



ORGANIZATIONAL DEVELOPMENT COMMITTEE

Stan Weisser, RPh, Chairperson, Board President
 Amy Gutierrez, PharmD, Board Vice-President

a. FOR INFORMATION: Future Board Meeting Dates

Board Meeting Dates include the following:

- April 21 & 22, 2015
- July 28 & 29, 2015
- October 28-29, 2015

Various committees of the board are working to finalize dates for 2015. Once established the board’s website will be updated to include these dates.

b. FOR INFORMATION: Budget Update/Report

1. Budget Report for 2014/15

The new budget year began July 1, 2014. The board’s spending authorization for the year is \$19,881,000 which is a seven percent increase from the prior year.

As of December 1, 2014, the board has expended \$7,469,100 of its current year budget. As the charts detail, 56% of the expenditures are attributed to salary and wages and 17% is attributed to enforcement related costs.

The board’s revenue for the first five months of this year is \$9,129,500 and has come primarily from application and renewal fees, 87%; with citation and fines accounting for approximately 8%.

Attachment 1 includes the charts detailing expenditures and revenues for the first five months of FY 2014/15.

2. Fund Condition Report

Attachment 2 includes the projected fund condition report as prepared by the Department of Consumer Affairs.

The information below reflects the estimated fund condition with the additional revenue from the approved fee increase:

2013/14	12,770,000	7.7 months in reserve
2014/15	9,515,000	5.9
2015/16	6,790,000	4.1
2016/17	3,704,000	2.2

3. Fee Audit

As the board has previously discussed, the board may need to pursue a fee increase to sustain operations. As a precursor to making such a determination the board pursued a contract for completion of an independent fee audit. The board secured a contract with Macias Consulting Group to complete this independent audit for the board.

The board's president recently met with the auditors to gain a thorough understanding of the audit process and preliminary findings. Included as part of the audit are projections for a five year period. Based on the preliminary findings of the auditors it is clear that the board will need to increase fees.

Legislation will be necessary to facilitate any fee increase as all of the board's current fees are at their statutory maximum levels. A copy of the report will be provided to members once completed by the auditors, which is expected shortly.

4. Update on BreZE and DCA's Plans for a New Computer System

Background

As we have previously advised the board, for a number of years the department has worked to replace and/or enhance its legacy licensing and enforcement tracking systems used by most DCA agencies. The system selected was a Commercial Off the Shelf Product (COTS) that was intended to streamline processes, provide better access for consumers and licensees and help programs within the department to gain better reporting tools.

The first release of the system occurred on October 8, 2013, and the department continues to work on additional changes to ensure the system is fully operational for the board's first deployment of the system. Concurrent with those efforts, work has begun for the Release Two boards.

Prior Discussion

Significant transition activities started in February 2014. The implementation process was broken into key stages. The first stage included basic configuration elements as well as education of the vendor on business process and education of board staff on how the system functions as a standard COTS product. Efforts in this stage included configuration sessions with the vendor in three primary areas - - licensing, enforcement and inspections. In addition to these sessions, board staff completed several reviews of configuration documents to confirm the appropriate documentation of values necessary to configure the COTS product. Specifically, board staff participated in about 28 day-long sessions with the vendor providing input on business needs and configuration values plus an additional 33 days reviewing documents provided by the vendor. Board staff also spent time in additional meetings with the vendor learning about the system functionality. In total board staff dedicated over 1300 hours to the initial stage of transition.

As part of our implementation efforts, board staff discovered critical functionality that was not detailed in the original contractual requirements that is essential to the board's ability to deploy BreEZe. Board staff worked with the department and the vendor to determine the most efficient and economical path forward.

Update

A work stoppage order was approved for our board, and as such no additional significant activities have occurred. Work continues for all of the other department programs included in Release 2. We are unclear on the timing of when work will resume for our board. Staff will bring updated information if available. It is anticipated that the board will be included in Release 3.

5. Updates on Board Member Attendance, Reimbursement and Mail Votes

Based on discussion with committee members, the Organization Committee continues to include information on two additional elements: board member attendance and mail votes. As both activities are key to the success of the board, it was decided that reporting on both items is appropriate because the board is a public agency.

The third item reported is expenses and per diem payments to board members. These are hours and expenses claimed by board members during the indicated periods. Board members are paid for each day of a board meeting, but in accordance with board policy, may also submit hours for work performed doing additional board business. It is important to note that these figures only represent hours where reimbursement was sought. It is not uncommon for board members to waive their per diem payments.

Attachment 3 includes charts detailing all three elements.

c. FOR INFORMATION: Personnel Update

1. Board Member Update

On October 31, 2014, Richardo Sanchez was appointed to the board as a public member. Below is an excerpt from the governor's press release.

Ricardo Sanchez, 49, of Hollister, has been appointed to the California State Board of Pharmacy. Sanchez has been an investigator at the California Department of Motor Vehicles since 1989 and was an officer for the California State Police from 1988 to 1989. He is a member of the San Benito Masonic Lodge. This position does not require Senate confirmation and the compensation is \$100.00 per diem. Sanchez is a Democrat.

2. Board Staff Update

Recent Hires/Transfers/Promotions

- Dani Adamson was promoted to the associate governmental program analyst position responsible for change of permits and site licensing resource analyst.
- Lisa Esquivel was promoted to the associate governmental program analyst position responsible for managing administrative cases.
- Sue Robinson was promoted to the associate governmental program analyst position responsible for budget analysis.
- Katrina Small was promoted to the staff services analyst position as the resource analyst for individual licensing.
- Vanessa Cooper was hired as a research program specialist responsible for analysis and identification of trends indicating prescription drug abuse.
- Lisa Henry was hired as an associate governmental program analyst responsible for CURES.
- Karen Halbo was hired as an associate governmental program analyst responsible for developing new regulations.
- Rene French was hired as an associate governmental program analyst responsible for sterile compounding applications.
- Tina Rojas was hired as an associate governmental program analyst responsible for initiating internal investigations relating to prescription drug abuse.
- Angelita Acosta was hired as a staff services analyst responsible for implementation of new licensing programs including the third-party logistics providers and advanced practice pharmacists.
- Anjanette Oborn was hired as a Program Technician III responsible for processing pharmacist exam applications as well as applications for initial licensure as a pharmacist.
- Julia Soto was hired as an office technician responsible for cashiering sterile compounding applications.
- Saleema Ali, Doris Jenkins, and Mercedes Pascual were hired as seasonal clerks to provide filing assistance to several units within the board.
- Anna Kalantar, Craig Jeffers, SangSang Ma, Denise Dukatz, Irina Top, Steven Kyle, Phillip Wright, Trang Song, and Michael Capili were hired as new inspectors.
- Lin Hokana returned to the board as in inspector.

Departures

- Supervising Inspector Robert Ratcliff has retired after 20 years with the board.
- Inspector Jeff Smith has retired after 14 years of state service.
- Sarah Marendt accepted a promotional position with the Department of Health Services.
- Chee Vang accepted a promotional position with the Bureau of Private Post-Secondary Education.

- Jamie Lazarus accepted a lateral transfer position to Fi\$Cal
- Todd Clinton resigned from state service.

Recruitments

- Two Staff Services Analyst positions responsible for desk investigations.
- One Staff Services Analyst position responsible for processing Wholesale and Designated Representative applications.
- One full-time and one half-time Office Technician position for reception responsible for answering phones, opening mail, and processing address changes.

The following recruitments are for 2-yr limited term positions.

- One halftime office technician responsible for application processing.

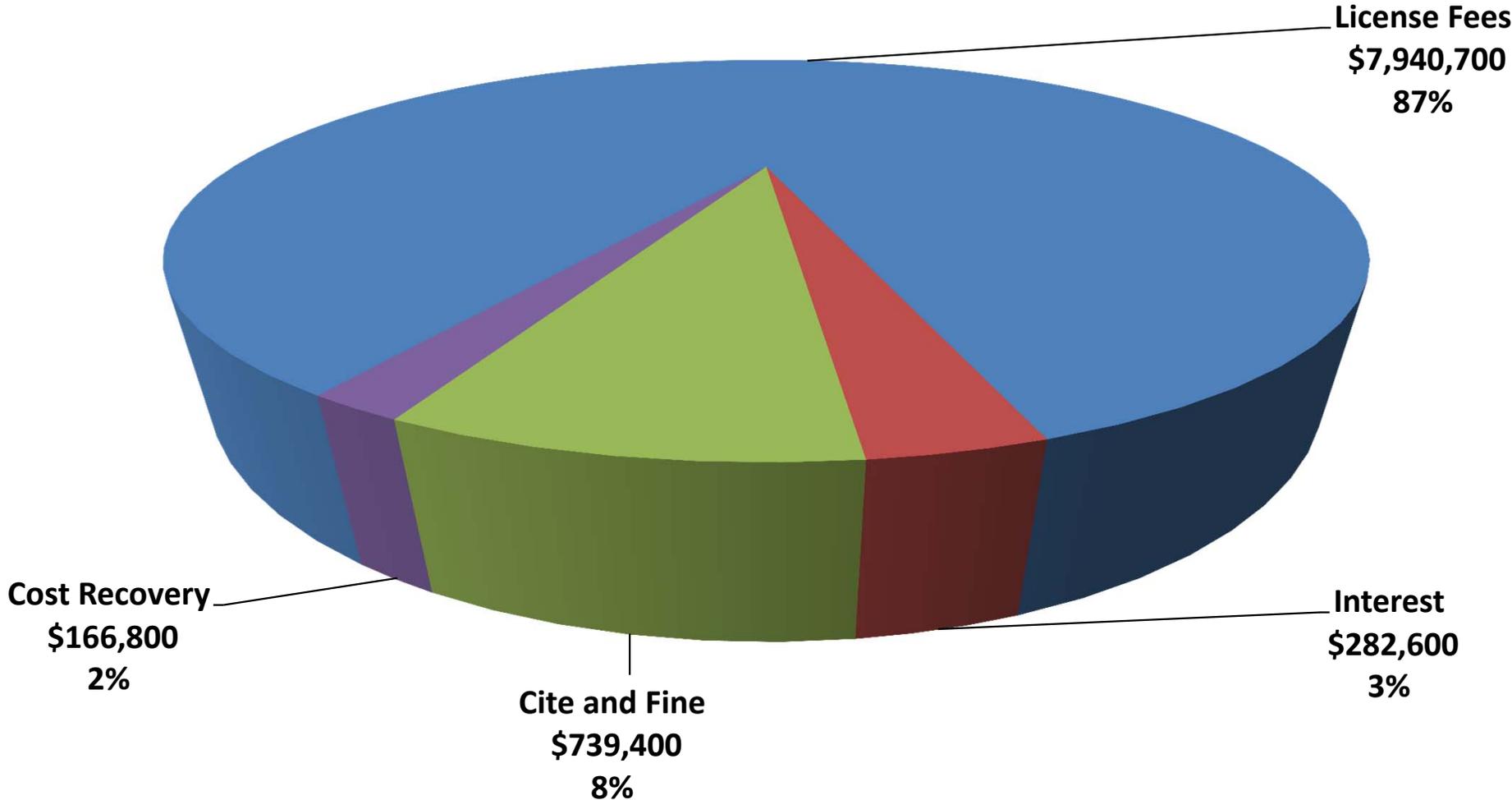
3. Mandatory Board Member Training

As part of the requirements of being a board member there are several training courses that need to be completed. Some of these training courses need to be done annually while others are a requirement of appointment or reappointment. Below is a list of the required trainings. Board staff will work with members individually to ensure compliance with all mandatory trainings.

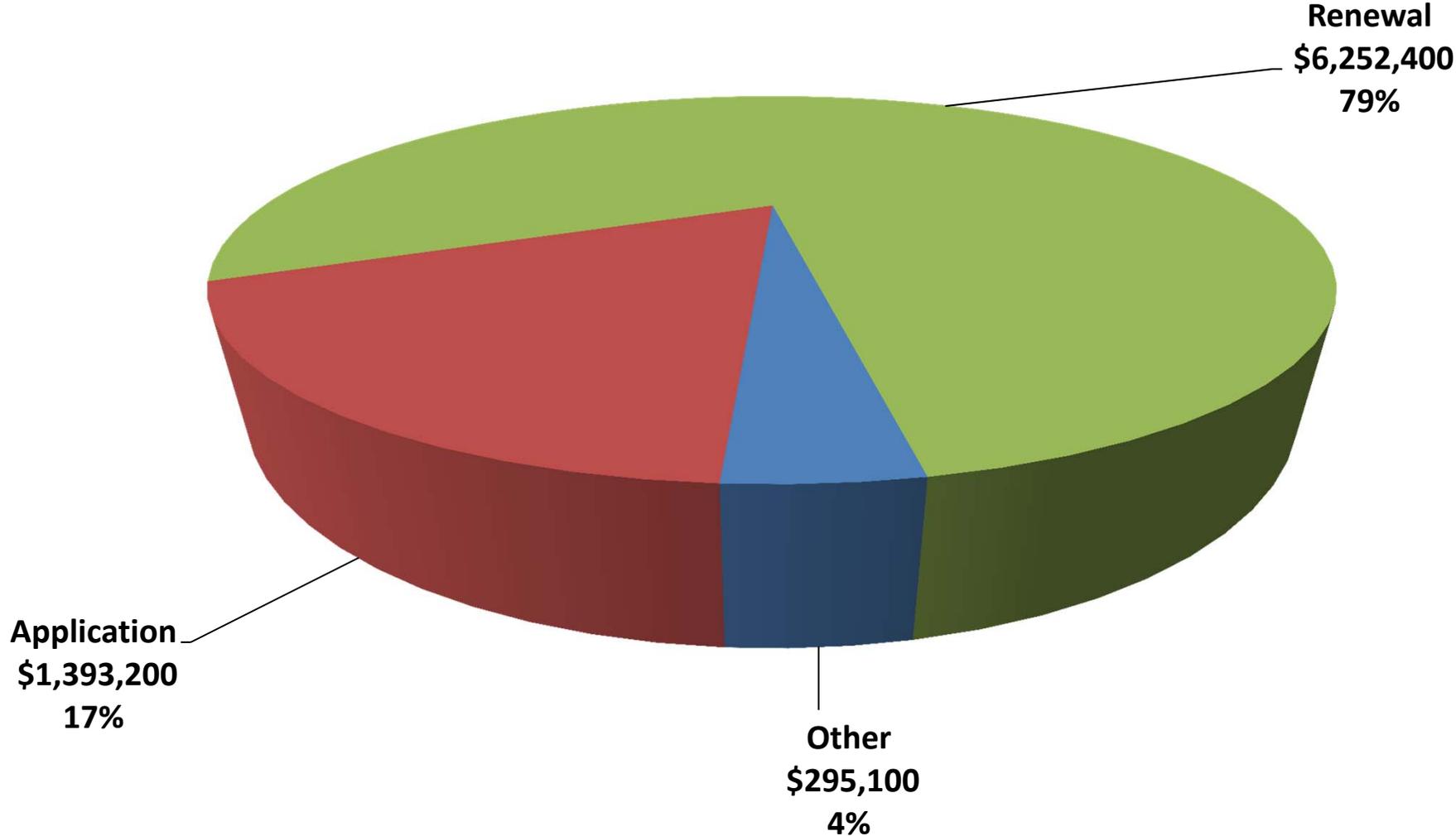
- Board Member Orientation Training
- Ethics Training
- Sexual Harassment Prevention Training
- Drivers Training

Attachment 1

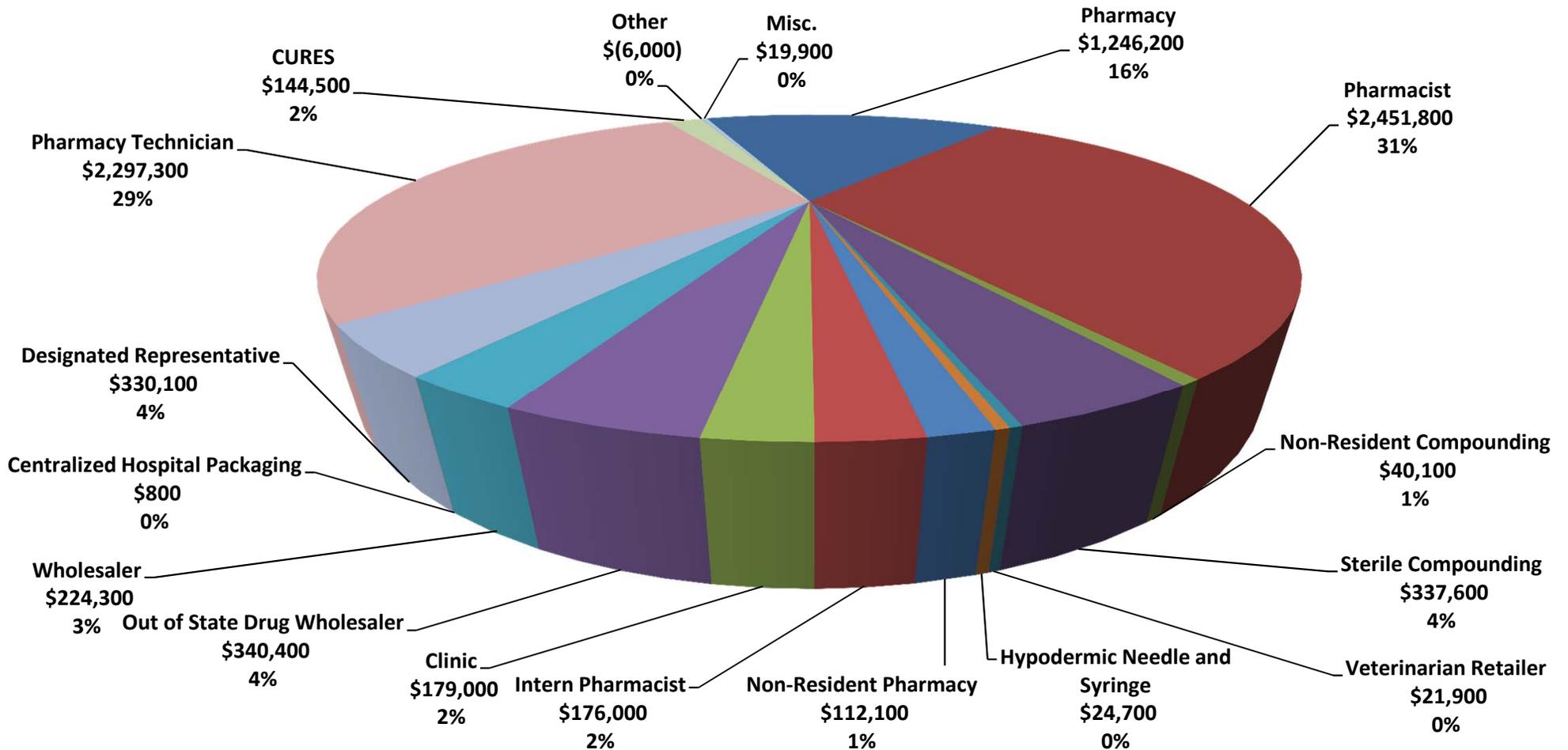
**Origin of Revenue
FY 2014/2015
FM 5
\$9,129,500**



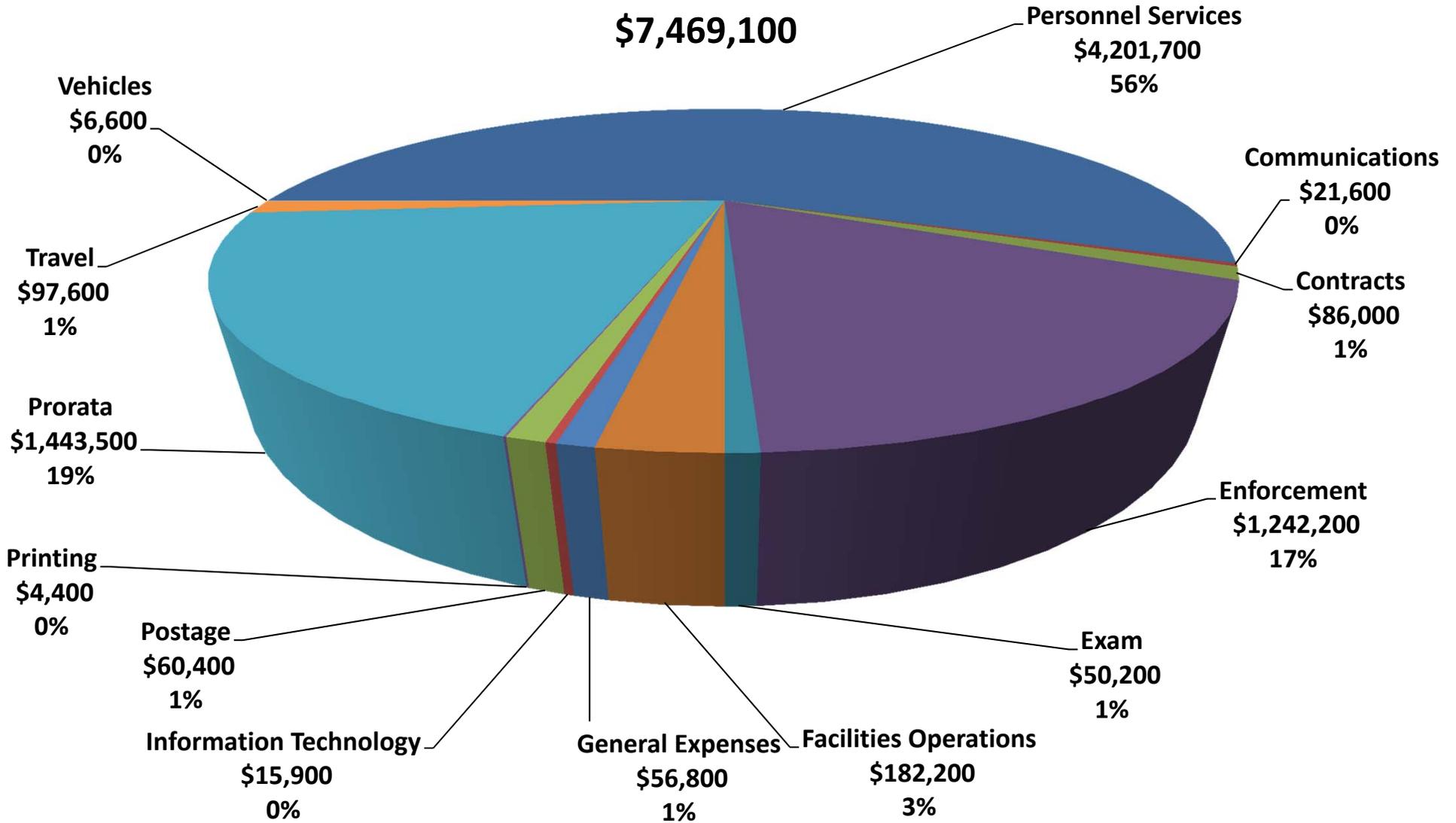
**Application vs. Renewal
FY 2014/2015
FM 5
\$7,940,700**



**Revenue by Program
FY 2014/2015
FM 5
\$7,940,700**



**Expenditures
FY 2014/2015
FM 5
\$7,469,100**



Attachment 2

0767 - State Board of Pharmacy

Analysis of Fund Condition

Prepared 01/07/15

(Dollars in Thousands)

Governor's Budget	ACTUAL 2013-14	Governor's Budget		
		CY 2014-15	BY 2015-16	BY + 1 2016-17
BEGINNING BALANCE	\$ 13,595	\$ 12,770	\$ 9,515	\$ 6,790
Prior Year Adjustment	\$ 290	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 13,885	\$ 12,770	\$ 9,515	\$ 6,790
REVENUES AND TRANSFERS				
Revenues:				
125600 Other regulatory fees	\$ 2,308	\$ 831	\$ 831	\$ 831
125700 Other regulatory licenses and permits	\$ 2,848	\$ 4,278	\$ 4,278	\$ 4,278
125800 Renewal fees	\$ 9,162	\$ 11,317	\$ 11,317	\$ 11,317
125900 Delinquent fees	\$ 149	\$ 185	\$ 185	\$ 185
131700 Misc. revenue from local agencies	\$ 6	\$ -	\$ -	\$ -
141200 Sales of documents	\$ -	\$ -	\$ -	\$ -
142500 Miscellaneous services to the public	\$ 1	\$ -	\$ -	\$ -
150300 Income from surplus money investments	\$ 32	\$ 28	\$ 21	\$ 11
150500 Interest Income From Interfund Loans	\$ 152	\$ -	\$ -	\$ -
160400 Sale of fixed assets	\$ 2	\$ -	\$ -	\$ -
161000 Escheat of unclaimed checks and warrants	\$ 8	\$ -	\$ -	\$ -
161400 Miscellaneous revenues	\$ 6	\$ -	\$ -	\$ -
Totals, Revenues	\$ 14,674	\$ 16,639	\$ 16,632	\$ 16,622
Transfers from Other Funds:				
FO0001 GF loan repay per item 1110-011-0767, BA of 2008	\$ 1,000			
Transfers to Other Funds:				
Totals, Revenues and Transfers	\$ 15,674	\$ 16,639	\$ 16,632	\$ 16,622
Totals, Resources	\$ 29,559	\$ 29,409	\$ 26,147	\$ 23,412
EXPENDITURES				
Disbursements:				
0840 State Operations	\$ 1	\$ -	\$ -	\$ -
1110 Program Expenditures (State Operations)	\$ 16,719	\$ 19,881	\$ 19,322	\$ 19,708
8880 FISC (State Operations)	\$ 69	\$ 13	\$ 35	\$ -
9670 Equity Claims / Board of Control (State Operations)	\$ -	\$ -	\$ -	\$ -
Total Disbursements	\$ 16,789	\$ 19,894	\$ 19,357	\$ 19,708
FUND BALANCE				
Reserve for economic uncertainties	\$ 12,770	\$ 9,515	\$ 6,790	\$ 3,704
Months in Reserve	7.7	5.9	4.1	2.2

Attachment 3

Summary Meeting Attendance July 2014-December 2014

Background: The board is required by law to meet at least once every four months and may meet more often as it determines necessary. The board’s strategic plan directs four full board meetings annually.

The board’s strategic plan establishes five standing committees through which the board establishes its goals and organizes its activities in pursuit of ensuring the public health, safety and welfare, and to assure the provision of quality pharmacist’s care. These five committees develop policy related to a board mission-related goal. The five committees are: Licensing, Enforcement, Communication and Public Education, Legislation and Regulation, and Organizational Development. In addition to the five standing committees the board has established a Prescription Drug Abuse Subcommittee and a SB 493 Implementation Committee. Each committee typically meets once before a quarterly board meeting. Committee assignment is at the discretion of the board president.

Note: Each board member is assigned to a different number of committees and committee assignments can change throughout the year. The chart below illustrates the number of meetings each member should have attended based on their individual committee assignments.

Board Member	Total Number of Board and Committee Meetings	Total Number of Board and Committee Meetings ATTENDED	Percentage
Brooks	5	3	60%
Butler	7	6	86%
Castellblanch	9	6	67%
Gutierrez	10	10	100%
Hackworth	11	8	73%
Law	8	6	75%
Lippe	7	7	100%
Murphy	9	7	78%
Sanchez*			
Schaad	9	9	100%
Veale	8	6	75%
Weisser	10	10	100%
Wong	7	6	86%

*Ricardo Sanchez was appointed to the board in November, 2014.

FY 2014-15 Board Meetings						
	July 30, 2014	July 31, 2014	October 28, 2014	October 29, 2014	December 17, 2014	Percentage
Brooks			x	x	x	60%
Butler	x	x	x	x		80%
Castellblanch	x	x				40%
Gutierrez	x	x	x	x	x	100%
Hackworth	x	x		x	x	80%
Law	x	x	x	x		80%
Lippe	x	x	x	x	x	100%
Murphy	x	x	x	x	x	100%
Sanchez						
Schaad	x	x	x	x	x	100%
Veale	x	x	x	x		80%
Weisser	x	x	x	x	x	100%
Wong	x	x	x	x		80%

FY 2014-15 Prescription Drug Abuse Subcommittee Meetings			
	August 26, 2014	November 12, 2014	Percentage
Butler	x	x	100%
Castellblanch	x	x	100%
Hackworth			0%
Murphy		x	50%

FY 2014-15 Enforcement Committee Meetings			
	September 16, 2014	December 17, 2014	Percentage
Gutierrez	x	x	100%
Hackworth	x	x	100%
Lippe	x	x	100%
Murphy		x	50%
Schaad	x	x	100%

FY 2014-15 Legislation and Regulation Committee Meetings				
			Percentage	
Brooks	No meetings			
Lippe				
Veale				
Wong				

FY 2014-15 Licensing Committee Meetings				
Butler	No meetings			
Law				
Veale				
Wong				

FY 2014-15 Communication and Public Education			
	September 18, 2014	December 10, 2014	Percentage
Castellblanch	x	x	100%
Hackworth	x	x	100%
Schaad	x	x	100%
Weisser*	x	x	100%
Wong	x	x	100%

FY 2014-15 SB 493 Implementaiton Committee				
	August 6, 2014	November 5, 2014	December 16, 2014	Percentage
Gutierrez	x	x	x	100%
Law	x	x		67%
Veale	x		x	67%
Weisser	x	x	x	100%

Summary of Mail Votes July 2014 – December 2014

Background: The board must approve any decision or stipulation before the formal discipline becomes final and the penalty can take effect. Proposed stipulations and decisions are securely emailed to each board member for his or her vote. A two-week deadline generally is given for the mail ballots for stipulations and proposed decisions to be completed and returned to the board's office. After the deadline of 15 days and after seven votes from board members have been received, a decision has been reached.

From July 1, 2014 to December 30, 2014 the board received 230 mail votes for consideration. The table below summarizes each board member's participation in the mail voting process. The supporting data immediately follows.

Board Member	Total Number of Mail Votes Submitted	Percentage
Brooks	93	40%
Butler	196	85%
Castellblanch	1	0.4%
Gutierrez	92	40%
Hackworth	204	89%
Law	228	99%
Lippe	218	95%
Murphy	228	99%
Sanchez	40	100%
Schaad	228	99%
Veale	225	98%
Weisser	223	97%
Wong	180	78%

*Note: Ricardo Sanchez was appointed to the board in November, 2014. His percentage is calculated based on the 40 mail votes that have occurred since his appointment.

Due Date of Votes	7/7/14	7/11/14	7/16/14	7/18/14	7/25/14	8/1/14	8/8/14	8/12/14	8/15/14	8/22/14	8/29/14	9/5/14
Number of Cases Up For Vote	6	10	1	10	6	8	6	1	10	8	11	6
Brooks	0	0	0	9	0	7	0	0	0	8	11	3
Butler	6	9	1	10	5	8	6	1	10	8	11	6
Castellblanch	0	0	1	0	0	0	0	0	0	0	0	0
Gutierrez	0	2	0	0	0	0	1	1	10	8	7	4
Hackworth	4	8	1	9	6	8	5	1	10	8	11	6
Law	6	10	1	10	6	8	6	1	10	8	11	6
Lippe	6	9	1	8	6	8	6	1	10	7	11	6
Murphy	6	10	1	10	6	8	6	0	10	8	11	6
Sanchez												
Schaad	6	10	1	10	6	8	6	1	10	8	11	6
Veale	6	10	1	10	6	8	6	1	10	5	11	6
Weisser	6	9	1	10	6	8	6	1	10	8	11	5
Wong	6	10	1	10	6	8	6	1	10	8	6	4

Due Date of Votes	9/12/14	9/19/14	9/26/14	10/3/14	10/10/14	10/17/14	10/27/14	10/31/14	11/7/14
Number of Cases Up For Vote	16	9	8	11	9	10	9	6	9
Brooks	1	0	4	0	7	9	9	6	0
Butler	16	8	8	11	9	10	9	6	8
Castellblanch	0	0	0	0	0	0	0	0	0
Gutierrez	2	0	4	0	0	0	0	0	9
Hackworth	15	9	7	9	9	10	9	6	9
Law	16	9	7	10	9	10	9	6	9
Lippe	16	9	8	11	9	10	9	6	9
Murphy	16	9	8	11	9	10	9	6	9
Sanchez									
Schaad	16	9	8	10	9	9	9	6	9
Veale	16	9	7	11	9	9	9	6	9
Weisser	16	9	8	11	9	10	9	6	9
Wong	0	0	3	11	7	10	9	0	9

Due Date of Votes	11/7/14	11/14/14	11/21/14	12/1/14	12/5/14	12/19/14	12/29/14
Number of Cases Up For Vote	1	10	9	15	5	6	14
Brooks	0	0	5	14	0	0	0
Butler	0	10	9	0	5	6	0
Castellblanch	0	0	0	0	0	0	0
Gutierrez	1	10	9	4	0	6	14
Hackworth	1	10	9	0	4	6	14
Law	1	10	9	15	5	6	14
Lippe	1	9	9	8	5	6	14
Murphy	1	10	9	14	5	6	14
Sanchez				15	5	6	14
Schaad	1	10	9	15	5	6	14
Veale	1	10	9	15	5	6	14
Weisser	1	10	9	15	0	6	14
Wong	1	10	9	15	0	6	14

**Board Member Reimbursement
And Travel Expense Expenses
FY 2014/15**

July 1, 2013 – December 30, 2014

Board Members	Attendance Hours*	Travel Expenses
Brooks, Ryan	40	\$103.38
Butler, Cheryl	104	\$1,611.89
Castellblanch, Ramón	56	\$604.37
Gutierrez, Amy	0	\$1,270.56
Hackworth, Rosalyn	72	\$3,191.94
Law, Victor	128	\$2,246.97
Lippe, Gregory	96	\$835.36
Murphy, Gregory	72	
Sanchez, Ricardo**		
Schaad, Allen	104	
Veale, Deborah	104	
Weisser, Stanley	104	\$2,413.57
Wong, Albert	112	

***Board Member Attendance Hours reflects the number of hours for which board members have been reimbursed. Board members may choose not to seek reimbursement for work performed for the board.**

**** Ricardo Sanchez was appointed to the board in November, 2014.**