



CAMTC Board of Directors Meeting

September 14, 2010

Radisson Los Angeles Airport Hotel

6225 West Century Blvd.

Los Angeles, CA

OPEN SESSION MINUTES

In attendance

Directors: William Armour, Bob Benson, Judi Calvert, Mark Dixon, Ben Drillings, Keith Grant, Beverly May, Roberta Rolnick, Michael Schroeder, Joe Bob Smith, Dixie Wall

Directors Absent: Michael Marylander, Paul Schwinghamer

Staff: Ahmos Netanel, CEO; Jill Epstein, COO

General Counsel: Jill England

Invited Guests: Brian Stiger, Director, CA Department of Consumer Affairs; April Azevedo, Assistant to Brian Stiger, CA Department of Consumer Affairs

1. Call to Order/Welcome

Chairperson May called the meeting to order at 10:12am. Ms. May announced the resignation of Board member Trisha San Juan. Ms. May introduced Brian Stiger and invited him to provide feedback during the meeting.

2. Approval of Minutes

Motion (1): Rolnick/Calvert – Approve the minutes, as corrected.

Motion APPROVED, 10-0 (Ben Drillings was not present for this vote).

3. Treasurer's Report

Treasurer Mike Marylander was not present so there was no formal discussion of the August financial statement. COO Jill Epstein noted that the financial statement was in the packets provided.



Investment Recommendations: CEO Ahmos Netanel reported that he will be consulting with a financial advisor regarding FDIC insured investment options and will bring information to the Board at the next meeting.

Recognition of Revenue: Mr. Netanel discussed the Board's previous request to recommend a new income recognition structure for fees. Director Bob Benson presented the model he developed (model B-1) with input from senior staff and AMG and confirmed that the basic revenue recognition policy is still appropriate for CAMTC. However, now that CAMTC has more information on the length of processing, PSD functions, etc, it makes more sense to recognize portions of the fee in three stages: 27% of the fee recognized when the application is entered into the database, 38% of the fee when the decision is made, 35% of the fee recognized in equal parts spread over 24 months after the decision is made to certify. (For those who are denied, the remaining 35% would be recognized at the time of denial.)

Mr. Netanel described the model he favored (model A-1), which would recognize 80% of the fee when the application is entered into the database, 10% of the fee when the decision is made, 10% of the fee recognized in equal parts spread over 24 months after the decision is made to certify. (For those who are denied, the remaining 10% would be recognized at the time of denial.). Mr. Netanel argued that 90% of the costs happen prior to certification.

There was a short discussion about the income projections using model B-1 with a higher application fee.

Motion (2): Schroeder/Benson - Adopt B-1 model as our method for recognizing accrued revenue for 2010 and beyond.

The Board discussed various recognition models for re-certification.

Amendment to Motion (2): Schroeder/Benson - Amend Motion (2) to recognize renewals in the same way of initial applications.

Motion APPROVED, 10-0; May abstained.

Application Fees/Renewal Fees: Discussion postponed.

Accounting Procedures: Ms. Epstein reviewed the proposed Accounting Procedures and highlighted the changes from the procedures last adopted by the Board in December, 2009.

Motion (3): Schroeder/Armour - Adopt proposed Accounting Procedures, but delete "Authorized Purchases" paragraph, reduce threshold for 2 signatures on checks to \$10,000, and incorporate new income recognition language.

Motion APPROVED, 11-0

4. CEO Report

Mr. Netanel updated the Board on AB 1822. While the bill passed, it was not without a fight from CAMTC. Mr. Netanel will now focus efforts on convincing the Governor to veto the bill.

Mr. Netanel updated the Board on SB 294. There is only one sentence in the bill that applies to CAMTC, but is important clean-up language that specifies that SB 731 applies to all cities, including charter cities. CAMTC is recommending that the Governor sign this bill.

Mr. Netanel hopes to build relationships with the CA Police Chiefs Association and he and Chairperson Beverly May will be meeting with representatives from that group in the near future. He will also be meeting with BPPE in October.

Mr. Netanel reviewed some of the challenges with local cities not recognizing CAMTC certificates and noted he is working with local jurisdictions and law enforcement to insure ordinances are proper.

5. Closed session with CAMTC legal counsel pursuant to Government Code Section 11126(e)

The Board went into closed session at 11:50am and adjourned the closed session/broke for lunch at 12:30pm.

The meeting re-convened in open session at 1:00p.m.

6. COO Report

General Operations Update: Ms. Epstein is working to revise the templates used by AMG in communications with applicants to avoid confusion and minimize calls.

Ms. Epstein is working with AMG and the legal team to address the unique situations arising during the proposed denial processing of 2700 applicants. She noted that another 99 proposed denial letters based on inadequate information were sent in August and approximately 400 more proposed denial letters based on inadequate information will be sent in September. CAMTC is still tracking approximately 250-300 applications each month with education problems. Ms. Epstein hopes that will taper off in early 2011 as applicants understand which transcripts are not accepted as sole proof of education and what additional information should be submitted to prove that education.

Expense Reimbursement – Board: Ms. Epstein presented a revised non-staff reimbursement policy.

Motion (4): Dixon/Calvert - Adopt proposed policy.

Amendment to Motion (4): Schroeder/Benson – Replace language regarding Lodging and Meals with paragraph 5 from current policy.

Motion APPROVED, 11-0

Expense Reimbursement -- Staff: Ms. Epstein incorporated some suggestions from the August Board meeting and presented a revised proposal.

Motion (5): Schroeder/Benson – Adopt proposed policy, but meals, lodging and incidentals to be reimbursed on a per diem basis at rates published by the U.S. General Services Administration (GSA) for the city or county in which Council business is being conducted. Chairperson to pre-approve, in writing, any expenses that exceed GSA rates.

Motion APPROVED, 10-1; Armour opposed.

Conflict of Interest Policy: While a conflict of interest policy is incorporated in the CAMTC Bylaws, Ms. Epstein explained that the conflict of interest language should be signed by each Director each year to show the IRS that CAMTC consistently monitors and enforces compliance with the policy.

Motion (6): Schroeder/Smith – Adopt the conflict of interest policy to sign and return to COO. Board members may attach an addendum to disclose interests in the massage industry, but are not required to do so.

Motion APPROVED, 11-0.

Record Retention Policy: Ms. Epstein highlighted the proposal that incomplete applications be purged after 1 year of inactivity and multiple reminders to applicant.

Motion (7): Rolnick/Wall – Adopt the Records Retention Policy, but change the Insurance Policy retention period to “Permanent”.

Motion APPROVED, 10-0 (Mike Schroeder was not present for this vote.)

Whistleblower Policy: Ms. Epstein presented the proposed policy, though it was noted that this policy is not legally required.

Motion (8): Dixon/Benson – Adopt the Whistleblower Policy as proposed.

Motion APPROVED, 10-0 (Mike Schroeder was not present for this vote)

IT Update: Ms. Epstein reported that she has updated the online “Application Instructions” to align with the revised application and she has made some important documents and links more accessible on the website. PSD staff directory has been posted to the secure city portion of the website. With Paul Schwinghamer’s input, a vendor was selected for a security certificate to allow secure transmission of data to and from our site. A subscription to Zoomerang will be purchased to allow the Outreach Committee (“OC”) to survey various stakeholders.

7. Professional Standards Division Update

Division Director Rick McElroy was presenting to the Orange County Vice Association at the time of the Board meeting. PSD is processing/overseeing approximately 3,000 proposed denials at this time (approximately 350 more will go out in late September). Ms. Epstein reported that PSD had conducted 18 oral hearing and reviewed 18 written statements between August 19 and September 13. PSD is estimating 60 more oral hearings and 150 more written statements between September 14 and the end of October. (PSD is conducting regular business in between hearings on education problems to address the approximately 300 applicants in the queue with criminal backgrounds.) Approximately 50% of the people are being approved at the hearing/written statement stage. Many others are being approved based on sufficient additional information being submitted prior to hearing/written statement review. Ms. Epstein thanked PSD, Jill England, Alison Siegel, Lisa Hartzel and AMG for the coordinated effort on this labor intensive process.

Ms. Epstein reported that 60+ applicants were being held up because of an unclear message in some FBI reports. She worked with SSA, AMG, and the legal team to develop a mechanism to put the burden on the applicant to disclose details of certain offenses so a conclusive FBI report can be issued.

8. Reassessment of Conditional CMP certification

Chairperson Beverly May expressed concern that CCMP was added to SB 731 to capture people who were legitimately in the education process and would be continuing their education post-certification and is, instead, being used by some people as a "quick" way to certification after getting notice that their first transcript will not be accepted as proof of education. Ms. May also expressed concern that there is not adequate oversight over the courses being submitted for CCMP certification. There was discussion on whether to accept only transcripts from 100 hour courses that were previously approved by BBPVE as proof of education. Brian Stiger of DCA offered to ask BPPE staff to research the issue of 100 hour programs that have been approved and conditionally approved.

Motion (9): Dixon/May – Terminate the CCMP credential for new applications effective December 31, 2010

Substitute Motion (10): Schroeder/Grant – Table Motion 9 until next Board meeting to consider advice and feedback from DCA.

Motion APPROVED 9-1; Dixon opposed, May abstained.

9. Mission Statement

Director Mark Dixon reported that he had worked with CEO and Outreach Committee Chair to develop a mission statement for CAMTC. Mr. Dixon added that he would like to have a vision and value statement developed in the future.

Motion (10): Dixon/Rolnick – Adopt the following mission statement: The mission of the California Massage Therapy Council is to protect the public by certifying qualified massage therapists in California.

Motion APPROVED 10-0 (Mike Schroeder was not present).

Motion (11): Rolnick/Dixon - Adopt the following tagline: "Certify, Protect, Educate".

Motion WITHDRAWN after discussion that this was not an appropriate Board action item.

10. Re-certification Issues

Chairperson Beverly May, Directors Judi Calvert and Dixie Wall will work with Jill Epstein to create criteria for re-certification. General Counsel will verify the proper language based on the law (renewal vs. re-certification).

11. Public Policy and Local Government Committee Update

Committee Chair Mark Dixon reported that the Committee met that morning with Director Mike Schroeder as the invited guest speaker. Ahmos Netanel reported that he has several upcoming meetings with state agencies and associations.

12. Outreach Committee Update

Committee Chair Roberta Rolnick directed the Board to the written report she had distributed.

13. Next Meeting

The next meeting of the Board of Directors will be November 9, 2010. The main agenda item will be to pass a budget for 2011.

14. Adjourn

Meeting was adjourned at 4:25pm.

Minutes Approved: November 9, 2010



Ben Dillings, Secretary