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# **Board of Private Detectives and Protective Agents**

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https://dps.mn.gov/entity/pdb/

## AT A GLANCE

- Regulates 356 Private Detective and Protective Agent License individual and corporate license holders
- These license holders employ over 7500 employees
- The agency's current budget is \$189,000 annually.
- With the improving economy and recent enforcement of dual licensing the amount of revenues is expected to increase.

### **PURPOSE**

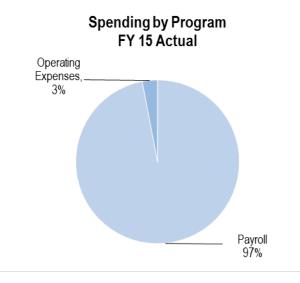
The mission of the Private Detective and Protective Agent Board is to ensure investigative and security service license holders meet and maintain statutory qualifications. This includes, but is not limited to, meeting criteria in criminal background checks, educational requirements, proof of financial responsibility, and ensuring license holders are acting responsibly and for the best interest of their clients.

With public safety and consumer protection as our main

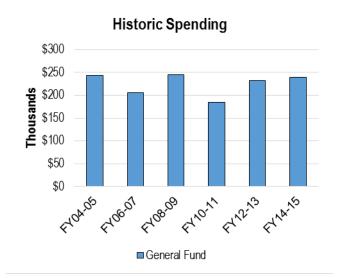
guidelines the agency investigates complaints against license holders, provides support to law enforcement and the courts in regard to unlicensed activity, and works towards increasing the quality of the industry.

Our agency provides assistance to applicants and current license holders in order to **help them achieve success** in what is a difficult field.

#### **BUDGET**



Source: BPAS



Source: Consolidated Fund Statement

#### **STRATEGIES**

## Our strategies include:

**Streamlining Procedures:** In order to process applications, renewals, officer changes, and training certifications more quickly our agency has implemented a number of initiatives. These include the use of a consent agenda for quick approval by the Board, revising forms, revising the license renewal process, using email verses U.S. mail, and working with license holders to resolve application issues before going to the board.

**Education:** The private investigation and protective agents industry covers an extensive area of knowledge, requiring frequent communication with license holders, the general public, the courts, and law enforcement. We are developing downloadable information for use by those entities involved with private security and private detectives.

**Updating our Website**: A large percentage of our time is spent dealing with inquiries about hard-copy forms. We will be adding downloadable forms and other information of interest to applicants, license holders, law enforcement, and the general public. We expect to complete this project within a year.

**Implementing Online Licensing and Renewal processes:** We currently have no ability to process online transactions. We have begun working with the eLicensing Department to convert to online processing. This will save our clients time, reduce errors, and improve processing time.

**Auditing and Inspection:** License holders and Certified Training Courses are currently audited when their licenses are renewed, every two years. Auditing and conducting inspections in between the renewal period will help identify important compliance issues sooner. We will be conducting earlier onsite visits and more random audits in order to be more proactive in regulating the industry.

### **RESULTS**

Type of Measure	Name of Measure	Previous	Current	Dates
Quality	Application Process	Average 4 months	30-60 days	FY 2014 & FY 2016
Quality	Penalties	\$1049	\$1499	FY 2014 & FY 2016
Quantity	Expenses	\$5,920	\$6,680	FY 2014 & FY 2016
Quantity	# of license holders	326	356	FY 2014 & FY 2016

MN Statutes 326.32-326.339 (https://dps.mn.gov/entity/pdb/Pages/statutes) provides the legal authority for MMB.

(Dollars in Thousands)

## **Expenditures By Fund**

_	Actual	Actual	Actual	Estimate	Forecasted	Base	Governor Recommend	
	FY14	FY15	FY16	FY17	FY18	FY19	FY18	FY19
1000 - General	116	124	150	226	189	189	191	192
Total	116	124	150	226	189	189	191	192
Biennial Change Biennial % Change Governor's Change from Base Governor's % Change from Base				136 57		2 1		7 2 5 1
Expenditures by Program						_		
Program: Priv Detect/protect Agents Bd	116	124	150	226	189	189	191	192
Total	116	124	150	226	189	189	191	192
Expenditures by Category								
Compensation	112	119	143	208	180	180	182	183
Operating Expenses	4	4	7	18	9	9	9	9
Other Financial Transactions		0						
Total	116	124	150	226	189	189	191	192
Full-Time Equivalents	1.2	1.3	1.6	2.0	2.0	2.0	2.0	2.0

(Dollars in Thousands)

1000 - General

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY14	FY15	FY16	FY17	FY18	FY19	FY18	FY19
Balance Forward In	0	4	0	37	0	0	0	0
Direct Appropriation	120	164	187	189	189	189	191	192
Net Transfers	0	0	0	0	0	0	0	0
Cancellations	0	44	0	0	0	0	0	0
Expenditures	116	124	150	226	189	189	191	192
Balance Forward Out	4	0	37	0	0	0	0	0
Biennial Change in Expenditures				136		2		7
Biennial % Change in Expenditures				57		1		2
Gov's Exp Change from Base								5
Gov's Exp % Change from Base								1
Full-Time Equivalents	1.2	1.3	1.6	2.0	2.0	2.0	2.0	2.0

## **Private Detectives Board**

## FY18-19 Biennial Budget Change Item

**Change Item Title: Ongoing Operational Support** 

Fiscal Impact (\$000s)	FY 2018	FY 2019	FY 2020	FY 2021
General Fund				
Expenditures	2	3	3	3
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact =	2	3	3	3
(Expenditures – Revenues)				
FTEs	0	0	0	0

#### Recommendation:

The Governor recommends additional funding of \$2,000 in FY18 and \$3,000 in FY19 to maintain current operations at current levels of service. Each year, employer-paid health care contributions, pension contributions, FICA and Medicare, along with other salary and compensation-related costs increase. Other operating costs, such as lease costs, fuel, utilities, IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year.

## Rationale/Background:

Each year, employer-paid health care contributions, pension contributions, FICA and Medicare, along with other salary and compensation-related costs increase. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources. However, cost growth typically outstrips efficiencies, and without additional resources added to agency budgets, service delivery erodes.

## Proposal:

The proposal represents increases in known fixed costs that the agency must absorb to maintain current operations, such as increases in payroll which would include increases in health care costs, already negotiated contract costs, and other compensation benefits. In addition, the requests includes increases related to rent, IT, and other operating costs.

## Statutory Change(s):

None.