

FY 18-19 Budget Testimony

House Finance Subcommittee on State Government and Agency Review

Written Testimony Submitted by Executive Director Amy Kobe*

Overview

The Ohio Architects Board and the Ohio Landscape Architects Board are two boards with one budget and one staff. Each Board has five members, who are appointed by the Governor and paid at the hourly rate of \$19.55 per hour. The two Boards license approximately 8,725 individuals and firms, plus nearly 700 exam candidates.

The boards are self-supporting via licensing and renewal fees. No General Revenue Funds are used to support the Board's activities. Revenue is deposited into the 4K9 Fund, Occupational and Professional Licensing, and the board consistently generates more revenue than it spends.

The mission of the Boards is to protect the Health, Safety, and Welfare of the citizens of Ohio. The Boards upholds the national standards of the professions through licensure, regulation, and enforcement.

Staffing

The Board office operates with a staff of four. There has been no increase in the number of staff since 1981. During that time, the number of active registrants has more than doubled, the number of firms has quadrupled and the number of exam candidates has quadrupled. The number of licensed firms tripled since 2004. The Board has occupied the same space since the Riffe Center opened in 1988.

Customer Service

The Boards are very customer-service oriented and frequently receive compliments from customers on the thoroughness of the website, the kindness and knowledge demonstrated by staff, and the speed at which applications are approved and inquiries answered. Because the average architect is licensed in 4 ½ states, customers report it is much easier to do business with this Board than boards in other states. Applicants are also pleased that the staff is always willing and available to take their phone calls and responds promptly to emails.

The Board uses the new Salesforce eLicense platform. Nearly every application is approved the same day it is submitted. In many states, especially where it is difficult to change rules and laws, this process can take weeks or even months.

Prompt approval of applications is a very important part of customer service because firms and architects cannot enter into contracts in Ohio until they receive their licenses. This Board tries very hard to make it simple to do business in the state of Ohio. For example, a recent rule change eliminated a requirement that a form be notarized as well as rule requiring a firm license to be posted for public viewing. These are the type of small changes a responsive, nimble board can make to serve its customers better.

Setting Priorities

The Board's funding priorities are simple:

- Funding online services for online renewals and new applications, and
- Maintenance of existing customer service levels.

Revenue and Expenses

In the FY 18 – 19 biennium, the Board projects total revenues of approximately \$1.24 million. The Board has requested a Fiscal Year 2018 appropriation of \$576,916, a 5.2% increase over FY17 and \$604,765 for FY 19, a 4.8% increase, for a total request of \$1, 181,681. Anything less will not allow the Board to maintain the current level of customer service.

Costs Increases Outside the Board's Control.

The requested budget increase is due to cost increases outside of the Board's control:

- Payroll will increase by 12% from FY16 to FY 18.
- Rent will increase by 10%, which has increased from \$14,000 in FY14 to an estimated \$33,000 in FY19.
- The cost of eLicense will increase from \$3,122 in FY17 to \$18,771, beginning in FY19.
- While printing and postage charges associated with license renewals have been eliminated by using email notifications via the new system, they are more than offset by bank fees, which average \$3 per transaction. Credit card fees are projected to be \$37,000 for the biennium.
- The FY18-19 audit will cost at least \$12,300. By comparison, the cost of the FY12 audit was \$6,500. The Board consistently has clean audits.

*Director Kobe is currently on medical leave.