

Sunset Public Hearing Questions for  
**BOARD OF COSMETOLOGY AND BARBER EXAMINERS**  
 Created by Section 62-4-103, *Tennessee Code Annotated*  
 (Sunset Termination June 2016)

1. Provide a brief introduction to the Board of Cosmetology and Barber Examiners, including information about its purpose, statutory duties, staff and administrative attachment.

*The State Board of Cosmetology and Barber Examiners was created to regulate the practice of cosmetology and barbering, including the licensure and registration of cosmetologists, instructors, aestheticians, manicurists, shampoo technicians, natural hair stylists, cosmetology shops, master barbers, barber instructors, barber shops, and barber and cosmetology schools. The board has a statutory requirement to inspect all shops and schools annually to protect the health and safety of the public. Complaints are processed to assure that the statute is followed and that individuals and businesses, that provide service regulated by the board, are in compliance.*

*The board is made up of twelve board members representing the entire industry and one public member and the board office has a total of eight full time positions.*

2. Provide a list of board members and describe how membership complies with Sections 62-4-103 and 62-4-104, *Tennessee Code Annotated*. Please indicate if there are any vacancies and explain what is being done to fill those vacancies.

**State Board of Cosmetology and Barber Examiners , July 1, 2014**

<b>Function</b>	<b>Member</b>	<b>Represents</b>
Chair	Ron R. Gillihan II	Barber School Owner
Vice-Chair	Kelly Barger	Cosmetologist
Member	Nina Coppinger	Public Member with Education Degree
Member	Judy McAllister	Cosmetologist
Member	Patricia J. Richmond	Cosmetology School Owner
Member	Dianne Teffeteller	Cosmetology Instructor
Member	Mona Sappenfield	Aesthetician
Member	Frank Gambuzza	Master Barber
Member	Amy Tanksley	Barber Shop Owner
Member	Anita Allen	Manicurist
Member	Yvette Granger	Natural Hair Stylist
Member	Bobby N. Finger	Master Barber
Vacant		Cosmetologist
Vacant		Public Member

*The board has two vacant positions. The Governor's office is working to fill these positions.*

3. Has the Governor under the authority granted in Section 62-4-104(d)(1), *Tennessee Code Annotated*, removed any members "for misconduct, incompetency, willful neglect of duty, or other just cause"?

*No.*

4. Does the board's membership include public/citizen members? Female members? Members of racial minorities? Members who are 60 years of age or older?

*Yes, the board includes at least one member in each of the categories questioned.*

5. How many times has the board met since July 1, 2014? How many members were present at each meeting?

*The board has met nine (9) times since July 1, 2014.*

*August 25, 2014 – eleven members present*

*October 6, 2014 – twelve members present*

*November 3, 2014 – nine members present*

*December 1, 2014 – ten members present*

*January 5, 2015 – all twelve members were present (rule making hearing)*

*February 9, 2015 – twelve members present*

*March 2, 2015 – ten members present*

*April 6, 2015 – twelve members present*

*May 4, 2015 – nine members present*

6. What per diem or travel reimbursement do board members receive? How much has been paid to board members since July 1, 2014?

*The board members receive per diem and travel reimbursement for attending board meetings, inspecting schools (which will stop effective July 1, 2015) and attending seminars with the purpose of evaluating the sessions on behalf of the board. As of March 31, 2015: Travel \$23,412.84 and Per Diem \$6,880.66*

7. What were the board's revenues (by source) and expenditures (by object) for fiscal year 2014 and to date for fiscal year 2015?

*See PDF documents included for question.*

8. Is the board subject to Sunshine law requirements (per Section 8-44-101 et seq., *Tennessee Code Annotated*) for public notice of meetings, prompt and full recording of minutes, and public access to minutes? If so, what procedures does the board have for informing the public of its meetings and making its minutes available to the public?

*Yes, the board is subject to all.*

The website: <http://tn.gov/regboards/cosmo/index.shtml> lists the public meeting calendars, video recording of meetings as well as agendas and minutes of every meeting.

9. How does the board ensure that its members are operating in an impartial manner and that there are no conflicts of interest? If the board operates under a formal conflict of interest policy, please attach a copy of that policy.

*When Board members are appointed, they are given an orientation during which conflicts of interest and the need for impartiality are discussed. All Board members are required to sign an annual conflict of interest statement. Additionally, complaints against members of the profession are presented to the board in an anonymous manner so the board members can avoid conflicts during the disciplinary hearing process.*

10. Has the board promulgated rules and regulations as described in 62-4-105(e) and 62-3-128 (a), *Tennessee Code Annotated*? If yes, please cite the reference. Has the board published a compilation of its rules in pamphlet form as required in 62-4-107(b) and 62-3-104?

*All rules and regulations are published on the website only. Included is the full current set of rules for the combined board.*

11. How many individuals or businesses are currently licensed in each of the following categories: Cosmetologist = 31,080, Master Barber = 4,970, Cosmetology Instructor = 1,361, Barber Instructor = 141, Barber Instructor Assistant = 20, Natural Hair Stylist = 109, Barber Technician = 27, Shampoo Technician = 38, Aesthetician = 3,557, Manicurist = 6,950, Barber Shop = 2,021, Cosmetology Full Service Shop = 7,127, Manicure Shop = 843, Skin Care Shop = 279, Barber School = 24, and Cosmetology School = 82, Manicurist/Skin Care Shop = 306, Natural Hair Styling Shop = 37, Cosmetologist/Aesthetician = 7,937, Shampooist/Manicurist = 107.

Response: Each total is listed within the question above. The reciprocal licenses are not listed as those licenses issued reciprocally are reflected within all the specific licensure categories. Additional license types have been added after Cosmetology School to properly account for all license types issued.

*Each total is inserted in question above. The reciprocal license is reflected within all the specific license types listed above. Additional license types added after Cosmetology School to properly account for all license types.*

12. In each of the categories listed in question eleven (11), how many applications did the board receive for fiscal year 2014 and to date in fiscal year 2015? In each category, how many applications were approved and the license granted? In each category, how many applications were rejected? Of those rejected, what was the primary reason for rejection? How many existing licenses were revoked during the same period of time? What were the primary reasons for revocation?

*Attached is a report detailing the category breakdown for initial applications received, granted and rejected for fiscal years 2014 and 2015. As stated above, additional license types have been added after to properly account for all categories of license types issued. The reciprocal licenses issued are reflected within all the specific license types listed. The aggregate percentages of reciprocal applications out of the total received equal 17% for fiscal year 2014 and 13% for fiscal year 2015 (as of April 30, 2015) respectively. Reasons for licensure rejection includes hours being released by the school, but failure of student completion, shops unable to retain managers for licensure requirements, shops or schools failure to follow through on application requirements or completion of application process, or failure of a candidate to meet the minimum qualification set out by the board.*

*There were 112 license revocations during fiscal year 2014 and 52 license revocations during fiscal year 2015 as of April 30, 2015. The primary reasons for revocation include licenses obtained by fraudulent means, licenses with complaint history including potential harm to the public or licensees failure to comply with a lawful order of the board.*

*See report included for numbers.*

13. How many complaints were filed with the board in fiscal year 2014 and to date in fiscal year 2015? What are the most common complaints?

*Fiscal Year 2014 833 and Fiscal Year 2015 to date 847. The most common complains are those that arise from notice of violations issued by the field inspectors. Working on an expired license is the most common, followed by no manager present and a close third is unlicensed activity.*

14. Section 62-4-127, *Tennessee Code Annotated*, authorizes the board to “inspect any place of business operated by any person licensed under this chapter.” How many inspections were conducted in fiscal year 2014 and to date in fiscal year 2015? As a result of these inspections, how many licenses were suspended, revoked or not renewed?

*Fiscal Year 2014 10,096 inspections  
Fiscal Year 2015 11,048 inspections*

*There is no data to specifically say how many suspensions or revocations took place as a result of inspections. However, most of the revocations in 2014 and so far in 2015 are for reasons other than inspections. The same is true for suspensions; almost all are for failure to pay child support or student loans.*

15. Does the board have a website? Is so, please provide the web address. What kind of public information is provided on the website?

*The board’s website is: <http://tn.gov/regboards/cosmo/index.shtml> . The website includes: list of schools, continued education seminar information, rules and laws, applications and forms, public chapters, frequently asked questions, contact*

*information for staff and board members as well as calendar of meetings, agendas, minutes and link to video of meetings.*

*\*Note: there will be a new web address after June 5, 2015.*

<https://tn.gov/commerce/section/cosmetology-and-barber-examiners>

16. What were the board's major accomplishments during fiscal year 2014 and to date in fiscal year 2015?

*Fiscal Year 2014: 1) Submission of students to test became an electronic process expediting licensing by at least ten (10) days. 2) The board of cosmetology and barber examiners merged to become one board. 3) The efficiency of the shop inspections increased drastically from all previous years as a result of the field inspector moving to iPads, electronic reports and restructuring of the team.*

*Fiscal Year 2015: 1) Agreed Citation process added to expedite complaints, keep legal costs down and resolve common infractions so respondents can move past the violation.*

17. What reports, if any, does the board prepare concerning its activities, operations and accomplishments? Who receives copies of these reports? Please attach copies of any such reports issued in fiscal year 2014 and to date in fiscal year 2015.

*All programs prepare a year-end financial report. This includes the revenues and expenditures for the year and is presented to the board by the administration and director annually. Examples of the year-end financials are also attached as mentioned in answer #7.*

18. Has the board developed and implemented quantitative performance measures for ensuring it is meeting its goals? (Please answer either yes or no). If the board has developed and implemented quantitative performance measures, answer questions 19 through 26. If the board has not developed quantitative performance measures, proceed directly to question 27.

*Yes, the Board has developed and implemented quantitative performance measures with the assistance of the Division of Regulatory Boards.*

19. What are your key performance measures for ensuring the board is meeting its goals? Describe so that someone unfamiliar with the program can understand what you are trying to measure and why it is important to the operation of your program.

*The Board's key performance measures are:*

- 1) Timely issuance of licenses*
- 2) Efficient resolution of complaints filed against industry members*
- 3) Financial self-sufficiency of the board*

*These goals are important because the program is charged with protecting the interests of consumers while ensuring effective and timely processing of licensure and oversight of Tennessee professionals.*

20. What aspect[s] of the program are you measuring?

*The aspects being measured are timely licensure, efficient complaint processing, and financial self-sufficiency.*

21. Who collects relevant data and how is this data collected (e.g., what types information systems and/or software programs are used) and how often is the data collected? List the specific resources (e.g., report, other document, database, customer survey) of the raw data used for the performance measure.

*Licensure: The data collected for the licensure metric is pulled monthly from our Licensing System, RBS (Regulatory Board System and reviewed by the Division's Accounting Manager. This data is used by the Accounting Manager to evaluate average licensure times and form a summary report within Excel.*

*Complaints: The data for the complaint information pulled weekly from RBS and is presented in a case and complaint report, which reports the current status of all complaints open. The Division's Accounting Manager then pulls raw data from RBS and utilizes Access and Excel monthly to calculate the complaint metric.*

*Self-Sufficiency:*

*The program works with the Fiscal Division and Accounting Manager to prepare an Annual Spending Plan. Then monthly the program reviews performance spreadsheets that include forecast and actual amounts, conducts monthly meetings with Assistant Commissioner's staff to review board performance, monitors expenses and revenue and schedules annual financial presentations to the board.*

22. How is the actual performance measure calculated? If a specific mathematical formula is used, provide it. If possible, provide the calculations and supporting documentation detailing your process for arriving at the actual performance measure.

*Complaint performance measure - For each complaint or case, the earliest date of activity of resolution or referral to a formal hearing is documented. The goal is to resolve or refer to formal hearing within 180 days. The number of complaints and cases that meet the 180 day goal is divided by total complaints and cases during the time period for a percentage to report in the metric.*

*Complaint performance measure – The board is measured by evaluating whether complaints are resolved or referred to formal hearing within 180 days of their initial processing beginning with the date of receipt of the complaint.*

*Licensing performance measure – The average number of days required to issue a license is taken and compared annually against the previous year's average licensure timeframe.*

*Self-Sufficiency – The program is evaluated by whether the program can financially sustain its operations over (2) years.*

23. Is the reported performance measure result a real number or an estimate? If an estimate, explain why it is necessary to use an estimate. If an estimate, is the performance measure result recalculated, revised, and formally reported once the data for an actual calculation is available?

*It is a real number.*

24. Who reviews the performance measures and associated data/calculations? Describe any process to verify that the measure and calculations are appropriate and accurate.

*The performance measures and associated data/calculations are reviewed by the Accounting Manager and the Board director. The 180 Day Case and Complaint metric is also reviewed by the program attorneys. The measure is compared to the prior month's measures to assess appropriateness and accuracy. The financial performance measures are reviewed by the Accounting Manager, the Board director, the Board, and the Assistant Commissioner for Regulatory Boards. Additionally, all licensure and complaint calculations are reported to the Office of Customer Focused Government monthly.*

25. Are there written procedures related to collecting the data or calculating and reviewing/verifying the performance measure? Provide copies of any procedures.

*Yes, see attached complaint SOP, which is used to describe the process used to measure the efficiency of the complaint process.*

*Yes, see attached self-sufficiency SOP and Annual Spending Plan, which maintains performance spreadsheet that includes forecast and actual amounts.*

26. Describe any concerns about the board's performance measures and any changes or improvements you think need to be made in the process.

*The current measures related to licensure and complaints will be impacted by the new licensure system that will be put into place this year. This system should create a more efficient process for handling licensure and complaints, but it will take time to make sure the measurements will accurately take into account the changes caused as a result of the implementation of the new licensure system processes.*

27. Provide an explanation of any items related to the board that may require legislative attention, including your proposed legislative changes.

*The 2015 legislative session brought forth many changes to the board and the industry as a whole. Rules are being worked on to incorporate all the changes that have taken place. It is too early to include future proposals.*

28. Should the board be continued? To what extent and in what ways would the absence of the board affect the public health, safety, or welfare of the citizens of the State of Tennessee?

*Yes, the board should be continued. The cosmetology and barbering industry affect almost every citizen in the State of Tennessee. Shops and salons throughout the State currently employ over 53,000 individuals. These locations must meet sanitation requirements so that the public health and safety is protected.*

**If the board does receive federal assistance, please answer questions 29 through 37. If the board does not receive federal assistance, proceed directly to question 36.**

29. Please list all board programs or activities that receive federal financial assistance and, therefore are required to comply with Title VI of the Civil Rights Act of 1964. Include the amount of federal funding received by program/activity.
30. Does the board prepare a Title VI plan? If yes, please provide a copy of the most recent plan.
31. Does the board have a Title VI coordinator? If yes, please provide the Title VI coordinator's name and phone number and a brief description of his/her duties. If not, provide the name and phone number of the person responsible for dealing with Title VI issues.
32. To which state or federal agency (if any) does the board report concerning Title VI? Please describe the information the board submits to the state or federal government and/or provide a copy of the most recent report submitted.
33. Describe the board's actions to ensure that association staff and clients/program participants understand the requirements of Title VI.
34. Describe the board's actions to ensure it is meeting Title VI requirements. Specifically, describe any board monitoring or tracking activities related to Title VI, and how frequently these activities occur.
35. Please describe the board's procedures for handling Title VI complaints. Has the board received any Title VI-related complaints during the past two years? If yes, please describe each complaint, how each complaint was investigated, and how each complaint was resolved (or, if not yet resolved, the complaint's current status).
36. Please provide a breakdown of current board staff by title, ethnicity, and gender.

*See attached report.*

37. Please list all board contracts, detailing each contractor, the services provided, the amount of the contract, and the ethnicity of the contractor/business owner.

*The only contract the board has is with PSI, the testing vendor for licensee's theory and practical exams. It is a no cost contract because the testing applicant pays PSI directly.*

**DEPARTMENT OF COMMERCE AND INSURANCE  
DIVISION OF REGULATORY BOARDS  
COMPLAINT HANDLING STANDARD OPERATING PROCEDURE**

**Form of complaint**

The original of a complaint received by or a complaint initiated by the Division shall be sent to the Respondent for a response. All complaints sent to the Respondent should be in writing. A complaint initiated by the Division should fully explain the allegation.

**Who can initiate a complaint?**

A complaint may be initiated by any member of the public. Complaints may also be initiated by referrals from the Division, the Department's legal staff, or Board or Commission members. All complaints initiated by the Division, the Department's legal staff, or Board or Commission members should be opened as staff complaints. All anonymous complaints shall be reviewed on a case-by-case basis by the Program Director in consultation with the attorney assigned to the program ("Program Attorney") to determine what, if any, action they merit. Unless a program has specific statutory authority to deny anonymous complaints, anonymous complaints should be opened under the regular procedure so long as they state a ground that the program could, if true, take action.

**Declining to open a complaint**

If the Executive Director and Program Attorney decide that a complaint fails to state any ground for the agency to take action, construed liberally in favor of opening a complaint, then a letter should be sent by U.S. mail to the Complainant explaining the reason for declining to open a complaint within seven (7) business days of receiving the complaint.

**Request for complaint form**

Board Staff should first direct the requestor to the complaint form on the website. If the requestor does not have internet access, then staff shall mail a complaint form to requestor within one (1) business day of the request with instructions explaining the Program's complaint process, legal authority, and a statement that Regulatory programs cannot require restitution or specific performance.

**Upon receipt of complaint**

Within two (2) business days of receipt of complaint, the Program Director or designee shall conduct an initial review of the complaint to determine: (1) whether the complaint has been filed with the correct program and (2) whether the complaint is a high priority matter (e.g., the alleged conduct poses an imminent danger to the public health, safety or welfare).

- 1) If the complaint is not filed with the correct program, then the Program Attorney should be consulted. Then the complaint should be forwarded to the correct Division program or other state regulatory program(s) within three (3) business days of its receipt.
- 2) If the complaint is a high priority matter, then the Program Attorney should immediately be consulted and he/she shall immediately notify the Deputy General Counsel and Assistant Commissioner. The Program Attorney should report the progress of all high priority matters in the weekly report to the Deputy General Counsel and the Program Director should report the progress of all high priority matters in his/her regular report to the Assistant Commissioner.

- 3) Within five (5) business days of receiving the complaint, the Complaint Coordinator shall:
  - a. Enter the complaint into the Regulatory Boards Case/Complaint System (“RBS”) which automatically assigns a complaint number.
  - b. Send a copy of the complaint, via U.S. mail, to the Respondent, unless otherwise advised by the Program Attorney after consultation with the Program Director.<sup>1</sup> The Complaint Coordinator shall enclose a letter instructing that Respondent has fourteen (14) calendar days (or the number of days allowed by the Program’s law and rules, but not to exceed thirty (30) calendar days) from date of receipt of the complaint to respond.
  - c. Send notification of receipt of the complaint to Complainant via U.S. mail.

### **No response to complaint**

If the Respondent does not respond, the Complaint Coordinator shall forward the complaint to the Division’s legal department within thirty (30) calendar days of its receipt.

### **Upon receipt of response to complaint**

Within three (3) business days of receiving Respondent’s response to the complaint, the Complaint Coordinator shall:

- 1) Update RBS.
- 2) Forward a copy of the complaint and Respondent’s response to the Program Director and Program Attorney.
- 3) Forward a copy of Respondent’s response to the Complainant.

### **Upon referral to Legal Staff**

The Legal Division Secretary or Program Paralegal shall open new matter transmittals in RBS as cases and transmit them to the Program Attorney within three (3) business days after receiving the complaint.

### **Investigation referrals**

The Program Attorney shall make a determination whether or not a complaint needs investigation within forty-five (45) days of receiving the complaint from the program. Investigations requests shall be completed and written investigation reports shall be sent to the Program Attorney within thirty (30) calendar days of referral. If additional time is needed for completion of investigations requests, then the investigator shall make such request by email to the Director of Investigations with a copy to the Attorney who requested the investigation. The request shall specify how much additional time is needed and must be made within twenty-five (25) calendar days of when the matter was referred.

### **Presentation to Regulatory Authority**

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<sup>1</sup> The program in consultation with the program attorney may determine that sending the complaint to the Respondent would be harmful to a future investigation of the complaint. An example of this includes a complaint of unlicensed activity or illegal action where a copy of the complaint requesting a response would solicit a denial from the Respondent and further harm a future investigation. In this scenario, the complaint may be forwarded directly to legal after consultation and agreement with the program attorney whose office will request an investigation of the complaint prior to informing the Respondent of the allegations.

After review of the complaint, as well as any response, investigation report or other relevant information, the Program Attorney will present an anonymous summary of the complaint in a written legal report to the Program's regulatory authority along with a recommendation as to probable cause and course of action. In cases where informal settlement is authorized (e.g., Consent Order), the Respondent shall be given thirty (30) calendar days from receipt of the offer of settlement to respond. If the Respondent fails to respond to the offer within the thirty (30) calendar day period, the Program Attorney shall refer the case to the Litigation Attorney for formal charges.

### **Final action and case closure**

#### 1) Procedure for case in which Respondent is to comply over time

Cases closed with a signed order (Consent Order, Agreed Order, Initial Order or Final Order) that includes a period of time for payment of a civil penalty and/or costs and/or any non-monetary conditions to be completed over a period of time shall be monitored by Program Staff and the Program Attorney. Within one (1) day of receipt, the Program Attorney will deliver a copy of the executed and/or filed order to the Program Director and the Program staff will initially enter the order on the appropriate tracking chart within three (3) business days of receipt of the Order.<sup>2</sup> The Program Attorney, Litigation Attorney and Program Director will review Respondent's compliance with such Orders at each monthly meeting. Any evidence of compliance received by the Attorney shall be delivered to Program Staff within one (1) business day of receipt. Program Staff shall update the tracking chart within three (3) business days of Program Staff's receipt of each item of compliance. Once Respondent fully complies with the terms of the Order or is determined by the Program Director and the Program Attorney to have failed to comply with the Order, any final action provided in the Order shall be taken and the case shall be closed as set forth below.

#### 2) Procedure for closing case

After final action is taken in a case, the Program or Litigation Attorney shall complete the Legal Status Tracking Memorandum, which shall include the date of closure and a description of the final action (e.g., dismissed, letter of warning, consent order paid, formal hearing/revocation, etc.). The Memorandum and the file shall be delivered to the Program Paralegal, who shall within three (3) business days of receipt deliver a copy of the Legal Status Tracking Memorandum and the executed order or letter of warning to the Program staff and update RBS within 3 days.

#### 3) Determining the Closure Date

A complaint's closure date shall be determined as follows:

Dismissed/Closed with no action: Date of board vote;

Letter of Warning: Date letter is sent;

Consent Order/ Agreed Order (no monitoring): Date executed order is received;

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<sup>2</sup> Orders requiring monitoring shall be included on the Disciplinary Action Report upon receipt of the executed and/or filed Order.

Consent Order/ Agreed Order (with monitoring): Date final payment or action is completed. The Board does not close the case until the final payment is received. Legal will close the case coding it "Payment Plan" but it will remain on the legal report until the final payment is received;

Order following a Formal Hearing: Date Initial/Final Order is filed with Secretary of State.

### **Complaint Closure**

The complaint coordinator shall close the complaint in RBS and send a written closure notification to the Complainant and the Respondent within three (3) business days of receipt of closure Memorandum from Legal Staff.

### **Cases Referred for Collection**

Any Order authorized or issued by a Board, Commission, Commissioner or Administrative Law Judge that assesses a civil penalty and/or costs that is not timely satisfied, is subject to being sent outside the Department for collection. Any Final Order that is thirty (30) calendar days past the appeal deadline or any fully executed Consent Order or Agreed Order that is sixty (60) calendar days past the payment deadline should be reviewed by the Litigation Attorney, who will determine whether it should be referred for collection. If it is determined that the Order should be referred for collection, the Litigation Attorney should follow the standard operating procedures for referring cases outside the Division for collection.

### **Reporting**

The Program Director or designee shall submit a Disciplinary Action Report to Mark Green – Chief Counsel and designated Paralegal by the close of business on the third (3rd) day of each month.

### **Meetings**

The following meetings are to be held regularly:

- 1) *Monthly*: The Program Director, Complaint Coordinator, Board Attorney, and Program Paralegal shall meet to review the accuracy of the weekly RBS complaint report, compliance with performance standards, cases for the upcoming legal report, Orders on the chart tracking compliance and any other issues related to the status and handling of cases that may arise.
- 2) *Quarterly (to be scheduled by Assistant Commissioner with each program)*: Assistant Commissioner, Deputy General Counsel, Chief Counsel, Program Director, Complaint Coordinator, Board Attorney, Litigation Attorney and Program Paralegal shall meet to review complaint patterns, i.e., oldest complaints, repeat offenders, unpaid citations, non-compliant respondents and any other issues related to the status and handling of complaints and cases that may arise.

### **Acknowledgement of receipt and understanding of Complaint Handling Standard Operating Procedure:**

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[PROGRAM DIRECTOR'S NAME]

3351016001 - Cosmetology	Work Plan	Expenditures:										Accrual	Requisitions/ Encumbrances	Year-to-Date Total	Percentage Expended to Date
		July Period 1	August Period 2	September Period 3	October Period 4	November Period 5	December Period 6	January Period 7	February Period 8	March Period 9	April Period 10				
Regular Salaries and Wages (70100)	288,600.00	49,307.09	51,621.48	49,899.37	48,947.80	46,243.38	46,900.71	47,982.10	46,750.70	50,724.62	47,794.78			486,172.03	168.46%
Longevity (70102)	5,900.00	300.00	1,600.00	0.00	1,800.00	0.00	8,500.00	0.00	0.00	1,700.00	800.00			14,700.00	249.15%
Overtime (70104)	0.00	0.00	37.26	116.98	0.00	207.15	45.77	68.50	0.00	29.60	0.00			505.26	#DIV/0!
Employee Benefits (702)	116,200.00	22,528.42	23,170.04	22,490.32	21,215.97	20,096.26	23,210.51	21,081.71	22,826.62	20,854.63	20,387.82			217,862.30	187.49%
Payroll Expenditures	410,700.00	72,135.51	76,428.78	72,506.67	71,963.77	66,546.79	78,656.99	69,132.31	69,577.32	73,308.85	68,982.60	0.00	0.00	719,239.59	175.13%
Travel (703)	35,100.00	557.02	0.00	3,194.13	3,240.43	4,841.95	2,431.78	4,572.58	3,269.11	4,198.81	3,572.49			29,878.30	85.12%
Printing, Duplicating & Film Proc. (704)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Utilities and Fuel (705)	0.00	0.00	0.00	32.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00			32.30	#DIV/0!
Communications & Shipping (706)	29,100.00	2,825.90	2,638.35	3,337.21	2,884.24	3,591.29	3,509.47	3,154.34	3,200.80	3,267.20	3,056.17			31,464.97	108.13%
Maint., Repairs and Svcs by Others (707)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Third Party Prof. & Admin. Svcs (708)	33,900.00	712.83	3,851.16	3,260.59	1,429.21	2,055.65	3,416.20	6,665.67	4,003.13	7,528.64	6,749.43			39,672.51	117.03%
Supplies and Office Furniture (709)	1,100.00	8.26	158.15	182.02	200.66	360.00	25.39	698.77	(5.80)	240.94	29.23			1,897.62	172.51%
Rentals and Insurance (710)	2,700.00	0.00	134.52	134.52	134.52	134.52	134.52	134.52	134.52	134.52	174.59			1,250.75	46.32%
Motor Vehicle Operation (711)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Awards and Indemnities (712)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00			100.00	#DIV/0!
Grants and Subsidies (713)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Unclassified Expenses (714)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Inventory (715)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Equipment (716)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Land (717)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Buildings (718)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Lost Discounts (719)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Highway Construction (720)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Training of State Employees (721)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	#DIV/0!
Computer Related Items (722)	1,000.00	0.00	127.40	0.00	0.00	0.00	521.68	271.80	0.00	627.66	163.40			1,711.94	171.19%
State Prof. Svcs. (725)	206,300.00	8,029.53	9,797.62	18,469.69	15,115.66	13,670.33	12,544.51	12,460.95	13,257.95	13,134.47	17,101.43	7,186.00		140,768.14	68.23%
Other Expenditures	309,200.00	12,133.54	16,707.20	28,610.46	23,004.72	24,653.74	22,583.55	27,958.63	23,959.71	29,132.24	30,846.74	7,186.00	0.00	246,776.53	79.81%
<b>TOTAL EXPENDITURES</b>	<b>719,900.00</b>	<b>84,269.05</b>	<b>93,135.98</b>	<b>101,117.13</b>	<b>94,968.49</b>	<b>91,200.53</b>	<b>101,240.54</b>	<b>97,090.94</b>	<b>93,537.03</b>	<b>102,441.09</b>	<b>99,829.34</b>	<b>7,186.00</b>	<b>0.00</b>	<b>966,016.12</b>	<b>134.19%</b>
<b>COSTBACK BUDGET</b>	<b>0.00</b>											<b>537,225.86</b>	<b>w/Costback=</b>	<b>966,016.12</b>	<b>134.19%</b>

## **Division of Regulatory Boards Self-Sufficiency SOP**

### **Objective:**

The following provides a brief overview of the plan that the Division of Regulatory Boards has developed in order to have a documented and formalized process to ensure that the financial position of each board is properly reviewed. Additionally, management will devote ongoing resources to education and training of appropriate program staff (Executive Directors and Administrative Managers) with regards to budget forecasting, allocation formulas, data integrity, best practices, etc.

### **Education:**

The Accounting Manager will prepare and conduct formalized training sessions related to the budget process and the monthly financial reports for the Division. This will include documents and training on commonly used reports, and any other financial topics, State and Fiscal policies as needed.

The budget process session will be held annually, prior to the preparation of the budget documents for F&A.

### **Monthly:**

The Accounting Manager will hold monthly meetings with each director to review and discuss their board(s) financial position. The Accounting Manager should strive to conduct these meetings within 10 working days following the release of the monthly reports from the Department's Fiscal Service Office. This discussion will allow the Accounting Manager to focus on each individual board to ensure that all aspects of each board's financial position is reviewed and evaluated. The meeting and any notes or corrections that arise from the meeting will be recorded and kept by the Accounting Manager with the current fiscal year information.

Following the individual discussions with the board directors the Accounting Manager will meet with the Assistant Commissioner of Regulatory Boards. During this meeting the Division's overall position and any specific concerns will be discussed. Documented meeting outcomes will include

- Trend Analysis, including over/under performance by board
- Notes related to remedial steps/action items to address performance failures
- Updating of the spreadsheet used to track action item statuses
- Minutes or notes related to the meeting

### **Quarterly:**

The Assistant Commissioner and the Accounting Manager will meet with the Deputy Commissioner and review the boards' financial positions. The meeting will be held at the conclusion of each quarter. Documented outcomes of the meeting shall include:

- Trend Analysis
- A quarterly view of the boards individual performance
- Forecast reports by board
- Identify and discuss extraneous threats to boards self-sufficiency
- Advise the Deputy Commissioner of current remedial steps/action items

The Accounting Manager will meet with the Department's Fiscal Service staff to discuss any upcoming financial reporting deadlines. The will include the annual budget, spending plans, reserve letters, and any other report required by F&A. The meeting will be held at the conclusion of the quarter.

### **Annually:**

The Accounting Manager will prepare a financial statement for each board within 30 working days of the F&A reserve letter deadline.

The Assistant Commissioner will appear before each board and discuss the board's financial position. This meeting will ensure that board members are apprised of any financial concerns or challenges that the board may be facing. During this meeting each year the Assistant Commissioners will present the board with its financial statements from the prior fiscal year. This meeting will be held as part of the board's established monthly, bimonthly or quarterly meeting.

During the annual budget process the Accounting Manager will coordinate the preparation of the following:

- Annual Revenue Projections – Each board director is responsible for their board(s) projection.
- Annual Spending Plan – The Accounting Manager and the Assistant Commissioner will prepare with input from the directors.

Sunset Public Hearing Questions for Board of Cosmetology and Barber Examiners  
 Response to Question 12.

<b>License Type</b>	<b>Applications Received 2014</b>	<b>Licenses Granted 2014</b>	<b>Applications Received 2015</b>	<b>Licenses Granted 2015</b>	<b>Rejected 2014</b>	<b>Rejected 2015</b>
Cosmetologist	4,710	2,422	2,663	1,849	2,288	814
Master Barber	450	231	160	128	219	32
Cosmetology Instructor	125	98	98	93	27	5
Barber Instructor	29	18	11	9	11	2
Barber Instructor Assistant	4	3	6	6	1	0
Natural Hair Stylist	18	16	16	8	2	8
Barber Technician	14	10	16	14	4	2
Shampoo Technician	2	1	1	1	1	0
Aesthetician	641	490	332	268	151	64
Manicurist	722	560	398	320	162	78
Cosmetologist/Aesthetician	0	0	40	40	0	0
Shampooist/Manicurist	0	0	0	0	0	0
Barber Shop	221	210	415	399	11	16
Cosmetology Full Service Shop	759	736	517	506	23	11
Manicure Shop	139	137	91	85	2	6
Skin Care Shop	83	79	48	47	4	1
Manicurist/Skin Care Shop	64	64	42	41	0	1
Natural Hair Styling Shop	15	11	8	7	4	1
Barber School	3	3	3	1	0	2
Cosmetology School	4	4	6	4	0	2

**State Board of Cosmetology and Barber Examiners , Office Staff**

<b>Title</b>	<b>Ethnicity</b>	<b>Gender</b>
Executive Director	Hispanic	Female
Administrative Manager	Caucasian	Male
Administrative Assistant	Caucasian	Female
Licensing Tech	African American	Female
Licensing Tech	African American	Female
Licensing Tech	Vietnamese	Male
Licensing Tech	African American	Female
Administrative Assistant	Caucasian	Male
Temporary Staff	African American	Female
Temporary Staff	African American	Female