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## FISCAL TOPICS

Fiscal Services Division

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## Board of Pharmacy Budget

The Iowa Commission of Pharmacy was organized in 1880 and established the State Board of Pharmacy Examiners that same year. The Board was composed of three members. The newly formed Board developed a set of standards for individuals to be qualified as pharmacists by examination for the protection of public health, welfare, and safety.

Renamed the [Board of Pharmacy](#) (BOP) in 2007, the present Board consists of eight members — five licensed pharmacists, one certified pharmacy technician, and two members of the general public. Board members are appointed by the Governor to three-year terms, with confirmation by the Senate. The Board is responsible for administering and enforcing the regulatory provisions of the Iowa Code relating to the legal aspects of professional practice; pharmacy technician activities; functions of pharmacy support persons; the licensing of drug manufacturers, wholesalers, and distributors; and the licensing of community, institutional, and nonresident pharmacies. The Board also administers and enforces the provisions related to the adulteration and labeling requirements for drugs; the purity, quality, and strength of drugs; the Controlled Substances Act and a State registration program for all legal handlers of controlled substances; and the sale, distribution, labeling, and records requirements for transactions involving designated poisonous substances and precursor substances. The Board is funded exclusively by licensure fees.

### Fees and Administrative Costs

Iowa Code section [147.80](#) allows various State boards of health-related professions to establish, by administrative rule, fees based on the costs of sustaining the boards and the actual costs of regulatory activities. The boards are annually required to prepare estimated projections of revenues and expenses, then adjust their schedule of fees to cover projected expenses if necessary.

Iowa Code section [147.82](#) allows the boards and the Department of Public Health, Bureau of Professional Licensure, to retain the fees collected as repayment receipts under Iowa Code section [8.2](#). Prior to FY 2006, the annual fees collected were allocated to the boards through authorization language included in the Health and Human Services Appropriations Act. In addition, a portion of the fees were deposited in the General Fund. This practice was phased out and the boards now retain all promulgated fees. Fines imposed by the BOP are deposited in the General Fund.

For the BOP, license fees and renewals cover a two-year period during which licensees may practice. The last time fees were adjusted was in calendar year 2013, when most fees were decreased by 10.0%. Utilizing data as reported to the Legislative Services Agency in the biennial [Fee Project](#), the most common fees (excluding the \$45 criminal background check) charged by the BOP are:

- Pharmacist license by examination, \$252 (renewal \$180).
- Pharmacist license by license transfer, \$300 (renewal \$180).
- Pharmacy technician registration, \$40 (renewal \$40).
- Controlled Substances Act registration, \$90.
- Pharmacy license fee, \$135.
- Wholesale drug license fee, \$300.

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### More Information

Board of Pharmacy: [pharmacy.iowa.gov](http://pharmacy.iowa.gov)  
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## Budget Reports

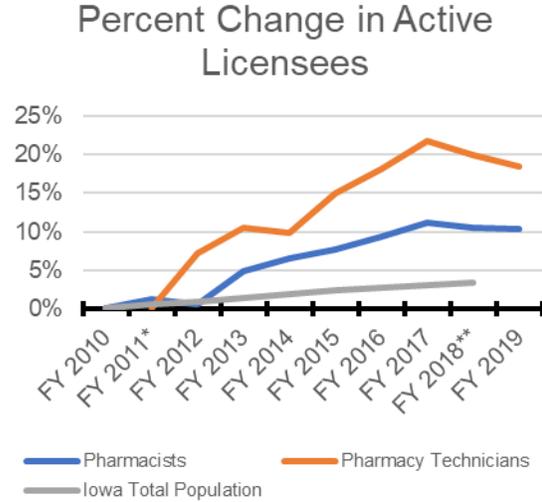
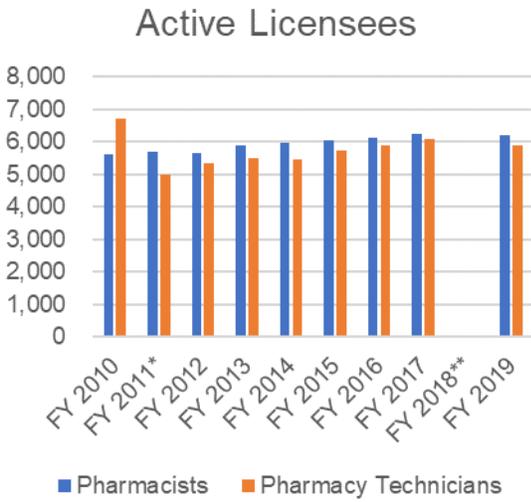
Carryforward funds are important to entities that do not receive a General Fund appropriation to cover expenses at the start of a fiscal year before revenue is received. In particular, these funds are necessary if that entity has a licensure period in which all licensees renew in the same time frame. Carryforward funds are also required for covering costs of larger ongoing projects, such as information technology updates, that take time to implement. The amount of carryforward balance as a percentage of total annual expenses will vary from board to board.

Additionally, the BOP has other dedicated funds to support the operations of the Board. This included the program for [Impaired Pharmacists, Pharmacist-Interns, or Pharmacy Technicians](#) (Iowa Code section [155A.39](#)) and the Drug Information Program Fund (Iowa Code section [124.557](#)) that supports the [Prescription Monitoring Program](#).

The following table presents the budget report for the BOP adjusted for the balance carryforward transactions to differentiate ongoing fee revenue from the carryforward balance. The main administration budget unit as well as the units for other funds have been combined for this table. Staffing level data and information on active licensees are also included.

### Board of Pharmacy Budget Report

	FY 2016	FY 2017	FY 2018	FY 2019	Estimated FY 2020
Beginning Balance	\$ 1,555,515	\$ 1,544,423	\$ 1,462,382	\$ 1,347,974	\$ 1,266,035
Receipts from Other Entities	\$ 0	\$ 75	\$ 204,158	\$ 330,528	\$ 312,100
Fees, Licenses & Permits	2,391,929	2,442,962	2,564,510	2,858,273	2,766,645
Miscellaneous	73,059	67,212	103,736	101,958	230,092
Annual Revenues	\$ 2,464,988	\$ 2,510,249	\$ 2,872,404	\$ 3,290,759	\$ 3,308,837
<b>Total Resources</b>	<b>\$ 4,020,503</b>	<b>\$ 4,054,672</b>	<b>\$ 4,334,785</b>	<b>\$ 4,638,732</b>	<b>\$ 4,574,872</b>
Personal Services	\$ 1,559,497	\$ 1,706,986	\$ 1,790,356	\$ 1,878,953	\$ 1,964,303
Travel & Subsistence	100,673	99,730	91,808	78,640	113,000
Supplies & Materials	71,651	55,860	56,562	48,524	50,600
Contractual Services and Transfers	667,385	610,826	748,947	722,659	664,400
Equipment & Repairs	76,833	118,889	293,485	591,924	407,000
Claims & Miscellaneous	0	0	5,654	39,070	1,375,544
Licenses, Permits, Refunds & Other	0	0	0	12,928	25
Total Expenses	\$ 2,476,040	\$ 2,592,291	\$ 2,986,812	\$ 3,372,697	\$ 4,574,872
<b>Ending Balance</b>	<b>\$ 1,544,463</b>	<b>\$ 1,462,382</b>	<b>\$ 1,347,974</b>	<b>\$ 1,266,035</b>	<b>\$ 0</b>
Ending Balance as Percent of Expenditures	62.4%	56.4%	45.1%	37.5%	0.0%
Total Full-Time Equivalent Positions	14.0	14.9	16.1	17.4	18.6



Source: Board of Pharmacy

\*Beginning in FY 2011, the BOP required that all pharmacy technicians be nationally certified. This led to the decrease from the FY 2010 registered amount. Therefore, FY 2011 is used as the baseline for growth in the percent change line chart.

\*\*Due to a change in the licensing system used by the BOP, comparable FY 2018 data is not available.

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