
OHIO STATE BOARD OF COSMETOLOGY

1929 Gateway Circle

Grove City, Ohio 43123

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UNOFFICIAL BOARD MEETING MINUTES OF February 8, 2016

REGULAR BUSINESS MEETING

TRANSCRIPTION NOTE (Exhibit A):

Anderson Reporting Service, 3242 West Henderson Road, Suite A, Columbus, OH 43220 was the transcription service for this meeting. Transcript is attached as Exhibit A.

MEMBERS IN ATTENDANCE (Exhibit B):

Thomas Taneff, Chairman

Steven Thompson, Vice Chairman

Luke Hanks

Charles Penzone

Tasha Sheipline

Valerie Benfer

Clara Osterhage

Staff in attendance:

Christopher H. Logsdon, Executive Director

Lori Pearson, Program Administrator II

Lori Flanery, Program Administrator 1

Others in Attendance:

Emily Harrison, Kenneth's

Tim Hornsby, The Hornsby Group

Elizabeth Murch, OSA

Katt Marriott, OLLTD

Angela Hodges, The Hornsby Group

Matt Wells, Ohio Department of Education

Angela Ramsay, WCSCC

Ceara Adelsperger, Premier

Don Yearwood, OACS

Liz Spencer, Moler Beauty

Janet Bain

Agenda item #1: CALL MEETING TO ORDER

Mr. Taneff called the meeting to order at 1:02 pm.

Agenda item 1a: Roll Call

Ms. Flanery took roll call and seven members were present. Having noted a majority of members were present, Mr. Taneff proceeded to conduct business. Dr. Gupta was not in attendance.

Agenda item 1b: Pledge of Allegiance to the Flag of the United States of America

Following the roll call, Mr. Taneff asked members to stand and recite the Pledge of Allegiance to the Flag of the United States of America. Members and audience rose and recited the Pledge of Allegiance.

Agenda item 1c: Election of Board Chair (Exhibit C collective)

Mr. Taneff called for nominations for Board Chair. Ms. Osterhage nominated Mr. Taneff. Mr. Penzone seconded the nomination. Mr. Taneff inquired if there were any other nominations. Hearing none, Mr. Taneff then directed members to proceed with the vote. Ballots were collected and the following votes reported: 7 affirmative votes for Mr. Taneff. Mr. Taneff was elected as Board Chair for the year beginning February 8, 2016 until the first scheduled meeting in 2017. The ballots will be attached to the record of the Board as Exhibit B collective.

Agenda item 1d: Election of Board Vice-Chair (Exhibit D collective)

Mr. Taneff inquired if there were any nominations for Vice-Chair. Mr. Penzone nominated Ms. Osterhage. Ms. Sheipline seconded the nomination. Mr. Hanks nominated Mr. Thompson. Ms. Benfer seconded the nomination. Mr. Taneff inquired if there were any other nominations. Hearing none, Mr. Taneff then directed members to proceed with the vote. Ballots were collected and the following votes reported: 4 affirmative votes for Ms. Osterhage, 3 affirmative votes for Mr. Thompson. Ms. Osterhage was elected as Board Vice-Chair for the year beginning February 8, 2016 until the first scheduled meeting in 2017. The ballots will be attached to the record of the Board as Exhibit C collective.

Agenda item 1c: Approval of Meeting Agenda (Exhibit E)

Motion #1: Mr. Penzone moved to approve the meeting agenda for the February 8, 2016 Board meeting. Mr. Hanks seconded the motion. Discussion: None. Roll call vote taken - carried: 7 – 0.

Agenda item #2: APPROVAL OF PREVIOUS MEETING MINUTES (Exhibit F)

Agenda item 2a: Approval of Previous Meeting Minutes (Exhibit F)

Motion #2: Ms. Sheipline moved to approve the December 8, 2015 meeting minutes. Ms. Osterhage seconded the motion. Discussion: None. Roll call vote taken - motion carried: 7– Yes.

Agenda item #3: OFFICER AND STAFF REPORTS (Exhibit G)

Agenda item 3a: Chairperson's Report

Mr. Taneff had no report.

Agenda item 3b: Executive Director's Report (Exhibit G)

Mr. Logsdon submitted a written report. He verbally reviewed the following issues:

1. Mr. Logsdon reviewed the Board's FY 2016 financial activity for the dates 7-1-2015 through 2-1-2016. Mr. Logsdon reported that the agency's first and second quarter expenditures were within the established allotment for the quarter. Mr. Logsdon stated that while maintenance expenditures are currently within the budget parameters established, he believes 3rd and 4th quarter disbursements will likely increase significantly as the Board absorbs latent DAS vouchers associated with costs incurred during the 1st and 2nd quarter, but not billed to the agency. Additional offsets, he stated, may be related to communication efforts employed to address Elicense 3.0

- implementation, personnel hiring, and the agency's assessment of the current state of its information technology systems and upgrading requirements.
2. Mr. Logsdon reported that he had attached an enforcement update for the period beginning July 1, 2015 and ending December 29, 2015.
 3. Mr. Logsdon reported that a number of rule amendments and rescissions, particularly Chapters 3, 5, 7, and 21, were sent out for stakeholder input. Mr. Logsdon stated the rules have been filed with the Ohio Common Sense Initiative Office, but no recommendation had yet been issued. Mr. Logsdon asked the Board to reconsider rule 4713-21-04, which he stated required additional amendment based on the E-license 3.0 continuing education functionality.
 4. Mr. Logsdon reported on the progress of H.B. 227 and S.B. 213. Additionally, Mr. Logsdon reported that based on recent news, the legislature may also be looking into potential legislation to address a recent Supreme Court decision.
 5. Mr. Logsdon reported that the Board had been scheduled to give testimony before the Ohio Sunset Review Committee on February 23, 2016. Mr. Logsdon stated the likely focus will be combining the Ohio State Barbers Board and the Ohio State Board of Cosmetology. Mr. Logsdon stated that he intends to advise the committee that the Board is not proponents or opponents, but it is prepared to administer the program should the entities be combined.
 6. Mr. Logsdon reported that the go-live date for Elicense 3.0 release has been delayed due a redesign of the licensing endorsement model. Mr. Logsdon stated the staff will be focused on addressing critical data gaps before the next go-live date, which is currently scheduled for the end of June 2016.
 7. Mr. Logsdon reminded members that FY 2015 Financial Disclosure is due and the filing deadline is April 15, 2016.
 8. Mr. Logsdon reported that he would be providing members with ongoing attendance logs to help keep track of their two-year attendance.
 9. Mr. Logsdon then gave a year-end update of the FY 2015-2018 strategic plan.

Discussion: Ms. Benfer inquired if Financial Disclosure was only online this year. Mr. Logsdon stated that he presumed it would be. Mr. Penzone inquired about the board member attendance requirement. Mr. Logsdon clarified the period of monitoring attendance is based on a rolling two-year cycle. Ms. Osterhage commented that she was very encouraged that the board had a strategic plan and that it was being followed. Mr. Osterhage inquired about the enforcement report and the future necessity of identifying trends based upon the data. Ms. Osterhage stated that trending those data may lead to better administrative solutions to address the issues. Mr. Logsdon stated that he is considering trending in the decision processes. Mr. Logsdon used the new elicense 3.0 design as an example for addressing compliance solutions. Mr. Penzone inquired about the term of the building lease. Mr. Penzone also inquired about the number of email addresses that were not in the elicense system. Mr. Penzone also asked if email address were available for sale to marketers. Mr. Logsdon responded email addresses would likely be public information. Mr. Logsdon stated the email address would be used as one identifier in the new licensing system, but not the only identifier for access. Mr. Penzone inquired about the agency's IT security. Mr. Logsdon stated that security is becoming more robust due to the emphasis on protecting data.

Motion #3: Ms. Osterhage moved to approve the Executive Director's Report. Mr. Thompson seconded the motion. Discussion: Mr. Hanks inquired about mobile licensing rules. Mr. Thompson stated he is waiting on staff recommendations. No further discussion.. Roll call vote taken - motion carried: 7- Yes.

Agenda item #4: COMMITTEE REPORTS

Agenda item 4a: Administrative Action Committee Report (Exhibit H)

Mr. Taneff asked Mr. Logsdon to present the Administrative Review Committee (ARC) report. Mr. Logsdon reported that the ARC met on January 7, 2016 and again on February 3, 2016. Mr. Logsdon then reviewed each case listed in the ARC report.

**Names and identifying information was redacted from the Administrative Review Report. For the purpose of discussion, matters were referred to only by case number and referenced by case number verbally. Identifying information based*

upon the correlating case number was added during the writing of the minutes where specific reference or motion is entered upon the board's journal.

Motion #4: Mr. Thompson moved to confirm the Administrative Review Committee (ARC) report, as referenced hereto by attachment to the minutes of the Board, and Mr. Taneff's actions taken on behalf of the Board contained therein pursuant to his authority under resolution #1, March 10, 2015. Ms. Osterhage seconded the motion. Discussion: None. No further discussion. Roll call vote taken - motion carried: 7 – Yes.

Agenda item #5: PUBLIC TESTIMONY

None.

Agenda item #6 UNFINISHED BUSINESS

None.

Agenda item #7: OLD BUSINESS

None.

Agenda item #8: NEW BUSINESS

Agenda item 8a: Appointment of the Executive Director (Exhibit I)

Motion #5: Mr. Penzone moved to adopt resolution #5, attached hereto as Exhibit G, to appoint Christopher H. Logsdon as the agency's Executive Director. Ms. Osterhage seconded the motion. Discussion: None. No further discussion. Roll call vote taken - motion carried: 7 – Yes.

Motion #6: Mr. Thompson moved to enter executive session pursuant to ORC 121.22 (G)(1) to consider the compensation of a public employee. After brief discussion, Mr. Thompson withdrew the motion.

Agenda item 8b: Committee Appointments

Mr. Taneff inquired if any members were interested in serving on Committees. After some discussion, Mr. Taneff made the following appointments:

Administrative Review Committee appointment – Mr. Taneff appointed himself.

Ad Hoc Rules Committee appointments – Mr. Taneff appointed Ms. Osterhage and Mr. Hanks.

Ad Hoc Curriculum Review Committee appointments – Mr. Taneff appointed Ms. Sheipline, Mr. Thompson, and Ms. Benfer.

Agenda item 8c: Columbus Dispatch Article – discussion only

Members discussed a recent Columbus Dispatch article concerning the broad impact of a recent Supreme Court Decision on Board and Commissions in the state of Ohio. Mr. Logsdon reported the article provides insight on this issue from the perspective

of one Ohio Senator. Based upon this, it is reasonable to conclude that some type of legislation may be introduced during FY 2016 to address the impact of the SCOTUS decision. Members inquired about legal impact, but the Executive Director deferred to the agency's Assistant Attorney General, who was not in attendance at the meeting. No action taken.

Agenda item 8d: Examination Applications (Exhibit J)

Mr. Logsdon presented five applications for Board review and approval: application forms COS-004, COS-007, COS-008, COS-009, and COS-010. Mr. Logsdon reported that the forms were not altered from any requirement. The change contained on each form was the addition of an affirmation statement, which identified the reason and purpose for collecting personal confidential information and the collection and maintenance of data in a combined system.

Motion #6: Ms. Osterhage moved to adopt revised application forms COS-004, COS-007, COS-008, COS-009, and COS-010, attached hereto as Exhibit J. Mr. Penzone seconded the motion. Discussion: Ms. Sheipline had questions about the examination application form (COS-004). Ms. Sheipline stated her program has separate lab and theory grades and not a combined grade. She stated that she would have no way to provide a combined grade and asked that staff reconsider having a final grade on the form and just require an overall clinical and theory grade. Ms. Osterhage asked staff to prepare a change document next time revised forms are being reviewed. No further discussion. Roll call vote taken. Motion carried: 6 – Yes, 1 – No (Ms. Sheipline).

Agenda item 8e: Policy Review on Member Compensation (Exhibit K)

Mr. Logsdon presented a draft policy, #3-XXV, concern Board member compensation pursuant to Section 4713.02 (C) of the Revised Code. Discussion: None.

Motion #7: Ms. Osterhage moved to adopt policy #3-XXV concerning Board Member Compensation. Mr. Lukes seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

Agenda item 8f: Rule 4713-21-04 Amendment (Exhibit L)

Mr. Logsdon presented a draft proposed rule 4713-21-04 for consideration. Mr. Logsdon stated the rule was reviewed and approved by the Board in December 2015; however, the proposed rule is being revisited based upon a need to permit flexibility with the new design for the elicense 3.0 system. The new system, he stated, is being designed to eliminate continuing education auditing and implement an auto audit function, which would require continuing education providers to upload lists of attendees into the system. This data, he stated, would then populate the date, hours, and subject matter for each attendee. The current rule, Mr. Logsdon stated, requires a licensee to input their continuing education. The new system would only require a licensee to validate their completed continuing education. The rule presented, he stated, will permit the flexibility required of the new system.

Motion #8: Ms. Osterhage moved to adopt proposed amended rule 4713-21-04 and file the rule with the Common Sense Initiative Office and the Joint Committee on Agency Rule Review. Ms. Sheipline seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

Agenda item 8g: NIC Region Meeting

Mr. Logsdon informed the Board that the National Interstate Council of State Boards of Cosmetology was holding an all regions meeting on April 2nd and 3rd. Mr. Logsdon stated that the membership had recommended that he attend a regional conference when available.

Motion #9: Ms. Osterhage moved to authorize Mr. Logsdon's attendance and other members attendance, if budget permits, to attend the April 1st – 3rd NIC Regional Conference. Ms. Shepline seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

Agenda item 8h: Hearing Examiner's Report and Recommendation

R&R – 1: In the matter of Lora E. Jones, MANM.002120, Case #2015-39 (Exhibit M)

Motion #10: Mr. Penzone moved to approve the hearing examiner's findings of fact in the matter of Lora E. Jones, MANM.002120. Motion was not seconded and Mr. Penzone withdrew the motion.

Ms. Osterhage inquired about approving a revocation, specifically asking if a revocation was permanent or not. Ms. Osterhage also inquired if a licensee would be eligible to reinstate a basic license once the manager's license was revoked. Mr. Logsdon stated he would research the matter. Mr. Taneff directed to table Agenda item 8h, R&R – 1.

R&R – 2: In the matter of Planet Fitness, TAN.130264, Case #2015-717 (Exhibit N)

Motion #10: Ms. Osterhage moved to approve the hearing examiner's findings of fact in the matter of Planet Fitness, TAN.130264, Case #29015-717. Ms. Shepline seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

Motion #11: Ms. Osterhage moved to approve the hearing examiner's conclusions of law in the matter of Planet Fitness, TAN.130264, Case #29015-717. Mr. Hanks seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

Motion #12: Ms. Osterhage moved to approve the hearing examiner's recommended Order of the Board in the matter of Planet Fitness, TAN.130264, Case #29015-717 to impose a \$1,500.00 fine for a third violation of rule OAC 4713-19-05. Mr. Hanks seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

The Order will be entered upon the Board's journal and attached hereto as an exhibit to the proceedings.

SO ORDERED

The language contained therein will be incorporated by reference into the Board's journal in this case and attached as an exhibit to the minutes.

R&R – 3: In the matter of Volare Salon & Spa, TAN.140430, Case #2015-771 (Exhibit O)

Motion #13: Ms. Osterhage moved to approve the hearing examiner's findings of fact in the matter of Volare Salon & Spa, TAN.140430, Case #2015-771. Ms. Shepline seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

Motion #14: Ms. Osterhage moved to approve the hearing examiner's conclusions of law in the matter of Volare Salon & Spa, TAN.140430, Case #2015-771. Mr. Hanks seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

Motion #15: Ms. Osterhage moved to approve the hearing examiner's recommended Order of the Board in the matter of Volare Salon & Spa, TAN.140430, Case #2015-771 to impose a \$300.00 fine for violating rule OAC 4713-19-04. Ms. Sheipline seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

The Order will be entered upon the Board's journal and attached hereto as an exhibit to the proceedings.

SO ORDERED

The language contained therein will be incorporated by reference into the Board's journal in this case and attached as an exhibit to the minutes.

Agenda item 8i: Correction to Previously Approved Orders of the Board (Exhibit P)

CORR – 1: In the matter of Beauty Express at Macy's, COSS.140138, Case #2015-807 (Exhibit P)

Motion #16: Mr. Hanks moved to **approve** an Order to Vacate the Order of the Board in the matter of Beauty Express at Macy's, COSS.140138, Case 2015-807 listed as item #7 on "COS – Issue Report NOV Business + Credential" dated 11/30/2014 – 11/30/2015 from the December 8, 2015 Board meeting and approve item #CORR-1 as listed on the "COS – Issue Report NOV Business + Credential" dated 1/27/2015 – 1/27/2016 with order approving the terms of settlement imposing a \$500 fine with \$250 stayed pending no repeat violations within twelve months of the board order being issued. Total fine due - \$250. The Order will be journalized and attached hereto as an exhibit. Mr. Penzone seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7 – Yes.

Agenda item 8j: Board Orders to Enforce Notices of Opportunity for Hearing (Item #1) – (Exhibit Q)

Mr. Logsdon recommended the Board enter private session for quasi-judicial deliberation.

Motion #17: Mr. Hanks moved to enter private session for quasi-judicial deliberation in the matter of item #1, Case #2015-886 on the listed on the "COS – Issue Report NOV Business + Credential" dated 1/27/2015 – 1/27/2016. Ms. Osterhage seconded the motion. Roll call vote:

| | | | |
|-----------------|-----|---------------|-----|
| Ms. Benfer – | Yes | Mr. Taneff – | Yes |
| Mr. Thompson - | Yes | Mr. Penzone – | Yes |
| Ms. Sheipline - | Yes | Mr. Hanks - | Yes |
| Ms. Osterhage - | Yes | | |

The Board entered private session at 2:17 PM. Mr. Logsdon was asked to remain. All other persons, other than members, were excused.

The Board returned to public session at 2:42 PM

Motion #18: Mr. Penzone moved to approve entering an Order upon the journal of the Board Revoking license #COSS.110477, Nueva Imagen, LLC, listed on the COS – Issue Report NOV Business + Credential" dated 1/27/2015 – 1/27/2016 as item #1 and attach the Order hereto as an exhibit. Ms. Osterhage seconded the motion. Discussion: None. Roll call vote taken - Motion carried: 7 - Yes

The Order of the Board shall become effective upon the date of mailing of the Order.

SO ORDERED

The language contained therein will be incorporated by reference into the Board's journal in this case and attached as an exhibit to the minutes.

Agenda item 8k: Board Orders to Enforce Notices of Opportunity for Hearing (Items #2 through #25) – (Exhibit R collective)

Motion #19: Mr. Penzone moved to approve Orders of the Board, listed on the COS – Issue Report NOV Business + Credential” dated 1/27/2015 – 1/27/2016 as items #2 through #25, attached hereto and incorporated herein as Exhibits entered upon the Board’s journal. Ms. Osterhage seconded the motion. Discussion: None. Roll call vote taken - Motion carried: 7 - Yes

The Orders of the Board shall become effective upon the date of mailing of the Orders.

SO ORDERED

The language contained therein will be incorporated by reference into the Board's journal in this case and attached as an exhibit to the minutes.

Agenda item 8l: Board Orders to Approve Settlement Agreements (Items #26 – #93) (Exhibit S collective)

Motion #20: Mr. Thompson moved to approve the Settlement Agreements listed on the COS – Issue Report NOV Business + Credential” dated 1/27/2015 – 1/27/2016 as items #6 through #93, attached hereto and incorporated herein as Exhibits entered upon the Board’s journal as Orders of the Board. Mr. Hanks seconded the motion. Discussion: None. Roll call vote taken - Motion carried: 7 - Yes.

The Orders of the Board shall become effective upon the date of mailing of the Order.

SO ORDERED

The language contained therein will be incorporated by reference into the Board's journal in this case and attached as an exhibit to the minutes.

Agenda item #9 EXECUTIVE SESSION

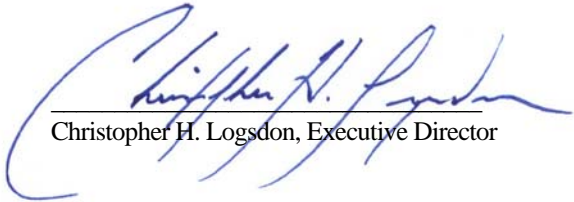
None.

Agenda item #10 ADJOURNMENT

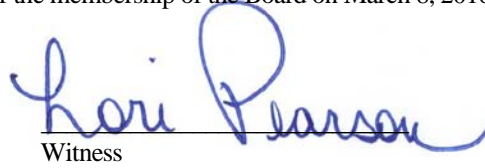
Motion #21: Ms. Osterhage moved to adjourn. Ms. Shepline seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 7- Yes.

The meeting adjourned at 2:48 P.M.

Executive Director's Certification: These are a true account of the proceedings in accordance with Section 121.11 of the Ohio Revised Code, approved by a majority of a quorum of the membership of the Board on March 8, 2016.



Christopher H. Logsdon, Executive Director



Witness