



DATE	August 4, 2025
TO	Board Members
FROM	Mark Ito Assistant Executive Officer
SUBJECT	Budget Report

### **Budget Overview**

The Board of Vocational Nursing and Psychiatric Technicians (Board) is a self-supporting, special fund agency whose activities are funded by regulatory and license fees. The Board does not receive financial support from the General Fund.

The Board's budget is built based on incremental budgeting. This approach uses the Board's current level of funding as a base amount that can be adjusted by Budget Change Proposals (BCP) and Budget Letters (BL), among other things.

A BCP is a proposal to change the level of service and/or funding for the Board. BCPs are authorized by the Legislature and typically include additional staffing or funding to ensure operational needs are met by the Board.

BLs are documents issued by the Department of Finance (DOF) to communicate budget and accounting policies. An example of a BL is employee compensation, which addresses the salary adjustments approved through the collective bargaining process.

### **Budget Summary**

The current level of funding at the beginning of the 2024-25 annual budget process was \$18,456,000. Several incremental adjustments were made during the annual budget process and can be found on the attached Budget Summary (Attachment 1). The Board's 2024-25 appropriation after the incremental adjustments is \$17,860,000,

Budget Letter 24-10: Government Efficiency Reductions was issued on July 1, 2024. BL 24-10 included two government efficiency measures intended to put the State on a long-term, fiscally responsible path through ongoing budgetary reductions in 2024-25 and ongoing.

- **Control Section 4.05 – Ongoing Reductions to State Operations:** The Board's budget was reduced by \$57,000 in 2024-25 and ongoing. This reduction includes personal services, operating expenses and equipment, and consulting and professional services costs.

- **Control Section 4.12 – Vacant Positions Funding Reduction and Elimination of Positions:** The Board's budget was reduced by \$398,000 in 2024-25 and ongoing for savings associated with vacant positions. The Board also reduced its position authority by 3.0 positions

### **Expenditure Projections**

The Board's 2024-25 budget appropriation was \$17,860,000. Based on the Fiscal Month (FM 11) expenditure projections (Attachment 2), the Board is projected to spend \$17,712,000 in 2024-25, which reflects a savings of \$147,794 or 0.83% of the Board's appropriation. An appropriate annual reversion is between three to five percent of its appropriation. The Board is currently exploring creative solutions to create cost savings without compromising operational needs.

### **Revenue Projections**

Based on the FM 11 revenue projections (Attachment 3), the Board is projected to collect \$26,148,000 in 2024-25. The majority of the Board's revenue is generated by applications for licensure and renewals. The projected revenue in 2024-25 is consistent with what the Board reported during the annual budget building cycle.

### **Fund Condition**

The Board's Fund Condition (Attachment 4) has five sections:

- **Beginning Balance:** The Board's fund balance at the beginning of the fiscal year
- **Revenues, Transfers and Other Adjustments:** The amount of revenue collected by the Board during the fiscal year.
- **Expenditures:** The Board's total expenditures for the current fiscal year. This section also includes direct draws from the Board's fund, such as Statewide Pro Rata.
- **Fund Balance:** The fund balance at the conclusion of the fiscal year is quantified by taking the fund balance from the beginning of the fiscal year then adding the revenue collected then subtracting the total expenditures. The fund balance from the previous fiscal year is carried over as the beginning balance for the next fiscal year.
- **Months in Reserve:** The Board's Months in Reserve is essentially how many months the Board could operate if the Board was unable to collect ongoing revenue. The Months in Reserve is calculated by comparing the Board's Fund

Balance and budget appropriations. The Board's current Months is Reserve at the end of 2024-25 is 13.5, which is below the statutory cap of 24.0 months.

## 0779 - Board of Vocational Nursing and Psychiatric Technicians

### Item 1111-001-0779 2025-26 BUDGET SUMMARY

	<u>CY 2024-25</u>	<u>Governor's Proposed Budget BY 2025-26</u>		
2024-25 Governor's Budget	18,456,000			
2024 Budget Act	18,456,000	18,456,000		
One-Time Costs / Full Year Cost Adj:				
1111-102-BCP-2022-GB (BCSH Wrld resources Cost Adj.)		8,000		
Item 1111-401, Budget Act of 2024 (CY OAH Augmentation)	396,000			
Baseline Adjustments:				
Employee Compensation (BL 24-27)	353,000	391,000		
Employer Retirement Rate (BL 24-28)	-515,000	-515,000		
Other Post Employment Benefits (23-23)				
Agency Employee Comp Adjustments (BL 24-27 & BL 24-28)	-1,000	-1,000		
Equipment Adjustment		45,000		
Ongoing Reductions to State Operations (BL 24-10)	-57,000			
Vacancy Savings and Position Elimination (BL 24-10)	-398,000			
Department Distributed Costs		692,000		
Office of Information Services Pro Rata [-1,000]				
Administration Pro Rata [-17,000]				
Communications Pro Rata [-5,000]				
Program Policy Review Division Pro Rata [-27,000]				
Division of Investigation - Investigative [744,000]				
Division of Investigation - Special Operations Unit [-2,000]				
	<hr/>	<hr/>	Net Change	
<b>REVISED APPROPRIATION</b>	<b>18,234,000</b>	<b>19,076,000</b>		
Reimbursements	-374,000	-374,000	<b>842,000</b>	<b>4.6%</b>
<b>Revised Net Appropriation (from fund)</b>	<b>17,860,000</b>	<b>18,702,000</b>		
<b>AUTHORIZED POSITIONS</b>	<b>73.4</b>	<b>73.4</b>	<b>0.0</b>	<b>0.0%</b>
Authorized Perm Positions	73.4	73.4		

Department of Consumer Affairs

Expenditure Projection Report

Board of Vocational Nursing & Psychiatric Technicians

Reporting Structure(s): 11113500 Support

Fiscal Month: 11

Fiscal Year: 2024 - 2025

PERSONAL SERVICES

Fiscal Code	Line Item	PY Budget	PY FM13	Budget	Current Month	YTD	Encumbrance	YTD + Encumbrance	Projections to Year End	Balance
5100	PERMANENT POSITIONS	\$5,475,000	\$5,382,264	\$5,938,000	\$458,685	\$4,980,309	\$0	\$4,980,309	\$5,440,557	\$497,443
5100	TEMPORARY POSITIONS	\$169,000	\$63,022	\$169,000	\$6,242	\$77,913	\$0	\$77,913	\$84,503	\$84,497
5105-5108	PER DIEM, OVERTIME, & LUMP SUM	\$17,000	\$10,581	\$17,000	\$400	\$6,857	\$0	\$6,857	\$23,269	-\$6,269
5150	STAFF BENEFITS	\$3,546,000	\$3,243,757	\$2,772,000	\$256,574	\$2,820,954	\$0	\$2,820,954	\$3,066,829	-\$294,829
	PERSONAL SERVICES	\$9,207,000	\$8,699,624	\$8,896,000	\$721,901	\$7,886,033	\$0	\$7,886,033	\$8,615,158	\$280,842

OPERATING EXPENSES & EQUIPMENT

Fiscal Code	Line Item	PY Budget	PY FM13	Budget	Current Month	YTD	Encumbrance	YTD + Encumbrance	Projections to Year End	Balance
5301	GENERAL EXPENSE	\$423,000	\$61,439	\$456,000	\$1,827	\$37,517	\$27,361	\$64,878	\$77,350	\$378,650
5302	PRINTING	\$70,000	\$145,490	\$64,000	\$6,253	\$30,196	\$71,192	\$101,388	\$72,231	-\$8,231
5304	COMMUNICATIONS	\$57,000	\$34,343	\$51,000	\$928	\$10,282	\$0	\$10,282	\$13,822	\$37,178
5306	POSTAGE	\$57,000	\$34,092	\$54,000	\$20,493	\$84,375	\$197	\$84,572	\$105,844	-\$51,844
5308	INSURANCE	\$0	\$139	\$0	\$0	\$36	\$0	\$36	\$139	-\$139
53202-204	IN STATE TRAVEL	\$154,000	\$49,791	\$92,000	\$9,277	\$53,914	\$0	\$53,914	\$55,791	\$36,209
5322	TRAINING	\$12,000	\$5,270	\$9,000	\$200	\$3,749	\$0	\$3,749	\$7,024	\$1,976
5324	FACILITIES	\$520,000	\$576,855	\$499,000	\$48,351	\$527,662	\$32,602	\$560,264	\$588,703	-\$89,703
53402-53403	C/P SERVICES (INTERNAL)	\$3,543,000	\$3,039,429	\$3,816,000	\$269,795	\$3,048,919	\$0	\$3,048,919	\$3,646,043	\$169,957
53404-53405	C/P SERVICES (EXTERNAL)	\$293,000	\$412,117	\$366,000	\$12,021	\$360,466	\$99,174	\$459,640	\$489,868	-\$123,868
5342	DEPARTMENT PRORATA	\$4,237,000	\$3,602,686	\$4,229,000	\$0	\$3,615,833	\$0	\$3,615,833	\$4,141,000	\$88,000
5342	DEPARTMENTAL SERVICES	\$14,000	\$50,243	\$14,000	\$86	\$92,888	\$0	\$92,888	\$140,314	-\$126,314
5344	CONSOLIDATED DATA CENTERS	\$68,000	\$39,917	\$56,000	\$0	\$0	\$0	\$0	\$40,071	\$15,929
5346	INFORMATION TECHNOLOGY	\$42,000	\$3,732	\$42,000	\$346	\$6,162	\$1,497	\$7,659	\$7,752	\$34,248
5362-5368	EQUIPMENT	\$54,000	\$91,628	\$22,000	\$0	\$75,109	\$572	\$75,681	\$80,626	-\$58,626
5390	OTHER ITEMS OF EXPENSE	\$23,000	\$1,692	\$23,000	\$0	\$0	\$0	\$0	\$1,645	\$21,355
54	SPECIAL ITEMS OF EXPENSE	\$0	\$2,361	\$0	\$0	\$2,825	\$0	\$2,825	\$2,825	-\$2,825
	OPERATING EXPENSES & EQUIPMENT	\$9,567,000	\$8,151,222	\$9,793,000	\$369,576	\$7,949,931	\$232,596	\$8,182,527	\$9,471,049	\$321,951

OVERALL TOTALS	\$18,774,000	\$16,850,846	\$18,689,000	\$1,091,478	\$15,835,964	\$232,596	\$16,068,560	\$18,086,206	\$602,794
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REIMBURSMENTS	-\$374,000	-\$374,000	-\$374,000					-\$374,000	
OVERALL NET TOTALS	\$18,400,000	\$16,476,846	\$18,315,000	\$1,091,478	\$15,835,964	\$232,596	\$16,068,560	\$17,712,206	\$602,794

ESTIMATED TOTAL NET ADJUSTMENTS			-\$455,000						
OVERALL NET TOTALS	\$18,400,000	\$16,476,846	\$17,860,000	\$1,091,478	\$15,835,964	\$232,596	\$16,068,560	\$17,712,206	\$147,794

0.83%

Department of Consumer Affairs  
Revenue Projection Report

Reporting Structure(s): 11113500 Support  
Fiscal Month: 11  
Fiscal Year: 2024 - 2025

Revenue														
Fiscal Code	Line Item	Budget	July	August	September	October	November	December	January	February	March	April	May	Projection To Year End
	Delinquent Fees	\$277,000	\$21,150	\$25,500	\$27,900	\$20,550	\$21,150	\$19,800	\$31,540	\$29,400	\$27,000	\$22,500	\$21,600	\$283,880
	Other Regulatory Fees	\$475,000	\$53,436	\$65,375	\$49,260	\$50,754	\$42,326	\$47,129	\$50,610	\$51,506	\$57,101	\$57,395	\$53,308	\$621,746
	Other Regulatory License and Permits	\$7,330,000	\$615,569	\$607,358	\$634,009	\$618,890	\$521,941	\$650,627	\$622,755	\$543,640	\$709,115	\$619,032	\$622,441	\$7,349,738
	Other Revenue	\$306,000	\$318	\$475	\$751	\$217,778	\$282	\$419	\$237,032	\$283	\$1,749	\$246,311	\$517	\$707,572
	Renewal Fees	\$16,688,000	\$1,772,960	\$2,024,914	\$2,523,031	\$1,501,982	\$1,391,755	\$1,341,099	\$1,665,679	\$1,434,191	\$1,414,870	\$1,122,280	\$809,900	\$17,184,777
	Revenue	\$25,076,000	\$2,463,433	\$2,723,622	\$3,234,951	\$2,409,954	\$1,977,454	\$2,059,074	\$2,607,617	\$2,059,020	\$2,209,835	\$2,067,518	\$1,507,766	\$26,147,714

Reimbursements														
Fiscal Code	Line Item	Budget	July	August	September	October	November	December	January	February	March	April	May	Projection To Year End
	Scheduled Reimbursements	\$0	\$5,635	\$3,822	\$2,981	\$5,047	\$3,449	\$3,264	\$4,293	\$4,154	\$5,096	\$5,518	\$3,664	\$49,904
	Unscheduled Reimbursements	\$0	\$39,718	\$53,418	\$20,050	\$20,035	\$33,769	\$4,373	\$18,464	\$24,143	\$23,249	\$39,094	\$18,192	\$323,740
	Reimbursements	\$0	\$45,353	\$57,240	\$23,031	\$25,082	\$37,218	\$7,637	\$22,757	\$28,297	\$28,345	\$44,612	\$21,856	\$373,644

**0779 - Board of Vocational Nursing and Psychiatric Technicians Fund**  
**Analysis of Fund Condition**  
**(Dollars in Thousands)**  
**2025-26 Governor's Budget w FM 11 Projections**

Prepared 7.7.2025

	<b>Actuals 2023-24</b>	<b>CY 2024-25</b>	<b>BY 2025-26</b>	<b>BY +1 2026-27</b>	<b>BY +2 2027-28</b>
<b>BEGINNING BALANCE</b>	\$ 7,847	\$ 15,501	\$ 22,626	\$ 27,703	\$ 32,473
Prior Year Adjustment	-25	\$ -	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 7,822	\$ 15,501	\$ 22,626	\$ 27,703	\$ 32,473
<b>REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>					
Revenues					
4121200 - Delinquent fees	\$ 284	\$ 284	\$ 277	\$ 277	\$ 277
4127400 - Renewal fees	\$ 16,669	\$ 17,185	\$ 16,766	\$ 16,766	\$ 16,766
4129200 - Other regulatory fees	\$ 649	\$ 622	\$ 329	\$ 329	\$ 329
4129400 - Other regulatory licenses and permits	\$ 7,250	\$ 7,350	\$ 7,393	\$ 7,393	\$ 7,393
4143500 - Miscellaneous Services to the Public	\$ -	\$ -	\$ 2	\$ 2	\$ 2
4163000 - Income from surplus money investments	\$ 557	\$ 699	\$ 416	\$ 480	\$ 543
4171400 - Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	\$ 9	\$ 5	\$ 7	\$ 7	\$ 7
4172500 - Miscellaneous revenues	\$ 2	\$ 3	\$ 8	\$ 8	\$ 8
Totals, Revenues	\$ 25,420	\$ 26,148	\$ 25,198	\$ 25,262	\$ 25,325
<b>TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>	\$ 25,420	\$ 26,148	\$ 25,198	\$ 25,262	\$ 25,325
<b>TOTAL RESOURCES</b>	\$ 33,242	\$ 41,649	\$ 47,824	\$ 52,965	\$ 57,798
Expenditures:					
1111 Department of Consumer Affairs Regulatory Boards, Bureaus, Divisions (State Operations)	\$ 16,458	\$ 17,712	\$ 18,702	\$ 19,263	\$ 19,841
9892 Supplemental Pension Payments (State Operations)	\$ 246	\$ 190	\$ 190	\$ -	\$ -
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 1,037	\$ 1,121	\$ 1,229	\$ 1,229	\$ 1,229
<b>TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>	\$ 17,741	\$ 19,023	\$ 20,121	\$ 20,492	\$ 21,070
<b>FUND BALANCE</b>					
Reserve for economic uncertainties	\$ 15,501	\$ 22,626	\$ 27,703	\$ 32,473	\$ 36,728
Months in Reserve	9.8	13.5	16.2	18.5	20.9

**NOTES:**

1. Assumes workload and revenue projections are realized in BY +1 and ongoing.
2. Expenditure growth projected at 3% beginning BY +1.