



2007 – 2008

ANNUAL REPORT

ORGANIZATION CHART

Board Members
(Job Code: AUN05082)
APM000105AIO, APM000108AIO, APM000110AIO, APM000112AIO,
APM000124AIO, APM000125AIO, APM000106BIO

Executive Director
(PM10010001)
APM000001AHO
AUN05059

Deputy Director
(PM10020001)
APM000002AHO
AUN05574
(ASRPARM-1)

**Compliance Policy
Advisor**
APM000128AHN
AUN07372
(ASRPARM-1)

Executive Secretary
(PM10040001)
APM000134AHN
AUN09024

Information Technologist
(AIT-C3)
APM000222AHN
AUN01063

Office Manager
(PM10030001)
APN000133AHN
AUN09023

Compliance Officers (5)
AUN0737 (ASRPARM-1)
APM000129AHN
APM000130AHN
APM000131AHN
APM000132AHN

Information Desk
(AREG-16)
ACV38814
APM000127AAN

Exams & Licensing (2)
(AREG-18)
AUN07314
APM000118AAN
APM000126AHN

Drug Inspectors (2)
(ASRRAA-15)
AVC73122
APM000111AAN
APM000120AAN

Records (2)
(ASRRAA-15)
AVC73122
APM000113AAN
APM000119AAN



August 26, 2008

The Honorable Janet Napolitano
Governor of Arizona
State Capitol – 9th Floor
1700 West Washington Street
Phoenix, AZ 85007

Dear Governor Napolitano,

It is my duty to provide you the Board of Pharmacy Annual Report for fiscal year 2008. The report summarizes the activities of the Board for the period from July 1, 2007 through June 30, 2008. It also contains information that demonstrates the fact that the Board will need to reduce its investigative activities for at least the next two fiscal years. I believe that the Board has efficiently accomplished its mission of protecting the public health and safety through its regulatory activity this fiscal year. The Board has done so despite not replacing staff that left state service after November, 2007. We did not replace the departing staff due to budget considerations and the state hiring freeze. It will be extremely difficult to maintain this level for the near future however. The funds sweep that occurred near the end of the fiscal year and the mandated fiscal year 2009 sweep has and will continue to impact the Board negatively in that it will be difficult to accomplish our mission without an across the board fee increase for fiscal year 2010 and beyond as well as eliminating most or even all of our investigative staff.

We hope that legislation enabling such a fee increase will reach your desk and that you will determine that our projections are correct and that our ability to accomplish our mission will be very challenging without the legislation. Eliminating the investigative personnel will drastically reduce the number of inspections and disciplinary cases we are able to conduct in the next two fiscal years. In my estimation there is no alternative to the staff cut. The fund sweeps will result in a large negative cash flow unless the investigative staff is eliminated. As a result the Board will only be able to maintain its core functions such as licensing and renewals for the foreseeable future.

The report also contains important statistical information such as the number of licenses and permits issued, consumer complaints investigated and disciplinary actions taken. These are the data we use to measure our performance last year and to plan for next year's activities. After the investigative staff is eliminated these numbers will of course decrease dramatically.

Submitted on behalf of the Board of Pharmacy members,

A handwritten signature in cursive script that reads "Hal Wand". The signature is written in dark ink and is positioned above the printed name and title.

Hal Wand
Executive Director

Cash Flow Analysis for FY09

Agency Name: PHARMACY BOARD
 Fund Name: PMA
 Fund Number: 2052 FY Ending: 6/30/09

Prepared by: _____ Hal Wand
 Date: July 28, 2008
 E-Mail: hwand@azpharmacy.gov Phone: _____

OBJT	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Beginning Cash Balance	\$ 519,750.00	\$ 407,061.00	\$ 266,082.00	\$ 273,437.00	\$ 796,698.00	\$ 1,331,600.00	\$ 831,206.00	\$ 706,620.00	\$ 593,245.00	\$ 496,142.00	\$ 351,862.00	\$ 240,364.00	\$ 519,750.00
Revenues:													
Taxes	4100												-
Intergovernmental	4200												-
Sales & Charges for Services	4300												-
Licenses, Permits & Fees	4400	40,983.00	42,353.00	143,355.00	691,161.00	670,902.00	237,306.00	51,314.00	36,625.00	38,897.00	31,620.00	36,434.00	2,059,452.00
Fines, Forfeitures & Penalties	4500												-
Other	4600												-
Total Revenues		40,983.00	42,353.00	143,355.00	691,161.00	670,902.00	237,306.00	51,314.00	36,625.00	38,897.00	31,620.00	36,434.00	2,059,452.00
Expenditures:													
Personal Services	6000	84,696.00	109,461.00	78,000.00	78,000.00	78,000.00	117,000.00	78,000.00	78,000.00	78,000.00	78,000.00	78,000.00	1,013,157.00
Employee Related	6100	22,808.00	33,871.00	24,000.00	24,000.00	24,000.00	36,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	308,679.00
Professional & Outside Svcs	6200	11,512.00			30,000.00			30,000.00					101,512.00
Travel In State	6500												-
Travel Out of State	6600												-
Food	6700												-
Aid to Organizations	6800	23,900.00	28,000.00	14,000.00	23,900.00	14,000.00	14,000.00	23,900.00	28,000.00	14,000.00	23,900.00	14,000.00	249,600.00
Operating	7000	10,756.00	12,000.00	20,000.00	12,000.00	20,000.00	21,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,300.00	216,056.00
Capital Outlay	8100												-
Capital Equipment	8400												-
Non Capital Equipment	8500												-
Debt Service	8600												-
Cost Allocation	9000												-
Total Expenditures		153,672.00	183,332.00	136,000.00	167,900.00	136,000.00	188,000.00	175,900.00	150,000.00	136,000.00	175,900.00	136,300.00	1,889,004.00
Transfers In	4900												-
Transfers Out	9100						549,700.00						549,700.00
Ending Cash Balance	\$ 407,061.00	\$ 266,082.00	\$ 273,437.00	\$ 796,698.00	\$ 1,331,600.00	\$ 831,206.00	\$ 706,620.00	\$ 593,245.00	\$ 496,142.00	\$ 351,862.00	\$ 240,364.00	\$ 140,498.00	\$ 140,498.00

NOTE: Input beginning cash balance in cell "C6". Input actual revenues and expenditures by object into the monthly columns as each month is completed. Input projected revenues and expenditures by object into all months that are not yet completed. Font color or shading should be utilized to

STATISTICAL AND FINANCIAL INFORMATION
LICENSING / REGISTRATION STATISTICS AS OF JUNE 30, 2008

	Total Licenses / Permits as of Fiscal Year-End								New Licenses / Permits in 2008			
	In-State	Non-Resident	Total						Reciprocity	Exam	Score Transfer	Total
Pharmacists	5540	3117	8657						217	272	51	540
Technicians	13236	172	13408	Certified 7349	Trainee 6059				Certified 1271	Trainee 2650		3921
Interns	969	820	1789	Student 1308	Graduate 93	Foreign 388			Student 422	Graduate 38	Foreign 23	483
Pharmacies	1203	413	1616	Chain 893	Government 11	Limited Service 76	Hospital 101	Independent 154	Other 5			142
Non-Rx Retailers	4129	1	4130	Category I 1166	Category II 2964							403
Wholesalers	126	541	667	Full Service 589	Non-Rx 78							106
Manufacturers	16	116	132									23
Medical Gases	241	22	263	Distributor 109	Supplier 154							30

** To verify or look up individual licensee or permittee record information, please visit our website at www.azpharmacy.gov*

FINANCIAL STATISTICS AS OF JUNE 30, 2008

Beginning Fund Balance (07/01/2007):	\$3,432,856.00
FY 08 Revenue:	\$2,074,082.00
Total Funds:	\$5,506,938.00
FY 08 Expenses:	(\$2,694,607.00)
FY 08 Fund Sweep:	(\$2,500,000.00)
Ending Fund Balance (06/30/2008):	\$312,331.00