

	PAGE
Small Agency Profile	2
Agency Fiscal Page (Gov Rec)	5
Change Items	6
Agency Change Items	
⇒ Convert To Dedicated Funding.....	7
Agency Revenue Summary Fiscal Page	8
⇒ Designates that this item is a change item	

Agency Purpose

The Board of Veterinary Medicine was created in 1893 under the authority of Minnesota Statutes, chapter 156. The board is the licensing agency for practitioners of veterinary medicine in the state of Minnesota. The board is to protect human and animal health and welfare through the regulation of veterinarians in Minnesota. Regulation is accomplished through licensure examination and renewal, registration of professional firms as well as the investigation of complaints regarding veterinary care and unlicensed practice.

The mission of the board is:

- to promote the public’s interest in receiving quality veterinary care from competent veterinarians by ensuring that veterinarians’ qualifications meet the specifications established by the board; and
- to protect the public by ensuring that all licensees provide competent veterinary care.

At a Glance

Credentialing Services

- 3100 Licensed Veterinarians
- 325 Professional Firms
- 300 License Verifications
- 250 New Licensees

Education Services

- 140 CE program approvals

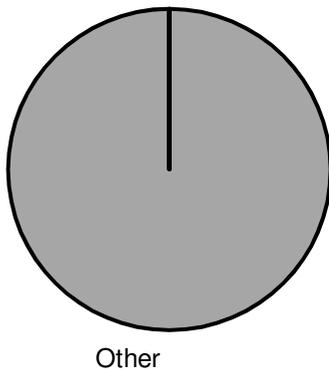
Discipline Services

- Resolve 40 disciplinary actions against veterinarians
- Monitor 15 veterinarians under disciplinary order
- Assure monitoring of veterinarians in Health Professional Services Program

Investigative Services

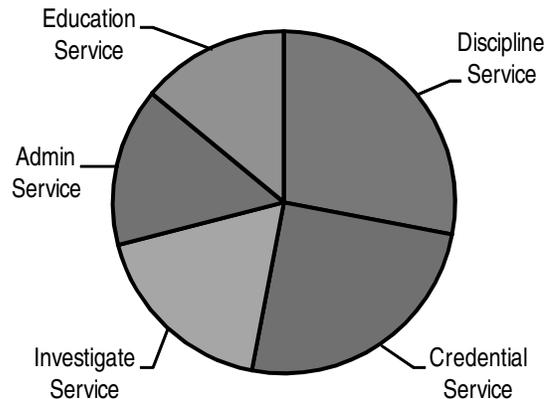
- Investigate 140 jurisdictional complaints against veterinarians who violate the veterinary practice act
- Investigate 35 complaints of unlicensed practice

Est. FY 2010-11 Expenditures by Fund



Source: Consolidated Fund Statement.

Est. FY 2010-11 Expenditures by Service



Source: Board expenses allocated to the services provided by the board.

Strategies

The board accomplishes its mission of **Public Protection** by:

- setting and administering educational requirements and examination standards for licensure as a veterinarian;
- setting standards of practice and conduct for licensees and pursuing educational or disciplinary action with licensees to ensure standards are met;
- responding to public and agency inquiries, complaints and reports regarding licensure and conduct on applicants, licensees and unlicensed practitioners; and
- providing information and education about licensure requirements and standards of practice to the public, licensees and other interested parties.

Operations

The Board serves the consumers of veterinary services by licensing as veterinarians only those individuals the board has determined meet the educational, character and examination requirements they have established. The board also serves the public by investigation of complaints regarding veterinary care and, when necessary, initiating corrective or disciplinary action against licensees who fail to maintain professional standards. The board serves the veterinary community by verifying and approving applicant credentials for entrance into the North American Veterinary Licensing Examination and for licensure in Minnesota and verifies licensure status to other state and federal agencies and the public.

Credentialing Services

The Board of Veterinary Medicine licenses veterinarians who practice in Minnesota to assure the public that the individuals who practice has the requisite education, competence, and ethical character to practice veterinary Medicine safely and effectively.

Discipline/Complaint Resolution

The Board investigates complaints and takes action against veterinarians who violate the veterinary practice act and rules that govern the practice of veterinary medicine in Minnesota. The Board of Veterinary Medicine also removes veterinarians from practice who are a risk to patient safety and monitoring veterinarians whose practice requires remediation and oversight to assure public safety.

Education Services

The Board assures that the continuing education that veterinarians are required to complete for licensure is appropriate and of high quality to promote the high standard of care in veterinary medicine that the public expects.

Key Activity Goals & Measures

Key Goals

- Maintain excellence in veterinary regulation.
- Enhance and expand online services to licensees and the public.
- Prompt investigation of complaints and disciplinary matters.
- Continue outreach to the profession regarding regulatory changes and professional responsibilities.

Key Measures

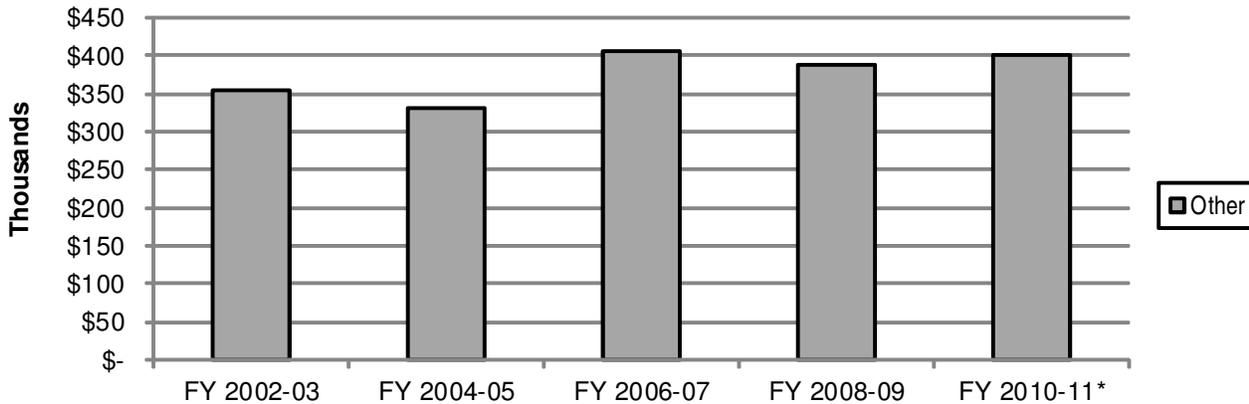
- Currently the Board has greater than 85% of its licensees using the online renewal service.
- 70% increase in the number of consumer complaints filed since 1998.
- 15% increase in total numbers of licensees since 1998.
- Public protection – the Board's website offers several services to the public including viewing disciplinary orders, access to information on complaint process and obtaining forms and information regarding how to file a complaint, viewing disciplinary history of individual licensees.
- Online services – the Board offers license verification, address and contact information changes, license renewals and information for licensees and the public.
- Public information – Board website, newsletters, presentations, public outreach, brochures, real people answering the phone during business hours.
- Licenses are issued within 24 hours of an applicant meeting all requirements.
- License verifications are issued to other licensing jurisdictions within 24 hours of receipt of request and meeting all requirements.

Budget Trends

The board is responsible for collecting sufficient revenue to cover both direct and indirect expenditures. The board is estimated to collect \$651,000 in FY 2010-11, which is deposited as non-dedicated revenue into the state government special revenue fund.

From this fund, the board receives a direct appropriation to pay for agency activities such as salaries, rent, costs for disciplinary/contested cases and operating expenditures. It also pays statewide indirect costs through an open appropriation. In FY 2010-11, total expenditures for these purposes are estimated at \$401,000. The chart below shows funding trends over the last five biennia for the direct and open appropriation.

**Total Expenditures by Fund
\$ in Thousands**



* FY 2010-11 is estimated, not actual

Source data for the previous chart is the Minnesota Accounting and Procurement System (MAPS) as of 07/31/10.

Board fees are also responsible for covering a prorated share of support functions provided outside of the Board itself. These include legal support (Attorney General), statewide e-licensing system development and operations (Office of Enterprise Technology), centralized administrative support (Health Boards Administrative Services Unit) and funding for services to health professionals (Health Professionals Services Program). In FY 2010-11, some of the health boards' reserves in the state government special revenue fund were also transferred to the general fund. The table below displays direct and open appropriation expenditures, external support costs (prorated share), and the general fund transfers (prorated share) estimated in FY 2010-11.

	FY 2010-11 (in thousands)
Board's Direct and Open Appropriations	\$ 401
Board's External Support Costs and Transfers (prorated Share)	
• Attorney General support	150
• E-licensing support	1
• Central administrative service unit	26
• Health professional service program	13
• General fund transfer	23
	Total 614
Fees Collected by Board	\$651
	Prorated Surplus/(Deficit) 37

In most years, Board fee revenues exceed direct expenditures and external support costs, and as directed by law, the surplus is used to maintain a reserve in the state government special revenue fund.

The number of licensees regulated by the Board continues to rise, as do the number of complaints and the complexity of the cases. As the practice of veterinary medicine continues to progress and evolve, the type of care, and subsequently the type and complexity of the complaints also increase. This trend places additional demands on agency personnel and financial resources. There is an increasing need for additional investigation by the Attorney General's office and the need for additional legal services from the Assistant Attorney General. Also the increased use of alternative and complementary treatments and therapies in veterinary medicine by both licensed veterinarians and unlicensed lay people greatly impacts Board of Veterinary Medicine time and resources. Societal and demographic factors and trends include real and perceived veterinary medicine workforce shortages, particularly in greater and rural Minnesota and underserved ethnic and racial minority communities.

Contact

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Dollars in Thousands

	Current		Governor Recomm.		Biennium 2012-13
	FY2010	FY2011	FY2012	FY2013	
<u>Direct Appropriations by Fund</u>					
State Government Spec Revenue					
Current Appropriation	195	195	195	195	390
Recommended	195	195	0	0	0
Change		0	(195)	(195)	(390)
% Biennial Change from 2010-11					-100%
 <u>Expenditures by Fund</u>					
Direct Appropriations					
State Government Spec Revenue	169	221	0	0	0
Open Appropriations					
State Government Spec Revenue	1	0	0	0	0
Statutory Appropriations					
State Government Spec Revenue	0	0	327	327	654
Total	170	221	327	327	654
 <u>Expenditures by Category</u>					
Total Compensation	144	145	145	147	292
Other Operating Expenses	26	76	182	180	362
Total	170	221	327	327	654
 <u>Expenditures by Program</u>					
Veterinary Medicine, Board Of	170	221	327	327	654
Total	170	221	327	327	654
 Full-Time Equivalents (FTE)	 1.8	 1.8	 1.8	 1.8	

<i>Dollars in Thousands</i>				
	FY2011	Governor's Recomm.		Biennium
		FY2012	FY2013	2012-13
<i>Fund: STATE GOVERNMENT SPEC REVENUE</i>				
FY 2011 Appropriations	195	195	195	390
Subtotal - Forecast Base	195	195	195	390
Change Items				
Convert to Dedicated Funding	0	(195)	(195)	(390)
Total Governor's Recommendations	195	0	0	0
<i>Fund: STATE GOVERNMENT SPEC REVENUE</i>				
Planned Open Spending	0	6	6	12
Change Items				
Convert To Dedicated Funding	0	(6)	(6)	(12)
Total Governor's Recommendations	0	0	0	0
<i>Fund: STATE GOVERNMENT SPEC REVENUE</i>				
Planned Statutory Spending	0	0	0	0
Change Items				
Convert to Dedicated Funding	0	327	327	654
Total Governor's Recommendations	0	327	327	654

VETERINARY MEDICINE BOARD

Change Item: Convert to Dedicated Funding

Fiscal Impact (\$000s)	FY 2012	FY 2013	FY 2014	FY 2015
Health Related Boards Fund (171)				
Direct Appropriated Account				
Expenditures	\$(195)	\$(195)	\$(195)	\$(195)
Non-Dedicated Revenue	(327)	(327)	(327)	(327)
Open Appropriated Account				
Expenditures	(6)	(6)	(6)	(6)
Dedicated Account				
Expenditures	327	327	327	327
Dedicated Revenue	327	327	327	327
Transfer In	0	0	0	0
Net Fiscal Impact	\$126	\$126	\$126	\$126

Recommendation

The Governor recommends changing the way appropriations are made to the health related licensing boards that operate in the state government special revenue fund. Under this proposal, the boards' funding would be converted from direct appropriations to dedicated appropriations, giving each board spending authority equal to its fee revenue and any accumulated balance. The net effect of this change is the difference between the board's current base appropriations and projected revenues.

Rationale

This proposal places ownership in the boards' 183 appointed members to be efficient and cost effective in setting their spending levels, while providing continued legislative oversight in the setting of the boards' fees. It encourages the boards to find efficiencies and ensures the fees paid by each occupation are dedicated to the boards' mission to protect the public and ensure that Minnesota citizens receive quality care by qualified licensed health professionals. The establishment of the dedicated appropriation will improve the boards' management of resources and transparency for licensees.

The health related licensing boards are fee-supported organizations that receive no General Fund dollars. The boards currently collect and deposit fees as non-dedicated special revenue into the health related boards account in the state government special revenue fund (171). The legislature then provides a direct appropriation from these revenues to each board for its operating expenses. Unlike agencies that receive direct appropriations from the General Fund, the boards must ensure that licensing fees are collected to recover each board's direct and indirect expenditures to maintain the solvency of the state government special revenue fund. For this reason, the health boards already operate much like agencies with dedicated appropriations—except that they must seek appropriation authority to gain access to their existing fee revenue.

This proposal changes the boards' non-dedicated revenue to dedicated revenue within the same fund and provides each board with a dedicated appropriation from the board's revenue. Additionally, the current accumulated fund balance within the health related boards account will be transferred to individual boards based on each board's contribution to the balance. M.S. 16A.1283 requires that all fee increases be approved by the legislature, so even with a dedicated funding arrangement, the boards must still seek legislative action to increase spending beyond current law fee revenues.

Key Goals and Measures

Minnesota Milestone: Government in Minnesota will be cost-efficient, and services will be designed to meet the needs of the people who use them. Minnesotans expect their state and local governments to spend money carefully and effectively.

Measures:

- Transparency of fees and expenditures
- The level of service provided to licensees and Minnesota citizens.

Statutory Change: Minnesota Statutes Chapter 148

VETERINARY MEDICINE BOARD

Agency Revenue Summary

Dollars in Thousands

	Actual FY2010	Budgeted FY2011	Governor's Recomm. FY2012 FY2013		Biennium 2012-13
<u>Non Dedicated Revenue:</u>					
Departmental Earnings:					
State Government Spec Revenue	324	326	0	0	0
Other Revenues:					
State Government Spec Revenue	(1)	0	0	0	0
Total Non-Dedicated Receipts	323	326	0	0	0
<u>Dedicated Receipts:</u>					
Departmental Earnings:					
State Government Spec Revenue	0	0	327	327	654
Total Dedicated Receipts	0	0	327	327	654
Agency Total Revenue	323	326	327	327	654