

# BOARD OF TECHNICAL PROFESSIONS

Expenditure	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Operating Expenditures:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	582,510	704,025	704,025	713,692	713,692
<b>TOTAL</b>	<b>\$ 582,510</b>	<b>\$ 704,025</b>	<b>\$ 704,025</b>	<b>\$ 713,692</b>	<b>\$ 713,692</b>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>GRAND TOTAL</b>	<b>\$ 582,510</b>	<b>\$ 704,025</b>	<b>\$ 704,025</b>	<b>\$ 713,692</b>	<b>\$ 713,692</b>

## Percentage Change:

Operating Expenditures					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	11.9	20.9	20.9	1.4	1.4
FTE Positions	2.0	2.0	2.0	2.0	2.0
Non-FTE Perm.Uncl.Pos.	3.0	3.0	3.0	3.0	3.0
<b>TOTAL</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

## AGENCY OVERVIEW

Established in 1976, the purpose of the Board of Technical Professions is to establish and maintain a high standard of integrity, skills, and practice in the technical professions and to safeguard the life, health, property, and welfare of the public. The Board exists to protect the interests of the people of Kansas by assuring that the practices of engineering, architecture, land surveying, landscape architecture, and geology are carried out only by those persons proven to be qualified as prescribed by statutes and the Board's rules and regulations.

The Board of Technical Professions is a 13-member board that consists of four engineers, one of which must also be licensed as a land surveyor, two licensed land surveyors, three licensed architects, one licensed landscape architect, one licensed geologist, and two public members. The members are appointed by the Governor to serve four-year terms, but may not serve more than three successive terms. For all appointments other than the public members, the member shall be chosen from a list submitted to the Governor by the respective professional society or association.

The Board currently licenses approximately 2,867 architects, 11,982 professional engineers, 721 professional surveyors, 361 landscape architects, and 653 professional geologists (for a total of over 16,300 individuals and over 2,500 business entities). The Board is authorized 5.0 FTE positions: one unclassified executive director, one unclassified assistant executive director, and three classified administrative specialist employees.

## MAJOR ISSUES FROM PRIOR YEARS

The **1976 Legislature** combined the Engineers Examiners Registration Board, the Architects Registration Board and the Landscape Architects Registration Board into the Board of Technical Professions.

The **1997 Legislature** required the licensing of geologists by the Board.

The **2001 Legislature** established a Special Litigation Reserve Fee Fund in addition to the Technical Professions Fee Fund. The Special Litigation Reserve Fee Fund was created to shield the agency's primary fee fund from exposure to extraordinary litigation costs.

The **2004 Legislature** authorized the transfer of remaining balances over \$200,000 from selected biennial budget agency fee funds to the State General Fund in FY 2005. The amount certified by the Director of the Budget on April 19, 2004 for the Board of Technical Professions was \$549,744. Also in 2004, the national organizations for boards began administering the examinations for professional engineers, land surveyors, and landscape architects. With that change, the examination fees are now paid directly to the organizations administering the examinations.

The **2009 Legislature** made revisions to the requirements for a Certificate of Authorization requiring all business entities to obtain a Certificate of Authorization and definitions were added regarding business entities. The Legislature transferred \$13,600, all from the Technical Professions Fee Fund, to the State General Fund in FY 2009. They transferred \$19,154, all from the Technical Professions Fee Fund, to the State General Fund in FY 2010.

The **2013 Legislature** maintained funding for salaries and wages at FY 2013 levels, after adjusting for both committee action and Kansas Public Employees Retirement System (KPERS) increases for FY 2014 and FY 2015. The reductions totaled \$363, all from the Technical Professions Fee Fund, for FY 2014, and all from the Technical Professions Fee Fund, for FY 2015.

The **2014 Legislature** added \$1,208, all from the Technical Professions Fee Fund, for FY 2015 for employee bonuses of \$250 for all full-time employees, except elected officials, who were employed on December 6, 2013.

## BUDGET SUMMARY AND KEY POINTS

**FY 2016 – Current Year.** The **agency** requests a revised FY 2016 budget totaling \$704,025, all from the Technical Professions Fee Fund, which is unchanged from the approved amount. The request includes 2.0 FTE positions, which is a reduction of 3.0 FTE positions below the approved amount. The FTE reduction is due to the agency converting three FTE positions from classified to non-FTE unclassified positions.

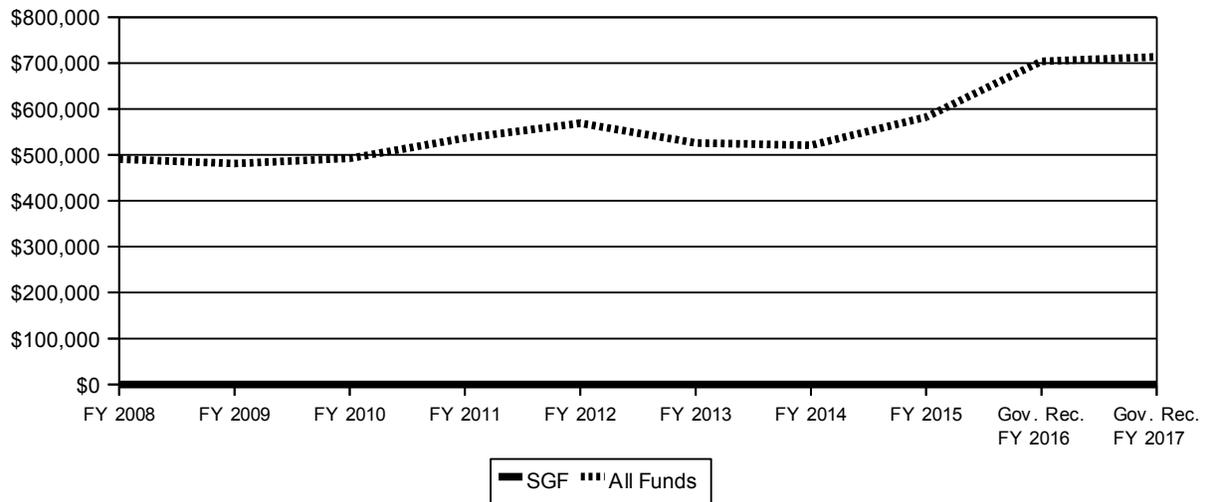
The **Governor** concurs with the agency's FY 2016 estimate.

**FY 2017 – Budget Year.** The **agency** requests a revised FY 2017 budget totaling \$713,692, all from the Technical Professions Fee Fund, which is unchanged from the approved amount. The request includes 2.0 FTE positions, which is a reduction of 3.0 FTE positions below the approved amount. The FTE reduction is due the agency converting 3.0 FTE positions from classified to non-FTE unclassified positions.

The **Governor** concurs with the agency's FY 2017 estimate.

# BUDGET TRENDS

## OPERATING EXPENDITURES FY 2008 – FY 2017



## OPERATING EXPENDITURES FY 2008 – FY 2017

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2008	\$ 0	-- %	\$ 490,717	(17.6)%	6.0
2009	0	--	481,305	(1.9)	5.0
2010	0	--	492,484	2.3	5.0
2011	0	--	536,666	9.0	5.0
2012	0	--	568,959	6.0	5.0
2013	0	--	526,138	(7.5)	5.0
2014	0	--	520,794	(1.0)	5.0
2015	0	--	582,510	11.9	2.0
2016 Gov. Rec.	0	--	704,025	20.9	2.0
2017 Gov. Rec.	0	--	713,692	1.4	2.0
Ten-Year Change Dollars/Percent	\$ 0	-- %	\$ 222,975	45.4 %	(4.0)

## Summary of Operating Budget FY 2015 - FY 2017

	Actual 2015	Agency Estimate				Governor's Recommendation			
		Estimate FY 2016	Estimate 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
<b>By Program:</b>									
Administration	\$ 582,510	\$ 704,025	\$ 713,692	\$ 9,667	1.4 %	\$ 704,025	\$ 713,692	\$ 9,667	1.4 %
<b>By Major Object of Expenditure:</b>									
Salaries and Wages	\$ 277,122	\$ 286,455	\$ 295,965	\$ 9,510	3.3 %	\$ 286,455	\$ 295,965	\$ 9,510	3.3 %
Contractual Services	295,597	403,270	403,427	157	0.0	403,270	403,427	157	0.0
Commodities	6,531	10,300	10,300	0	0.0	10,300	10,300	0	0.0
Capital Outlay	3,260	4,000	4,000	0	0.0	4,000	4,000	0	0.0
Debt Service	0	0	0	0	--	0	0	0	--
Subtotal - Operations	\$ 582,510	\$ 704,025	\$ 713,692	\$ 9,667	1.4 %	\$ 704,025	\$ 713,692	\$ 9,667	1.4 %
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	0	0	0	0	--	0	0	0	--
TOTAL	\$ 582,510	\$ 704,025	\$ 713,692	\$ 9,667	1.4 %	\$ 704,025	\$ 713,692	\$ 9,667	1.4 %
<b>Financing:</b>									
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	-- %	\$ 0	\$ 0	\$ 0	-- %
Technical Professions Fee Fund	582,510	704,025	713,692	9,667	1.4	704,025	713,692	9,667	1.4
TOTAL	\$ 582,510	\$ 704,025	\$ 713,692	\$ 9,667	1.4 %	\$ 704,025	\$ 713,692	\$ 9,667	1.4 %

# BUDGET OVERVIEW

## A. FY 2016 – Current Year

### Adjustments to Approved Budget

The 2015 Legislature approved a budget of \$634,025 for the Board of Technical Professions in FY 2016. One adjustment has subsequently been made to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$70,000, all from the Technical Professions Fee Fund, as a result of the State Finance Council on July 2, 2015, increasing the agency’s FY 2016 expenditure limitation by \$70,000 to fund expenditures associated with the Board of Healing Arts (BOHA) hosting the agency’s online licensing system. The agency originally planned to pay a software maintenance fee to the Office of Information Technology Services (OITS) to assist the agency in upgrading its licensing system. OITS subsequently stated it will not be providing this service.

This adjustment changes the FY 2016 approved budget to \$704,025. That amount is reflected in the table below as the currently approved FY 2016 budget.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2016	Agency Estimate FY 2016	Agency Change from Approved	Governor Rec. FY 2016	Governor Change from Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	704,025	704,025	0	704,025	0
<b>TOTAL</b>	<b>\$ 704,025</b>	<b>\$ 704,025</b>	<b>\$ 0</b>	<b>\$ 704,025</b>	<b>\$ 0</b>
FTE Positions	5.0	2.0	(3.0)	2.0	(3.0)

The **agency** requests a revised FY 2016 budget totaling \$704,025, all from the Technical Professions Fee Fund, which is unchanged from the approved amount. The request includes 2.0 FTE positions, which is a reduction of 3.0 FTE positions below the approved amount. The FTE reduction is due the agency converting three positions from classified to non-FTE unclassified positions. The estimate also includes a transfer of \$200,000, all from the Technical Professions Fee Fund, as part of the Governor’s July 30 Allotment. The transfer does not impact agency expenditures but is a reduction in its fee fund balance. Major categories of expenditures are detailed below.

- **Salaries and wages.** The agency requests \$286,455, which is an increase of \$8,465, or 3.0 percent, above the approved amount. The increase is primarily due to greater employer contributions for employee health insurance;

- **Contractual services.** The agency requests \$403,270, which is a reduction of \$10,965, or 2.6 percent, below the approved amount. The decrease is primarily due to reduced expenditures on information technology services provided by the OITS as a result of the agency entering into an agreement with BOHA to host its online licensing system;
- **Commodities.** The agency requests \$10,300, which is an increase of \$500, or 5.1 percent, above the approved amount. The increase is primarily due to greater purchases of office and data processing supplies; and
- **Capital Outlay.** The agency requests \$4,000, which is an increase of \$2,000, or 100.0 percent, above the approved amount. The increase is primarily due to digital equipment purchases to allow board members to participate in meetings virtually.

The **Governor** concurs with the agency's FY 2016 estimate.

## **Governor's Allotments**

The 2015 Legislature, through the enactment of Senate Sub. for HB 2135, authorized the Director of the Division of the Budget to lapse appropriations or transfer funding from special revenue funds to the State General Fund (SGF), up to a total of \$100.0 million, at any time during FY 2016, if the Director determines the unencumbered ending balance of the SGF for FY 2016 will be less than \$100.0 million. This authority does not apply to appropriations for the Judicial Branch, Legislative Branch agencies, debt service, employer contributions to the Kansas Public Employees Retirement System (KPERs), the Department of Education (except the agency's operating expenditures account), or demand transfers to the school district capital improvements fund. On July 30, 2015, the Director announced various SGF lapses and transfers totaling \$60.7 million of which \$17.7 million require legislative approval.

On November 6, 2015, the Consensus Revenue Estimating Group met to revise the SGF Revenue Estimate for FY 2016. The estimate was decreased by \$159.1 million, for FY 2016. Excluding Governor recommended legislative adjustments, the ending balance for FY 2016 was estimated to require \$135.9 million in adjustments to achieve a zero ending balance. This estimate assumes that human services caseloads are funded at the recommended level and school finance KPERs contributions are reduced to reflect current estimates. As a result, on November 6, 2015, the Director exercised his authority under Senate Sub. for HB 2135 to make an additional \$56.9 million in revenue adjustments. The Governor further made \$52.6 million in expenditure reductions under the Governor's allotment authority. Finally, the Governor recommended the Legislature make an additional \$14.3 million in revenue adjustments.

Between the July and November adjustments, the Governor has reduced expenditures by a total of \$73.2 million, made \$79.4 million in revenue adjustments, and recommended the Legislature enact an additional \$32.0 million through the allotment authority and authority under 2015 Senate Sub. for HB 2135 or the special allotment statute. These adjustments, including the recommended Legislative adjustments, would result in a State General Fund ending balance of approximately \$5.6 million in FY 2016. This estimate excludes monthly SGF receipts subsequent to the November 6, 2015, consensus revenue estimate and any further adjustments made within the FY 2016 Governor's Budget Recommendation. The impact of these adjustments on this agency is described below.

GOVERNOR'S ALLOTMENTS				
Allotment	SGF	All Funds	FTE	
July Special Allotment				
Unencumbered balance transfer	\$	0	\$	0
November Allotment				
<b>TOTAL</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>

**July Special Allotment** The Governor's July 30 special allotment included the transfer of \$200,000, all from the Technical Professions Fee Fund, in FY 2016. The transfer does not impact agency expenditures but is a reduction in its fee fund balance.

## B. FY 2017 – Budget Year

### Adjustments to Approved Budget

The 2015 Legislature approved a budget of \$643,692 for the Board of Technical Professions for FY 2017. One adjustment has subsequently been made to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$70,000, all from the Technical Professions Fee Fund, as a result of the State Finance Council on July 2, 2015, increasing the agency's FY 2017 expenditure limitation by \$70,000 to fund expenditures associated with BOHA hosting the agency's online licensing system.

This adjustment changes the FY 2017 approved budget to \$713,692. That amount is reflected in the table below as the currently approved FY 2017 budget.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2017	Agency Estimate FY 2017	Agency Change from Approved	Governor Rec. FY 2017	Governor Change from Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	713,692	713,692	0	713,692	0
<b>TOTAL</b>	<b>\$ 713,692</b>	<b>\$ 713,692</b>	<b>\$ 0</b>	<b>\$ 713,692</b>	<b>\$ 0</b>
FTE Positions	5.0	2.0	(3.0)	2.0	(3.0)

The **agency** requests a revised FY 2017 budget totaling \$713,692, all from the Technical Professions Fee Fund, which is unchanged from the approved amount. The request includes 2.0 FTE positions, which is a reduction of 3.0 FTE positions below the approved amount. The FTE reduction is due the agency converting three positions from classified to non-FTE unclassified positions. Major categories of expenditures are detailed below.

- **Salaries and wages.** The agency requests \$295,965, which is an increase of \$8,308, or 2.9 percent, above the approved amount. The increase is primarily due to greater employer contributions for employee health insurance;
- **Contractual services.** The agency requests \$403,427, which is a decrease of \$9,808, or 2.4 percent, below the approved amount. The decrease is primarily due to reduced expenditures on information technology services provided by OITS as a result of the agency entering into an agreement with BOHA to host its online licensing system;
- **Commodities.** The agency requests \$10,300, which is an increase of \$500, or 5.1 percent, above the approved amount. The increase is primarily due to greater purchases of office and data processing supplies; and
- **Capital Outlay.** The agency requests \$4,000, which is an increase of \$1,000, or 33.3 percent, above the approved amount. The increase is primarily due to computer equipment purchases.

The **Governor** concurs with the agency's FY 2017 request.

## Funding Sources

Funding Source	Agency Est. Percent of Total FY 2017	Gov. Rec. Percent of Total FY 2017
State General Fund	0.0 %	0.0 %
Technical Professions Fee Fund	100.0	100.0
<b>TOTAL</b>	<b>100.0 %</b>	<b>100.0 %</b>

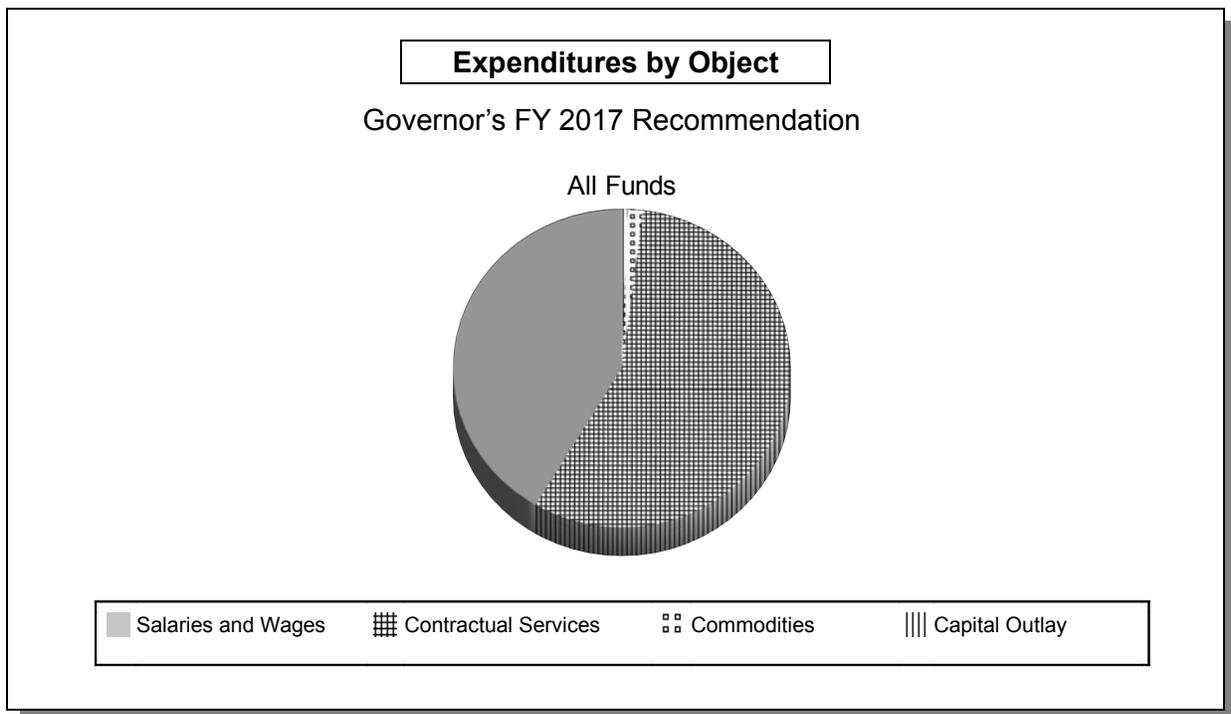
**Note:** Details may not add to totals due to rounding.

## Technical Professions Fee Fund Analysis

The Board of Technical Professions is a fee-funded agency. The agency receives its revenue from new and renewal license fees for individuals and businesses, as well as from license reinstatement and replacement fees and reciprocity license fees. The revenue received provides financing for all operations, with 90.0 percent being retained by the agency and 10.0 percent being deposited into the State General Fund. In FY 2016, the Governor exercised the authority granted to him by 2015 Senate Sub. for HB 2135 to transfer \$200,000 from the Technical Professions Fee Fund to the State General Fund.

Resource Estimate	Actual FY 2015	Agency Estimate FY 2016	Gov. Rec. FY 2016	Agency Estimate FY 2017	Gov. Rec. FY 2017
Beginning Balance	\$ 1,380,765	\$ 1,503,213	\$ 1,503,213	\$ 1,279,934	\$ 1,279,934
Revenue	704,958	680,746	680,746	619,258	619,258
Transfers in	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Funds Available	\$ 2,085,723	\$ 2,183,959	\$ 2,183,959	\$ 1,899,192	\$ 1,899,192
Less: Expenditures	582,510	704,025	704,025	713,692	713,692
Transfers Out	0	200,000	200,000	0	0
Off Budget Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$ 1,503,213</u>	<u>\$ 1,279,934</u>	<u>\$ 1,279,934</u>	<u>\$ 1,185,500</u>	<u>\$ 1,185,500</u>
Ending Balance as Percent of Expenditures	258.1%	181.8%	181.8%	166.1%	166.1%
Month Highest Ending Balance	June <u>\$ 1,503,213</u>	July <u>\$ 1,285,132</u>	July <u>\$ 1,285,132</u>	July <u>\$ 1,257,194</u>	July <u>\$ 1,257,194</u>
Month Lowest Ending Balance	October \$ 1,303,099	February \$ 1,141,881	February \$ 1,141,881	February \$ 1,086,132	February \$ 1,086,132

# OBJECT DETAIL



Object	Gov. Rec. All Funds FY 2017	Percent of Total	Gov. Rec. SGF FY 2017	Percent of Total
Salaries and Wages	\$ 295,965	41.5 %	\$ 0	-- %
Contractual Services	403,427	56.5	0	--
Commodities	10,300	1.4	0	--
Capital	4,000	0.6	0	--
<b>TOTAL</b>	<b>\$ 713,692</b>	<b>100.0 %</b>	<b>\$ 0</b>	<b>-- %</b>

**FTE POSITIONS BY PROGRAM FY 2015 – FY 2017**

Program	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Administration	2.0	2.0	2.0	2.0	2.0

<b>Board of Technical Professions Fees</b>		
	<b>Current Fee</b>	<b>Statutory Limit</b>
Individual License (original and renewal)	\$60	\$200
Individual License Reinstatement	100	200
Business Entity License (original)	170	300
Business Entity License (renewal)	85	300
Business License Reinstatement	100	200
License by Reciprocity	250	500
Replacement License	20	20

<b>PERFORMANCE MEASURES</b>				
<b>Measure</b>	<b>Gov. Rec. for FY 2015</b>	<b>Actual FY 2015</b>	<b>Gov. Rec. FY 2016</b>	<b>Gov. Rec. FY 2017</b>
Number of individual licenses	16,600	16,584	16,760	16,760
Number of corporate certificates	4,079	2,594	2,654	2,724
Number of days for a corporation to receive license status report	1.5	1.5	1.5	1.5
Percent of case files closed resulting in disciplinary action	30.0%	29.0%	30.0%	30.0%