



CAMTC Board of Directors Meeting

November 2, 2017

Hilton San Francisco Airport Bayfront
600 Airport Boulevard
Burlingame, CA. 94010

OPEN SESSION MINUTES

Directors Present: *Ron Bates, Allison Budlong, Mike Callagy, Mark Dixon, Shana Faber, Jeff Forman, Heather Forshey, Mike Marylander, Dixie Wall, Stephany Powell, Alex Diaz*

Directors Absent: *Minouche Kandel*

Staff: *Ahmos Netanel, CEO; Jon Walters, Operations Manager; Beverly May, Director of Governmental Affairs; Rick McElroy, Director of PSD; Joe Bob Smith, Director of ESD; Roberta Rolnick, Outreach Director, Jennifer Schwartzel, CFO*

General Counsel: *Jill England*

Special Counsel: *Alison Siegel*

Guests: *Patricia Gillette, Bernadette Murray, Lauren McLachlan, Tony Siacotis, Keith Grant, Dr. Ronda Wimmer*

1. Call to Order

Chairman Dixon called the meeting to order at 8:36 am on November 2, 2017 and established a quorum.

2. Chair's comments

Chairman Dixon reminded the Board of the rules of debate. Chairman Dixon introduced new Board member Alex Diaz and CFO Jennifer Schwartzel

3. Approval of Minutes

**MOTION 11022017:1 Callagy/Wall - Motion to approve minutes of open session
September 6 and 7, 2017**

10-0 MOTION PASSES

ROLL CALL VOTE: 10 yes, 1 abstain

Ron Bates - yes

Allison Budlong - yes

Mike Callagy – yes

Alex Diaz - yes

Shana Faber - yes

Jeff Forman - yes

Heather Forshey - yes

Mike Marylander - abstain

Stephany Powell - yes

Dixie Wall – yes

Mark Dixon – yes

4. Approval of 2018 Strategic Priorities and Objectives

The strategic priorities and objectives proposed for 2018 were as follows:

Goal 1: Public Safety

Goal 2; Customer Service

Goal 3: Non-English Speakers

Goal 4: Schools

Goal 5: Local Government

Goal 6: Data Analytics

MOTION 11022017:2 Bates/Diaz - Motion to Approve the Proposed 2018 Strategic Priorities and Objectives

Mr. Bates recommended that CAMTC consider supporting the collection of accurate data on human trafficking at some point.

Comments by the public addressed reminders and processing of recertification applications relative to Goal 2. There was a suggestion to add “in the mail” to timelines for new and recertification processing. Mr. Netanel explained that time in the mail is already accounted for in CAMTC’s timeframes.

11- 0 MOTION PASSES

ROLL CALL VOTE: 11 Yes

Ron Bates - yes

Allison Budlong - yes

Mike Callagy – yes

Alex Diaz - yes

Shana Faber - yes

Jeff Forman - yes

Heather Forshey - yes

Mike Marylander – yes

Stephany Powell - yes

Dixie Wall – yes

Mark Dixon – yes

5. Legislation – 2018

Mr. Netanel discussed the invitation by Senate Business and Professions Committee to present proposals to be included in an Omnibus bill. These must be technical, non-controversial issues. Mr. Netanel said that he discussed two items with committee staff. A third was rejected as not appropriate for this bill. One under consideration is a required live scan of certified owners. The committee will discuss this with the League in hopes of resolving it without legislation. The other is in regards to confusion over a local jurisdiction requiring verification of certification, which is permitted, versus requiring additional permits for off-premises work or filing an application and paying a fee for a permit to practice. Some jurisdictions are also requiring this of W-2 employees.

6. Amendments to Revenue Recognition Model

Mr. Netanel discussed the need for a more appropriate revenue recognition model. The staff proposal was prepared with the CFO and Auditor. The proposed change recognizes 88% of revenue at the time it is received and recognizes the remaining 12% automatically over the following 24 months. The same policy will apply to applications for school approval of 88% recognition at the time the revenue is received and the remainder over the following 24 months and 48 months for re-approvals.

MOTION 11022017:3 Bates/Forman - Motion to approve proposed amendment to revenue deferral recognition model to become effective January 1, 2017

11-0 MOTION PASSES

ROLL CALL VOTE: 11 Yes

Ron Bates - yes

Allison Budlong - yes

Mike Callagy – yes

Alex Diaz - yes

Shana Faber - yes

Jeff Forman-yes

Heather Forshey - yes

Mike Marylander – yes

Stephany Powell - yes

Dixie Wall – yes

Mark Dixon – yes

7. Implementation of community college application fee

Mr. Netanel stated that at this time it does not appear that any action is needed.

8. Preliminary 2018 budget

Mr. Netanel presented an overview of the proposed budget. In February the final budget is presented to the Board for approval. Mr. Netanel has asked the legislative staff of the Senate Business and Professions Committee (CAMTC's oversight committee) if they have a preferred percentage for a reserve fund for CAMTC. He is waiting for a response. DCA Boards are required

to hold 6 months operating expenses in reserve. The major change proposed at this time is in expenses for application processing. CAMTC was granted access to AMG's books to determine that their profit margin is very slim. To deliver strategic objective # 2, the budget is proposing a significant increase in the line item for Application Processing. This will entail additional staff at AMG, more office space and associated costs such as phone system users. After further review of needs, this item will be re-visited when the final budget is presented in February 2018. Clarification was provided on a change in how vacation pay is recognized. Ms. Schwartzel expressed her enthusiasm at the opportunity to streamline the financial statements.

MOTION 11022017:4 Bates/Forshey - Motion to approve the proposed preliminary 2018 Budget

11-0 MOTION PASSES

ROLL CALL VOTE: 11 yes

Ron Bates - yes

Allison Budlong - yes

Mike Callagy – yes

Alex Diaz - yes

Shana Faber - yes

Jeff Forman - yes

Heather Forshey - yes

Mike Marylander – yes

Stephany Powell - yes

Dixie Wall – yes

Mark Dixon – yes

9. Chief Executive Officer's Report

Priorities - Mr. Netanel provided an update on completion of the 2017 strategic priorities. Several of the priorities are related to local government that were timed for the end of the year and will be completed in the next couple of months. Another is a brochure for potential students to provide to approved schools. This is close to completion. Disciplinary performance measures timeline to complete formal discipline has been reduced again, and remains significantly lower than what DCA Boards achieve. CAMTC is receiving more and more complaints, both from law enforcement, code enforcement and the public. The lead PSD investigator has been meeting with small groups of sex crime officers.

Operations – Mr. Netanel reported on the impressive work by our new Operations Manager, Jon Walters. Mr. Netanel has also authorized the creation of a new position, Operational Support Specialist, to assist Mr. Walters. Senior staff is working closely with Mr. Walters to get him fully up to speed and supporting his plans to make operations more efficient and effective.

Performance Measures – While the number of complaints is increasing as law enforcement and code enforcement become more engaged with CAMTC and the public becomes more aware of the ability to submit complaints, processing time remains short. Across all four Performance Measures CAMTC does better than the aggregate of DCA Boards.

10. Audit Committee Report

Mr. Callagy stated that it was a clean audit with minor issues that have been resolved. Next week staff will start the process of seeking a new audit firm.

11. Preliminary Budget

MOTION 11022017:5 Bates/Diaz - Motion to approve the Audit Committee Report

11-0 MOTION PASSES

ROLL CALL VOTE: 11 yes

Ron Bates - yes

Allison Budlong - yes

Mike Callagy – yes

Alex Diaz - yes

Shana Faber - yes

Jeff Forman - yes

Heather Forshey - yes

Mike Marylander – yes

Stephany Powell - yes

Dixie Wall – yes

Mark Dixon – yes

12. Treasurer's Report

Mr. Marylander expressed concern that the number of new applications received has remained low. With the new Revenue Recognition reminder it will affect cash reserves.

13. Proposed Amendments to Recertification Reminder Schedule

Beverly May proposed a change in the recertification reminder schedule. The current policy has not been followed for the past year due to the database system not yet having the ability to send notices automatically. The existing policy also sent too many reminders, especially past the date of expiration, resulting in unnecessary expenses to mail a total of five hard copies (three of which were after expiration). The proposed policy will be for one hard copy to be sent 120-90 days prior to expiration, emails to be sent 90 days and again 75 days prior to expiration. Upon expiration another email will be sent with late fees and a notice regarding the policy on expiration longer than 6 months. Within 30 days of expiration the final hard copy and reminder will be sent. Ms. May mentioned that in the future staff would like to also send text messages as people tend to change email and address more frequently than phone number.

MOTION 11022017:6 Forman/Budlong - Motion to Approve the Proposed Changes to the Recertification Notification Schedule

Discussion included verifying that notices have been sent out. Chairman Dixon asked for confirmation that reminders will not be sent once a person has been applied or recertified. Mr. Bates asked if the application can be sent with a bill, rather than a notice that it is time to recertify. There was discussion of the additional time and staff and mail costs to do so.

11-0 MOTION PASSES

ROLL CALL VOTE: 11 yes

Ron Bates - yes

Allison Budlong -yes

Mike Callagy –yes

Alex Diaz -yes

Shana Faber-yes

Jeff Forman-yes

Heather Forshey-yes

Mike Marylander-yes

Stephany Powell - yes

Dixie Wall – yes

Mark Dixon – yes

14. Director of Governmental Affairs and Special Projects' Report

Local government issues – Beverly May reported that Santa Maria is the latest city to consider requiring certification while allowing existing permitted massage therapists to continue to work without becoming certified.

Other state laws - Ms. May reported on a newly passed law in Delaware that authorizes the state Massage Therapy Board to regulate establishments, while North Carolina has a bill pending that would do the same. Nevada has authorized separate licensing of the practices of reflexology and structural integration as well as of massage, reflexology and structural integration establishments. Indiana converted its certification law to a license law.

Human Trafficking – Ms. May reported that she has been very active in human trafficking events. She helped organize the 2017 annual conference of the San Francisco Collaborative Against Human Trafficking (SFCAHT) as well as moderated and spoke on a roundtable on how human trafficking affects various professions. She continues to participate in the Alameda County Heatwatch Labor Trafficking Taskforce, and the Human Trafficking Taskforce of the American Massage Therapy Association (AMTA), to name a few. Polaris Project has asked her to review a section of a comprehensive report on Human Trafficking and massage that they expect to release in the near future.

Database Development and implementation - While we expect a very customized system, progress is much slower than we would like. Ron asked for a detailed report on how to get from where we are to where we want to be, which is in progress.

15. Proposed 2018 Board Meetings

Feb 22 – Southern California

May 31 – location to be determined

Sept 12 & 13 – location to be determined

Nov 15 – location to be determined

School committee meetings will be the day before May and November meetings

16. Director of ESD's report

Joe Bob Smith reported that as of now 89 schools have approved programs.

The first newsletter to schools was sent right after the last meeting of the Schools Advisory Committee. Mr. Smith attended the AMTA National Convention in Pasadena and fielded many questions at the CAMTC booth. Both he and Ahmos Netanel met with officials at the Thai Consulate regarding simplifying the process of recognizing Thai transcripts. Mr. Smith reported on the FSMTB annual conference and his participation on the education panel.

Mr. Smith participated in the FSMTB Test Plan meeting for the MBLEx that occurs after each job task analysis (that occurs every five years). This meeting was to determine the content outline based on the job task analysis. He now feels much better about the process and quality of exam development, although he still has concerns about the study guide. First time test passage rate is 73%, after retake is 83%, which is on par with other professional exams.

Re-approval of schools will begin for the first of the schools that were approved in 2016. This will require submission of paper applications again. An alert will be emailed tomorrow notifying schools that the application will be available by the end of the month, as a downloadable pdf.

17. Presentation of the Legislator of the Year award to Senator Jerry Hill.

The Legislator of the Year Award was presented to Senator Jerry Hill. The Senator expressed his appreciation of how far CAMTC has come and how pleased he is with the organization in protecting the public and establishing massage as a profession. Mike Callagy commented about what a unique public servant Senator Hill is, in that he is willing to listen to differing opinions and follows his conscience.

18. Schools Advisory Committee Update and Recommendations

Jeff Forman summarized the concerns expressed in the Schools Advisory Committee meeting the day before the Board meeting. Although much concern by the schools is regarding the MBLEx, the committee will wait to see the next study guide that comes out of the recent Job Task Analysis. One request is that the MBLEx results sent to schools inform them of what areas of questions their students have done well or poorly. The Board discussed the effects of a full employment economy on the shortage of massage therapists, as well as higher standards and low pay.

19. PSD Report

Rick McElroy reported on the number of agencies and officers trained. Since 2014 he has conducted trainings to over 450 agencies and 1,338 officers. Currently Mr. McElroy is training more code enforcement officers, in coordination with the California Code Enforcement Officers association (CACEO). By the end of 2017, 60% of attendees will have been code enforcement personnel. One of the biggest challenges has been LAPD, which has resisted cooperation with CAMTC. Although they require CAMTC certification, they do not provide CAMTC with arrest reports or declarations. Next week Mr. McElroy will be training the Commission Investigation Division (CID), in hopes of expanding the training to the rest of the department. Mr. Bates inquired about the interface and coordination between law enforcement and code enforcement. Mr. McElroy discussed how his training encourages such cooperation. He also cautioned the Board that LAPD has the potential to provide as many or more reports than the rest of the state together, which staff will need to plan for. Ms. Powell inquired as to effects on the collection of data on human trafficking in massage. In LA, most identified victims go through a diversion program. LA has brought in translators. Chairman Dixon stated that CAMTC is unique in having relationships with a wide range of stakeholders including schools, local government, and law enforcement.

20. Review Out-of-Country Education Policy

Joe Bob Smith discussed the reason to change the policy on out-of-country education. Transcripts from foreign schools reviewed by an approved service alone is not sufficient. CAMTC still reviews the actual education.

MOTION 11022017:7: Bates/Forman - Motion to approve staff recommendations #1 and #2 below, and to grant authority to staff to review and approve others as appropriate. Staff recommendation #1 is to add the underlined bolded language to the current “Policies Regarding Massage Education Received from Outside the United States”:

#1 “Applicants who are presenting massage education secured elsewhere will, in addition to satisfying transcript requirements described below, need to supply to CAMTC a letter of certification, **certificate of approval, government website address, or other documentation acceptable to CAMTC** from a governmental authority of the country or state in which the school is located stating that the school is/was duly licensed and approved.”

#2 is to add a third translation/evaluation service “University Language Services (ULS)”.

11-0 MOTION PASSES

ROLL CALL VOTE: 11 yes

Ron Bates - yes

Allison Budlong -yes

Mike Callagy –yes

Alex Diaz -yes

Shana Faber-yes

Jeff Forman-yes

Heather Forshey-yes

Mike Marylander-yes

Stephany Powell - yes

Dixie Wall – yes

Mark Dixon – yes

21. Outreach Director’s report

Roberta Rolnick reported on the booth at the AMTA Convention, manned by three AMG employees, Joe Bob Smith, Beverly May and with Mark Dixon and Allison Budlong dropping in to help. Ms. Rolnick reported on the specific outreach to business owners. Compiling a list of massage establishments and contact with owners is a large project that she is embarking on. Ms. Rolnick provided a detailed report on the specifics of the types of inquiries from attendees. Ms. Rolnick prepared a very useful hand-out on how to minimize glitches that will delay processing of

new applications for certification, and will make it available to schools. Ms. Rolnick reported on the new templates for reminder emails to recertify. Ms. Rolnick has taken over primary responsibility for updating and maintaining the website. Ms. Rolnick also reported on the first Schools Advisory Committee (SAC) Newsletter and the brochure in development for potential students and approved schools titled "Is Your Massage Program Approved by CAMTC?"

22. Proposed change of application wait period for certain denials based on education

MOTION 11022017:8 Callagy/Bates - Motion to refer back to staff for more specifics on how to assure public safety

Beverly May explained that this proposal arose after an applicant was denied due to her education from an un-approved school. The applicant did not request a hearing in response to a proposed denial letter (PDL) that she received. She claims that she did not understand that the letter stated that if she did not request a hearing, her application would be denied and she would not be eligible to re-apply for two years. CAMTC policy is to postpone the hearing upon request, while an individual attends another school within a year, but this woman did not make such a request, stating language issues. She contacted Ms. May for help, as did her legislator, Kansen Chu. This proposal would reduce the waiting period to one year for denials based on education only when there has been no hearing. Denials based on anything other than education, or where denial was after a hearing, would still be subject to the 2 year waiting period to re-apply. Much discussion ensued. The Board expressed concern that this policy may reward those who willingly engaged in fraud.

9-0, 1 ABSTAIN, MOTION PASSES

ROLL CALL VOTE: 9 yes, 1 abstain

Ron Bates - yes

Allison Budlong -yes

Mike Callagy –yes

Alex Diaz -yes

Shana Faber-yes

Jeff Forman-Abstain

Heather Forshey-yes

Mike Marylander-yes

Stephany Powell - yes

Dixie Wall – not present for the vote

Mark Dixon – yes

23. Public comments regarding issues not in this agenda/suggested agenda items for future meetings

Bernadette Murray asked for a position of support for US Senate bill 1693 section 230 of Communications Decency Act. This section has been used as a defense by entities such as Backpage.

Lauren McLachlan – the contact email listed on the Agenda bounces and needs to be updated. Jon Waters stated that the template is being updated.

24. The Board went into Closed Session with CAMTC Legal Counsel Pursuant to California Government Code section 11126(e) regarding pending litigation at 1:46 pm and returned to open session at 2:01 pm.

Chairman Dixon adjourned the meeting at 2:01pm.

Minutes Approved: February 22, 2018

Allison Budlong, Secretary