

Board of Cosmetology

JLBC: Jeremy Olsen
 OSPB: Patrick Makin

DESCRIPTION	FY 2006 ACTUAL	FY 2007 ESTIMATE	FY 2008 JLBC	FY 2009 JLBC
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	24.5	24.5	24.5	24.5
Personal Services	749,100	762,500	762,500	762,500
Employee Related Expenditures	255,400	298,900	301,800	301,800
Professional and Outside Services	201,500	202,300	207,400	207,800
Travel - In State	47,800	51,300	51,300	51,300
Travel - Out of State	10,400	7,700	7,700	7,700
Other Operating Expenditures	268,200	350,900	364,800	365,200
Equipment	20,100	0	101,600	9,100
AGENCY TOTAL	1,552,500	1,673,600	1,797,100	1,705,400

FUND SOURCES

Other Appropriated Funds				
Board of Cosmetology Fund	1,552,500	1,673,600	1,797,100	1,705,400
SUBTOTAL - Other Appropriated Funds	1,552,500	1,673,600	1,797,100	1,705,400
SUBTOTAL - Appropriated Funds	1,552,500	1,673,600	1,797,100	1,705,400
TOTAL - ALL SOURCES	1,552,500	1,673,600	1,797,100	1,705,400

CHANGE IN FUNDING SUMMARY

	FY 2007 to FY 2008 JLBC		FY 2007 to FY 2009 JLBC	
	\$ Change	% Change	\$ Change	% Change
Other Appropriated Funds	123,500	7.4%	31,800	1.9%
Total Appropriated Funds	123,500	7.4%	31,800	1.9%
Total - All Sources	123,500	7.4%	31,800	1.9%

AGENCY DESCRIPTION — The board administers licensing examinations and licenses; inspects salons and schools; investigates violations of sanitation requirements and procedures. It conducts hearings and imposes enforcement actions where appropriate.

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006	FY 2008
	Actual	Actual	Actual	JLBC
• Average calendar days to resolve a complaint	120	120	120	120
• Average calendar days to renew a license	22	15	15	10
• Customer satisfaction rating (Scale 1-8)	7	7.3	7.3	7.3

CHANGES FROM FY 2007

Operating Budget

The JLBC includes \$1,797,100 and 24.5 FTE Positions from the Board of Cosmetology Fund for the operating budget in FY 2008 and \$1,705,400 and 24.5 FTE Positions in FY 2009. These amounts would fund the following adjustments:

Standard Changes OF \$2,600 FY 2008 \$2,600 FY 2009
 The JLBC includes an increase of \$2,600 from the Board of Cosmetology Fund in FY 2008 and FY 2009 for standard changes.

File Document Management OF \$89,000 0
 The JLBC includes a one-time increase of \$89,000 from the Board of Cosmetology Fund in FY 2008 for a file document management system. The board has approximately 87,000 licensing files, which it will convert from hard copies to a digital format. The board will also have the ability to create digital files of new applications.

Inclusion of this item is contingent upon the Government Information Technology Agency's approval of the project.

Operational Costs OF 19,000 19,800

The JLBC includes an increase of \$19,000 from the Board of Cosmetology Fund in FY 2008 and \$19,800 in FY 2009 for increased operational costs. These amounts include the following:

- An increase of \$1,900 in FY 2008 and \$2,000 in FY 2009 for an Information Technology (IT) maintenance contract. This amount will fund the additional cost of the board's contract for maintenance of its electronic licensing system, which increases by 5% each year.
- An increase of \$7,100 in FY 2008 and \$7,300 in FY 2009 for increased costs for postage and office supplies. The board projects an average annual increase of 2% from FY 2005 to FY 2009 in the number of inspections made and the number of licenses issued. The above amount will provide funding for additional operating supplies and equipment related to the increased workload growth.
- An increase of \$4,900 in FY 2008 and \$5,100 in FY 2009 for higher rent costs. The board is currently renting 6,400 square feet of private space in Tempe.
- An increase of \$5,100 in FY 2008 and \$5,400 in FY 2009 for increased Attorney General costs. The board contracts with the Attorney General for part-time services of an Assistant Attorney General, and this contract includes an annual increase of approximately 5%.

Replacement of IT

Equipment OF 12,900 9,400

The JLBC includes an increase of \$12,900 from the Board of Cosmetology Fund in FY 2008 and \$9,400 in FY 2009 for replacement and upgrading of Information Technology equipment.

The aforementioned amount includes a one-time increase of \$3,500 for a new server in FY 2008. The new server will allow the board to offer additional on-line transactions, including filing for examination applications and the ability to pay the application fee. The board also anticipates offering the ability to apply for an initial license online. Currently, the only functionality offered on the board's Web site is license renewals.

The aforementioned amount also includes \$9,400 from the Board of Cosmetology Fund in FY 2008 and FY 2009 to replace 2 notebook computers and 6 desktop computers in each year. The computers being replaced by the board are approximately 6 years old.

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FORMAT — Lump Sum by Agency

FOOTNOTES

Standard Footnotes

This appropriation is available for use pursuant to the provisions of A.R.S. § 35-143.01C and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations until June 30, 2009.

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
Board of Cosmetology Fund (CBA2017/A.R.S. § 32-505)		Appropriated
Source of Revenue: Monies collected by the board from the examination and licensing of cosmetologists, salons, and cosmetology schools. The board retains 90% of these monies and deposits 10% in the General Fund.		
Purpose of Fund: To examine, license, investigate, and regulate cosmetologists, salons, and cosmetology schools, and for board administration.		
Funds Expended	1,552,500	1,673,600
Year-End Fund Balance	2,752,900	3,607,100