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Board of Architecture, Engineering, Land Surveying,
Landscape Architecture, Geoscience and Interior Design

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mn.gov/aelslagid/

AT A GLANCE

In FY 2017-18, the Board:

- Evaluated 4,826 applications for examination and licensure
- Issued 19,116 licenses
- Investigated 110 new complaints
- Issued 793 in-training certificates
- Gave 22 presentations

PURPOSE

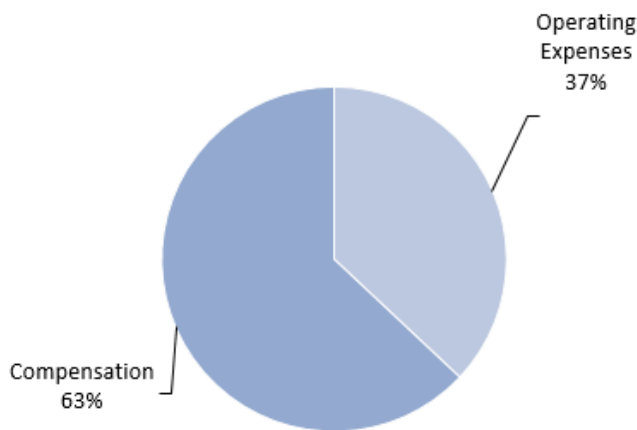
The Minnesota Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design regulates the professions and enforces the statutes and rules in order to protect the health, safety and welfare of the public. We ensure that individuals meet the education, examination and experience standards for licensure or certification, and maintain their records in good standing. We take disciplinary action against those who violate the statutes, rules and standards governing the practice of the professions.

The Board contributes to the statewide outcomes of:

- **People in Minnesota are safe**
- **Efficient and accountable government services**
- **A thriving economy that encourages business growth and employment opportunities**

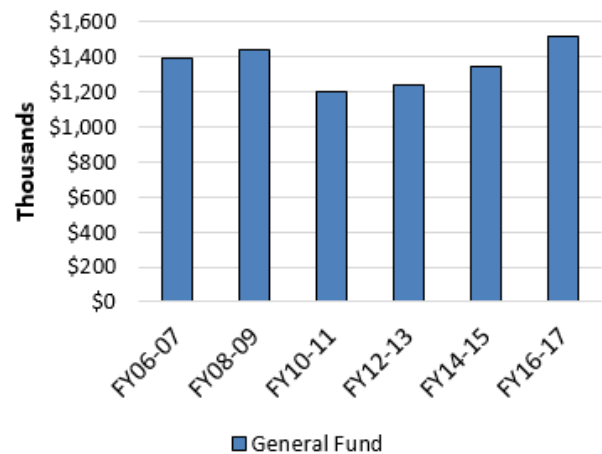
BUDGET

**Spending by Category
FY 17 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

The Board collects application and licensure fees which are deposited in the State’s General Fund. The Board’s budget is funded through General Fund appropriations.

STRATEGIES

To accomplish its mission, the Board uses the following strategies:

1. **Regulatory** – Collaboration with the national councils on consistent standards for examination, licensure and enforcement. Evaluating applications to ensure that those entering professional practice have completed the required education, examination and experience.
2. **Enforcement** – Investigating complaints and taking action against licensees and unlicensed individuals who violate the Board’s statutes and rules. Removing individuals from practice when necessary. Exchanging enforcement data across jurisdictions. Providing public access to license status, discipline history and the complaint process. Ensuring that the Board’s statutes and rules are up-to-date and understandable.
3. **Outreach and Education** – Providing information to Minnesota citizens, legislators, building officials, fire marshals, other state agencies, schools and national councils about the value of licensure and the requirements of competent practice.

The Board of AELSLAGID contributes to the statewide outcome of keeping people in Minnesota safe by:

- Setting education, examination, and experience standards for licensure and certification;
- Reviewing applicant credentials to ensure that those entering professional practice have completed the required education, examination, and experience; and
- Investigating complaints and taking enforcement action against those who violate the Board’s statutes and rules.

We contribute to creating a thriving economy in Minnesota that encourages business growth and employment opportunities by:

- Ensuring that statutes and rules reflect the minimum standards to protect the public; and
- Updating statutes and rules to remove unnecessary barriers to licensure and certification.

We contribute to providing efficient and accountable government services by:

- Responding quickly and professionally to applicants, licensees, certificate holders, and the public;
- Providing education and information to the public, students, licensees, and certificate holders; and
- Thoroughly and efficiently investigating complaints and taking enforcement action when appropriate.

The Board strives for equity in licensure and certification by:

- Ensuring that standards for Minnesota residents are not easier or harder to achieve than standards for those already licensed or certified in another state transferring to Minnesota;
- Consistently applying the statutes and rules to all applicants, licensees, and certificate holders; and
- Using plain language on application forms and in administrative rules.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percentage of licenses and certificates renewed on time	90%	91%	FY 15/16 & FY 17/18
Quality	Average days to approval/denial of applications for examination	13	12	FY 15/16 & FY 17/18
Quality	Average days to approval/denial of applications for licensure by those already licensed in another jurisdiction.	43	39	FY 15/16 & FY 17/18

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Average days to resolve a complaint Note: The Board had no investigator for nearly 1 year.	95	130	FY 15/16 & FY 17/18
Results	Number of educational presentations given	24	22	FY 15/16 & FY 17/18

The Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design's legal authority comes from M.S. 214.01 and M.S. 326.02 – 326.15.

(<https://www.revisor.mn.gov/statutes/cite/214.01>)

(<https://www.revisor.mn.gov/statutes/cite/326>)

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base FY20 FY21		Governor's Recommendation FY20 FY21	
<u>Expenditures by Fund</u>								
1000 - General	758	764	725	879	806	806	905	851
Total	758	764	725	879	806	806	905	851
Biennial Change				82		8		152
Biennial % Change				5		0		9
Governor's Change from Base								144
Governor's % Change from Base								9

Expenditures by Program

AELSLA	758	764	725	879	806	806	905	851
Total	758	764	725	879	806	806	905	851

Expenditures by Category

Compensation	465	479	441	516	490	496	509	511
Operating Expenses	272	285	284	363	316	310	396	340
Other Financial Transaction	21		0					
Total	758	764	725	879	806	806	905	851

Full-Time Equivalent

	6.17	6.66	6.03	6.88	6.38	6.38	6.38	6.38
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(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base FY20 FY21		Governor's Recommendation FY20 FY21	
1000 - General								
Balance Forward In		26		74				
Direct Appropriation	784	794	799	805	806	806	905	851
Cancellations		55						
Balance Forward Out	26		74					
Expenditures	758	764	725	879	806	806	905	851
Biennial Change in Expenditures				82		8		152
Biennial % Change in Expenditures				5		0		9
Governor's Change from Base								144
Governor's % Change from Base								9
Full-Time Equivalents	6.17	6.66	6.03	6.88	6.38	6.38	6.38	6.38

(Dollars in Thousands)

	FY19	FY20	FY21	Biennium 2020-21
Direct				
Fund: 1000 - General				
FY2019 Appropriations	805	805	805	1,610
Base Adjustments				
Pension Allocation		1	1	2
Forecast Base	805	806	806	1,612
Change Items				
Operating Adjustment		49	45	94
Online Permitting System		50		50
Total Governor's Recommendations	805	905	851	1,756
Revenue Change Summary				
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	690	2,165	690	2,855
Total Governor's Recommendations	690	2,165	690	2,855

**Board of Architecture, Engineering, Land Surveying, Landscape Architecture,
Geoscience and Interior Design**

FY 2020-21 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2020	FY 2021	FY 2022	FY 2023
General Fund				
Expenditures	49	45	25	15
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	49	45	25	15
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding of \$94 thousand in the FY 2020-2021 biennium and \$40 thousand in the FY 2022-2023 biennium to maintain the current level of service delivery at the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design, and for one-time legal and rulemaking costs.

Rationale/Background:

Each year, the cost of doing business rises—employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related cost increases. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year. Additionally, the Board anticipates retirement expenses of about \$5 thousand in the upcoming biennium.

Enforcement of statutes and rules (i.e. complaint resolution) is one of the major ways the Board fulfills its mission to protect the public health, safety, and welfare. The Board has several enforcement cases that are in the appeal process. In addition to its legal fees for the Attorney General’s Office, the Board anticipates increases in non-AGO-related legal fees in FY 2020-2023, estimated at \$10 thousand annually.

Additionally, the Board is working on rule modifications for three separate rule packages. Additionally, based on changes to standards at a national level, certain rule changes must move forward quickly while other changes are still under Board consideration and language development and are not ready to move forward. Rulemaking expenses for the Board are estimated at \$20,000 in each FY 2020 and FY 2021, and include publication of notices in the *State Register*, mailing notifications to affected parties, and holding public hearings.

Proposal:

The Governor recommends increasing agency operating budgets to maintain the delivery of current services. For the Board, this funding will cover known employee compensation and retirement costs. It also includes one-time funding for rulemaking costs in FY 2020 and legal costs from FY 2020-2023.

	FY 2020	FY 2021	FY 2022	FY 2023
Compensation	\$14	\$15	\$15	\$15
Retirement	5			
Rulemaking	20	20		
Legal Fees	10	10	10	
Total	49	45	25	15

Equity and Inclusion:

N/A

IT Related Proposals:

N/A

Results:

This proposal is intended to allow the Board to continue to provide current levels of service and information to the public.

Statutory Change(s):

N/A

Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design

FY 2020-21 Biennial Budget Change Item

Change Item Title: Online Permitting System

Fiscal Impact (\$000s)	FY 2020	FY 2021	FY 2022	FY 2023
General Fund				
Expenditures	50	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	50	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional, one-time funding of \$50 thousand in FY 2020 for website and application system updates at the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design.

Rationale/Background:

- The Board launched its online system for individuals to apply for engineering examinations, certifications and licensure in the fall of FY19. Applicants are able to check the status of their application 24/7 and print customized reference and experience forms that are required as a part of the application process. During FY20-21, the Board would like to enhance the system to allow online applications for the other professions, as well as implement a system for payment of the license fee following application approval.
- For each credit card transaction for online initial applications or renewals, the Board is charged a fee. The actual fee varies depending on the user’s credit card (Visa, MasterCard, Discover, etc.) and the rewards the user gets from using that card, however the Board must charge a set fee for each transaction. The Board has been processing applications for renewal online for over a decade and each year goes through a lengthy process of analyzing the fees charged to the Board by the bank relative to the amount the Board collected from its applicants the previous year to set the fee for the upcoming year. The process is cumbersome and unreliable and results in the Board either over-recovering or under-recovering the fees. There is a new process available whereby US Bank processes the convenience fees on behalf of the Board. In order to take advantage of this new process, the Board must make changes to its website and interface with US Bank.
- The Board’s database currently requires a social security number to be entered for each applicant for examination, licensure and certification. However, Minnesota Statutes 370C.72, subdivision 4, does not require collection of the social security number or Individual Tax Identification Number until the point at which the applicant is licensed. Therefore, the Board must make changes to its database to allow for processing of applications without a social security number and then requirement of the number at the point in which a license is issued. This will allow the Board to make changes to how the data is collected and reduce the number of staff that have access to this data thereby increasing data security and reducing the potential for a data breach.
- The Board reports disciplinary action it takes against individuals who have violated its statutes and rules. These actions are reported to national databases through which all states share information. The Board would like to make enhancements to its database to allow for more robust sharing of this information by

including other identifying data (such as the licensee's national council record number). Licensees often practice across borders and obtain licenses in multiple jurisdictions. Sharing disciplinary information nationally helps Boards remain aware of licensee transgressions and increases public protection.

Proposal:

The Governor recommends this one-time increase to the Board in order to complete the modernization of its application system, update its database to be more secure, and more efficiently process payment transactions.

IT Related Proposals:

The Board will use an external vendor to complete this project.

Results:

The additional funding will help the Board achieve the following results:

- The Board's goal is to have 80% of applications submitted online by the end of the biennium.
- The Board's goal is to have 80% of initial license fees paid online by the end of the biennium.
- Updating the interface with US Bank will result in more accurate fee collection, and reduce the amount of money the Board must contribute from its operating budget to cover the cost of under-recovery.
- Social Security Numbers will not be collected until the time in which the applicant's license or certificate is issued reducing the risk of data breach.
- Provide the funding for enhancements to the Board's database will allow for more robust data sharing in regard to disciplinary action taken against licensees and certificate holders.

Statutory Change(s):

N/A