

Summary of Request:

The attached report is a synopsis of the agency request for funding in fiscal years 2022 and 2023, the final result of our legislative appropriation request and what was approved by the 87th Legislative Session and general notes.

Historical Perspective:

The Texas legislature meets every two years and approves the agency budget for the next biennium. The 87th Legislature, Regular Session, met from January through May of 2021 and passed the agency budget which was signed by Governor.

Pros and Cons: None

Staff Recommendation:

Board Action: No action is necessary as this a report for board information on the upcoming biennium.

Exceptional Items
Legislative Appropriations Request
Fiscal Years 2022 and 2023

1. Moving Costs

The Texas Board of Nursing will be moving to the George H. W. Bush State Office Building in the summer of 2022. The agency will be responsible for the following costs:

- Telecom cabling & equipment and installation, data room, switches, racks, cabinets & equipment
- Security controls within tenant space
- Loose furniture, chairs, computer workstations
- Conference room furniture, equipment, whiteboards and AV equipment
- Signage and wayfinding within tenant space
- Special lighting and displays
- Window treatments on interior glass
- Upgrades to items provided in basic finish-out
- Millwork (Built-ins and Cabinets)
- Moving expenses & coordination

Implication for the 2022-2023 Biennium

The agency met with the Texas Facilities Commission and the Department of Information Resources for costs associated with the items above. The current estimate in our LAR is \$190,606 in fiscal year 2022.

Approved in SB 1: \$197,136

2. Information Technology

The Texas Board of Nursing will be moving to the George H. W. Bush State Office Building in the summer of 2022. The Texas Facilities Commission has requested that all agencies move existing servers to a cloud environment and reduce the need to move and store servers at the new location.

- Hardware
 - Conference Room Computer Screens
 - Laptops
 - Scanners
- Software
 - Webinar Platform Software for Virtual Meetings
 - Live Stream
 - Document Imaging System (Laserfiche)
 - Office 365

Implications for the 2022 - 2023 Biennium

With the move to the George H. W. Bush State Office Building in the summer of 2022, the agency would like to move existing servers to a cloud environment as well as purchase conference room computer screens for agency meetings, scanners to move all paper documents to an electronic imaging system and meeting software to allow constituents to attend agency meetings virtually and remotely. The cost for the biennium would be \$400,376.

Approved in SB 1: \$400,376

3. 5% Reduction Reinstatement from Fiscal Years 2020 and 2021

The agency was required to reduce the fiscal year 2020 and 2021 budget by 5% or \$781,763. This reduction had a significant effect on our ability to hire staff at our FTE cap of 125.7 and the use of temporary staff accessed in peak graduation periods. It is further exacerbated by the fact that we were not allowed to reduce pass through funding from Texas.gov, the Health Professions Council, the Prescription Monitoring Program and The Center for Nursing Workforce Studies (\$3,175,990 or 16.8%) but the overall reduction percent did include these monies in consideration of the total general revenue used to calculate our reduction thus putting more pressure on reducing day to day operations. Without full employment and access to temporary services during peak graduation periods, it will double the number of business days to process licensing applications and approve students to take the nursing examination from the current 10 business days to a maximum of 20 business days. If the reduction becomes permanent, the agency will have to eliminate up to 9 staff positions throughout the agency.

Implication for the 2022-2023 Biennium

Reinstatement of 5% reduction from the 2020 and 2021 budget of \$781,763.

Approved in SB 1: \$444,000

4. Retirement Contingency Rider

The agency anticipates a number of retirements in the next biennium. By law, when a staff member leaves the agency whether by retirement or resignation, the agency must pay for the annual leave (vacation) balance. The agency has four executive positions that have the maximum number of annual leave hours and if one or all retire, the agency would be liable to pay a lump sum within thirty days after their retirement. Without this contingency rider, the agency would have to pull these funds from other strategies.

Implication for the 2022-2023 Biennium

Based on the agency salaries for these four staff members, the maximum lump sum payout if all four retire from the agency would be \$153,642.

Not Approved in SB 1

5. Executive Directory Salary

The Board is requesting that the salary of the Executive Director be set by the Board within salary group five of the Schedule of Exempt Positions in the State’s Position Classification Plan.

Implication for the 2022-2023 Biennium

The total cost to increase the Executive Director salary would be \$5,316 for the biennium.

Approved in SB 1: \$169,537

Implication of Exceptional Items to Agency Fees

The agency is required to raise \$28,866,259 for fiscal years 2020 and 2021 within the current fee structure. We estimate that by August 31, 2021 we will exceed that requirement by \$1,000,000.

Provided that we continue the growth of RNs and APRNs in fiscal years 2022 and 2023, we anticipate an additional \$500,000 in revenue. The projected additional revenue would cover the costs of all exceptional items and thus eliminate the need to raise any Board of Nursing fees for fiscal years 2022 and 2023.

Funding per fiscal year and biennium

	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2023</u>
1. Moving Costs:	\$ 197,136	\$ 0
2. Information Technology:	\$ 200,188	\$ 200,188
3. Restore 5% Reduction:	\$ 222,000	\$ 222,000
4. Retirement Contingency:	\$ 0	\$ 0
5. Executive Salary:	<u>\$ 2,658</u>	<u>\$ 2,658</u>
	\$ 621,982	\$ 424,846

Total for the 2022/2023 Biennium: \$1,046,828

No contingency revenue rider in SB 1

TEXAS BOARD OF NURSING

	For the Years Ending	
	August 31, 2022	August 31, 2023
General Revenue Fund	\$ 9,723,074	\$ 9,525,940
Appropriated Receipts	<u>\$ 3,999,401</u>	<u>\$ 3,999,401</u>
Total, Method of Financing	<u>\$ 13,722,475</u>	<u>\$ 13,525,341</u>
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	\$ 2,675,271	\$ 2,690,645
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	125.7	125.7
Schedule of Exempt Positions:		
Executive Director, Group 5	\$169,537	\$169,537
Items of Appropriation:		
A. Goal: LICENSING	\$ 6,948,312	\$ 6,855,657
Accredit, Examine, and License Nurse Education and Practice.		
A.1.1. Strategy: LICENSING		
Operate Efficient System of Nursing Credential Verification.		
	594,902	594,903
A.1.2. Strategy: TEXAS.GOV		
Texas.gov. Estimated and Nontransferable.		
	<u>676,359</u>	<u>664,531</u>
A.2.1. Strategy: ACCREDITATION		
Accredit Programs That Include Essential Competencies Curricula.		
Total, Goal A: LICENSING	\$ 8,219,573	\$ 8,115,091
B. Goal: PROTECT PUBLIC		
Protect Public and Enforce Nursing Practice Act.		
B.1.1. Strategy: ADJUDICATE VIOLATIONS		
Administer System of Enforcement and Adjudication.		
	\$ 3,557,162	\$ 3,464,508
B.1.2. Strategy: PEER ASSISTANCE		
Identify, Refer and Assist Those Nurses Whose Practice Is Impaired.		
	<u>1,005,458</u>	<u>1,005,458</u>
Total, Goal B: PROTECT PUBLIC	\$ 4,562,620	\$ 4,469,966
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMIN - LICENSING		
Indirect Administration for Licensing Programs.		
	\$ 625,611	\$ 625,612
C.1.2. Strategy: INDIRECT ADMIN - ENFORCEMENT		
Indirect Administration for Enforcement and Adjudication Programs.		
	<u>314,671</u>	<u>314,672</u>
Total, Goal C: INDIRECT ADMINISTRATION	<u>\$ 940,282</u>	<u>\$ 940,284</u>
Grand Total, TEXAS BOARD OF NURSING	<u>\$ 13,722,475</u>	<u>\$ 13,525,341</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 7,682,543	\$ 7,682,543
Other Personnel Costs	154,420	154,420
Professional Fees and Services	966,702	966,702
Consumable Supplies	57,700	57,700
Utilities	27,000	27,000
Travel	107,000	107,000
Rent - Building	18,800	18,800
Rent - Machine and Other	27,000	27,000
Other Operating Expense	4,435,534	4,240,400
Capital Expenditures	<u>245,776</u>	<u>243,776</u>
Total, Object-of-Expense Informational Listing	<u>\$ 13,722,475</u>	<u>\$ 13,525,341</u>
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement		
Group Insurance	1,128,696	1,139,760

TEXAS BOARD OF NURSING
(Continued)

Social Security	540,690	543,393
Benefits Replacement	4,885	4,045

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act

	\$ 2,358,245	\$ 2,374,592
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1. Performance Measure Targets. The following is a listing of the key performance target levels for the Texas Board of Nursing. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Board of Nursing. In order to achieve the objectives and service standards established by this Act, the Texas Board of Nursing shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2022	2023
A. Goal: LICENSING		
Outcome (Results/Impact):		
Percentage of Licensees with No Recent Violations (RN)	99%	99%
Percent of Licensees Who Renew Online (RN)	100%	100%
Percent of New Individual Licenses Issued Online (RN)	100%	100%
Percentage of Licensees with No Recent Violations (LVN)	99%	99%
Percent of Licensees Who Renew Online (LVN)	100%	100%
Percent of New Individual Licenses Issued Online (LVN)	100%	100%
Percentage of Licensees with No Recent Violations (APRN)	99%	99%
Percent of Licensees Who Renew Online (APRN)	100%	100%
Percent Of New Individual Licenses Issues Online (APRN)	100%	100%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals (RN)	23,000	23,000
Number of Individual Licenses Renewed (RN)	162,500	162,500
Number of New Licenses Issued to Individuals (LVN)	5,250	5,250
Number of Individual Licenses Renewed (LVN)	50,000	50,000
Number of New Licenses Issued to Individuals (APRN)	5,000	5,250
Number of Individual Licenses Renewed (APRN)	16,500	16,500
B. Goal: PROTECT PUBLIC		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action (RN)	13%	13%
Percent of Complaints Resulting in Disciplinary Action (LVN)	15%	15%
Percent of Complaints Resulting in Disciplinary Action (APRN)	17%	17%
B.1.1. Strategy: ADJUDICATE VIOLATIONS		
Output (Volume):		
Number of Complaints Resolved (RN)	8,500	8,500
Number of Complaints Resolved (LVN)	4,000	4,000
Number of Complaints Resolved (APRN)	750	750
Efficiencies:		
Average Time for Complaint Resolution (Days) (RN)	100	100
Average Time for Complaint Resolution (Days) (LVN)	100	100
Average Time for Complaint Resolution (APRN)	130	130
Explanatory:		
Number of Jurisdictional Complaints Received (RN)	8,500	8,500
Number of Jurisdictional Complaints Received (LVN)	3,750	3,750
Number of Jurisdictional Complaints Received (APRN)	750	750
B.1.2. Strategy: PEER ASSISTANCE		
Output (Volume):		
Number of Licensed Individuals Participating in a Peer Assistance Program (RN)	525	525
Number of Licensed Individuals Participating in a Peer Assistance Program (LVN)	125	125
Number of Licensed Individuals in Peer Assistance Program (APRN)	50	50

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code §1232.103.

TEXAS BOARD OF NURSING
(Continued)

	2022	2023
a. Acquisition of Information Resource Technologies		
(1) PC Replacement-Acquisition and Refresh of Hardware and Software	\$ 57,600	\$ 55,600
b. Data Center Consolidation		
(1) Capital Complex Data Center Transition	\$ 188,176	\$ 188,176
Total, Capital Budget	\$ 245,776	\$ 243,776
Method of Financing (Capital Budget):		
General Revenue Fund	\$ 245,776	\$ 243,776
Total, Method of Financing	\$ 245,776	\$ 243,776

3. Texas Center for Nursing Workforce Studies Funding. Out of amounts appropriated above in Strategy A.1.1, Licensing, the Board of Nursing shall continue the Interagency Contract with the Department of State Health Services to provide funding for the Texas Center for Nursing Workforce Studies of \$411,550 each year. The Board of Nursing shall also provide funding to the department in support of the grant program to reduce workplace violence against nurses in the amount of \$328,000 in General Revenue in fiscal year 2022 and \$339,000 in General Revenue in fiscal year 2023.

4. Contingency for Behavioral Health Funds. Notwithstanding appropriation authority granted above, the Comptroller of Public Accounts shall not allow the expenditure of General Revenue-Related behavioral health funds for the Board of Nursing in Strategy B.1.2, Peer Assistance Program, in fiscal year 2022 or fiscal year 2023, as identified in Art. IX, Sec. 10.04, Statewide Behavioral Health Strategic Plan and Coordinated Expenditures, if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the agency's planned expenditure of those funds in fiscal year 2022 or fiscal year 2023 does not satisfy the requirements of Art. IX, Sec. 10.04, Statewide Behavioral Health Strategic Plan and Coordinated Expenditures.

General Notes:

Pass-Through:

TPAPN:	\$1,005,458
Texas.Gov:	594,902
HPC:	101,968
PMP:	148,618
DSHS – TCNWS	411,550
DSHS – WPVG	328,000
eSS – NJE	450,000

\$3,040,496 (22% of our annual budget)

Agency Discernible Funding Left \$10,681,979

Payroll: 73%