

Redbook

LBO Analysis of Executive Budget Proposal

Architects Board

Maggie West, Senior Budget Analyst
February 2021

TABLE OF CONTENTS

Quick look.....	1
Agency overview	1
Analysis of FY 2022-FY 2023 budget proposal.....	1
Overview	1
Executive recommendations by expense category	2
Revenue and license statistics.....	2

LBO Redbook

Architects Board

Quick look...

- The Ohio Architects Board and Ohio Landscape Architects Board are responsible for the regulation of the practices of architecture and landscape architecture in the state of Ohio.
- The boards operate under a combined budget, staff, and facilities.
- In FY 2020, there were 8,938 individuals and firms with active licenses.
- The boards are funded through licensing fees and receive no money from the GRF.
- The executive budget proposes \$633,410 in FY 2022 and \$644,408 in FY 2023, and fully funds the Board’s requested amounts.
 - Executive recommended funding is sufficient to maintain current service levels.
 - Primary expenses: personal services (73%); supplies and maintenance (23%).

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
Fund 4K90 ALI 891609, Operating					
\$572,245	\$517,652	\$598,865	\$646,294	\$633,410	\$644,408
% change	-9.5%	15.7%	7.9%	-2.0%	1.7%

Agency overview

The Ohio Architects Board and the Ohio Landscape Architects Board are two boards that operate under a combined budget and share staff and facilities. Each board consists of five members appointed by the Governor. For the Architects Board, all five members must be architects who have been in active practice in Ohio for at least ten years. For the Landscape Architects Board, three members must be landscape architects registered with the state for at least five years, one must be a licensed design professional, and one must represent the public. Hereinafter, the two boards are collectively referred to as the Board.

A staff of four employees, led by an executive director, handles the Board’s day-to-day operations. The Board receives no GRF funding. It is funded entirely by architecture licensing fees credited to the Occupational Licensing Fund (Fund 4K90).

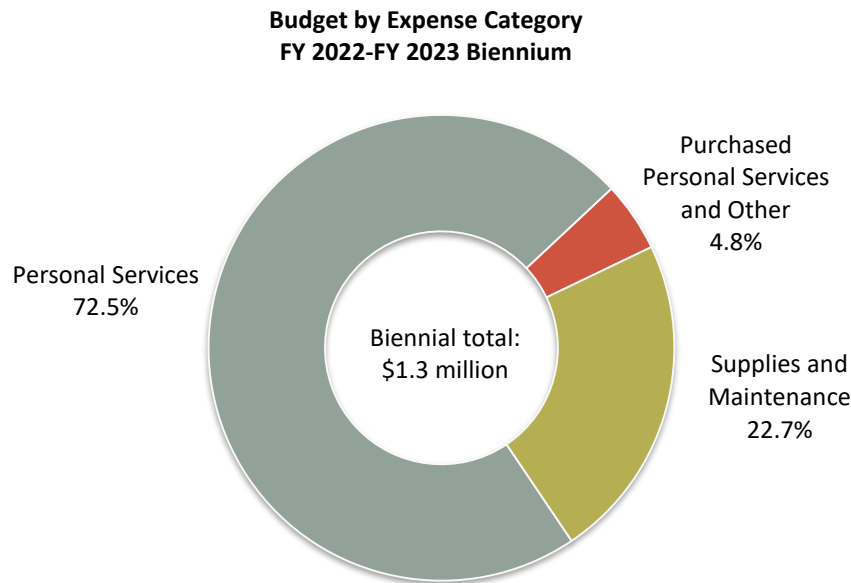
Analysis of FY 2022-FY 2023 budget proposal

Overview

The Board is funded by a single non-GRF line item that appropriates money from the Occupational Licensing Fund (Fund 4K90). The executive budget fully funds the Board’s requested appropriation for FY 2022 and FY 2023, amounts that are expected to be sufficient to maintain current service levels.

Executive recommendations by expense category

The chart below shows the \$1.3 million proposed budget for the biennium by expense category. As shown, the personal services category accounts for the largest share of the Board’s budget at 72.5%. This category provides wages and benefits for the Board’s full-time staff. The next largest category is supplies and maintenance totaling 22.7% of the budget. This category includes rent, information technology, and other services provided by the Department of Administrative Services. Purchased personal services and other expenses account for 4.8% of the Board’s budget.



Revenue and license statistics

The Board does not receive any GRF funding; all of its funding comes from licensing fees. Such fees include biennial renewals and certificates of authorization which require annual renewal. Table 1 below shows each type of credential issued by the Board and the current fees. The Board does not expect any fee changes during the FY 2022-FY 2023 biennium.

Table 1. License Fees by Type	
License Type	Fee
Individual Registration – Examination	\$50
Individual Registration – Renewal	\$125
Individual Registration by Reciprocity	\$250
Firm Certificate of Authorization – Initial	\$125
Firm Certificate of Authorization – Renewal	\$100

Fees collected by the Board are credited to the Occupational Licensing Fund (Fund 4K90). There are 18 occupational licensing and regulatory boards and commissions, including the Board, that use Fund 4K90 as an operating account to support their regulatory operations. Table 2 below shows the Board's operating and revenue expenditure history from FY 2015 to FY 2020. The Board issues licenses on a biennial renewal cycle. Revenue collected during even-numbered years is able to cover the deficit that happens during odd-numbered fiscal years when much less revenue is received. For each of the three renewal cycles shown in Table 2, the Board's revenues have exceeded expenditures. For example, in the FY 2019-FY 2020 renewal cycle, the Board's total revenues of \$1.4 million exceeded expenditures of \$1.1 million by more than \$273,000.

Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenue	\$291,694	\$1,027,311	\$350,738	\$1,089,211	\$389,446	\$1,000,491
Expenses	\$481,551	\$512,879	\$507,963	\$572,245	\$517,652	\$598,865
Net	-\$189,856	\$514,431	-\$157,224	\$516,966	-\$128,206	\$401,626

Table 3 shows the number of licenses issued by the Board that were active for the last three fiscal years. The number of active licenses varied annually from FY 2018 to FY 2020, largely attributed to the fact that more than half of the Board's licensees do not live in Ohio and only obtain licensure for a limited period of time.

License Type	FY 2018	FY 2019	% Change	FY 2020	% Change
Architecture					
Individuals	6,430	6,849	6.5%	6,473	-5.5%
Firms	1,386	1,544	11.4%	1,651	6.9%
Landscape Architecture					
Individuals	660	625	-5.3%	647	3.5%
Firms	165	155	-6.1%	167	7.7%