



Doug A. Ducey

**Arizona State Board of
Funeral Directors &
Embalmers**

1740 West Adams, Suite 3006
Phoenix, Arizona 85007
(602)542-3095
www.funeralboard.az.gov

August 30, 2019

The Honorable Doug Ducey
Governor's Office
1700 West Washington Street
Phoenix, AZ 85007

RE: Budget Request FY21

Dear Governor Ducey:

The Arizona State Board of Funeral Directors and Embalmers ("Board") respectfully submits its budget request for Fiscal Year 2021.

These requested appropriations are intended for continuing our agency's mission of protecting the health, safety and welfare of Arizona citizens by regulating and achieving the highest standards in the funeral profession.

The Board's request does not include any potential budgetary impacts associated with future ballot propositions or legislation.

Thank you for your consideration.

Sincerely,

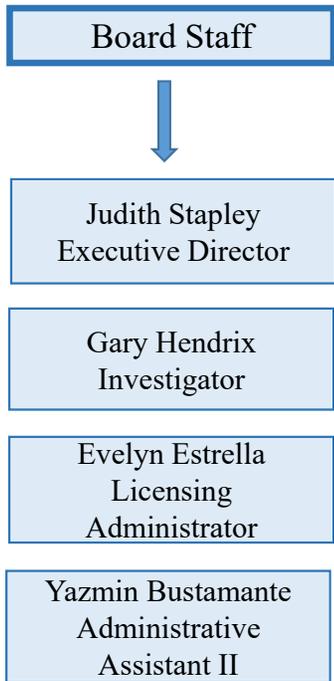
Judith R. Stapley
Executive Director
602-542-8152
judith.stapley@funeralboard.az.gov



Arizona State Board of Funeral Directors and Embalmers

8/30/2019

Douglas A. Ducey, Governor



Kristina Dyrr
Chairman/Public Member
Appointment Expired 1/1/19

James Ahearne
Secretary/Industry Member
Appointment Expires 1/1/22

Jack Peterson
Public Member
Appointment Expires 1/1/20

Harold Adair
Industry Member
Appointment Expires 1/1/21

Amie Gazda
Industry Member
Appointment Expires 1/1/22

Samuel Bueler
Industry Member
Appointment Expires 1/1/22

Currently Vacant
Public Member

Seven Board members, appointed by the governor, to serve four year terms. Four members are licensed Funeral Directors/Embalmers and three are public members.



State of Arizona Budget Request

State Agency

State Board of Funeral Directors & Embalmers

A.R.S. Citation: **1301**

Appropriated Funds

	FY 2020 Approp	FY 2021 Fund. Issue	FY 2021 Total Budget
Total Amount Requested:	399.7	53.0	452.7
Funeral Directors & Embalmers FUND	399.7	53.0	452.7

Governor DUCEY:

This and the accompanying budget schedules, statements and explanatory information constitute the operating budget request for this agency for Fiscal Year 2021.

To the best of my knowledge all statements and explanations contained in the estimates submitted are true and correct.

Agency Head: **Judith R. Stapley**

Title: **Executive Director**

Judith R. Stapley 8/30/2019

(signature)

Phone: **(602) 542-8152**

Prepared By: **Judith R. Stapley**

Email Address: **judith.stapley@funeralboard.us**

Date Prepared: **Friday, August 30, 2019**

Total:	399.7	53.0	452.7
--------	-------	------	-------

Revenue Schedule

Agency:	State Board of Funeral Directors & Embalmers
Fund:	AA1000 General Fund

AFIS Code	Category of Receipt and Description	FY 2019	FY 2020	FY 2021
4312	EXAMINATION FEES	0.8	0.8	0.9
4415	OCCUPATIONAL AND PROFESSIONAL LICENSES	48.6	51.0	53.5
4519	OTHER FINES OR FORFEITURES OR PENALTIES	0.8	0.8	0.9
4645	CREDIT CARD DISCOUNT FEES PAID	(0.7)	(0.7)	(0.7)
4699	MISCELLANEOUS RECEIPTS	0.6	0.6	0.6
Fund Total:		50.1	52.5	55.2

Revenue Schedule

Agency:	State Board of Funeral Directors & Embalmers
----------------	---

Fund:	FD2026 Funeral Directors & Embalmers FUND
--------------	--

AFIS Code	Category of Receipt and Description	FY 2019	FY 2020	FY 2021
4312	EXAMINATION FEES	7.2	7.6	8.0
4372	PUBLICATIONS AND REPRODUCTIONS	0.2	0.2	0.2
4415	OCCUPATIONAL AND PROFESSIONAL LICENSES	436.9	458.8	481.7
4417	REGULATORY LICENSES	0.2	0.2	0.2
4512	RESTITUTION	0.8	0.8	0.8
4519	OTHER FINES OR FORFEITURES OR PENALTIES	6.7	7.1	7.5
4631	TREASURERS INTEREST INCOME	10.9	11.4	12.0
4645	CREDIT CARD DISCOUNT FEES PAID	(7.5)	(7.9)	(8.3)
4649	CREDIT CARD CONVENIENCE FEES REVENUE	5.5	5.8	6.1
4699	MISCELLANEOUS RECEIPTS	13.3	13.9	14.6
Fund Total:		474.2	497.9	522.8



**Arizona State Board of
Funeral Directors &
Embalmers**

Doug A. Ducey

1740 West Adams, Suite 3006
Phoenix, Arizona 85007
(602)542-3095
www.funeralboard.az.gov

August 30, 2019

REVENUE FORECASTING METHODOLOGY

Based on a minimal increase in licensees over the last ten-year period, it is estimated that the revenue will continue to increase slightly.

10 Year Historic Case Load:

FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
1599	1609	1606	1159	1601	1635	1642	1721	1843	1843

Additionally, the annual death rate in Arizona maintains a steady increase, which directly effects income since a portion of the Board’s revenue, is based on how many death certificates are filed by each funeral establishment.

10 Year Historic Death Totals for Arizona:

FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
48829	50977	52093	53130	54284	55206	57522	58470	59637	59945

The Arizona State Board of Funeral Directors and Embalmers is self-funded through the licensing fees from new applications and annual renewals. We anticipate a consistent, modest increase to continue in the future.

Sources and Uses of Funds

Agency:	State Board of Funeral Directors & Embalmers
Fund:	FD2026 Funeral Directors & Embalmers FUND

Cash Flow Summary	Actual FY 2019	Estimate FY 2020	Estimate FY 2021
Balance Forward from Prior Year	522.1	634.7	719.9
Revenue (From Revenue Schedule)	474.2	497.9	522.8
Total Available	996.3	1,132.6	1,242.7
Total Appropriated Disbursements	361.6	412.7	452.7
Total Non-Appropriated Disbursements	0.0	0.0	0.0
Balance Forward to Next Year	634.7	719.9	790.0

Appropriated Expenditure	Actual FY 2019	Estimate FY 2020	Estimate FY 2021
Expenditure Categories			
Personal Services	182.0	202.4	236.9
Employee Related Expenses	84.8	89.3	107.8
Prof. And Outside Services	6.5	25.0	25.0
Travel - In State	1.4	5.0	5.0
Travel - Out of State	1.8	5.0	5.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	69.3	73.0	73.0
Equipment	1.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	346.8	399.7	452.7
Non-Lapsing Authority from Prior Years	0.0	0.0	0.0
Administrative Adjustments	14.8	13.0	0.0
Capital Projects (Land, Buildings,Improvements)	0.0	0.0	0.0
Appropriated 27th Pay Roll	0.0	0.0	0.0
Legislative Fund Transfers	0.0	0.0	0.0
IT Project Transfers	0.0	0.0	0.0
Appropriated Expenditure Total:	361.6	412.7	452.7
Appropriated FTE:	4.0	4.0	5.0

Fund Description

OSP: The fund receives revenues from application, license and renewal fees for use in regulating funeral directors, embalmers, funeral homes, and crematories.

Funding Issues List

Agency: State Board of Funeral Directors & Embalmers

FY 2021

Priority	Funding Issue Title	Total FTE	Total Amount	General Fund	Other Apropr. Funds	Non-App Funds
1	Position Reallocation	1.0	53.0	0.0	53.0	0.0
	Total:	1.0	53.0	0.0	53.0	0.0
	Decision Package Total:	1.0	53.0	0.0	53.0	0.0

Funding Issue Detail

Agency: State Board of Funeral Directors & Embalmers

Issue: 1 Position Reallocation

Program:	Licensing and Regulation	Calculated ERE:	\$18.50
Fund:	FD2026-A Funeral Directors & Embalmers FUND (Appropriated)	Uniform Allowance:	\$0.00

Expenditure Categories	FY 2021
FTE	1.0
Personal Services	34.5
Employee Related Expenses	18.5
Subtotal Personal Services and ERE:	53.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	0.0
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
Program / Fund Total:	53.0

FDA FY2021 POSITION REALLOCATION

Summary:

The Arizona State Board of Funeral Directors and Embalmers, (“Board”) requests an increase of \$53,000 to fund the currently allocated fourth FTE position by creating two part-time positions comprised of the current quarter-time Administrative Assistant II, position and a part-time Compliance Officer.

Description of issue and how recommending the agency’s request furthers the agency’s mandates:

Pursuant to A.R.S. § 32-1307 (A) (5) (h), “The inspection of all funeral establishments and crematories at least once every five years”. Although Board staff is currently compliant with this statute, it is becoming increasingly difficult to so. In recent years, some of the most egregious complaints involved violations pertaining to unacceptable conditions occurring in either a funeral establishment or crematory. These violations have led to years of litigation and negative media coverage that leads the public to wonder if the Board is doing their job sufficiently. Review of national averages show that most states mandate inspections annually or biannually. It is also common practice to charge a reasonable fee to conduct an inspection and fines for non-compliance. Should Arizona follow suit with this practice it would not only assist in keeping establishments/crematories compliant with statute and rule but also allow budget issues associated with the travel necessary to inspect, to be resolved.

Proposal:

The Board has had four, full-time employees on staff for more than forty years to maintain daily operations and remain compliant with inspecting all licensed establishments and crematories. Previously, staff consisted of the Executive Director, Deputy Director, Compliance Officer and an Administrative Assistant. This was disrupted when funds were swept from the Board cash balance a few years back. Since that time, Board staff have struggled to remain compliant with inspections, investigations, licensing requirements as well as the overall daily operations of the agency. Presently, Board staff consists of the Executive Director, Investigator (this position was previously the Deputy Director), Licensing Administrator and a quarter-time Administrative Assistant. When the agency previously tried to fill the Deputy Director position, although no reasons were ever given, the Director of Arizona Department of Administration (ADOA) would not allow the agency to use the term “Deputy Director”. For this reason, the position title was changed to Investigator. The change of moving the Administrative Assistant to a part-time position and the addition of a part-time Compliance Officer will not change the staffing count of the current 4 full-time employees, rather restructure it to better accommodate the agency. Additionally, Board staff are entering into an Interagency Service Agreement with the Veterinary Board to

begin inspecting all pet crematories in the State as well as reviewing if jurisdiction will be ultimately transferred to the Funeral Board. Lawmakers are also seeking the jurisdiction of all funeral escort employees, businesses and vehicles be licensed and inspected by the Funeral Board.

Alternatives considered and reasons for rejection and impact of not fund:

If the Board continues to operate at the current level it increases the risk of non-compliance of statutory obligations. The public will be impacted if unscrupulous industry professionals are not held accountable to the prevailing practices of this state.

Annualization(s):

Administrative Assistant II - AUN06609, grade 15
PS \$8,800
ERE \$7,400

Compliance Officer - AUN04916, grade 20
PS \$25,660
ERE \$11,200

Annualization Total = \$53,060

The Budget Submittal reflects the addition of one FTE in the funding issue. However, the Board does not need increased FTE authority, but does need the additional ERE required to fund benefits.

Summary of Expenditure and Budget Request for All Funds

Agency: State Board of Funeral Directors & Embalmers

Appropriated

		FY 2019 Actual	FY 2020 Expd. Plan	FY 2021 Fund. Issue	FY 2021 Total Request
Cost Center/Program:					
1	Licensing and Regulation	346.8	399.7	53.0	452.7
		346.8	399.7	53.0	452.7
Expenditure Categories					
	FTE	4.0	4.0	1.0	5.0
	Personal Services	182.0	202.4	34.5	236.9
	Employee Related Expenses	84.8	89.3	18.5	107.8
	Professional and Outside Services	6.5	25.0	0.0	25.0
	Travel In-State	1.4	5.0	0.0	5.0
	Travel Out of State	1.8	5.0	0.0	5.0
	Food	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
	Other Operating Expenses	69.3	73.0	0.0	73.0
	Equipment	1.0	0.0	0.0	0.0
	Capital Outlay	0.0	0.0	0.0	0.0
	Debt Service	0.0	0.0	0.0	0.0
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:		346.8	399.7	53.0	452.7

Summary of Expenditure and Budget Request for All Funds

Agency: State Board of Funeral Directors & Embalmers

Agency Total for All Funds:	346.8	399.7	53.0	452.7			
------------------------------------	-------	-------	------	-------	--	--	--

Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Board of Funeral Directors & Embalmers
Fund:	FD2026 Funeral Directors & Embalmers FUND (Appropriated)

	FY 2019 Actual	FY 2020 Expd. Plan	FY 2021 Fund. Issue	FY 2021 Total Request
Cost Center/Program:				
1 Licensing and Regulation	346.8	399.7	53.0	452.7
	346.8	399.7	53.0	452.7
Expenditure Categories				
FTE	4.0	4.0	1.0	5.0
Personal Services	182.0	202.4	34.5	236.9
Employee Related Expenses	84.8	89.3	18.5	107.8
Professional and Outside Services	6.5	25.0	0.0	25.0
Travel In-State	1.4	5.0	0.0	5.0
Travel Out of State	1.8	5.0	0.0	5.0
Food	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	69.3	73.0	0.0	73.0
Equipment	1.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	346.8	399.7	53.0	452.7
Fund Total:	346.8	399.7	53.0	452.7

Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Board of Funeral Directors & Embalmers
Fund:	FD2026 Funeral Directors & Embalmers FUND (Appropriated)

	FY 2019 Actual	FY 2020 Expd. Plan	FY 2021 Fund. Issue	FY 2021 Total Request
Agency Total for Selected Funds	346.8	399.7	53.0	452.7

Program Summary of Expenditures and Budget Request

Agency:	State Board of Funeral Directors & Embalmers
Program:	Licensing and Regulation

		FY 2019 Actual	FY 2020 Expd. Plan	FY 2021 Fund. Issue	FY 2021 Total Request
Program Summary					
1-1	Licensing and Regulation	346.8	388.4	53.0	441.4
1-2	SLI Retirement Payout	0.0	11.3	0.0	11.3
Program Summary Total:		346.8	399.7	53.0	452.7
Expenditure Categories					
0000	FTE Positions	4.0	4.0	1.0	5.0
6000	Personal Services	182.0	202.4	34.5	236.9
6100	Employee Related Expenses	84.8	89.3	18.5	107.8
6200	Professional and Outside Services	6.5	25.0	0.0	25.0
6500	Travel In-State	1.4	5.0	0.0	5.0
6600	Travel Out of State	1.8	5.0	0.0	5.0
6700	Food	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	69.3	73.0	0.0	73.0
8000	Equipment	1.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:		346.8	399.7	53.0	452.7
Fund Source					
Appropriated Funds					
	FD2026-A Funeral Directors & Embalmers FUND (Appropriat	346.8	399.7	53.0	452.7
		346.8	399.7	53.0	452.7
Fund Source Total:		346.8	399.7	53.0	452.7

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency:	State Board of Funeral Directors & Embalmers
Program:	Licensing and Regulation

	FY 2019 Actual	FY 2020 Expd. Plan	FY 2021 Fund. Issue	FY 2021 Total Request
--	-------------------	-----------------------	------------------------	--------------------------

Fund:	FD2026-A Funeral Directors & Embalmers FUND (Appropriated)
--------------	--

Program Expenditures

COST CENTER/PROGRAM BUDGET UNIT					
1-1	Licensing and Regulation	346.8	388.4	53.0	441.4
1-2	SLI Retirement Payout	0.0	11.3	0.0	11.3
Total		346.8	399.7	53.0	452.7

Appropriated Funding

Expenditure Categories

FTE Positions		4.0	4.0	1.0	5.0
Personal Services		182.0	202.4	34.5	236.9
Employee Related Expenses		84.8	89.3	18.5	107.8
Professional and Outside Services		6.5	25.0	0.0	25.0
Travel In-State		1.4	5.0	0.0	5.0
Travel Out of State		1.8	5.0	0.0	5.0
Food		0.0	0.0	0.0	0.0
Aid to Organizations and Individuals		0.0	0.0	0.0	0.0
Other Operating Expenses		69.3	73.0	0.0	73.0
Equipment		1.0	0.0	0.0	0.0
Capital Outlay		0.0	0.0	0.0	0.0
Debt Service		0.0	0.0	0.0	0.0
Cost Allocation		0.0	0.0	0.0	0.0
Transfers		0.0	0.0	0.0	0.0

Expenditure Categories Total:	346.8	399.7	53.0	452.7
--------------------------------------	-------	-------	------	-------

Fund FD2026-A Total:	346.8	399.7	53.0	452.7
-----------------------------	-------	-------	------	-------

Program 1 Total:	346.8	399.7	53.0	452.7
-------------------------	-------	-------	------	-------

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency:	State Board of Funeral Directors & Embalmers
Program:	Licensing and Regulation

Expenditure Categories	FY 2019 Actual	FY 2020 Expd. Plan	FY 2021 Fund. Issue	FY 2021 Total Request
0000 FTE	4.0	4.0	1.0	5.0
6000 Personal Services	182.0	194.1	34.5	228.6
6100 Employee Related Expenses	84.8	86.3	18.5	104.8
6200 Professional and Outside Services	6.5	25.0	0.0	25.0
6500 Travel In-State	1.4	5.0	0.0	5.0
6600 Travel Out of State	1.8	5.0	0.0	5.0
6700 Food	0.0	0.0	0.0	0.0
6800 Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000 Other Operating Expenses	69.3	73.0	0.0	73.0
8000 Equipment	1.0	0.0	0.0	0.0
8100 Capital Outlay	0.0	0.0	0.0	0.0
8600 Debt Service	0.0	0.0	0.0	0.0
9000 Cost Allocation	0.0	0.0	0.0	0.0
9100 Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	346.8	388.4	53.0	441.4
Fund Source				
Appropriated Funds				
FD2026-A Funeral Directors & Embalmers FUND (Appropriat	346.8	388.4	53.0	441.4
	346.8	388.4	53.0	441.4
Fund Source Total:	346.8	388.4	53.0	441.4

Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: State Board of Funeral Directors & Embalmers					
		FY 2019	FY 2020	FY 2021	FY 2021
		Actual	Expd. Plan	Fund. Issue	Total Request
Program: Licensing and Regulation					
Fund: FD2026-A Funeral Directors & Embalmers FUND					
Appropriated					
0000	FTE	4.0	4.0	1.0	5.0
6000	Personal Services	182.0	194.1	34.5	228.6
6100	Employee Related Expenses	84.8	86.3	18.5	104.8
6200	Professional and Outside Services	6.5	25.0	0.0	25.0
6500	Travel In-State	1.4	5.0	0.0	5.0
6600	Travel Out of State	1.8	5.0	0.0	5.0
6700	Food	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	69.3	73.0	0.0	73.0
8000	Equipment	1.0	0.0	0.0	0.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Appropriated Total:		346.8	388.4	53.0	441.4
Fund Total:		346.8	388.4	53.0	441.4
Program Total For Selected Funds:		346.8	388.4	53.0	441.4

Program Expenditure Schedule

Agency:	State Board of Funeral Directors & Embalmers
Program:	Licensing and Regulation

	FY 2019 Actual	FY 2020 Expd. Plan
FTE	4.0	4.0
Expenditure Category Total	4.0	4.0
Appropriated		
FD2026-A Funeral Directors & Embalmers FUND (Appropriated)	4.0	4.0
Fund Source Total	4.0	4.0
<hr/>		
Personal Services	181.4	193.1
Boards and Commissions	0.6	1.0
Expenditure Category Total	182.0	194.1
Appropriated		
FD2026-A Funeral Directors & Embalmers FUND (Appropriated)	182.0	194.1
Fund Source Total	182.0	194.1
<hr/>		
Employee Related Expenses	84.8	86.3
Expenditure Category Total	84.8	86.3
Appropriated		
FD2026-A Funeral Directors & Embalmers FUND (Appropriated)	84.8	86.3
Fund Source Total	84.8	86.3
<hr/>		
Professional and Outside Services		25.0
External Prof/Outside Serv Budg And Appn	0.0	
External Investment Services	0.0	
Other External Financial Services	0.0	
Attorney General Legal Services	0.0	
External Legal Services	1.0	
External Engineer/Architect Cost - Exp	0.0	
External Engineer/Architect Cost- Cap	0.0	
Other Design	0.0	
Temporary Agency Services	5.0	
Hospital Services	0.0	
Other Medical Services	0.0	
Institutional Care	0.0	
Education And Training	0.5	
Vendor Travel	0.0	
Professional & Outside Services Excluded from Cost Alloca	0.0	
Vendor Travel - Non Reportable	0.0	
External Telecom Consulting Services	0.0	
Costs related to those in custody of the State	0.0	
Non - Confidential Specialist Fees	0.0	
Confidential Specialist Fees	0.0	
Outside Actuarial Costs	0.0	
Other Professional And Outside Services	0.0	

Program Expenditure Schedule

Agency:	State Board of Funeral Directors & Embalmers
Program:	Licensing and Regulation

	FY 2019 Actual	FY 2020 Expd. Plan
Expenditure Category Total	6.5	25.0
Appropriated		
FD2026-A Funeral Directors & Embalmers FUND (Appropriated)	6.5	25.0
Fund Source Total	6.5	25.0
Travel In-State	1.4	5.0
Expenditure Category Total	1.4	5.0
Appropriated		
FD2026-A Funeral Directors & Embalmers FUND (Appropriated)	1.4	5.0
Fund Source Total	1.4	5.0
Travel Out of State	1.8	5.0
Expenditure Category Total	1.8	5.0
Appropriated		
FD2026-A Funeral Directors & Embalmers FUND (Appropriated)	1.8	5.0
Fund Source Total	1.8	5.0
Food	0.0	0.0
Expenditure Category Total	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0
Expenditure Category Total	0.0	0.0
Other Operating Expenses		73.0
Other Operating Expenditures Budg Approp	0.0	
Other Operating Expenditures Excluded from Cost Allocati	0.0	
Risk Management Charges To State Agency	1.2	
Risk Management Deductible - Indemnity	0.0	
Risk Management Deductible - Legal	0.0	
Risk Management Deductible - Medical	0.0	
Risk Management Deductible - Other	0.0	
Gen Liab- Non Physical-Taxable- Self Ins	0.0	
Gross Proceeds Payments To Attorneys	0.0	
General Liability- Non-Taxable- Self Ins	0.0	
Medical Malpractice - Self-Insured	0.0	
Automobile Liability - Self Insured	0.0	
General Property Damage - Self- Insured	0.0	
Automobile Physical Damage-Self Insured	0.0	
Liability Insurance Premiums	0.0	
Property Insurance Premiums	0.0	
Workers Compensation Benefit Payments	0.0	
Self Insurance - Administrative Fees	0.0	
Self Insurance - Premiums	0.0	
Self Insurance - Claim Payments	0.0	
Self Insurance - Pharmacy Claims	0.0	
Premium Tax On Altcs	0.0	

Program Expenditure Schedule

Agency:	State Board of Funeral Directors & Embalmers
Program:	Licensing and Regulation

	FY 2019 Actual	FY 2020 Expd. Plan
Other Insurance-Related Charges	0.0	
Internal Service Data Processing	7.7	
Internal Service Data Proc- Pc/Lan	0.0	
External Programming-Mainframe/Legacy	0.0	
External Programming- Pc/Lan/Serv/Web	0.0	
External Data Entry	0.0	
Othr External Data Proc-Mainframe/Legacy	0.0	
Othr External Data Proc-Pc/Lan/Serv/Web	0.4	
Pmt for AFIS Development & Usage	0.5	
Internal Service Telecommunications	0.0	
External Telecom Long Distance-In-State	2.7	
External Telecom Long Distance-Out-State	0.0	
Other External Telecommunication Service	0.0	
Electricity	0.0	
Sanitation Waste Disposal	0.0	
Water	0.0	
Gas And Fuel Oil For Buildings	0.0	
Other Utilities	0.0	
Building Rent Charges To State Agencies	14.1	
Priv Lease To Own Bld Rent Chrgs To Agy	0.0	
Cert Of Part Bld Rent Chrgs To Agy	0.0	
Rental Of Land And Buildings	0.0	
Rental Of Computer Equipment	0.0	
Rental Of Other Machinery And Equipment	0.4	
Miscellaneous Rent	0.0	
Interest On Overdue Payments	0.0	
All Other Interest Payments	0.0	
Internal Acct/Budg/Financial Svcs	25.0	
Other Internal Services	0.0	
Repair And Maintenance - Buildings	0.0	
Repair And Maintenance - Vehicles	0.0	
Repair And Maint - Mainframe And Legacy	0.0	
Repair And Maint-Pc/Lan/Serv/Web	0.0	
Repair And Maintenance - Other Equipment	0.0	
Other Repair And Maintenance	0.0	
Software Support And Maintenance	6.5	
Uniforms	0.0	
Inmate Clothing	0.0	
Security Supplies	0.0	
Office Supplies	2.2	
Computer Supplies	0.0	
Housekeeping Supplies	0.0	
Bedding And Bath Supplies	0.0	
Drugs And Medicine Supplies	0.0	
Medical Supplies	0.0	
Dental Supplies	0.0	
Automotive And Transportation Fuels	0.0	
Automotive Lubricants And Supplies	0.0	
Rpr And Maint Supplies-Not Auto Or Build	0.0	
Repair And Maintenance Supplies-Building	0.0	
Other Operating Supplies	0.0	

Program Expenditure Schedule

Agency:	State Board of Funeral Directors & Embalmers
Program:	Licensing and Regulation

	FY 2019 Actual	FY 2020 Expd. Plan
Publications	0.0	
Aggregate Withheld Or Paid Commissions	0.0	
Lottery Prizes	0.0	
Lottery Distribution Costs	0.0	
Material for Further Processing	0.0	
Other Resale Supplies	0.0	
Loss On Sales Of Capital Assets	0.0	
Loss on Sales of Investments	0.0	
Employee Tuition Reimbursement-Graduate	0.0	
Employee Tuition Reimb Under-Grad/Other	0.0	
Conference Registration-Attendance Fees	0.7	
Other Education And Training Costs	0.0	
Advertising	0.0	
Sponsorships	0.0	
Internal Printing	5.2	
External Printing	0.0	
Photography	0.0	
Postage And Delivery	2.3	
Document shredding and Destruction Services	0.0	
Translation and Sign Language Services	0.0	
Distribution To State Universities	0.0	
Other Intrastate Distributions	0.0	
Awards	0.0	
Entertainment And Promotional Items	0.0	
Dues	0.3	
Books- Subscriptions And Publications	0.0	
Costs For Digital Image Or Microfilm	0.0	
Revolving Fund Advances	0.0	
Credit Card Fees Over Approved Limit	0.0	
Relief Bill Expenditures	0.0	
Surplus Property Distr To State Agencies	0.0	
Security Services	0.0	
Judgments - Damages	0.0	
ICA Payments to Claimants Confidential	0.0	
Jdgmnt-Confidential Restitution To Indiv	0.0	
Judgments - Non-Confidential Restitution	0.0	
Judgments - Punitive And Compensatory	0.0	
Pmts Made to Resolve/Disputes/Avoid Costs of Litigation	0.0	
Pmts For Contracted State Inmate Labor	0.0	
Payments To State Inmates	0.0	
Bad Debt Expense	0.0	
Interview Expense	0.0	
Employee Relocations-Nontaxable	0.0	
Employee Relocations-Taxable	0.0	
Non-Confidential Invest/Legal/Law Enf	0.0	
Conf/Sensitive Invest/Legal/Undercover	0.0	
Fingerprinting, Background Checks, Etc.	0.0	
Other Miscellaneous Operating	0.1	

Program Expenditure Schedule

Agency:	State Board of Funeral Directors & Embalmers
Program:	Licensing and Regulation

	FY 2019 Actual	FY 2020 Expd. Plan
Expenditure Category Total	69.3	73.0
Appropriated		
FD2026-A Funeral Directors & Embalmers FUND (Appropriated)	69.3	73.0
Fund Source Total	69.3	73.0
Current Year Expenditures		0.0
Capital Equipment Budget And Approp	0.0	
Vehicles Capital Purchase	0.0	
Vehicles Capital Leases	0.0	
Furniture Capital Purchase	0.0	
Depreciable Works Of Art & Hist Treas/Coll Capital Purcha	0.0	
Non Depr Works Of Art & Hist Treas/Coll Cap Purchase	0.0	
Furniture Capital Leases	0.0	
Computer Equipment Capital Purchase	0.0	
Computer Equipment Capital Lease	0.0	
Telecommunication Equip-Capital Purchase	0.0	
Telecommunication Equip-Capital Lease	0.0	
Other Equipment Capital Purchase	0.0	
Other Equipment Capital Leases	0.0	
Purchased Or Licensed Software-Website	0.0	
Internally Generated Software-Website	0.0	
Development in Progress	0.0	
Right-Of-Way/Easement/Extraction Rights	0.0	
Oth Int Assets purchased, licensed or internally generate	0.0	
Other intangible assets acquired by capital lease	0.0	
Other Capital Asset Purchases	0.0	
Leasehold Improvement-Capital Purchase	0.0	
Other Capital Asset Leases	0.0	
Non-Capital Equip Budget And Approp	0.0	
Vehicles Non-Capital Purchase	0.0	
Vehicles Non-Capital Leases	0.0	
Furniture Non-Capital Purchase	0.2	
Works Of Art And Hist Treas-Non Capital	0.0	
Furniture Non-Capital Leases	0.0	
Computer Equipment Non-Capital Purchase	0.2	
Computer Equipment Non-Capital Lease	0.0	
Telecomm Equip Non-Capital Purchase	0.0	
Telecomm Equip Non-Capital Leases	0.0	
Other Equipment Non-Capital Purchase	0.6	
Weapons Non-Capital Purchase	0.0	
Other Equipment Non-Capital Lease	0.0	
Purchased Or Licensed Software/Website	0.0	
Internally Generated Software/Website	0.0	
LICENSES AND PERMITS	0.0	
Right-Of-Way/Easement/Extraction Exp	0.0	
Other Intangible Assets - Purchased, Licensed or Internall	0.0	
Noncapital Software/Web By Capital Lease	0.0	
Other Intangible Assets Acquired by Capital Lease	0.0	
Other Long Lived Tangible Assets to be Expenses	0.0	
Non-Capital Equipment Excluded from Cost Allocation	0.0	

Program Expenditure Schedule

Agency:	State Board of Funeral Directors & Embalmers
Program:	Licensing and Regulation

	FY 2019 Actual	FY 2020 Expd. Plan
Expenditure Category Total	1.0	0.0
Appropriated		
FD2026-A Funeral Directors & Embalmers FUND (Appropriated)	1.0	0.0
Fund Source Total	1.0	0.0
Capital Outlay	0.0	0.0
Expenditure Category Total	0.0	0.0
<hr/>		
Debt Service	0.0	0.0
Expenditure Category Total	0.0	0.0
<hr/>		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0
<hr/>		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
Arizona State Retirement System	4.0	193.1	FD2026-A

Combined Regular & Elected Positions At/Above FICA Maximum of \$128,400
--

Total FTE	Personal Services	FTE's not eligible for Health, Dental & Life
0.0	0.0	0.0

Administrative Costs

Agency:	State Board of Funeral Directors & Embalmers
----------------	---

Administrative Costs Summary

<u>Common Administrative Area</u>	<u>FY 2021</u>
Personal Services	15.0
ERE	5.0
All Other	2.0
Administrative Costs Total:	22.0

Administrative Cost / Total Expenditure Ratio

	<u>Request</u>	<u>Admin %</u>
FY 2021	452.7	4.9%

Agency 5-Year Plan

Issue 1 Seek to reclassify one full-time position to two, part-time positions.

Description: The Board has had four, full-time employees on staff for more than forty years to maintain daily operations and remain compliant with inspecting all licensed establishments and crematories. Previously, staff consisted of the Executive Director, Deputy Director, Compliance Officer and an Administrative Assistant. This was disrupted when funds were swept from the Board cash balance a few years back. Since that time, Board staff have struggled to remain compliant with inspections, investigations, licensing requirements as well as the overall daily operations of the agency. Presently, Board staff consists of the Executive Director, Investigator (this position was previously the Deputy Director), Licensing Administrator and a quarter-time Administrative Assistant. When the agency previously tried to fill the Deputy Director position, although no reasons were ever given, the Director of Arizona Department of Administration (ADOA) would not allow the agency to use the term "Deputy Director". For this reason, the position title was changed to Investigator. The change of moving the Administrative Assistant to a part-time position and the addition of a part-time Compliance Officer will not change the staffing count of the current 4 full-time employees, rather restructure it to better accommodate the agency. Additionally, Board staff are entering into an Interagency Service Agreement with the Veterinary Board to begin inspecting all pet crematories in the State as well as reviewing if jurisdiction should be ultimately transferred to the Funeral Board. Lawmakers are also seeking the jurisdiction of all funeral escort employees, businesses and vehicles be licensed and inspected by the Funeral Board. The Agencies current revenue level is sufficient to support this reclassification, however, additional appropriation is required.

Solutions:

The Executive Director will seek to work with Department of Administration/Human Resources to reclassify one full-time position into two part-time positions. Additionally, the Director will seek funding appropriation through a budget justification for FY21.

Issue 2 Seek rule moratorium exemption to amend several items directly related to going paperless and moving all processes online.

Description: There are several rules that need to be changed in accommodating the Board's new E-Licensing process. There are many requirements for a notarized signature that could easily be replaced with online signatures or attestation.

Solutions:

The Executive Director will seek to have the rules amended that impede the online, paperless initiative.

Issue 3 Seek rule moratorium exemption to amend the current requirement for Continuing Education for licensed Funeral Directors and Embalmers.

Description: Currently, licensed Funeral Directors and Embalmers are required to complete twelve hours of Continuing Education annually. This is not in line with national standards and should be reduced to six hours annually.

Solutions:

The Executive Director will seek to have rules amended to reduce the requirement for Continuing Education hours from twelve to six annually for licensed Funeral Directors and Embalmers.

Issue 4 Seek to improve the E-Licensing process so that the basic functionality meets the needs of all users.

Description: Since going live with an online licensing process, the Board of Funeral Directors and Embalmers has continued to work with ADOA ASET to correct problems within the system. The database should not be proprietary; however, if users are not utilizing Google Chrome as their browser, they are not able to upload necessary documents within the system. Additionally, the online process does not support the use of any device other than a personal computer. The Board continues to have issues with the database processing applications for licensure, which are impeding the overall process. The issues between the database and JBilling continue to be problematic which, causes the licensed community to question whether or not their application was submitted complete, including payment. This in turn causes users to make double payments that must then be refunded by Board staff. The way the database was implemented leaves Board staff unable to correct many of the problems that arise in the system. The result of Board staff not being able to correct many problems leaves the only option of creating a ticket that is sent to ADOA ASET every time a problem needs to be addressed.

Solutions:

The Board appears to have no choice other than continuing to work with ADOA ASET, and all other Boards involved in this new online process. We will carry on the pursuit to identify how best to continue implementation of a working E-Licensing process that will benefit all users in the state. ASET is handling all negotiations with programing and those with administrative privileges, utilizing their expertise in technology in an effort to correct the current inefficiencies, resolve problems, and assist the Boards.

Issue 5 Consideration of implementation of Alkaline Hydrolysis as another method of disposition.

Description: Currently, twenty-one states recognize Alkaline Hydrolysis as a legal method of disposition. This issue is gaining momentum throughout the nation as the rate of cremation continues to increase. Arizona currently has a rate of 69% cremation that has had a steady increase over the last many years.

Solutions:

The Executive Director will continue to research the topic and work with local authorities to explore the possibility of implementing this method of disposition in Arizona.

Issue 6 Seek rule moratorium exemption to eliminate and improve clarity and verbiage of antiquated rules.

Description: There are several rules that need to be eliminated or changes to reflect current industry practice and issues.

Solutions:

The Executive Director will seek to have these rules amended.

Resource Assumptions

	FY2022 Estimate	FY2023 Estimate	FY2024 Estimate
Full-Time Equivalent Positions	0.0	0.0	0.0
General Fund	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Non-Appropriated Funds	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0