

BOARD OF COSMETOLOGY

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	1,138,370	1,144,804	1,144,804	1,159,953	1,159,953
<i>Subtotal</i>	<u>\$ 1,138,370</u>	<u>\$ 1,144,804</u>	<u>\$ 1,144,804</u>	<u>\$ 1,159,953</u>	<u>\$ 1,159,953</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 1,138,370</u>	<u>\$ 1,144,804</u>	<u>\$ 1,144,804</u>	<u>\$ 1,159,953</u>	<u>\$ 1,159,953</u>
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	4.8 %	0.6 %	0.6 %	1.3 %	1.3 %
FTE Positions	14.0	14.0	14.0	14.0	14.0

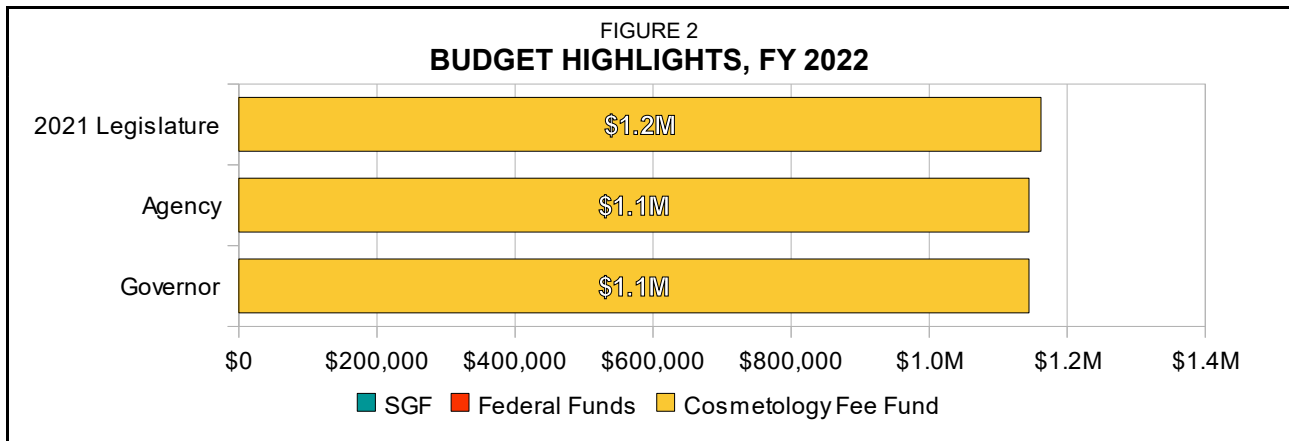
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Board of Cosmetology is responsible for ensuring the health, safety, and welfare of the consuming public. This regulatory responsibility shall be attained through a proactive, efficient, and responsive structure. The Board accepts the responsibility to provide licensees access to information necessary to ensure the health, safety, and welfare of the consuming public. The Board licenses cosmetology schools, instructors, cosmetologists, electrologists, estheticians, manicurists, cosmetology technicians, body piercers, tattoo artists, and permanent cosmetic facilities. Instructors are required to obtain continuing education hours to maintain their certification. The Board also contracts with an exam company to administer national standardized written and practical examinations to license students training in the cosmetology and body art fields.

The Board of Cosmetology consists of a single administration program and utilizes three agency divisions to achieve its goals: administration, licensing, and enforcement.

EXECUTIVE SUMMARY

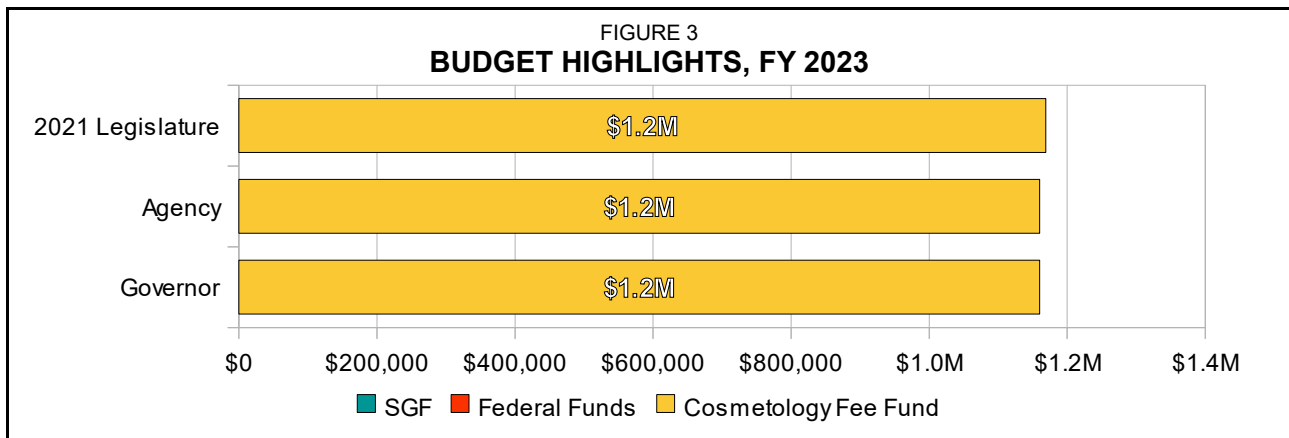
The 2021 Legislature approved a budget of \$1.2 million, all from the Cosmetology Fee Fund, for the Board of Cosmetology for FY 2022.



The **agency** estimates revised operating expenditures of \$1.1 million, all from the Cosmetology Fee Fund, in FY 2022. This is a decrease of \$17,401, or 1.5 percent, below the amount approved by the 2021 Legislature.

This change was entirely driven by a decrease in the agency contributions for employee fringe benefits, including health care, retirement, and unemployment compensation.

The **Governor** concurs with the agency's FY 2022 revised estimate.



The **agency** estimates revised operating expenditures of \$1.2 million, all from the Cosmetology Fee Fund, for FY 2023. This is a decrease of \$9,111, or 0.8 percent, below the amount approved for FY 2023.

This decrease is due to a \$21,611 decrease in expenditures for salary and employee fringe benefits. This decrease is partially offset by a \$12,500 increase in expenditures for attorney fees.

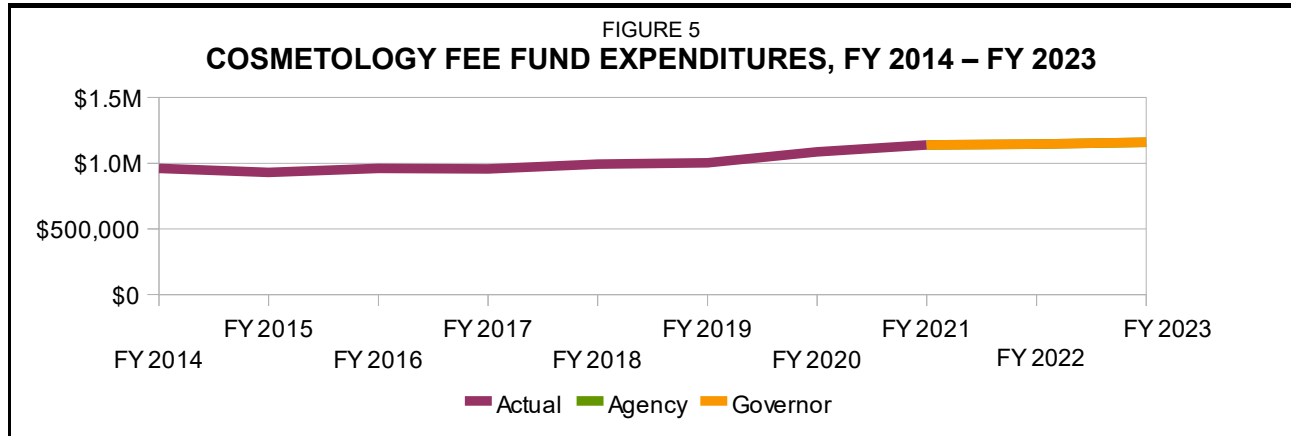
The **Governor** concurs with the agency's FY 2023 revised estimate.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

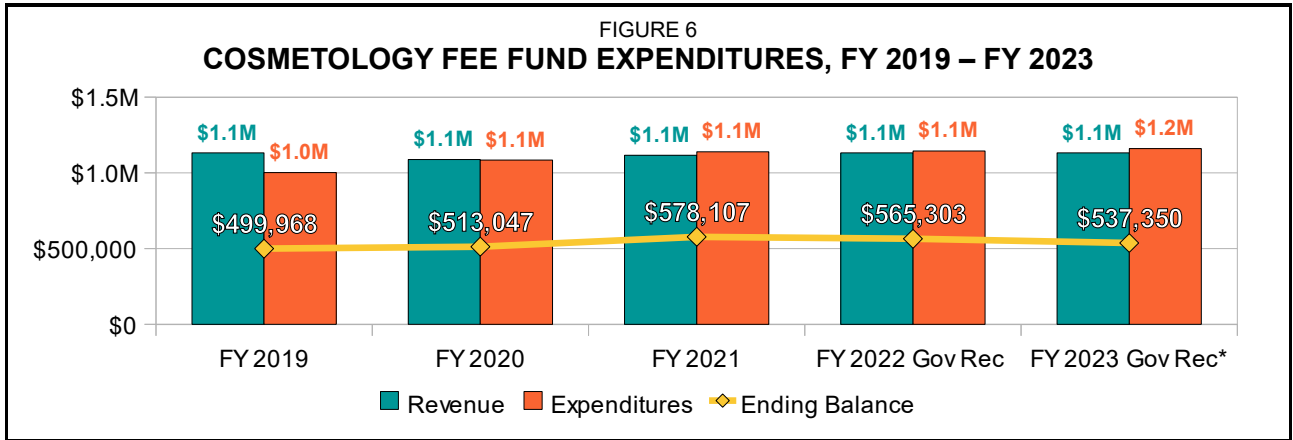
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 764,143	\$ 789,724	\$ 789,724	\$ 792,073	\$ 792,073
Contractual Services	336,563	309,715	309,715	322,515	322,515
Commodities	15,768	22,415	22,415	22,415	22,415
Capital Outlay	21,896	22,950	22,950	22,950	22,950
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 1,138,370</i>	<i>\$ 1,144,804</i>	<i>\$ 1,144,804</i>	<i>\$ 1,159,953</i>	<i>\$ 1,159,953</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 1,138,370</i>	<i>\$ 1,144,804</i>	<i>\$ 1,144,804</i>	<i>\$ 1,159,953</i>	<i>\$ 1,159,953</i>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 1,138,370	\$ 1,144,804	\$ 1,144,804	\$ 1,159,953	\$ 1,159,953
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Special Revenue Fund	1,138,370	1,144,804	1,144,804	1,159,953	1,159,953
All Other Funds	-	-	-	-	-
TOTAL	\$ 1,138,370	\$ 1,144,804	\$ 1,144,804	\$ 1,159,953	\$ 1,159,953
FTE Positions	14.0	14.0	14.0	14.0	14.0

COSMETOLOGY FEE FUND



The Board of Cosmetology is a fee-funded agency. The revenue received provides financing for all agency operations. KSA 75-3170a(a) provides that 90.0 percent of incoming revenues are retained by the agency and 10.0 percent are deposited into the State General Fund, up to a maximum of \$100,000 per fiscal year per fund. There have not been any major changes in expenditures for the Cosmetology Fee Fund for the last few years. Expenditures have remained steady between \$1.0 million to \$1.1 million since FY 2018.

COSMETOLOGY FEE FUND



* For FY 2023, the lowest month ending balance for the Cosmetology Fee Fund will occur in July, with a balance of \$453,464.

Expenditures and revenues have remained steady for the Cosmetology Fee Fund since FY 2019. For FY 2023, the agency estimates expenditures to increase to \$1.2 million, which would result in a lower ending balance of \$537,530.

FIGURE 7
LICENSE FEES, FY 2022

License	Current Fee	Statutory Limit	Authority
Cosmetology Profession Practitioners			
Cosmetologist License (initial)	\$ 60	\$ 60	KSA 65-1904
Cosmetologist License (renewal)	50	60	KSA 65-1904
Cosmetologist Instructor License (initial)	75	100	KSA 65-1904
Cosmetologist Instructor License (renewal)	50	75	KSA 65-1904
Cosmetologist Technician License (renewal)	45	60	KSA 65-1904
Electrologist License (initial)	60	60	KSA 65-1904
Electrologist License (renewal)	50	60	KSA 65-1904
Esthetician License (initial)	60	60	KSA 65-1904
Esthetician License (renewal)	50	60	KSA 65-1904
Esthetics Instructor License (initial)	75	100	KSA 65-1904
Esthetics Instructor License (renewal)	50	75	KSA 65-1904
Nail Technician/Manicurist License (initial)	60	60	KSA 65-1904
Nail Technician/Manicurist License (renewal)	50	60	KSA 65-1904
Nail Technician/Manicurist Instructor License (initial)	75	100	KSA 65-1904
Nail Technician/Manicurist Instructor License (renewal)	50	75	KSA 65-1904
Reciprocity Application Fee	75	75	KSA 65-1904
Cosmetology Profession Establishments			
Salon or Clinic License (initial)	\$ 60	\$ 100	KSA 65-1904
Salon or Clinic License (renewal)	50	50	KSA 65-1904
Examination			
Instructor Examination Fee	\$ 75	\$ 75	KSA 65-1904
Cosmetologist Examination Fee	75	75	KSA 65-1904
Manicurist Examination Fee	75	75	KSA 65-1904
Esthetician Examination Fee	75	75	KSA 65-1904
Electrologist Examination Fee	75	75	KSA 65-1904
Tattoo Artist Examination Fee	75	N/A	KSA 65-1904
Cosmetic/Permanent Tattoo Artist Examination Fee	75	N/A	KSA 65-1904
Tattoo Artist Exam Application Fee	50	N/A	KSA 65-1904
Body Piercing Exam Application Fee	50	N/A	KSA 65-1904
Cosmetic/Permanent Tattoo Artist Exam Application Fee	50	N/A	KSA 65-1904

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ -	\$ 1,162,205	\$ 1,162,205	14.0
1. No Changes	-	-	-	0
<i>Subtotal—Legislative Approved</i>	\$ -	\$ 1,162,205	\$ 1,162,205	14.0
Agency Revised Estimate:				
2. Employee Benefits	\$ -	\$ (18,942)	\$ (18,942)	--
3. All Other Adjustments	-	1,541	1,541	--
<i>Subtotal—Agency Revised Estimate</i>	\$ -	\$ 1,144,804	\$ 1,144,804	14.0
Governor's Recommendation:				
4. No Changes	\$ -	\$ -	\$ -	-
TOTAL	\$ -	\$ 1,144,804	\$ 1,144,804	14.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, no adjustments were made to the \$1.2 million appropriated to the Board of Cosmetology for FY 2022.

1. **NO CHANGES.** Subsequent to the 2021 Session, no adjustments were made to the \$1.2 million appropriated to the Board of Cosmetology for FY 2022.

AGENCY ESTIMATE

The **agency** estimates revised operating expenditures of \$1.1 million, all from Cosmetology Fee Fund, in FY 2022. This is a decrease of \$17,401, or 1.5 percent, below the amount approved by the 2021 Legislature.

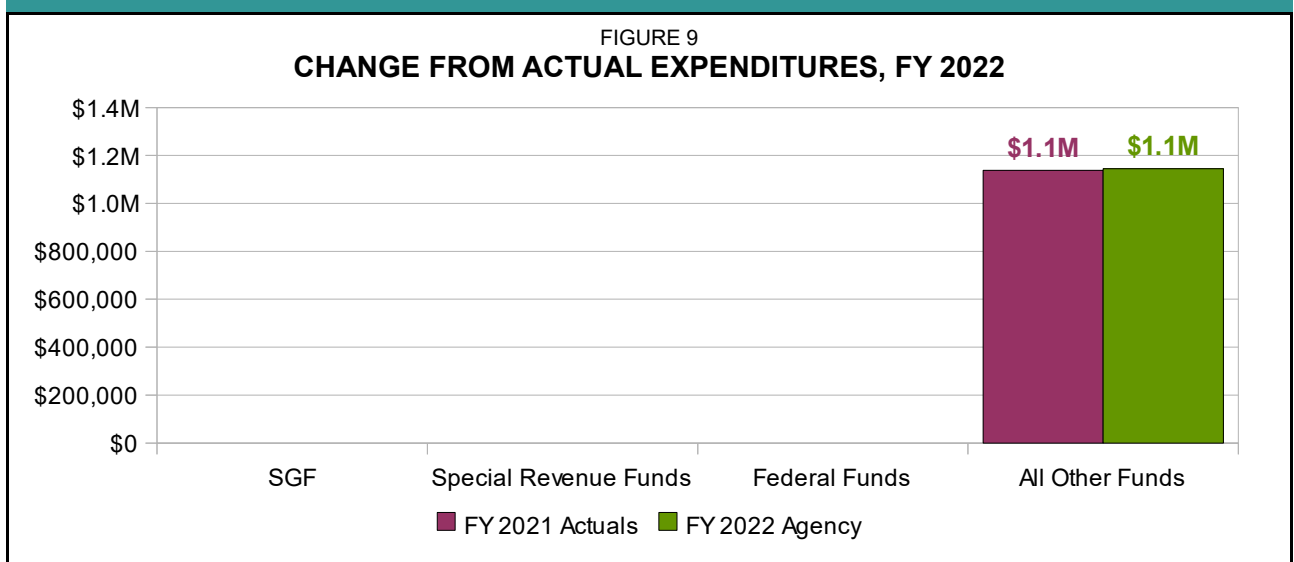
The **agency** estimate includes the following adjustments:

2. **EMPLOYEE BENEFITS.** The agency decreased its contribution for employee benefits by \$18,492 in FY 2022. These expenditures include health care, retirement, and unemployment compensation.
3. **OTHER ADJUSTMENTS.** The agency estimate includes an increase of \$1,541 in other adjustments including employee salaries.

GOVERNOR'S RECOMMENDATION

4. **NO CHANGES.** The **Governor** concurs with the agency's revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency's FY 2022 revised estimate is \$1.1 million, all from the Cosmetology Fee Fund. This is an increase of \$6,434, or 0.6 percent, above the FY 2021 actual expenditures.

This increase is due to higher estimates for gasoline, stationery, and office supplies.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ -	\$ 1,169,064	\$ 1,169,064	14.0
1. No Changes	-	-	-	--
<i>Subtotal-Legislative Approved</i>	<i>\$ -</i>	<i>\$ 1,169,064</i>	<i>\$ 1,169,064</i>	<i>14.0</i>
Agency Request:				
2. Attorney Fees	\$ -	\$ 12,500	\$ 12,500	--
3. Employee Benefits	-	(23,251)	(23,251)	--
4. All Other Adjustments	-	1,640	1,640	0-
<i>Subtotal-Agency Request</i>	<i>\$ -</i>	<i>\$ 1,159,953</i>	<i>\$ 1,159,953</i>	<i>14.0</i>
Governor's Recommendation:				
5. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ -	\$ 1,159,953	\$ 1,159,953	14.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, no adjustments were made to the \$1.2 million appropriated to the Board of Cosmetology for FY 2023.

1. **NO CHANGES.** Subsequent to the 2021 Session, no adjustments were made to the \$1.2 million appropriated to the Board of Cosmetology for FY 2023.

AGENCY REQUEST

The **agency** estimates revised operating expenditures of \$1.2 million, all from the Cosmetology Fee Fund, for FY 2023. This is a decrease of \$9,111 or 0.8 percent, below the amount approved for FY 2023.

The **agency** request includes the following adjustments:

2. **ATTORNEY FEES.** The agency has increased its estimate for attorney fees per contract with the Attorney General's Office.
3. **EMPLOYEE RETIREMENT AND HEALTH BENEFITS.** The agency decreased its estimate for employee retirement and health benefits by \$23,251 for FY 2023.
4. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes an increase of \$1,640 in other miscellaneous adjustments for FY 2023.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate.

5. **NO CHANGES.** The **Governor** concurs with the agency's revised estimate.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

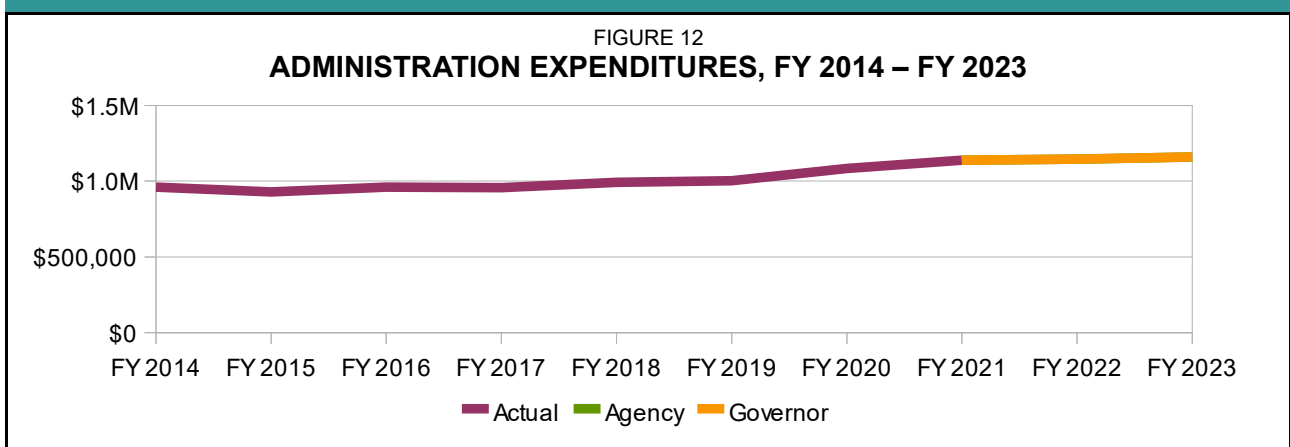
FIGURE 11
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023

Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 1,138,149	\$ 1,144,804	\$ 1,144,804	\$ 1,159,953	\$ 1,159,953
COVID-19	21	-	-	-	-
Transactions					
TOTAL	\$ 1,138,170	\$ 1,144,804	\$ 1,144,804	\$ 1,159,953	\$ 1,159,953
FTE Positions:					
Administration	14.0	14.0	14.0	14.0	14.0
COVID-19	-	-	-	-	-
Transactions					
TOTAL	14.0	14.0	14.0	14.0	14.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



STATUTORY BASIS: • KSA 65-1901 *et seq.*

PROGRAM GOALS:

- Safeguard the general public's health and safety through administration of policies and regulations.
- Regulate the cosmetology, tanning facility, and body art industries appropriately as required by law.
- Provide support to the regulated industries with informational tools necessary to meet the health and sanitation requirements determined by statute, rules, and regulations.

FIGURE 13
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percentage of facilities inspected for compliance with health, sanitation and infection control regulations (FY 2019 and FY 2020 reflect routine inspections and Compliance Inspections Vs. total number of facilities. Per House Budget Committee Chair request, data has been updated to reflect completed annual routine inspections starting FY 2021, which includes part of calendar year 2020.)	100.0 %	70.0 %	83.0 %	100.0 %	100.0 %
2. Percentage of disciplinary actions implemented to enforce health, sanitation and infection control regulations (H&S Discipline vs. all discipline by fiscal year)	48.0 %	62.0 %	55.0 %	50.0 %	45.0 %
3. Percentage of practitioners maintaining current license (total renewable licenses vs. renewals)	92.0 %	94.0 %	91.0 %	95.0 %	95.0 %

FIGURE 13

ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
4. Number of annual routine inspections assigned*	4,852	4,978	4,849	5,000	5,000
5. Number of disciplinary actions issued*	268	423	346	350	350
6. Number of renewable licenses*	17,299	17,159	17,334	17,350	17,350
7. Number of agency statutes and regulations*	142	142	143	142	142
8. Percentage of statutes and regulations reviewed to ensure industry standards are reflected in Kansas*	47.0 %	48.0 %	46.0 %	50.0 %	50.0 %
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	-		-	-
Federal Funds	-	-		-	-
All Other Funds	1,086,073	1,138,370		1,144,804	1,159,953
TOTAL	<u>\$ 1,086,073</u>	<u>\$ 1,138,370</u>		<u>\$ 1,144,804</u>	<u>\$ 1,159,953</u>
Percentage Change:					
SGF	--	--		--	--
All Funds	8.3 %	4.8 %		0.6 %	1.3 %
FTE Positions	14.0	14.0		14.0	14.0

* The Governor's Office does not utilize this measure for evaluation purposes.