

2018 BOSW Budget Overview

May 1, 2018

How is the Board funded?

- BOSW is entirely fee supported by:
 - Application, license and renewal fees, continuing education provider fees
- BOSW receives no general fund, or tax dollars.
- All fees collected must be deposited in the State Government Special Revenue Fund (SGSRF).
- Fees collected must cover all BOSW expenses, including both “direct” and “indirect” expenses.

What is the BOSW budgeting process?

- State agencies have a two year (biennial) budget period, including two separate fiscal years:
 - July 1 in odd-numbered years to June 30 in even-numbered years
- State agencies develop budget proposals in fall of every other even-numbered year.
- BOSW budget proposal must be reviewed and approved by the BOSW Finance Committee, and BOSW Board and submitted to:
 - Minnesota Management Budget for review and approval
 - Governor’s Office for review and approval
 - Both Legislative House and Senate for review, public hearings, and approval
- Legislature approves a biennial budget “appropriation” which sets a cap on funds the agency can spend for operational, or day-to-day expenses.
- Any unspent revenue is deposited in the BOSW SGSRF to fund all indirect expenses and serve as a reserve.
- Legislature and state law recommends one-year’s operating balance in reserve before fees are reduced.

What are the BOSW expenses?

- “Direct expenses” are funded through the Legislative appropriation and include day-to-day expenses for staff salaries, rent, communications, supplies, board per diems, IT services, business travel.
- “Indirect expenses” are funded through the SGSRF reserve and include payments to other state agencies for services, including the Attorney General’s Office for required legal fees, the Board’s largest indirect expense, and the Health Professional Services Program (HPSP), a diversion program for impaired licensees.

What is the BOSW budget for fiscal year July 1, 2017-June 30, 2018 (FY 2018)?

FY 2018 BOSW Budget				
Legislative Appropriation	Revenue Estimated	Direct Expenses Estimated	Indirect Expenses Estimated	SGSRF Reserve Estimated
\$1,254,000.00	\$1,308,131.00	\$1,254,000.00	\$399,130.00 ¹	\$64,000 ²

¹ Increase of 58.55% from FY 2014 of \$233,688

² Decrease of 96.43% from FY 2009 of \$1,794,251