

KANSAS BOARD OF PHARMACY

FY 2022 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2022 – FY 2025

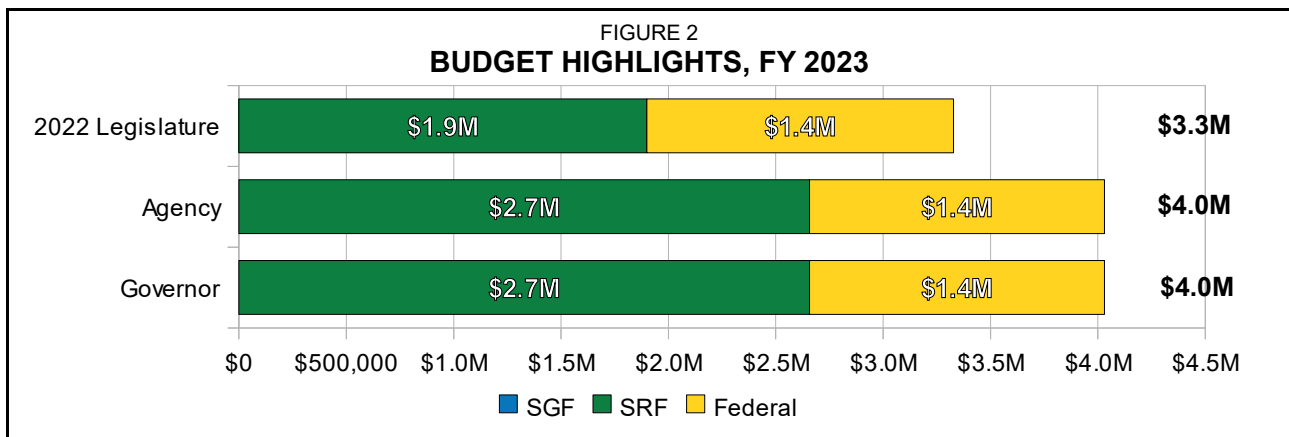
	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:							
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,427,553	1,372,640	1,372,640	730,070	730,070	151,002	151,002
All Other Funds	1,899,962	2,657,604	2,657,604	3,517,894	3,517,894	3,678,845	3,678,845
<i>Subtotal</i>	<u>\$ 3,327,515</u>	<u>\$ 4,030,244</u>	<u>\$ 4,030,244</u>	<u>\$ 4,247,964</u>	<u>\$ 4,247,964</u>	<u>\$ 3,829,847</u>	<u>\$ 3,829,847</u>
Capital Improvements:							
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-	-	-
All Other Funds	-	-	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 3,327,515</u>	<u>\$ 4,030,244</u>	<u>\$ 4,030,244</u>	<u>\$ 4,247,964</u>	<u>\$ 4,247,964</u>	<u>\$ 3,829,847</u>	<u>\$ 3,829,847</u>
Percentage Change:							
State General Fund	-- %	--	--	--	--	--	--
All Funds	9.7 %	21.1 %	21.1 %	5.4 %	5.4 %	(9.8) %	(9.8) %
FTE Positions	18.5	19.0	19.0	19.0	19.0	19.0	19.0

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Kansas Board of Pharmacy is responsible for the enforcement of the Pharmacy Act and the Controlled Substances Act. The mission of the Board is to ensure all persons and entities conducting business relating to the practice of pharmacy in Kansas are properly licensed and registered to protect public health, safety, and welfare and to promote understanding of pharmacy-related practices. The seven-member board is appointed by the Governor for overlapping four-year terms and is composed of six licensed pharmacists and one public member.

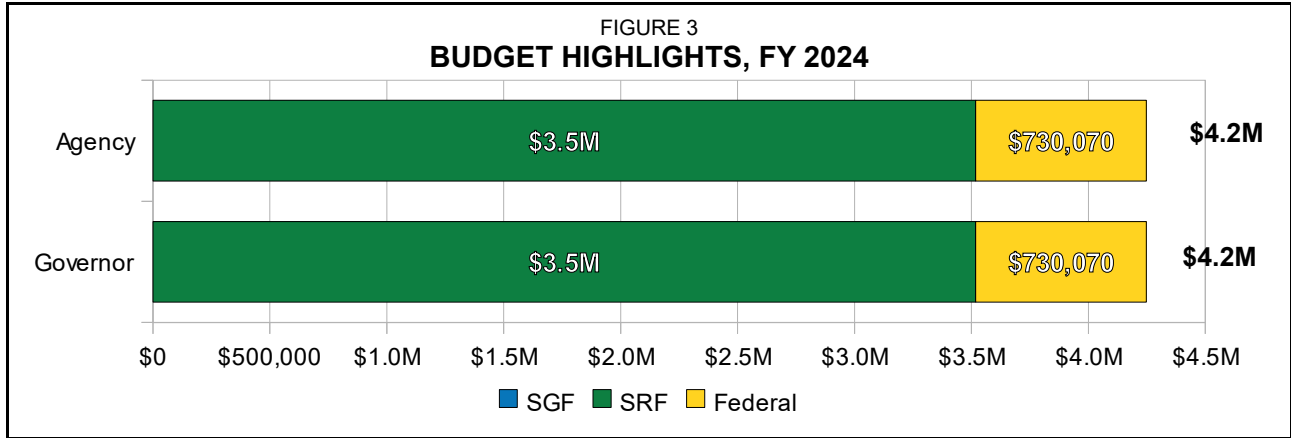
EXECUTIVE SUMMARY

The 2022 Legislature approved a budget of \$4,053,300, all from special revenue funds, in expenditures and 19.8 FTE positions for the Kansas Board of Pharmacy in FY 2023.



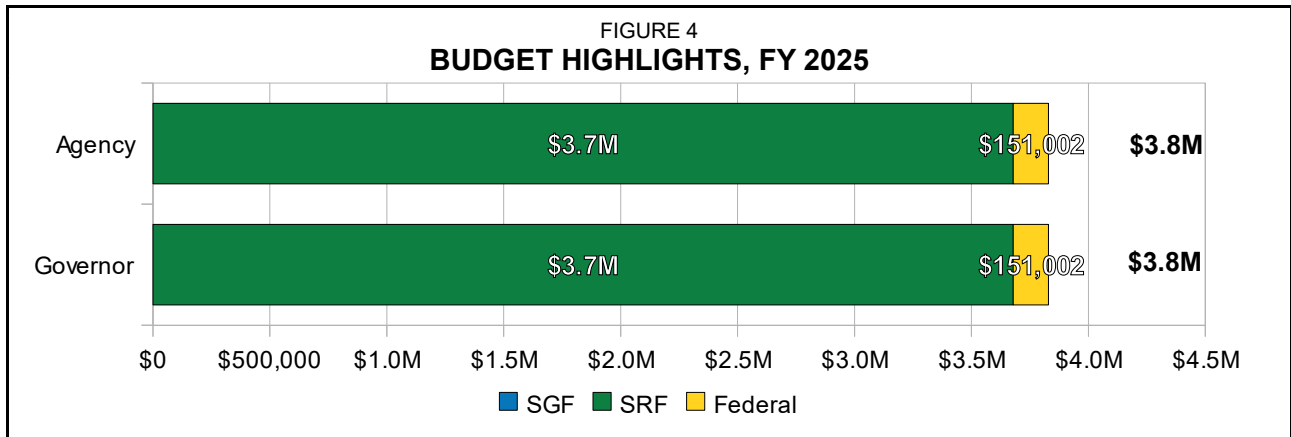
The **agency** submits a revised estimate of \$4.0 million, all from special revenue funds, in expenditures and 19.0 FTE positions in FY 2023. This is a decrease of \$23,056, or 0.6 percent, below the FY 2023 approved amount. The decrease is attributable to a decrease in expected expenditures for salaries and wages, partially offset by an increase in contractual services expenditures. This also includes a decrease of 0.8 FTE positions.

The **Governor** concurs with the agency's revised estimate in FY 2023.



The **agency** requests \$4.2 million, all from special revenue funds, in expenditures and 19.0 FTE positions for FY 2024. This is an all funds increase of \$217,720, or 5.4 percent, above the FY 2023 revised estimate. This increase is primarily attributable to computer software maintenance, employer contributions for group health insurance, salaries and wages, and out-of-state travel expenditures.

The **Governor** concurs with the agency's request for FY 2024.



The **agency** requests \$3.8 million, all from special revenue funds, in expenditures and 19.0 FTE positions for FY 2025. This is an all funds decrease of \$418,117, or 9.8 percent, below the FY 2024 requested amount. The decrease is primarily attributable to computer software maintenance and salaries and wages.

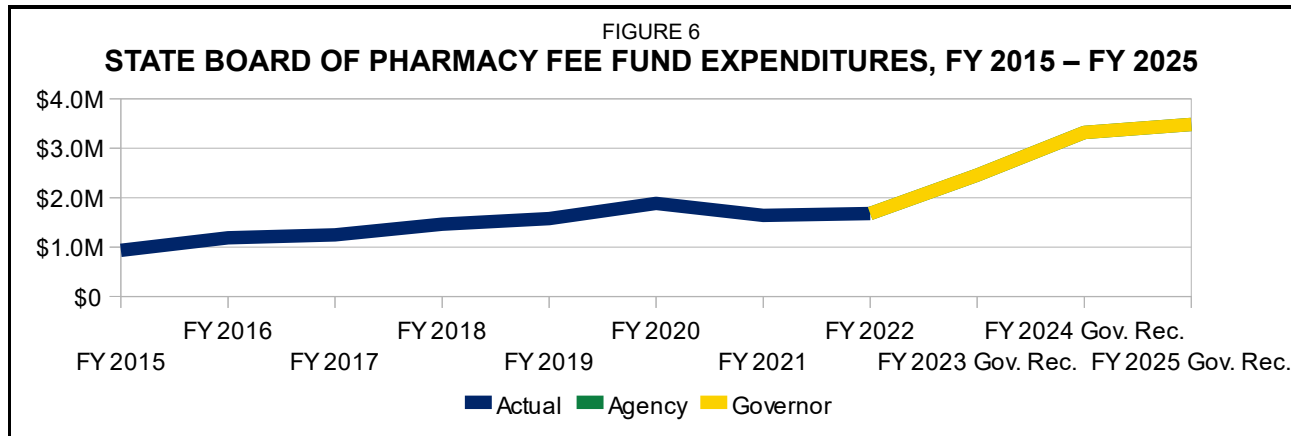
The **Governor** concurs with the agency's request for FY 2025.

EXPENDITURES AND FINANCING

FIGURE 5
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2022 – FY 2025

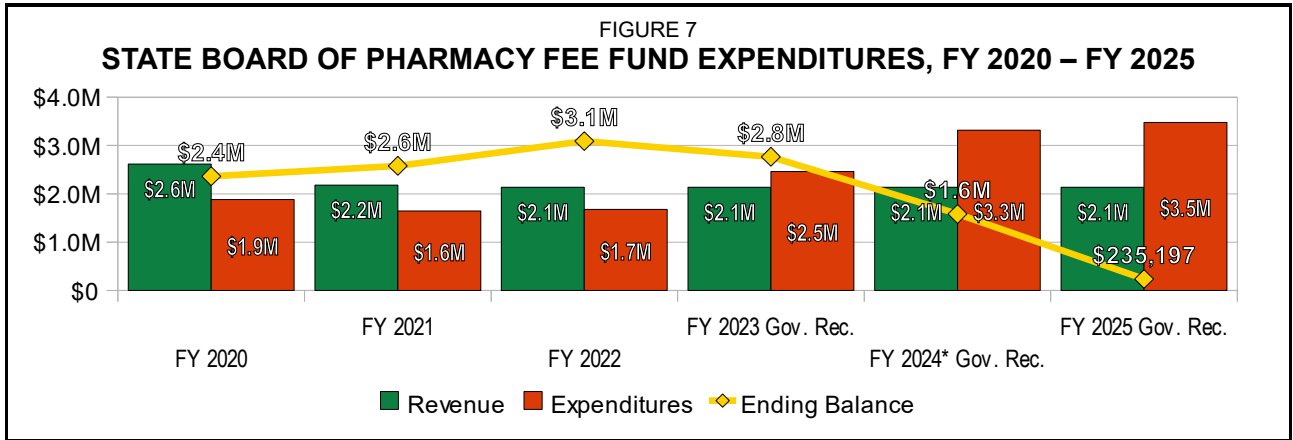
Category of Expenditure:	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 1,447,229	\$ 1,679,691	\$ 1,679,691	\$ 1,718,724	\$ 1,718,724	\$ 1,587,727	\$ 1,587,727
Contractual Services	1,860,994	2,238,953	2,238,953	2,411,190	2,411,190	2,121,320	2,121,320
Commodities	14,769	44,400	44,400	48,150	48,150	48,700	48,700
Capital Outlay	4,523	67,200	67,200	69,900	69,900	72,100	72,100
Debt Service Interest	-	-	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 3,327,515</u>	<u>\$ 4,030,244</u>	<u>\$ 4,030,244</u>	<u>\$ 4,247,964</u>	<u>\$ 4,247,964</u>	<u>\$ 3,829,847</u>	<u>\$ 3,829,847</u>
Aid to Local Units	-	-	-	-	-	-	-
Other Assistance	-	-	-	-	-	-	-
<i>Subtotal—Operating</i>	<u>\$ 3,327,515</u>	<u>\$ 4,030,244</u>	<u>\$ 4,030,244</u>	<u>\$ 4,247,964</u>	<u>\$ 4,247,964</u>	<u>\$ 3,829,847</u>	<u>\$ 3,829,847</u>
Capital Improvements	-	-	-	-	-	-	-
Debt Service Principal	-	-	-	-	-	-	-
TOTAL	<u>\$ 3,327,515</u>	<u>\$ 4,030,244</u>	<u>\$ 4,030,244</u>	<u>\$ 4,247,964</u>	<u>\$ 4,247,964</u>	<u>\$ 3,829,847</u>	<u>\$ 3,829,847</u>
Financing:							
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,427,553	1,372,640	1,372,640	730,070	730,070	151,002	151,002
All Other Funds	1,899,962	2,657,604	2,657,604	3,517,894	3,517,894	3,678,845	3,678,845
TOTAL	<u>\$ 3,327,515</u>	<u>\$ 4,030,244</u>	<u>\$ 4,030,244</u>	<u>\$ 4,247,964</u>	<u>\$ 4,247,964</u>	<u>\$ 3,829,847</u>	<u>\$ 3,829,847</u>
FTE Positions	18.5	19.0	19.0	19.0	19.0	19.0	19.0

STATE BOARD OF PHARMACY FEE FUND



The State Board of Pharmacy Fee Fund receives fee revenue from the licensing of pharmacists, pharmacy technicians, pharmacies, drug manufacturers and distributors, and retail dealers, as well as the administration of pharmacist licensing examinations. Licenses and permits are renewed on a biennial basis. KSA 75-3170a(a) provides that 90.0 percent of incoming revenues are retained by the agency and 10.0 percent are deposited into the State General Fund (SGF), up to a maximum of \$100,000 per fiscal year per fund.

STATE BOARD OF PHARMACY FEE FUND



* For FY 2024, the lowest month ending balance for the State Board of Pharmacy Fee Fund will occur in April, with a balance of \$827,287.

FIGURE 8
LICENSE FEES, FY 2023

License	Current Fee	Statutory Limit	Authority
Pharmacists by Exam	\$ 100	\$ 350	KSA 74-1609
Pharmacists by Reciprocity	125	250	<i>Id.</i>
Pharmacy Renewal	150	200	<i>Id.</i>
Pharmacy Intern	20	25	<i>Id.</i>
Pharmacy Technician	20	50	<i>Id.</i>
Pharmacy Registration	150	150	<i>Id.</i>
Pharmacy Renewal	125	125	<i>Id.</i>
Manufacturer Registration	350	500	<i>Id.</i>
Manufacturer Renewal	350	400	<i>Id.</i>
Wholesale Distributor Registration	350	500	<i>Id.</i>
Wholesale Distributor Renewal	350	400	<i>Id.</i>
Non-prescription Drug Wholesaler	50	50	<i>Id.</i>
Non-prescription Drug Wholesaler Renewal	50	50	<i>Id.</i>
Institutional Drug Room	25	40	<i>Id.</i>
Institutional Drug Room Renewal	20	35	<i>Id.</i>
Veterinary Medical Teaching Hospital Pharmacy	25	40	<i>Id.</i>
Retailer Dealer Permit	10	12	<i>Id.</i>
Retailer Dealer Permit Renewal	10	12	<i>Id.</i>
Sample Distribution Permit	30	50	<i>Id.</i>
Sample Distribution Permit Renewal	30	50	<i>Id.</i>
Durable Medical Equipment Provider	300	300	<i>Id.</i>
Durable Medical Equipment Provider Renewal	300	300	<i>Id.</i>
Third-party Logistics Provider	350	500	<i>Id.</i>
Third-party Logistics Provider Renewal	350	400	<i>Id.</i>
Non-Prescription Third-party Logistics Provider	50	50	<i>Id.</i>
Non-Prescription Third-party Logistics Provider Renewal	50	50	<i>Id.</i>
Outsourcing Facility	350	500	<i>Id.</i>
Outsourcing Facility Renewal	350	400	<i>Id.</i>
Repackager	350	500	<i>Id.</i>
Repackager Renewal	350	400	<i>Id.</i>
Automated Dispensing System	20	40	<i>Id.</i>
Automated Dispensing System Renewal	20	35	<i>Id.</i>

FY 2023 ANALYSIS

FIGURE 9
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF		Special Revenue Funds	All Funds	FTE
Legislative Approved:					
Amount Approved by 2022 Legislature	\$	-	\$ 4,053,300	\$ 4,053,300	19.8
1. No Changes		-	-	-	--
<i>Subtotal—Legislative Approved</i>	\$	-	\$ 4,053,300	\$ 4,053,300	19.8
Agency Revised Estimate:					
2. Salaries and Wages	\$	-	\$ (123,156)	\$ (123,156)	(0.8)
3. Contractual Services		-	100,100	100,100	--
<i>Subtotal—Agency Revised Estimate</i>	\$	-	\$ 4,030,244	\$ 4,030,244	19.0
Governor's Recommendation:					
4. No Changes		-	-	-	--
TOTAL	\$	-	\$ 4,030,244	\$ 4,030,244	19.0

LEGISLATIVE APPROVED

- NO CHANGES.** Subsequent to the 2022 Session, no adjustments were made to the \$4.1 million appropriated to the Kansas Board of Pharmacy for FY 2023.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$4.0 million, all from special revenue funds, in expenditures and 19.0 FTE positions in FY 2023. This is an all funds decrease of \$23,056, or 0.7 percent, below the FY 2023 approved amount.

The **agency** estimate includes the following adjustments:

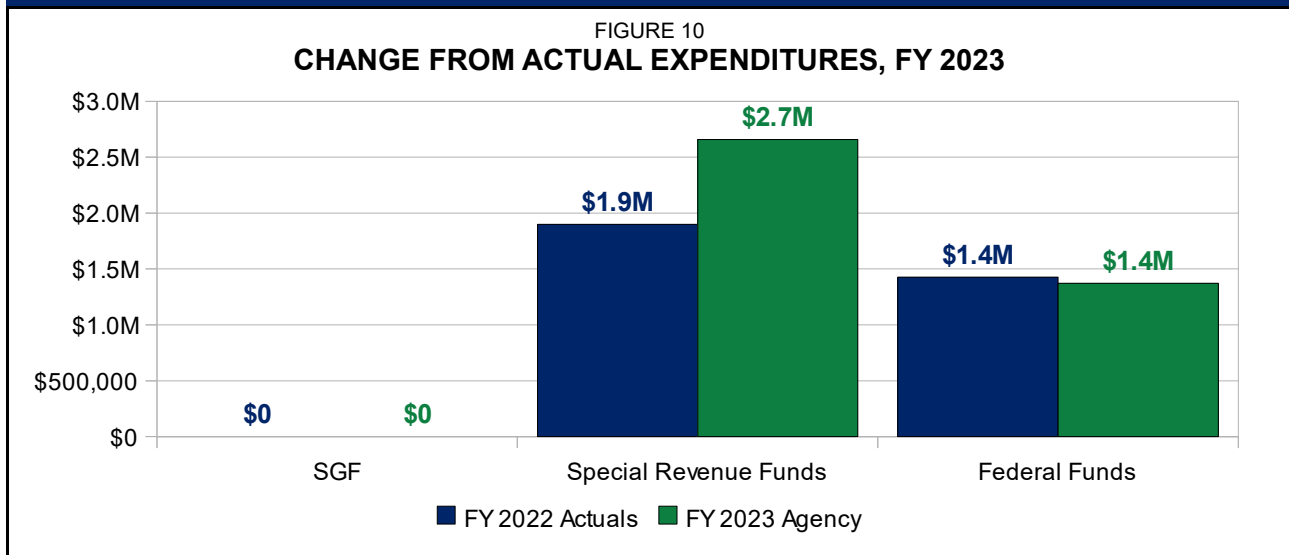
- SALARIES AND WAGES.** The agency revised estimated decreases expenditures by \$123,156, or 6.8 percent, for salaries and wages expenditures in FY 2023. This includes a decrease in expected expenditures for temporary employees (\$12,844), regular unclassified employees (\$10,105), as well as employer contributions for group health insurance (\$29,962) and KPERS (\$15,112). This also includes a decrease of 0.8 FTE positions.
- CONTRACTUAL SERVICES.** The agency adds \$100,100, or 4.7 percent, for contractual services in FY 2023. This increase is primarily attributable to computer software maintenance services.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2023 revised estimate.

- NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2023 revised estimate.

FY 2023 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$4.0 million, all from special revenue funds, in FY 2023. This is an increase of \$702,729, or 21.1 percent, above the FY 2022 actual amount. There is an increase in salaries and wages of \$232,462, contractual services of \$377,959, commodities of \$29,631, and capital outlay of \$62,677. There is an increase in salaries due to increased expenditures for unclassified employee pay and employer contributions to Medicare. The contractual services increase is due to computer software maintenance services, which is partially offset by a decrease in equipment rental expenditures. Commodity expenditure increases are due to gasoline and materials. Increases for capital outlay include funds for a passenger car and office equipment and furniture.

FY 2024 ANALYSIS

FIGURE 11
SUMMARY OF BUDGET REQUEST, FY 2024

		SGF		Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2023:		\$	-	\$ 4,030,244	\$ 4,030,244	19.0
Agency Request:						
1. Computer Software Maintenance	1	\$	-	\$ 124,828	\$ 124,828	--
2. Group Health Insurance			-	18,036	18,036	--
3. Salaries and Wages			-	20,997	20,997	--
4. Out-of-state Travel Expenses			-	11,000	11,000	--
5. All Other Adjustments			-	42,859	42,859	--
<i>Subtotal—Agency Request</i>		\$	-	\$ 4,247,964	\$ 4,247,964	19.0
Governor's Recommendation:						
6. No Changes		\$	-	\$ -	\$ -	--
TOTAL		\$	-	\$ 4,247,964	\$ 4,247,964	19.0

AGENCY REQUEST

The **agency** requests \$4.2 million, all from special revenue funds, and 19.0 FTE positions for FY 2024. This is an all funds increase of \$217,720, or 5.4 percent, above the FY 2023 revised estimate.

The **agency** request includes the following adjustments:

1. **COMPUTER SOFTWARE MAINTENANCE.** The agency requests the addition of \$124,828 for computer software maintenance for FY 2024.
2. **GROUP HEALTH INSURANCE.** The agency requests the addition of \$18,036 for employer contributions for group health insurance for FY 2024.
3. **SALARIES AND WAGES.** The agency requests the addition of \$20,997 for salaries and wages for FY 2024.
4. **OUT-OF-STATE TRAVEL EXPENSES.** The agency requests the addition of \$11,000 for out-of-state travel for FY 2024.
5. **ALL OTHER ADJUSTMENTS.** The agency requests the addition of \$42,859 for office furniture and equipment, attorney fees, software rental, computer programming, and office rent.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2024 request.

6. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2024 request.

FY 2025 ANALYSIS

FIGURE 12
SUMMARY OF BUDGET REQUEST, FY 2025

		SGF		Special Revenue Funds	All Funds	FTE
Agency Request, FY 2024:		\$	-	\$ 4,247,964	\$ 4,247,964	19.0
Agency Request:						
1. Computer Software Maintenance	1	\$	-	\$ (297,707)	\$ (297,707)	--
2. Salaries and wages			-	(130,997)	(130,997)	--
3. All Other Adjustments			-	10,587	10,587	--
<i>Subtotal—Agency Request</i>		\$	-	\$ 3,829,847	\$ 3,829,847	19.0
Governor’s Recommendation:						
4. No Changes		\$	-	\$ -	\$ -	--
TOTAL		<u>\$</u>	<u>-</u>	<u>\$ 3,829,847</u>	<u>\$ 3,829,847</u>	<u>19.0</u>

AGENCY REQUEST

The **agency** requests \$3.8 million, all from special revenue funds, and 19.0 FTE positions for FY 2025. This is an all funds decrease of \$418,117, or 9.8 percent, below the FY 2024 request.

The **agency** request includes the following adjustments:

1. **COMPUTER SOFTWARE MAINTENANCE.** The agency requests a decrease of \$297,707 for computer software maintenance for FY 2025. The grant process for FY 2025 has not begun, and other funds may be available in the future.
2. **SALARIES AND WAGES AND FRINGE BENEFITS.** The agency request includes a decrease of \$130,997 for temporary employee pay, and employer contributions for group health insurance and KPERs.
3. **ALL OTHER ADJUSTMENTS.** The agency requests the addition of \$10,587 for FY 2025. This includes funding for attorney fees and software rental.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency's FY 2025 request.

4. **NO CHANGES.** The Governor does not recommend any changes to the agency’s FY 2025 request.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 13
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2022 – FY 2025

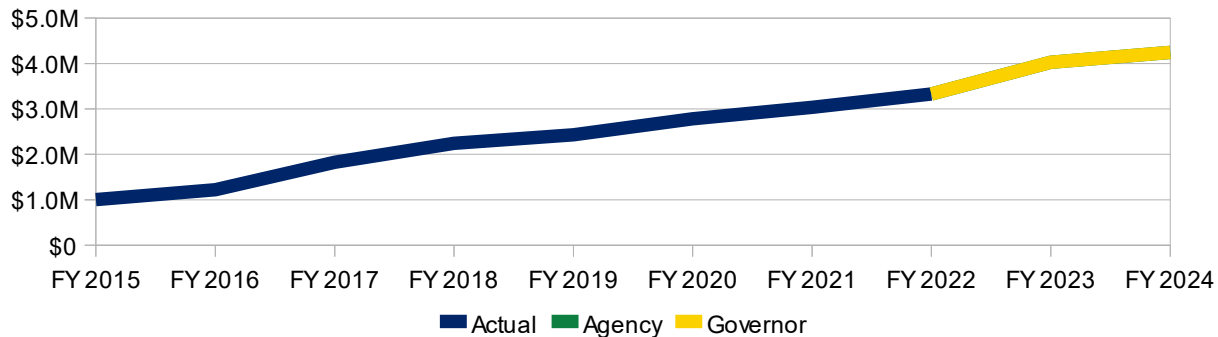
Programs	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:							
Administration	\$ 3,327,515	\$ 4,030,244	\$ 4,030,244	\$ 4,247,964	\$ 4,247,964	\$ 3,829,847	\$ 3,829,874
FTE Positions:							
Administration	18.5	19.0	19.0	19.0	19.0	19.0	19.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION

FIGURE 14
ADMINISTRATION EXPENDITURES, FY 2015 – FY 2024



STATUTORY BASIS: • KSA 65-1625 *et seq.*

- PROGRAM GOALS:**
- Track prescriber, dispenser, and patient information for all scheduled substances and drugs of concern dispensed in Kansas.
 - Licenses of pharmacies and pharmacists.
 - Compliance with drugs and regulations regarding the practice of pharmacy.

FIGURE 15
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2021	Actual FY 2022	Actual 3-Year Avg.	Target FY 2023	Target FY 2024
Outcome Measure:					
1. Percent of Initial Applications Processed Within 30 Days of Receipt during the Previous Fiscal Year	64.2 %	78.0 %	74.0 %	75.0 %	75.0 %
2. Percentage of Online Renewals for Previous Year*	98.80%	99.2 %	95.8 %	99.0 %	99.0 %
Output Measure:					
3. Number of Complaints Received During the Calendar Year*	165	70	115	125	125
4. Number of K-TRACS Queries*	2,855,531	5,295,053	3,519,522	5,300,000	5,300,000
5. Number of Clinical Alerts Notifications*	188,984	186,239	188,902	184,376	182,532
Financing					
	Actual FY 2021	Actual FY 2022		Governor FY 2023	Governor FY 2024
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	1,388,932	1,427,553		1,372,640	730,070
All Other Funds	1,643,922	1,899,962		2,657,604	3,517,894
TOTAL	\$ 3,032,854	\$ 3,327,515		\$ 4,030,244	\$ 4,247,964
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	9.0 %	9.7 %		21.1 %	5.4 %
FTE Positions	18.0	18.5		19.0	19.0

*The Governor's Office does not utilize this measure for evaluation purposes.