



Board of Behavioral Sciences

# Memo

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**To:** Board Members

**Date:** October 26, 2022

**From:** Steve Sodergren  
Executive Officer

**Subject:** Budget Update November 2022

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### **Budget Fiscal Year 2022-23**

The Board's budget for fiscal year 2022-23 is \$13,192,000. Based on the information available to the Board, expenditures to date are \$1,766,875.

- |                              |           |         |
|------------------------------|-----------|---------|
| • Personal Services          | \$980,271 | (7.43%) |
| • Operating Expenses & Equip | \$783,440 | (5.94%) |
| • Enforcement                | \$2,454   | (.02%)  |
| • Exams                      | \$710     | (.01%)  |

### **Board Fund Condition**

The Board's Fund Condition for FY 2022-23 currently reflects a reserve of 12.1 months. (Attachment A)

### **Department of Consumer Affairs Pro Rata**

Business & Professions Code section 201 requires the Department of Consumer Affairs (Department) to submit a report of the accounting of its pro rata calculation of administrative expenses to the Legislature annually. The Department's report includes the following:

- The methodology used for allocating distributed costs (Attachment B)
- A summary of costs by each service area of the Department for each board and bureau. (Attachment C)

The total pro rata costs budgeted for the Board for FY 2022-23 are \$2,710,000.

**ATTACHMENT A**

**0773 - Behavioral Science Fund Analysis of Fund Condition**  
**(Dollars in Thousands)**  
**2022-23 Budget Act**

Prepared 10.6.2022

	<b>PY</b>	<b>CY</b>	<b>BY</b>	<b>BY +1</b>	<b>BY +2</b>
	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
<b>BEGINNING BALANCE</b>	\$ 5,536	\$ 10,389	\$ 14,732	\$ 18,746	\$ 22,407
Prior Year Adjustment					
Adjusted Beginning Balance	\$ 5,536	\$ 10,389	\$ 14,732	\$ 18,746	\$ 22,407
 <b>REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>					
Revenues					
4121200 - Delinquent fees	\$ 173	\$ 238	\$ 238	\$ 238	\$ 238
4127400 - Renewal fees	\$ 10,807	\$ 11,041	\$ 11,041	\$ 11,041	\$ 11,041
4129200 - Other regulatory fees	\$ 194	\$ 213	\$ 213	\$ 213	\$ 213
4129400 - Other regulatory licenses and permits	\$ 6,645	\$ 6,843	\$ 6,843	\$ 6,843	\$ 6,843
4163000 - Income from surplus money investments	\$ 44	\$ 210	\$ 277	\$ 331	\$ 380
4171400 - Escheat of unclaimed checks and warrants	\$ 19	\$ 12	\$ 12	\$ 12	\$ 12
4172500 - Miscellaneous revenues	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
4173500 - Settlements and Judgements - Other	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Totals, Revenues	\$ 17,885	\$ 18,560	\$ 18,627	\$ 18,681	\$ 18,730
Totals, Transfers and Other Adjustments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>	\$ 17,885	\$ 18,560	\$ 18,627	\$ 18,681	\$ 18,730
 <b>TOTAL RESOURCES</b>	\$ 23,421	\$ 28,949	\$ 33,359	\$ 37,427	\$ 41,137
Expenditures:					
1111 Department of Consumer Affairs Regulatory Boards, Bureaus, Divisions (State Operations)	\$ 11,576	\$ 13,192	\$ 13,588	\$ 13,995	\$ 14,415
Chapter 16, Statutes of 2020 (AB 84)	\$ 463	\$ 0	\$ 0	\$ 0	\$ 0
9892 Supplemental Pension Payments (State Operations)	\$ 212	\$ 212	\$ 212	\$ 212	\$ 212
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 781	\$ 813	\$ 813	\$ 813	\$ 813
<b>TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>	\$ 13,032	\$ 14,217	\$ 14,613	\$ 15,020	\$ 15,441
 <b>FUND BALANCE</b>					
Reserve for economic uncertainties	\$ 10,389	\$ 14,732	\$ 18,746	\$ 22,407	\$ 25,696
Months in Reserve	8.8	12.1	15.0	17.4	20.0

**NOTES:**

Assumes workload and revenue projections are realized in BY +1 and ongoing.  
 Expenditure growth projected at 3% beginning BY +1.  
 Expenditures General Salary 4.55% increase.

**DEPARTMENT OF CONSUMER AFFAIRS  
DISTRIBUTED COST METHODOLOGY FOR FISCAL YEAR 2022-23**

This document provides a general overview of the various allocation methodologies the Department uses to distribute centralized expenses to its Boards and Bureaus along with descriptions and examples of the calculations used for each methodology.

**CONSUMER AND CLIENT SERVICES DIVISION (CCSD)**

1. ADMINISTRATIVE & INFORMATION SERVICES DIVISION (AISD):

- *AISD LESS OFFICE OF INFORMATION SERVICES* (consists of the Executive Office, Equal Employment Opportunity Office, Internal Audits, Legal Affairs, Legislative Affairs, SOLID Training & Planning Solutions, Information Security, and the Office of Administrative Services [which consists of Fiscal Operations, Business Services Office, Office of Human Resources]): Distributed costs to all boards/bureaus/programs based on authorized position count.
- *OFFICE OF INFORMATION SERVICES (OIS)*: Distributed costs based on service center usage. Cost centers include Applicant Tracking System (ATS) and Consumer Affairs System (CAS), BrEZe, telecom, PC support, local area network and wide area network (LAN/WAN), and web services among others.
- *OFFICE OF PROFESSIONAL EXAMINATION SERVICES (OPES)*: Most services are direct costs based on individual intra-agency agreements with boards/bureaus/programs. Approximately 25 percent of OPES budget is distributed based on authorized position count to boards/bureaus/programs required to report pursuant to B&P 139.

2. COMMUNICATIONS DIVISION:

- *PUBLIC AFFAIRS*: Distributed costs based on authorized position count.
- *PUBLICATIONS, DESIGN AND EDITING*: Distributed costs based on authorized position count.
- *DIGITAL PRINT SERVICES*: Staffing costs based on authorized position count. Costs of printing and materials are direct costs based on individual service request.

3. DIVISION OF PROGRAM AND POLICY REVIEW:

- *CONSUMER INFORMATION CENTER (CIC)*: Distributed costs based on client's past year workload to determine the client's distributed costs in budget year. Non-jurisdictional correspondence and call costs are distributed to all boards/bureaus/programs based on authorized position count.
- *POLICY REVIEW (PRP)*: Distributed costs based on authorized position count.

**DIVISION OF INVESTIGATION (DOI)**

- *SPECIAL OPERATIONS UNIT*: Distributed costs based on authorized position count.
- *HEALTH QUALITY INVESTIGATION UNIT (HQIU)*: Costs distributed fully to the Medical Board of California. Costs incurred by Allied Health Programs are based on an hourly rate and invoiced directly with reimbursement going to the Medical Board.
- *INVESTIGATION & ENFORCEMENT UNIT*: Fee for service based on a two-year roll-forward methodology. This methodology uses a client's actual workload/costs from the prior year to determine their budget in budget year, which will cover the estimated workload, plus any credit or debit for services already provided.

**DEPARTMENT OF CONSUMER AFFAIRS  
DISTRIBUTED COST CALCULATIONS FOR FISCAL YEAR 2022-23**

**AUTHORIZED POSITION COUNT**

Used to distribute the budget for the Department's administrative units where costs benefit more than one Board or Bureau and a specific workload metric is not available. (examples: Fiscal Operations, Human Resources, etc.)

$$\text{Distributed Cost Rate (\%)} = \frac{\text{Program Authorized Positions}}{\text{Total of All Programs Authorized Positions}}$$

Example:

$$\text{Program A Cost Rate} = 10\% = \frac{100.0 \text{ Authorized Positions (Program A)}}{1,000.0 \text{ Authorized Positions (All Programs)}}$$

**PAST YEAR WORKLOAD**

Used to distribute the budget for the Department's units where costs benefit more than one Board or Bureau and workload is primarily based on a specific workload metric. (examples: Consumer Information Center, Investigation and Enforcement Unit, etc.)

$$\text{Distributed Cost Rate (\%)} = \frac{\text{Program Specific Call Volume}}{\text{Total of All Programs Call Volume}}$$

Example:

$$\text{Program A Cost Rate} = 20\% = \frac{20,000 \text{ Calls (Program A)}}{100,000 \text{ Calls (All Programs)}}$$

**SERVICE CENTER USAGE**

Used to distribute the budget for the Department's units where costs benefit more than one Board or Bureau, and costs are based on specific device or record count. (example: Office of Information Services)

$$\text{Distributed Cost Rate (\%)} = \frac{\text{Program Specific Widget}}{\text{Total of All Programs Widgets}}$$

Example:

$$\text{Program A Cost Rate} = 15\% = \frac{150 \text{ Workstations (Program A)}}{1,000 \text{ Total Workstations (All Programs)}}$$

**DIRECT COST**

Used to distribute the budget for the Department's units where costs benefit only one Board or Bureau. (example: Health Quality Investigation Unit)

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2022-23 Department of Consumer Affairs Distributed Costs  
2022-23 May Revise

Attachment C

Board / Bureau Name	2022-23 Authorized Positions	Consumer and Client Services Division							Division of Investigation				TOTAL	% of Budget
		Administrative & Information Services Division				Communications Division		Division of Program & Policy Review		Special Operations Unit	Health Quality Investigation Unit	Investigation & Enforcement Unit		
		AISD Less OIS	OIS (less BreZEz)	OIS (BreZEz)	OIS (Biz Mod)	Public Affairs	Publications Design & Editing	Consumer Information Center	Policy Review					
Accountancy	103.8	1,774,000	449,000	-	-	58,000	50,000	375,000	14,000	50,000	-	-	2,770,000	15%
Board of Architectural Examiners	25.9	442,000	330,000	-	187,000	13,000	12,000	19,000	3,000	13,000	22,000	-	1,041,000	21%
Landscape Arch Committee	5.5	94,000	74,000	-	47,000	3,000	3,000	4,000	1,000	3,000	-	-	229,000	18%
Athletic Commission	10.2	175,000	105,000	-	-	5,000	5,000	7,000	1,000	5,000	-	-	303,000	16%
Boxer's Pension	0.5	8,000	10,000	-	-	-	-	-	-	-	-	-	18,000	15%
Board of Behavioral Sciences	65.5	1,118,000	769,000	374,000	-	36,000	31,000	340,000	9,000	33,000	-	-	2,710,000	20%
Chiropractic Examiners	19.4	331,000	273,000	-	127,000	10,000	9,000	14,000	3,000	9,000	-	-	776,000	17%
Barbering & Cosmetology	96.2	1,642,000	1,269,000	1,998,000	-	53,000	46,000	732,000	13,000	48,000	-	95,000	5,896,000	28%
Contractors State License Bd	427.6	7,078,000	1,442,000	-	-	228,000	202,000	307,000	55,000	207,000	21,000	-	9,540,000	12%
Dental Board of CA	88.8	1,517,000	1,104,000	321,000	-	49,000	42,000	79,000	12,000	44,000	-	-	3,168,000	16%
Dental Hygiene Board	15.0	257,000	144,000	72,000	-	8,000	7,000	14,000	2,000	7,000	-	-	511,000	18%
Medical Board of California <sup>1</sup>	189.7	3,242,000	1,063,000	643,000	-	103,000	91,000	140,000	27,000	92,000	24,847,000	-	30,248,000	40%
Acupuncture Board	12.0	204,000	172,000	-	128,000	6,000	6,000	9,000	2,000	6,000	-	340,000	873,000	22%
Physical Therapy Board <sup>2</sup>	27.4	468,000	300,000	131,000	-	14,000	13,000	28,000	4,000	13,000	-	1,222,000	2,193,000	32%
Physician Assistant Board	11.0	188,000	124,000	52,000	-	6,000	5,000	9,000	1,000	5,000	-	-	390,000	13%
Board of Podiatric Medicine	5.2	86,000	56,000	10,000	-	3,000	2,000	4,000	1,000	3,000	-	-	165,000	10%
Board of Psychology	27.3	466,000	288,000	79,000	-	14,000	13,000	26,000	4,000	13,000	-	1,341,000	2,255,000	23%
Respiratory Care Board	17.4	298,000	181,000	76,000	-	9,000	8,000	16,000	2,000	8,000	-	-	598,000	15%
Speech-Language P.A./ Hearing Aid	12.6	213,000	205,000	-	-	7,000	6,000	9,000	2,000	6,000	-	60,000	508,000	21%
Occupational Therapy	17.7	303,000	195,000	68,000	-	9,000	8,000	19,000	2,000	9,000	-	250,000	863,000	26%
Board of Optometry	19.9	335,000	164,000	58,000	-	10,000	9,000	21,000	3,000	10,000	-	-	610,000	15%
Osteopathic Medical Board	13.9	237,000	146,000	40,000	-	7,000	6,000	13,000	2,000	7,000	-	2,000	460,000	14%
Naturopathic Medicine	2.0	35,000	24,000	3,000	-	1,000	1,000	2,000	-	1,000	-	-	67,000	18%
Board of Pharmacy	132.1	2,254,000	1,413,000	-	-	72,000	65,000	102,000	18,000	68,000	-	11,000	4,003,000	13%
Board of Pharmacy - Sharps	6.0	-	-	-	-	-	-	-	-	-	-	-	-	0%
Board for Prof. Engineers, Land Surveyors & Geologists	47.2	805,000	654,000	-	128,000	25,000	23,000	35,000	6,000	24,000	-	190,000	1,890,000	15%
Board of Registered Nursing	229.8	3,932,000	2,439,000	2,141,000	-	129,000	113,000	362,000	32,000	115,000	-	7,769,000	17,032,000	28%
Court Reporters Board	4.5	76,000	68,000	-	-	2,000	2,000	3,000	1,000	2,000	-	-	154,000	13%
Structural Pest- Support	30.9	528,000	387,000	-	232,000	16,000	14,000	24,000	4,000	15,000	-	-	1,220,000	18%
Veterinary Medical Board	33.3	569,000	358,000	110,000	-	17,000	15,000	39,000	4,000	16,000	-	-	1,128,000	16%
Vocational Nursing & Psychiatric Technicians	76.4	1,304,000	736,000	431,000	-	41,000	38,000	107,000	10,000	38,000	-	2,148,000	4,853,000	27%
Arbitration Certification Program	8.0	135,000	80,000	-	-	4,000	4,000	6,000	1,000	4,000	-	-	234,000	16%
Private Security Services <sup>3</sup>	73.4	1,254,000	1,145,000	1,880,000	-	40,000	36,000	1,169,000	10,000	37,000	-	-	5,571,000	31%
Private Postsecondary	109.0	1,830,000	1,285,000	-	128,000	59,000	52,000	81,000	14,000	55,000	-	-	3,504,000	18%
Electronic/ Appliance Repair	23.0	383,000	190,000	-	70,000	12,000	11,000	23,000	3,000	11,000	-	-	703,000	19%
Household Furnishings	30.9	520,000	341,000	-	23,000	16,000	14,000	22,000	4,000	15,000	-	-	955,000	16%
Home Movers	15.0	251,000	215,000	-	138,000	8,000	7,000	11,000	2,000	7,000	-	-	640,000	18%
Automotive Repair (VIRF)	543.8	9,230,000	5,601,000	-	-	300,000	273,000	825,000	76,000	272,000	-	-	16,637,000	13%
Automotive Repair (HPRRA)	57.6	967,000	583,000	-	-	31,000	28,000	42,000	7,000	29,000	-	-	1,687,000	18%
Automotive Repair (EFM)	9.0	150,000	91,000	-	-	5,000	4,000	6,000	1,000	4,000	-	-	261,000	26%
Cemetery & Funeral	27.5	469,000	311,000	-	232,000	14,000	13,000	23,000	4,000	13,000	-	-	1,079,000	17%
Bureau of Real Estate Appraisers	28.8	493,000	97,000	-	-	15,000	13,000	21,000	4,000	14,000	-	-	657,000	11%
Professional Fiduciaries Bureau	4.5	75,000	37,000	-	-	2,000	2,000	18,000	1,000	2,000	-	-	137,000	13%
<b>TOTAL, 1111</b>	<b>2,705.2</b>	<b>45,796,000</b>	<b>24,929,000</b>	<b>8,487,000</b>	<b>1,441,000</b>	<b>1,460,000</b>	<b>1,302,000</b>	<b>5,106,000</b>	<b>365,000</b>	<b>1,333,000</b>	<b>24,847,000</b>	<b>13,471,000</b>	<b>128,537,000</b>	<b>21%</b>
<b>Distributed Cost TOTAL</b>	<b>2,705.2</b>	<b>45,796,000</b>	<b>24,929,000</b>	<b>8,487,000</b>	<b>1,441,000</b>	<b>1,460,000</b>	<b>1,302,000</b>	<b>5,106,000</b>	<b>365,000</b>	<b>1,333,000</b>	<b>24,847,000</b>	<b>13,471,000</b>	<b>128,537,000</b>	<b>21%</b>
Reimbursements		305,000	90,000	-	-	56,000	-	-	-	-	-	-	451,000	-
Direct Distributed (Ofc of Professional Examination Services)		1,593,000	-	-	-	-	-	-	-	-	-	-	1,593,000	-
<b>Total Budget</b>		<b>47,694,000</b>	<b>25,019,000</b>	<b>8,487,000</b>	<b>1,441,000</b>	<b>1,516,000</b>	<b>1,302,000</b>	<b>5,106,000</b>	<b>365,000</b>	<b>1,333,000</b>	<b>24,847,000</b>	<b>13,471,000</b>	<b>130,581,000</b>	<b>21%</b>

<sup>1</sup> The Medical Board of California funds the Department's Health Quality Investigation Unit, a unit of sworn investigators and support staff dedicated to providing the board with enforcement services that account for over 80% of the cost the board pays the Department

<sup>2</sup> The Physical Therapy Board has a higher than average number of cases referred to the Department's Division of Investigation and the costs of conducting those investigations account for over half of the costs this board pays the Department

<sup>3</sup> The Bureau of Security and Investigative Services has a large licensee population that contributes to larger shares of BreZEz and Consumer Information Center costs