

Department Appropriation Summary

Historical Data

Agency Request and Executive/Legislative Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010						2010-2011					
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
053 Operations	768,448	10	669,729	10	762,001	10	724,561	10	724,561	10	0	0	733,725	10	733,725	10	0	0
850 Disciplinary Hearings	7,324	0	10,764	0	10,764	0	40,000	0	40,000	0	0	0	40,000	0	40,000	0	0	0
Total	775,772	10	680,493	10	772,765	10	764,561	10	764,561	10	0	0	773,725	10	773,725	10	0	0

Funding Sources		%		%		%		%		%		%		%		%		
Fund Balance 4000005	1,075,866	61.0	987,656	82.3			519,392	18.5	519,392	18.5	0	0.0	2,040,621	90.2	2,040,621	90.2	0	0.0
Special Revenue 4000030	645,995	36.6	169,729	14.1			2,243,290	80.0	2,243,290	80.0	0	0.0	180,000	8.0	180,000	8.0	0	0.0
Cash Fund 4000045	41,567	2.4	42,500	3.5			42,500	1.5	42,500	1.5	0	0.0	42,500	1.9	42,500	1.9	0	0.0
Total Funds	1,763,428	100.0	1,199,885	100.0			2,805,182	100.0	2,805,182	100.0	0	0.0	2,263,121	100.0	2,263,121	100.0	0	0.0
Excess Appropriation/(Funding)	(987,656)		(519,392)				(2,040,621)		(2,040,621)		0		(1,489,396)		(1,489,396)		0	
Grand Total	775,772		680,493				764,561		764,561		0		773,725		773,725		0	

Actual exceeds Authorized and Budget in Operations [053] due to a higher amount in Operating Expenses in FY08.

The Legislative Recommendation concurs with the Executive Recommendation and recommends the State Board of Cosmetology be merged into the Arkansas Department of Health (Operations Paying Appropriation - Fund Center 34P (see page 956 of Volume II).

Analysis of Budget Request

Appropriation: 053 - Operations

Funding Sources: SXC - Cosmetology - Special Revenue

Arkansas Code Annotated §17-26-201 authorized the State Board of Cosmetology consisting of ten members appointed by the Governor. The members of the Board may not be directly or indirectly connected to the wholesale business or the manufacture, rental, sale, or distribution of cosmetological appliances or supplies. The Board is responsible for holding examinations, issuing certificates of registration and licenses, registering cosmetological establishments and schools of cosmetology, approving disbursement of funds, adopting rules and regulations, and enforcing the rules and regulations adopted. Funding is derived from special revenues received from the collection of license fees, and all funds remaining at the end of each fiscal year carry forward. This appropriation is utilized for the operating expenses for examinations, certifications, licenses, inspections, and other Board related activities.

The Base Level unclassified position was changed to classified and the current classified positions reflect the recommendations of the Pay Plan Study. Salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Board requests a net increase of \$9,850 for each year of the biennium. The increase is for office rent, and travel related expenses in anticipation of the Board's decision to resume testing by the Board. The Board requests a reallocation of resources to properly classify \$21,200 for FY10 and FY11 from Data Processing to Operating Expenses of \$15,700 for support and maintenance of their licensure database and \$5,500 to Professional Fees to cover purchase of testing materials in anticipation of the Board's decision to resume testing by the Board.

The significant increase in funding from the 2007-2009 biennium to the 2009-2011 biennium is due to Act 223 of 2007, which changed the fee structure allowing the Board to promulgate a fee schedule by rule and collect fees accordingly. The Board has increased fees during the current biennium. The Act also changed the expiration date of cosmetologists, instructors, electrologists, aestheticians, and manicurists to the licensee's birthday on a biennial basis. Licenses for schools and establishments either expire annually on December 31, biennially on December 31, or biennially on the owner's birthday in conjunction with that individual's license. Timing of the majority of the license renewals being received in the first year reduces income in the second year of the biennium.

Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation and recommends the State Board of Cosmetology be merged into the Arkansas Department of Health (Operations Paying Appropriation - Fund Center 34P - see page ### of the Silver Manual.

Appropriation Summary

Appropriation: 053 - Operations

Funding Sources: SXC - Cosmetology - Special Revenue

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	246,393	263,484	256,214	293,236	293,236	0	300,828	300,828	0
#Positions		10	10	10	10	10	0	10	10	0
Personal Services Matching	5010003	100,909	94,875	99,625	110,105	110,105	0	111,677	111,677	0
Operating Expenses	5020002	369,611	251,321	310,881	276,871	276,871	0	276,871	276,871	0
Conference & Travel Expenses	5050009	3,428	6,349	6,349	6,349	6,349	0	6,349	6,349	0
Professional Fees	5060010	30,750	32,500	47,500	38,000	38,000	0	38,000	38,000	0
Data Processing	5090012	17,357	21,200	41,432	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		768,448	669,729	762,001	724,561	724,561	0	733,725	733,725	0

Funding Sources										
Fund Balance	4000005	685,529	563,076		63,076	63,076	0	1,581,805	1,581,805	0
Special Revenue	4000030	645,995	169,729		2,243,290	2,243,290	0	180,000	180,000	0
Total Funding		1,331,524	732,805		2,306,366	2,306,366	0	1,761,805	1,761,805	0
Excess Appropriation/(Funding)		(563,076)	(63,076)		(1,581,805)	(1,581,805)	0	(1,028,080)	(1,028,080)	0
Grand Total		768,448	669,729		724,561	724,561	0	733,725	733,725	0

The FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Actual exceeds Authorized in Personal Services Matching due to a transfer from the Salary Holding Account.

Actual exceeds Authorized and Budget in Operating Expenses due to an authorized appropriation of \$421,081 in FY08.

The Legislative Recommendation concurs with the Executive Recommendation and recommends the State Board of Cosmetology be merged into the Arkansas Department of Health (Operations Paying Appropriation - Fund Center 34P - see page ### of the Silver Manual.

Analysis of Budget Request

Appropriation: 850 - Disciplinary Hearings

Funding Sources: NBC - Cash in Treasury

The Board of Cosmetology is authorized under Arkansas Code Annotated §17-26-208 to initiate investigations and conduct administrative disciplinary hearings. This appropriation allows the Board to pay expenses of administrative hearings of licensed cosmetologists. In settlement of some disciplinary matters, penalties are assessed rather than license suspension or revocation. The penalties are deposited as cash.

The Board requests a Change Level of \$29,236 for both years of the biennium in Operating Expenses. The increase is for postage; due to increases in postal rates, office supplies, and for the retention of a court reporter for hearings and an interpreter when necessary to assist non-English speaking licensee to participate in the hearings. These expenses have not been previously paid from this fund although it is intended to cover such services.

Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation and recommends the State Board of Cosmetology be merged into the Arkansas Department of Health (Operations Paying Appropriation - Fund Center 34P - see page ### of the Silver Manual.

Appropriation Summary

Appropriation: 850 - Disciplinary Hearings

Funding Sources: NBC - Cash in Treasury

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	7,324	10,764	10,764	40,000	40,000	0	40,000	40,000	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		7,324	10,764	10,764	40,000	40,000	0	40,000	40,000	0

Funding Sources										
Fund Balance	4000005	390,337	424,580		456,316	456,316	0	458,816	458,816	0
Cash Fund	4000045	41,567	42,500		42,500	42,500	0	42,500	42,500	0
Total Funding		431,904	467,080		498,816	498,816	0	501,316	501,316	0
Excess Appropriation/(Funding)		(424,580)	(456,316)		(458,816)	(458,816)	0	(461,316)	(461,316)	0
Grand Total		7,324	10,764		40,000	40,000	0	40,000	40,000	0

The Legislative Recommendation concurs with the Executive Recommendation and recommends the State Board of Cosmetology be merged into the Arkansas Department of Health (Operations Paying Appropriation - Fund Center 34P - see page ### of the Silver Manual.