



**Arizona State Board of Barbers
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Barberboard.az.gov**

Ms. Lindsey Perry
Auditor General
29010 N. 44th Street, Suite 410
Phoenix, Arizona 85018

Re: Arizona State Board of Barbers Sunset Review

On behalf of the Arizona Board of Barbers, I am pleased to respond to the audit report. We appreciate your audit team for their utmost professionalism and integrity in reviewing our practices. The findings are agreed to, and the audit recommendations will be implemented.

Sincerely,

Bruce Bueno

A handwritten signature in black ink, appearing to be "B Bueno", with a long horizontal line extending to the right.

8-3-2021

Sunset Factor 2: The extent to which the Board has met its statutory objective and purpose and the efficiency with which it has operated.

Recommendation 1: The Board should develop and implement license application review and approval policies and procedures, ensuring they include procedures for obtaining required documentation to verify that applicants meet all statute and rule requirements for all license types.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 2: The Board should review and modify its license applications to require applicants to submit documentation demonstrating they meet all statute and rule requirements for licensure.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 3: The Board should develop and implement a risk-based inspection approach to focus its staff resources on high-risk establishments. This should include identifying relevant risk factors, such as complaint allegations, historical violations, or the date of last inspection to help identify and select high-risk establishments for inspection. The Board should also develop procedures for selecting establishments for inspection in accordance with these risk factors, including the extent to which both high-risk and a random sample of low-risk establishments should be selected for inspection.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 4: The Board should modify its rules to no longer require annual inspections of all licensed barber establishments.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 5: The Board should develop and implement inspection policies and procedures for tracking and monitoring inspections and imposing disciplinary action against licensees to address statutory and rule violations identified during inspections.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 6: The Board should work with its Assistant Attorney General to determine whether it should review and consider potential disciplinary actions for calendar year 2020 inspection violations that its staff did not present to it for review.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 7: The Board should revise its inspection form to include all statutory and rule requirements that should be assessed during inspections and specific guidance for how Board staff should assess compliance with these statutory and rule requirements during both licensed barber shop and barber school inspections.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 8: The Board should develop and implement policies and procedures for periodically reviewing the appropriateness of its fees by analyzing the costs of its regulatory processes, comparing these costs to the associated fees, determining the appropriate licensing fees, and then revising its fees as needed.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 9: The Board should develop and implement cash-handling policies and procedures that adhere to SAAM requirements, including:

Recommendation 9a: Opening mail with at least 2 Board staff present.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 9b: Separating the duties of logging cash receipts from licensing functions and preparing cash deposits.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 9c: Limiting the number of Board staff who have access to the safe.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 9d: Reconciling cash receipts to the number of licenses issued.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Sunset Factor 3: The extent to which the Board serves the entire State rather than specific interests.

Recommendation 10: The Board should develop and implement written policies and procedures to help ensure it complies with statutory conflict-of-interest requirements and recommended practices, including:

Recommendation 10a: Ensuring all Board members and staff complete an annual conflict-of-interest disclosure form, including having members and staff affirm if no conflict-of-interest exists.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 10b: Maintaining all substantial interest disclosures in a special file.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 10c: Establishing a process to review and remediate disclosed conflicts.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 11: The Board should develop and provide periodic training on statutory conflict-of-interest requirements and recommended practices, its conflict-of-interest process, and form to all Board members and staff.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Sunset Factor 4: The extent to which rules adopted by the Board are consistent with the legislative mandate.

Recommendation 12: The Board should revise and/or adopt the rules it deems necessary as part of its consolidation with the Arizona State Board of Cosmetology.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 13: The Board should revise its rules to clarify its application time frames, including how long barber and instructor applicants have to take the required examinations and at which point applications should be considered denied or closed when applicants have not completed all license requirements or submitted all required documentation.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Sunset Factor 5: The extent to which the Board has encouraged input from the public before adopting its rules and the extent to which it has informed the public as to its actions and their expected impact on the public.

Recommendation 14: The Board should comply with all open meeting law requirements by:

- Ensuring its meeting minutes accurately reflect Board member actions.
- Modifying the statement on its website to include where the physical meeting notices will be posted.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 15: The Board should update its website to include the required statement to inform the public that additional public records can be obtained by contacting the Board directly.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 16: The Board should continue to implement its new public information policies and procedures and train staff on the policies and procedures.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Sunset Factor 6: The extent to which the Board has been able to investigate and resolve complaints that are within its jurisdiction.

Recommendation 17: The Board should develop and implement additional complaint-handling procedures, such as monitoring and review procedures, to help ensure that complaints are adequately and timely opened, investigated, and resolved, and that complaints/outcomes are accurately documented in its e-licensing system.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Sunset Factor 8: The extent to which the Board has addressed deficiencies in its enabling statutes that prevent it from fulfilling its statutory mandate.

Recommendation 18: The Board should work with the Legislature to pursue statutory changes that it deems necessary, such as legislation that would allow it to consider criminal history as part of the qualifications for licensure and refuse to issue or renew a license if the crime or act is related to the qualifications, functions, or duties of the license applied for.

Board response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.