the agency estimate and the Governor's recommendation, including the proposed change in State General Fund contribution.

| <u>Resource Estimate</u> | <u>Actual FY 2014</u> | <u>Agency Estimate FY 2015</u> | <u>Governor Rec. FY 2015</u> | <u>Agency Request FY 2016</u> | <u>Gov. Rec. FY 2016</u> | <u>Agency Request FY 2017</u> | <u>Gov. Rec. FY 2017</u> |
|--|--------------------------------|--|--------------------------------------|---------------------------------------|--------------------------------|---------------------------------------|--------------------------------|
| Beginning Balance | \$ 383,493 | \$ 457,241 | \$ 457,241 | \$ 477,845 | \$ 479,650 | \$ 449,557 | \$ 406,182 |
| Revenue | 503,508 | 462,547 | 462,612 | 427,712 | 380,244 | 424,562 | 377,444 |
| Transfers in | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Funds Available | \$ 887,001 | \$ 919,788 | \$ 919,853 | \$ 905,557 | \$ 859,894 | \$ 874,119 | \$ 783,626 |
| Less: Expenditures | 379,760 | 391,943 | 390,203 | 406,000 | 403,712 | 418,000 | 415,666 |
| Transfers Out | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Off Budget Expenditures | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Ending Balance | <u>\$ 457,241</u> | <u>\$ 477,845</u> | <u>\$ 479,650</u> | <u>\$ 449,557</u> | <u>\$ 406,182</u> | <u>\$ 406,119</u> | <u>\$ 317,960</u> |
| Ending Balance as Percent of Expenditures | 120.4% | 121.9% | 122.9% | 110.7% | 100.6% | 97.2% | 76.5% |
| Month Highest Ending Balance | <u>December</u> \$ 576,811 | <u>December</u> \$ 609,479 | <u>December</u> \$ 615,936 | <u>December</u> \$ 600,522 | <u>December</u> \$ 547,741 | <u>December</u> \$ 563,651 | <u>December</u> \$ 446,552 |
| Month Lowest Ending Balance | <u>September</u> \$ 297,743 | <u>September</u> \$ 374,966 | <u>September</u> \$ 378,939 | <u>September</u> \$ 386,390 | <u>September</u> \$ 352,430 | <u>September</u> \$ 354,936 | <u>September</u> \$ 281,198 |

| DENTAL BOARD FEES FY 2015 | | |
|---|----------------|-----------------|
| Fee | Current Fee | Statutory Limit |
| Examination fee for dental applicants | \$ 200 | \$ 200 |
| Subsequent examination fee for dental applicants | -- | 100 |
| Examination fee for specialty qualifications | 200 | 200 |
| Credentials/qualifications fee | 300 | 300 |
| Duplicate certificate fee | 0 | 25 |
| Certificate fee, including certificate for credentials/qualifications, for dentists and dental hygienists | 0 | 25 |
| Biennial license renewal fee for dentists | 275 | 325 |
| Examination fee for dental hygienist applicants | 100 | 100 |
| Subsequent examination fee for dental hygienist applicants | -- | 100 |
| Biennial license renewal fee for dental hygienists | 125 | 160 |
| Reinstatement of a revoked license | 200 | 2,000 |
| Processing fee for failure to notify of change of address | 50 | 100 |
| Registration fee to operate a mobile dental facility or portable dental operation | 500 | 500 |
| Sedation permit fee | 100 | 200 |

PROGRAM DETAIL

EXPENDITURES BY OBJECT-- GOVERNOR'S FY 2016 RECOMMENDATION



| Object of Expenditure | Gov. Rec. All Funds FY 2016 | Percent of Total |
|-----------------------|-----------------------------------|---------------------|
| Salaries and Wages | \$ 183,939 | 45.6 % |
| Contractual Services | 216,484 | 53.6 |
| Commodities | 3,289 | 0.8 |
| TOTAL | \$ 403,712 | 100.0 % |

FTE POSITIONS BY PROGRAM FY 2014 – FY 2017

| <u>Program</u> | <u>Actual FY 2014</u> | <u>Agency Est. FY 2015</u> | <u>Gov. Rec. FY 2015</u> | <u>Agency Req. FY 2016</u> | <u>Gov. Rec. FY 2016</u> | <u>Agency Req. FY 2017</u> | <u>Gov. Rec. FY 2017</u> |
|----------------|---------------------------|--------------------------------|------------------------------|--------------------------------|------------------------------|--------------------------------|------------------------------|
| Administration | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |

PERFORMANCE MEASURES

| <u>Measure</u> | <u>Gov. Rec. for FY 2014</u> | <u>Actual FY 2014</u> | <u>Gov. Rec. FY 2015</u> | <u>Gov. Rec. FY 2016</u> | <u>Gov. Rec. FY 2017</u> |
|-------------------------------------|----------------------------------|---------------------------|------------------------------|------------------------------|------------------------------|
| Number of complaints received | 180 | 144 | 150 | 150 | 150 |
| Number of disciplinary actions | 10 | 26 | 10 | 10 | 10 |
| Number of dental office inspections | 360 | 360 | 360 | 360 | 360 |