

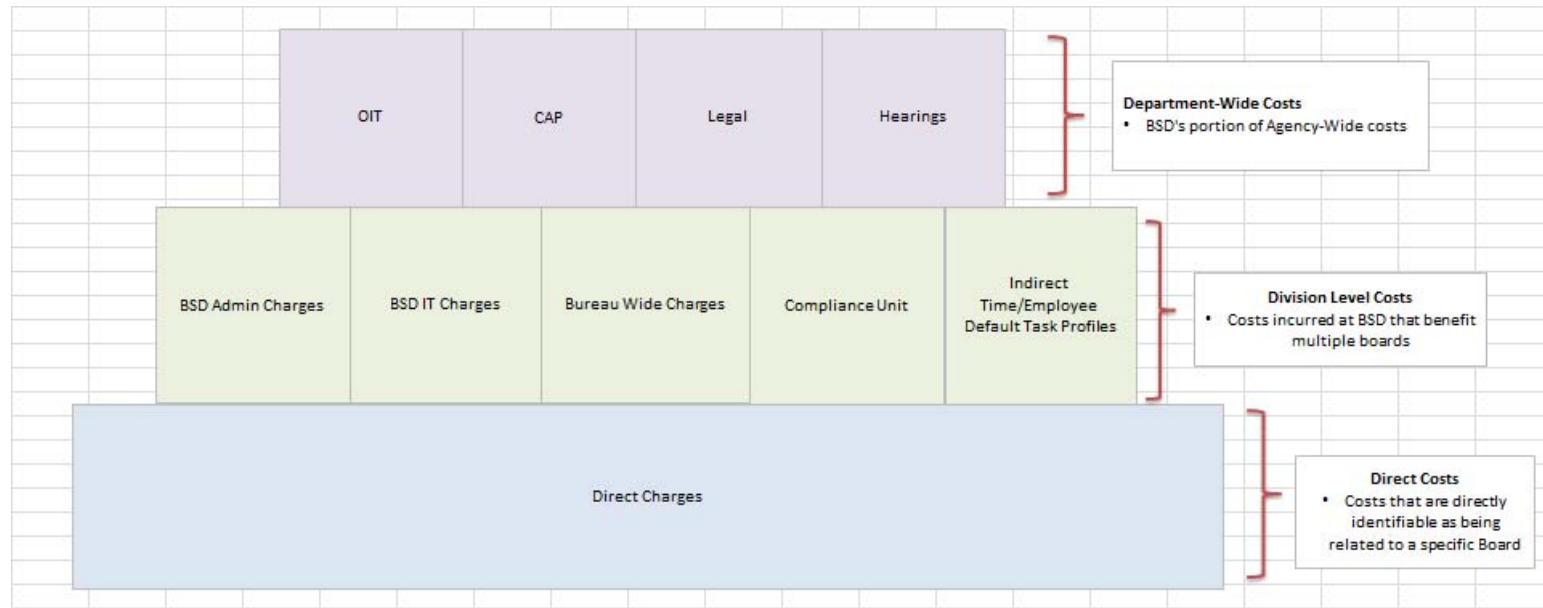
Department of Labor & Industry's Business Standards Division

Summary of Financial Considerations

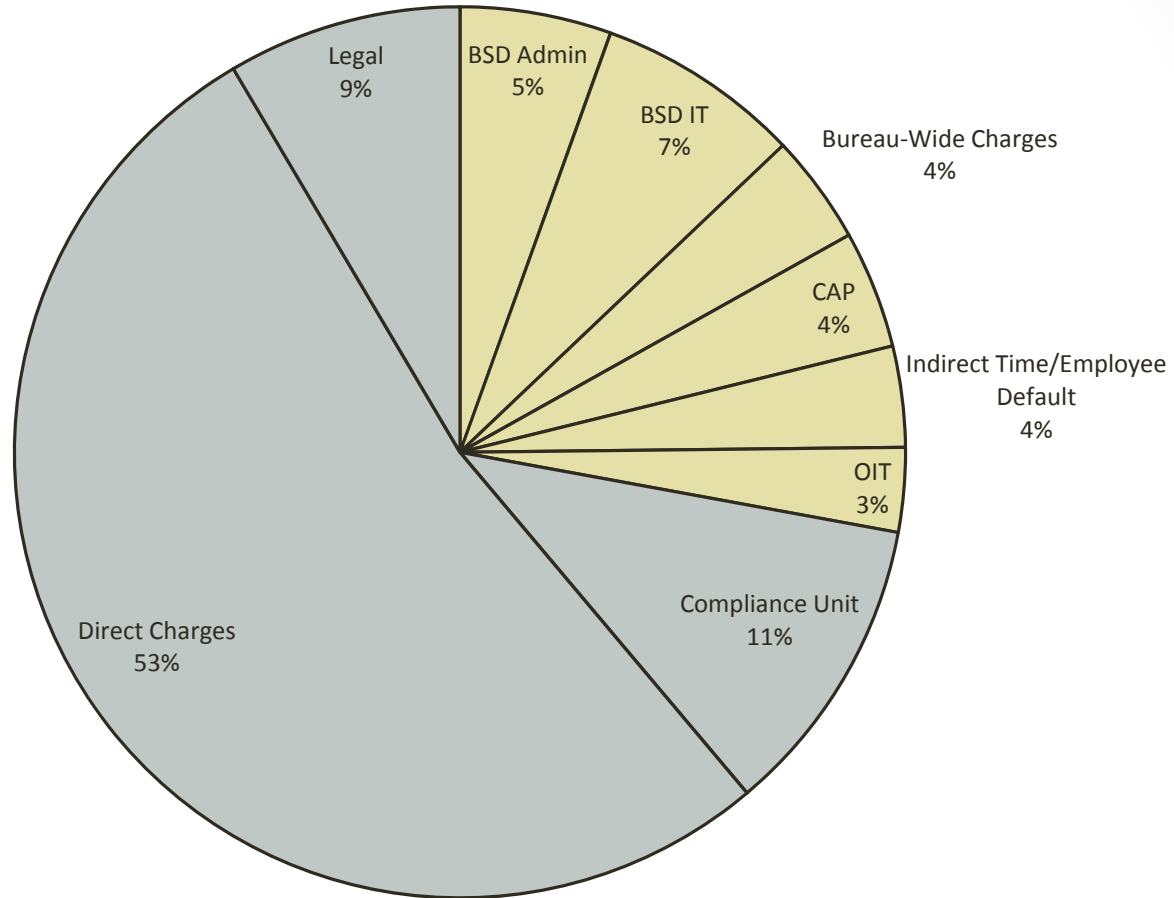
Issue #1

ADMINISTRATIVE COSTS

Summary of Expenses



Board Specific vs. Administrative/Indirect Costs



Board Specific vs. Administrative/Indirect

Type	2009	2010	2011	2012	2013
Admin	2,187,367.51	2,346,794.02	2,574,099.91	3,183,236.22	2,792,995.80
Board Specific	6,113,262.12	6,726,931.01	6,840,042.98	7,749,183.55	7,224,420.67
Grand Total	8,300,629.63	9,073,725.03	9,414,142.89	10,932,419.77	10,017,416.47

Admin	26.35%	25.86%	27.34%	29.12%	27.88%
Board Specific	73.65%	74.14%	72.66%	70.88%	72.12%

Number of Licenses	92,032	94,705	94,727	97,044	97,361
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Education/Communication Efforts

- Executive Officer “Fiscal Boot Camp” Training
- Board Member Training
- Regular e-mail updates to Boards from BSD Division Administrator
- In the process of developing a line-item administrative budget to provide to Boards in 2015

Issue #2

FEES COMMENSURATE WITH COSTS

Issue #3

CREATING BOARD BUDGETS

Expense Fluctuations

Business Standards Division					
Expense Fluctuations - 5 Year History					
	2009	2010	2011	2012	2013
Alternative Health Care	-3.96%	11.11%	-29.88%	54.69%	-14.22%
Architects	-25.45%	24.52%	-11.23%	-11.20%	22.14%
Athletic Trainers	281.75%	-47.05%	84.39%	-3.74%	-4.75%
Barbers & Cosmetologists	-7.41%	28.04%	-12.25%	-2.36%	11.33%
Chiropractors	-1.69%	24.98%	-24.28%	48.27%	-6.92%
Clinical Lab Science Practitioners	-4.36%	0.37%	-15.60%	33.95%	11.11%
Dentistry	6.71%	4.78%	-12.00%	37.63%	-3.30%
Electrical	8.82%	-2.41%	0.67%	17.45%	-22.28%
Funeral Service	4.05%	1.06%	23.81%	32.78%	21.26%
Hearing Aid Dispensers	-32.16%	14.97%	39.14%	35.88%	-69.33%
Landscape Architects	83.90%	33.73%	-4.71%	-14.66%	-7.00%
Licensed Addiction Counselors	10.86%	11.13%	17.90%	31.56%	5.98%
Massage Therapy			92.04%	-16.57%	22.89%
Medical Examiners	-3.23%	16.74%	-8.18%	32.42%	6.66%
Nursing	-0.40%	-5.69%	6.90%	0.15%	11.18%
Nursing Home Administrators	8.87%	-6.41%	-43.38%	3.41%	34.23%
Occupational Therapy	-26.72%	23.91%	-2.42%	15.96%	32.37%
Optometry	-13.82%	-21.21%	28.60%	30.63%	-0.91%
Outfitters	-0.32%	6.11%	-14.54%	-5.00%	-22.11%
Pharmacy	4.05%	4.28%	-4.94%	22.07%	-4.46%
Physical Therapy	19.05%	28.11%	-15.31%	45.47%	-20.95%
Plumbing	9.32%	-3.70%	2.11%	3.71%	-18.87%
Private Adolescent & Outdoor Program	24.67%	44.39%	-13.92%	-21.34%	15.59%
Private Security	10.80%	16.45%	-20.31%	-1.09%	7.72%
Professional Engineers	-9.16%	48.02%	-17.05%	16.46%	17.06%
Psychologists	-11.36%	-0.83%	24.46%	22.80%	-8.60%
Public Accountants	3.46%	6.72%	3.62%	20.57%	-14.40%
Radiology Technologists	1.52%	5.08%	-11.12%	26.43%	-18.26%
Real Estate Appraisers	-4.87%	-12.10%	19.44%	23.72%	0.79%
Realty Regulation	7.91%	1.88%	-4.95%	32.16%	-10.10%
Respiratory Care Practitioners	-6.22%	9.16%	-1.70%	44.94%	9.23%
Sanitarians	60.62%	-31.64%	4.26%	-5.61%	37.88%
Social Work Examiners	-23.68%	29.20%	12.83%	22.16%	-12.81%
Speech Language Pathologists	-11.35%	8.38%	-7.59%	42.04%	30.49%
Veterinary Medicine	7.99%	1.63%	-11.95%	60.29%	-6.22%

2013	BSD Summary HB2	HB2 TOTAL	BCD	TOTAL	TOTAL
		SFY13 Beginning Approp	SFY13 Budget Change Documents	SFY13 Ending Balance	Difference
Fund	Description				
02024	Blasters Program	\$ 3,085	\$ 5,300	\$ 8,385	\$ 5,300
02078	Occupational Therapists	\$ 33,749	\$ 17,400	\$ 51,149	\$ 17,400
02079	Fire Protection & Permitting	\$ 61,480	\$ 53,500	\$ 114,980	\$ 53,500
02080	Prescription Drug Registry	\$ 115,838	\$ -	\$ 115,838	\$ -
02080	Prescription Drug Registry AA	\$ -	\$ -	\$ -	\$ -
02109	Board Of Outfitters	\$ 643,785	\$ (160,300)	\$ 483,485	\$ (160,300)
02155	Boilers Program	\$ 576,276	\$ (23,000)	\$ 553,276	\$ (23,000)
02207	Cranes Program	\$ 99,843	\$ 21,000	\$ 120,843	\$ 21,000
02359	Chemical Dependency Counselors	\$ 72,221	\$ 48,000	\$ 120,221	\$ 48,000
02446	Board Of Psychologist Exam	\$ 79,544	\$ 40,000	\$ 119,544	\$ 40,000
02448	Building Codes State Spec Rev	\$ 4,309,667	\$ (1,011,996)	\$ 3,297,671	\$ (1,011,996)
02580	Board of Athletic Trainers	\$ 18,583	\$ 1,500	\$ 20,083	\$ 1,500
02679	Massage Therapists	\$ 75,024	\$ 51,500	\$ 126,524	\$ 51,500
02764	Private Alt. Adol Programs	\$ 88,443	\$ -	\$ 88,443	\$ -
02767	Elevator Licensing Program	\$ 204,754	\$ 152,000	\$ 356,754	\$ 152,000
02805	Weights & Measures Bureau	\$ 1,038,249	\$ -	\$ 1,038,249	\$ -
02808	Board Of Landscape Architects	\$ 31,509	\$ -	\$ 31,509	\$ -
02809	Board Of Speech Pathologists	\$ 47,449	\$ 33,500	\$ 80,949	\$ 33,500
02810	Bd Of Radiologic Technologists	\$ 92,583	\$ -	\$ 92,583	\$ -
02811	Clinical Lab Science Pract.	\$ 59,905	\$ 15,000	\$ 74,905	\$ 15,000
02812	Physical Therapists	\$ 94,260	\$ -	\$ 94,260	\$ -
02813	Bd Of Nursing Home Admin	\$ 47,776	\$ -	\$ 47,776	\$ -
02814	Bd Of Hearing Aid Dispensers	\$ 44,884	\$ -	\$ 44,884	\$ -
02815	Board Of Public Accountants	\$ 371,278	\$ 19,500	\$ 390,778	\$ 19,500
02816	Board Of Sanitarians	\$ 24,642	\$ 10,500	\$ 35,142	\$ 10,500
02818	Electrical Board	\$ 351,969	\$ -	\$ 351,969	\$ -
02819	Board of Realty Regulations	\$ 802,054	\$ 130,500	\$ 932,554	\$ 130,500
02820	Board Of Architects	\$ 95,427	\$ -	\$ 95,427	\$ -
02821	Board Of Funeral Service	\$ 93,470	\$ 99,700	\$ 193,170	\$ 99,700
02822	Board Of Chiropractors	\$ 98,614	\$ 6,500	\$ 105,114	\$ 6,500
02823	Professional Engineers	\$ 378,402	\$ 47,800	\$ 426,202	\$ 47,800
02824	Board Of Medical Examiners	\$ 1,353,248	\$ 101,500	\$ 1,454,748	\$ 101,500
02826	Cosmetology Board	\$ 613,689	\$ (22,000)	\$ 591,689	\$ (22,000)
02828	Board Of Plumbers	\$ 281,628	\$ -	\$ 281,628	\$ -
02829	Private Investigator	\$ 242,425	\$ (30,000)	\$ 212,425	\$ (30,000)
02830	Board Of Dentistry	\$ 236,533	\$ 50,000	\$ 286,533	\$ 50,000
02831	Board Of Optometrists	\$ 26,524	\$ 22,000	\$ 48,524	\$ 22,000
02832	Board Of Pharmacy	\$ 722,622	\$ 10,000	\$ 732,622	\$ 10,000
02833	Board Of Nursing	\$ 986,840	\$ 60,000	\$ 1,046,840	\$ 60,000
02834	Board Of Veterinarians	\$ 104,133	\$ 29,500	\$ 133,633	\$ 29,500
02840	Board Of Social Workers	\$ 191,733	\$ 52,000	\$ 243,733	\$ 52,000
02841	Athletic Licensing	\$ -	\$ 16,000	\$ 16,000	\$ 16,000
02852	Bd. Of Alternative Health Care	\$ 63,277	\$ -	\$ 63,277	\$ -
02854	Bd. Of Real Estate Appraisers	\$ 225,517	\$ 130,000	\$ 355,517	\$ 130,000
02855	Bd. Of Respiratory Care	\$ 33,205	\$ 21,000	\$ 54,205	\$ 21,000
	Subtotal by Fund Type	\$ 15,136,137	\$ -	\$ 15,134,041	\$ (2,096)
03293	Country of Origin Labeling	\$ 12,669	\$ -	\$ 12,669	\$ -
	Subtotal by Fund Type	\$ 12,669	\$ -	\$ 12,669	\$ -
	Total	\$ 15,148,806	\$ -	\$ 15,146,710	\$ (2,096)

Issue #4

CONFLICTING STATUTES – ACCOUNTING TREATMENT

Conflicting Statutes

- 37-1-134, MCA – requires that activity for the Boards be recorded in a State Special Revenue Fund
- 17-1-102 (4), MCA – requires that state agencies record transactions in accordance with Generally Accepted Accounting Principles

GAAP – GASB 34

- *Enterprise Funds* may be used to report any activity for which a fee is charged to external users for goods or services.

Activities are *required* to be reported as enterprise funds if any one of the following criteria is met. Governments should apply each of these criteria in the context of the activity's *principal revenue sources*.

b). Laws or regulations require that the activity's costs of providing services, including capital costs, be recovered with fees and charges, rather than with taxes or similar revenues.

In Closing...

- Issue #1 – Confusion over Administrative Costs
- Issue #2 - Fees Commensurate with Costs statutes
- Issue #3 – Difficulty Developing Board Budgets
- Issue #4 – Conflicting Statutes/Non-Compliance with GAAP