

# Agency 5-Year Plan

## **Issue 1** Other Operating Expenses

**Description:** Other Operating Expenses

### **Solutions:**

The Board of Cosmetology, (BOC), must be able to effectively and continually improve and update services rendered to its licensees and consumers. The BOC provides, with great efficiency, services to approximately 118,295 licenses within the BOC's database, a number that had been kept at a steady pace of growth annually.

The BOC will continue to use "operating expenses" to educate consumers, licensees and Board Members, through circulars and website updates. Due to the Board's continued endeavors and provided education, we continue to see a reduction in serious injuries to Arizona Consumers.

To allow the Board to fulfill its mandate within constraints of a limited appropriated budget, the Board is seeking to increase our appropriation without intervening with operational demands, the extra time to scan files, additional Infection Protection/Law Review Classes which will increase due to A.R.S. § 32-506 (14) a legislative change, more applicants due to the new Universal Recognition License A.R.S. § 32-42-4302, increase of examination applications, outside & professional & temporary services, supplies, facility maintenance and other operating expenses.

## **Issue 2** Improved Enforcement Efficiency

**Description:** Improved Enforcement Efficiency

### **Solutions:**

One of the priorities for The Board of Cosmetology, (BOC), is to fill the two (1) vacant Inspector, (1) vacant Admin II and (1) vacant Customer Service Position. The importance in conducting health and safety inspections at least once a year is a priority for the protection of consumers and the education of licensee's through inspections. These goals cannot be met, due to the lack of Inspector positions. The hiring of one additional inspector will allow the agency to continue with the Risk Based Salon Inspection approach. We are presently working with only two Inspectors and three Investigators where we need at least one additional Inspector in the field in order to reach the strategic goal of the 1 year inspection requirement, these goals cannot be met at this time due to the increase of licensed salons and schools. With the additional inspector the office would require an additional Admin support.

At the present the agency employees two customer service representatives with an additional customer service representative would relieve the workflow. Due to our current appropriation constraints, we are unable to fill the three vacant positions in order to meet the agencies goals. The Arizona State Board of Cosmetology plans to request additional appropriation in order to support the cost of additional staff.

The implementation for the mobile cellular inspection devices for Inspectors is a goal to be reached by 2021/2022 which will allow Inspectors out in the field to have the capability to retrieve license information that is in our database to assist in their inspections with up to date information.

**Issue 3** System maintenance Support, Equipment Replacement, Enhancement, & Upgrades.

**Description:** System maintenance Support, Equipment Replacement, Enhancement, & Upgrades.

**Solutions:**

Solutions:

The Arizona State Board of Cosmetology (BOC) must continue to work on the efficiency and accuracy of licensee's electronic filing. Acquiring a new licensing system will allow BOC enhance the out dated functions and will allow user friendly and increase application on-line.

By 2022 – The BOC must complete the mobile cellular inspection devices. The first phase of the inspection software module will be completed, but lacking the mobile cellular devices.

By 2023 – The BOC will need to purchase a new enterprise solution to replace our unfriendly and unfavorable database system.

By 2023 - The BOC would develop the lacking inspection route mapping and tracking and risk base inspection rating method. The project further aligns with the state's initiative for agencies to conduct business electronically where possible.

**Funding Issue**

GL Suites/Replacement – Agencies Database

BOC is requesting a one- time additional appropriation for purposes of replacing the current licensing database system. The BOC has been faced with numerous operational function issues and lack of security with the agencies database. Changes or updates with the current database takes several months to complete, lack of constant vendors staff & support and the increasing cost of the database has forced the agencies decision to migrate to the statewide enterprise solution.

BOC is currently working with ADOA ASET to select a single vendor, and to finalize the PIJ for this migration. ADOA/ASET has notified OSPB about the situation that the board is facing with completing the PIJ by July 1, 2022 and the selection of the new database. Since there has been issues with other agencies moving over to the states eLicensing platform, BOC is very cautious on what vendor that will be selected. BOC will have a complete assessment of all internal needs & wants for the complete migration system in order to capture the business requirements for all areas of business. This assessment will be completed by a 3rd party that specializes in IT Assessments. This will take place prior to FY 2023, in order to start "Phase One" of our migration. ASET and AZBOC understands the cost for this project will be an enormous to start up, but it must be done to be part of the statewide enterprise solution.

AZBOC, database houses over 118,295 plus licensees, complaint files, student hours and inspections. The requirements for a new database must include customization of school student's hour report module, agencies online applications to include; renewals, first time applications, certifications and the mobile inspections module. The inspection mobile module would be partly in place but will require the agencies licensing database to allow the completion of the project. The BOC hopes that when the vendor has been selected the agencies contract, potentially the cost could be lowered, but based on an assessment of other agencies licensing systems quotes provided in 2022.

**Equipment Replacement:**

-Continued upgrades and replacement computers, and laptops

**System maintenance support, enhancement, and upgrades:**

-Network services reviewed and renewal of service contracts.

**Issue 4** Budget Contingency Plan

**Description:** Budget Contingency Plan

**Solutions:**

The State Board of Cosmetology is requesting additional appropriation to support other Personal Services, PS, and Employee Related Expenses, ERE, to fund three vacant positions.

The Arizona State Board of Cosmetology has an FTE count of 24.5 positions. The current number of filled position is 19, with 5.5 vacant positions. During the fiscal year of 2020, five recent separated position have been replaced. Leaving 5.5 vacant position without appropriations. The Due to the rising cost to maintain the Agency's operations with professional and outside and other operation expenses, the agency has been unable to fill all of its vacant positions.

The Board continues to see and record the continued growth within the Cosmetology community and along with the increase of licenses, there will be an increase of inspections, complaints, investigations, classes administered by staff, fraud investigations, multiple types of applications to be processed and customer service to be provided to licensees and the public.

The number of professional licenses increased 11,794 during Fiscal Year 2020. For Fiscal Year 2020, the Board completed and processed 2,920 examinations, 2,119 salon applications, 3,353 inspections, administered 1,868 classes, and investigated 723 complaints. Numbers are lower due to COVID-19 and lack of staff.

The fundamental function of the board is to provide the optimal level of service to the public and licensees. The Board would like to continue to meet the Agency's strategic and annual goals, which includes the ability to reduce the number of delinquent licenses, increase the number of required inspections, and reduce the turn-around time for all applications and related transactions. Without an appropriation increase for the vacant full time employees, this may have a negative impact on the level of productivity, and affect the level of service provided by the Board. An increase of appropriation to fill the vacant positions is crucial for the Board to continue to function at a higher level and further serve the public to the best of its ability.

Continued services provided by Rule Writing - In process of updating our rule package and eliminating rules. A rule writer continues to be a service needed by our agency.

**Issue 5** A Quality continuity Plan

**Description:** A Quality continuity Plan

**Solutions:**

To provide continued public protection even in times COVID-19 and/or disaster, a workable continuity plan for a small agency must be in place. This will require finding a place to set up an office away from the current Board's office in case of a local tragedy, perhaps by coordinating with another State Agency for the use of their offices. There must be a provision in law and rule to allow for licensees to provide services outside of a salon setting in a disaster. Our database is hosted at an outside location providing extra security and minimal down time to the public.

**Issue 6** External Partners

**Description:** External Partners

**Solutions:**

Continuing to maintain its relationship with current partners, the leadership involvement that has proven to assist the Board to benchmark and remain current both as a regulatory agency and as a leader in the Cosmetology profession. These partners include The Internal Revenue Service (for small business participation and investigative tax fraud), National Interstate Council of State Boards of Cosmetology, National Accreditation Commission of Cosmetology Arts and Sciences, Council for Licensure, Enforcement and Regulation Federation Association of Regulatory Boards, AACCS American Association of Cosmetology Schools, The Salon Association, ACIA (Arizona Cosmetology Industry Association), PCS (Professional Credential Services, Prometrics and others. All require travel to meeting locations or electronic participation at the very least which must continue to be funded. Board members hold office at National levels. Board Chairman, Executive Director, Deputy Director & Co- Chair National committee positions.

**Issue 7** Public Communication

**Description:** Public Communication

**Solutions:**

Ongoing communication with the Arizona Legislature and State Administrations about the importance of the appropriation necessary to continue responsible regulation, is required. Regulatory pamphlets, health and safety educational classes, and issues of public interest, to answer regulatory questions and issues. Reorganization and the continuing restructuring of the Agency website is needed to improve communication . By 2022 and 2023 printing brochures and/or circulars for licensees, salons, and schools for distribution, is a goal of the Board. By 2022 – 2023 by continuing services with our state printing vendors and distributing information will bring employment and information to the public.

**Issue 8** Rule Promulgation

**Description:** Rule Promulgation

**Solutions:**

Rule promulgation needs to be on going to promote consumer protection - fighting deregulation. All license renewal applications to be accompanied with current photographs. With an updated system those pictures would be scanned and printed on licenses. At this time the BOC requires pictures to be submitted for all first licenses, but requires rule promulgation for renewals. The goal of the BOC is to continue to update the rules to ensure clarity and to eliminate outdated burdensome rules.

**Issue 9**

**Description:**

**Solutions:**

## Resource Assumptions

	FY2023 Estimate	FY2024 Estimate	FY2025 Estimate
<b>Full-Time Equivalent Positions</b>	0.0	0.0	0.0
<b>General Fund</b>	0.0	0.0	0.0
<b>Other Appropriated Funds</b>	0.0	0.0	0.0
<b>Non-Appropriated Funds</b>	0.0	0.0	0.0
<b>Federal Funds</b>	0.0	0.0	0.0

**CBA 0.0** **Agency Summary**  
**BOARD OF COSMETOLOGY**  
 Kim Scoplitte, Executive Director  
 Board of Cosmetology (480) 784-4632  
 A.R.S § 32-505(A),(B),©  
 Plan Contact: Kari Watkins, ASO I  
 Board of Cosmetology (480) 784-4558

**Mission:**

To ensure the public's health, welfare, and safety through education and enforcement of cosmetology laws and rules by the efficient regulation of salons, schools, and individuals who practice cosmetology.

**Description:**

The Board of Cosmetology issues licenses to salons, schools, and individuals who qualify by Universal Recognition Licensing, reciprocity or through the administration of a written and practical examination. The Board performs health and safety inspections of salons and schools, investigates consumer complaints, conducts hearings, and imposes enforcement action when appropriate. The Board also establishes health and safety standards, establishes educational and curriculum standards and oversight, and provides monthly classes on infection control and statutory and regulatory compliance for the licensees.

◆ **Goal 1** To establish standards for the professional practice of cosmetology.

**Objective:** 1 FY2020:

- FY2021: To have a circular available on-line and be able to hand out during inspections and investigations for public awareness. #2 Justification for lower estimation is due to auditor general's suggestion to break down delinquent and Inactive (#5-#6) which still continue to be serviced.
- FY2022: Updated website and hand held devices will be a more user friendly feature, in order to reduce walk-in front desk and customer calls. By 2020-2021, to migrate to the statewide enterprise solution database.

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Average calendar days from receipt of completed application to issuance of license	28	28	28

Total individuals and establishments licensed	72,148	85,000	87,000
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This is total active licenses which was broken down with #5 & #6 as per recommendation of the Auditor general.

Total delinquent Individual and establishment licensed	16,154	10,000	10,000
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#2 Justification for lower estimation is due to auditor general's suggestion to break down delinquent and Inactive (#5-#6) which still continue to be serviced.

Total Inactive individual licenses	28,493	25,000	25,000
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#2 Justification for lower estimation is due to auditor general's suggestion to break down delinquent and Inactive (#5-#6) which still continue to be serviced.

◆ **Goal 2** To ensure swift, fair, and effective enforcement of statutes and rules governing the profession.

**Objective:** 1 FY2020:

- FY2021: To be at a 88% employee full time working rate, in order to conduct all customer complaints, inspections, investigations, fraudulent cases, license(s) processing and to include rule changes.
- FY2022: To be at a 100% employee full time working rate, in order to conduct all customer complaints, inspections, investigations, fraudulent cases, license (s) processing and to include 2019 rule changes.

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Total Inspections conducted	3,353	10,000	10,000

The significant change was due to low In staff -inspectors on med leave with no replacement to carry on work load.

Total complaints and application denials	723	2,000	2,000
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Goal is to have lesser complaints and penalizations, with better training/ awareness.

Average calendar days to resolve a complaint	120	120	120
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◆ **Goal 3** To educate the consumers and cosmetology professionals about their rights, resolutions, and responsibilities among the cosmetology community, the public and the Board by delivering courteous, efficient service to the consumers, owners, and employees of state government.

**Objective:** 1 FY2020:

- FY2021: The Board will hold at least 28 Infection Protection and Law classes per year.
- FY2022: Use our affiliations with national committee positions to enable the Board of Cosmetology to educate state Cosmetology professionals and by 2020- 2021 to hold on-line Education Classes.

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Educational class opportunities offered to the public in class or over the internet	17	28	28

The Board wants to mandate (Rule Law Change) that all reciprocity applications take classes

Percent of citizen satisfaction surveys reporting Board service as satisfied or higher	95	95	95
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◆ **Goal 4** To provide services through efficient government.

**Objective:** 1 FY2020:

- FY2021: Update and replace data base system for more efficiency. A budget contingency plan for legal & state issues, example Case (Vong vs Aune)
- FY2022: Participation of network and other cosmetology boards nationally on the certification process. By 2020-2021 to develop a quality continuity plan for Board office to provide services outside Boards current location.

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Constituents aided in transferring to another governmental jurisdiction or educational institution.	762	1,000	1,000

Licenses accepted through reciprocity from another state or country.	1,783	1,800	1,800
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Percentage of applicants or license holders reporting very good or excellent.	95	95	95
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Licenses accepted through universal recognition	368	450	450
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**AGENCY SUMMARY**

**Program:** CBA 0 . 0 BOARD OF COSMETOLOGY  
**Director:** Kim Scoplitte, Executive Director  
**Phone:** Board of Cosmetology (480) 784-4632  
**Statute:** A.R.S § 32-505(A),(B),©  
**Plan Contact:** Kari Watkins, ASO I  
 Board of Cosmetology (480) 784-4558

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*To ensure the public's health, welfare, and safety through education and enforcement of cosmetology laws and rules by the efficient regulation of salons, schools, and individuals who practice cosmetology.*

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◆ **Goal:** 1 To establish standards for the professional practice of cosmetology.

**Objectives:** 1

- 2021 Obj: To have a circular available on-line and be able to hand out during inspections and investigations for public awareness. #2 Justification for lower estimation is due to auditor generals suggestion to break down delinquent and Inactive (#5-#6) which still continue to be serviced.
- 2022 Obj: Updated website and hand held devices will be a more user friendly feature, in order to reduce walk-in front desk and customer calls. By 2020-2021, to migrate to the statewide enterprise solution database.

**Performance Measures:**

ML	Budget	Type		FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
1	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	EF	Average calendar days from receipt of completed application to issuance of license	28	28	28	28
2	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OP	Total individuals and establishments licensed	82,673	85,000	72,148	85,000
3	<input type="checkbox"/>	<input type="checkbox"/>	OP	Customers served by walk in at the front desk budget related	5,835	6,000	5,546	3,500
4	<input type="checkbox"/>	<input type="checkbox"/>	OP	Customer calls received	41,218	43,000	57,593	45,000
5	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OP	Total delinquent Individual and establishment licensed Increase of delinquent licenses due to the two year renewal cycle.	11,874	13,000	16,154	10,000
6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OP	Total Inactive individual licenses	22,357	25,000	28,493	25,000

◆ **Goal:** 2 To ensure swift, fair, and effective enforcement of statutes and rules governing the profession.

**Objectives:** 1

- 2021 Obj: To be at a 88% employee full time working rate, in order to conduct all customer complaints, inspections, investigations, fraudulent cases, license(s) processing and to include rule changes.
- 2022 Obj: To be at a 100% employee full time working rate, in order to conduct all customer complaints, inspections, investigations, fraudulent cases, license (s) processing and to include 2019 rule changes.

**Performance Measures:**

ML	Budget	Type		FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
1	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OP	Total inspections conducted The number of inspections increased in FY19 due to the addition of two inspector positions. The agency needs additional appropriation in order to hire for additional inspector positions in order to meet the need of the growth statewide.	9,862	10,000	3,353	10,000
2	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	IP	Total complaints and application denials	2,123	2,000	723	2,000
3	<input type="checkbox"/>	<input type="checkbox"/>	EF	Percent of formal hearings and appeals conducted within one year budget related	100	100	100	100
4	<input type="checkbox"/>	<input type="checkbox"/>	EF	Percent of informal interviews conducted or settled within 4 months after investigations budget related/staffing	90	95	90	100
5	<input type="checkbox"/>	<input type="checkbox"/>	OC	Percent of inspections receiving an unsatisfactory grade	16	16	11	16

ML	Budget	Type		FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	EF	Average calendar days to resolve a complaint	120	120	120	120
7	<input type="checkbox"/>	<input type="checkbox"/>	OC	Total number of licenses revoked or suspended budget related	7	40	2	10

◆ **Goal:** 3 To educate the consumers and cosmetology professionals about their rights, resolutions, and responsibilities among the cosmetology community, the public and the Board by delivering courteous, efficient service to the consumers, owners, and employees of state government.

**Objectives:** 1

2021 Obj: The Board will hold at least 28 Infection Protection and Law classes per year.

2022 Obj: Use our affiliations with national committee positions to enable the Board of Cosmetology to educate state Cosmetology professionals and by 2020- 2021 to hold on-line Education Classes.

**Performance Measures:**

ML	Budget	Type		FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	EF	Educational class opportunities offered to the public in class or over the internet budget related	28	28	17	28
2	<input type="checkbox"/>	<input type="checkbox"/>	EF	Updates or circulars available to the public and licensees budget related	5,000	5,000	5,000	5,000
3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	QL	Percent of citizen satisfaction surveys reporting Board service as satisfied or higher	95	95	95	95
4	<input type="checkbox"/>	<input type="checkbox"/>	IP	Number of individual applications received for attendance at Board offered educational classes	2,244	2,500	1,868	2,500

◆ **Goal:** 4 To provide services through efficient government.

**Objectives:** 1

2021 Obj: Update and replace data base system for more efficiency.

A budget contingency plan for legal & state issues, example Case (Vong vs Aune)

2022 Obj: Participation of network and other cosmetology boards nationally on the certification process. By 2020-2021 to develop a quality continuity plan for Board office to provide services outside Boards current location.

**Performance Measures:**

ML	Budget	Type		FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	Constituents aided in transferring to another governmental jurisdiction or educational institution. budget related	752	1,000	762	1,000
2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	Licensees accepted through reciprocity from another state or country. budget related	1,780	1,800	1,783	1,800
3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	QL	Percentage of applicants or license holders reporting very good or excellent.	95	95	95	95
4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	Licensees accepted through universal recognition Budget Related	0	0	368	450

## Budget Related Performance Measures

### Board of Cosmetology

**Agency:** 0.0 BOARD OF COSMETOLOGY  
**Contact:** Kim Scoplitte, Executive Director (480) 784-4632  
**2nd Contact:** Kari Watkins, ASO I (480) 784-4558  
**Statute:** A.R.S § 32-505(A),(B),©

ML	Budget	Type	Performance Measure	FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OP	Total inspections conducted The significant change was due to low in staff -inspectors on med leave with no replacement to carry on work load.	9,862	10,000	3,353	10,000	10,000
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	EF	Average calendar days from receipt of completed application to issuance of license	28	28	28	28	28
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	IP	Total complaints and application denials Goal is to have lesser complaints and penalizations, with better training/ awareness.	2,123	2,000	723	2,000	2,000
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OP	Total individuals and establishments licensed This is total active licenses which was broken down with #5 & #6 as per recommendation of the Auditor general.	82,673	85,000	72,148	85,000	87,00