California State Board of Pharmacy
1625 North Market Blvd., N219, Sacramento, CA 95834
Phone (916) 574-7900
Fax (916) 574-8618
www.pharmacy.ca.gov

STATE AND CONSUMER SERVICES AGENCY
DEPARTMENT OF CONSUMER AFFAIRS
ARNOLD SCHWARZENEGGER, GOVERNOR

BOARD OF PHARMACY COMMITTEE ASSIGNMENTS

2006

Communication and Public Education Committee

Ken Schell (chair)
Hank Hough
Bill Powers
Andrea Zinder

Organizational Development

Stan Goldenberg (Chair)
Bill Powers

Enforcement Committee

Bill Powers (chair)
Ruth Conroy
Stan Goldenberg
Rob Swart

Legislation and Regulation Committee

Andrea Zinder (chair)
Tim Dazé
Ken Schell
Hank Hough

Licensing Committee

Ruth Conroy (chair)
Clarence Hiura
Susan Ravnan

Competency Committee

Susan Ravnan
Ken Schell

Subcommittee on Medicare Drug Benefit Plans

Stan Goldenberg (Chair)
Andrea Zinder

Revised 10/10/06

California State Board of Pharmacy
1625 N. Market Blvd, Suite N 219, Sacramento, CA 95834
Phone (916) 574-7900
Fax (916) 574-8618
www.pharmacy.ca.gov

STATE AND CONSUMERS AFFAIRS AGENCY
DEPARTMENT OF CONSUMER AFFAIRS
ARNOLD SCHWARZENEGGER, GOVERNOR

Organizational Development Committee

Stan Goldenberg, RPh, Chair
Bill Powers, President and Board Member

Report of the Meeting of October 16, 2006

1. Recognition of Pharmacists Who Have Been Licensed 50 Years:

At the July 2005 Board Meeting, the board initiated a program to identify and publicly commend those pharmacists with 50 years of licensure as pharmacists.

The pharmacists so honored receive a letter from the board's president and a commendation certificate. Each is invited to a future board meeting to be publicly recognized. Additionally, his or her name is published in *The Script*.

Since July 2005, the board has acknowledged 591 pharmacists:

July 2005:	450 pharmacists
Oct. 2005:	50 pharmacists
Jan. 2006:	8 pharmacists
Apr. 2006:	8 pharmacists
July 2006:	57 pharmacists
Oct. 2006:	18 pharmacists

Recognition of the pharmacists with 50 years of service who attend this board meeting will occur during the morning session of this meeting.

2. Report of the NABP Districts 7 and 8 Meeting in Anaheim:

The NABP Districts VII and VIII Meeting was held at Disneyland on October 4-7. The board hosted this meeting where there were over 95 attendees and speakers. Seven of the board's 10 members attended at least portions of this conference.

Among the topics were:

- parameters for the development of an ethics program based upon the experiences of the Medical Board of California,
- a discussion session with the schools and board member attendees on intern experience,
- pandemic planning for pharmacy,

- a presentation by the FDA on pedigree requirements required by the Prescription Drug Marketing Act,
- new requirements for sales of pseudoephredrine by pharmacies, and
- Medicare Part D Issues.

An agenda for the meeting is provided in **Attachment 1.**

Those present stated that we had a highly successful program – a great location, great weather, but most importantly, a great agenda. A letter from NABP is provided in **Attachment 1.**

Board Staff Hope Tamraz, Kim deLong, Victor Perez and Robert Ratcliff worked hard at getting this program done well.

3. *Board Member Procedure Manual* Revision:

Recommendation: Approve the revised *Board Member Procedure Manual*

For a number of years, the board has provided its specially developed *Board Member Procedure Manual* to board members to aid them as a reference in performing board duties. This manual is in addition to the new board member orientation training provided to the board members by the Department of Consumer Affairs.

It is time to update our manual to reflect board policies. **Attachment 2** contains the proposed new draft. Additions have been indicated in underscore and deletions in ~~strikeout.~~

4. Personnel Update:

There have been a number of changes in the board's staff since the beginning of July.

On Leave: the board has or recently had four individuals off on leave:

- Manager Anne Sodergren, legislation and regulation coordinator, following the birth of her daughter.
- Technician Angel Poindexter, who processes pharmacy technician applications will be off until mid-November
- Manager Christine Sanchez was married in September and is now Christine Soto; she was off for three weeks following her marriage.
- Analyst Debbie Anderson, who oversees the pharmacist exam development and licensure of technicians and pharmacists, was off much of the summer, and has now returned to work full-time.

Leaving the board:

- Cashier Veronica Hagen is leaving the board for a position in the Personnel Office of CalPERS, where there is a day-care center onsite.
- Vicki Betker, a consumer services analyst who has been with the board for approximately 10 years, is leaving the board for an analyst position located in the downtown area of Sacramento to facilitate her commute.
- Julie Baker has decided to return to her prior employer, the California Highway Patrol. Ms. Baker was hired as a board receptionist in April and for the last few months, was working to learn the duties currently performed by Candy Place.

Since the last board meeting, we have hired:

- Carla Shulz, from the Secretary of State's Office, who is an enforcement technician.
- Jenny Nguyen as a seasonal file clerk for the Licensing Committee
- Lori Haley, who is an office technician and processing applications for the pharmacy technician and pharmacist examination desks.
- Tracy Shintaku, who was with the Board of Equalization, who will respond to subpoenas and other public records requests.
- Pending approval by the department's Personnel Office is a public outreach analyst who will start in November.

In November, the board will also lose to retirement:

- Candy Place, who has been with the board for 10 years as an administrative analyst. Ms. Place has been a very strong support to the executive office and board members over the years.

Also:

- The board is getting a new departmental counsel, Spencer Walker. Mr. Walker will replace LaVonne Powell, who has been the board's counsel for a total of about 10 years. Ms. Powell will continue with the board for six months as Mr. Walker learns about the board and the Department of Consumer Affairs.

Recruitment is underway for the following positions:

- Management Services Technician – to replace Ms. Place's position
- Enforcement Analyst – to replace Ms. Betker's position
- Office Technician – to replace Ms. Hagen's position
- Office Technician – to fill a board receptionist position.

Inspector and Supervising Inspector Vacancies:
The board has four inspector vacancies and one supervising inspector vacancy:

- A new, restored position effective 7/1/06
- Inspector Smith's position (vacant since 6/06)

- Inspector Grimm's position (vacant since 5/06)
- Inspector Bahrampour's position (vacant since 3/06)
- Supervising Inspector Ming's position (vacant since 7/1/06)

Inspectors Smith and Grimm transferred to public section pharmacist positions where they will make at least $24,000 more annually than at the board. This salary inequity has been a long-standing problem, and the board's staff has recently pushed for a salary adjustment for its pharmacists.

Specifically when Inspector Smith resigned at the end of June to transfer to the Department of Health Services, he immediately received an annual salary $24,000 more than at the board due to a "recruitment and retention differential" paid by some state employers of pharmacists, like the Department of Health Services.

In early June, the board submitted a proposal to create such a salary differential here, since the board's inspectors perform duties comparable, if not more difficult, than those of other state pharmacist positions. At the July Board Meeting, the board unanimously supported this proposal. In August and September, the board received positive support for the proposal from the Department of Personnel Administration and the Department of Finance, but the actual approval has not yet been conveyed.

If approved, there will be an annual increase to each inspector and supervising inspector of $24,000 annually, raising inspector salaries to $102,312 and supervising inspector salaries to $110,376. The annual expense of these salaries to the board will be $552,000.

Meanwhile, the board is working with the department's Personnel Office to schedule a new civil service examination from which pharmacists can be hired to work for the board. This process will take at least three more months, and the board hopes to fill these positions early next year. This is a priority for the board's senior staff. However, without a salary differential, it will be difficult to recruit quality pharmacists for these important positions.

Vacancies on the Board:

- There are three openings on the Board of Pharmacy itself: two public members and one professional member. All are governor appointments.

5. Budget Report:

Budget Report for 2005/06

Final budget figures for the prior fiscal year that ended June 30, 2006, are graphically presented in **Attachment 3**.

- **Revenue**: $10,231,000 (Note this figure includes $3 million repaid from

the 2001-02 General Fund loan)

- **Expenditures**: $7,335,000

Current Year's Budget 2006/07

- ***Revenue Projected: $9,277,920***

  Revenue for the next fiscal year is estimated to be comprised of $5,791,000 in fees and $157,000 in interest on money in the board's contingency fund.

  The board is also projected to receive the final repayment of $3 million from the 2001 loan of $6 million from the board's fund to the state's General Fund during a period of California's budget crisis. There is an additional $233,000 in interest that will be paid that is linked to the loan.

  Final revenue for the year also includes additional amounts actually collected from cost recovery and citations and fines. During the first quarter of this fiscal year, the board collected $75, 815 in fines and $21,105 in cost recovery.

- ***Expenditures Projected: $8,250,000***

  Expenditures for this fiscal year are similar to last year's. Some of the changes include:
  - -- Restoration of 2.5 of the 10 positions the board lost during the budget restrictions of the early 2000's. ($208,000)
  - -- An increase of $91,000 to cover increased hourly fees that will be charged by the Office of the Attorney General for legal fees (the hourly rate will be $158, up from $112 (or $120 for the LA Office) in 2003)
  - -- A reduction in rent of approximately $98,000 due to the relocation of the board's office to Natomas.

Board Fund Condition

The board's fund condition is an indicator of its "solvency," meaning whether the revenue collected is sufficient to sustain board expenditures, and if so, for how long.

Over the last few years, the board's annual expenditures typically have exceeded its annual collected revenue. Normally this would be a huge problem that would trigger budget cutbacks or fee increases, but the board has had a surplus of money in its fund (which can be thought of as the board's savings account). The board has been trying to spend down this surplus for several years, eliminating a surplus condition caused by the 1999 repayment of a loan to the state's General Fund (during another budget crisis in the early 1990s).

The board must watch its fund condition, however, because if it gets low or into a deficit, the board will run out of money for annual operations (since expenditures exceed revenue collected). The Business and Professions Code provides that the board should maintain a reserve of 12 months of annual expenditures as a prudent reserve. However, state budget officials do not agree that this much money needs to be kept as the board's reserve. They prefer a reserve of 3-6 months.

The board ended the last fiscal year (on June 30, 2006) with a projected reserve of $7,285,000. This is 10.6 months of expenditures.

The board's fund condition projections over the next few years (as estimated in August 2006) are:

- 2006-07: A reserve of 10.4 months is projected.
- 2007-08: A reserve of 5.9 months is projected.
- 2008-09: A reserve of 1.2 months is projected.

A fee increase may be needed to take effect July 1, 2008 to prevent a deficit during 2008-09. Board staff will continue to watch these figures closely.

A fund condition statement is provided in **Attachment 4**.

Board Member Expenditures and Reimbursements

The travel expenses and compensation of board members claimed during this fiscal year are provided as **Attachment 5**.

Board members are paid for their attendance at board meetings. If they are interested in pursuing payment for other duties, board members can receive $100 for every 8 hours they spend reading board materials, voting on mail ballots or otherwise performing approved duties. (Travel time is not reimbursed.)

I-Licensing Project Update

Approximately seven DCA agencies have the ability to provide online license renewal due to participation in a project started under the Davis Administration. However, the state's budget crisis in the early 2000s prevented the Board of Pharmacy from joining this project, although the board has been striving to be added for years.

The DCA is moving ahead with a project so other agencies can offer online application and renewal of licenses. A feasibility study report has been approved by the Department of Finance, and the board is in the first tier of new agencies that may be able to offer this service in the future. Virginia Herold is one of the project's "executive sponsors," which means she is participating in the steering committee for this project and may need to testify before the legislature or various other agencies to urge implementation of this project.

The board is projected to spend $50,000 this fiscal year on programming specifications needed for board programs. In the next two years, the board will spend $143,000 (2007-08) and $199,000 (2008-09) as its share of costs to implement this system department-wide.

A detailed design meeting of key board staff with the programmers is scheduled for October 31. The board is at least two years from implementing this system.

6. Strategic Plan for 2006-2011

At the July 2006 Board Meeting, the board approved the board's new strategic plan for 2006-2011.

The board's graphic designer, Victor Perez, has formatted the plan into the document that is provided in **Attachment 6**. Mr. Perez has also revamped the reporting framework for the quarterly progress updates for each committee.

7. Meeting Summary

A summary of the October 16, 2006 Organizational Development Committee is provided in **Attachment 7**.

Attachment 1

NABP District 7 and 8 Annual Meeting Agenda

2006 OCT 13 PM 3:08

nabp

National Association of Boards of Pharmacy

1600 Feehanville Drive • Mount Prospect, IL 60056-6014
Tel: 847/391-4406 • Fax: 847/391-4502
Web Site: www.nabp.net

October 10, 2006

Virginia Herold
Interim Executive Officer
California State Board of Pharmacy
1625 N Market Blvd, N219
Sacramento, CA 95834

Dear Ms Herold:

We would like to thank you for your generous hospitality during the recent District VIII meeting held in Anaheim, California. We appreciate the time and effort you and your staff put into the meeting. Your assistance made our visit most enjoyable.

Congratulations on a very successful meeting!

Cordially,

Lawrence H. Mokhiber

Lawrence H Mokhiber
NABP President

Carmen A Catizone
Executive Director/Secretary

LM/CC/bg

NABP/AACP DISTRICT 7 & 8 ANNUAL MEETING

MEETING PROGRAM

Wednesday, October 4,

5:00 – 8:00 p.m. **Registration and Reception**
Location: Pavilion Room

Thursday, October 5,

7:30 – 8:30 a.m. **Registration and Breakfast**
Location: Avalon Room

8:30 – 9:00 a.m. **Welcome and Overview**
- Bill Powers, President
  California State Board of Pharmacy
- Daniel C. Robinson, Pharm D, Dean
  Western University of Health Sciences College of Pharmacy
- Lawrence H. Mokhiber, MS, RPh, NABP President
- Marilyn K. Speedie, PhD
  AACP 2005-2006 President Elect
  Dean, College of Pharmacy, University of Minnesota

9:00 – 10:15 a.m. **Creating an Ethics Program for Disciplined Pharmacists**
Location: Avalon Room
Introduction/Patricia Harris or Virginia (Giny) Herold
Lorie Rice, MPH
University of California School of Pharmacy San Francisco
0.1 CEU

10:15 – 10:30 a.m. **Break**

10:30 – 11:30 a.m. **Pharmacy Practice in Long Term Care Facilities**
Location: Avalon Room
Introduction/Stanley Goldenberg
Robert Miller, Pharm D, President
American Society of Consultant Pharmacists
0.1 CEU

11:30 – 12:30 p.m. **Lunch Sponsored by Wal-Mart**
Location: Coronado Room D & E—Across hall from Avalon Room

12:30 – 1:30 p.m. **Medicare Prescription Drug Benefit Plans Fraud Investigations**
Location: Avalon Room
Introduction/Judi Nurse
Larry Casper, J D, Assistant United States Attorney
0.1 CEU

1:30 – 3:30 p.m. **Internship/Externship Experience**
Location: Avalon Room
Moderator: Sam Shimomura, Pharm D, Western University
Boards of Pharmacy Representative: Ruth Conroy, Pharm D
Daniel C. Robinson, Pharm D, Western University
Debbie Sasaki-Hill, Pharm D, Touro University
David Adler, Pharm D, University of California San Diego

3:30 – 3:45 p.m. **Break**

3:45 – 5:30 p.m. **CONCURRENT SESSIONS**
Exchange of Ideas and Current Issues
Colleges of Pharmacy Moderator: Dr. Shimomura
Location: Avalon Room
Boards of Pharmacy Moderator: Ken Schell, Pharm D
Location: Coronado Room F

6:30 p.m. **Dinner Sponsored by California Retailers Association**
Location: Pavilion Room

Friday, October 6, *(Location: Avalon Room all day)*

7:30 – 8:30 a.m. **Breakfast**

8:30 – 9:30 a.m. **Medicare Prescription Drug Benefit Plans – What's New for Year 2007?**
Introduction/Virginia Herold
Lucy Saldana, Pharm D, Center for Medicaid Services
0.1 CEU

9:30 – 10:45 a.m. **FDA Update on the Prescription Drug Marketing Act**
Introduction/Bill Powers
Ilisa Bernstein, Pharm D, J D
0.1 CEU

10:45 – 12:00 p.m. **DEA Update on Pseudoephedrine, Electronic Prescribing, Internet Investigations, NASPER (National All Schedules Prescription Electronic Reporting)**
Introduction/Robert Ratcliff
David J. White, Staff Coordinator E-Commerce Section, Diversion Control
0.1 CEU

12:00 – 1:00 P.M. **Disaster/Emergency Preparedness (Legal Issues Facing Pharmacists Responding to Disaster)**
Introduction/Stanley Goldenberg
Mark Chew, Pharm D, Chief Pharmacist, Bioterrorism Preparedness Program, Orange County Health Care Agency
(Strategic National Stockpile, Cities Readiness Initiative, and Chempack)
Glen Tao, Pharm D, Bioterrorism Preparedness Program, Los Angeles Department of Health Services
0.1 CEU

Afternoon Free

Saturday, October 7, 2006 *(Location: Avalon Room B & C)*

7:30 – 8:30 a.m. **Breakfast**

8:30 – 10:00 a.m. **District Business Session**
Treasurer's Report
Committee Reports
Election of Officers for each District
- Delegate/Alternate for 2006 NABP Resolutions Committee

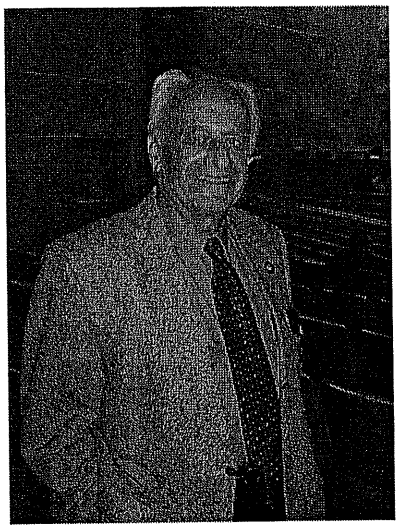
Resolution Committee
- Resolutions for the 2007 NABP Annual Meeting

Time and Place Committee
- Meeting Information for the 2007 District 7 & 8 Meeting in Oregon
- 2008 District 7 & 8 Meeting – Announcement of District 8 Host State

Adjourn

DISNEYLAND HOTEL, OCTOBER 4-7, 2006

October 4-7, 2006



William Powers,
Public Member, President,
California State Board of Pharmacy

Welcome to California and the NABP/AACP District 7 & 8 Annual Meeting.

On behalf of the California State Board of Pharmacy, I welcome you to our state and this meeting.

The California Board of Pharmacy is honored to host this educational conference. Our agenda for this meeting is ambitious and reflects just some of the issues facing the profession, the educators, and the regulators. We hope that in addition to participating in the conference you also have the opportunity to enjoy our beautiful state.

Should you have questions or need assistance during this meeting, please contact one of our staff who will be happy to assist you.

We are grateful for the support of our sponsors, who have made this event possible. Thank you. And lastly thank you for your attendance and participation in this meeting.

Sincerely,

William Powers

William Powers

Attachment 2

Board Member Procedure Manual

Chapter 1

INTRODUCTION

Overview

The California State Board of Pharmacy (board) was created by the California Legislature in 1891 to protect the public by regulating the practice of pharmacy. Section 4000.1 of the California Business and Professions Code specifically establishes that:

> *Protection of the public shall be the highest priority for the California State Board of Pharmacy in exercising its licensing, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount.*

The board is one of the boards, bureaus, commissions, and committees within the Department of Consumer Affairs (DCA), part of the State and Consumer Services Agency under the aegis of the Governor. The department is responsible for consumer protection and representation through the regulation of licensed professionals and the provision of consumer services. While the DCA provides administrative oversight and support services, the board has policy autonomy and sets its own policies, procedures, and regulations.

The board is presently comprised of 13 members; six are public members, and seven are pharmacists, as required by law. The seven pharmacist members and four public members are appointed by the Governor. One public member is appointed by the Assembly Speaker and one is appointed by the Senate Rules Committee. Board members may serve up to two four-year terms.

According to California law, at least five of the seven pharmacist members of the board must be pharmacists who are actively engaged in the practice of pharmacy. There must be at least one pharmacist representative from each of the following practice settings: an acute care hospital, an independent community pharmacy, a chain community pharmacy, and a long-term health care or skilled nursing facility. The pharmacist appointees shall also include a pharmacist who is a member of a labor union that represents pharmacists. A "chain community pharmacy" means a chain of 75 or more stores in California under the same ownership, and an "independent community pharmacy" means a pharmacy owned by a person or entity who owns no more than four pharmacies in California. *California Business and Professions Code section 4001(c).*

Board members fill non-salaried positions but are paid $100 per day for each meeting day (or 8-hour day spent performing board business) and are reimbursed travel expenses.

The board's operations are guided by its strategic plan, which is revised each year with the active partnership of all board members~~, and~~ staff~~, and interested stakeholding~~.

This procedure manual is provided to board members ~~as with~~ a ready reference of important laws, regulations, DCA policies, and board policies in order to guide the actions of the board members and ensure board effectiveness and efficiency. The

executive officer will coordinate an orientation session with each new board member upon his or her appointment, to assist the new member in learning processes and procedures.

~~Any questions board members may have, at anytime, can be addressed to the executive officer.~~

DefinitionsAbbreviations Used in This Manual

B&P	Business and Professions Code
Board	California State Board of Pharmacy
DCA	Department of Consumer Affairs
EO	Executive Officer
SAM	State Administrative Manual

Chapter 2

BOARD MEETING PROCEDURES

Frequency of Meetings

[B&P Code Section 4002(b)]

The board is required by ~~statute law~~ to meet at least once every four months and may meet more often as it determines necessary. The board's strategic plan directs four meetings annually.

Board Member Attendance at Board Meetings

(Board Policy)

Board members shall attend each meeting of the board. If a member is unable to attend, he or she must contact the board president or the executive officer and ask to be excused from the meeting for a specific reason. Minutes will reflect when a member has been excused or is absent. Two consecutive non-excused absences may result in a request to the appointing authority that the member be replaced.

Board Member Participation

(B & P Code Sections 106 and 106.5)

The Governor has the power to remove from office at any time any member of any board appointed by him/her for continued neglect of duties required by law or for incompetence, or unprofessional or dishonorable conduct. The Governor may also remove from office a board member who directly or indirectly discloses examination questions to an applicant for examination for licensure.

Public Attendance at Board Meetings

(Government Code Section 11120 et seq.)

Board meetings are subject to the provisions of the Bagley-Keene Open Meeting Act. This act governs meetings of the state regulatory boards and meetings of committees of those boards where the committee consists of more than two members. It specifies meeting notice and agenda requirements and prohibits discussing or taking action on matters not included on the agenda. A videotape and written materials on the Open Meeting Act are available from the board, and all members are encouraged to review these materials.

~~Appendix A contains detailed information about the Open Meeting Act that has been prepared by the department's Legal Office.~~

Attendance at general conferences which involve a discussion of broad issues and which are attended by a broad spectrum of participants are not covered by open meeting laws so long as members of the board do not discuss among themselves matters which are, or potentially may be, before the board. On the other hand, a workshop that is focused specifically on board issues and which involve more than two board members must meet the requirements of the open meetings law.

Communications between or among more than two board members may be considered "meetings" if those communications occur in a serial fashion through a series of telephone calls or other communications (such as electronic mail) by which more than two of the board members are involved and board business is discussed (e.g., polling of board members). Such communications are prohibited.

Any general discussion of exams or disciplinary procedures shall be held in public. The board may meet in closed session to discuss examinations where a public discussion would compromise the integrity of the examination to deliberate on disciplinary cases and to discuss pending litigation.

An annual evaluation of the executive officer is held each year in closed session.

If the agenda contains matters that are appropriate for closed session, the agenda must cite the particular statutory section and subdivision authorizing the closed session.

Quorum

[B&P Code Section 4002(b) and Board Policy]

Seven members of the board constitute a quorum for the transaction of business. The majority of a quorum is necessary to act on behalf of the board.

The board uses the following criteria in counting votes on a given motion or decision (this includes motions during board meetings and mail votes on disciplinary matters).

The board must have a quorum of members present to take an action.

- There must be at least seven members voting for the board to take an action or position an item.
- A motion passes if a majority of those voting votes for the measure.
- Abstentions count as votes for purposes of establishing a quorum, but do not count as votes for or against the measure. Abstentions simply mean that the abstaining board member will go along with the majority decision of the board.
- *For example, if seven members are present, and four members abstain from voting, then:*
  a vote of 2 Aye, 1 Nay and 4 Abstain would mean that the motion passes (the majority vote is 2 versus 1, with 4 agreeing to go along with the majority of those voting).
- The board president may determine to vote or not vote on any matter before the board.

Should a board member recuse him or herself from voting on a matter, that member is ~~still counted~~no longer counted for purposes of achieving a quorum. ~~If this results in a loss of a quorum, the person may participate under the "rule of necessity", however they should not participate in the discussion and abstain from voting. If the reason for the recused is controversial or substantial, ie. The member was a witness in the case, the board should wait until another meeting to vote on the matter. This may necessitate a special meeting.~~

Mail Ballots

(Government Code Section 11500)

The board must approve any decision or stipulation before the formal discipline becomes final and the penalty can take effect. Proposed stipulations and decisions are mailed to each board member for his or her vote. ~~For stipulations A a~~ cover memorandum from board staff and ~~a sometimes the board's attorney (a~~ deputy attorney general ~~(if applicable)~~ accompanies the mail ballot. A two-week deadline ~~generally~~ is given for the mail ballots to be completed and returned to the board's office.

After the deadline of 15 days and after seven votes from board members have been received, a decision has been reached. If majority of the votes are to adopt a decision, the signature pages are sent to the board president, who signs the written decision document.

If two votes are cast before the deadline to hold a case for discussion, the case is set aside and not processed (even if seven votes have been cast on the decision). Instead the case is scheduled for discussion during closed session at the next board meeting. Under board policy when a member wishes to hold a case, the reason for the hold must be provided on the mail ballot. This allows staff the opportunity to prepare the information being requested.

~~Even W~~when a ballot is received after the deadline, the vote is ~~tallied~~retained ~~in the file but is not counted~~.

Holding Disciplinary Cases for Discussion at Board Meetings

(Board Policy)

When voting on mail ballots for proposed disciplinary decisions or stipulations, a board member may wish to discuss a particular aspect of the decision or stipulation before voting. If this is the case, the ballot should be marked "hold for discussion." For a case to be held for discussion before the board's vote on the matter (this ~~discussion~~ will ~~be discussed~~ ~~occur~~ in closed session), two board members must mark the mail ballot "hold for discussion."

If the matter is held for discussion, staff counsel will preside over the closed session to assure compliance with the Administrative Procedure Act and Open Meeting Act.

If the board member is comfortable voting on the matter, but wishes to discuss the policy behind the decision or case, the ballot should be marked "Policy Issue for Discussion. I have voted above. Issue: _____." The EO will respond directly to the member. If still unresolved or if the matter is to be referred to the board, the policy issue will be placed on the agenda for discussion at the next ~~Board~~ board Enforcement Committee Meeting.

Agenda Items

(Board Policy)

Any board member may suggest items for a board meeting agenda to the executive officer or during the "New Business" discussion at every board meeting. The EO sets the agenda at the direction and approval of the board president.

Generally agenda items for board meetings originate with one of the board's five standing committees (the Enforcement Committee, Licensing Committee, Communication and Public Education Committee, Legislation and Regulation Committee, and the Organizational Development Committee).

The agendas for board meetings are constructed around the activities of each of these committees, and provided as a committee report to the board.

At the committee meetings, initial discussions are typically scheduled.

Notice of Meetings

(Government Code Section 11120 et seq.)

According to the Open Meetings Act, public meeting notices (including agendas for board meetings) must be sent to persons on the board's mailing list at least 10 calendar days in advance of the meeting. The notice must include a staff person's name, work address and work telephone number who can provide further information prior to the meeting.

~~All meeting notices for public meetings are also posted on the board's Web site (www.pharmacy.ca.gov) at least 10 calendar days before the meeting.~~

Record of Meetings

(Board Policy)

Board ~~meeting~~ minutes are a summary, not a transcript, of each board meeting. They are prepared by board staff and submitted for review by board members before the next board meeting. Board ~~meeting~~ minutes are approved at the next scheduled meeting of the board. The purpose of reviewing and approving the minutes at a board meeting is not to approve of actions taken by the board at the previous meeting, but rather to determine whether the minutes as drafted accurately reflect the board's discussion at the previous meeting. When approved, the minutes shall serve as the official record of the meeting.

Tape Recording

(Board Policy)

The public-session portions of a meeting may be tape-recorded if determined necessary for staff purposes. Tape recordings shall be disposed of following board approval of the minutes. Members of the public may tape record, videotape or otherwise record a meeting unless too disruptive.

Meeting Rules

(Board Policy)

The board generally uses ~~Robert's Rules of Order~~ as a guide for conducting its meetings, to the extent that this does not conflict with state law (e.g., Bagley-Keene Open Meeting Act). Questions of order are clarified by ~~the board's parliamentarian or~~ the board's attorneys.

Board Voting at National Association of Boards of Pharmacy Meetings

(Board Policy)

~~The board's president shall serve as the official delegate to the annual meeting of the National Association of Boards of Pharmacy. If the president cannot attend the meeting or is absent for a portion of the meeting, the president shall designate an alternate delegate to the meeting to vote on matters before the NABP's sessions.~~

Chapter 3

COMMITTEE MEETINGS

Committees of the Board

The board's strategic plan establishes five standing committees through which the board establishes its goals and organizes its activities in pursuit of ensuring the public health, safety and welfare, and to assure the provision of quality pharmacist's care. These five committees develop policy related to a board mission-related goal. The committees and their goal areas are:

- Licensing - Ensuing the professional qualifications of licensees. This includes that those entering the practice of pharmacy, as well as those continuing to practice, meet minimum requirements for education, experience and knowledge. The board also ensures that facilities licensed by the board meet minimum standards.
- Enforcement - Protecting the public by exercising oversight on all pharmacy activities. This includes preventing violations and effectively enforcing federal and state pharmacy laws when violations occur.
- Communication and Public Education - Providing relevant information to consumers and licensees. This includes encouraging the public to discuss their medications with their pharmacist; emphasizing the importance of patients complying with their prescription treatment regiments; and helping pharmacists to become better informed on subjects of importance to the public.
- Legislation and Regulation - Advocating legislation and promulgating regulations that advance the vision and mission of the board. These activities ensure better patient care and more effective regulation of the individuals and firms who handle, dispense furnish, ship and store prescription drugs and devices in California.
- Organizational Development - Achieving the board's mission and goals. This is done through strategic planning, budget management and staff development activities.

Each of these committees is comprised of at least two board members and staff who provide technical and administrative input and support. The committees are an important venue for ensuring that staff and board members share information and perspectives in crafting and implementing strategic objectives.

The board's committees allow board members, ~~stakeholders~~ and staff to discuss and conduct problem solving on issues related to the board's strategic goals. They also allow the board to consider options for implementing components for the strategic plan. The committees are charged with coordinating board efforts to reach board goals and achieving positive results on its performance measures.

The board president designates one ~~of the two board membersmember of each committee~~ as the committee's chairperson. The chairperson coordinates the committee's work and ensures progress toward the board's priorities.

Each committee ~~typically~~ meets once before a quarterly board meeting. The

committees refer policy decisions to the full board during a public meeting for a formal decision and vote. During ~~this the committee's~~ discussion, the public is encouraged to provide comments. The board meeting agenda will list action items and discussion items of interest for each committee.

All quarterly meetings of the Enforcement, Licensing and Communication and Public Education Committees are public meetings. This reflects the high interest the public has shown for the agenda items of these committees. The Legislation and Regulation committee ~~generally~~ holds at least two public meetings each year, typically in the spring and fall in order to recommend positions on introduced legislation (in the spring) or to develop legislative or regulatory proposals (in the fall). The Organizational Development Committee ~~typically does not schedule holds at least one~~ public meetings~~; annually. Nevertheless, a~~A report of each meeting is provided at each quarterly board meeting. Regardless whether a meeting is public or not, a meeting summary is provided during the committee's report during a board meeting.~~

During any public committee meeting, comments from the public are strongly sought, and the meetings themselves are frequently public forums on specific issues before a committee. Board members who are not members of a committee may attend a public committee meeting as part of the audience. However, if a ~~majority quorum~~ of members of the full board are present during a committee meeting, members of the board who are not members of the board committee may attend the committee meeting only as observers.

It is also important to note that any time more than two board members attend a board committee meeting, that committee must have been publicly noticed. ~~The board's legal counsel works with the EO to assure any meeting that fits the requirements for a public meeting is appropriately noticed.~~

The board also has one standing committee with responsibilities for the California pharmacist licensing examination (the Competency Committee). This committee is described below.

Competency Committee

The board's Competency Committee is responsible for developing and grading the board's pharmacist licensure examination, the California Pharmacist Jurisprudence Examination (known as the CPJE). The committee is comprised of representatives from a cross section of professional practice as well as representatives from each of California's schools of pharmacy.

Membership on this committee is professionally challenging as well as time consuming. The committee meets five times annually in two-day meetings. There is also a two-day annual goal setting session and occasional subcommittee work. Membership is for a maximum of eight years, and appointment is by the board president.

The Competency Committee is a stand-alone committee that is within the auspices of the board's Licensing Committee. However, meetings of the Competency Committee are not public meetings because these meetings are for examination construction.

Committee Creation and Appointments

(Board Policy)

The president may establish additional committees, whether standing or special, as he or she deems necessary. The composition of the committees and the appointment of the members ~~shall be is~~ determined by the board president in consultation with the vice president, and the EO.

Attendance at Committee Meetings

(Board Policy ~~and Government Code Section 11122.5~~)

If a board member wishes to attend a meeting of a committee of which he or she is not a member, that board member must obtain permission from the board president ~~or EO~~ to attend ~~and must request permission of the committee chair~~. Note that the attendance of additional board members may impact the ability of the committee to meet without public notice and ~~an~~ agenda ~~release~~. Therefore, requests to attend a committee meeting should be submitted to the EO at least two weeks in advance.

Board members who are not members of a committee may attend a public committee meeting as part of the audience. However, if a ~~majority~~ ~~quorum~~ of members of the full board are present during a committee meeting, members of the board who are not members of the board committee may attend the committee meeting only as observers.

Chapter 4

TRAVEL & SALARY POLICIES/PROCEDURES

Travel Approval

(DCA Memorandum 91-26)

Board members shall have board president approval for all travel and salary or per diem reimbursement, except for regularly scheduled board and committee and organization meetings to which a board member is assigned.

The DCA Travel Guide information is attached as Appendix B. Board members will be reimbursed for travel expenses incurred while performing approved board business in accordance with these reimbursement criteria.

Travel Arrangements

(Board Policy)

Board members should make their own travel arrangements through the board's designated travel agency. Before making travel arrangements board members should coordinate their plans for lodging accommodations with the EO's secretary.

Typically the EO's secretary makes hotel reservations for board members who live outside the area in which a board meeting is scheduled.

State guidelines generally prohibit reimbursement for hotel expenses ~~within less than~~ 50 miles ~~of from~~ an individual's home address unless preapproval is secured. Board members who wish to request an exemption to stay at a hotel less than 50 miles from their home must contact the EO's secretary to pursue this exemption at least two weeks before the meeting. The exemption must be approved by the DCA's Director's Office ~~before~~ the meeting.

Out-of-State Travel

For approved out-of-state travel, board members will be reimbursed actual lodging expenses, supported by vouchers, and will be reimbursed for meal and supplemental expenses. Out-of-state travel for all persons representing California is controlled and ~~must be~~ ~~pre-~~approved by the Governor's Office.

Travel Claims

(DCA Memorandum 91-26)

Rules governing reimbursement of travel and meeting expenses for board members are the same as for management level state staff. All expenses must be claimed on the appropriate travel expense claim forms. The EO's secretary prepares these travel forms from worksheets completed by each board member. It is advisable for board members to submit their travel expense forms immediately after returning from a trip and not later than two weeks following the trip. It is also necessary to submit original receipts for expenses claimed (except for meal receipts, which are not required for reimbursement).

In order for travel expenses to be reimbursed, board members must follow the procedures contained in DCA memoranda which are periodically disseminated by the director and are provided to board members on at least an annual basis by the EO's secretary.

See Appendix B for departmental policies.

Travel expense worksheet and claim form are attached in Appendix C.

Salary Per Diem

(B&P Code Section 103)

Compensation in the form of salary per diem and reimbursement of travel and other related expenses for board members is regulated by Business and Professions Code Section 103.

In relevant part, this section provides for the payment of salary per diem for board members "for each day actually spent in the discharge of official duties," and provides that the board member "shall be reimbursed for traveling and other expenses necessarily incurred in the performance of official duties."

(Board Policy)
Accordingly, the following general guidelines shall be adhered to in the payment of salary per diem or reimbursement for travel:

- No salary per diem or reimbursement for travel-related expenses shall be paid to board members, except for attendance at official board or assigned committee meetings. Attendance at gatherings, events, hearings, conferences or meetings other than official board or assigned committee meetings in which a substantial official service is performed shall be approved in advance by the board president.

- The term "day actually spent in the discharge of official duties" shall mean such time as is expended from the commencement of a board or committee meeting until that meeting is adjourned. If a member is absent for a portion of a meeting, hours are then reimbursed for time actually spent. Travel time is not included in this component

- For board-specified work, board members will be compensated for actual time spent performing work authorized by the board president. This may also include, but is not limited to, authorized attendance at other gatherings, events, meetings, hearings, or conferences; and exam item writing. Work also includes preparation time for board or committee meetings and reading mail ballots for disciplinary actions.

- Reimbursable work does not include miscellaneous reading and information gathering, committee work not related to a meeting, preparation time for a presentation and participation at meetings not related to official participation of the board.

Board members may submit their hours for which they seek reimbursement to the EO's secretary on the Board Member Attendance Report. This worksheet may be

submitted when desired by the member, but should be submitted at least quarterly. By board policy, board members will be reimbursed for their hours spent at Board Meetings without submitting a claim. However, for reimbursement for all other board-sanctioned activities (including attendance at committee meetings) or performing board business, the hours must be submitted on the Board Member Attendance Report. Business and Professions Code section 103 and a Board Member Attendance Report are provided in Appendix D.

At each quarterly meeting of the board, there shall be a report of all reimbursement and travel expenses claimed by each member of the board for the fiscal year.

Chapter 5

OTHER POLICIES/PROCEDURES

Requests for Board Representation or Presentation

If an association or individual requests board participation at an event or meeting, a letter should be submitted to the EO, as to the purpose of the function, and the reason for the request. The board president will approve such requests consistent with the board's strategic plan and if funds are available. Approval to participate will also include the extent of participation (e.g., one time meeting, presentation or continuous participation on a committee). Continued participation as a board representative should be consistent with the board's strategic plan and may need to be approved by the full board.

Prior authorization for any reimbursement must be obtained or expenses will be the responsibility of the participant.

Board members may participate on their own (i.e., as a citizen or professional) but not as an official board representative unless approved by the board president or the board. However, board members should recognize that even when representing themselves as "individuals," their positions might be misconstrued as that of the board.

Resignation of Board Members

(Government Code Section 1750)

In the event that it becomes necessary for a board member to resign, a letter shall be sent to the appropriate appointing authority (Governor, Senate Rules Committee, or Speaker of the Assembly) with the effective date of the resignation. Written notification is required by state law. A copy of this letter shall also be sent to the director of the department, the board president, and the EO.

Officers of the Board

[B&P Code Section 4002(a)]

The board shall elect from its members a president, vice president, and treasurer.

Election of Officers

(Board Policy)

The board shall elect the officers at the last meeting of the fiscal year. Officers shall serve terms of one year effective June 1, and may be reelected to consecutive terms.

Officer Vacancies

(Board Policy)

If an office becomes vacant during the year, an election shall be held at the next meeting. If the office of the president becomes vacant, the vice president shall

assume the office of the president until an election is held. Elected officers shall then serve the remainder of the term.

Board Member Addresses

(DCA Policy)

Board member addresses and telephone numbers are confidential and shall not be released to the public without expressed authority by the individual board member.

A roster of board members is maintained for public distribution and is placed on the board's Web site, using the address and telephone numbers of the board.

Written Correspondence and Mailings by Board Members

(Board Policy)

All correspondence, press releases, articles, memoranda or any other communication written by any board member in his or her official capacity must be provided to the EO for reproduction and distribution. The EO will maintain the required chron copy and mail and distribute the written material.

Request for Records Access

(Board Policy)

No board member may access a licensee's, or applicant's file without the EO's knowledge and approval of the conditions of access. Records or copies of records shall not be removed from the board's office.

Communications with Other Organizations/Individuals/Media

(Board Policy)

All communications relating to any board action or policy to any individual or organization, or a representative of the media shall be made only by the president of the board, his or her designee, or the EO. Any board member who is contacted by any of the above should inform the board president or EO of the contact.

Executive Officer (EO)

[B&P Code Section 4003]

The EO is appointed by and serves at the pleasure of the board, and is exempt from civil service. The EO shall exercise the powers and perform the duties delegated by the board and vested in him or her by California pharmacy law. The EO is responsible for the financial operations and integrity of the board, and is the official custodian of records.

Executive Officer's Annual Evaluation

(Board Policy)

At the first meeting of each fiscal year, the EO is evaluated by the board president during a closed session meeting with of board. Board members provide information to the president on the EO's performance in advance of this meeting.

Board Staff

(DCA Reference Manual)

Employees of the board, with the exception of the executive officer, are civil service employees. Their employment, pay, benefits, discipline, termination, and conditions of employment are governed by a myriad of civil service laws and regulations and often by collective bargaining labor agreements. ~~Because of this complexity, it is most appropriate that the board delegate all authority and responsibility for management of the civil service staff to the executive officer.~~ Board members shall not intervene or become involved in specific day-to-day personnel transactions.

Board Administration

(DCA Reference Manual)

Board members should be concerned primarily with formulating decisions on board policies rather than decisions concerning the means for carrying out a specific course of action. It is inappropriate for board members to become involved in the details of program delivery. Strategies for the day-to-day management of programs and staff shall be the responsibility of the executive officer.

Contact with Licensees and Applicants

(Board Policy)

Board members shall not intervene on behalf of applicants and licensees. They should forward all contacts or inquiries to the EO or board staff ~~without direction on how matter should be handled~~.

Contact with Respondents

(DCA Reference Manual)

Board members should not directly participate in complaint handling and resolution or investigations. To do so would subject the board member to disqualification in any future disciplinary action against the licensee. If a board member is contacted by a respondent or his/her attorney, the board member should refer the individual to the EO or board staff.

Service of Legal Documents

(Board Policy)

If a board member is personally served as a party in any legal proceeding related to his or her capacity as board member, he or she must contact the EO immediately.

Gifts from Licensees or Applicants

(Board Policy)

Gifts of any kind to board members or staff from any licensee or applicant with the board are not permitted.

~~Additionally Government Code section 87200 contains specific requirements with respect to gifts. These requirements are among those discussed in the Ethics Course described below.~~

Conflict of Interest

(Government Code Section 87100)

No board member may make, participate in making or in any way attempt to use his or her official position to influence a governmental decision in which he or she knows or has reason to know he or she has a financial interest. Any board member who has a financial interest, shall disqualify himself/herself from making or attempting to use his/her official position to influence the decision. Any board member who feels he or she is entering into a situation where there is a potential for a conflict of interest should immediately consult the board president or the EO.

Government Code Section 87100 and related sections are attached as Appendix E.

(Board Policy)

A board member who feels he or she has a potential conflict of interest in a specific case or issue should make his or her position known when the matter is discussed publicly (e.g., during a board meeting). Further the member should reinforce this position by physically leaving the room until the discussion regarding the matter is concluded. ~~Whenever possible, a board member should notify the EO when he or she believes that the member has a conflict of interest. The EO can help refer the board member to appropriate resources for assistance. For example, the Fair Political Practices Commission is another resource.~~

~~Within 30 days of taking or leaving office as a board member, and annually before April 1 of each year, every board member must file a conflict of interest statement with the Fair Political Practices Commission filing procedures and handled by the Department of Consumer Affairs. Questions about this process should be directed to the EO.~~

Ethics Course

(Government Code Sections 11146-11146.4)

Each board member must complete a course on ethics offered through the department. Upon appointment to the board, a new board member must complete the course within six months. All members must retake the course every two years. Records concerning the attendance of this course must be kept on file for five years.

Government Code Sections 11146-11146.4 are provided in Appendix E.

Sexual Harassment Prevention Training

(Government Code Section 12950.1)

Each board member must complete a sexual harassment prevention course offered through the department within six months of assuming office.

The Honoraria Prohibition

(Government Code Section 89503)

As a general rule, members of the board should decline honoraria for speaking at, or otherwise participating in, professional association conferences and meetings. A member of a state board is precluded from accepting an honorarium from any source, if the member would be required to report the receipt of income or gifts from that source on his or her statement of economic interest.

Under the Department of Consumer Affairs Conflict of Interest Code, members of the Board of Pharmacy are required to report income from, among other entities, pharmaceutical professional associations and continuing education providers. Therefore, a board member should decline all offers for honoraria for speaking or appearing before such entities.

There are limited exceptions to the honoraria prohibition. The acceptance of an honorarium is not prohibited under the following circumstances: (1) when a honorarium is returned to the donor (unused) within 30 days; (2) when an honorarium is delivered to the State Controller within thirty days for donation to the General Fund (for which a tax deduction Is not claimed); and (3) when an honorarium is not delivered to the board member, but is donated directly to a bona fide charitable, educational, civic, religious, or similar tax exempt, non-profit organization.

In light of this prohibition, members should report all offers of honoraria to the president so that he or she, in consultation with the EO and staff counsel, may determine whether the potential for conflict of interest exists.

Government Code Section 89503 is provided in Appendix E.

DCA's Board Member Training

Periodically the Department of Consumer Affairs hosts New Board Member Orientation. Board members are strongly encouraged to take this training.

Serving as an Expert Witness

During their tenure on the board, members should refrain from acting as pharmaceutical expert witnesses in civil or criminal court cases. The reasons for this prohibition are twofold.

In the first place, acting as an expert witness for compensation would probably constitute a violation of the Standards of Ethical Conduct for gubernatorial appointees. The first ethical standard precludes a gubernatorial appointee from engaging in activity, which has the appearance of using the prestige of the state for

the appointee's private gain or advantage. A professional member of the board would be in high demand as an expert witness in litigation relating to pharmacy, simply because of his or her status as a board member. Consequently, the member would likely receive more engagements as an expert witness than if he or she were not a member of the board. As such, serving as an expert witness would have the appearance of using the prestige of board-membership for private gain. Parenthetically, although the Governor's ethical standards are addressed to the conduct of gubernatorial appointees, all members of the board should be in compliance.

More importantly, acting as an expert witness would jeopardize a board member's ability to participate in the deliberation and resolution of disciplinary actions before the board. As an expert witness in a civil or criminal action against a pharmacist, a board member would be required to learn all the facts of the case at issue. If the pharmacist who is a party to the civil or criminal comes before the board in a disciplinary action, the board member who served as expert witness would be required to recuse himself or herself because of considerable *ex parte* knowledge of the case.

Request for Grants

All requests for funding/contributions to board projects shall be approved by the board president. Requests for such grants must be made by the EO at the president's direction. If a board member makes an individual request, a copy of the request shall be forwarded to the EO as soon as possible.

The mechanism for receipt, management, and dispersal of funds shall be pre-arranged and approved by the board.

Chapter 6

ENFORCEMENT OVERVIEW

Enforcement Options and Sanctions

Enforcement activities are essential for the board to meet its consumer protection mandate. The enforcement program uses a combination of education, communication and enforcement sanctions to achieve compliance with federal and state pharmacy laws. Where voluntary compliance and education are not enough, the board inspects, mediates, admonishes, cites and fines and pursues formal disciplinary action.

When the board receives a complaint or uncovers a potential violation of the law through its own efforts, the matter is investigated by staff. Investigations in the field are carried out by the board's inspectors, a statewide-dispersed group of pharmacists who are employees of the board. Some consumer complaints are mediated in the board's office by specially trained consumer services staff. ~~These staff, who~~ are not pharmacists, but ~~whose their~~ work is reviewed by a pharmacist (a supervising inspector).

During a routine inspection or investigation (which is conducted by a board pharmacist-inspector), if it is believed that a violation of pharmacy law took place, the licensee may be advised of the alleged violation by an "Order of Correction," a written document directing the licensee to comply with pharmacy law within 30 days by submitting a corrective action plan to the inspector. This process simply notifies the licensee of the violations of law that the inspector believes have occurred. This notification may not be the board's final or formal determination regarding the matter depending on the seriousness of the alleged violations. A correction order is not a citation nor is it a disciplinary action.

At this time, the licensee is provided an opportunity to provide a written response to the alleged violation. In the written response, the licensee may address the specifics of the violation, as well as provide any mitigation information that the licensee wishes to have included in any investigation report and/or a corrective action plan.

If the "Order of Correction" is for minor violations, and the inspector is satisfied with the pharmacy's compliance, the "Order of Correction" may be the only action taken. If this is the case and the pharmacy doesn't contest the order, then the licensee must maintain in the pharmacy premises a copy of the order of correction and corrective action plan for at least three years from the date the order was issued.

After the inspection or investigation is completed and the inspector makes a determination that the law has been violated, the case is referred to a supervising inspector for review. If the supervising inspector determines that there was no violation or that the violation was so minor that the only action to take would be the issuance of the "Order of Correction," then the case may be closed and the matter goes no further.

If, after review by the supervising inspector, it is determined that action may be warranted, the case is referred to the executive officer. The executive officer, with the assistance of the supervising inspector, reviews the matter and determines the appropriate course of action. In making this determination, the following factors may be taken in consideration:

- Gravity of the violation.
- Good or bad faith of the cited person or entity.
- History of previous violations.
- Evidence that the violations were or were not willful.
- Recognition by the licensee of his/her wrongdoing and demonstration of corrective action to prevent recurrence, e.g., new policies and procedures, protocol, hiring of additional staff, etc.
- Extent to which the cited person or entity has cooperated with the board's investigation and other law enforcement or regulatory agencies.
- Extent to which the cited person or entity has mitigated or attempted to mitigate any damage or injury caused by the violation.
- If the violation involves multiple licensees, the relative degree of culpability of each licensee is considered. In the case where a staff pharmacist may have failed to consult, the pharmacist-in-charge and the pharmacy may also be issued a citation and fine, if warranted by the circumstances.
- Any other relevant matters that may be appropriate to consider.

The type of potential action include:

Further Investigation
The executive officer may decide that there is insufficient evidence to determine if a violation occurred or if any action is warranted. The executive officer may then send the matter back for further investigation.

Case Closure - No Further Action
The executive officer may decide that no action is now warranted. This may occur when the executive officer determines that there was no violation, that the violation was so minor as to not merit an action, or that the mitigating circumstances were such that it would be best not to pursue an action. The matter will then not be taken any further. (The final resolution would be the "Order of Correction.")

Letter of Admonishment
The executive officer may decide to issue a letter of admonishment. This may occur when the executive officer determines that there was a minor violation, or a violation that mitigating circumstances were such that a letter of admonishment was appropriate. The licensee would be directed to come into compliance within 30 days by submitting a corrective action plan to the executive officer documenting compliance, or the licensee can contest the letter of admonishment to the executive office for an office conference. If an office conference is not requested, compliance with the letter of admonishment does not constitute an admission of the violation noted in the letter of admonishment. The licensee must maintain in the licensed premises a copy of the letter of admonishment and corrective action plan for at least three years from the date the letter was issued. The letter of admonishment is considered a public record for purposes of disclosure.

Citation and Fine

The executive officer may issue a citation, with or without a fine. The citation will be issued to the licensee and will include a reference to the statute or regulation violated. It will also include a description of the nature and facts of the violation, as well as a notice to the licensee of the appeal rights. It may or may not include an order of abatement either requesting documentation of the licensee's compliance, or directing the licensee to come into compliance and specifying how that must be done.

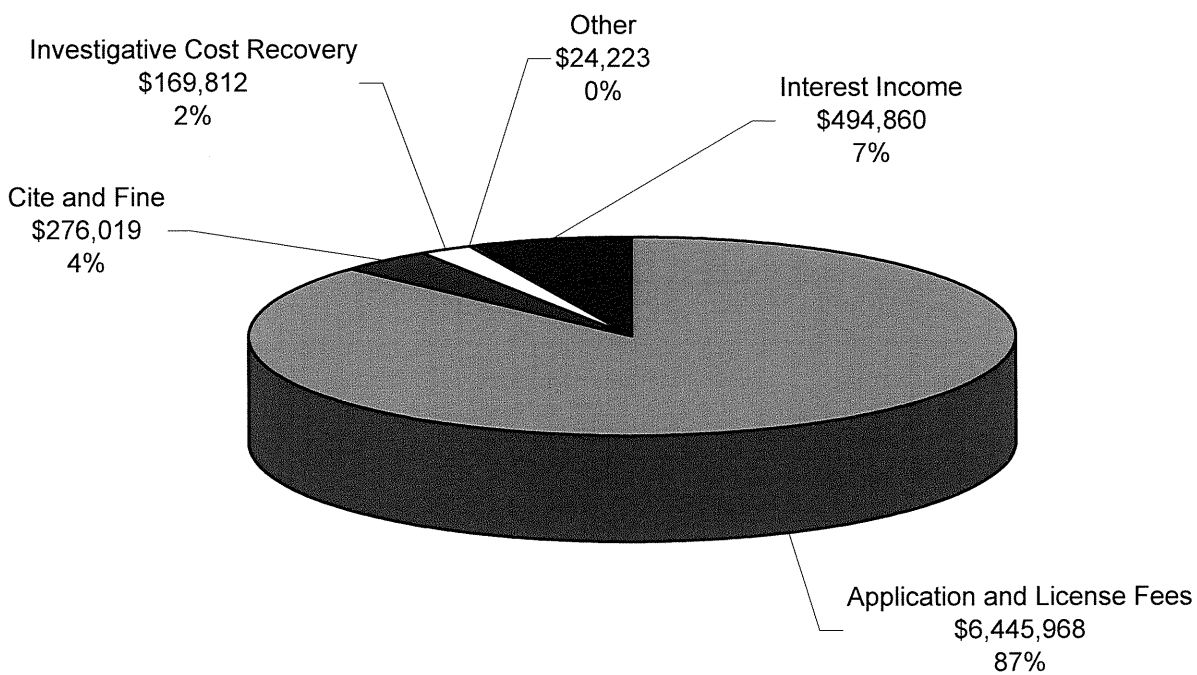
Disciplinary Action

The executive officer may determine that the violation is substantial and warrants discipline of the license. The matter is then referred to the Attorney General's Office, where, if appropriate to do so, an accusation is prepared, which identifies the alleged violations of pharmacy law. Disciplinary penalties include interim suspension orders, license revocation, voluntary license surrender, suspension and probation.

Attachment 3

Final Budget Report 2005-06

Chart 1
Fiscal Year 2005/06
Origin of Revenue
$7,410,882*



*Does not include $3 million repaid to the board as part of 2001 loan to the General Fund.

Chart 2
Fiscal Year 2005/06
Application vs Renewal Total Fees Collected
$6,296,488.00

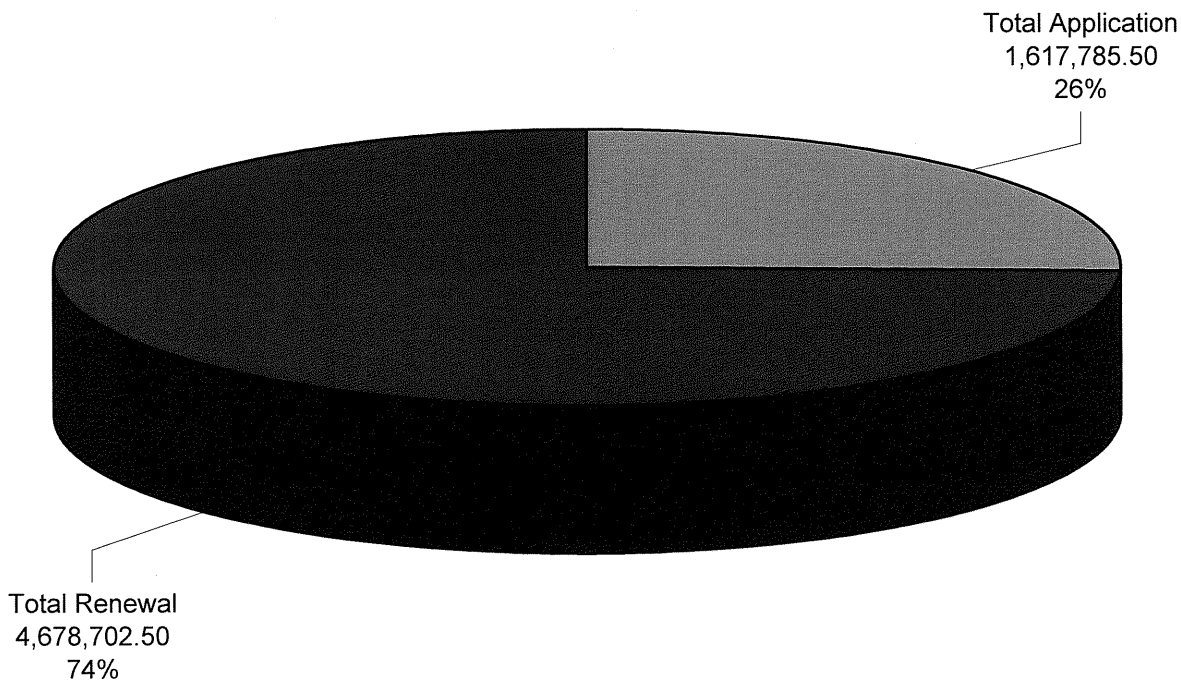


Chart 3
Fiscal Year 2005/06
Revenue by Program

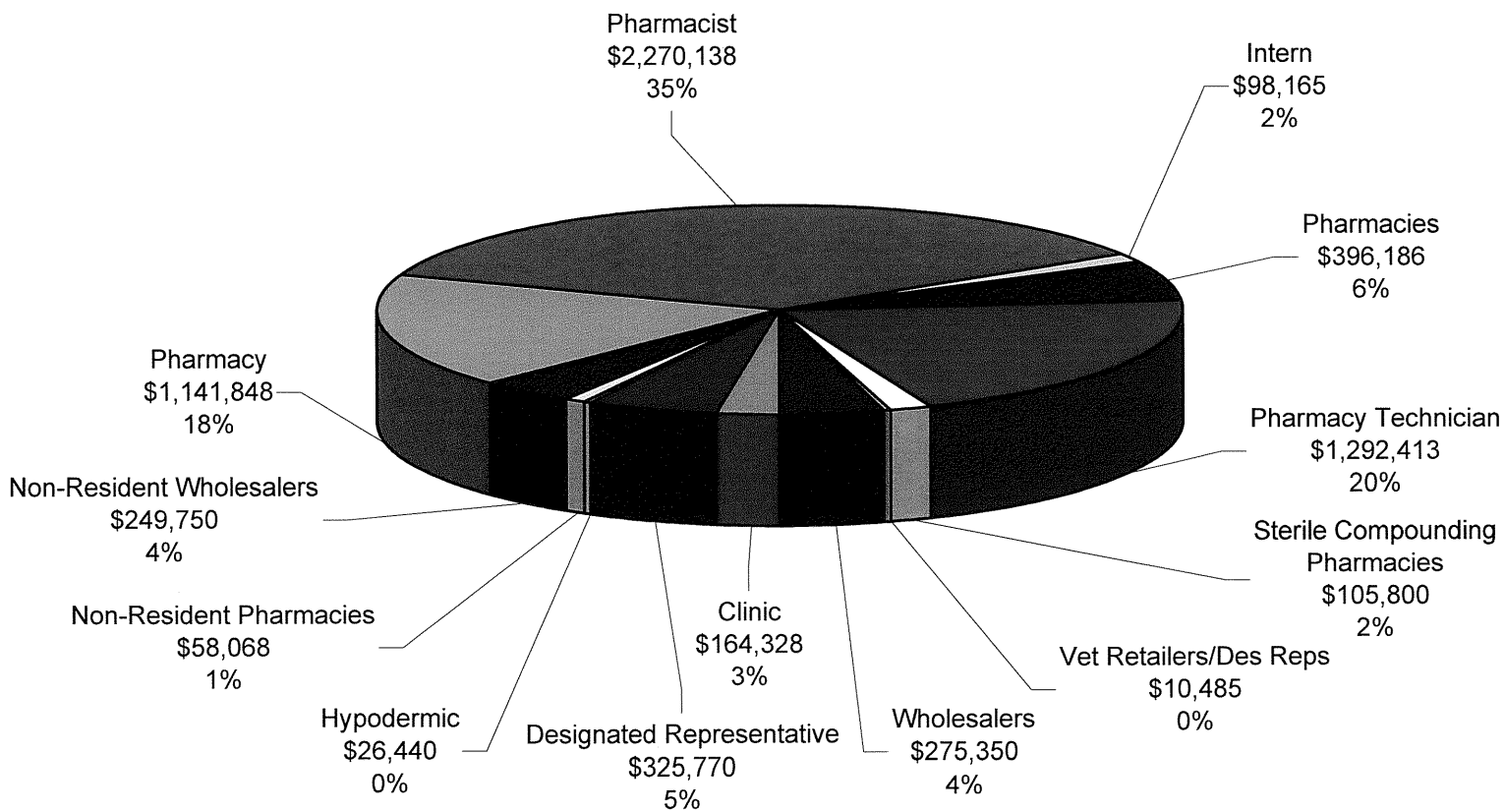
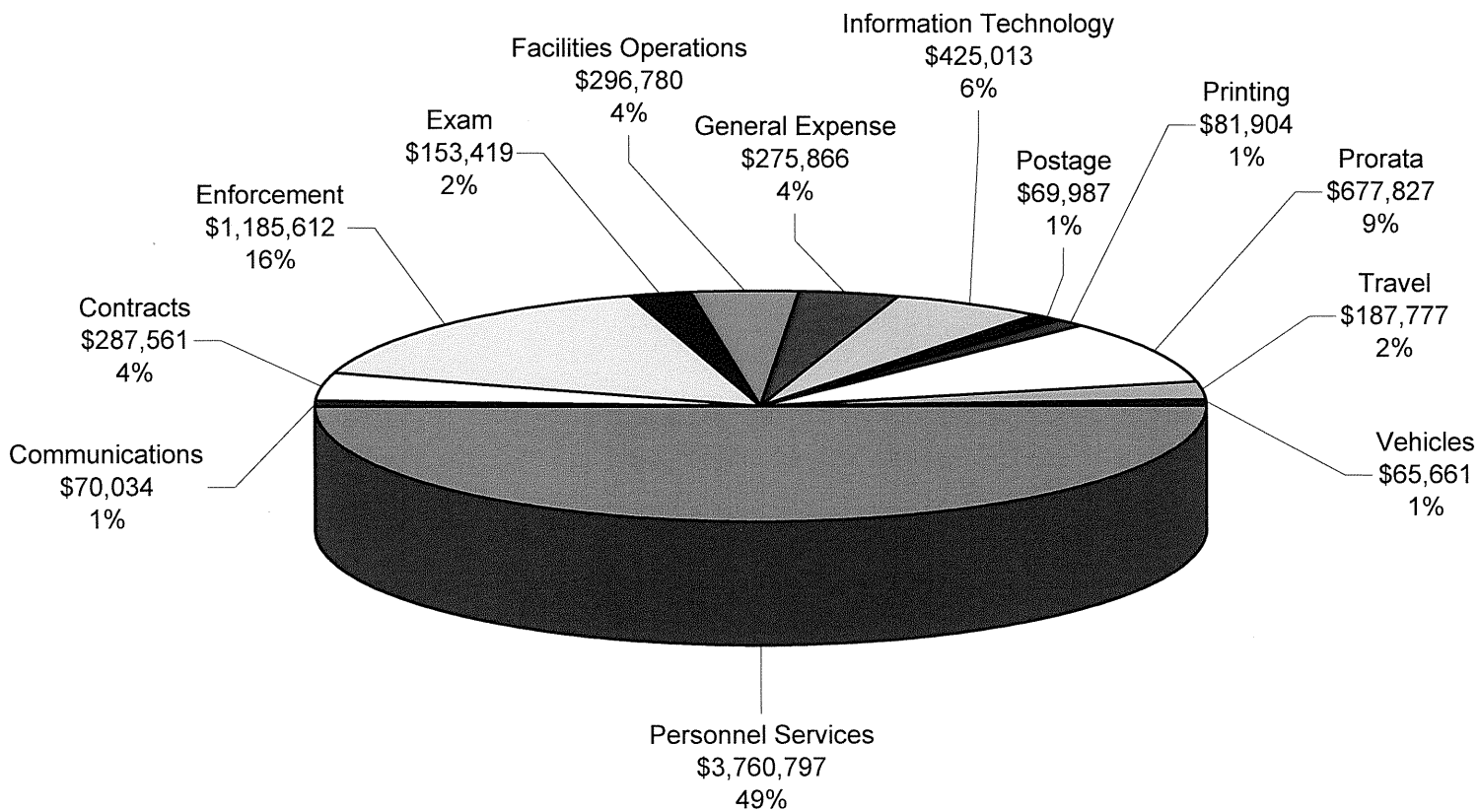


Chart 4
Fiscal Year 2005/06
Expenditures
$7,538,238



Attachment 4

Fund Condition Statement

0767 - State Board of Pharmacy
Analysis of Fund Condition

(Dollars in Thousands)

10R

	ACTUAL 2005-06	2006-07	2007-08	2008-09	2009-10
BEGINNING BALANCE	$ 4,111	$ 7,285	$ 8,279	$ 5,983	$ 3,343
Prior Year Adjustment	$ 278	$ -	$ -	$ -	$ -
Adjusted Beginning Balance	$ 4,389	$ 7,285	$ 8,279	$ 5,983	$ 3,343
REVENUES AND TRANSFERS					
Revenues:					
125600 Other regulatory fees	$ 426	$ 36	$ 35	$ 35	$ 35
125700 Other regulatory licenses and permits	$ 1,618	$ 1,277	$ 1,283	$ 1,277	$ 1,283
125800 Renewal fees	$ 4,591	$ 4,462	$ 4,529	$ 4,462	$ 4,529
125900 Delinquent fees	$ 89	$ 78	$ 78	$ 78	$ 78
131700 Misc. revenue from local agencies	$ 5	$ -	$ -	$ -	$ -
141200 Sales of documents	$ -	$ -	$ -	$ -	$ -
142500 Miscellaneous services to the public	$ -	$ -	$ -	$ -	$ -
150300 Income from surplus money investments	$ 262	$ 158	$ 117	$ 66	$ 12
150500 Interest Income From Interfund Loans	$ 233	$ 233			
160400 Sale of fixed assets	$ -	$ -	$ -	$ -	$ -
161000 Escheat of unclaimed checks and warrants	$ 4	$ -	$ -	$ -	$ -
161400 Miscellaneous revenues	$ 3	$ -	$ -	$ -	$ -
Totals, Revenues	$ 7,231	$ 6,244	$ 6,042	$ 5,918	$ 5,937
Transfers from Other Funds					
F00001 GF loan per Item 1490-011-0767, BA of 2002	$ 3,000	$ 3,000			
F00683 Teale Data Center (CS 15.00, Bud Act of 2005)					
Transfers to Other Funds					
T00001 GF loan per Item 1490-011-0767, BA of 2002	$ -	$ -	$ -	$ -	$ -
Totals, Revenues and Transfers	$ 10,231	$ 9,244	$ 6,042	$ 5,918	$ 5,937
Totals, Resources	$ 14,620	$ 16,529	$ 14,321	$ 11,901	$ 9,280
EXPENDITURES					
Disbursements:					
0840 State Controller (State Operations)	$ -	$ 5	$ -	$ -	$ -
Budget Act of 2006					
1110 Program Expenditures (State Operations) - Galley 2	$ 7,335	$ 8,195	$ 8,195	$ 8,359	$ 8,526
1110 iLicensing SFL		$ 50	$ 143	$ 199	$ 146
9670 Equity Claims / Board of Control (State Operations)	$ -	$ -	$ -	$ -	$ -
Total Disbursements	$ 7,335	$ 8,250	$ 8,338	$ 8,558	$ 8,672
FUND BALANCE					
Reserve for economic uncertainties	$ 7,285	$ 8,279	$ 5,983	$ 3,343	$ 608
Months in Reserve	10.6	11.9	8.4	4.6	0.8

NOTES:

A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED

B. EXPENDITURE GROWTH PROJECTED AT 2% BEGINNING FY 2008-09

Attachment 5

Board Member Expenditures and Reimbursements

Chart 1
Board Member Reimbursement and Expenses
2006/07

Board Member	Hours		Travel	
	Meeting	Other	Expense	Airfare
Robert Swart	0	0	$0.00	
Ruth M. Conroy	0	0	$632.45	
Henry Hough	11	8	$0.00	
Stanley Goldenberg	0	0	$175.46	$136.40
Clarence Hiura	0	0	$19.56	
John D. Jones	0	0	$971.12	$95.80
William Powers	0	0	$0.00	
Kenneth H. Schell	0	0	$353.56	$198.60
Susan Ravnan	0	4	$0.00	
Andrea Zinder	4	1	$31.00	$136.60
Total	15	13	$2,183.15	$567.40

Board member expenses paid from July 1, 2006 to October 1, 2006

Attachment 6

Board of Pharmacy
Strategic Plan 2006-2011

STRATEGIC PLAN

2006 – 2011

CALIFORNIA STATE BOARD OF PHARMACY

Healthy Californians Through Quality Pharmacist's Care

Strategic Plan

Consumer Affairs

California State Board of Pharmacy

2006
2011

Members:

William Powers, Public Member, President

Kenneth Schell, Pharm.D., Pharmacist Member, Vice President

Ruth Conroy, Pharm.D., Pharmacist Member, Treasurer

Clarence Hiura, Pharm.D., Pharmacist Member

Stanley Goldenberg, Pharmacist Member

D. Timothy Daze, Public Member

Henry Hough, Public Member

Susan Ravnan, Pharm.D., Pharmacist Member

Robert Swart, Pharm.D., Pharmacist Member

Andrea Zinder, Public Member

Virginia Herold, Interim Executive Officer

California State Board of Pharmacy
1625 N. Market Boulevard, N-219
Sacramento, CA 95834
(916) 574-7900
www.pharmacy.ca.gov

July 2006

TABLE OF CONTENTS

President's Message 4

Vision and Mission Statements 5

Agency Description – About the Board of Pharmacy 5

Strategic Issues To Be Addressed 6

Summary of Goals 10

Goals and Related Objectives, Measures, Tasks and Resource Assumptions . . . 11

Goal Alignment Matrix to Objectives 17

Scanning Assessment and Methodology 18

Shared Values/Core Principles 19

Internal/External Assessment 19

President's Message

The strategic planning process of the California State Board of Pharmacy is an annual effort of the board members, staff and the public to anticipate and plan for events and issues for the coming year. Although the board considers its current strategic plan when going through the planning exercise, the board also attempts to predict upcoming changes in pharmacy practice, consumer needs and demands and health care trends. After a lengthy discussion of potential and existing issues, the participants go through a process to categorize, consolidate and finally prioritize the issues and then set the goals for the coming year. The resulting strategic plan keeps the board focused on established goals while allowing the flexibility of handling new questions and challenges as they arise.

Each board committee considers its individual strategic plan goals at every meeting and the progress on the goals are reviewed at each of the quarterly full board meetings. The careful planning and continuous monitoring of the strategic plan assures that the board achieves its stated objectives and performs with optimal efficiency.

The board publishes advance notice for each strategic planning meeting and encourages participation and contribution by all interested citizens of California who attend. Involvement of the board, its staff and the public results in a strategic plan that truly represents the public interest and serves the consumers of this state. ■

CALIFORNIA STATE BOARD OF PHARMACY

VISION STATEMENT

Healthy Californians through quality pharmacist's care.

MISSION STATEMENT

The Board of Pharmacy protects and promotes the health and safety of Californians by pursuing the highest quality of pharmacist's care and the appropriate use of pharmaceuticals through education, communication, licensing, legislation, regulation, and enforcement.

ABOUT THE CALIFORNIA STATE BOARD OF PHARMACY

The California State Board of Pharmacy (board) was established in 1891 to protect consumers by licensing and regulating those responsible for dispensing medications to the public. Today the board oversees all aspects of the practice of pharmacy in California: the practitioner (the pharmacists), the practice site (the pharmacies), and the product (drugs and devices). Additionally the board regulates drug wholesalers and other practitioners and specialized facilities. With an annual budget of nearly $8 million and a staff of just over 50, the board licenses over 90,000 individuals and firms, and enforces 12 complex and varied regulatory programs.

The board has five policy development committees to fulfill its charge. The five committees are: Enforcement, Communication and Public Education, Licensing, Legislation and Regulation, and Organizational Development. Each of these committees corresponds to a mission-related goal.

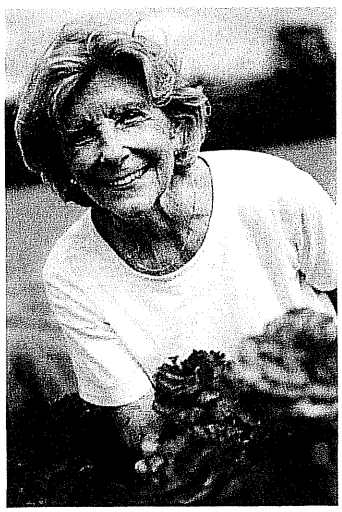
The board supports an active Web site, www.pharmacy.ca.gov, that provides consumer education material, application material for licensing and information for ensuring compliance with California Pharmacy Law . The Web site also provides times and information on board meetings as well as other critical forums vital to pharmacy services were public comments and input are sought and encouraged.

STRATEGIC ISSUES TO BE ADDRESSED

1. Cost of medical/pharmaceutical care

Providing necessary medication for all Californians is a concern; there is an increasing demand for affordable health care services. Also, spiraling medical care and prescription drug costs may influence people to take short cuts on their drug therapy or to seek medications from nontraditional pharmacy sources. Tiered pricing is a global reality. Due to global communication, patients can access drugs at different prices, worldwide. Patients seek lower cost medications from these sources because patients assume that prescription drugs are of the same quality as they are accustomed to obtaining from their neighborhood pharmacies. However, the cost of drugs drives unscrupulous individuals (such as counterfeiters and diverters) as well as conscientious health care providers to operate in this marketplace, the former endanger public health and confidence in the prescription drugs patients take.

2. Aging population



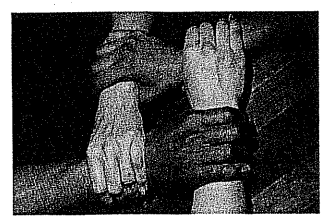
There are increasingly more senior citizens, and that population is living longer. Aging consumers often have decreased cognitive skills, eyesight and mobility. Consequently as the senior population increases so will the volume of prescriptions and the impact on pharmacists and pharmacy personnel to meet the demand. Specialized training of pharmacists may be necessary to better serve the needs of aging patients.

Many senior citizens, who previously may not have had prescription drug insurance coverage, will benefit from the new prescription drug benefit of Medicare that started in January 2006. However, this new benefit has been implemented with significant problems for some seniors, and as a complicated new program, will require public education and perhaps statutory modification.

3. Pharmacists' ability to provide care

The ability of pharmacy to provide optimal care for patients with chronic conditions is being challenged. Drugs are becoming more powerful and it is anticipated that more intervention by pharmacists will be required. The challenge is even greater when consumers fill multiple prescriptions at different pharmacies. The pharmacist shortage, increased consumer demand for prescription drugs, patient compliance in taking medications and polypharmacy are issues which will impact pharmacists' ability to provide care.

4. Changing demographics of California patients



The diversity of California's population is growing with respect to race, ethnicity and linguistic skills, as is the segment that seeks drugs and products from foreign countries. This requires greater knowledge, understanding and skills from health care practitioners. The increasing diversity of patients is coupled with culturally-based beliefs that undervalue the need for licensed pharmacists and pharmacies, and instead encourage purchase of prescription drugs from nontraditional locations and providers.

There also is widespread belief that there must be a medication solution for every condition or disease state.

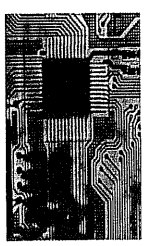
5. Laws governing pharmacists

New laws enhancing pharmacists' roles as health care providers are needed. The laws must address several key issues including: expansion of the scope of pharmacy practice, the ratio of personnel overseen by pharmacists, delineation of the role of pharmacists relative to selling versus nonselling duties of personnel, and the responsibility for legal and regulatory compliance of the pharmacist-in-charge.

6. Integrity of the drug delivery system

Implementation of the e-pedigree for prescription drugs will reduce the growing incidence of counterfeit, damaged, adulterated or misbranded medications in California's pharmacies. Additionally the federal government has demonstrated an increasing interest in regulating health care to safeguard consumer interests. New legislation and regulation may be created in response to emergency preparedness, disaster response and pandemics. Changes in the prescription drug benefits provided to Medicare beneficiaries will continue to command attention.

7. Technology Adaptation



Technology will greatly impact the processing and dispensing of medication. Electronic prescribing and "channeling" to locations other than a traditional pharmacy may become the business model Automated pharmacy systems and electronic prescribing will impact pharmacy. New methods of dispensing medications raise additional liability issues. New medication, perhaps engineered for specific patients, will become available at high costs and require special patient monitoring systems.

8. Internet issues

The availability of prescription drugs over the Internet is on the rise. Multiple and easy access of drugs without pharmacist participation is dangerous. Entities promoting illegal drug distribution schemes have taken advantage of the Internet. Monitoring and protecting the public from improper drug distribution from these Internet pharmacies is severely impaired with continued resource constraints by both the federal and state agencies with jurisdiction.

9. Disaster planning and response

Pharmacists need to be ready to be positioned to provide emergency care and medication in response to natural disasters, pandemics and terrorism. This requires specialized knowledge, advance planning and integration of local, state and federal resources that can be quickly mobilized. Specialized drug distribution channels will need to be authorized to permit emergency response.

Additionally, regulatory adjustments to the September 11 terrorism may affect persons' rights to privacy.

10. Qualified staff and Board Members

The state's fiscal crisis has affected the board's ability to investigate customer complaints or hire staff. The board lost 20 percent of its staff positions during the prior five years due to the state's hiring freezes. Loss of these staff has altered the provision of services by the board. The salary disparity between the private and public sectors in compensation for pharmacists will make it difficult to recruit and retain pharmacist inspectors. Moreover, for all staff, if wages remain essentially frozen, the retention of current employees could be impacted.

The diversity and involvement of all board members in policy development is important for public health and protection. At least a quorum of board members is needed to ensure the board can make decisions and act timely.

11. Pharmacy/health care in the 21st century

The state's health care practitioners (pharmacists, physicians, nurses) are being influenced by a variety of internal and external factors that affect and will continue to effect health care provided to patients. Improved patient care will result from improved integration among these professions. Also, a renewed emphasis on patient consultation will benefit patient knowledge about their drug therapy and thus improve their care.

12. Information Management

Creation, maintenance and transfer of electronic patient records and prescription orders will be the norm in the future. Patient records need to remain confidential and secured from unauthorized access. Pharmacies and wholesalers need to ensure the availability of an e-pedigree for drugs obtained, transferred and dispensed. It is likely that all controlled drugs dispensed in California will be tracked electronically by the CURES system.

Patient records need to remain confidential and secured from unauthorized access. Pharmacies and wholesalers need to ensure the availability of an e-pedigree for drugs obtained, transferred and dispensed.

Summary of Goals

Goal One
Exercise oversight on all pharmacy activities.

Goal Two
Ensure the qualifications of licensees.

Goal Three
Advocate legislation and promulgate regulations that advance the vision and mission of the Board of Pharmacy.

Goal Four
Provide relevant information to consumers and licensees.

Goal Five

Achieve the board's mission and goals.

GOALS, OUTCOMES, OBJECTIVES, AND MEASURES

ENFORCEMENT COMMITTEE

Goal 1: Exercise oversight on all pharmacy activities.

Outcome: Improve consumer protection.

Objective 1.1	Achieve 100 percent closure or referral on all cases within 6 months by June 30, 2011:
Measure:	Percentage of cases closed or referred within 6 months
Tasks:	1. Mediate all consumer complaints within 90 days. 2. Investigate all other cases within 120 days. 3. Close (e.g. issue citation and fine, refer to the AG's Office) all board investigations and mediations within 180 days.
Objective 1.2	Manage enforcement activities for achievement of performance expectations
Measure:	Percentage compliance with program requirements
Tasks:	1. Administer the Pharmacists Recovery Program. 2. Administer the probation monitoring program. 3. Issue citations and fines within 30 days 4. Issue letters of admonition within 30 days 5. Obtain immediate public protection sanctions for egregious violations. 6. Pursue petitions to revoke probation within 90 days for noncompliance with probationary conditions.
Objective 1.3	Achieve 100 percent closure on all administrative cases within one year by June 30, 2011.
Measure:	Percentage closure of administrative cases within 1 year
Objective 1.4	Inspect 100 percent of all licensed facilities once every 3 years by June 30, 2011.
Measure:	Percentage of licensed facilities inspected once every 3 years
Tasks:	1. Inspect licensed premises to educate licensees proactively about legal requirements and practice standards to prevent serious violations that could harm the public. 2. Inspect sterile compounding pharmacies annually before renewal or before initial licensure. 3. Initiate investigations based upon violations discovered during routine inspections.
Objective 1.5	Initiate policy review of 25 emerging enforcement issues by June 30, 2011
Measure:	The number of issues
Tasks:	1. Monitor the implementation of e-pedigree on all prescription medications sold in California 2. Implement federal restrictions on ephedrine, pseudoephedrine or phenylpropanolamine products 3. Monitor the efforts of the DEA and DHHS to implement electronic prescribing for controlled substances.

LICENSING COMMITTEE

Goal 2: Ensure the qualifications of licensees.

Outcome: Qualified licensees

Objective 2.1 Measure:	Issue licenses within three working days of a completed application by June 30, 2011. Percentage of licenses issued within 3 work days
Tasks:	1. Review 100 percent of all applications within 7 work days of receipt. 2. Process 100 percent of all deficiency documents within 5 work days of receipt. 3. Make a licensing decision within 3 work days after all deficiencies are corrected. 4. Issue professional and occupational licenses to those individuals and firms that meet minimum requirements. • Pharmacists • Intern pharmacists • Pharmacy technicians • Foreign educated pharmacists (evaluations) • Pharmacies • Non-resident pharmacies • Wholesaler drug facilities • Veterinary food animal drug retailers • Exemptees (the non-pharmacists who may operate sites other than pharmacies) • Out-of-state distributors • Clinics • Hypodermic needle and syringe distributors 5. Withdraw applications of applicants not meeting board requirements or where the application has been abandoned.
Objective 2.2 Measure:	Cashier 100 percent of all application and renewal fees within two working days of receipt by June 30, 2005. Percentage of cashiered application and renewal fees within 2 working days
Tasks:	1. Cashier application fees. 2. Cashier renewal fees 3. Secure online renewal of licenses

Objective 2.3	Update 100 percent of all information changes to licensing records within 5 working days by June 30, 2005.
Measure:	Percentage of licensing records changes within 5 working days
Tasks:	1. Make address and name changes. 2. Process discontinuance of businesses forms and related components. 3. Process changes in pharmacist-in-charge and designated representative-in-charge. 4. Process off-site storage applications. 5. Transfer of intern hours to other states
Objective 2.4	Implement at least 25 changes to improve licensing decisions by June 30, 2011.
Measure:	Number of implemented changes
Tasks:	1. Determine why 26 states do not allow the use of a CA license as the basis for transfer a pharmacist license to that state. 2. Work with the University of California to evaluate the drug distribution system of its clinics and their appropriate licensure. 3. Work with the Department of Corrections on the licensure of pharmacies in prisons. 4. Work with local and state officials on emergency preparedness and planning for pandemic and disasters. Planning to include the storage and distribution of drugs to as sure patient access and safety. 5. Evaluate the need to issue a provisional license to pharmacy technician trainees.
Objective 2.5	Evaluate five emerging public policy initiatives affecting pharmacists' care or public safety by June 30, 2011.
Measure:	Number of public policy initiatives evaluated
Tasks:	

LEGISLATION AND REGULATION COMMITTEE

Goal 3: Advocate legislation and promulgate regulations that advance the vision and mission of the Board of Pharmacy.

Outcome: Improve the health and safety of Californians.

Objective 3.1	Annually identify and respond with legislative changes to keep pharmacy laws current and consistent with the board's mission.
Measure:	100 percent successful enactment of promoted legislative changes
Tasks:	1. Secure extension of board's sunset date (SB 1476). 2. Sponsor legislation to update pharmacy law (SB 1475). 3. Advocate the board's role and its positions regarding pharmacists' care and dispensing of dangerous drugs and devices (AB 2408). 4. Secure statutory standards for pharmacies that compound medications (AB 595) 5. Secure implementation of e-pedigrees on prescription drugs dispensed in California (SB 1476)
Objective 3.2	Annually identify and respond with regulatory changes to keep pharmacy regulations current and consistent with the board's mission.
Measure:	Percentage successful enactment of promoted regulatory changes
Tasks:	1. Authorize technicians to check technicians in inpatient pharmacies with clinical pharmacist programs (sections 1793.7-1793.8). 2. Authorize the use of prescription drop boxes and automated delivery machines for outpatient pharmacies (sections 1713 and 1717(e)) 3. Make technical changes in pharmacy regulations to keep the code updated Section 1706.2 criteria for abandonment of files Section 1775.4 contested citations Section 1709.1 designation of pharmacist-in-charge Section 1780 standards for wholesalers Section 1780.1 standards for veterinary food animal drug retailers Section 1781 exemption certificate Section 1786 exemptions 4. Notice of posting regarding electronic files (section 1717.2) 5. Disciplinary guidelines revision and update (section 1760) 6. Self-assessment of a wholesaler by the designated representative section (1784) 7. Exempt the address of records of interns from display on the board's Web site (section 1727.1) 8. Modification of building standards for pharmacies – rulemaking by the California Building Standards Commission
Objective 3.3	Review 5 areas of pharmacy law for relevancy, currency and value for consumer protection by June 30, 2011.
Measure:	Number of areas of pharmacy law reviewed
Tasks:	

COMMUNICATION AND PUBLIC EDUCATION COMMITTEE

Goal 4: Provide relevant information to consumers and licensees.

Outcome: Improved consumer awareness and licensee knowledge.

Objective 4.1	Develop a minimum of 10 communication venues to the public by June 30, 2011.
Measure:	Number of communication venues developed to the public
Tasks:	1. Assess the effectiveness of the board's educational materials and outreach: survey consumers to identify whether board-produced materials are valued and what new materials are desired. 2. Restructure the board's Web site to make it more user friendly. 3. Work with the California Health Communication Partnership on integrated public information campaigns on health-care topics. 4. Continue collaboration with UCSF's Center for Consumer Self Care for pharmacist interns to develop consumer fact sheets on health topics. 5. Develop a Notice to Consumers to comply with requirements of SB 2583 (Nation) on patients' rights to secure legitimately prescribed medication from pharmacies.
Objective 4.2	Develop 10 communication venues to licensees by June 30, 2011.
Measure:	Number of communication venues developed to licensees
Tasks:	1. Publish *The Script* two times annually. 2. Develop board-sponsored continuing education programs in pharmacy law and coordinate presentation at local and annual professional association meetings throughout California. 3. Maintain important and timely licensee information on Web site.
Objective 4.3	Participate in 12 forums, conferences and public education events annually
Measure:	Number of forums participated
Tasks:	1. Participate in forums, conferences and educational fairs.

ORGANIZATIONAL DEVELOPMENT COMMITTEE

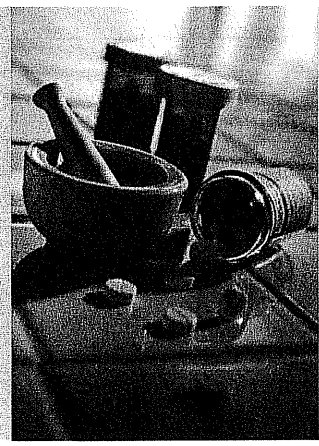
Goal 5: Achieve the board's mission and goals.

Outcome: An effective organization

Objective 5.1	Obtain 100 percent approval for identified program needs by June 30, 2011.
Measure:	Percentage approved for identified program needs
Tasks:	1. Review workload and resources to streamline operations, target backlogs and maximize services. 2. Develop budget change proposals to secure funding for needed resources. 3. Perform strategic management of the board through all committees and board activities. 4. Manage the board's financial resources to ensure fiscal viability and program integrity.
Objective 5.2	Maintain 100 percent staffing of all board positions.
Measure:	Percentage staffing of board positions
Tasks:	1. Continue active recruitment of pharmacists for inspector positions. 2. Vigorously recruit for any vacant positions. 3. Perform annual performance and training assessments of all staff.
Objective 5.3	Implement 10 strategic initiatives to automate board processes by June 30, 2011.
Measure:	Number of strategic initiatives implemented to automate board processes
Tasks:	1. Implement automated applicant tracking (ATS). 2. Implement online license renewal and application submission features (I-Licensing). 3. Integrate telephonic features to improve board services without adding staff resources. 4. Use the department's newly created "ad hoc" system to generate data for reports.
Objective 5.4	Provide for communication venues to communicate within the board by June 30, 2011.
Measure:	Number of communication venues to communicate within the board
Tasks:	1. Continue the Communication Team to improve communication among staff and host quarterly staff meetings. 2. Continue Enforcement Team meetings with board members and enforcement staff. 3. Convene annual inspector meetings to ensure standardized investigation and inspection processes, law and practice updates and earn continuing education credit.
Objective 5.5	Annually conduct at least 2 outreach programs where public policy issues on health care are being discussed.
Measure:	Number of outreach programs conducted in one year
Tasks:	1. Convene the Subcommittee on Medicare Part D Implementation 2. Convene the Workgroup to implement the e-Pedigree 3. Host the National Association of Boards of Pharmacy District 7 and 8 Meeting in California 4. Attend outreach programs.

Objective 5.6	Respond to all public record requests within 10 days.
Measure:	Percentage response to public record requests within 10 days
Tasks:	1. Respond to public records requests within 10 days (e.g., license verifications, investigative information, licensing information). 2. Respond to subpoenas within the timeline specified. 3. Respond to specific requests for data reports

Goal Alignment Matrix – Strategic Issues					
Strategic Issues	**Goal 1: Exercise oversight on all pharmacy activities**	**Goal 2: Ensure the qualifica-tions of licensees.**	**Goal 3: Advocate legislation and promulgate regulations that advance the Vision and Mission of BOP.**	**Goal 4: Provide relevant information to consumers and licensees.**	**Goal 5: Achieve the Board's Mission and Goals.**
1. Cost of medical/ pharma-ceutical care	X		X	X	X
2. Aging population	X	X		X	X
3. Pharmacists' ability to provide care	X	X	X	X	X
4. Changing demographics of CA patients	X	X	X	X	X
5. Laws governing pharmacists	X	X	X	X	
6. Integrity of the drug delivery system	X	X	X		
7. Technology adaptation	X		X	X	X
8. Internet Issues	X			X	X
9. Disaster planning and Response	X	X	X	X	X
10. Qualified staff	X	X			X
11. Pharmacy/ Healthcare Integration in the 21st century	X	X	X	X	X
12. Information Management	X	X	X	X	X



SCANNING ASSESSMENT AND METHODOLOGY

In assessing the critical data that will influence the board's ability to fulfill its vision and mission, the strategic planning team completed several scanning activities in 2006. Board members, all staff and stakeholders participated in completing a survey questionnaire that was submitted to the strategic planning team for synthesis and analysis. This included review of the board's mission, vision, goals and strategic issues. Additionally a "SWOT" analysis (an acronym for strengths, weaknesses, opportunities and threats) was conducted during the survey as part of the scanning assessment.

In developing its strategic plan, the board relied upon the full participation of its entire staff, its board members and its interested stakeholders. The participation of each group has provided important information necessary for a dynamic strategic plan, capable of guiding the board in fulfilling its mission for several years.

In developing its strategic plan, the board relied upon the full participation of its entire staff, its board members and its interested stakeholders.

After each group performed the SWOT analyses described above, the board refined the strategic issues to be addressed during the April 2006 Meeting, and the results are summarized in this plan under **"Strategic Issues to be Addressed."**

Additional refinement of board objectives and activities was conducted during late spring 2006 by each of the board's strategic committees, and the final strategic plan for 2006-11 was approved at the July 2006 Board Meeting.

SHARED VALUES/CORE PRINCIPLES

The Board of Pharmacy will exhibit:

- Vision
- Integrity
- Flexibility
- Commitment
- Loyalty to its mission
- Relevance to important issues
- Compassion, and
- Open-mindedness

These values will be exhibited when considering all matters before the board affecting the consumers of California and the profession of pharmacy.

INTERNAL/EXTERNAL ASSESSMENT

The critical data stemming from the SWOT analysis is reflected below. The information represents a deliberative process of multiple iterations conducted with the board members, staff and stakeholders.

Strengths	Weaknesses
1. Staff/Inspectors: Staff's teamwork, dedication, diversity, and knowledge. Pharmacist inspectors provide necessary, specialized knowledge. 2. Leadership: Support and communication provided by management, diversity and experience of board members.	1. Resources: Budget constraints and insufficient resources to meet mandated duties at desired levels 2. Staffing Shortages: Insufficient staff to perform, manage, and review consumer protection activities of licensing, enforcement, and education programs.
Opportunities	**Threats**
1. Pharmacist's Role: Pharmacy profession has large potential role in healthcare delivery. Pharmacists have opportunities in roles associated with patient care and not exclusively dispensing. 2. Technology/Automation: Promoting legislation and regulations to foster the use of technological advances by pharmacies, attainment of operational efficiencies, decreased administrative burdens, and enhanced patient care services. 3. Consumer Safety/Privacy: Promoting a nonpunitive learning environment approach to improving pharmacy patient safety. Continuing emphasis on patient safety by involving the pharmacist in patient care. 4. Public education: Increasingly informed consumers means the profession must be able to deliver public education on drug use safety and healthcare issues.	1. Board of Pharmacy staffing is insufficient to perform mandated duties at desired levels. 2. Board funding: Lack of funding for new programs; lack of fiscal control of board over much of its budget; budget constraints and deficits; hiring freeze. 3. Cost of pharmaceuticals: Impacts of the increasing costs of pharmaceuticals cannot be managed or controlled by the consumer or the board. 4. Pharmacy personnel shortage: Lack of licensees impedes the ability of patients to receive quality pharmacists care.

Healthy Californians Through Quality Pharmacist's Care

STRATEGIC PLAN

California State Board of Pharmacy
1625 North Market Blvd, Suite N-219
Sacramento, CA 95834
916 574.7900
916 574.8618 fax
www.pharmacy.ca.gov

Attachment 7

Organizational Development Committee Meeting Summary
October 16, 2006

California State Board of Pharmacy
1625 N. Market, Suite N-219, Sacramento, CA 95834
Phone (916) 574-7900
Fax (916) 574-8618
www.pharmacy.ca.gov

ORGANIZATIONAL DEVELOPMENT COMMITTEE
Meeting Summary
October 16, 2006
(a non-public meeting)
via teleconference

Present: Stan Goldenberg, Board Member and Chair
Bill Powers, Board President
Virginia Herold, Interim Executive Officer

Chairperson Goldenberg called the meeting to order at 9:15 a.m.

Recognition of Pharmacists Who Have Been Licensed 50 Years

Since July 2005, the board has acknowledged 591 pharmacists with 50 or more years of licensure. Eighteen pharmacists reached this milestone in October.

The pharmacists so honored receive a letter from the board president and a commendation. Each is invited to a future board meeting to be publicly recognized. Additionally, his or her name is published in the board's *The Script.*

Board Recognition of Notable California-Licensed Pharmacists

The committee discussed parameters for board acknowledgment of high-functioning or particularly noteworthy licensees who could and should be commended by the board. This item will be more fully discussed at a future meeting.

NABP Districts VII and VIII Meeting in California in October

The board hosted the NABP District 7 & 8 Meeting in Anaheim at the Disneyland Hotel on October 4-7.

Among the topics on the board's agenda were:

- a discussion session with the schools and board member attendees on intern experience,
- pandemic planning,
- the new DEA requirements for sales of pseudoephredrine by pharmacies, and
- Medicare Part D Issues.

Those present stated that the board had a highly successful program -- a great location, great weather, but most importantly, a great agenda. Carmen Catizone, executive director of the NABP, also commended us for a very good meeting, and expressed that the board hosted a great event.

Board Member Procedure Manual

The committee reviewed the updates to the *Board Member Procedure Manual*. This manual will be submitted to the board for review and approval.

Personnel Update and Training Report

Ms. Herold commented that there have been a number of changes in board's staff.

Off on leave:

- Manager Anne Sodergren, legislation and regulation coordinator, has been off work since August following birth of a girl. She will return to work part time in mid-October.
- Technician Angel Poindexter, who processes pharmacy technician applications, will be off until mid-November following an accident.
- Technician Amber Crosby, who processes pharmacist licensure exam applications will be off in November for the birth of her second child.
- Manager Christine Sanchez was married in September and is now Christine Soto. She was off for three weeks following her marriage.

Leaving the board:

- Cashier Veronica Hagen is leaving the board for a position in the Personnel Office of CalPERS, where there is a day-care center onsite.
- Vicki Betker, a consumer services analyst who has been with the board for approximately 10 years, is leaving the board for analyst position located in the downtown area of Sacramento to facilitate her commute.
- Julie Baker has decided to return to her prior employer, the California Highway Patrol. Ms. Baker was hired as a board receptionist in April and for the last few months, was working to learn the duties currently performed by Candy Place.

Since the last board meeting, we have hired:

- Carla Shulz, from the Secretary of State's Office, who is an enforcement technician.
- Jenny Nguyen as a seasonal file clerk for the Licensing Committee
- Lori Haley, who is an office technician and processing applications for the pharmacy technician and pharmacist examination desks.
- Tracy Shintaku, who was with the Board of Equalization, who will respond to subpoenas and other public records requests.
- Pending approval by the department's Personnel Office is a public outreach analyst

In November, the board will also lose to retirement:
Candy Place, who has been with the board for 10 years as an administrative analyst. Ms. Place has been a very strong support to the executive office and board members over the years.

Also:
The board is getting a new departmental counsel: Spencer Walker. Mr. Walker will replace LaVonne Powell, who has been the board's counsel for a total of about 10 years. Ms. Powell will continue with the board for six months as Mr. Walker learns about the board and the Department of Consumer Affairs.

Recruitment:

- Management Services Technician – to replace Ms. Place's position
- Enforcement Analyst – to replace Ms. Betker's position
- Office Technician – to replace Ms. Hagen's position
- Office Technician – as a board receptionist.

Inspector and Supervising Inspector:

The board has four inspector vacancies and one supervising inspector vacancy:

- A new, restored position effective 7/1/06
- Inspector Smith's position (vacant since 6/06)
- Inspector Grimm's position (vacant since 5/06)
- Inspector Bahrampour's position (vacant since 3/06)
- Supervising Inspector Ming's position (vacant since 7/1/06)

Inspectors Smith and Grimm transferred to public section pharmacist positions where they will make at least $24,000 more annually than at the board. This salary inequity has been a long-standing problem, and the board's staff has recently pushed for a salary adjustment for its pharmacists.

In early June, the board submitted a proposal to create such a salary differential here, since the board's inspectors perform duties comparable, if not more difficult, than those of other state pharmacist positions. At the July Board Meeting, the board unanimously supported this proposal. The board has received positive support for the proposal from the Department of Personnel Administration and the Department of Finance, but the actual approval has not yet been issued.

If approved, there will be an annual increase to each inspector and supervising inspector of $24,000 annually, raising inspector salaries to $99,660 and supervising inspector salaries to $103,460. The annual increase from these salaries to the board will be $552,000.

Meanwhile, the board is working with the department's Personnel Office to schedule a new civil service examination from which pharmacists can be hired to work for the board. This process will take at least three more months, and we hope to fill these

positions early next year. This is a priority for the board's senior staff. However, without a salary differential, it will be difficult to recruit quality pharmacists for these important positions.

Board Members:
D. Tim Daze was appointed as a public member in August.

The board currently has two public board member positions and one professional member positions vacant. All are governor appointments.

Budget Report

Budget Report for 2005/06:

Final budget figures for the prior fiscal year that ended June 30, 2006, will be provided to the board at the meeting.

Ms. Herold will provide a Power Point presentation on the budget so that all board members will have an idea of how the state (and therefore the board) does budgeting.

Current Year's Budget 2006/07

- *Revenue Projected: $9,277,920*

  Revenue for the next fiscal year is estimated to be comprised of $5,791,000 in fees and $157,000 in interest on money in the board's contingency fund.

  The board is currently projected to receive the final repayment of $3 million from the 2001 loan of $6 million from the board's fund to the state's General Fund during a period of California's budget crisis. There is also an additional $233,000 in interest that will be paid linked to the loan.

  Final revenue for the year also includes additional amounts for cost recovery and citations and fines. During the first quarter of this fiscal year, the board collected $75, 815 in citations and fines and $21,105 in cost recovery.

- *Expenditures Projected: $8,250,000*

  Expenditures for the new fiscal year are similar to last year. Some of the changes include:
  - -- Restoration of 2.5 of the 10 positions the board lost during the budget restrictions of the early 2000's. ($208,000)
  - -- An increase of $91,000 to cover increased hourly fees that will be charged by the Office of the Attorney General for legal fees (the hourly rate will be $158, up from $112 (or $120 for the LA Office) in 2003)
  - -- A reduction in rent of approximately $98,000

- *Board Fund Condition*

  The board ended the last fiscal year (on June 30, 2006) with a projected reserve of $7,285,000. This is 10.6 months of expenditures

  The board's fund condition projections over the next few years (as estimated in August 2006) are:
  - -- 2006-07: A reserve of 10.4 months is projected.
  - -- 2007-08: A reserve of 5.9 months is projected.
  - -- 2008-09: A reserve of 1.2 months is projected.

  A fee increase may be needed to take effect July 1, 2008 to prevent a deficit during 2008-09. Board staff will continue to watch these figures closely.

- *I-Licensing Project Update*

  Approximately seven DCA agencies have the ability to provide online license renewal due to participation in a project started under the Davis Administration. However, the state's budget crisis in the early 2000s prevented the Board of Pharmacy from joining this project, although the board has been striving to be added for years.

  The DCA is moving ahead with a project so other agencies can offer online application and renewal of licenses. A feasibility study report has been approved by the Department of Finance, and the board is in the first tier of new agencies that may be able to offer this service in the future. I am one of the project's "executive sponsors," which means that I may need to testify before the legislature or various other agencies to urge implementation of this project.

  The board is projected to spend $50,000 this fiscal year on programming specifications needed for our programs. In the next two years, we will spend $143,000 (2007-08) and $199,000 (2008-09) as our share of costs to implement this system department-wide.

  A detailed design meeting with the programmers is scheduled for October 31. The board is at least two years from implementing this system.

Executive Officer Recruitment

Note: Ms. Herold recused herself from this discussion and left the meeting room.

An update of this process will be provided at the board meeting.

Strategic Plan 2006-2011

The committee reviewed the new strategic plan that has been graphically designed by board Analyst Victor Perez.

Adjournment

There being no additional business, the committee meeting was adjourned at 10 a.m.

ORGANIZATIONAL DEVELOPMENT COMMITTEE

Goal 5: Achieve the board's mission and goals.

Outcome: An effective organization

Objective 5.1	Obtain 100 percent approval for identified program needs by June 30, 2011.
Measure:	Percentage approved for identified program needs
Tasks:	1. Review workload and resources to streamline operations, target backlogs and maximize services. *1st Qtr 2006:* *Monthly statistics of workload reviewed to identify backlogs.* *Sept. 2006:* *Supervision Inspector Meeting where management reviews all cases under investigation.* 2. Develop budget change proposals to secure funding for needed resources. *July 2006:* *Budget Change Proposals submitted for Administration review.* 3. Perform strategic management of the board through all committees and board activities. *Aug. 2006:* *Strategic plan approved at July 2006 Board Meeting. Staff redesigns quarterly reporting format for committee reports to the board.* 4. Manage the board's financial resources to ensure fiscal viability and program integrity. *Oct. 2006:* *Committee and board review budget figures for revenue and expenditures for 2005/06 and 2006/07. A fund condition report is also reviewed; possible fee increase is possibly needed to take effect July 1, 2008.*
Objective 5.2	Maintain 100 percent staffing of all board positions.
Measure:	Percentage staffing of board positions
Tasks:	1. Continue active recruitment of pharmacists for inspector positions. *Oct. 2006:* *Board has four inspectors and one supervising inspector vacancies. Staff is working with DCA on new civil service exams, and job analyses for both classifications have been done by incumbent board staff. Efforts to secure a $2,000 monthly recruitment and retention differential for inspectors is required before release of examination announcement. Meetings held with the Department of Finance, DCA and Department of Personnel Administration to secure the differential, which will provide parity with salaries paid to other state-employed pharmacists.* 2. Vigorously recruit for any vacant positions. *July-Oct. 2006:* *Board vacancies filled for: Enforcement Technician, Office Technician, Filing Clerk, and Public Records Request Analyst.* 3. Perform annual performance and training assessments of all staff.

Objective 5.3	Implement 10 strategic initiatives to automate board processes by June 30, 2011.
Measure:	Number of strategic initiatives implemented to automate board processes
Tasks:	1. Implement automated applicant tracking (ATS). *Oct. 2006:* *Progress continues on reviewing scenarios and pilot testing the system. DCA staff assigned to project leave and momentum is slowed. Anticipated completion date remains as December 2006.* 2. Implement online license renewal and application submission features (I-Licensing). *July 2006:* *Interim Executive Officer Herold put on DCA's executive sponsor committee for this project.* *Oct. 2006:* *The board meets with design staff to assure necessary program components are part of system specifications. The state's budget allocates $50,000 this year for development activities.* 3. Integrate telephone features to improve board services without adding staff resources. 4. Use the department's newly created "ad hoc" system to generate data for reports.
Objective 5.4	Provide for communication venues to communicate within the board by June 30, 2011.
Measure:	Number of communication venues to communicate within the board
Tasks:	1. Continue the Communication Team to improve communication among staff and host quarterly staff meetings. 2. Continue Enforcement Team meetings with board members and enforcement staff. 3. Convene annual inspector meetings to ensure standardized investigation and inspection processes, law and practice updates and earn continuing education credit.
Objective 5.5	Annually conduct at least 2 outreach programs where public policy issues on health care are being discussed.
Measure:	Number of outreach programs conducted in one year
Tasks:	1. Convene the Subcommittee on Medicare Part D Implementation. 2. Convene the Workgroup to Implement the e-pedigree. *Sept. 28 2006:* *Meeting convened in Sacramento, about 80 people attend. Presentations by EPCglobal, Supervising Inspector Nurse, McKesson and Johnson & Johnson.* 3. Host the National Association of Boards of Pharmacy District 7 and 8 Meeting in California. *Oct. 2006:* *Meeting hosted by the board; nearly 100 individuals attended.* 4. Attend outreach programs.

Objective 5.6	Respond to all public record requests within 10 days.
Measure:	Percentage response to public record requests within 10 days

Tasks:

1. Respond to public records requests within 10 days (e.g., license verifications, investigative/disciplinary information, licensing information).

	Qtr 1		Qtr 2		Qtr 3		Qtr 4	
a) License Verifications	N	%	N	%	N	%	N	%
≤ 10 days	91	45%						
11-30 days	76	37%						
31 + days	38	18%						
b) Disciplinary Information	N	%	N	%	N	%	N	%
≤ 10 days	14	54%						
11-30 days	6	23%						
31 + days	6	23%						
c) Licensing Information	N	%	N	%	N	%	N	%
≤ 10 days	52	70%						
11-30 days	12	16%						
31 + days	10	14%						

2. Respond to subpoenas within the timeline specified.

	Qtr 1	Qtr 2	Qtr 3	Qtr 4
Subpoenas Received	1			
Responded within required time	1			
Not responded to within required time	0			

3. Respond to specific requests for data reports list.

1st Qtr 2006: Submit agency statistical profile summarizing data for 2005-2006. Submit monthly report to director's office that highlights major activitites of board licensing and enforcement statistics.

State of California **Department of Consumer Affairs**

Memorandum **Date:** October 17, 2006

To: Board Members
Board of Pharmacy

From: Karen Cates
Assistant Executive Officer

Subject: **Executive Officer Recruitment**

At the July 27, 2006 board meeting, the board members voted to select a committee for the recruitment of a new Executive Officer. The Selection Committee consists of members Stan Goldenberg and Ken Schell. Joanne Ong, a representative of the Department of Consumer Affairs Human Resources, and myself will provide liaison assistance to the committee. Also at that meeting, Virginia Herold was appointed as the Interim Executive Officer.

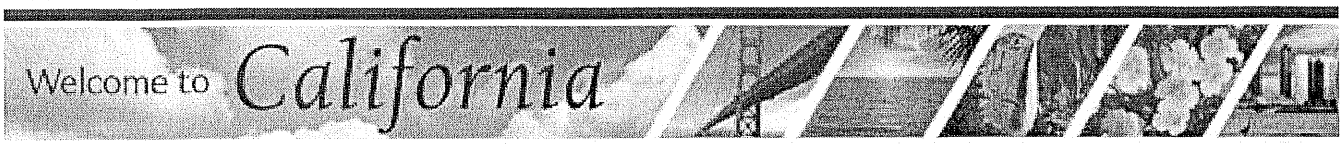
The Committee met on August 31, 2006 and approved the job duty statement and advertisement for the Executive Officer position. They also determined that November 1, 2006 would be the final filing date for this position.

The advertisement was posted on Sunday, September 17, 2006 with the San Diego Tribune, Los Angeles Times, San Francisco Chronicle and the Sacramento Bee. The posting with the Los Angeles Times and the Sacramento Bee included a 30-day online Internet ad. The job announcement is also posted on the State Personnel Board's Website.

The Selection Committee is planning to meet during the October board meeting to review the applications received as of October 23, 2006 for this position and to develop interview questions.

Initial interviews will be conducted by the Selection Committee and it is anticipated that final interviews of candidates will be conducted by the full board in closed session at its January 31, February 1 2007 board meeting.

California Home Tuesday, (



- SPB Home Page
- Employment Home Page

eNotify Me

Enter your email address to be notified when new **Executive Officer, Board of Pharmacy** vacancies are posted.

Start A New Search

View in Printer Friendly Format

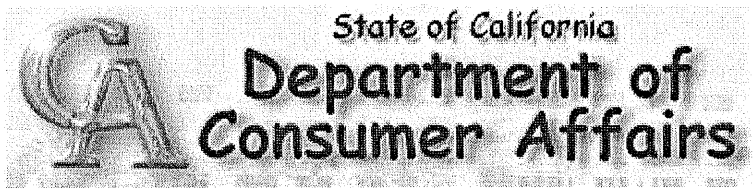
Notice: If you are not a current or former State employee, you must first take an examination to obtain list eligibility. This does not apply to Student Assistant vacancies. Learn all about it.

Equal Opportunity to all regardless of race, color, creed, national origin, ancestry, sex, marital status, disability, religious or political affiliation, age, or sexual orientation.

It is the objective of the State of California to achieve a drug-free state workplace. Any applicant for State employment will be expected to behave in accordance with this objective because the use of illegal drugs is inconsistent with the law of the State, the rules governing civil service, and the special trust placed in public servants.

Position Listing Details

Information



CONSUMER AFFAIRS, BOARD OF PHARMACY
There are 1 Open Exam Bulletin(s) listed for this department.

Title: Executive Officer, Board of Pharmacy
Salary: $7,460.00 - $8,068.00
Posted: 09/13/06

Job Description:
The Executive Officer (EO) is the primary point of contact and resource agent for the Board's 13 appoi The EO is responsible for interpreting and executing the intent of the Board's policies, for promoting th and mission, and serves as the Board's liaison with other state and governmental agencies and privat EO functions as the chief advisor and consultant to the Board in the formulation, development, implem advocacy of board programs and policies, and strategic plan objectives, taking into consideration eme issues, current statutes, fiscal constraints, staff resources and multiple priorities. The Executive Office the Board's chief operating officer and is accountable for the operation and management of all board p resources and staff. The EO establishes policies and has decision-making authority over all board ope delegates operational responsibility to subordinate executive staff and managers.

Desirable Qualifications: Applicant must have an administrative background with government experien legislative affairs, budgeting, strategic planning; have knowledge of the pharmacy profession and its p laws and regulations and must possess excellent communication skills. Minimum B.A. degree requirec

Title 11, Section 703(d) of the California Code of Regulations requires criminal record checks of all pe access to Criminal Offender Record Information (CORI). Pursuant to this requirement, applicants for t required to submit fingerprints to the Department of Justice and be cleared before hiring.

All interested candidates must submit resume and a standard State Application Form STD 678 (with o Applications will be screened and only the most qualified candidates will be interviewed.

Please contact Karen Cates at karen_cates@dca.ca.gov to obtain a copy of the job duty statem

Additional Information:

Working Title	Position Number
Executive Officer	632 - 110 - 8916 - 001
Location	County
Sacramento	SACRAMENTO
Timebase	Tenure
Full Time	Permanent month(s)
Final Filing Date:	Department Link:
11/01/2006	http://www.dca.ca.gov
Contact Unit/Address	*Contact Name/Phone*
Dept. of Consumer Affairs - Human Resources 1625 N. Market Blvd Ste N321	Jeffrey Sears (916) 574-8307

California State Board of Pharmacy
1625 N. Market Blvd., N219, Sacramento, CA 95834
Phone (916) 574-7900
Fax (916) 574-8618
www.pharmacy.ca.gov

STATE AND CONSUMER SERVICES AGENCY
DEPARTMENT OF CONSUMER AFFAIRS
ARNOLD SCHWARZENEGGER, GOVERNOR

STATE BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
PUBLIC BOARD MEETING
MINUTES

DATE: **July 27, 2006**

LOCATION: **State Capitol Building**
Room 4203
Sacramento, CA 95814

BOARD MEMBERS PRESENT:
William Powers, President
Kenneth Schell, Pharm. D., Vice President
Ruth Conroy, Pharm. D.
Stanley Goldenberg, R.Ph.
Clarence Hiura, Pharm. D.
Henry Hough
Robert Swart, Pharm. D.
Andrea Zinder

BOARD MEMBER ABSENT: Susan Ravnan, Pharm. D.

STAFF PRESENT:
Virginia Herold, Interim Executive Officer
Robert Ratcliff, Supervising Inspector
Judith Nurse, Supervising Inspector
Joan Coyne, Supervising Inspector
Joshua Room, Deputy Attorney General
Don Chang, Department of Consumer Affairs Legal Counsel
Anne Sodergren, Legislative Coordinator

CALL TO ORDER

President Powers called the public meeting to order at 9:00 a.m. on July 27, 2006.

PRESIDENT'S REPORT

President Powers announced three newly appointed board members Henry Hough, Susan Ravnan and Robert Swart. Dr. Ravnan was unable to attend the board meeting.

President Powers announced that Virginia Herold was appointed by the board as interim executive officer until a new executive officer is selected. Ms. Herold was selected interim executive officer in a closed session meeting conducted before the start of the public meeting.

President Powers officially swore in Virginia Herold as the interim executive officer of the California Board of Pharmacy. President Powers acknowledged former board member John Jones, who was in the audience.

COMMUNICATION AND PUBLIC EDUCATION COMMITTEE

- **Report on the June 28, 2006 Meeting**

  Chairperson Zinder stated that the Communication and Public Education Committee met on June 28, 2006, in a public session.

- **Update on the Development of Consumer Fact Sheet Series with UCSF's Center for Consumer Self Care**

  Chairperson Zinder provided the board with an update on the new fact sheets being developed by the UCSF's pharmacist interns.

  Nearly two years ago, the board approved a proposal to integrate pharmacy students into public outreach activities. The project chosen was the development of a consumer fact sheet series by pharmacist interns. This project is being coordinated by the UCSF Center for Consumer Self Care.

  The board has printed nine fact sheets developed under this program, and more are being written by the interns for release before the end of the year. The fact sheets contain general information on a health care topic, and contain questions consumers can discuss with their pharmacists on making wise decisions in the subject area.

  The nine fact sheets available publicly are now being translated by the board into Spanish, Chinese and Vietnamese. These are:

General Pharmaceutical Care Issues

1. "Is Your Medicine in the News?"
2. "Generic Drugs . . . Real Medicines at High Quality, Low Cost"
3. "Lower Your Drug Costs So You Can Keep On Taking Your Medicines"
4. "Don't Flush Your Medicines Down the Toilet"

Medicine Safety

5. "What's the Deal with Double Dosing? Too Much Acetaminophen, That's What!"
6. "Ever Miss a Dose of Your Medicine? Here are some Tips"
7. "Thinking of Herbals? Check Carefully Before You Take Them with Medicines"

Health Topics

8. "Diabetes – Engage Your Health Team"
9. "Did You Know? Good Oral Health Means Good Overall Health"

The board distributes these materials at consumer outreach fairs and they are listed on the Web site so interested individuals can access them. The board is promoting their availability in the next *The Script*. Pharmacists are encouraged to download and photocopy these materials for patients. The format of each one-page fact sheet has been designed to be attractive when photocopied. The fact sheet on disposing of unwanted medication is of special note and will be highlighted in *The Script*. Former Board Member John Jones referred to the fact sheet "Don't Flush Your Medicines Down the Toilet," and stated that it is important to inform the public about how to safely dispose of prescription drugs.

President Powers expressed concern regarding the lack of information available to consumers about how to take their medicines and encouraged the additional development of materials.

- **Update on Activities of the California Health Communication Partnership**

Chairperson Zinder stated that the board is a founding member of California Health Communication Partnership. This group is spearheaded by the UCSF's Center for Consumer Self Care to improve the health of Californians by developing and promoting consumer health education programs and activities developed by the members in an integrated fashion. The function of the group is to develop or disseminate integrated public information campaigns on priority health topics identified by the partnership members.

At the June Communication and Public Education Meeting, Bill Soller, PhD, of the Center for Consumer Self Care, made a presentation about the recent activities of the partnership. Past campaigns are:

2004-05: Preserve the Treasure – avoiding antibiotic overuse.
2005: Generic Medicines – same as brand names at lower costs.
2005: It's Your Life – breast cancer and prostate cancer screening.

The partnership is moving ahead with the fourth project – a 2006 version of last year's highly successful "It's Your Life" cancer screening campaign. The 2006 campaign is "It's Your Life, Do it Today." Again the Center for Consumer Self Care has received funding from a private foundation, which will greatly broaden the outreach effects through use of a firm that specializes in dissemination of public service announcements and prewritten articles to a diversity of media outlets nationwide.

Later this summer, the partnership will resume work on other future campaigns:

2006: Generic Medicine
2006: Diabetes and Aspirin

Chairperson Zinder stated that the committee also discussed the importance of public education campaigns about pharmacist-to-patient consultation since many consumers are not aware of this requirement and the importance of seeking and following a pharmacist's knowledge of drug therapy and how this can benefit their health. The committee suggested that some form of outreach to educate other health care providers about a pharmacist's requirement to consult would benefit both providers and patients. The board's representatives will also encourage a future campaign in this area.

Written information handed to patients with their prescription medication was also discussed. The issue is that only 44 percent of patients surveyed stated that they read the material provided to them with their medications. Concern is that this percentage may be higher than actually occurs because patients know they should read this material, and don't want to admit that they are not reading it.

There is need to encourage patients to read the label and especially seek out black box warnings.

Mr. Goldenberg stated that pharmacies are becoming information centers and the Communication and Public Education Committee has a great opportunity to produce the information that will assist in promoting better public health to consumers, and can be distributed by pharmacies.

Mr. Goldenberg suggested that the board advertise in *The Script* the information available on the board's Web site. Ms. Herold added that the next issue of *The Script* will focus on the availability of information on the board's Web site.

- **Approval of Committee's Strategic Plan**

Ms. Zinder stated that the committee supports the new objectives and activities in the strategic plan.

MOTION: Communication and Public Education Committee: That the Board of Pharmacy approve the Committee's Strategic Plan for 2006-07.

SUPPORT: 7 OPPOSE: 0

- **Update on *The Script***

Chairperson Zinder stated that the next board newsletter, *The Script*, will be published in August 2006, distributed to California pharmacies and placed on the board's Web site. The Pharmacy Foundation of California will publish and mail the newsletter to California's pharmacists. The newsletter will resume listing disciplinary actions taken. The name of the licensee will be listed along with the disciplinary action.

The board will also publish statistics on the top 10 corrections ordered during inspections and the types of fines the board has issued under the citation and fine program.

- **New Consumer Materials**

Chairperson Zinder stated that the new state's budget took effect on July 1, 2006, and restores a half-time position for its public education and licensee education duties that was lost during the hiring freezes of the early 2000s. The board will fill this position on a full-time basis because the need is so great for these materials. Recruitment is now underway.

1. **Targeted for development is:**

   - *Prescription Drug Discount Program for Medicare Recipients.*
   - The Beers List of Medications that should not be provided to elderly patients.
   - Update of Facts About Older Adults and Medicines (revision).

2. **Web Site Modification:**

   Kim Delong, board analyst, gave a presentation on the new "Enforcement Actions" feature on the board's Web site. This feature allows access of key documents involved with formal discipline of a licensee directly from the Web site by accessing the licensee's name. Additionally, another section lists all formal disciplinary actions taken in a three-month period. The board also is redesigning its Web page, which should be unveiled in August.

3. **AB 2583's Requirements to Add to the "Notice to Consumers"**

The board received an update on new consumer materials developed by the committee. Draft language was shared for an addition to the Notice to Consumers poster that would comply with a proposal in AB 2583 (Nation).

Mr. Goldenberg referred to AB 2583 and the consideration to have more than one poster in the pharmacy. He expressed concern that too many notices in a pharmacy may go unread. If AB 2583 is enacted, the board would be required to add a statement that describes a patient's right to obtain medication from a pharmacy:

1. even if a pharmacist has ethical, moral or religious grounds against dispensing a particular drug, in which case protocols for getting the patient the medication are required.
2. unless based upon the pharmacist's professional training and judgment that dispensing a drug is contrary to law or the drug would cause a harmful drug interaction or otherwise adversely affect the patient's medical condition.
3. unless the medication is out of stock or not available from the pharmacy.
4. unless the patient cannot pay for the medication or pay any required co-payment.

The committee noted that the addition of this material to the Notice to Consumers will be a challenge because the current poster is very full of text already. The exact text required by AB 2583 will need to eventually be promulgated in a regulation. The committee considered options for the poster:

1. Eliminating some material currently required on the Notice to Consumers
2. Increasing the size of the poster
3. Graphically redesigning the poster

The committee recommends that the board comply with AB 2583 by developing a new and second poster because the content of the new notice would be so different from the current required language.

The committee reviewed two drafts of language developed by staff to comply with this requirement and selected as a working text, the following:

California law provides that patients have the right to get prescription medicine timely from a pharmacy unless:

1. the pharmacist believes the prescription was <u>not</u> lawfully written
2. the pharmacist believes that the medicine, if provided, would harm the patient
3. the patient cannot pay for the medicine or pay the co-payment

The pharmacy is required to help you get your medicine timely even if the pharmacy does not stock or is out of the medicine, or if the pharmacist has ethical, moral or religious reasons why he or she will not provide it. In this case, the pharmacy may transfer your prescription to a pharmacy of your choice.

If you have questions, ask the pharmacist or contact the California State Board of Pharmacy.

The committee will work on the development of a new draft notice in future meetings. It may also be important to include information about a patient's right to pharmacist consultation on this poster as well.

- **Update on Public Outreach Activities**

Chairperson Zinder provided an update on the board's public outreach activities in the last quarter. Five presentations were made to students in schools of pharmacy, four information booths were hosted at public education events, and three presentations on pharmacy law were made to pharmacy associations or other professional groups.

LICENSING COMMITTEE

- **Report on the Meeting of June 15, 2006**

Chairperson Conroy reported on the Licensing Committee Meeting held June 15, 2006.

Chairperson Conroy acknowledged various pharmacy students from universities in the audience.

- **Recommendation to Recognize the School of Pharmacy at the University of Appalachia. (Title 16 CCR § 1719)**

Chairperson Conroy stated that the University of Appalachia College of Pharmacy (UACP) is requesting that the Board of Pharmacy recognize its school of pharmacy for purposes of approving intern applications. Current regulation, California Code of Regulations, Title 16, section 1719, states that a "recognized school of pharmacy" means a school accredited, or granted candidate status, by the Accreditation Council for Pharmacy Education (ACPE).

UACP was granted pre-candidate status by the ACPE in June 2005 to admit the first class of students in August 2005. Ms. Herold stated that according to the ACPE, the UACP is continuing to advance toward candidate status.

MOTION: Licensing Committee: That the Board of Pharmacy recognize the School of Pharmacy at the University of Appalachia for purposes of issuing intern pharmacist licenses.

SUPPORT: 7 OPPOSE: 0

- **Approval of the Licensing Committee's Strategic Plan**

Chairperson Conroy stated that at the April Board Meeting, the board updated its strategic plan. At the last meeting the Licensing Committee reviewed each of the 12 strategic issues for content and relevancy to the goal of licensing. The committee reviewed each of the five objectives for relevancy under each strategic issue. Additionally, activities have been added to the plan to achieve the objective and board goal.

MOTION: Licensing Committee: That the Board of Pharmacy approve the Strategic Plan of the Licensing Committee.

SUPPORT: 7 OPPOSE: 0

- **Restrictions on the Transfer of California Pharmacist License to Other States**

Chairperson Conroy stated that in a memorandum dated March 31, 2006, the National Association of Boards of Pharmacy reported on the state restrictions for license transfer. State restrictions prevent a pharmacist licensed in one state who wishes to become licensed in another state from transferring the North American Pharmacist Licensure Exam Score (NAPLEX) to the new state. While most states do reciprocate with each other; several states do not allow an applicant to transfer exam scores when using a particular license for the basis of transfer. Currently there are 26 states that do not allow a pharmacist from California to transfer a NAPLEX score to another state. As a result, such pharmacist would have to retake the NAPLEX.

The Licensing Committee requested that staff contact these 26 states to determine why a California license cannot be used for the basis of the transfer and determine what options would facilitate revision of their policy.

- **Licensing Statistics 2005/06 – Review**

The board reviewed licensing statistics for fiscal year 2005-06.

Dr. Schell noted that recently there were delays with the board's processing of pharmacists-in-charge applications.

Ms. Herold indicated that in the months of May and June there was an unusually large amount of new pharmacy applications processed due to the change of ownership structure of

Albertsons and Longs group purchase of a number of pharmacies. Unfortunately, this application process took a substantial amount of staff time from other processing duties.

- **Competency Committee Report**

The overall pass rate for fiscal year 2005-06 on the California Pharmacist Jurisprudence Examination (CPJE) is 79.9 percent. Detailed statistics on examine performance are provided at the April and October board meetings.

Chairperson Conroy stated that the Office of Examination Resources (OER) within the Department of Consumer Affairs is seeking a new contract with a vendor to provide computer based testing through requests for Proposal (RFP) process. Currently a new RFP has been released, with an award date in the fall. The award and activation of the contract are important to the board to continue computer-based test administration for the CPJE.

- **Recognition of Pharmacists Who Have Been Licensed for 50 Years:**

President Powers recognized pharmacists with 50 years of service who were present in the audience and publicly commended them. The pharmacists were given a Board of Pharmacy pin for 50 years of service.

President Powers thanked each pharmacist attending the board meeting for making the effort to attend the meeting.

  - Anthony Petrulakis, licensed since 1955, stated that it has been a pleasure and an honor to be in his profession and he had enjoyed each day at work. He stated that it was a very rewarding career for him. He thanked the board for this recognition.

  - Kenneth Costello, licensed since 1955, stated that the most rewarding part of his experience as a pharmacist was the opportunity to help people and talk with their families. He added that many changes occurred through the years, but he felt these have generally been positive.

  - Mr. Richard Wayland, licensed since 1956, stated that he felt his pharmacist career was rewarding throughout the years.

  - Mr. William Gellen, licensed since 1956, stated that he has worked as a pharmacist for the past 50 years, and continues to work today.

ENFORCEMENT COMMITTEE

Mr. Goldenberg stated that in 2004, the Board of Pharmacy sponsored SB 1307 (Figueroa), which was signed by Governor Schwarzenegger and became law on January 1, 2005.

The bill made various changes to the wholesaler requirements and distribution of dangerous drugs. Most of the changes strengthened and clarified the requirements for the distribution of dangerous drugs and dangerous devices in California.

- **Report on the Enforcement Committee and Meeting of the Workgroup on E-Pedigree of June 20, 2006.**

Chairperson Goldenberg reported on the Enforcement Committee meeting on June 20, 2006.

- **Request to Delay Implementation of Electronic Pedigree to January 1, 2008.**

Over the last year, the Enforcement Committee has been monitoring the implementation of this legislation especially the implementation of the pedigree requirement. The bill requires an electronic pedigree by January 1, 2007 and gives the board the authority to extend the compliance date to January 1, 2008.

The purpose of the pedigree is to maintain the integrity of the pharmaceutical supply chain in the United States. At the February board meeting, the board agreed to form a workgroup on E-Pedigree

Meanwhile, based on concern by the industry that they will be unable to meet the January 1, 2007 implementation date for the pedigree requirement, the Senate Business, Professions and Economic Development Committee introduced SB 1476 (Figueroa) to extend the implementation date to January 1, 2008. At the April meeting, the board did not take formal action to extend the implementation date to January 1, 2008. However, the board did take a support position on SB 1476. They took this position "reluctantly.".

At the June Enforcement Committee and Workgroup on E-Pedigree Meeting, Ilisa Bernstein, PharmD, JD, Director of Pharmacy Affairs, Office of the Commissioner of the FDA and William McConagha, Associate General Counsel, Office of the General Counsel presented, via telephone, recent actions by the FDA regarding the implementation of the regulations related to the Prescription Drug Marketing Act of 1987 (PDMA).

Dr. Bernstein provided a history of the Prescription Drug Marketing Act of 1987 (PDMA), and as modified by the Prescription Drug Amendments of 1992, that established requirements related to the wholesale distribution of prescription drugs. A primary purpose of the PDMA is to increase the safeguards to prevent the introduction and retail sale of substandard, ineffective, and counterfeit drugs in the U.S. drug supply chain.

Section 503(e)(1)(A) of the Act establishes the pedigree requirement for prescription drugs. A drug pedigree is a statement of origin that identifies each prior sale, purchase, or trade of a drug, including the date of those transactions and the names and addresses of all parties to them. Under the pedigree requirement, each person engaged in the wholesale distribution of a prescription drug in interstate commerce, which is not the manufacturer or an authorized

distributor of record for that drug, must provide to the person who receives the drug a pedigree for the drug. The PDMA states that an authorized distributor of record is a wholesaler that has an "ongoing relationship" with a manufacturer to distribute that manufacturer's drug. However, the PDMA does not define "ongoing relationship."

In 1999, the FDA published the final regulations implementing the PDMA. The regulations were to take effect in December 2000. After publication of the 1999 final rule, the agency received comments objecting to some of the provisions. The regulations defined "ongoing relationship" to include a written agreement between a manufacturer and wholesaler. The regulation specified the fields of information to be included in the drug pedigree and that this information must be traceable back to the first sale by the manufacturer. Based on concerns raised by various stakeholders, the agency delayed the effective date of these regulations several times.

In February 2004, the FDA delayed the effective date of these regulatory provisions until December 1, 2006, in part because the stakeholders in the U.S. drug supply chain informed the FDA that the industry would voluntarily implement electronic track and trace technology in 2007. If widely adopted, this technology would create a electronic pedigree that would document the sale of a drug product from the place of manufacture through the U.S. drug supply chain to the final dispenser and if properly implemented would meet the requirements of the PDMA regulation.

In June 2006, the FDA noted that although progress had been made, the use of electronic pedigree would not be widely adopted by 2007. The FDA stated that it did not intend to delay the effective date of the regulations beyond December 1, 2006. Therefore, the provisions defining an "ongoing relationship" and setting forth the pedigree requirements will go into effect in December 2006.

Dr. Bernstein stated that the enforcement priorities of the FDA would reflect a phased–in approach to the enforcement of the stayed pedigree provisions. The FDA contends that by providing guidance on the types of drugs that are of greatest concern, wholesale distributors will have a better idea of where and how to focus their initial energies as they implement systems to come into compliance. The policy guide will expire one year from the issue date of the final document.

Dr. Bernstein explained that the FDA Counterfeit Drug Task Force also recommended that stakeholders continue to expeditiously implement widespread use of e-pedigree across the drug supply chain and that the FDA would provide technical assistance if legislation related to e-pedigree is considered in Congress. It is desired that stakeholders continue moving forward in implementing RFID across the drug chain. The FDA is also working on an RFID Impact Study examining drugs and biologics, and publicly will share the results.

The Task Force's recommendation is that the pedigree would be to the individual drug product package which would require mass serialization and that the NDC number should

continue to be closely associated with the product, and for non-line-of-sight technology, such as RFID, the unique identifier for the product should either include an encrypted NDC number or an accessible link to the NDC number to protect privacy. There should be one numbering schedule in the drug supply chain. To implement a universal and nationally uniform pedigree would require that the PDMA be amended by Congress.

Dr. Bernstein acknowledged and commended the California Board of Pharmacy in its effort to implement an electronic pedigree for prescription drugs. For a secure supply chain, FDA contends that it is imperative that there be transparency and accountability. The widespread adoption of electronic track and trace holds tremendous promise in securing the U.S. supply chain and the lifting of the stay of the PDMA regulations will provide a more effective enforcement of the law. Further, stakeholders (manufacturers, wholesalers, pharmacies, states and the Federal government) must remain vigilant in their responsibility to deliver safe and effective drugs to patients.

The California Pedigree Working Group (CPWG), which is comprised of five trade associations representing all sectors of the pharmaceutical supply chain submitted its comments to support its request to extend the implementation date of the electronic pedigree. It was noted that more than 70 representatives – from over 22 manufacturers, six distributors, nine trade associations, seven pharmacy chains and providers met twice to develop a unified position regarding the electronic pedigree requirements and focused on ensuring that solutions put in place do not limit or otherwise impede patient access to authentic products.

The members of the CPWG stated that there are substantial issues that make the adoption of any electronic pedigree system impossible by January 1, 2007. Neither the industry nor the technologies are capable of complying with board's goals at this time.

The working group explained that an extension of the electronic pedigree implementation date would provide the opportunity to continue to develop effective, interoperable solutions for California that will enhance security throughout the supply chain. It would allow time to develop a compliance model based on reasonable and unified steps and to create a non-disruptive and more effective electronic pedigree system. This time would also allow the industry to more carefully and thoroughly introduce major changes within the supply chain that the statutory mandates require.

The CPWG provided the following reasons to extend the implementation date: (1) no uniform standards in place for a drug pedigree (2) the supply chain lacks alignment in critical areas that it needs to resolve such as technology, processes, data security, resource availability, and agreement on the channels through which products should flow (3) a lack of consistency among states and federal requirements – California's pedigree requirements are unprecedented and unparalleled to other states and the federal requirements.

The CPWG identified short-term milestones that the industry agreed to continue working on in order to progress toward compliance:

- Develop Standards – The first step is to establish standards for product identification, data sets, ownership, and sharing, and interoperability. It is anticipated that the electronic pedigree messaging standards will be adopted by mid-November. Once adopted, it is anticipated that testing will begin around March 2007.

- Support Technologies – While some guidelines for exchanging product information have been developed for use between manufacturers and distributors, this transaction is not a pedigree document. However, it may contain information to assist in the creation of a pedigree. How the new and existing capabilities can be linked needs to be explored.

- Support Education – The CPWG will work to develop education vehicles for preparing its various members for compliance by sharing best practices.

The CPWG stated that it would continue to pilot approaches to define best practices for implementing and managing electronic pedigree solutions. Once there is interoperable software, the supply chain can begin to pilot and validate these systems for use. As an interim step to assure a safe supply chain, it was recommended that the board adopt the "primary distribution channel regulatory" model. This would be in addition to the use by pharmaceutical companies of a variety of counterfeit-resistant technologies on drug packaging and labeling.

The California Pharmacists Association and the California Society of Health-Systems Pharmacists provided a letter in support of an electronic pedigree to assure a secure drug supply in the United States and commended the board with its efforts in addressing such an important safety issue. However, they cautioned the board that there are serious hurdles that must be overcome before such a system can be put in place. Therefore, they requested that the implementation date be extended substantially beyond 2007 to allow time to work in concert with the federal government in implementation of the PDMA.

It is their position that the extension should be coupled with adoption of a single standard, interoperability, sightless reading, ease of use and reasonable cost. The additional time will also allow for resolution of other questions, such as the application of the pedigree requirement to the transfer of drugs not addressed in current law (samples, "recycled" drugs) as well as other issues that periodically surface as the electronic pedigree system is developed. They concluded their letter by advising the Board of Pharmacy that forging ahead with electronic pedigree implementation too quickly will result in substantial, and perhaps disastrous disruptions of the current drug distribution system resulting in unintentional harm or delay of medication to the patient.

During the board meeting, Mr. Goldenberg provided comments regarding the problems with counterfeit drugs and drug diversion. He discussed how the rising costs of drugs have made it marketable for counterfeit drug makers to profit, and how dangerous these counterfeit drugs can be to consumers. He expressed that a primary focus of the board is to insure that all drugs in California are as secure and safe as possible, and standards to prevent counterfeiting need to be in place as quickly as possible.

Ms. Herold stated that there is a need for additional enforcement committee meetings to address the concerns of implementation of the electronic pedigree. Moreover, there have been a number of inquires from the Senate Business and Professions Committee staff, who are working on amendments to SB 1476 to strengthen the law if a further delay is sought.

Ms. Herold emphasized one important component missing from existing requirements is that in the event a counterfeit drug is determined in the system, that patients, as well as the board are notified. Other items that may be amended into the bill are a longer delay past 2008 for implementation, new requirements for serialization and interoperability, and the prioritization to first establish an electronic pedigree for the drugs most likely to be counterfeited.

- **Comments from the public**

Steve Kyle, a pharmacist from the audience addressed the board about prescription errors. He stated that many times the prescriptions his pharmacy receives are prescriptions written by prescribers who write information for the wrong drug. Mr. Kyle inquired how he could get assistance with this issue.

President Powers advised Mr. Kyle to contact Senator Speier's Office and speak with the person who is working on the SCR 49 Task Force.

- **Approval of the Committee's Strategic Plan.**

Mr. Goldenberg stated that at the April board meeting, the board updated its strategic plan. However, several key tasks remained to finalize the new plan. To finalize the new plan, the Enforcement Committee reviewed and updated its segment of the strategic plan.

At the last meeting the Enforcement Committee reviewed each of the five strategic issues for content and relevancy to the goal of enforcement. Then the committee reviewed each objective for relevancy under each strategic issue. As a result, some activities were added.

MOTION: Enforcement Committee: That the Board of Pharmacy approve the strategic plan for the Enforcement Committee.

SUPPORT: 7 OPPOSE: 0

- **Recognition of Former Executive Officer Patricia Harris**

President Powers recognized former Executive Officer Patricia Harris, who was in the audience. President Powers stated that during Ms. Harris' tenure and leadership as the Executive Officer of the Board of Pharmacy, she had secured multiple initiatives that have strengthened consumer protection in California patients. He stated that Ms. Harris was highly respected and liked by board members, staff, and stakeholders for her integrity, honesty, and hard work.

President Powers thanked Ms. Harris for her tireless efforts and dedication to the state of California and its consumers.

The board presented Ms. Harris with a commemorative clock to thank her for her dedication to public safety over the years.

Ms. Harris thanked everyone for their kind words, and she stated that her accomplishments were made possible by the dedication and assistance of the staff, board members, and stakeholders. She expressed how fortunate she felt to have worked with these groups, and that she would miss everyone.

LEGISLATION AND REGULATION COMMITTEE

Chairperson Schell stated that the Legislation and Regulation Committee has not met since the April Board Meeting.

Chairperson Schell announced that Anne Sodergren is the board's new legislative coordinator.

Regulation Report and Action

Board Approved – Pending Administration Approval

- **Adoption of Proposed Addition of 16 CCR § 1727.1 – Exemption for Intern Pharmacist Addresses from Posting Online**

Chairperson Schell stated that on October 25, 2005 the board approved section 1727.1 to exclude the posting of pharmacist intern addresses of record on the board's Web page. This proposed rulemaking was filled with OAL for review and approval. It is anticipated that this regulation will be effective in the fall of 2006.

- **Adoption of Proposed Amendment to Repeal 16 CCR § 1717(e) and to add 16 CCR, § 1713 –Prescription Drop Boxes and Automated Self-Use Delivery Devices for Refill Prescriptions**

Chairperson Schell stated that on April 26, 2006, the board voted to amend section 1717(e) and adopt section 1713. These changes would allow the use of prescription drop off boxes in areas outside a licensed pharmacy premises, and authorize the use of automated delivery machines for refill medications. Staff completed the necessary 15-day notice as required in May 2006 to incorporate changes approved by the board during the April Board Meeting. As no new comments were received relevant to the specific changes made by the board, board staff is moving forward to compile the rulemaking file to submit for administrative review. It is anticipated that this regulation will be effective early next year.

- **Adoption of Proposed Amendment to 16 CCR § 1793.7 and 1793.8 Pharmacy Technician Checking Pharmacy Technicians in and Acute Care Hospital Pharmacy**

  Chairperson Schell stated that on April 26, 2006, the board approved an amendment to CCR 1793.7 and to adopt CCR 1793.8 to define the conditions under which a pharmacy technician may check the work of another technician. Board staff is adding materials to the rulemaking file (to formally admit underlying studies, written legal opinions and other relevant background information that were not included in the Initial Statement of Reasons) which requires a 15-day notice.

  Chairperson Schell stated that the regulation package is being completed for administrative review. Staff completed 15-day notice, as of now there are no new comments; the board is moving forward and the anticipated effective date is 2007.

Board Approved – Awaiting Notice

- **Proposed Amendment to Repeal 1717.2 – Notice of Electronic Prescription Files**

  Chairperson Schell stated that the purpose for repealing this regulation is to remove barriers that prevent pharmacists, in certain situations, from having full knowledge of all the prescription drugs that a patient is taking. Removing this barrier will result in better patient care while protecting patient medical record privacy. Due to staff changes, the initial rulemaking documents have not yet been completed.

- **Proposed Amendment to 16 CCR § 1760 – Disciplinary Guidelines**

  Chairperson Schell stated that this rulemaking would allow the board to use the 2006 revision of the disciplinary guidelines when assigning appropriate disciplinary actions for violations for pharmacy law. He stated that the guidelines will be ready for public notice at the October board meeting this year.

- **Proposed Adoption to 16 CCR § 1784 – Self Assessment of a Wholesaler by the Designated Representative-In-Charge**

Chairperson Schell stated that staff has completed the necessary documents to release this regulation for a 45-day notice. The board will take action on the regulation at the October 2006 meeting.

Board Approved – Awaiting Adoption by the California Building Standards

- **Addition to the California Building Code – 24 CCR 490A.3 and 505.12.2 Related to Compounding Parenteral Solutions; Technical Changes to the Building Code Relating to Pharmacies**

  Chairperson Schell stated the board was recently advised about new procedures needed for the Building Standards Commission to adopt this rulemaking. The board needs to compile additional materials for submission to the California Building Commission.

- **Board Approved – Pending Action at the January 2007 Board Meeting**

  - Proposed Amendment of 16 CCR § 1706.2 - Abandonment of Application Files for Veterinary Food-Animal Drug Retailer, Hypodermic Needle and Syringes Distributor and Designated Representative

  - Proposed Amendment to 16 CCR § 1709.1 – Replace the term "Exemptee-in-Charge" with "Designated Representative-in-Charge" (Section 100 Technical Change)

  - Proposed Amendment to Repeal 16 CCR § 1717.2 – Notice of Electronic Prescription Files

  - Proposed Amendment to CCR § 1760 – Disciplinary Guidelines

  - Proposed Amendment to CCR § 1775.4 – Reschedule of an Office Conference to Contest a Citation

  - Proposed Amendment to CCR § 1780 – Update the USP Standards Reference Material (Section 100 Technical Change)

  - Proposed Amendment to CCR § 1780.1 and 1781 – Replace the term "Exemptee" with "Designated Representative"

  - Proposed Adoption to CCR § 1784 – Self-Assessment of a Wholesaler by the Designated Representative-in-Charge

  - Proposed Repeal of 16 CCR § 1786 – Exemptions for a Supplier

- **Board Approved - Proposed Language To Be Developed**

Chairperson Schell stated that at the April Board Meeting, the board agreed to move forward with a proposed regulation on the processing criteria to approve accreditation agencies for pharmacies that compound sterile-injectable products.

Legislation Report and Action

Chairperson Schell stated that the board took the following positions on the following bills at the April 2006 meeting.

Board-Sponsored Legislation

- **AB 595 (Negrete- McLeod) Pharmacy: Compounding of Prescription Drugs**

This bill is sponsored by the board to establish standards for pharmacies that compound medication. The board approved this legislative proposal at its January 2005 meeting and the bill is now on the Senate Floor. Staff has continued to meet with the Department of Health Services, which has an oppose unless amended position on the bill, to address their concerns to ensure the successful passage of this legislation.

- **AB 2408 (Negrete- McLeod) Pharmacists, Pharmacies, and Nonresident Pharmacies.**

Chairperson Schell stated that this bill would update the definition of a pharmacy, nonresident pharmacy, and the professional practice of pharmacy.

The board recently received opposition from the California Medical Association (CMA). Board staff is working with CMA to address their concerns during the Legislature's summer recess. This bill has been referred to the Senate Appropriations Committee.

- **SB 1475 (Senate Business and Professions and Economic Development Committee) Omnibus Bill.**

The board approved eight proposals for the omnibus bill; however, only three of the eight proposals are currently in the bill principally due to a problem with Senator Morrow's office. This bill has been referred to the Assembly Appropriations Committee. Meanwhile, staff is working to have the rest of the amendments sought by the board added to the bill.

<u>Proposals in SB 1475</u>

B&P 4104 Licensed Employee, Theft, Impairment: Pharmacy Procedures.
B&P 4162 Wholesalers Surety Bond Requirements.
B&P 4180-4182 and 4190-4192 Nonprofit or Free Clinics.

Proposals NOT in SB 1475

B&P 4314 & 4315 Cite and Fine, Letter of Admonishment.
B&P 4084 Adulterated or Counterfeit Drug or Dangerous Device.
B&P 4160 Wholesaler License.
B&P 4127.1 Injectable Sterile Drug Products.
B&P 4073 Substitution of Generic Drug, Check off Box on Electronic Prescriptions.
B & P 4162.5 Wholesale License Surety Bond Requirements. (This amendment was approved for inclusion at the April 2006 Board meeting.)

Pending Legislation Related to the Practice of Pharmacy

- **AB 2583 (Nation): Dispensing prescription drugs and devises: refusal to dispense.**

This bill would require that the Notice to Consumers poster that must be posted in pharmacies be changed to contain a statement describing patients' rights relative to access to prescription drugs or devices.

The board initially had an "oppose unless amended" position on this bill. Amendments were made to the bill that require the board to modify the existing Notice to Consumers to advise patients of these rights. At the direction of the board president, the board's position was changed after these amendments were made to a support position immediately before the Senate policy committee hearing. This bill has been referred to the Senate Appropriations Committee.

- **SB 1476 (Figueroa): Board Sunset Extension Bill.**

Chairperson Schell stated that this bill will extend the board's sunset date two years, from 2008 to 2010. The board's sunset report to the Legislature will be due September 2008, instead of September 2006. Additionally the measure would repeal Business and Professions section 4163.5, effectively moving the implementation date of the electronic pedigree requirement from January 1, 2007 to January 1, 2008.

The board's Enforcement Committee has been holding quarterly meetings with pharmacies, manufacturers, and wholesalers on the implementation progress of the electronic pedigree requirement. Amendments are expected to extend the implementation date to 2009, and make several other changes including interoperability, serialization and notice to the board about counterfeiting.

Chairperson Schell added that this bill has been referred to the Assembly Appropriations Committee.

- **ARJ 40 (Chan): Medicare Prescription Drugs.**

This resolution was signed by the Governor (Res. Chapter 60, Statues of 2006). This resolution advocated the enactment of H.R. No. 3861, "The Medicare Informed Choice Act of 2005." The board sent a support letter to the author in late April.

2006 Bills of Interest

- **AB 2198 (Houston): Health Care: Controlled Substances and Dangerous Drugs.**

  Chairperson Schell stated that this bill revises and recasts existing law relating to the prescribing or administration of drugs for the treatment or management of pain, and provides that physicians who have a medical basis for prescribing or administering dangerous drugs or controlled substances will not be subject to disciplinary action or prosecution under specified circumstances. This bill revises and recasts provisions relating to physicians who prescribe, dispense, or administer a controlled substance to an addict or habitual user, and recasts and broadens the Intractable Pain Treatment Act.

  This bill has been referred to the Senate Appropriations Committee

- **AB 2308 (Plescia) - Ambulatory Surgical Centers: Licensure.**

  This bill would require the Department of Health Services (DHS) to convene a workgroup to develop licensure criteria to protect patients receiving care in ambulatory surgical centers, and to submit workgroup conclusions and recommendations to the appropriate policy committees of the Legislature no later than March 1, 2007.

  This bill has been referred to the Senate Appropriations Committee.

- **AB 2743 (Matthews) Pharmacists: Ancillary Personnel.**

  This bill would have prohibited a pharmacy from employing more than 8 ancillary personnel, per pharmacist and would have given a pharmacist discretion over how many personnel he or she supervises. This bill died.

- **AB 2986 (Houston) Controlled Substances: Prescription Requirements.**

  This bill would bring California law in conformity with the federal National All Schedules Prescription Electronic Reporting (NASPER) Act of 2005 by adding Schedule IV controlled substances to the CURES (Controlled Substance Utilization Review and Evaluation System). The bill would also require weekly submission of CURES data. This bill is currently in the Senate Appropriations Committee.

- **SB 1366 (Aanestad) Controlled substances.**

This bill would have removed the requirement for controlled substances to be prescribed on a security prescription form. This bill died.

- **2005/2006 Watch Bills**

Chairperson Schell referred to the following list of bills. He added that copies of the bills can be found at http://www.leginfo.ca.gov/bilinfo.html.

2006 Bills

AB 1908 (Karnette) Medi-Cal: Pharmacy Reimbursement.
Status: Died in Assembly.
AB 2057 (Cogdill) Controlled Substances.
Status: Died in Assembly.
AB 2373 (Plescia) Automated Drug Delivery System.
Status: Referred to Senate Appropriations Committee.
AB 2730 (Nation) Medi-Cal: Contract Drug List: Advertising.
Status: Died in Assembly.
AB 2856 (Hancock) Informed Consent: Prescription Medication Off-Label Use.
Status: Died in Assembly.
AB 2877 (Frommer) Prescription Drugs: Importation: Procurement.
Status: Senate Appropriations Committee.
AB 2911 (Nunez) California Discount Prescription Drug Program.
Status: Senate Rules Committee.
AJR 49 (Nation) Direct-To-Consumer Prescription Drug Advertisements
Status: Senate Appropriations Committee.
SB 1305 (Figueroa) The Medical Waste Management Act.
Status: Chaptered.
SB 1430 (Alquist) The Local Pandemic and Emergency Health Preparedness Act of 2006.
Status: Assembly Judicial Committee.
SB 1683 (Scott) Pharmaceutical Information: Clinical Trial Data.
Status: Died in Senate.

2005 Bills

AB 651 (Berg) California Compassionate Choices Act.
Status: In committee: Set second hearing. Failed passage. Reconsideration granted.
AB 21 (Levine) Pharmacists: Contraceptive Devices.
Status: In committee: Set first hearing. Failed passage. Reconsideration granted.
AB 71 (Chan) Pharmaceuticals: Adverse Drug Reactions: Office of CA Drug Safety Watch.
Status: Re-referred to Senate Committee on Health
AB 75 (Frommer) Pharmaceutical Assistance Program.
Status: Senate Health Committee - Hearing Cancelled.
AB 225 (Negrete McLeod) Electronic Prescription Information.

Status: Re-referred to Senate Appropriations Committee
AB 283 (Koretz) Pseudoephedrine: Retail Sale.
Status: Re-referred to Senate Committee on Public Safety.
AB 657 (Karnette) Pharmacies: Prescription Containers.
Status: Senate Business, Professions, and Economic Development Committee - Hearing cancelled.
SB 380 (Alquist) Drugs: Adverse Event Reporting.
Status: Re-referred to Assembly Rules Committee.
SB 592 (Aanestad) Acute Care Hospitals: Inpatient Pharmacy Technician Services.
Status: Assembly Health Committee - Failed passage in committee. Reconsideration granted.

- **Approval of Committee's Strategic Plan**

Chairperson Schell stated that the Legislation and Regulation Committee has not met since the April board meeting. He referred to the strategic plan provided in the board packet.

MOTION: That the board approve the Legislation and Regulation Committee's Strategic Plan as proposed.

M/S/C: ZINDER/POWERS

SUPPORT: 7 OPPOSE: 0

ORGANIZATIONAL DEVELOPMENT COM MITTEE

- **Report on the July 11, 2006 Meeting**

Chairperson Conroy stated that the Organizational Development Committee met in a nonpublic, teleconferenced meeting on July 11, 2006.

- **Approval of the Committee's Strategic Plan**

Chairperson Conroy referred to the committee's plan provided in the board packet.

MOTION: Organizational Committee: That the board approve the committee's strategic plan for 2006-2007 as proposed.

SUPPORT: 7 OPPOSE: 0

- **Approval of the 2006-2011 Strategic Plan Revision**

Chairperson Conroy referred to the strategic plan for 2006-2011 provided in the board packet and stated that the changes made by the board during the April Board Meeting have

been incorporated. Additionally, each of the committees' strategic plans approved earlier during each committee's report at this board meeting will be incorporated into the appropriate chapter of the board's strategic plan.

MOTION: Organizational Committee: That the board approve the strategic plan for 2006-2011.

SUPPORT: 7 OPPOSE: 0

- **Recognition of Pharmacists Who Have Been Licensed 50 Years**

Chairperson Conroy stated that at the July 2005 Board Meeting, the board initiated a program to identify and publicly commend those pharmacists with 50 years of licensure as pharmacists.

The board recognized some of these pharmacists earlier during this board meeting. The pharmacists so honored receive a letter from the board's president and a commendation certificate. Each is invited to a future board meeting to be publicly recognized. Additionally, his or her name is published in *The Script.*

Chairperson Conroy stated that since the last board meeting, 57 additional pharmacists have been sent certificates based on having reached the 50-year mark.

Since July 2005, the board has acknowledged 573 pharmacists.

Personnel Update

- **Executive Officer Resignation**

Chairperson Conroy stated that Officer Harris was appointed as Deputy Director, Bureau Relations in the Department of Consumer Affairs by Governor Schwarzenegger on July 1, 2006. With this appointment, Patricia Harris resigned her position as executive officer.
Executive Officer Harris has been with the board for 25 years. She was hired as the enforcement coordinator, became assistant executive officer and since 1990, has been the executive officer. A reception in her honor will be scheduled for the October Board Meeting.

On July 1, Vice President Ken Schell, acting in the absence of President Bill Powers, appointed Virginia Herold as acting executive officer.

- **Inspector Vacancies and Recruitment Efforts**

Ms. Herold stated that the board has lost two inspectors since the April Board meeting:

- Inspector Jeff Smith, who was with the board over five years, and was assigned to the drug diversion team, transferred to the Department of Health Services at the beginning of July.
- Inspector Robert Grimm, who was with the board for about 10 years on the compliance team, transferred to a dispensing pharmacist position at a correctional facility in Orange County.

Ms. Herold noted that Dr. Smith and Dr. Grimm both transferred to public-sector positions where they will earn substantially more than at the board. The board's salary inequity has been a long-standing problem, and the board's staff has recently begun activities to secure a salary adjustment for its pharmacists.

When Inspector Smith resigned at the end of June to transfer to the Department of Health Services, he immediately received an annual salary $24,000 more than at the board due to a "recruitment and retention differential" paid by some state employers of pharmacists, like the Department of Health Services. This is necessary because private sector pharmacists make salaries of $110,000 annually.

Board staff hopes to present a successful case for a similar augment for board inspectors. If approved there will be an annual increase to each inspector and supervising inspector of $24,000 annually, raising inspector salaries to $99,660 and supervising inspector salaries to $103,460. The annual increase for these salaries to the board will be $552,000.

MOTION: Organizational Development Committee: That the board support a comparable retention and recruitment differential for inspectors of $24,000 annually.

SUPPORT: 7 OPPOSE: 0

The board has four inspector vacancies:

- A new, restored position beginning July 1, 2006
- Jeff Smith's position
- Bob Grimm's position
- Nahal Bahrampour's position (vacant since 3/06)

The board is working with the department's Personnel Office to schedule a new civil service examination from which pharmacists can be hired to work for the board. This process will take at least four more months. The board hopes to fill these positions in the fall. This is a priority for the board's senior staff.

Dennis Ming, a supervising inspector for the last three years, resigned on June 30, 2006. Dr. Ming was a supervisor of the compliance team. Dr. Ming will remain on the board's staff as a retired annuitant.

The board is also working with the department on a new civil service examination for supervising inspector. Again, this process will likely take four more months and this position should be filled in the fall: this is also a priority for the board's senior staff.

Other Staff Changes:

The board has made several personnel changes since the April meeting:

- Anne Sodergren has become the board's Legislative Manager, replacing Jan Perez whose training and development assignment ended in April.
- Christine Sanchez has joined the board as the new Licensing Unit Manager, replacing Ms. Sodergren. Ms. Sanchez formerly worked for the Women, Infant and Children's program in the Department of Health Services.
- Julie Baker has become the board's new receptionist, a position that was restored by the state budget on July 1. Ms. Baker formerly worked for the California Highway Patrol. And in early July, Ms. Baker was appointed to a technician position in the board's executive office where she will eventually replace Candy Place, who will retire in November.
- Nicole Mullnix has joined the board as a part-time receptionist; she formerly worked as a student assistant at the Department of General Services.

The board is recruiting for the following positions:

- A part-time manager/specialist position to serve as coordinator of the Pharmacists Recovery Program.
- An associate analyst to develop consumer and licensee educational materials.
- A budget analyst and business position (duties currently performed in part by Ms. Place).
- An enforcement analyst.
- A receptionist to replace Julie Baker
- A seasonal clerk to perform filing and mailing duties.

- **Board Member Appointments**

Ken Schell, PharmD, was appointed July 1 to a second term by Governor Schwarzenegger. Also, Susan Ravnan, PharmD, was appointed July 1 to the union pharmacist member position on the board. Henry "Hank" Hough was appointed by Governor Schwarzenegger to a public member position with the board in mid July. Governor Schwarzenegger appointed Robert Swart, PharmD, to a pharmacist position on the board also in mid July.

Board Member Marion Balay resigned from the board in May.

The board currently has three public board member positions and one professional member positions vacant. All are governor appointments.

- **Specialized Training**

In June all board staff completed a 12-hour, two-day team building training called "colors." The training focuses on individuals' working styles, personality traits and working together.

- **Executive Officer Recruitment and Selection Process**

President Powers introduced representatives from the Department of Consumer Affairs Personnel Office who presented information on a recruitment process for selecting an executive officer.

MOTION: Organizational Development Committee: That the board use the services of the Department of Consumer Affairs Personnel Office to recruit and select an executive officer.

SUPPORT: 7 OPPOSE: 0

Following the presentation, the board discussed how it would recruit and select the next executive officer. President Powers announced that he had appointed Vice President Schell and board member Goldenberg as the recruitment committee.

President Powers stated that Karen Cates will act as the liaison with the personnel during the selection process for the executive officer.

- **Committee Appointments**

President Powers announced the appointment of committee members as indicated below:

Enforcement Committee
Bill Powers (Chair), Ruth Conroy, Stanley Goldenberg, Rob Swart
Licensing Committee
Ruth Conroy, (Chair), Clarence Hiura, Susan Ravnan.
Communication and Public Education
Ken Schell (Chair), Andrea Zinder, Bill Powers, Hank Hough
Legislation and Regulations Committee
Andrea Zinder (Chair), Ken Schell, Henry Hough
Organizational Development Committee
Stanley Goldenberg (Chair), Bill Powers
Competency Committee

Susan Ravnan, Ken Schell

- **Approval of the Full Board Minutes from April 26-27, 2006 Board Meeting.**

President Powers asked if there were any corrections to the board minutes of April 26 and 27, 2006. There were none.

MOTION: Approve the board minutes from the April 26, 27 board meeting.

M/S/C: SCHELL/CONROY

SUPPORT: 7 OPPOSE: 0

- **NABP National Meeting in San Francisco in April 2006, and Districts VII and VIII Meeting in Anaheim in October 2006:**

Chairperson Conroy stated that this year, two of the National Association of Boards of Pharmacy meetings have been scheduled in California:

- April 2006: The NABP annual meeting took place in San Francisco. The NABP recently thanked the board for its assistance as the host state in providing assistance in the hospitality suite throughout the meeting.
- October 2006: The NABP Districts VII and VIII meeting will be in Anaheim. A draft agenda provided in the board packets was developed for the District VII and VIII meeting by former Executive Officer Harris, Dr. Sam Shimomura of Western University, and Virginia Herold.

Chairperson Conroy stated that all board members are invited to attend this regional meeting.

Budget Update and Report

I. Budget Report for 2005/06

The prior fiscal year ended June 30, 2006. Final figures of revenue and expenditures will not be available until mid-August, so the figures provided below are estimates. A final budget report for the year will be provided to the board at the October meeting.

Revenue Projected: $9,120,296

This fiscal year the board received repayment of $3.2 million borrowed in 2001 to offset a deficit in the state's General Fund. This repayment is classified as revenue for the year. (Three million dollars is still owed to the board from the 2001 loan.)

The board's revenue for the year is projected to be comprised of:

Licensing Fees (estimated):	$5,360,000
Interest:	$90,000
General Fund Loan repayment:	$3,227,000
Cite & Fine (actual as of 6/30/06)	$273,969
Cost Recovery (actual as of 6/30/06)	$169,327
	$9,120,296

Expenditures Projected: $7,954,121

The board's maximum expenditure authority for the year was $7.9 million. The board did not spend all of this allocation.

II. Governor's Proposed Budget for 2006/07

The budget for the fiscal year that started July 1, 2006, has been signed by the Governor and is in place.

Revenue Projected: $8,356,000

Revenue for the year is projected to be comprised of $5,316,000 in fees and $40,000 in interest on money in the board's contingency fund.
The board is currently projected to receive the final repayment of $3 million from the 2001 loan of $6 million borrowed from the board's fund by the state's General Fund during a period of California's budget crisis.

Expenditures Projected: $8,446,000

Expenditures for the new fiscal year are $240,000 more than those projected for the last fiscal year. This increase includes:

--Restoration of 2.5 of the 10 positions the board lost during the budget restrictions of early 2000. ($208,000). The board will receive restoration of one inspector position, one receptionist position and one half-time public outreach position.

--An increase of $91,000 to cover increased hourly fees that will be charged by the Office of the Attorney General for legal fees (the hourly rate will be $158, up from $112 (or $120 for the LA Office) in 2003)

III. Board Fund Condition

The board ended the last fiscal year (on June 30, 2006) with a projected reserve of $4,834,000. This is 7.1 months of expenditures.
The board's fund condition projections over the next few years (as estimated in early May 2006) are:

- 2006-07: A reserve of 7.2 months is projected.
- 2007-08: A reserve of 2.8 months is projected.
- 2008-09: A deficit in the reserve of is projected of –1.7 months

A fee increase may be needed to take effect July 1, 2008 to prevent a deficit during 2008-09. Board staff will continue to watch these figures closely and report to the board.

IV. Board Member Expenditures and Reimbursements

Chairperson Conroy referred to the travel expenses and compensation of board members claimed during the last fiscal year provided in the board packet.
Board members are paid for their attendance at board meetings. If they are interested in pursuing payment for other duties, board members can receive $100 for every 8 hours they spend reading board materials, voting on mail ballots or otherwise performing approved duties. (Travel time is not reimbursed.)

- **Proposed Meeting Dates for 2007**

Chairperson Conroy stated that the Committee has agreed to a staff proposal to move the July 2007 board meeting from San Diego to another location (to switch the location with the January board meeting which is usually scheduled for LA/Orange County).

The reason for this move is that for the last two years, trying to arrange a board meeting in July in San Diego has been difficult and expensive. As a resort community, the areas downtown (that are near the airport) are very expensive during the summer. Had the 2006 board meeting been in San Diego as initially scheduled, the cost of the meeting room with the necessary sound system would have exceeded $7,300, and each overnight room would have been at least $175.

The proposed board meeting dates and locations are:

- **2006**

October 25 and 26 – San Francisco/Bay Area *(CSHP's Seminar is in Sacramento on Oct 12-15)*

- **2007**

January 31 and February 1 -- San Diego *(CPhA's Outlook is February 15-18 in Palm Springs)*

April 18, 19 – Sacramento *(NABP's Annual Meeting is in Portland Oregon in May)*

July 25, 26 – Los Angeles/Orange County

October 24 and 25 -- San Francisco/Bay Area *(CSHP's Seminar is October 18-21 in Palm Springs*

- **Update On I-Licensing Project – Online License Application And Renewal**

Chairperson Conroy stated that seven DCA agencies have the ability to provide online license renewal due to participation in a project started under the Davis Administration. However, the state's budget crisis in the early 2000s prevented the Board of Pharmacy from joining this project, although the board has been striving to be added for years.

The Department of Consumer Affairs is now moving ahead with a proposal so other interested agencies can offer online application and renewal of licenses. A feasibility study report has been approved by the Department of Finance, and the board is in the first tier of new agencies that may be able to offer this service in the future, possibly in 2008.

A budget change proposal will need to be written and approved for the board to participate in this project in the future as well. The DCA will be developing this budget change proposal for all participating agencies. No costs are yet available for this conversion.

Ms. Herold discussed how the board would inform licensees about the status of online registration and renewal of licenses. Ms. Herold stated that a future article in *The Script* would also include information on the online registration and renewals.

- **New Business Items for Future Meetings**

President Powers asked if there were additional matters from the board or audience for future board meetings.

Ms. Herold announced that the board's phone tree change was changed and updated to allow callers the option to dial "0" to reach a live operator.

ADJOURNMENT

There being no further business, President Powers adjourned the meeting at 2:54 p.m.