

Table of Contents

2016-17 Governor's Budget - Cosmetologist Examiners, Board of

Agency Profile – Cosmetologist Examiners, Board of.....	1
Expenditures Overview.....	3
Financing by Fund.....	4
Change Item: Operating Adjustment.....	5

<http://mn.gov/health-licensing-boards/cosmetologist-examiners/>

AT A GLANCE

FY 2013 Credentialing and Licensing

- 3,080 credentialed & licensed with 15 business days
- 40,142 Total Licensees

FY 2013 Inspections

- 1771 Salons and Schools Inspected

FY 2013 Complaint Resolutions

- 208 Complaints Received
- 277 Complaints Investigated and Closed

PURPOSE

We credential, license, inspect, discipline, and educate on the necessity to practice safe cosmetology services to safeguard the public and licensees.

Our mission is to constantly strive to serve and care for our licensees, applicants, and the public by being committed to public protection, superior service, excellence, and continuous improvement.

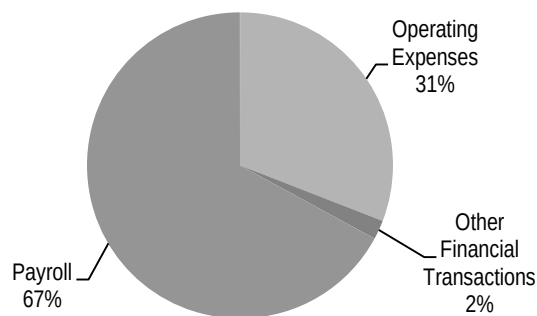
The Board of Cosmetologist Examiners contributes to the following statewide outcomes:

People in Minnesota are Safe by licensing those competent to provide safe services to avoid injury and disease, performing regular inspections to ensure compliance with safety standards, and utilizing technology to provide immediate education.

Efficient and Accountable Government Services are supported by evaluating applicant credentials, issuing and renewing qualified applicants, and responding to our licensees and the public all within timely manner.

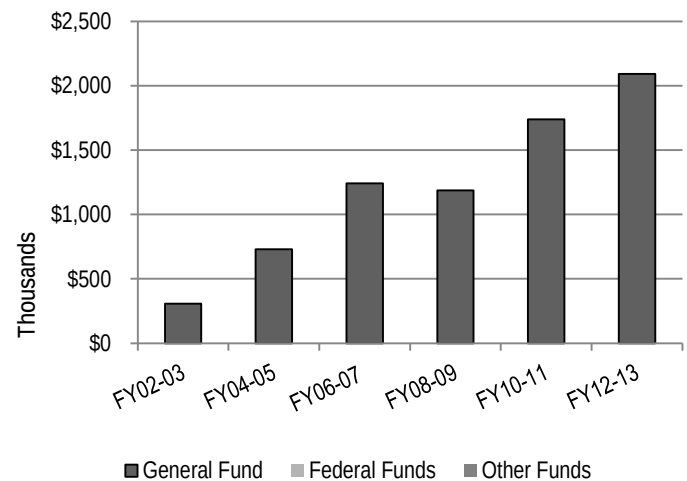
BUDGET

Spending by Category
FY 13 Actual



Source: SWIFT

Historical Spending



Source: Consolidated Fund Statement

We deposit all fees collected into the general fund and receive a direct appropriation from the general fund to cover operational expenses.

STRATEGIES

We keep people safe in Minnesota safe by:

- Only issuing licenses to those applicants qualified.
- Field inspections are routinely completed to ensure safety standards are being met.
- Continuously educating our licensees of new standards and how to resolve deficiencies through field inspections, electronic communications, and face-to-face outreach.

- Reach voluntary resolution of violations and offer remedial education when necessary to ensure licensing and safety standards are being met.
- Constantly reviewing all laws and rules we are empowered to enforce to create simplified processes that are current and adhered to all while meeting national standards.
- Issuing immediate corrective orders for severe threats of harm to the public.

We contribute to providing efficient and accountable government services by:

- Credentialing and issuing licenses to those qualified within 15 business days.
- Readily responding to email and telephone inquiries, generally within 24 hours.
- Providing on-the spot educational materials in conjunction with inspections to create immediate awareness.
- Instant license account management and real-time online license lookup to provide transparency to licensees and the public.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Completed Inspections	1,771*	2,199*	FY13; FY14
Quality	Recidivism Rate (Re-Offend) Rate of Signed Consent Orders ¹	0.46%	0.42%	FY13; FY14
Quality	MN Rule 2015 and 2010 Rewrite Initiative ²	28	84	FY13; FY14
Quality	Voluntary Resolution of Settlement Agreement ³	92%	89%	FY13; FY14
Quantity	Safety and Sanitation Education Materials Provided to Licensees with Inspection Reports ⁴	2	7	FY13; FY14
Source: GLSuite - Government Licensing Database				
*The Board has had periodic vacancies in inspector positions that resulted in fewer inspections totals.				

Minnesota Statute and Administrative Rules Governing Cosmetology:

Minnesota Statute 155A <https://www.revisor.leg.state.mn.us/statutes/?id=155A>
 Minnesota Rule Chapter 2105 <https://www.revisor.leg.state.mn.us/rules/?id=2105>
 Minnesota Rule Chapter 2110 <https://www.revisor.leg.state.mn.us/rules/?id=2110>

¹ We consider this a quality measure as it speaks to the individual education provided on how to remedy violations and encourage continued compliance.

² We are undergoing major rule revisions to eliminate unneeded, outdated language and to implement plain language rules that reflect current credentialing and infection control standards.

³We offer a simplified settlement agreement process for licensees that have been cited by the Board for serious violations. This condensed process is done only if the licensee is willing and agrees. This process has been extremely beneficial and for both the licensees and the Board and significantly reduces the amount of time by several months to reach the settlement agreement.

⁴ We provide a variety of immediate educational material for licensees and the public to further educate themselves on current infections standards, diseases, and continued compliance with cosmetology regulatory rules. This gives licensees documents in a plain language format that can be posted in their salon to educate the public and licensees.

Expenditures By Fund

	Actual		Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY12	FY13	FY14	FY15	FY16	FY17	FY16	FY17
1000 - General	957	1,135	1,187	1,525	1,346	1,346	1,365	1,384
Total	957	1,135	1,187	1,525	1,346	1,346	1,365	1,384
Biennial Change				620		(20)		37
Biennial % Change				30		(1)		1
Governor's Change from Base								57
Governor's % Change from Base								2

Expenditures by Program

Program: Cosmetology	957	1,135	1,187	1,525	1,346	1,346	1,365	1,384
Total	957	1,135	1,187	1,525	1,346	1,346	1,365	1,384

Expenditures by Category

Compensation	716	757	891	1,042	1,047	1,055	1,066	1,093
Operating Expenses	237	349	288	482	294	286	294	286
Other Financial Transactions	3	29	8	1	5	5	5	5
Total	957	1,135	1,187	1,525	1,346	1,346	1,365	1,384

Full-Time Equivalents

13.9	13.4	14.7	14.7	14.7	14.7	14.7	14.7
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(Dollars in Thousands)

1000 - General

	Actual		Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY12	FY 13	FY 14	FY15	FY16	FY17	FY16	FY17
Balance Forward In		90		159				
Direct Appropriation	1,046	1,046	1,346	1,366	1,346	1,346	1,365	1,384
Cancellations		1						
Expenditures	957	1,135	1,187	1,525	1,346	1,346	1,365	1,384
Balance Forward Out	89		159					
<i>Biennial Change in Expenditures</i>				620		(20)		37
<i>Biennial % Change in Expenditures</i>				30		(1)		1
<i>Gov's Exp Change from Base</i>								57
<i>Gov's Exp % Change from Base</i>								2
FTEs	13.9	13.4	14.7	14.7	14.7	14.7	14.7	14.7

Board of Cosmetologist Examiners

FY16-17 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	19	38	38	38
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	19	38	38	38
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding for compensation related costs associated with the delivery of agency services. This amount represents an annual increase of 1.8% for General Fund compensation costs.

Rationale/Background:

Each year, compensation costs rise due to labor contract settlements, and changes in employer-paid contributions for insurance, FICA, Medicare, retirement, and other factors. Absorbing this increase in compensation costs within existing agency base appropriations results in reduced staffing and/or reduced non-compensation spending.

Proposal:

The Governor recommends increasing agencies' general fund budgets for employee wage and benefit costs by 1.8% per year for FY 2016-17. Agencies were instructed to include a 1.8% increase to total compensation each year in their base budgets, based upon the compound annual compensation spending rate increase per FTE over the last ten years for executive branch employees. This recommendation is intended to allow agencies to maintain their current level of agency operations.

For non-General Fund direct appropriated funds, the Governor's budget recommendations also include an adjustment of 1.8% per year, where the amount can be supported by the source of revenue.

Results:

This proposal is intended to allow agencies to continue to provide current levels of service and information to the public.

Statutory Change(s):

N.A.