

Report on the

**Board of Licensure for Professional  
Engineers and Land Surveyors  
State of Alabama  
Montgomery, Alabama**

**October 1, 2015 through September 30, 2017**

Filed: June 8, 2018



**Department of  
Examiners of Public Accounts**

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*Rachel Laurie Riddle, Chief Examiner*





Ronald L. Jones  
Chief Examiner

State of Alabama  
Department of  
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Honorable Ronald L. Jones  
Chief Examiner of Public Accounts  
Montgomery, Alabama 36130

Dear Sir:

Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, as added by Act Number 2018-129, I submit this report on the results of the examination of the Board of Licensure for Professional Engineers and Land Surveyors for the period October 1, 2015 through September 30, 2017.

Sworn to and subscribed before me this  
the 30<sup>th</sup> day of May, 20 18.

Kelly D. Matthews  
Notary Public

Respectfully submitted,

Rodney Wagstaff  
Examiner of Public Accounts

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Department of  
**Examiners of Public Accounts**

**SUMMARY**

**Board of Licensure for Professional Engineers and Land Surveyors  
October 1, 2015 through September 30, 2017**

The Board of Licensure for Professional Engineers and Land Surveyors (the “Board”) operates under the authority of the *Code of Alabama 1975*, Sections 34-11-1 through 34-11-37. By law, the Board licenses and regulates the professional practice of engineering and land surveying in the State of Alabama.

This report presents the results of an examination of the Board and a review of compliance by the Board with applicable laws and regulations of the State of Alabama. This examination was conducted in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12, as added by Act Number 2018-129. Our examination was performed for the purpose of determining whether the public officers, agents, and employees of the Board properly and lawfully accounted for all money and other public assets or resources received, disbursed, or in the custody of the Board. Our examination included determining compliance by the Board with state laws and regulations that pertain to financial transactions; personnel; safeguarding of state-owned assets, property, and resources; information dissemination, processing, and retention; and official actions, rulemaking procedures, and meetings. As a part of our examination, we also reviewed internal control policies and procedures relating to the areas listed above. Our examination did not encompass managerial and operational matters, such as whether the Board accomplished its mission or its regulatory, enforcement, investigative, or other oversight activities in an efficient, fair, timely, or legal manner.

Findings are numbered and reported by the examination period in which the finding originally occurred.

The following instance of noncompliance with State laws and regulations and other matters was found during the examination as shown on the Schedule of State Legal Compliance and Other Findings and is summarized below.

**CURRENT FINDING**

- 2017-01 Relates to the Board charging excessive fees for licensee labels and discs.

Board members and the Executive Director were invited to an exit conference held on April 24, 2018. Individuals in attendance were: Rick Huett, Executive Director; Bonnie Kelly, Executive Assistant; along with Robin Hutcheson, Audit Manager; and Rodney Wagstaff, Examiner, from the Department of Examiners of Public Accounts.





Department of  
**Examiners of Public Accounts**

**COMMENTS**

**Board of Licensure for Professional Engineers and Land Surveyors  
October 1, 2015 through September 30, 2017**

The Board of Licensure for Professional Engineers and Land Surveyors (the “Board”) operates under the authority of the *Code of Alabama 1975*, Sections 34-11-1 through 34-11-37. By law, the Board exercises license/regulatory authority over the professional practice of engineering and land surveying in the State of Alabama.

The Board is comprised of five professional engineers and two professional land surveyors. Engineering members are appointed by the Governor from a list of three persons provided by a nominating committee. The nominating committee consists of one professional engineer from each of the following professional engineering organizations: Alabama Society of Professional Engineers; American Council of Engineering Companies of Alabama; American Institute of Chemical Engineers; American Society of Civil Engineers, Alabama Section; American Society of Mechanical Engineers; Institute of Electrical and Electronics Engineers; Society of Mining Engineers; and Structural Engineers Association of Alabama. Any organization with active chapters in the State of Alabama having membership qualifications comparable to those organizations named in Administrative Rule 330-X-1-.13 may petition the Board for membership on the committee, and the Board may grant the membership.

The Land Surveyor Board members are appointed by the Governor from a list of three persons provided by the Alabama Society of Professional Land Surveyors.

Board members are required to be U.S. citizens, residents of Alabama, and must have an Alabama Professional Engineer/Land Surveyor license in active status. The members serve five-year terms and may continue to serve until their successors are appointed and qualified.

The Executive Director, appointed by the Board, serves in the unclassified service within the State’s Merit System.

The Board operates from Special Revenue Fund 0359 in the State Treasury. The Board's operating funds are derived from licensing fees and fines. The Board is subject to the State's normal budget procedures and cannot expend funds without a legislative appropriation. At the end of the non-license year of the biennial license cycle, any funds that exceed 25% of the previous fiscal year's budget are required to be transferred to the State General Fund.

The Board owned non-consumable personal property consisting of automobiles, office furniture, computers and equipment. A comparison was done of non-consumable personal property in the custody of the Board with property records maintained by the Property Inventory Division of the State Auditor's Office. No discrepancies were noted.

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*Schedule of State Legal  
Compliance and Other Findings*

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***Schedule of State Legal Compliance and Other Findings***  
***For the Examination Period Ended September 30, 2017***

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| Ref.<br>No. | Finding/Noncompliance   |
|-------------|---|
| 2017-01     | <p><b><u>Finding:</u></b></p> <p>The Board's fees for mailing labels and a mailing label disc of licensees appear to be excessive. The Board charges the following fees for mailing labels and a disc:</p> <ul style="list-style-type: none"><li>(1) Mailing Label Disc - \$75</li><li>(2) 1,000 Labels (minimum amount) - \$75</li><li>(3) 2,000 Labels - \$106</li><li>(4) 3,000 Labels - \$137</li><li>(5) 4,000 Labels - \$168</li><li>(6) 5,000 Labels - \$197</li><li>(7) 10,000 Labels - \$359</li></ul> <p>The <i>Code of Alabama 1975</i>, Section 34-11-37 requires the Board to keep a record of its proceedings and a register of all applicants for licensure which register shall show the name, age and residence of each applicant. It is improper for the Board to impose a charge for providing a copy of the names and addresses of licensees that includes the cost of maintaining the record, because the law has already provided funds to maintain the record. The only appropriate charge in providing a copy of the names and addresses of licensees is the incremental actual cost of extracting the information and conveying it to the requestor, without regard to the cost of maintaining the record.</p> <p>The Attorney General in his Opinion 2004-108 reiterates that fees charged for copies of public records must be based upon actual cost and cannot be imposed to restrict public access, and that copies are available to businesses to the same extent as to private individuals.</p> <p><b><u>Recommendation</u></b></p> <p>The Board should limit the fees it charges for copies of the names and addresses of its licensees to the incremental actual cost of producing the copies, without regard to the cost of maintaining the records.</p> |

***Schedule of Cash Receipts, Disbursements and Balances  
For the Period October 1, 2015 through September 30, 2017***

|  | 2016-2017            | 2015-2016              |
|--|----------------------|------------------------|
| <b><u>Receipts</u></b>                             |                      |                        |
| Engineers and Land Surveyors License Fees          | \$ 428,010.00        | \$ 2,027,130.00        |
| Administrative Penalties                           | 19,448.45            | 27,001.10              |
| Prior Year Refunds                                 | 5.16                 |                        |
| Salvage Equipment or Other Property                | 103.76               |                        |
| Total  | <u>447,567.37</u>    | <u>2,054,131.10</u>    |
| <b><u>Disbursements</u></b>                        |                      |                        |
| Personnel Costs                                    | 475,572.80           | 467,361.99             |
| Employee Benefits                                  | 162,648.43           | 172,485.74             |
| Travel, In-State                                   | 24,523.43            | 20,089.52              |
| Travel, Out-of-State                               | 34,349.43            | 26,981.99              |
| Repair and Maintenance                             | 4,634.85             | 3,172.29               |
| Rentals and Leases                                 | 168,106.18           | 143,735.42             |
| Utilities and Communication                        | 21,537.50            | 33,975.82              |
| Professional Services                              | 101,034.55           | 215,793.06             |
| Supplies, Materials and Operating Expenses         | 66,343.33            | 57,999.58              |
| Transportation Equipment Operations                | 1,610.37             | 2,811.80               |
| Grants and Benefits                                |                      | 20.45                  |
| Transportation Equipment Purchases                 |                      | 60,565.00              |
| Other Equipment Purchases                          | 72,647.99            | 42,371.83              |
| Transfer to the General Fund (1)                   |                      | 64,987.87              |
| Total  | <u>1,133,008.86</u>  | <u>1,312,352.36</u>    |
| Excess (Deficiency) of Receipts Over Disbursements | (685,441.49)         | 741,778.74             |
| Cash Balances at Beginning of Year                 | <u>1,372,534.03</u>  | <u>630,755.29</u>      |
| Cash Balances at End of Year                       | 687,092.54           | 1,372,534.03           |
| Reserve for Year-End Obligations                   | <u>(82,080.76)</u>   | <u>(142,604.17)</u>    |
| Available Cash Balances at End of Year             | <u>\$ 605,011.78</u> | <u>\$ 1,229,929.86</u> |

(1) The **Code of Alabama 1975**, Section 34-11-36 states, "Any funds or money in the hands of the State Treasurer, known as the Professional Engineers and Professional Land Surveyors Fund, at the end of the state fiscal year in excess of that amount equal to 25 percent of the budget of the Board for the previous fiscal year shall be transferred into the General Fund of the state. However, in the event that the Board elects to implement a biennial license, then the above transfer into the General Fund shall only apply at the end of the non-license year of the biennial license cycle."

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***Board Members and Officials***  
***October 1, 2015 through September 30, 2017***

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| <b>Board Members</b>                      |          | <b>Term Expires</b> |
|---|----------|---------------------|
| Hon. Arthur Frazier Christy, P.L.S., P.E. | Chairman | 2018                |
| Hon. Martha Elisabeth Hyde, P.E.          | Member   | 2019                |
| Hon. Nathan G. Johnson, P.L.S., P.E.      | Member   | 2019                |
| Hon. Mary H. Adams-Morales, P.E.          | Member   | 2022                |
| Hon. Marc S. Barter, P.E.                 | Member   | 2021                |
| Hon. Richard G. Grace, P.E., P.L.S.       | Member   | 2019                |
| Hon. Randall Whorton, P.E.                | Member   | 2020                |
| Hon. Charles P. Willis, P.E. (1)          | Member   | 2017                |

**Officials**

|                      |  |            |
|----------------------|--|------------|
| Mr. William R. Huett | Executive Director<br>100 N. Union Street, Suite 382<br>Montgomery, AL 36104<br>Phone: (334) 242-5568<br>Fax: (334) 242-5105<br><a href="http://www.bels.alabama.gov">www.bels.alabama.gov</a> |            |
| Mrs. Regina Dinger   | Executive Director   | April 2017 |

(1) Resigned July 12, 2016