

## **ACUPUNCTURE BOARD Executive Officer's Report**

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**Agenda Item: 8.0  
Date: August 2011**

- **Board Updates**

The Board still has three vacant positions. Two of those vacancies are our front line phone positions, which has had a significant adverse impact on the entire office. A hiring freeze is still in effect so I have submitted a freeze exemption request to fill at least the licensing position. I have not yet heard whether the request has been approved or denied.

It is anticipated the Board's relocation to the new building at DCA headquarters will occur in October. DCA Facilities Management Unit continues to work with board staff to finalize the details of the move. Staff is currently in the process of identifying what is to be moved and what is to be surveyed. Over the next two months staff will be working to clean out and organize shared areas within the office as well as their own cubicles/offices.

Pursuant to a request, I have enclosed a report which lists motions made by the Board over the last two years and what has occurred as a result of those motions. I have only included motions which required staff action. Motions such as approving a school, adopting a mail vote, etc. are not included in this report.

- **DCA Update**

Kimberly Kirchmeyer Deputy Director for Board / Bureau Relations accepted an offer by the Medical Board to re-join their executive team as Deputy Director effective June 2, 2011. Kim has been a valuable member of the executive team since her appointment by the former Governor in November 2009. Kim was instrumental and played a key role for many of the achievements we have gained over the past 18 months. Kim's vast knowledge and experience in program matters helped all 37 boards, bureaus, and programs improve their daily operations, policy making, and overall board governance. Kim's professionalism, work ethic, and integrity are unmatched and worthy of emulation. Additionally, since January, Kim willingly assumed the added duties of Acting Chief Deputy in addition to her incredibly heavy workload.

LaVonne Powell, former legal counsel to the Board, retired from the state at the end of June.

- **Budget Update**

Enclosed is a 2010-11 year-end expenditure report. Also enclosed is an analysis of our fund condition which reflects the \$5 million dollar loan from our reserves. We will have to keep a close watch on our budget over the next couple of years as there is a dramatic decrease in our reserves.

- **Travel Restrictions**

As you are aware, on April 26, 2011 the Governor's Office issued Executive Order B-6-11 regarding discretionary travel. The Executive Order stated that all discretionary travel is prohibited. All in-state non-discretionary travel must be approved by Agency Secretaries or Department Directors who do not report to an Agency Secretary. All out-of-state travel must be approved by the Governor's Office.

No travel, either in-state or out-of-state, is permitted unless it is mission critical or there is no cost to the state. Mission critical means travel that is directly related to:

- Enforcement responsibilities.

- Auditing.

- Revenue collection.

- A function required by statute, contract or executive directive.

- Job-required training necessary to maintain licensure or similar standards required for holding a position.

Mission critical does not mean travel to attend:

- Conferences (even those that historically have been attended).

- Networking opportunities.

- Professional development courses.

- Continuing education classes and seminars.

- Non-essential meetings that can be conducted by phone or video conference.

- Events for the sole purpose of making a presentation unless approved by the Department Director.

No travel is permitted for more than the minimum number of travelers necessary to accomplish the mission-critical objective. This restriction applies even when there is no cost to the state.

- **CHARLES MOTIONED TO LIMIT THE NUMBER OF ATTEMPTS BE PUT AT FIVE OPPORTUNITIES AND IF A SIXTH ATTEMPT IS MADE THAT THE APPLICANT MUST ENROLL AND FINISH A BOARD APPROVED REMEDIAL PROGRAM TO TAKE THE EXAM AGAIN. IF THE SIXTH ATTEMPT IS FAILED THEN THEY MAY NOT TEST AGAIN. PAUL WEISMAN SECONDED. VOTE: 5 – 0 – 0 MOTION PASSED**

The Board was advised by legal counsel that this would require a legislative change. An author has not been found to carry this legislation.

- **CHARLES KIM MOTIONED TO DIRECT THE EXECUTIVE OFFICER TO SEEK OUT-OF-STATE TRAVEL APPROVAL. IF SHE IS SUCCESSFUL, THE BOARD IS TO CARRY OUT A SITE VISIT, IF NOT APPROVED THE BOARD IS TO NOTIFY THE SCHOOL THAT THE BOARD CANNOT COMPLETE THE APPLICATION PROCESS. PAUL WEISMAN SECONDED. VOTE: 5 – 0 – 0 MOTION PASSED**

Every year the Executive Officer has submitted out-of-state travel requests which have all been subsequently denied. All affected schools were notified.

- **CHARLES KIM MOTIONED TO DELEGATE TO THE EXECUTIVE OFFICER TO REVIEW THE EXISTING TRANSCRIPTS AND MAKE DETERMINATIONS IF THERE ARE ANY DEFICIENCIES TO NOTIFY THE APPLICANTS' ATTORNEY AND IF THEY IN FACT MEET THE EDUCATION REQUIREMENTS THAT THE OTHER CANDIDATES FROM THE SCHOOL HAVE THAT THEY BE ALLOWED TO TAKE THE EXAM. GEORGE WEDEMEYER SECONDED. VOTE: 5 – 0 – 0 MOTION PASSED**

Transcripts were reviewed and the candidates were determined to be qualified to sit for the Acupuncture examination.

- **ROBERT BREWER MOVED TO MOVE FORWARD WITH LANGUAGE FOR THE PROPOSED REGULATORY AMENDMENTS TO SECTION 1399.435 FOR FILING NOTICE. CHARLES KIM SECONDED. VOTE: 4 – 1 – 0**

Amended language was brought back to the Board at a subsequent meeting for approval and a regulatory package is in the process.

- **ANYORK LEE MOTIONED TO ADOPT THE LANGUAGE AS WRITTEN [transfer credit] AND TO DIRECT THE EXECUTIVE OFFICER TO NOTICE THE LANGUAGE FOR REGULATION. PAUL WEISMAN SECONDED. VOTE: 5 – 0 – 0 MOTION PASSED**

Language was amended and brought back to the Board at a subsequent meeting for approval. The language is now in a regulatory package going through the process.

- **ANYORK LEE MOTIONED TO INITIATE THE PROCESS OF A RULEMAKING PACKAGE TO AMEND THE REGULATIONS** (regulations to strengthen Board enforcement program pursuant to the Department's CPEI). **PAUL WEISMAN SECONDED. VOTE: 5 – 0 – 0 MOTION PASSED**

A regulation package has been initiated and is going through the process.

- **PAUL WEISMAN MOTIONED TO ADOPT THE AMENDED DISCIPLINARY GUIDELINES. CHARLES KIM SECONDED. VOTE: 5 – 0 – 0 MOTION PASSED**

The amended disciplinary guidelines are included in the above rulemaking package and are going through the process.

- **CHARLES KIM MOTIONED TO ACCEPT THE PROPOSED CHANGE TO THE INDEPENDENT STUDY REGULATORY LANGUAGE. ANYORK LEE SECONDED. VOTE: 5 – 0 – 0 MOTION PASSED**

The independent study language is included in the transfer credit regulatory package and going through the process.

- **CHARLES KIM MOTIONED TO ADOPT THE PROPOSED LANGUAGE TO CLARIFY THE TYPES OF ASIAN MASSAGE AS INCLUDING TUI NA, MANUAL THERAPY AND MYOFASCIAL RELEASE. ANYORK LEE SECONDED. VOTE: 5 – 0 – 0. MOTION PASSED**

The Board was advised by legal counsel that this would require a legislative change and an author has not been found to carry the legislation.

- **GEORGE WEDEMEYER MOTIONED TO NOTICE THE PROPOSED LANGUAGE ON TRANSFER CREDIT AMENDING SECTION 1399.435 AND TO BRING IT TO A PUBLIC HEARING TO START THE REGULATORY PROCESS. PAUL WEISMAN SECONDS. VOTE: 5 – 0 – 0. MOTION PASSED.**

This matter was addressed above and is currently going through the regulatory process.

- **GEORGE WEDEMEYER MOTIONED TO AMEND THE PROPOSED REGULATION TO INCLUDE THE EFFECTIVE DATE OF JANUARY 1, 2011 FOR THE FINGERPRINTING DURING THE RENEWAL PERIOD OF 2011 – 2013. PAUL WEISMAN SECONDED. VOTE: 5 – 0 – 0. MOTION CARRIES.**

The effective date of January 1, 2011 was added to the regulatory language and is in effect.

- **CHARLES KIM MOTIONED TO ADOPT THE DRAFT BOARD MEMBER ADMINISTRATIVE PROCEDURE MANUAL AND ALLOW JANELLE WEDGE AUTHORITY TO MAKE GRAMMATICAL ADJUSTMENTS. ANYORK LEE SECONDED. VOTE: 5 – 0 – 0. MOTION PASSED.**

The grammatical changes were made in the Board Member Administrative Manual and a copy provided to all members

- **CHARLES KIM MOTIONED TO ADOPT THE GUIDELINES WITH THE CHANGE TO READ 'WHEN HANDLING SURFACES. PAUL WEISMAN SECONDED. PAUL WEISMAN REMOVED HIS SECOND. CHARLES KIM REMOVED HIS MOTION WITH A REQUEST FOR MORE INFORMATION. PAUL WEISMAN MOTIONED TO ADOPT THE GUIDELINES WITH THE LANGUAGE TO SAY 'GLOVES SHALL BE WORN WHEN TOUCHING BLOOD AND BODILY FLUIDS AND MUCUOS MEMBRANES AND NON-INTACT SKIN OF PATIENTS. GLOVES SHOULD ALSO BE WORN WHEN HANDLING SURFACES SOILED WITH BLOOD AND BODY FLUIDS' AND 'STERILE GLOVES SHOULD BE USED FOR SURGICAL PROCEDURES' AND 'WHEN PERFORMING PUNCTURE AND OTHER VASCULAR PROCEDURE'. GEORGE WEDEMEYER SECONDED. 5 – 0 – 0. MOTION PASSED.**

Above changes to the infection control guidelines were made and they are posted on our website.

**ACUPUNCTURE BOARD  
BUDGET EXPENDITURE REPORT  
2010-11 Year End**

| OBJECT DESCRIPTION                       | BUDGET<br>ALLOTMENT<br>FY 2010/11 | 2010-11<br>EXPENDITURES<br>AS OF 06/30/2011<br>(YTD + ENCUMBER.) | NET DIFFERENCE<br>BUDGET - EXPENDITURES<br>SURPLUS/DEFICIT |
|--|-----------------------------------|--|--|
| <b>PERSONAL SERVICES</b>                 |                                   |  |  |
| Salary & Wages (Staff & EO)              | 417,494                           | \$332,336  | \$85,158   |
| Temp Help Reg. (Seasonals) / Overtime    | 0                                 | 8,709  | (\$8,709)  |
| Board Members                            | 7,463                             | 2,000  | \$5,463  |
| Staff Benefits                           | 201,272                           | 137,817  | \$63,455   |
| Salary Savings                           | (36,487)                          |  | (\$36,487)   |
| <b>TOTALS, PERSONAL SERVICES</b>         | <b>\$589,742</b>                  | <b>\$480,862</b>   | <b>\$108,880</b>   |
| <b>OPERATING EXPENSE AND EQUIPMENT</b>   |                                   |  |  |
| General Expense                          | 46,803                            | 11,577   | \$35,226   |
| Fingerprint Reports                      | 20,045                            | 816  | \$19,229   |
| Printing                                 | 18,331                            | 4,428  | \$13,903   |
| Communication                            | 18,632                            | 6,239  | \$12,393   |
| Postage                                  | 31,773                            | 24,657   | \$7,116  |
| Travel                                   | 39,652                            | 29,692   | \$9,960  |
| Training                                 | 2,129                             | 1,141  | \$988  |
| Facilities Operations                    | 65,195                            | 71,180   | (\$5,985)  |
| C & P Services - Interdept. and External | 15,229                            | 0  | \$15,229   |
| Departmental Services - Pro Rata         | 160,589                           | 155,198  | \$5,391  |
| Consolidated Data Center                 | 2,642                             | 737  | \$1,905  |
| DP Maintenance & Supplies                | 2,494                             | 4,385  | (\$1,891)  |
| Central Admin Services - Pro Rata        | 82,078                            | 82,078   | \$0  |
| Examinations                             | 703,860                           | 540,390  | \$163,470  |
| Major Equipment - Replacement            | 6,000                             | 5,952  | \$48   |
| Minor Equipment                          | 6,300                             | 5,200  | \$1,100  |
| Enforcement                              |                                   |  |  |
| Attorney General                         | 379,123                           | 211,950  | \$167,173  |
| Office of Admin. Hearings                | 106,670                           | 26,605   | \$80,065   |
| Evidence/Witness Fees/Reporter Svs       | 10,795                            | 10,573   | \$222  |
| Court Reporter Services                  | 0                                 | 1,385  | (\$1,385)  |
| Division of Investigation                | 235,405                           | 214,733  | \$20,672   |
| Vehicle Operations                       | 15,000                            | 190  | \$14,810   |
| <b>TOTALS, OE&amp;E</b>                  | <b>\$1,968,745</b>                | <b>\$1,409,106</b>   | <b>\$559,639</b>   |
|  |                                   |  |  |
| ARF (Architecture Relocation Fund)       |                                   | \$100,000  |  |
|  |                                   |  |  |
| <b>TOTAL ACUPUNCTURE BOARD</b>           | <b>\$2,558,487</b>                | <b>\$1,989,968</b>   | <b>\$568,519</b>   |

# 0108 - Acupuncture Analysis of Fund Condition

Prepared 8/16/11

(Dollars in Thousands)

FY 2010-11 Prelim Month 13  
w/ Proposed BCPs

|   | Actual<br>2010-2011 | Governor's<br>Budget<br>CY<br>2011-2012 | Governor's<br>Budget<br>BY<br>2012-2013 | BY+1<br>2013-2014 | BY+2<br>2014-15 |
|---|---------------------|---|---|-------------------|-----------------|
| <b>BEGINNING BALANCE</b>                                    | \$ 5,286            | \$ 5,771                                | \$ 791                                  | \$ 684            | \$ 493          |
| Prior Year Adjustment                                       | \$ -                | \$ -                                    | \$ -                                    | \$ -              | \$ -            |
| Adjusted Beginning Balance                                  | \$ 5,286            | \$ 5,771                                | \$ 791                                  | \$ 684            | \$ 493          |
| <b>REVENUES AND TRANSFERS</b>                               |                     |   |   |                   |                 |
| Revenues:   |                     |   |   |                   |                 |
| 125600 Other regulatory fees                                | \$ 36               | \$ 40                                   | \$ 40                                   | \$ 40             | \$ 40           |
| 125700 Other regulatory licenses and permits                | \$ 716              | \$ 893                                  | \$ 893                                  | \$ 893            | \$ 893          |
| 125800 Renewal fees   | \$ 1,641            | \$ 1,604                                | \$ 1,604                                | \$ 1,604          | \$ 1,604        |
| 125900 Delinquent fees                                      | \$ 12               | \$ 11                                   | \$ 11                                   | \$ 11             | \$ 11           |
| 141200 Sales of documents                                   | \$ -                | \$ -                                    | \$ -                                    | \$ -              | \$ -            |
| 142500 Miscellaneous services to the public                 | \$ 2                | \$ 2                                    | \$ 2                                    | \$ 2              | \$ 2            |
| 150300 Income from surplus money investments                | \$ 27               | \$ 52                                   | \$ 4                                    | \$ 3              | \$ 1            |
| 150500 Interest Income From Interfund Loans                 | \$ -                | \$ -                                    | \$ -                                    | \$ -              | \$ -            |
| 160400 Sale of fixed assets                                 | \$ -                | \$ -                                    | \$ -                                    | \$ -              | \$ -            |
| 161000 Escheat of unclaimed checks and warrants             | \$ 3                | \$ 3                                    | \$ 3                                    | \$ 3              | \$ 3            |
| 161400 Miscellaneous revenues                               | \$ -                | \$ -                                    | \$ -                                    | \$ -              | \$ -            |
| Totals, Revenues  | \$ 2,437            | \$ 2,605                                | \$ 2,557                                | \$ 2,556          | \$ 2,554        |
| Transfers from Other Funds                                  |                     |   |   |                   |                 |
| GF 11-12 Loan Repayment                                     |                     |   |   |                   |                 |
| Transfers to Other Funds                                    |                     |   |   |                   |                 |
| Proposed GF IP Proposed GF Loan                             |                     | \$ -5,000                               |   |                   |                 |
| Totals, Revenues and Transfers                              | \$ 2,437            | \$ -2,395                               | \$ 2,557                                | \$ 2,556          | \$ 2,554        |
| Totals, Resources   | \$ 7,723            | \$ 3,376                                | \$ 3,348                                | \$ 3,240          | \$ 3,047        |
| <b>EXPENDITURES</b>   |                     |   |   |                   |                 |
| Disbursements:  |                     |   |   |                   |                 |
| 8840 FSCU (State Operations) - DOF update                   | \$ 5                | \$ 3                                    |   |                   |                 |
| 8860 FSCU (State Operations)                                | \$ -                | \$ -                                    | \$ -                                    | \$ -              | \$ -            |
| 8880 Financial Information System for CA (State Operations) | \$ 2                | \$ 11                                   |   |                   |                 |
| 1110 Program Expenditures (State Operations)                | \$ 1,945            | \$ 2,567                                | \$ 2,618                                | \$ 2,670          | \$ 2,723        |
| Breeze SPR Funding  |                     | \$ 21                                   | \$ 38                                   | \$ 48             | \$ 44           |
| <b>BCPs:</b>  |                     |   |   |                   |                 |
| CPEI Technical Adjustment - SI Pay Differential             |                     |   | \$ 5                                    | \$ 5              | \$ 5            |
| Credit Card BCP (BreZE)                                     |                     |   | \$ 20                                   | \$ 41             | \$ 41           |
| BL 11-08 Cellular Phone Reduction                           |                     | \$ -2                                   | \$ -2                                   | \$ -2             | \$ -2           |
| EO B-03-11 CS 3.91 DCA Savings Plan                         |                     | \$ -15                                  | \$ -15                                  | \$ -15            | \$ -15          |
| Total Disbursements   | \$ 1,952            | \$ 2,585                                | \$ 2,664                                | \$ 2,747          | \$ 2,796        |
| <b>FUND BALANCE</b>   |                     |   |   |                   |                 |
| Reserve for economic uncertainties                          | \$ 5,771            | \$ 791                                  | \$ 684                                  | \$ 493            | \$ 251          |
| Months in Reserve   | 26.8                | 3.6                                     | 3.0                                     | 2.1               | 1.1             |

NOTES:

- A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED
- B. EXPENDITURE GROWTH PROJECTED AT 2% BEGINNING FY 2012-13