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CALIFORNIA
MASSAGE THERAPY COUNCIL

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Sent and posted: September 2, 2011

Notice and Agenda

**Board of Directors Meeting
Thursday, September 15, 2011
Radisson Hotel at Los Angeles Airport
6225 W. Century Blvd., Los Angeles, CA 90045
9:30 a.m.**

1. Call to order/ Roll call
2. Approval of minutes
3. CEO report
 - a. Fiscal viability
 - b. Operational update
 - i. Re-certification: implementation and progress
 - ii. IT
 - iii. Other operational issues
 - c. Outreach update
 - i. New applicants
 - ii. Re-certification
 - iii. New CA laws
 - iv. Promotion and presentations

4. Treasurer's report
5. Director of Governmental Affairs and Special Projects' report
6. Local government acceptance- CEO's long term perspective
7. Director of Professional Standards Division's report
8. Legislative objectives and strategies
9. Legislator of the Year
10. Closed session with CAMTC legal counsel pursuant to CA Government Code Section 11126(e)
11. Budget
 - a. Hearing filing fee- exemption/economic hardship form
 - b. PSD detailed projections- workload and trends
 - c. Legal expenses-in house counsel
 - d. Cost of certification update
 - e. Management and control protocol
 - f. Unprofessional conduct- board policy's impact
 - g. Priorities for 2012
12. Adding new Board members to available seats
 - a. report from work group- needs, criteria and process
13. FSMTB annual meeting
 - a. Report from Work Group
 - b. Attendance-final budget
14. FSMTB database
15. CMT, CMP & CCMP seal
16. CAMTC Logo use
17. CAMTC's transparency- posting of minutes
18. Employee Handbook
19. Closed Session regarding the appointment, employment, evaluation of performance, or dismissal of an employee pursuant to CA Government Code Section 11126(a)

20. Return from closed session and announce any action taken during item number 19
21. Definition of scope of practice- report from work group
22. Issues and scheduling for next meeting
23. Adjourn

All agenda items are subject to discussion and possible action.

Requests for more information, or to make a request regarding a disability-related modification or accommodations for the meeting, please contact Sheryl LaFlamme at (916) 669-5336 or One Capitol Mall, Suite 320 Sacramento CA 95814 or via email at camtc@amgroup.us.

Requests for disability-related modification or accommodation for the meeting should be made at least 48 hours prior to the meeting time. This notice and agenda is available on the Internet at <http://www.camtc.org>.

DRAFT



CAMTC Board of Directors Meeting

June 2, 2011

Sheraton Gateway Hotel Los Angeles

6101 W. Century Blvd.

Los Angeles, CA

OPEN SESSION MINUTES

In attendance

Directors: William Armour, Bob Benson, Pamela Blackburn, Michael Callagy, Judi Calvert, Mark Dixon, Ben Drillings, Keith Grant, Michael Marylander, Roberta Rolnick, Michael Schroeder, Michael Sheps, Joe Bob Smith, Deb Tuck, Dixie Wall

Directors Absent: Guy Fuson, Paul Schwinghamer

Staff: Ahmos Netanel, CEO; Sheryl LaFlamme, Operations Manager

General Counsel: Jill England

1. Call to Order/Welcome

Chairperson Wall called the meeting to order at 9:45am.

Chairperson Wall asked Mr. Schroeder to remind the Board about the rules of debate.

Chairperson Wall introduced Mike Callagy to the Board and welcomed Deb Tuck.

2. Vote regarding Board member missing three consecutive meetings

Michael Sheps was at the April 6, 2011 meeting. Correction noted.

3. Approval of Minutes

Motion (1) – Dixon/Schroeder – Approve the March 15, 2011, April 6, 2011, and April 27, 2011 minutes.

Motion Approved, 15-0

4. CEO Report

Mr. Netanel noted it is a privilege to work for CAMTC. Mr. Netanel thanked the Board for hiring Beverly May as the new Government Relations Director and stated she is a very effective addition to the management team.

Mr. Netanel reported CAMTC exceeded projected expectations for the first 20 weeks by generating 16% more applications than what was budgeted. Mr. Netanel noted that in order to maintain this, CAMTC will focus on improving customer service responsiveness, solving local government issues and initiating marketing programs. Mr. Netanel thanked Bob Benson and ABMP for being the first to send out mailers and follow-ups. Mr. Netanel also thanked Mr. Benson for appointing Roberta Rolnick to the CAMTC Board. Mr. Netanel applauded her great attention to detail and her tireless effort in relation to outreach in general.

Mr. Netanel stated that CAMTC must be careful in the social media arena. Facebook will need one full-time person to manage it and although we are still maintaining our Facebook advertising program, we are putting this part of social media on hold. Mr. Netanel noted that 30,000 new recruitment brochures for students and massage professional have been mailed and CAMTC will continue to distribute brochures as schools request them.

Mr. Netanel spoke about local government challenges and the strategies that he and Beverly May have put into action. Ms. May prepared a letter from CAMTC in support of AMTA-CA's bid to receive financial aid. Ms. May created an infrastructure to deal with incoming issues by tracking all issues by municipalities. Mr. Netanel and Ms. May are also planning on sending an email blast to all certificate holders informing them that CAMTC is better equipped to handle issues. Ms. Rolnick stated that she and Mr. Dixon are discussing creating a handbook for the frontline local government staff.

Mr. Netanel spoke about what IT issues need to be addressed and recommended Abraham Bosch to audit IT infrastructure and make recommendations.

Mr. Netanel announced that both bills, SB 285 and AB 619, have switched houses and are working their way to appropriations. Mr. Netanel was pleased to see that Senator Swanson voted for the bill.

Mr. Netanel gave updates on PSD, progress of denials, DOJ Compliance and Recertification.

5. Treasurer's Report

Michael Marylander gave a brief report stating that revenues are higher than budgeted and expenses are lower than budgeted.

Mr. Netanel stated the PSD budget and legal expenses are covered through the end of July. Mr. Netanel will wait until the July 20, 2011 conference call and submit an analysis to reevaluate the needs of PSD.

Roberta Rolnick made a motion to talk about the outreach budget. Ahmos states that the Outreach budget is number 12 on the agenda. Ms. Rolnick wanted to talk about it now and asked to continue the budget through the end of the year. Mark Dixon 2nd it.

Mr. Schroeder stated the outreach budget should be discussed at the same time as the PSD filing fees.

Motion (2) – Schroeder/Dixon – Move to combine agenda items 9b and 12

Motion approved 14-0, 1 abstained.

6. CAMTC Board position regarding potential amendments – AB619

Mr. Netanel stated that the 619 amendments needed clean-up. Mr. Netanel articulated the first three amendment changes.

Amendment 1 - Law specifies local government has the right to investigate owner of massage establishments, if not certified by CAMTC.

Mr. Netanel expressed that this would be a good 1st assignment for Mr. Callagy to communicate with local law enforcement their right to investigate.

Amendment 2 - Revising terminology from “approved school” to “recognized school”.

Amendment 3 - Revising “Massage Therapy Organization” to “California Massage Therapy Council”.

Amendment 4 – Correct dates relevant to CMP/CMT to coincide with change in Sunset Date of 12/31/14.

Mr. Schroeder stated it would take too long to look at all 18 one at a time. Mr. Schroeder stated the Board needed to vote to move all 18 on the floor.

Motion (3) - Schroeder/Dixon – Move to adopt all 18 amendments to the floor

Motion (4) - Grant/Schroeder – Move to adopt amendments 1, 2, 3 and strike amendment 4.

Discussion took place around amendment 5 through 8; Mr. Schroeder called for point of order. He recapitulated the motions to move all 18 amendments to the floor adopt amendments 1, 2, 3 and strike amendment 4.

Motions approved 13-1, 1 abstained.

Motion (5) – Benson/Schroeder – Move to strike amendment 5, which states, “Require all 500 hours to be from recognized schools.”

Motion approved 9-1, 5 Abstained.

Motion (6) – Benson/Schroeder – Move to strike amendment 6, which states, “Clarify that the requirements to qualify as a Certified Massage Therapist shall include the minimal required core curriculum required for qualifications as Certified Massage Practitioner per 4406 (b)(B).”

Motion failed 4-10, 1 abstained.

Motion (7) – Benson/Grant – Move to strike amendment 7, which states, “Clarify that the CAMTC Board has the right to require continuing education for renewal and to develop guidelines for recognizing CEU providers.”

Motion approved 11-0, 4 Abstained.

Motion (8) – Benson/Rolnick – Move to strike amendment 8, which states, Clarify that the CAMTC Board may require an applicant to pass an approved exam in cases where the education presented is in question.”

Motion failed 3-8, 4 abstained.

Motion (9) – Callagy/Dixon – Moved to amend amendment 11 from “Shall” to “Authorized” and will read as, “Clarify that law enforcement or other local government officials responsible for regulating or administering massage or massage businesses are authorized to provide information to the council relevant to processing applications, disciplinary actions, suspension, revocations and denials.”

Motion approved 14-0, 1 abstained.

Motion (10) – Smith/Schroeder – Move to strike amendment 9, which states, “Clarify that CAMTC is authorized to share information on applicants with law enforcement agencies or other local government officials responsible for regulating or administering massage or massage businesses.

Motion approved 14-0, 1 abstained.

Motion (11) – Grant/Marylander – Move to strike amendment 15, which reads, “Certification ID # must be used in all advertising.”

Motion (11) Sub Motion – Schroeder/Smith – Offered sub motion to amendment 15 to be modified. Amendment to read, “Certificate holders are required to provide certification number, in advertisements, if stating they are CAMTC certified.

Sub Motion approved 14-0, 1 abstained

Motion (12) – Rolnick/Benson – Move to strike amendment 10 which states, “Clarify that CAMTC may conduct reasonable inspections of CMT’s and CMP’s place of work during normal hours.”

Motion failed 4-8, 3 abstained.

Motions (12) amend – Schroeder/Blackburn – Move to amend amendment. Amendment to state, “Clarify that CAMTC may conduct reasonable inspections of CMT’s and CMP’s place of work and/or massage school where training is received, during normal hours.”

Motion approved 12-0, 3 abstained.

Motion (13) – Schroeder/Callagy – Move to endorse amendments in AB619 as amended.

Motion approved – 12-1, 2 abstained.

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

The Board went into closed session at 1:47pm and returned to open session at 2:42pm.

8. Budget

- **Fee Increase**
- **Hearing Fee**
- **Priorities and Reconciliation**

Fee Increase

Mr. Netanel explained that the Board budgeted 60k a month for AMG. Currently AMG is receiving 55k month. According to the contract, AMG is meeting their performance level and Mr. Netanel recommends an increase to AMG to 60k per month starting August 1, 2011.

Motion (14) – Benson/Rolnick – Move to approve CEO recommendation to increase AMG fee to 60K per month starting August 1, 2011.

Schroder offered amendment to motion to move the August 1, 2011 date back to October 1, 2011. No one seconded the amended motion. The amended motion dies.

Mr. Benson asked to return to the original motion.

Motion approved 12-1, 1 abstained (Drillings not present for vote).

Hearing Filing Fee

Motion (15) - Schroeder moved CAMTC implement filing fees of \$95 for oral hearings and \$65 for written considerations and allow exemptions for those who are indigent and unable to pay.

Ms England stated that it could not take effect until the form is done and approved by the board.

Motion (14) amended – Schroeder/Benson – moved to take effect when form is done and approved by Board.

Motion approved 13-0, 1 abstained; (Drillings not present for vote).

9. Adding new Board members to available seats – needs, criteria and process

Ms. May recommended to fill Board seats.

Motion (16) – Schroeder/Rolnick – The Chair and Vice Chair will submit to the Board a proposed policy on the needs, criteria and process for nominating and evaluating additional members to the Board for the seats not reserved for appointees of designated entities.

Motion pass – 12-0, 2 abstained (Drillings not present for vote).

10. Public Policy Local Government Report

Mr. Dixon spoke of the importance of gaining collaboration with cities. Mr. Dixon stated that the California Municipal Revenue and Tax Association (CMRTA) has invited CAMTC to be a featured speaker at their annual conference. Mr. Dixon noted that our involvement with them is important and as they trust us more, they'll be less of a hindrance.

11. Outreach Update

Motion (17) – Rolnick - move to approve Outreach Budget to receive 10k month for the last 6 months of the year.

Motion fail 1-12, 1 abstained (Drillings not present for vote)

Motion (18) Rolnick/Blackburn – Move to use budget not spent in the first six months to extend to the last six months of the year.

Motion (18) friendly amendment –Schroeder/Benson – move to have Ms. Rolnick and Mr. Netanel come back with proposed specific budget for outreach next year. In Interim, spend within their 60k budget until Board acts on proposed budget.

Ms. Rolnick accept friendly amendment.

Motion approved 12-1, 1 abstained (Drillings not present for vote)

12. Legislative Update of SB285

Mr. Netanel stated that SB 285 was amended and is expected to reach the assembly side very soon.

13. Definition of Scope of Practice – Report from Work Group

Agenda item not discussed.

14. FSMTB October 2011

- **Form work group**
- **Registration/attendance of every board member**
- **Database**

Form Work Group

FSMTB is set to have their annual conference in Los Angeles on October 15, 2011.

Motion (19) – Wall/Dixon – Move to create a work group led by Mr. Smith and another Board member to host and welcome the FSMTB. Mr. Smith to create a proposed budget for this hosting effort and details what he will plan.

Motion approved 13-0. 1 abstained (Drillings not present for vote).

Registration/attendance of every Board member

Motion (20) - Rolnick/Dixon – All Board members are encourage to attend and move to include Mr, Netanel, Mr. McElroy and Ms. May in the FSMTB Conference.

Motion approved 12-1, 1 abstained (Drillings not present for vote).

Database

Motion (21) - Schroeder/Rolnick – CAMTC will share its database of persons denied or disciplined with the Federation of State Massage Therapy Boards (FSMTB) and any national database that they create for such purpose.

Motion approved 14-0 (Drillings not present for vote).

15. Posting of Minutes – Transparency of CAMTC

Agenda item not discussed

16. Personnel/Employee Handbook

Ms. Wall rescheduled agenda # 17. Ms. England asked Board members to determine what policies are recommended and be ready to present at the September Board meeting.

17. Closed Session regarding the appointment, employment, evaluation of performance, or dismissal of an employee pursuant to CA Government Code Section 11126(a)

The board went into closed session at 4:40pm and returned to open session at 4:58pm.

18. Action taken in closed session

No action was taken in the closed session held pursuant to CA Government Code Section 11126(a)

19. Recertification Summary

- **Preparations to date**
- **Timetable**
- **Application**

Mr. Nentanel stated the creation of the recertification process took a lot of work. The online form is complete and it will be live on July 15, 2011 for the September 2009 certificate holders.

Mr. Benson submitted idea's for the recertification letter from Jean Robinson of the ABMP. Jean has had five years of experience working with members who have had renewal questions from other states. Ms. Blackburn made a few suggestions to add to the recertification letter. Ms. LaFlamme will incorporate their ideas and re-draft a new letter for review.

20. Issues and Scheduling for Next Meeting

Conference call scheduled for July 20, 2011 at 10am. Call to take an estimated 3-hours.

Proposed Board Meeting has been scheduled for September 15, 2011 at 9:30am. Location to be announced.

21. Adjournment

Chairperson Wall adjourned the meeting at 5:15pm

Minutes Approved: _____, 2011

Roberta Rolnick, Secretary

DRAFT



CAMTC Board of Directors Meeting

July 20, 2011

VIA TELECONFERENCE

OPEN SESSION MINUTES

In attendance

Directors: William Armour, Bob Benson, Pamela Blackburn, Michael Callagy, Judi Calvert, Mark Dixon, Guy Fuson Keith Grant, Michael Marylander, Roberta Rolnick, Michael Schroeder, Paul Schwinghamer, Michael Sheps, Joe Bob Smith, Deb Tuck, Dixie Wall

Directors Absent: Ben Drillings

Staff: Ahmos Netanel, CEO; Sheryl LaFlamme, Operations Manager; Rick McElroy, PSD Director; Beverly May, Director of Governmental Affairs

General Counsel: Jill England

1. Call to Order

Chairperson Dixie Wall called the meeting to order at 10:05am. Chairperson Wall asked Mr. Schroeder to remind the Board about the rules of debate.

2. CEO Report

CEO Ahmos Netanel presented the Board with a new accounting and financial control protocol. Mr. Netanel stated that a formal document is in the works and it would be presented at the next Board meeting.

Mr. Netanel stated that he and Beverly May are in the process of putting together a local government issues report next month.

Mr. Netanel mentioned that both Bills are on the Governor's desk and thanked AMTA for doing a great job emailing members and encouraging them to email the Governor.

Brochures are in the works for business owners and Mr. Netanel stated they are close to starting the production of two videos.

3. Closed Sessions

The Board went into closed session with CAMTC legal counsel pursuant to Government Code Section 11126(e) at 10:10am and concluded that closed session at 11:05am.

The Board went to closed session regarding the appointment, employment, evaluation of performance or dismissal of an employee pursuant to Government Code Section 11126(a) at 11:06am and returned to open session at 11:20am. Upon returning to open session, it was announced that no action was taken in the second closed session.

4a. FSMTB Annual Conference

Joe Bob Smith presented his welcome ideas for the FSMTB annual conference in October 2011. Mr. Smith was pleased with the many companies who have agreed to donate products to the gift bag. Mr. Smith pointed out there were no CAMTC branded items for the gift bag and suggested a informational brochure describing CAMTC and its activities. Mr. Smith also thanked Mr. Schroeder and the American Massage Council who will be underwriting the reception on Friday evening, October 14, 2011.

4b. Budget and Cost Analysis for Board Members to Attend FSMTB Conference

Mark Dixon ran the cost analysis which came out to \$6199.00 for 10 registrations, four flights and seven hotel accommodations for three nights.

Motion (1) – Dixon/Rolnick – Move to approve the amount of \$6199.00 for funding the attendance of the Board for the FSMTB conference.

Motion (1) Friendly Amendment– Benson – Limit expenditure for five people with the selection of those five by Chairperson Wall.

(Dixon/Rolnick accepted friendly amendment).

Roll Call Vote:

William Armour – Not Present for Vote

Bob Benson - Yes

Pamela Blackburn - Yes

Mike Callagy - Yes

Judi Calvert - Yes

Mark Dixon - Yes

Ben Drillings - Absent

Guy Fuson – Not Present for Vote

Keith Grant - Yes

Michael Marylander - Yes

Robert Rolnick - Yes

Michael Schroeder - Yes

Paul Schwinghamer - Yes

Michael Sheps – Not Present for Vote

Joe Bob Smith - Yes

Deb Tuck - Yes

Dixie Wall – Abstain

Motion pass – 12-0, 1 abstained – Wall

Chairperson Wall will select five members and after selection, Mr. Dixon will recalculate the amount needed.

5a. PSD Budget

Mr. Netanel stated that on January 18, 2011, the Board voted to increase the PSD budget by \$184,000.00 through July 2011. In July, the Board would reevaluate PSD needs to determine if any additional funding will be needed for August through December 2011. In the July 15, 2011 memo titled “PSD Budget Request”, the only item Mr. Netanel will amend is the item relating to parity.

Mr. Netanel went on to say that the biggest fee is the legal expenses which comes to an additional \$250,000.00. Mr. Netanel believes that the CAMTC cannot sustain that amount long-term. Mr. Netanel will look into alternatives, including contracting the work to a different firm or hiring an in-house attorney.

Mr. Netanel also stated that PSD hearings are already booked through October. Mr. Netanel stated that increasing the number of hearings will increase the total cost.

Mr. Netanel spoke of the important investment of interacting with law enforcement and specifically with Police Chiefs. Mr. Netanel also pointed out how imperative it is to have a PSD staff member involved in those interactions.

Motion (2) Schroeder/Grant – Move to adopt the 7/5/2011 PSD request outlined in the July 15, 2011 memo with the following modifications. 1. CEO to come back with recommendations for in-house attorney. 2. PSD raise adjusted from 8% to 3%. 3. Deleting the \$6,670.00 pay parity.

Motion (2) Move to Divide Motion 2 into two questions– Callagy/Calvert – Move to divide out PSD Budget from pay raise and in-house counsel.

Roll Call Vote:

William Armour – Not Present for Vote

Bob Benson - Abstain

Pamela Blackburn - Yes

Mike Callagy - Yes

Judi Calvert - Yes

Mark Dixon - Yes

Ben Drillings - Absent

Guy Fuson – Not Present for Vote

Keith Grant - Yes

Michael Marylander - Yes

Robert Rolnick - Yes

Michael Schroeder - No

Paul Schwinghamer - Abstain

Michael Sheps - Yes

Joe Bob Smith - Yes

Deb Tuck - Yes

Dixie Wall – Abstain

Motion pass – 10-1, 3 abstain (Benson, Schwinghamer, Wall)

Motion (2a) Schroeder/Grant, Friendly Amendment added. Benson– Move to adopt PSD budget through December 2011 and friendly amendment to include Mr. Netanel to come back with analysis giving detailed breakdown for the September 15, 2011 Board Meeting.

Roll Call Vote:

William Armour – Not Present for Vote

Bob Benson - Yes

Pamela Blackburn - Yes

Mike Callagy - Yes

Judi Calvert - Yes

Mark Dixon - Yes

Ben Drillings - Absent

Guy Fuson - Abstain

Keith Grant - Yes

Michael Marylander - Yes

Robert Rolnick - Yes

Michael Schroeder - Yes

Paul Schwinghamer - Yes

Michael Sheps – Not Present for Vote

Joe Bob Smith - Yes

Deb Tuck - Yes

Dixie Wall – Abstain

Motion pass 12-0, 2 abstain (Fuson, Wall)

Motion (2b) Friendly Amendment – Schroeder/Grant– Increase PSD salary by 3% with friendly amendment for retroactive pay back to 4/1/2011 and authorize Mr. Netanel to explore feasibility of in-house counsel and report back at 9/15/11 meeting.

Roll Call Vote:

William Armour – Not Present for VOTE

Bob Benson - Yes

Pamela Blackburn - Yes

Mike Callagy - No

Judi Calvert - Yes

Mark Dixon - Yes

Ben Drillings - Absent

Guy Fuson - Yes

Keith Grant - Yes

Michael Marylander – Not Present for Vote

Robert Rolnick - Yes

Michael Schroeder - Yes

Paul Schwinghamer - Yes

Michael Sheps – Not Present for Vote

Joe Bob Smith - Yes

Deb Tuck - Yes

Dixie Wall – Abstain

Motion pass – 11-1, 1 abstain (Wall)

5b. Outreach budget

Mr. Netanel amended the Outreach budget, cutting it from \$90,000.00 to \$30,000.00.

Motion (3) Rolnick/Calvert – Move to approve Outreach budget

Roll Call Vote:

William Armour – Not Present for Vote

Bob Benson - Yes

Pamela Blackburn - Yes

Mike Callagy - Yes

Judi Calvert - Yes

Mark Dixon - Yes

Ben Drillings - Absent

Guy Fuson - Yes

Keith Grant - Yes

Michael Marylander – Not Present for Vote

Robert Rolnick - Yes

Michael Schroeder - Yes

Paul Schwinghamer - Yes

Michael Sheps - Yes

Joe Bob Smith - Yes

Deb Tuck - Yes

Dixie Wall – Abstain

Motion pass – 13-0, 1 abstain (Wall)

5c. Actual Cost Report for Certification

Mr. Netanel emphasized the actual cost for certification. Mr. Netanel stated this was not the cost of certifying applicant, but the cost of printing, mailing, and all the tangible material relating to certification. In 2010 CAMTC averaged \$3.90 per certificate. Mr. Netanel stated when the budget was prepared for 2011, the cost for certification was entered into the budget at \$3.37. When reviewing the cost for the first six months of 2011, Mr. Netanel found that the cost came to \$35,637.00 for issuing 5157 certificate which comes to \$6.92 for certificate. For that period, CAMTC went over budget by \$16,637. Mr. Netanel looked at the breakdown of what the true cost of a certificate really is and came up with \$5.38 per certificate.

Mr. Netanel would like to give the Board a more specific breakdown of the differential between his breakdown and what really happened last year. However, without all of the information needed, Mr. Netanel would like a postponement on giving that breakdown. Going forward, Mr. Netanel is requesting the Board to amend the number we have on the budget in two ways. Every month, multiply the number of applicants that we foresee CAMTC will approve and the number of applicants that we foresee CAMTC will approve for renewals and multiple it by \$5.38.

Motion (4) Schroeder/Dixon – Move to approve the proposed budget adjustment proposed by the CEO, specifically in the adjustment to the line item called Certification/Materials/Printing/Mailing, under General Administrative to be \$20,752 in July,

\$4,116 in August, \$4,767 in September, \$7,451 in October, \$6,569 in November and \$8,855 in December.

Roll Call Vote:

William Armour – Not Present for Vote

Bob Benson - No

Pamela Blackburn - Yes

Mike Callagy - Yes

Judi Calvert - No

Mark Dixon - Yes

Ben Drillings - Absent

Guy Fuson - Yes

Keith Grant - No

Michael Marylander – Not Present for Vote

Robert Rolnick - Yes

Michael Schroeder - Yes

Paul Schwinghamer - Yes

Michael Sheps – Not Present for Vote

Joe Bob Smith - Yes

Deb Tuck - Yes

Dixie Wall - Abstain

Motion Pass - 9-3, 1 abstain (Wall)

5d. Mid Year Budget Reevaluation and Amendments

Mr. Netanel stated he would like to reshuffle numbers because of accumulated surpluses on some lines and take a fresh look at what can be adjusted.

Motion (5) Benson/Schroeder – Move to adopt amended proposed budget through the rest of year.

Roll Call Vote:

William Armour – Not Present for Vote

Bob Benson - Yes

Pamela Blackburn - Yes

Mike Callagy - Yes

Judi Calvert - Yes

Mark Dixon - Yes

Ben Drillings - Absent

Guy Fuson - Yes

Keith Grant - Yes

Michael Marylander – Not Present for Vote

Robert Rolnick - Yes

Michael Schroeder - Yes

Paul Schwinghamer - Yes

Michael Sheps – Not Present for Vote

Joe Bob Smith - Yes

Deb Tuck - Yes

Dixie Wall – Abstain

Motion pass – 12-0, 1 abstain (Wall)

8. Next Meeting

Motion (6) Dixon/Calvert – Move 9/15/2011 Board meeting to 10/16/2011.

Roll Call Vote:

William Armour – Not Present for Vote

Bob Benson - No

Pamela Blackburn - No

Mike Callagy – Not Present for Vote

Judi Calvert - Yes

Mark Dixon - Yes

Ben Drillings - Absent

Guy Fuson - Yes

Keith Grant - No

Michael Marylander – Not Present for Vote

Robert Rolnick - No

Michael Schroeder - No

Paul Schwinghamer - No

Michael Sheps – Not Present for Vote

Joe Bob Smith - No

Deb Tuck - No

Dixie Wall – Abstain

Motion fail – 3-8, 1 abstain (Wall)

Next Board Meeting to remain on September 15, 2011.

9. Adjournment

Chairperson Wall adjourned the meeting at 1:07pm.

Minutes Approved: _____, 2011

Roberta Rolnick, Secretary



CEO Report September 7, 2011

Fiscal Viability

It has been two years since CAMTC fully opened for business. This milestone is met with a second one: last week we issued our 25,000th certificate (out of 32,747 received). We are continuing to deliver better than budgeted financial results. Per our 8/31/11 financial statement, we cut our expected deficit by 44% and our actual cash position was \$537,089, exceeding our budgeted \$373,956 by \$163,133. This financial performance is mainly due to restraining spending as well to boosting revenues.

So far this year we generated 7,970 initial applications, exceeding by 11% the budgeted 7,200. However, the average number of weekly applications has dropped over the past six weeks. The Board budget anticipated receiving 127 renewal applications by 9/30/11. At this point we are way ahead. As of 9/3/11 we processed 472 paid recertification applications, mainly since many of the certificate holders with October expiration dates renewed early.

The following is a partial list of initiatives we are currently engaged in order to stimulate demand for CAMTC's certification:

- CMT, CMP, CCMP seals-design, protocol and dissemination (to be approved by the Board)
- Peer to peer marketing via eBlast "power in numbers"
- Direct mail campaign focusing on the ending of the CCMP portal by year's end
- Editing and distribution of recruitment video to schools
- Revamping website landing page to be new-applicant focused
- Engaging individual schools in direct mail and email campaigns to their graduates
- Development of employer's brochure and database
- Development of consumer informational pamphlet

Budget-Planning and Implementation

In order to be able to adopt a 2012 budget prior to the end of this year it is imperative that the Board establishes specific objectives and priorities for the year. Once such priorities and objectives are adopted, a meaningful budget can be developed. The CEO is requesting that the Board adopt an efficient mechanism to enable such a process to commence immediately and make the results available to the CEO at least three weeks prior to the last Board meeting in 2011. To assure proper implementation of current and future budgets a revised budgetary controls protocol was developed

and is being submitted to the Board with this packet.

Police Chiefs

In my opinion, the relationship between CAMTC and California Chiefs has been recalibrated for the better. I have received reports that there are a growing number of Chiefs who believe that the new California massage law and CAMTC are causing a major proliferation of illicit massage parlors in their communities. In an effort to debunk this unfortunate misconception, we armed Mike Callagy, who is willing to speak to Cal Chiefs' Board, with a document (see GR report) containing facts regarding CAMTC's capabilities in addressing this challenge.

Operations

Under Sheryl's capable leadership all operational systems have been functioning smoother than ever. The limitation of staff's size still represents a challenge when it comes to our ability to be more responsive to our various stakeholders. Once we receive all the necessary elements of a completed "clean" application we can turn it around in 60 days. The length of the waiting time still represents a source of frustration for many applicants, in part because it may take weeks or more for transcripts and live scan results to come in before the application is considered ready to process. Quite often we receive communications from applicants who inform us of lost job opportunities because their employer could no longer save their position. Staff is constantly looking for ways to streamline operations and increase efficiency but if the Board would like to further expedite applications' turnaround time additional staff may be needed. That may not be necessary if we experience a major drop in the number of initial applications.

We had few minor initial glitches with the implantation of the recertification program, all have been already rectified and the last one (wrong expiration date) will be resolved by September 14, 2011.

We implemented several IT changes and the good news is that CAMTC system's architecture is currently secure and stable. CAMTC is still in a very weak position due to how much of the business process CCS and AMG control. With the past 90 days being dominated with the setup work relating to the recertification, it has been the wrong time to initiate taking ownership of the software that drives the CAMTC business. This project is under consideration for 2012.

Even though the Board approved a budget to scan all of CAMTC's applicant files the CEO decided to postpone this project and requested an alternative proposal from the vendor that will allow us to accomplish the same objective but with a smaller hit to cash flow (see attached). The major downside of stretching the scanning over time is that the price per box scanned is higher. We are still negotiating with the vendor. In the meantime we maintain a dedicated staff member who scans files regularly.

Schools' Legitimacy Challenge

When a school is placed on the list of schools from which CAMTC does not accept transcripts as sole proof of education, we often experience an "aftershock" that increases demand on staff and executives. These sorts of fallout may include but are not limited to:

- Receiving threats of litigation
- Being contacted by State Legislators in response to constituents complaints
- Media inquiries and requests for interviews
- Letters from frustrated and confused applicants that attended such schools
- School owners and students showing up unannounced at the office
- School owners attempting to meet executives and Board members

The Board's proactive stance on schools' issues has brought much credibility to CAMTC from local

governments and that should continue. It is important that the Board be aware of the collateral cost this policy has created. It is our hope that as SB 285 gets implemented this challenge will become more manageable.

Legislation

The passage of AB619 has vastly increased the value of CAMTC's certification. Several important amendments that CAMTC requested never made it into the bill. Additional cleanup legislation is still needed. The Board will need to evaluate what amendments, if any, it would like to support. Based on the nature of the amendments, the CEO will make his recommendation to the Board as to the optimal strategy to bring about such amendments. The Board will need to arrive at such decisions before the end of 2011, if it wishes to see amendments introduced in the next legislative session.

CAMTC

Docufree Monthly Document Management and Scanning Solution

August 31st, 2011

Monthly Scanning and Document Management Program

Ideally, CAMTC would like to have a Secure Document Management Solution in place that can provide easy search and retrieval of scanned images.

From a budget standpoint, CAMTC would like to be able to have a set number of boxes scanned per month along with the Docufree software to lessen the impact of a one-time scanning job.

In addition to the back-file conversion of hard copy documents, CAMTC would like to have approximately 2500 currently imaged files put into the Docufree Central Repository.

The Docufree Monthly Scanning and Document Management Solution \$ 1,800.00

This program would work as follows:

- CAMTC would ship 10 boxes per month to Docufree.
- Docufree would perform the doc prep and scanning on these documents.
- Docufree would index each chart using
 - o Therapist Name
 - o Therapist Number
- Docufree would upload images into the CAMTC Docufree DMS site.
- Docufree would burn an encrypted DVD for each month and ship to the CAMTC.
- Docufree would hold originals for 30 days after upload to Docufree is complete.
- Docufree would shred originals.

CAMTC would have the Docufree Document Management (Enhanced Basic) Solution that would provide the following for CAMTC:

- 10 user license to access search, retrieve, scan, upload, etc.
- Scan capture profile to drag and drop existing files into Docufree with ease.
- Workflow folder and two-step workflow to receive scanned images and index prior to uploading into proper cabinet.
- 100,000 images can up uploaded per year.

Document Management Solution

Connect CUSTOMERS

Empower EMPLOYEES

Integrate BUSINESS PARTNERS

Certification Records Monthly Scanning and Document Management Program



Presented to:
CAMTC



California Massage Therapy Council Certification Records Scanning Project

March 23, 2011

The California Massage Therapy Council Scanning Project Goal – Find a SECURE Document Management Solutions Provider who can help reduce the amount of paper files stored at the facility. Having files in electronic format will not only provide the Disaster Recovery for business continuity purposes but it will also provide a much more efficient way to search and retrieve requested files.

Volume Requirements

- There are approximately 22,500 records that need to be scanned.
- Each record contains approximately 12-15 pages.
- There are 40 file drawers measuring 36 or 42 inches in width.

Based on these calculations CAMTC has approximately 100 boxes to be scanned.

CAMTC Scanning Project / Volume Estimation	
Number of File Drawers	40
Inches per Drawer	38
Total Number of Inches to be Scanned	1520
Inches per Box	15
Total Number of Boxes	101

Monthly Scanning and Document Management Program

Ideally, CAMTC would like to have a Document Management solution in place that can provide easy search and retrieval of scanned images.

From a budget standpoint, CAMTC would like to be able to have a set number of boxes scanned per month along with the Docufree software to lessen the impact of a one-time scanning job.

In addition to the back-file conversion of hard copy documents, CAMTC would like to have approximately 2900 currently imaged files put into the Docufree Central Repository.

Docufree Corporation

Ten years ago we set out to build a company that helped businesses work faster with their paper documents. We started by improving the way our clients managed their inbound mail. As we earned their trust, our clients began asking us for more solutions to their downstream document

challenges. We responded and today our clients enjoy a comprehensive suite of services that help them transform the way they work with documents so they could put the focus back on their business.

Today, our advanced web-based technology solutions help our clients effectively scale their business processes the way they want. We retain the pain they hate and return to them the transactions they love. We're very excited about the future of innovation we'll share with our clients and we've enjoyed the journey along the way...

What We Believe

- Uncompromising Integrity. We believe in doing the right thing. It is incredibly important to us to be stewards of the relationship we have with you.
- Passion for Clients. We want to make you a raving fan. We want you to tell people about the outstanding service we provide you.
- Meaningful Innovation. We don't provide cool technology "just because." We provide solutions that solve real business problems. There's nothing wrong with cool, but we make sure it has a purpose.
- Winning Attitude. We want to win in our marketplace. We want to show you we are serious about delivering the very best service and solutions – every time.

With over 11 years in business, 155 employees and Primary Production Centers in Atlanta, New York City and Houston, Docufree can provide some innovative ways to solve your everyday paper problems. Our relationships with customers like you along with the Document Services we provide to companies like ADP, Equifax, Delta Airlines, and Ryder have helped us become one of the nation's fastest growing companies according to INC 5000.

The Docufree Facility / Security

- Docufree has 24 /7 Video Camera Surveillance on the entire facility. Add internal, external entrances as well as on all operators.
- Docufree has biometric access that will limit, control and track access and to the room designed for scanning the CAMTC work.
- Docufree has direct view glass to monitor scanning operators at all times.
- Operators are required to place all personal items (purses, backpacks, etc) into Direct View Lockers prior to entering the scanning rooms.
- Docufree performs significant background checks on all employees:
 - o Local, State and Federal criminal background checks.
 - o Employment history verification.
 - o Credit checks.
 - o Initial and random drug screening processes in place.

Picture of ONE scanning room at Docufree (16 Total in Atlanta)



Picture of our National Operation Center for Quality Assurance and SLA Monitoring



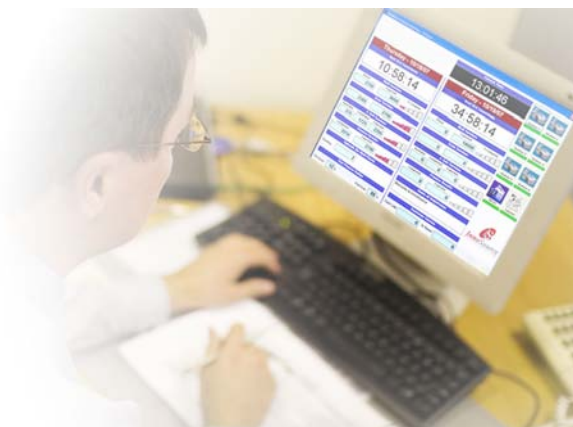
Picture of the Scanning Productivity Monitors on Each Scanner



Picture of our High End Mail Extraction and Scanning Stations (15)



Sample of Docufree Dashboards that can be built for SLA Monitoring



THE DOCUFREE SCANNING SOLUTION OPTIONS:

There are three different scanning options for CAMTC

Scanning Option #1 - Basic File Naming Indexing **\$ 145.00 / Box**

Using this option Docufree would simply scan the entire file and name it with the last name and ID# on the file. Naming convention would look like this:

- 1) Johnson_98789
- 2) Smith_89222
- 3) Etc

All Pricing Options Include the Following

- Docufree's ***Per Box*** which includes:
 - Shipping empty boxes to you (if needed) for packing documents
 - The transportation cost for boxes comes to our Document Conversion Centers
 - The Document Prep (removing staples, rubber bands, etc)
 - The Document Scanning
 - 300 DPI Searchable PDF's
 - The Document Indexing
 - See above options
 - The Docufree Archive for Review of Images and needed retrieval.
 - The reassembly of each application back into the file folder.
 - The return of the applications in each file folder back to CAMTC
 - The cost of delivery of applications back to CAMTC
 - One Year - On Line Docufree Document Repository for:
 - Easy search and retrieval
 - Disaster Recovery and Business Continuity

Additional Information

- A box is defined as a standard Bankers Box which measures 10 X 12 X 15 and is pictured below.



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Treasurer's Report Board Meeting: Sept. 15, 2011

Applications Received Through September 3, 2011

For the period July 27, 2009 through September 3, 2011, 32,747 applications have been received.

The average number of applications received is approximately 240 for the nine weeks from July 4 through September 3, 2011, down somewhat from the average of 265 for the preceding 9 weeks. These figures compare with an average of 298 per week from July 27, 2009 through September 3, 2011..

On the one hand, the figure for the most recent nine months, 240, continues a long term downtrend. However, such a gradual decline might be consistent with a certification process of any type; the existing prospect base may be more likely to apply when the process is initially offered and prior to the renewal period.

The current budget reflects what Executive Staff and Board consider practical on the basis of experience and market assessment. The year to date figure of 7,970 is virtually identical to the budgeted number of 7,928

Although the budgeted number of applications received was at the budget level, there was a 5% increase over budget in the number of certificates issued year-to-date. The increase was primarily from continued greater efficiency in processing and, possibly, resolving some of the procedures in handling applicants from questionable schools.

The disposition of applications from July 27 through September 3, 2011: The share of applications which were “incomplete” is up somewhat raising the issue of whether the recent applications are being evaluated more critically or the recent applicants are simply among the last to be motivated to request certification and are not as conscientious in completing the forms.

Applications	Disposition as of May 21, 2011
Certificates Issued	77%
Held due to education	3%
Incomplete	8%
Applications received, not entered	1%
Complete and ready for approval	1%
In PSD	2%
Denied	8%
Total	100%

Year to Date: August 31, 2011 Financial Statements*

Statement of Functional Activities (Income Statement)

Overview.

The revenue allocation procedure recognizes 27% of the \$150 application fee when the allocation is received, 38% when the certificate is issued and the balance, 35%, over 24 months.

The statement for the year to date, through August 31, is up slightly from budgeted. Revenues exceeded budget by 3% and expenses were 9% below the budget amount. The net effect is an excess of expenses over revenues of \$251,070 compared with a budgeted short-fall of \$451,541.

Performance Relative to Budget by Major Expense Categories.

In every category but one, expenses were at least slightly below the budgeted amount. In the one exception, actual expenses exceeded the budgeted amount by only \$920. The biggest favorable variances were in the “General Administrative” and “Professional Standards Division” categories.

Listed below are the major expense categories, in the order shown on the Statement of Functional Activities and the variance from the budget.

Item	Actual	Budgeted	Variance (negative numbers mean actual exceeded budget)
Operating Expenses	\$13,736	\$12,816	(\$920)
Outreach marketing	\$53,533	\$54,297	\$764
General Administrative	\$214,860	\$287,840	\$72,980
Executive Staff	\$266,304	\$280,117	\$13,813
Professional Standards	\$582,102	\$622,741	\$40,369
General Staffing	\$38,433	\$40,492	\$2,059
Professional Services	\$530,964	\$552,000	\$21,036
TOTAL	\$1,699,932	\$1,850,303	\$150,371

The year to date loss (revenue minus expenses) of \$251,070 on August 31 is less than the comparable figure of \$270,363 at the end of July, indicating that there was a small “profit” for August. This first excess of revenues over expenses in several months may indicate a turning point; new certification revenues and prior revenue recognition may reflect the anticipated beginning of an excess of revenues over expenses.

Statement of Financial Position (Balance Sheet)

Overview The CMTC balance sheet is almost unchanged from the preceding month.. Total assets of \$633,203 are about the same as at the end of July, 2011.

Liabilities are down slightly ((\$1,126,082 vs. \$1,141,088 on July 31). This absence of a large change is because the increase resulting from 2011 deferred fees offset by a decline in deferred fees from prior years.

Equity, at \$633,203 is little changed from the \$628,916 on July 31..

Respectfully submitted by Michael Marylander,
Treasurer
September 7, 2011



Governmental Affairs and Special Projects Report September 15, 2011

Overall Focus:

The CEO established this position with a primary focus on service to government officials and certified massage professionals. Approximately 80% of the workload is on governmental affairs and the remaining 20% on special projects, such as education issues, website revision, and projects assigned by or in cooperation with the CEO, Operations Manager, Legal Counsel or PSD Director as needed.

In these past four months it has become obvious that this position is an integral part of our marketing and outreach efforts. In response to a recent e-mail blast to certified professionals we received a large number of expressions of gratitude, from “no problems, but glad to know you have my back” to “thank goodness I have someone to help”. Equally important is the outreach to city officials. We have truly come a very long ways from the early mistrust and threats of trying to repeal or limit SB 731 to being seen as partners in addressing public safety issues. Although we have a neutral policy on mandating certification, it is obvious that the trend in local ordinances is towards requiring certification, most impressively including some of cities most concerned about the law from the start.

Stakeholder Responsiveness:

Much of these months have been spent in gathering and organizing data. There were hundreds of e-mails and calls from staff that had been received as long as six months prior and either not responded to or not well documented. After assuring that all had received a response I cataloged or resolved the issues. Today contacts from applicants, certified professionals and local government staff receive initial responses the same or next business day.

Organization of Data:

The Governmental Affairs filing system assures that every contact and issue gets tracked in spreadsheets and related documents. Word and other documents include summaries or entire ordinances, detailed reports of problems with cities and county compliance and other issues, progress reports and dated tracking of communication

with various stakeholders. Excel files have “claims” information, status of local ordinances, and various city and county contacts.

Communications:

With direction from the CEO, I prepared the first several drafts of the article for Western Cities, the magazine of the League of California Cities, and compiled the contributions of legal counsel, our CEO and three board members before submitting a final copy. All mass communications go through a multi-person review protocol by senior staff, legal and PR teams, resulting in better communications but at a cost of speed when not of urgent nature.

As noted above, blasts have been prepared and sent to all certified massage professionals introducing myself and asking for information on possibly non-compliant jurisdictions (Addendum A). This has been a tremendous marketing tool with huge response as well as a lot of positive feedback. Another blast to certified professionals announcing the passage of AB 619 and summarizing the new provisions was sent by the CEO. Blasts are ready to be sent to individual city and county staff, including attorneys, planners, finance staff, police chiefs and sheriffs and our city or county contacts to inform them of my availability to be a resource for them as they prepare for AB 619 and SB 285. The intent is to work systematically to have as many jurisdictions on their way to compliance with AB 619 as possible.

Our CEO asked that I prepare a memo requested by Mike Callagy for his use in educating members of the California Police Chiefs Association about CAMTC, highlighting our comparative effectiveness and enforcement tools and resources. It was prepared and submitted to Mike ahead of the promised date (Addendum B).

AB 619:

I participated in meetings with the AMTA-CA, sponsor of AB 619, and their lobbying team regarding amendments and strategy, and met with Bill Gage, Chief Counsel for the Senate Business, Professions and Economic Development Committee, to discuss further clean-up needs for 2012. With input from some of the most engaged city attorneys I have been maintaining a list of provisions for possible 2012 legislation. Should another clean-up bill be introduced, our CEO and I serve as advocates for the CAMTC.

Certified Massage Professionals and Applicants:

I am routinely contacted by applicants and certified massage professionals. Many contacts involve reports of local government non-compliance with the law or confusion over what rights are retained by local government. Questions range from scope of

practice to understanding employment issues and often are referred elsewhere. Thus far, only two or three have been complaints, one resulting in a glowing compliment. A great number have written to express appreciation at knowing that they have support if they have problems or questions navigating the mix of state and local regulations.

Working with local government:

Local government activities range from responding to frequent requests for information from city or county staff, to calls and in face meetings. Topics include addressing issues of compliance with and interpretations of the law, to solving problems presented by certified massage professionals. I am often the interface between law enforcement and PSD, passing on information, suggestions or requests for information. With our CEO and Governmental Affairs Liaison, Mark Dixon, I served on a panel at one of the divisional meetings of the California Municipal Tax and Revenue Association (CMTRA), of which we are members. Over the past two and a half years we have presented at all four divisions as well as two annual conferences. We are always told that our presentations attract more attendees than any other topic, and this meeting was especially well attended and received. Attending and presenting at regional meetings, city council, county supervisor and staff meetings develop relationships that build trust as well as assure responsiveness from local government staff.

Many more such meetings are expected over the next year. Early contacts with legal teams and law enforcement are crucial to have in person. Typically the city has both attorneys and law enforcement working on massage issues, and it has been effective for at least the initial meeting with a large jurisdiction to include our CEO and Director of PSD. When someone needs to speak at a council meeting, we minimize travel expenses by having the CEO and I attending based on geography and other commitments.

Partnerships with Selected Cities:

Our CEO and I have been in discussion with Torrance and Costa Mesa regarding setting up joint taskforces to address the problems both of these cities have with illicit massage businesses. Torrance was the second city to require certification, and despite a moratorium on new businesses for the past two years, they have a significant problem. Inspections reveal that over half of massage personnel are working without certification and still many of the problem establishments are staffed by people we have certified. In July Costa Mesa passed an ordinance requiring certification as their moratorium reached its' maximum extension. The city is very concerned about how to close the problem establishments in the city and prevent new ones from opening.

With both of these cities we are hoping that by working together, using declarations, unprofessional conduct and our numerous other tools, we can meet our common goals.

September 28th our CEO, PSD Director and I will meet with Torrance city attorneys and three law enforcement representatives to discuss the framework of this partnership. .

Governmental Affairs Workload:

In general, it is clear that the workload is increasing and is expected to increase through 2012. The number of cities and counties working on or planning to work on ordinance revisions is increasing. Typically this process takes 4 – 18 months and a tremendous number of calls, e-mails and meetings, depending on how soon they allow our participation and how educated they are about the law to begin with. Most importantly, AB 619 makes significant changes to Section 4612 of the existing statute. The many cities that have until now just maintained their existing ordinance and exempted certified professionals from a massage technician permit will in most cases need to extend the exemption to establishment permits and certain zoning restrictions. As of January 1, 2012, establishment regulation, business license and other fees, land use and moratoria will need to be equitable to other professions as defined in California Corporations Code. This will mandate radical revision of a majority of local massage and zoning regulations. Based on the patterns of the past several years, we can project that some cities will easily adapt and implement the new guidelines, others will take time to move beyond inertia and still others will kick, drag and possibly find clever ways to evade the intent of the law. On the plus side, once a few jurisdictions revise their ordinances, surrounding ones tend to adopt more or less of the same. With a number of smaller cities contracting with their county for services, what the counties do often becomes the model for neighboring cities.

Plans for the remainder of 2011:

Focus local government priorities on:

- Problems that can be solved prior to AB 619 becoming effective Jan 1, 2012
- Educating city and county staff of 2012 changes
- Work on imminent ordinance revision
- Trial Partnership Programs with select Cities
- Regions of maximum population
- Issues of a grave nature

From the attached spreadsheets (Addendum D) it is obvious that a major problem for certified massage professionals is that many jurisdictions require burdensome establishment permits and conditional use permits (CUPs). It may be futile to convince cities and counties to stop requiring either of these prior to 2012. Although many jurisdictions no longer require these of businesses in which everyone providing massage is certified, some cities claim that there is enough ambiguity in the current wording so that we have not been able to sway those city or county attorneys. Meanwhile, there are cities and counties already drafting or planning to draft new

ordinances – it is always preferred to provide input during the process than after a new ordinance has had its' first reading. Monitoring cities and counties for projects long before they become agenda items takes time. Regular outreach efforts to city and county staff increase the opportunities for CAMTC participation sooner rather than later. To avoid reacting to situations in which we learn of a proposed ordinance being up for a vote that day, we are engaging the services of MultiState Associates. I have worked with this company in the past and believe that their local government tracking service is unique and well worth the cost. They monitor council, supervisor and committee agendas, hearings and minutes, as soon as they are posted (72 hours under the Brown Act) and send us immediate alerts based on key topics. This will help assure that we can engage proactively rather than reactively, as happened recently when Costa Mesa introduced their new ordinance without involving us sooner.

Local jurisdiction timelines are never under our control. For example, based on maximum population and gravity of problems, Los Angeles County would be the top priority. Indeed, once the county adopts a new ordinance, surrounding jurisdictions are certain to use many of its' provisions in their own ordinances, for better or worse. Quite a few cities in the Los Angeles area contract with the county for permitting, tax collection and police services. Ahmos Netanel, Rick McElroy and I met with three county counsels to discuss CAMTC and how we can help the county. We have had numerous follow-up communications yet no further progress will be made until the Board of Supervisors provides staff direction on whether or not to mandate certification. Another example of the difficulties of timelines can be seen with planned revisions to ordinances in San Mateo County - a number of cities are waiting for the county to complete the revised county ordinance before amending their own. I have been working with the county as much as they have allowed as they prepare for the draft to be available.

Sometimes odd provisions somehow make it into an ordinance motivated by good intention but often with unintended consequences, usually for the legitimate profession. An example is a required large sign be posted in the massage room stating that the rooms are not private and law enforcement can enter at any time. While inspections can be required of any business, posting such a notice, especially when the business in the next city a mile away doesn't require it, can have an adverse effect on business. In this case, based on comments by our CEO at the city council meeting this provision was deleted from the new San Gabriel ordinance – when we are engaged clearly we get results. Another example is requiring that the therapist wear a top that goes up to the base of the neck and prohibits skirts, but shorts that are only three inches from the crotch are acceptable. In each of these cases, the provisions originated in ordinances years ago and get passed down to current revisions. Once unchallenged, these provisions, good, bad and ugly, sometimes spread like fires.

An example of an issue of grave nature is El Dorado County which requires that certified massage professionals need a sheriff permit and background check. The county has been denying new business licenses and renewals to those who do not comply with this requirement, despite clear violation with the law. Endless communications with county staff and elected officials have yet to reverse their position. On the other hand, once I learned that Emeryville also failed to recognize certification, a call to the finance director and then city attorney solved the problem within a day.

Special Projects:

Regional San Francisco Peninsula Law Enforcement Orientation

Palo Alto police invited us to speak to their police department regarding how we work with cities. At our request they invited most of the surrounding cities to a meeting in mid-May. Ahmos, Rick, Sheryl and I attended to a group of mostly law enforcement with several city attorneys. I followed up in a hearing with Palo Alto police and city attorneys on a planned new ordinance to be introduced soon.

Human Trafficking Symposium, August 18, 2011 Richmond CA.

Our organization was invited to present at a symposium on human trafficking hosted by Richmond Police Department, to discuss the operation of illegal massage parlors. The hostess indicated that they were mostly uninformed. Other speakers included detectives from San Rafael speaking about street crime/ sexual issues, Contra Costa DA speaking about their sex assault unit, Alameda County Asst DA speaking about the Human Exploitation and Trafficking (HEAT) unit, a special agent for the FBI child prostitution unit and a special agent for Homeland Security focusing on human trafficking in the SF area.

Our PSD Director spoke and I provided back-up information, with time for networking. Rick focused on the application process, particularly background checks, e-mail notices to city contacts and school investigations. He covered subsequent arrest notification, our suspension and revocation process, officer declarations and use of unprofessional conduct. He made a strong case for the usefulness to both local jurisdictions and CAMTC of the type of partnerships we have been establishing, especially with the officer declarations. With all his years experience in law enforcement, the presentation was quite impressive as he could directly address the challenges they face and compare the effectiveness of CAMTC to that possible with local resources.

There were over 80 in attendance, almost from law enforcement, plus a few DA's. We were asked if we would come back to a more detailed presentation to a larger audience.

Professional Standards Division – Having volunteered for the first 7 months of PSD (then the “Denial and Disciplinary Committee”) and helping to prepare the Denial & Revocation Manual and proposal to create the PSD, I understand the crucial role of this division in CAMTC effectiveness and the role that the GR position plays in interaction and support. I continue to explore ideas with staff for increasing efficiency and effectiveness of the division and process. I prepared a list of tools that we have which can help cities. Often ideas result from my contacts with law enforcement which I then develop with PSD and senior staff.

School issues – this is another area in which my participation in decision making on school investigations and spotting potential problems continues from early involvements. Based on a conversation with Bill Gage (Chief Counsel for Senate B&P) in which he discussed the extent to which CAMTC can approve schools, I participated in a call with our legal counsels, Mike Schroeder and Ahmos Netanel to discuss options for legal analysis and Board consideration.

Research projects:

One example of this is researching how various other related professional state regulatory boards handle consumer complaints. The time has come for a clear protocol on non-criminal complaints such as incompetence.

Resource for staff –Staff uses me as a first resource on questions of unusual education and compelling evidence as there is little need for regular services of the curriculum specialist. While Chair I created the Checklists for “Additional Evidence of Education” when we don’t recognize a transcript and “Compelling Evidence of Education” when schools have closed. While staff has become well trained in evaluating such evidence, I continue to be consulted on cases and inquiries that require my expertise both in the profession and with the institutional knowledge of the law and CAMTC.

Local Government Top 10 “Special Attention Needs” List

1. Los Angeles County: Costly establishment permit required
2. Los Angeles City: citations of certified professionals, targeted health inspections, possible establishment permits and CUPs, neighborhood association resistance
3. Riverside county: no chair massage
4. Santa Clara County – possible county permit; no home occupation
5. Alameda County: moratorium, new ordinance in progress
6. San Diego city – establishment permit, possible certified owner background check, showers required
7. San Jose – no outcalls massage specific, new ordinance in progress
8. San Francisco – establishment permit, high fees, restrictive zoning, CUP

- 9. Fresno county – background checks
- 10. Long Beach – accessory use only

Conclusion:

While it is obvious that some issues take 30 minutes to resolve, others take 3 years or more. With over 500 cities and counties, all of which are experiencing cuts in budget and staff, it is no surprise that a city attorney I spoke to recently confessed to being two years behind the law. Implementation of many new laws occurs slowly. With a state as large as California and a law as complex as SB 731, with challenges such as the lack and later minimal regulation of schools, it makes our job seem monumental at times. SB 731 itself is unique with only a couple of other professions regulated by a similar scheme. One, the Tax Preparers, had clean-up legislation in each of their first ten years.

Nevertheless, I see that we have established a strong foundation upon which to build. Our CEO, Office Manager and staff, legal team, Professional Standards and Governmental Affairs Divisions functions with impressive cooperation, integrating resources as needed. With AB 619 and SB 285, we have even greater tools with which to fulfill the intent of SB 731 to “enable consumers to easily identify credible certified massage therapists; assure that certified massage therapists have completed sufficient training at approved schools; phase in increased education and training standards consistent with other states; assure that massage therapy can no longer be used as a subterfuge to violate subdivision (a) or (b) of Section 647 of the Penal Code; and to provide a self-funded nonprofit oversight body to approve certification and education requirements for massage therapists.”

Addendums:

- A. Intro Blast and selected responses
- B. Memo for Mike Callagy to use with CA Chiefs Association
- C. Excel: Claims Made and Status



Addendum A

Personalized greeting:

I'm writing to you in my capacity as the new Director of Governmental Affairs for the California Massage Therapy Council (CAMTC). I'm making a special request that you report to me many instances where your city or county may not be complying with the California State Massage Law.

CAMTC is committed to insuring that your rights are protected and you are able to practice throughout California in accordance with the Law. The CAMTC Board created the Governmental Affairs position to help you, specifically with challenges that you may have with your city or county.

We already heard from many of you regarding difficulties with municipal regulations. We are happy to have helped resolve many of the questions and problems that some of you have had.

-Some of the complaints regarding cities or counties relate to:

1. Require background checks or medical exams of certified individuals
2. Require establishment permits if the owner and all professionals are certified
3. Only allow massage in businesses where massage is not the main business
4. Restrict where a massage business can be located or require a conditional use permit in order to open a massage business
5. Require a city exam of certified professionals
6. Charge extremely high fees for business licenses specific to massage businesses

If you have any questions about the Law and how it applies to you, or concerns that your city or county may not be complying with the Law, please report it to me as soon as possible at my contact info below.

The Law requires that you update your home and work information within 30 days of any changes. If you are a certificate holder or applicant who needs to **update home and/or work information**, please click [here](#).

If you own your own business, are self-employed or are operating as an independent contractor, you will need a business license. A CAMTC-issued certificate will give you permission to practice anywhere in California, but it does not replace your business license. If you are a W-2 employee of another person's business or massage establishment, then you do not need a business license.

Sincerely,

Beverly May
Director of Governmental Affairs
California Massage Therapy Council
One Capitol Mall, Suite 320
Sacramento, CA 95814
[\(650\) 587-5288](tel:(650)587-5288) Office
bmay@camtc.org
www.camtc.org

Sample responses:

1. Beverly,

Thanx so much 4 the support you are projecting 4 all us MT's out here trying to make a difference in health care.

Congrats on your new position & always many blessings,

Hv a grt day,

2. Dear Beverly May,

Thank you for your time and effort in sending out this e-mail information in regards to our rights. It is always helpful to know, should a situation occur, who to go to for answers and/or help.

The dedication of the CAMTC continues to impress me and I am proud to be a member of the Massage Council.

Thank you, again!

Sincerely,

3. Hello Beverly,

I would like to thanks you and the people who made this program possible.

Thanks for the support.

4. I am so grateful for the new bill passed. CAMTC rocks. Thank you for these emails.

5. Hi Beverly,

Thank you for your email. I'm gob smacked! This is contrary to what I've been told up to this point in time, as an independent contractor being 1099'd for my work.

Because I was instructed of this fact, I didn't renew my business license because I was told it wasn't necessary ~ now you're telling me that was incorrect? And or now they've changed the policy again? I'm confused by the lack of consistent dissemination of MT information!

If I go back to city now will I be penalized? Will they make me reapply and pay a fine or separate fee or simply pull up and update my existing business license which I didn't renew earlier this year?

Thanks in advance for your time and attention,

6. Thank you Beverly for being an advocate on our behalf! Something we've needed for a long time. Much appreciated, (happily employed at Burke Williams Day Spa)



Addendum B

Memo Regarding the California Massage Therapy Council (CAMTC)

Here are the facts (as of 8/25/11):

- Of 32,262 applicants; 7,653 have not been certified by CAMTC.
- Of applicants who have been denied, 34% of them held permits issued by law enforcement agencies at the time of their application; out of them 26% held permits from multiple agencies.
- Of applicants who have been revoked, 78% of them held permits issued by law enforcement agencies at the time of their application; out of them 57% held permits from multiple agencies.
- Of applicants who have had their certifications nullified, 52% of them held permits issued by law enforcement agencies at the time of their application; out of them 44% held permits from multiple agencies.

The above data clearly indicates that the CAMTC vetting process is effective.

Each of the local massage permits cited above were active at the time the person applied to CAMTC. After denial by CAMTC they can continue to work in the same city or even receive other local permits. LAPD reported that they experienced a surge in massage police permits by individuals who had been denied by CAMTC. LAPD has issued permits in such cases since their ordinance does not allow denial based on a denial by CAMTC, nor on education from schools from which CAMTC does not accept transcripts. Applicants who know that CAMTC will not recognize their education are better off not even applying and risking denial as under many local ordinances, these applicants can nevertheless qualify for police permits.

Screening Protocol:

Each applicant's transcripts are reviewed to verify that they have the required education from a recognized school. CAMTC then screens all applicants by reviewing the DOJ and FBI reports. Hits within the past ten years or of multiple or grievous nature are sent to the Professional

Standards Division (PSD). The Director of PSD is Rick McElroy, LAPD (ret) who brings 32 years experience in vice for LAPD (including writing their abatement manual and helping draft the language for 653.22 P.C. and 653.23 PC). The division includes former vice officers, massage education experts, an investigations unit, paralegals, and a supervising attorney. The additional investigation they conduct includes but is not limited to court checks, internet searches and contact with the local police departments. For every applicant, each city in which they have lived or worked in the past ten years is notified and the city contacts are given an opportunity to provide information or access the applicants' information on a secure area of the CAMTC website.

How police departments can maximize their effectiveness in battling illicit massage establishments using CAMTC resources:

CAMTC possesses an arsenal of numerous effective tools. The following are several worth highlighting:

- **Declarations** - In addition to being able to act on prior convictions and filed charges, CAMTC can suspend, revoke or deny based merely on declarations. The idea for these came to Director McElroy after a vice officer expressed frustration at D.A's., who do not allocate sparse resources to file charges on a 647B arrest, despite first hand observation of an act in progress. These declarations can be simply a description of an observation of a violation or of "unprofessional conduct" and can be submitted by an officer (regardless whether an arrest has taken place) or even by a citizen. CAMTC makes it easy – their legal staff puts the verbal or arrest report, if one was made (even if charges were not filed) into a declaration and sends it back for review to be signed under penalty of perjury. This serves as a sworn testimony with no court appearance necessary. Suspension or revocation proceedings begin immediately.
- **Unprofessional Conduct** - It is import to point out that the declaration need not specify any legal violation. The law allows CAMTC to define and act on" unprofessional conduct" such as but not limited to:
 - Therapist Conduct - This includes but is not limited to inappropriate dress or client draping, and use of suggestive language or behavior.
 - Advertising - If a business owner is certified, CAMTC can deny or revoke a certification for not only suggestive advertising, but even advertising in adult sections (even if not suggestive in itself) of print media or on adult websites.
- **Suspension** - CAMTC suspends certifications within 6 to 48 hours. In a recent meeting, LA county counsel indicated that it takes them an average of 6 months.
- **Adjudication** - CAMTC holds applications or suspensions until adjudicated.
- **Subsequent Arrest Notification** - CAMTC receives DOJ reports daily for all applicants and certificated, no matter in what jurisdiction. Many cities do not pay for these notices.

- **City Notification** - CAMTC often receives notification of investigations, arrests and citations immediately from law enforcement. As more cities move towards civil citations, which may not appear in DOJ reports, this partnership allows rapid response.
- **Schools** –
 - Challenges:
 - 2007 Sunset of BPPVE, the bureau that regulated vocational schools
 - Limited resources available to the successor bureau (BPPE)
 - Evidence of problems with fraudulent schools
 - CAMTC Response:
 - An ongoing statewide undercover sting operation
 - 38 schools identified from which CAMTC does not recognize transcripts as sole proof of education
 - SB 285(Correa) –Sponsored by the Orange County DA’s office
 - Effective January 1, 2012
 - Makes it a misdemeanor to fraudulently provide a transcript or certificate from a massage school or program.
 - Provides that when crimes related to massage or prostitution occur, the arresting law enforcement agency may provide CAMTC with information regarding the massage instruction received by the person prosecuted.

This can be a huge asset if your department will provide us with this data. Simi Valley provided CAMTC with such information, forming the basis of a number of targeted operations against schools with proportionally high numbers of vice arrests amongst graduates.

- **Recertification** – Applicants that recertify with CAMTC sign a statement that they may be denied based on unprofessional conduct if they practice massage at an establishment, or own an establishment that advertises in any adult and/or sexually oriented section of any form of media, whether print or digital.
- **False Information and Failure to Disclose Relevant Information** - On initial applications or recertification, lack of honesty is cause for denial, suspension or revocation.
- **Current Information** - Applicant or certificated must update home and work information within 30 days.
- **Business Owners are Held Responsible** – Including absentee owners, all business owners are held responsible for all behavior, even of contractors.
- **Sharing of Information Nationwide** - The Federation of State Massage Therapy Boards, (FSMTB) allows CAMTC exclusive access to their national practitioner database, and to share information regarding fraudulent education.
- **Access to Extensive School Review Reports** - prepared by the National Certification Board of Therapeutic Massage & Bodywork (NCBTMB).

Conclusion - Teamwork for Maximum Effectiveness:

CAMTC welcomes the formation of an active partnership with police departments, working closely with the departments and even forming a combined Taskforce to effectively deal with this challenge. With the powerful tools and resources available to CAMTC and the active involvement of police departments, we believe that we will be better positioned to eradicate the problem of illicit activities under cover of massage than by either party working alone.

Jurisdiction	Issue	Date reported	Status	Who primarily handling
Agoura Hills	establishment permit, CUP	Aug-11	ongoing	BM
Alameda city	requires city permit,	Sep-09	ongoing	BM
Alameda County	drafting ordinance	Jun-11	ongoing	BM
Alameda County	moratorium	Jun-11	ongoing	BM
Albany	restrictive zoning	Oct-10	in queue	BM
Anaheim	establishment permit	Jun-11	in the queue	BM
Arcadia	\$10 registration fee W-2 employees	5/1/2011	in queue	BM
Arcadia	limited to 33% of business	May-11	in queue	BM
Arcadia	only in med, chiro offices - 2mts max	May-11	in queue	BM
Artesia	employee business license	Jan-11	resolved	BM
Auburn	no outcalls	Oct-10	in queue	BM
Azusa	moratorium	May-11	in queue	BM
Bakersfield	permit required	Oct-10	unknown	BM
Banning	moratorium	unknown	in queue	BM
Bellflower	permit required	Oct-10	in queue	BM
Bellflower	possible employee business license	Aug-11	verifying	BM
Belmont	business license fee \$2038	2000	in queue	BM
Belmont	establishment fee \$3500	2000	in queue	BM
Berkeley	city application	Jan-11	in the queue	BM
Berkeley	CUP	Apr-11	in the queue	BM
Berkeley	establishment permit	Apr-11	in the queue	BM
Beverly Hills	fees and livescan	8/1/2011	in queue	BM
Beverly Hills	no cross gender massage	long ago	in queue	BM
Burbank	registration/permit?	Jun-11	in the queue	BM
Calabasas	permit required	Oct-10	in queue	BM
Calimesa	requires permit	Oct-10	in queue	BM
Camarillo	city permit and medical exam	Sep-11	resolved	BM
Camarillo	no home or outcall massage	Jul-11	in queue	BM
Campbell	registration fee	Jun-11	ongoing	BM
Carpinteria	not permitting cmp to do outcall -	May-11	ongoing- stalled	BM
Cathedral City	permit required	early 2011	in queue	BM
Cerritos	CUP and Town Center limitation	May-11	ongoing	both
Chino	establishment issues	Oct-10	in queue	Bm
Chino	plan to draft massage/zoning ord.	Apr-11	postponed, soon	both
Chino	requires permit	Oct-10	in queue	BM
Chino Hills	drafting new ordinance	Apr-11	postponed, soon	both
Chino Hills	establishment permit	Oct-10	in queue	BM
Chino Hills	no outcalls	Aug-11	in queue	BM
Concord	did not recognize certification	Aug-11	resolved	BM
Corona	refuses to renew business license unless large empl	Dec-10	unconfirmed	BM
Coronado	restrictive zoning	Oct-10	in queue	BM
Corte Madera	background check,	Oct-10	in queue	BM
Corte Madera	restrictive zoning	Oct-10	in queue	BM
Costa Mesa	amending new ordinance	Jul-11	ongoing	both
Costa Mesa	establishment permit	Jul-11	ongoing	both
Costa Mesa	moratorium	Jul-09	ended	n/a
Costa Mesa	no hotel massage	Jul-11	ongoing	both
Covina	moratorium	early 2011	in queue	BM
Culver City	establishment and technician permit	Aug-11	ongoing	both
Dana Point	restrictive zoning	Aug-11	in queue	BM
Danville	background checks	May-11	in queue	BM
Danville	moratorium	May-11	in queue	BM
Danville	sheriff background checks	May-11	in queue	BM
Del Mar	showers for clients and staff	Jul-11	in queue	BM
Desert Hot Springs	permit required	Oct-10	in queue	BM
Diamond Bar	CUP - resolved	May-11	in queue	BM
Downey	restrictive zoning/ cup	Jun-11	ongoing	both
Dublin	background check,	May-11	in queue	BM
Dublin	moratorium	May-11	in queue	BM
Dublin	no outcalls	May-11	in queue	BM
El Dorado	requiring permit	Apr-11	county stalling-	BM
El Segundo	possible permit required	unknown	in queue	BM
Elk Grove	massage permit required	early 2011	unverified	BM
Emeryville	livescan and 500 hours	Sep-11	resolved	BM
Emeryville	requiring permit	Oct-10	resolved	BM

Escalon	high fee permit	Oct-10	in queue	BM
Escondido	drafting ordinance - planning Nov reading	Jun-11	ongoing	BM
Foster City	background check	Aug-11	in queue	BM
Fountain Valley	establishment permit, CUP	Oct-10	in queue	BM
Fountain Valley	extra restrooms	Aug-11	in queue	BM
Fountain Valley	permit required/another report contradicts	Oct-10	in queue	BM
Fremont	CUP? \$4100	Aug-11	in queue	BM
Fresno county	background checks	Dec-10	unconfirmed	BM
Fresno city	background checks	Mar-11	resolved	BM
Glendale	CUP	unknown	resolved	BM
Goleta	registration fee	Oct-10	in queue	BM
Half Moon Bay	possible permit required	Oct-10	in queue	BM
Highland	difficult to get business license	Aug-11	in queue	MB
Huntington Beach	no outcalls	early 2010	in the queue	BM
Irvine	drafting ordinance	Feb? 2011	draft due soon	both
Irvine	no massage in hotel room	Aug-11	new report	BM
La Verne	requires city permit - no fee	unknown	in queue	BM
Laguna Hills	permit required	May-11	in queue	BM
Lakewood	background check of certified owner	Feb-11	in queue	BM
Lancaster	compliance certificate and fee	Mar-10	no recent activity	Ahmos
Lancaster	compliance permit required	May-10	in new ordinance	n/a
Lancaster	drafting ordinance	Mar-10	passed May 2010	Ahmos
Lancaster	establishment permit	May-10	in new ordinance	n/a
Lincoln	no outcalls	Jun-11	in queue	BM
Long Beach	accessory use only	Dec-10	working with city	both
Long Beach	business license fees	Jun-11	resolved	both
Long Beach	drafting ordinance	Jul-11	ongoing	both
Long Beach	employee zoning	Jun-11	resolved	both
Long Beach	establishment fee for gym based massage	Aug-11	resolved	BM
Los Alamitos	refused business license	Feb-11	in queue	BM
Los Altos	background, permit high fees & medical exams	Aug-11	resolved	BM
Los Angeles City	business license/employee outcall	Oct-10	unsure	both
Los Angeles City	establishment permit and CUP	May-11	mostly resolved	both
Los Angeles City	permit required- citations issued	May-11	resolved	mostly BM
Los Angeles County	background checks/ permit	May-11	resolved	BM
Los Angeles County	drafting ordinance	May-11	awaiting Supervisor direction	both
Los Angeles County	establishment permit and fees	Apr-11	ongoing	both
Los Angeles County	still requires medical exam	May-11	resolved-(cmt gave up)	BM
Los Gatos	variance/CUP	Oct-10	in queue	BM
Malibu	no home or outcall massage	Aug-11	ongoing	BM
Millbrae	new ordinance	Jun-11	postponed, communication	BM
Mission Viejo	\$800 establishment fee	Oct-10	in the queue	BM
Mission Viejo	CUP	Oct-10	in the queue	BM
Mission Viejo	establishment permit	Oct-10	in the queue	BM
Modesto	owner and manager need certification	Apr-10	in the queue	BM
Monrovia	certified owner background check/\$1300	Jul-11	in queue	BM
Monrovia	moratorium	May-11	in queue	BM
Monrovia	restrictive zoning	May-11	in queue	BM
Montebello	no massage businesses allowed	May-11	in queue	BM
Monterey City	permit required	Nov-10	in queue	BM
Monterey Park	restrictive zoning	Mar-11	in queue	BM
Morgan Hill	moratorium	unknown	in queue	BM
MountainView	background check	Feb-11	in queue	BM
Mountainview	establishment permit & fees	Feb-11	in queue	BM
Murrieta	permit required	Oct-10	in the queue	BM
Newark	no massage home occupation	Oct-10	in queue	BM
Newport Beach	city exam	Aug-11	resolved	BM
Newport Beach	CUP	early 2011	in the queue	BM
Newport Beach	drafting ordinance	unknown	in the queue	BM
Norwalk	CUP	8/11/2011	resolved	BM
Novato	higher business license fee	Aug 0211	in queue	BM
Novato	permit required	Oct-10	resolved	BM
Novato	restrictive zoning	Oct-10	in queue	BM
Oceanside	no home occ (permits only massage)	Aug-11	new report- not confirmed	BM
Orange - city of	W-2 employee biz license	Aug-11	resolved	BM
Pacifica	medical exam	Feb-11	Resolved?	AN
Pacifica	police permits	Mar-11	in queue	BM
Palm Desert	permit required	Dec-10	in queue	BM

Palm Desert	zoning, accessory use	May-11	in queue	BM
Palm Springs	establishment permit	Oct-10	resolved	BM
Palm Springs	zoning	Oct-10	in queue	BM
Palm Springs	dual business license fees	Sep-11	in progress	bm
Palmdale	possible establishment, owner must be member of :	Aug-11	resolved	BM
Palmdale	requiring business certification of ME new location	Aug-11	resolved	BM
Palo Alto	drafting ordinance	May-11	almost complete	BM
Palo Alto	permit required	May-11	ongoing	BM
Pasadena	background check of certified owner	Dec-10	in the queue	BM
Pasadena	CUP	May-10	in the queue	BM
Pasadena	drafting ordinance, likely estab permit if non-certifie	Jul-11	in the queue	BM
Perris	variance	early 2011	in the queue	BM
Pinole	no outcalls	unknown	in queue	BM
Pinole	permit required- city interview	Oct-10	in queue	BM
Placentia	accessory or medical only	Augn 2011	ongoing	BM
Placentia	CUP	Oct-10	ongoing	BM
Placentia	exam	Oct-10	resolved	BM
Placentia	manager must be certified	Jun-11	ongoing	BM
Placentia	no independent contractors	Aug-11	resolved	BM
Pleasant Hill	permit required	Oct-10	in queue	BM
Pleasanton	city livescan and license fees	Aug-11	resolved	BM
Rancho Cucamonga	\$2600 CUP	Dec-10	in the queue	BM
Rancho Cucamonga	establishment permit required	Dec-10	in the queue	BM
Rancho Mirage	business license for hospital volunteer	Aug-11	resolved	BM
Rancho Palos Verde	permit required	May-11	ongoing	BM
Redlands	CUP and fee	Oct-09	in queue	BM
Redlands	permit required	Oct-09	in queue	BM
Redlands	restrictive zoning	Aug-11	in queue	BM
Redondo Beach	drafting ordinance	early 2011	ongoing	both
Redwood City	Cup, high fee	Jan-11	in queue	BM
Redwood City	drafting ordinance	Jul-11	ongoing	BM
Rialto	CUP - high fee	Dec-10	in the queue	BM
Rialto	medical certificate	Dec-10	in the queue	BM
Richmond	CUP, establishment permit	Aug-11	new report	BM
Riverside City	establishment permit	Jun-11	in the queue	BM
Riverside City	high establishment fee	Jun-11	in the queue	BM
Riverside City	over \$811 for establishment permit	<u>Dec-11</u>	ongoing	BM
Riverside City	showers required/extra bathroom	Dec-11	ongoing	BM
Riverside County	chair massage	Dec-11	ongoing	BM
Rocklin	establishment permit	Mar-11	in queue	BM
Rohnert Park	did not recognize certification	unknown	resolved	BM
San Bernardino County	proposed moratorium, new zoning w/CUP	May-11	ongoing	BM
San Carlos	new ordinance	Jul-11	ongoing	BM
San Clemente	drafting ordinance	early 2011	in queue	BM
San Clemente	no home occupation for massage	Aug-11	in queue	BM
San Clemente	restrictive zoning	Aug-11	in queue	BM
San Diego	oppressive dress code	Jul-11	ongoing-not critical	BM
San Diego city	background check of certified owner	Apr-11	in queue	BM
San Diego city	establishment permit	Apr-11	in the queue	BM
San Diego city	permit required	Apr-11	resolved	BM
San Diego city	showers required	Apr-11	in the queue	BM
San Diego County	background checks/ permit	Dec-11	resolved	n/a
San Diego County	establishment permits	Dec-11	ongoing	BM
San Diego County	Mueller school says needs background check	Dec-11	resolved	n/a
San Francisco	estab permit	Dec-10	stalled- city won't budge	BM
San Francisco	estab.fees	Dec-10	stalled- city won't budge	BM
San Francisco	outcall permit required	Dec-10	stalled- city won't budge	BM
San Francisco	showers required	Dec-10	resolved	BM
San Gabriel	CUP		resolved	both
San Gabriel	drafting new ordinance	May-11	passed	both BM primary
San Gabriel	Moratorium	May-11	ended	both
San Gabriel	permit required for certified owner	May-11	resolved	both
San Jose	drafting new ordinance	Jun-11	ongoing	BM
San Jose	no outcalls	Jun-11	in the queue	BM
San Juan Capistrano	establishment permit	May-11	resolved	BM
San Juan Capistrano	"business" permit required of employees	May-11	resolved	BM
San Juan Capistrano	restrictive zoning	May-11	in queue	BM
san leandro	possible permit required	Oct-10	in queue	BM

san marcos	employee business licenses	8/6/2011	new report	BM
san marcos	establishment permit	Oct-10	in queue	BM
San Mateo County	drafting ordinance	Apr-10	ongoing	BM
San Ramon	incidental use; limited zoning	8/6/2011	in queue	BM
Santa Clara City	establishment permit	Oct-10	resolved	BM
Santa Clara City	background check	Oct-10	resolved	BM
Santa Clara County	county reqd permit	Dec-11	unknown	BM
Santa Clara County	no home occupation for massage	Dec-11	unknown	BM
Santa Clarita/ LA county	background check	Oct-10	resolved	BM
Santa Clarita/ LA county	showers required	Oct-10	resolved	BM
Santa Monica	owner exam on city code	Aug-11	new report	BM
santa monica	restrictive zoning	Aug-11	new report	BM
Saratoga	non-cert. owner estab permit	Jun-11	ongoing	BM
Scotts Valley	possible permit required	Oct-10	in queue	BM
Sierra Madre	CUP, fee	May-11	in queue	BM
Simi Valley	moratorium	Nov-10	unknown	n/a
South Pasadena	\$300 zoning fee for contractor for each location	Aug-11	new report	both
South Pasadena	Fee for ID badges	Jun-11	ongoing	both
South Pasadena	proposed moratorium, new zoning w/CUP	Jun-11	resolved	both
Stanislaus County`	permits, even of instructors	Jun-11	resolved	BM
Stanton	permit required	Oct-10	in queue	BM
Sunnyvale	background check and city permit	Aug-11	in queue	BM
Sunnyvale	establishment permit	Aug-11	in queue	BM
Temecula	city permit	Mar-11	in the queue	BM
Temecula	no outcalls	Mar-11	in the queue	BM
Temple City	citation for not renewing establishment pemrit	Aug-11	in queue	BM
Temple City	refused information	May-11	in queue	BM
Thousand Oaks	establishment permit-citations	May-11	resolved	both
Torrance	drafting ordinance	Jun-11	ongoing participation	both
Torrance	moratorium	Sep-10	hearing to extend Aug 16	both
Turlock	establishment	Dec-09	in queue	BM
Twentynine Palms	city therapist permit	Aug-11	resolved	BM
Union City	restrictive zoning	Aug-11	in queue	BM
Vacaville	establishment "supplemental" license	Aug-11	in queue	BM
Ventura	taking permit fees	Dec-10	city will not budge	BM
Vista	compliance fees	Feb-11	in the queue	BM
Vista	employee business license	Feb-11	resolved	BM
Walnut	moratorium	Jul-11	in queue	BM
Walnut Creek	city permit required`	Aug-11	resolved	BM
West Covina	permit required	Nov-10	in the queue	both
Westminster	permit required	May-10	in the queue	BM
Westminster	police approval for business license as I.C.	May-10	in the queue	BM
Yucaipa	permit required	May-11	in queue	BM

CAMTC 2011 APPROVED BUDGET 7/20/2011 (includes actuals Jan-June 2011)

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	TOTAL 2011
REVENUE	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL							
Number of new applications deposited	892	685	1,100	1,080	1,169	1,203	900	900	900	900	900	900	11,529
New Application Fees Recognized (27% of \$150)	\$ 36,126	\$ 27,743	\$ 44,550	\$ 43,740	\$ 47,345	\$ 48,720	\$ 36,450	\$ 36,450	\$ 36,450	\$ 36,450	\$ 36,450	\$ 36,450	\$ 466,923
Certificates Issued	1312	781	872	753	633	800	765	765	765	765	765	765	9,741
Certificates Recognized (38% of \$150)	\$ 74,784	\$ 44,517	\$ 49,704	\$ 42,921	\$ 36,081	\$ 45,600	\$ 43,605	\$ 43,605	\$ 43,605	\$ 43,605	\$ 43,605	\$ 43,605	\$ 555,237
Renewals-Applied	0	0	0	0	0	0	0	0	127	653	480	927	2,187
Renewals Recognized (27% of \$150)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,144	\$ 26,447	\$ 19,440	\$ 37,544	\$ 88,574
Renewals-Approved	0	0	0	0	0	0	0	0	121	620	456	881	2,078
Renewals Approved (38% of \$150)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,877	\$ 35,360	\$ 25,992	\$ 50,197	\$ 118,426
Renewals-Denied	0	0	0	0	0	0	0	0	6	23	24	46	99
Denied Renewals (73% of \$150)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 657	\$ 2,519	\$ 2,628	\$ 5,037	\$ 10,841
Deferred Current Year (35% of \$150 /24)	\$ -	\$ 1,951	\$ 3,450	\$ 5,856	\$ 8,218	\$ 10,776	\$ 5,498	\$ 6,263	\$ 7,028	\$ 7,793	\$ 8,558	\$ 9,323	\$ 74,714
Deferred Prior Yrs	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 64,149	\$ 53,541	\$ 47,153	\$ 33,029	\$ 725,368
Denied Applications	0	335	51	23	32	6	90	90	90	90	90	90	987
Denied Applications Recognized (73% of \$150)	\$ -	\$ 36,683	\$ 5,585	\$ 2,519	\$ 3,504	\$ 656	\$ 9,855	\$ 9,855	\$ 9,855	\$ 9,855	\$ 9,855	\$ 9,855	\$ 108,076
Purged/Revoked/Sus/Cancelled/Nullified	0	10	36	0	6	16	150	150	150	150	150	150	968
Purged Applications Recognized (73% of \$150)	\$ -	\$ 1,095	\$ 3,942	\$ -	\$ 657	\$ 1,752	\$ 16,425	\$ 16,425	\$ 16,425	\$ 16,425	\$ 16,425	\$ 16,425	\$ 105,996
Miscellaneous Fees	\$ 2,350	\$ 1,735	\$ 3,062	\$ 2,940	\$ 2,885	\$ 2,715	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 21,087
Total Fee Revenue	\$ 179,197	\$ 179,660	\$ 176,230	\$ 163,913	\$ 164,627	\$ 176,156	\$ 178,670	\$ 179,435	\$ 191,090	\$ 232,894	\$ 211,006	\$ 242,365	\$ 2,275,241
Symposium										\$ -			\$ -
Interest	\$ 6	\$ 92	\$ 74	\$ -	\$ -	\$ 501	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,273
Total Other Revenue	\$ 6	\$ 92	\$ 74	\$ -	\$ -	\$ 501	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,273
TOTAL REVENUE	\$ 179,203	\$ 179,752	\$ 176,304	\$ 163,913	\$ 164,627	\$ 176,657	\$ 178,770	\$ 179,535	\$ 191,190	\$ 232,994	\$ 211,106	\$ 242,465	\$ 2,276,514
OPERATING EXPENSES	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL							
Board & Committee Expenses													
Board Travel	\$ 1,918	\$ -	\$ 1,316	\$ -	\$ 841	\$ 627	\$ -	\$ -	\$ 2,000	\$ 4,000	\$ 2,000	\$ -	\$ 12,702
Committee Travel	-	42	140	-	-	-	-	-	-	-	-	-	182
Facility/Banquet/Sponsorship	2,174	387	2,186	143	-	2,441	-	-	2,500	5,000	2,500	-	17,331
Printing /Supplies	314	-	-	48	28	13	-	-	-	400	-	-	803
Conference Calls	24	21	-	-	53	-	100	100	100	100	100	100	698
Total Board & Committee Expenses	\$ 4,430	\$ 450	\$ 3,642	\$ 191	\$ 922	\$ 3,081	\$ 100	\$ 100	\$ 4,600	\$ 9,500	\$ 4,600	\$ 100	\$ 31,716

Approved Budget	
(6/2/11)	
10,800	729
\$ 437,400	\$ 29,523
523,260	\$ 31,977
\$ 88,574	\$ (1)
\$ 118,426	\$ 0
\$ 10,841	\$ (1)
\$ 60,483	\$ 14,231
\$ 725,367	\$ 1
\$ 118,260	\$ (10,185)
\$ 197,100	\$ (91,104)
\$ 10,800	\$ 10,287
\$ 2,290,511	\$ (15,270)
1,200	73
\$ 2,291,711	\$ (15,197)
21,000	\$ 8,298
\$ 3,000	\$ 2,818
\$ 15,000	\$ (2,331)
\$ -	\$ (803)
\$ 1,200	\$ 502
\$ 40,200	\$ 8,484

CAMTC 2011 APPROVED BUDGET 7/20/2011 (includes actuals Jan-June 2011)

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	TOTAL 2011
Outreach/Marketing	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL							
Communications & Promotion	\$ 4,541	\$ 4,076	\$ 3,832	\$ 2,658	\$ 20,821	\$ 3,955	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 67,483
Strategic marketing	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Relations	-	-	-	-	4,214	-	500	500	500	500	500	500	7,214
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Outreach/Marketing	\$ 4,541	\$ 4,076	\$ 3,832	\$ 2,658	\$ 25,035	\$ 3,955	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 74,697

Approved Budget		
\$ 9,420	\$ (58,063)	
\$ 35,780	\$ 35,780	
\$ 30,000	\$ 22,786	
\$ 60,000	\$ 60,000	
\$ 153,200	\$ 78,503	

General Administrative	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL							
Office Supplies	\$ 580	\$ 168	\$ 492	\$ 345	\$ 2,543	\$ 499	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 9,127
Office Rental - Sacramento	3,699	3,699	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	45,398
Office Furniture	-	-	-	-	-	2,322	1,500	-	-	-	-	-	3,822
Printing/Copying	1,267	2,444	1,041	365	848	2,416	1,750	1,750	1,750	1,750	1,750	1,750	18,881
Records Scanning			949	1,144	-	2,041	36,000	1,500	1,500	1,500	1,500	1,500	47,634
Postage/Mailing	569	552	380	507	600	407	750	750	750	750	750	750	7,515
Telephone/Fax	72	121	79	55	85	77	100	100	100	100	100	100	1,089
Dues/Subscriptions-Software/Licenses	13,720	23	25	2,830	-	-	2,598	500	500	500	500	500	21,696
Insurance-D&O/E&O/GL	769	769	769	769	769	1,264	1,437	1,437	1,437	1,437	1,437	1,437	13,731
Banking/credit card fees	1,928	1,411	1,152	1,351	1,524	1,465	1,463	1,463	1,604	2,188	1,996	2,493	20,038
Staff Travel	-	-	-	557	-	284	200	-	-	250	-	-	1,291
Certification/Materials/Printing/Mailing	7,898	7,180	5,648	5,794	6,143	2,974	20,752	4,116	4,767	7,451	6,569	8,855	88,147
Database Maintenance	112	827	378	1,003	770	1,662	580	580	580	580	580	580	8,232
Database Development	20,805	460	(110)	-	10,942	11,594	32,000	3,500	3,500	3,500	3,500	3,500	93,191
Amortization Expense												5,338	5,338
Miscellaneous	35	-	-	160	1,284	508	450	450	450	450	450	450	4,687
Total General Administrative	\$ 51,454	\$ 17,654	\$ 14,603	\$ 18,680	\$ 29,308	\$ 31,313	\$ 104,130	\$ 20,696	\$ 21,488	\$ 25,006	\$ 23,682	\$ 31,803	\$ 389,817

\$ 19,500	\$ 10,373	
\$ 43,632	\$ (1,766)	
\$ 800	\$ (3,022)	
\$ 21,000	\$ 2,119	
\$ 9,500	\$ (38,134)	
\$ 12,000	\$ 4,485	
\$ 9,000	\$ 7,911	
\$ 14,000	\$ (7,696)	
\$ 9,500	\$ (4,231)	
\$ 19,985	\$ (53)	
\$ 1,000	\$ (291)	
\$ 38,000	\$ (50,147)	
\$ 3,240	\$ (4,992)	
\$ 20,500	\$ (72,691)	
\$ 2,669	\$ (2,669)	
\$ 5,400	\$ 713	
\$ 229,726	\$ (160,091)	

CAMTC 2011 APPROVED BUDGET 7/20/2011 (includes actuals Jan-June 2011)

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	TOTAL 2011
Executive Staff	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>							
Senior Management Team	\$ 29,167	\$ 29,167	\$ 31,474	\$ 15,833	\$ 21,306	\$ 17,061	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 279,008
Benefit Allowance	\$ 4,500	\$ 4,500	\$ 4,500	\$ 5,292	\$ 5,500	\$ 5,500	\$ 7,792	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 65,084
Senior Staff-Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Off Site - Office Rental	-	-	-	-	3,000	500	4,867	1,367	1,367	1,367	1,367	1,367	15,202
Vacation Expense	-	-	1,679	-	-	2,192	-	-	2,500	-	-	2,500	8,871
Travel & Meetings	1,643	480	2,796	5,389	-	1,801	3,000	3,000	3,000	3,000	3,000	3,000	30,109
Comminications	282	127	516	-	1,943	380	800	800	800	800	800	800	8,048
Supplies	-	123	302	99	-	40	100	100	100	100	100	100	1,164
Equipment	-	-	-	-	3,677	465	3,550	250	250	250	250	250	8,942
Phone (land Line/DSL)	331	65	65	33	-	163	130	130	130	130	130	130	1,437
Miscellaneous	101	78	561	-	250	-	600	250	250	250	250	250	2,840
Total Executive Staff	\$ 36,024	\$ 34,540	\$ 41,893	\$ 26,646	\$ 35,676	\$ 28,102	\$ 43,339	\$ 33,897	\$ 36,397	\$ 33,897	\$ 33,897	\$ 36,397	\$ 420,705
Professional Standards Division	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>							
Management	\$5,000	\$5,000	\$5,000	\$5,000	\$5,450	\$5,000	\$5,614	\$5,504	\$5,504	\$5,504	\$5,504	\$5,504	\$ 63,584
Application Review Staff	11,160	2,509	7,368	6,880	7,255	6,825	7,319	8,500	8,500	8,500	8,500	8,500	91,816
Clerical	3,207	12,750	11,341	11,854	10,791	12,046	12,220	20,612	20,612	20,612	20,612	20,612	177,269
Field Investigations	1,320	2,548	1,900	2,150	1,425	1,575	2,621	2,000	2,000	2,000	2,000	2,000	23,539
Supplies	14	529	361	41	-	-	40	40	40	40	40	40	1,185
Cell Phones	88	312	212	225	225	225	225	225	225	225	225	225	2,637
Travel	30	60	1,253	-	1,198	44	250	250	250	250	250	250	4,085
Conference Calls	935	1,067	586	-	2,102	-	600	600	600	600	600	600	8,290
Dept Meetings	-	-	-	-	357	-	50	50	50	50	50	50	657
Equipment	162	-	234	-	-	-	50	50	50	50	50	50	696
Legal Assistance - Denials/Litigation	39,510	33,750	52,410	38,335	42,270	42,235	43,420	51,000	51,000	51,000	51,000	51,000	546,930
Legal Defense - Contingincy	360	-	240	-	-	680	7,667	7,667	7,667	7,667	7,667	7,667	47,282
Investigations (SSA)	3,930	7,361	3,173	1,562	2,957	5,149	5,000	4,200	4,200	4,200	4,200	4,200	50,132
Court Record Fees	203	121	-	121	142	-	150	150	150	150	150	150	1,487
Appeals+ Denials Printing/Supplies/Mailing	832	95	2,528	797	803	92	500	500	500	500	500	500	8,147
Miscellaneous	-	229	-	-	68	-	50	50	50	50	50	50	597
Total Professional Standards Division	\$ 66,751	\$ 66,331	\$ 86,606	\$ 66,965	\$ 75,043	\$ 73,871	\$ 85,776	\$ 101,398	\$ 101,398	\$ 101,398	\$ 101,398	\$ 101,398	\$ 1,028,333
Staff General Expenses	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>							
Insurance (Workers' Comp)	\$ -	\$ -	\$ -	\$ -	\$ 2,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,005
Payroll Taxes (Exec Staff and PSD)	5,839	5,303	5,537	4,056	4,580	3,587	4,000	4,682	4,682	4,682	4,682	4,682	56,312
Payroll Services (all staff)	48	150	106	141	106	102	125	125	125	125	125	125	1,403
Total Staff General Expenses	\$ 5,887	\$ 5,453	\$ 5,643	\$ 4,197	\$ 6,691	\$ 3,689	\$ 4,125	\$ 4,807	\$ 4,807	\$ 4,807	\$ 4,807	\$ 4,807	\$ 59,720

**Approved
Budget**

\$ 347,000	\$ 67,992
\$ 45,000	\$ (20,084)
\$ 84,000	\$ 84,000
\$ -	\$ (15,202)
\$ -	\$ (8,871)
\$ 43,550	\$ 13,441
\$ 9,600	\$ 1,552
\$ 1,600	\$ 436
\$ 600	\$ (8,342)
\$ 1,500	\$ 63
\$ 600	\$ (2,240)

\$ 533,510	\$ 112,805
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\$ 69,600	\$ 6,016
\$ 87,360	\$ (4,456)
\$ 92,100	\$ (85,169)
\$ 20,160	\$ (3,379)
\$ 480	\$ (705)
\$ 1,500	\$ (1,137)
\$ 3,000	\$ (1,085)
\$ 7,200	\$ (1,090)
\$ 600	\$ (57)
\$ 600	\$ (96)
\$ 374,000	\$ (172,930)
\$ 92,004	\$ 44,722
\$ 60,000	\$ 9,868
\$ 1,800	\$ 313
\$ 6,000	\$ (2,147)
\$ 600	\$ 3

\$ 817,004	\$ (211,329)
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CAMTC 2011 APPROVED BUDGET 7/20/2011 (includes actuals Jan-June 2011)

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	TOTAL 2011
Professional Services & Staff	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL							
Accounting/Audit	-	-	7,587	-	-	788	750	500	500	500	500	500	\$ 11,625
Application Processing	55,000	55,000	55,000	55,000	55,000	55,000	55,000	60,000	60,000	60,000	60,000	60,000	685,000
Legal challenge to cities	-	-	1,015	-	-	-	-	-	-	8,500	8,500	8,500	26,515
Legal general counsel & routine	14,185	3,900	12,321	8,657	12,997	8,300	30,000	6,000	7,500	9,000	7,500	6,000	126,360
Total Professional Services	\$ 69,185	\$ 58,900	\$ 75,923	\$ 63,657	\$ 67,997	\$ 64,088	\$ 85,750	\$ 66,500	\$ 68,000	\$ 78,000	\$ 76,500	\$ 75,000	\$ 849,500
TOTAL OPERATING EXPENSES	\$ 238,272	\$ 187,404	\$ 232,142	\$ 182,994	\$ 240,672	\$ 208,099	\$ 328,320	\$ 232,498	\$ 241,790	\$ 257,708	\$ 249,984	\$ 254,605	\$ 2,854,488
OPERATING SURPLUS / (DEFICIT)	\$ (59,069)	\$ (7,652)	\$ (55,839)	\$ (19,082)	\$ (76,046)	\$ (31,442)	\$ (149,550)	\$ (52,963)	\$ (50,600)	\$ (24,714)	\$ (38,878)	\$ (12,141)	\$ (577,975)

Approved Budget	
\$ 8,000	\$ (3,625)
\$ 720,000	\$ 35,000
\$ 68,000	\$ 41,485
\$ 72,000	\$ (54,360)
\$ 868,000	\$ 18,500
\$ 2,695,540	\$ (158,948)
Reserves	
50% \$ 1,427,244	
\$ (403,829)	\$ (174,146)

CASH FLOW PROJECTIONS - 2011													
Cash Flow from Operations													
Cash Received	\$ 136,156	\$ 104,577	\$ 168,136	\$ 164,940	\$ 178,235	\$ 183,666	\$ 136,000	\$ 136,000	\$ 155,050	\$ 233,950	\$ 208,000	\$ 275,050	\$ 2,079,760
Cash Expenses	\$ (238,272)	\$ (187,404)	\$ (232,142)	\$ (182,994)	\$ (240,672)	\$ (208,099)	\$ (328,320)	\$ (232,498)	\$ (241,790)	\$ (257,708)	\$ (249,984)	\$ (254,605)	\$ (2,854,488)
Total Cash Flow from Operations	\$ (102,116)	\$ (82,827)	\$ (64,006)	\$ (18,054)	\$ (62,437)	\$ (24,433)	\$ (192,320)	\$ (96,498)	\$ (86,740)	\$ (23,758)	\$ (41,984)	\$ 20,445	\$ (774,728)
Cash Flow from Financing													
Other												\$ (2,669)	\$ (2,669)
Total Cash Flow from Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,669)	\$ (2,669)
Starting Cash	\$ 1,016,647	\$ 914,531	\$ 831,704	\$ 767,698	\$ 749,644	\$ 687,207	\$ 662,774	\$ 470,454	\$ 373,956	\$ 287,216	\$ 263,458	\$ 221,474	\$ 1,016,647
Ending Cash	\$ 914,531	\$ 831,704	\$ 767,698	\$ 749,644	\$ 687,207	\$ 662,774	\$ 470,454	\$ 373,956	\$ 287,216	\$ 263,458	\$ 221,474	\$ 239,250	\$ 239,250

Ending Cash
\$ 239,250

CAMTC 2011 APPROVED BUDGET 7/20/2011 (includes actuals Jan-Aug 2011)

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	TOTAL 2011
REVENUE	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>					
Number of new applications deposited	892	685	1,100	1,080	1,169	1,203	701	1,140	900	900	900	900	11,570
New Application Fees Recognized (27% of \$150)	\$ 36,126	\$ 27,743	\$ 44,550	\$ 43,740	\$ 47,345	\$ 48,720	\$ 28,591	\$ 46,170	\$ 36,450	\$ 36,450	\$ 36,450	\$ 36,450	\$ 468,784
Certificates Issued	1312	781	872	753	633	800	851	1019	765	765	765	765	10,081
Certificates Recognized (38% of \$150)	\$ 74,784	\$ 44,517	\$ 49,704	\$ 42,921	\$ 36,081	\$ 45,600	\$ 48,507	\$ 58,083	\$ 43,605	\$ 43,605	\$ 43,605	\$ 43,605	\$ 574,617
Renewals-Applied	0	0	0	0	0	0	47	420	127	653	480	927	2,654
Renewals Recognized (27% of \$150)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,903	\$ 17,010	\$ 5,144	\$ 26,447	\$ 19,440	\$ 37,544	\$ 107,487
Renewals-Approved	0	0	0	0	0	0	47	419	121	620	456	881	2,544
Renewals Approved (38% of \$150)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,679	\$ 23,883	\$ 6,877	\$ 35,360	\$ 25,992	\$ 50,197	\$ 144,988
Renewals-Denied	0	0	0	0	0	0	0	0	6	23	24	46	99
Denied Renewals (73% of \$150)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 657	\$ 2,519	\$ 2,628	\$ 5,037	\$ 10,841
Deferred Current Year (35% of \$150 /24)	\$ -	\$ 1,951	\$ 3,450	\$ 5,856	\$ 8,218	\$ 10,776	\$ 13,412	\$ 12,882	\$ 7,028	\$ 7,793	\$ 8,558	\$ 9,323	\$ 89,247
Deferred Prior Yrs	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 65,937	\$ 64,149	\$ 53,541	\$ 47,153	\$ 33,029	\$ 725,368
Denied Applications	0	335	51	23	32	6	32	22	90	90	90	90	861
Denied Applications Recognized (73% of \$150)	\$ -	\$ 36,683	\$ 5,585	\$ 2,519	\$ 3,504	\$ 656	\$ 3,504	\$ 2,409	\$ 9,855	\$ 9,855	\$ 9,855	\$ 9,855	\$ 94,279
Purged/Revoked/Sus/Cancelled/Nullified	0	10	36	0	6	16	74	44	150	150	150	150	786
Purged Applications Recognized (73% of \$150)	\$ -	\$ 1,095	\$ 3,942	\$ -	\$ 657	\$ 1,752	\$ 8,103	\$ 4,818	\$ 16,425	\$ 16,425	\$ 16,425	\$ 16,425	\$ 86,067
Miscellaneous Fees	\$ 2,350	\$ 1,735	\$ 3,062	\$ 2,940	\$ 2,885	\$ 2,715	\$ 2,585	\$ 2,122	\$ 900	\$ 900	\$ 900	\$ 900	\$ 23,994
Total Fee Revenue	\$ 179,197	\$ 179,660	\$ 176,230	\$ 163,913	\$ 164,627	\$ 176,156	\$ 175,221	\$ 233,314	\$ 191,090	\$ 232,894	\$ 211,006	\$ 242,365	\$ 2,325,671
Interest	\$ 6	\$ 92	\$ 74	\$ -	\$ -	\$ 501	\$ -	\$ 69	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,142
Total Other Revenue	\$ 6	\$ 92	\$ 74	\$ -	\$ -	\$ 501	\$ -	\$ 69	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,142
TOTAL REVENUE	\$ 179,203	\$ 179,752	\$ 176,304	\$ 163,913	\$ 164,627	\$ 176,657	\$ 175,221	\$ 233,383	\$ 191,190	\$ 232,994	\$ 211,106	\$ 242,465	\$ 2,326,813
OPERATING EXPENSES	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>					
Board & Committee Expenses													
Board Travel	\$ 1,918	\$ -	\$ 1,316	\$ -	\$ 841	\$ 627	\$ 775	\$ -	\$ 2,000	\$ 4,000	\$ 2,000	\$ -	\$ 13,477
Committee Travel	-	42	140	-	-	-	-	-	-	-	-	-	182
Facility/Banquet/Sponsorship	2,174	387	2,186	143	-	2,441	-	-	2,500	5,000	2,500	-	17,331
Printing /Supplies	314	-	-	48	28	13	122	-	-	400	-	-	925
Conference Calls	24	21	-	-	53	-	123	-	100	100	100	100	621
Total Board & Committee Expenses	\$ 4,430	\$ 450	\$ 3,642	\$ 191	\$ 922	\$ 3,081	\$ 1,020	\$ -	\$ 4,600	\$ 9,500	\$ 4,600	\$ 100	\$ 32,536

Approved Budget	
7/20/2011	
11,529	41
\$ 466,923	\$ 1,861
9741	340
\$ 555,237	\$ 19,380
2,187	467
\$ 88,574	\$ 18,913
2,078	466
\$ 118,426	\$ 26,562
99	0
\$ 10,841	\$ (1)
\$ 74,714	\$ 14,533
\$ 725,368	0
987	(126)
\$ 108,076	\$ (13,798)
968	(182)
\$ 105,996	\$ (19,929)
\$ 21,087	\$ 2,907
\$ 2,275,241	\$ 50,430
\$ 1,273	\$ (131)
\$ 1,273	\$ (131)
\$2,276,514	\$ 50,299
\$ 12,702	\$ (775)
182	-
17,331	-
803	(122)
698	77
\$ 31,716	\$ (820)

CAMTC 2011 APPROVED BUDGET 7/20/2011 (includes actuals Jan-Aug 2011)

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	TOTAL 2011
Outreach/Marketing	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL					
Communications & Promotion	\$ 4,541	\$ 4,076	\$ 3,832	\$ 2,658	\$ 20,821	\$ 3,955	\$ 1,285	\$ 6,222	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 65,790
Public Relations	-	-	-	-	4,214	-	112	1,816	500	500	500	500	8,142
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Outreach/Marketing	\$ 4,541	\$ 4,076	\$ 3,832	\$ 2,658	\$ 25,035	\$ 3,955	\$ 1,397	\$ 8,038	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 73,932

Approved Budget		
\$ 67,483	\$ 1,693	
7,214	(928)	
-	-	
\$ 74,697	\$ 765	

General Administrative	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL					
Office Supplies	\$ 580	\$ 168	\$ 492	\$ 345	\$ 2,543	\$ 499	\$ 2,305	\$ 157	\$ 750	\$ 750	\$ 750	\$ 750	\$ 10,089
Office Rental - Sacramento	3,699	3,699	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	45,398
Office Furniture	-	-	-	-	-	2,322	-	2,478	-	-	-	-	4,800
Printing/Copying	1,267	2,444	1,041	365	848	2,416	1,316	2,778	1,750	1,750	1,750	1,750	19,475
Records Scanning			949	1,144	-	2,041	1,703	1,599	1,500	1,500	1,500	1,500	13,436
Postage/Mailing	569	552	380	507	600	407	622	566	750	750	750	750	7,203
Telephone/Fax	72	121	79	55	85	77	74	100	100	100	100	100	1,063
Dues/Subscriptions-Software/Licenses	13,720	23	25	2,830	-	-	-	-	500	500	500	500	18,598
Insurance-D&O/E&O/GL	769	769	769	769	769	1,264	1,338	1,338	1,437	1,437	1,437	1,437	13,533
Banking/credit card fees	1,928	1,411	1,152	1,351	1,524	1,465	1,574	1,565	1,604	2,188	1,996	2,493	20,251
Staff Travel	-	-	-	557	-	284	-	-	-	250	-	-	1,091
Certification/Materials/Printing/Mailing	7,898	7,180	5,648	5,794	6,143	2,974	3,779	8,318	4,767	7,451	6,569	8,855	75,376
Database Maintenance	112	827	378	1,003	770	1,662	318	3,376	580	580	580	580	10,766
Database Development	20,805	460	(110)	-	10,942	11,594	7,573	1,367	3,500	3,500	3,500	3,500	66,631
Amortization Expense												5,338	5,338
Miscellaneous	35	-	-	160	1,284	508	-	-	450	450	450	450	3,787
Total General Administrative	\$ 51,454	\$ 17,654	\$ 14,603	\$ 18,680	\$ 29,308	\$ 31,313	\$ 24,402	\$ 27,442	\$ 21,488	\$ 25,006	\$ 23,682	\$ 31,803	\$ 316,835

\$ 9,127	\$ (962)	
45,398	-	
3,822	(978)	
18,881	(594)	
47,634	34,198	
7,515	312	
1,089	26	
21,696	3,098	
13,731	198	
20,038	(213)	
1,291	200	
88,147	12,771	
8,232	(2,534)	
93,191	26,560	
5,338	-	
4,687	900	
\$ 389,817	\$ 72,982	

CAMTC 2011 APPROVED BUDGET 7/20/2011 (includes actuals Jan-Aug 2011)

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	TOTAL 2011
Executive Staff	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL					
Senior Management Team	\$ 29,167	\$ 29,167	\$ 31,474	\$ 15,833	\$ 21,306	\$ 17,061	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 279,008
Benefit Allowance	\$ 4,500	\$ 4,500	\$ 4,500	\$ 5,292	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 62,792
Senior Staff-Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Off Site - Office Rental	-	-	-	-	3,000	500	1,333	1,333	1,367	1,367	1,367	1,367	11,634
Vacation Expense	-	-	1,679	-	-	2,192	731	731	2,500	-	-	2,500	10,333
Travel & Meetings	1,643	480	2,796	5,389	-	1,801	563	2,274	3,000	3,000	3,000	3,000	26,946
Communications	282	127	516	-	1,943	380	101	100	800	800	800	800	6,649
Supplies	-	123	302	99	-	40	-	-	100	100	100	100	964
Equipment	-	-	-	-	3,677	465	-	-	250	250	250	250	5,142
Phone (land Line/DSL)	331	65	65	33	-	163	203	55	130	130	130	130	1,435
Miscellaneous	101	78	561	-	250	-	-	-	250	250	250	250	1,990
Total Executive Staff	\$ 36,024	\$ 34,540	\$ 41,893	\$ 26,646	\$ 35,676	\$ 28,102	\$ 30,931	\$ 32,493	\$ 36,397	\$ 33,897	\$ 33,897	\$ 36,397	\$ 406,893
Professional Standards Division	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL					
Management	\$5,000	\$5,000	\$5,000	\$5,000	\$5,450	\$5,000	\$5,613	\$5,330	\$5,504	\$5,504	\$5,504	\$5,504	\$ 63,409
Application Review Staff	11,160	2,509	7,368	6,880	7,255	6,825	7,319	7,441	8,500	8,500	8,500	8,500	90,757
Clerical	3,207	12,750	11,341	11,854	10,791	12,046	12,220	12,688	20,612	20,612	20,612	20,612	169,345
Field Investigations	1,320	2,548	1,900	2,150	1,425	1,575	2,621	2,019	2,000	2,000	2,000	2,000	23,558
Supplies	14	529	361	41	-	-	-	112	40	40	40	40	1,217
Cell Phones	88	312	212	225	225	225	225	225	225	225	225	225	2,637
Travel	30	60	1,253	-	1,198	44	450	586	250	250	250	250	4,621
Conference Calls	935	1,067	586	-	2,102	-	1,220	-	600	600	600	600	8,310
Dept Meetings	-	-	-	-	357	-	-	-	50	50	50	50	557
Equipment	162	-	234	-	-	-	-	-	50	50	50	50	596
Legal Assistance - Denials/Litigation	39,510	33,750	52,410	38,335	42,270	42,235	39,372	45,947	51,000	51,000	51,000	51,000	537,829
Legal Defense - Contingincy	-	-	-	-	-	-	-	-	7,667	7,667	7,667	7,667	30,668
Investigations (SSA)	3,930	7,361	3,173	1,562	2,957	5,149	3,971	130	4,200	4,200	4,200	4,200	45,033
Court Record Fees	203	121	-	121	142	-	181	128	150	150	150	150	1,496
Appeals+ Denials Printing/Supplies/Mailing	832	95	2,528	797	803	92	19	-	500	500	500	500	7,166
Miscellaneous	-	229	-	-	68	-	-	-	50	50	50	50	497
Total Professional Standards Division	\$ 66,391	\$ 66,331	\$ 86,366	\$ 66,965	\$ 75,043	\$ 73,191	\$ 73,211	\$ 74,606	\$ 101,398	\$ 101,398	\$ 101,398	\$ 101,398	\$ 987,696
Staff General Expenses	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL					
Insurance (Workers' Comp)	\$ -	\$ -	\$ -	\$ -	\$ 2,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,005
Payroll Taxes (Exec Staff and PSD)	5,839	5,303	5,537	4,056	4,580	3,587	3,363	3,298	4,682	4,682	4,682	4,682	54,291
Payroll Services (all staff)	48	150	106	141	106	102	106	104	125	125	125	125	1,363
Total Staff General Expenses	\$ 5,887	\$ 5,453	\$ 5,643	\$ 4,197	\$ 6,691	\$ 3,689	\$ 3,469	\$ 3,402	\$ 4,807	\$ 4,807	\$ 4,807	\$ 4,807	\$ 57,659

Approved Budget		
\$ 279,008	\$ -	
65,084	2,292	
-	-	
15,202	3,568	
8,871	(1,462)	
30,109	3,163	
8,048	1,399	
1,164	200	
8,942	3,800	
1,437	2	
2,840	850	
\$ 420,705	\$ 13,812	
\$ 63,584	\$ 175	
91,816	1,059	
177,269	7,924	
23,539	(19)	
1,185	(32)	
2,637	-	
4,085	(536)	
8,290	(20)	
657	100	
696	100	
546,930	9,101	
47,282	16,614	
50,132	5,099	
1,487	(9)	
8,147	981	
597	100	
\$ 1,028,333	\$ 40,637	
\$ 2,005	\$ -	
56,312	2,021	
1,403	40	
\$ 59,720	\$ 2,061	

CAMTC 2011 APPROVED BUDGET 7/20/2011 (includes actuals Jan-Aug 2011)

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	TOTAL 2011
Professional Services & Staff	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL					
Accounting/Audit	-	-	7,587	-	-	788	394	-	500	500	500	500	\$ 10,769
Application Processing	55,000	55,000	55,000	55,000	55,000	55,000	55,000	60,000	60,000	60,000	60,000	60,000	685,000
Legal challenge to cities	-	-	1,015	-	-	-	-	-	-	8,500	8,500	8,500	26,515
Legal general counsel & routine	14,545	3,900	12,561	8,657	12,997	8,980	6,429	8,109	7,500	9,000	7,500	6,000	106,178
Total Professional Services	\$ 69,545	\$ 58,900	\$ 76,163	\$ 63,657	\$ 67,997	\$ 64,768	\$ 61,823	\$ 68,109	\$ 68,000	\$ 78,000	\$ 76,500	\$ 75,000	\$ 828,462
TOTAL OPERATING EXPENSES	\$ 238,272	\$ 187,404	\$ 232,142	\$ 182,994	\$ 240,672	\$ 208,099	\$ 196,253	\$ 214,090	\$ 241,790	\$ 257,708	\$ 249,984	\$ 254,605	\$ 2,704,013
OPERATING SURPLUS / (DEFICIT)	\$ (59,069)	\$ (7,652)	\$ (55,839)	\$ (19,082)	\$ (76,046)	\$ (31,442)	\$ (21,032)	\$ 19,293	\$ (50,600)	\$ (24,714)	\$ (38,878)	\$ (12,141)	\$ (377,201)

Approved Budget	
\$ 11,625	\$ 856
685,000	-
26,515	-
126,360	20,182
\$ 849,500	\$ 21,038
\$ 2,854,488	\$ 150,475
\$ (577,975)	\$ 200,774

CASH FLOW PROJECTIONS - 2011													
Cash Flow from Operations													
Cash Received	\$ 136,156	\$ 104,577	\$ 168,136	\$ 164,940	\$ 178,235	\$ 183,666	\$ 107,735	\$ 173,191	\$ 155,050	\$ 233,950	\$ 208,000	\$ 275,050	\$ 2,088,686
Cash Expenses	\$ (238,272)	\$ (187,404)	\$ (232,142)	\$ (182,994)	\$ (240,672)	\$ (208,099)	\$ (196,253)	\$ (214,090)	\$ (241,790)	\$ (257,708)	\$ (249,984)	\$ (254,605)	\$ (2,704,013)
Total Cash Flow from Operations	\$ (102,116)	\$ (82,827)	\$ (64,006)	\$ (18,054)	\$ (62,437)	\$ (24,433)	\$ (88,518)	\$ (40,899)	\$ (86,740)	\$ (23,758)	\$ (41,984)	\$ 20,445	\$ (615,327)
Cash Flow from Financing													
Other												\$ (2,669)	\$ (2,669)
Total Cash Flow from Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,669)	\$ (2,669)
Starting Cash	\$ 1,016,647	\$ 914,531	\$ 831,704	\$ 767,698	\$ 749,644	\$ 687,207	\$ 662,774	\$ 574,256	\$ 533,357	\$ 446,617	\$ 422,859	\$ 380,875	\$ 1,016,647
Ending Cash	\$ 914,531	\$ 831,704	\$ 767,698	\$ 749,644	\$ 687,207	\$ 662,774	\$ 574,256	\$ 533,357	\$ 446,617	\$ 422,859	\$ 380,875	\$ 398,651	\$ 398,651

Ending Cash	
\$ 398,651	

California Massage Therapy Council
Statement of Financial Position
August 31, 2011

ASSETS

Current Assets

Cash in Bank - Operating	\$ 223,896	
Cash in Bank - Money Market	13,020	
Cash in Bank - CDs	300,173	
Total Current Assets		\$ 537,089

Other Assets

Prepaid Expenses	\$ 85,437	\$ 85,437
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Fixed Assets

Software	16,016	
Accumulated Amortization	(5,339)	
Total Other Assets		\$ 10,677

TOTAL ASSETS		\$ 633,203
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LIABILITIES

Current Liabilities

Accounts Payable	\$ 52,476	
Vacation Payable	3,654	
Total Current Liabilities		\$ 56,130

Other Liabilities

Deferred Application Fees

Deferred Fees - 2011	\$ 439,672	
Deferred Fees - 2010	523,740	
Deferred Fees - 2009	106,540	\$ 1,069,952

Total Other Liabilities

TOTAL LIABILITIES		\$ 1,126,082
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EQUITY

Undesignated Funds	\$ (241,809)	
Year-To-Date Excess Revenue	(251,070)	
TOTAL EQUITY		\$ (492,879)
TOTAL LIABILITIES & EQUITY		\$ 633,203

California Massage Therapy Council
Statement of Functional Activities
August 31, 2011

Board Approved
July 20, 2011

	YTD Actual 8/31/2011	Budget 8/31/2011	Variance	Annual Budget	Remaining Budget	Actual % of Budget
REVENUE						
Applications Received (27% \$150)	\$ 322,785	\$ 321,124	\$ 1,661	\$ 466,924	\$ (144,139)	69.1%
Certificates Issued (38% \$150)	400,197	380,817	19,380	555,237	(155,040)	72.1%
Renewals - Applied (27% of \$150)	18,913	-	18,913	88,574	(69,661)	21.4%
Renewals - Approved (38% \$150)	26,562	-	26,562	118,426	(91,864)	22.4%
Renewals - Denied (73% \$150)	-	-	-	10,840	(10,840)	0.0%
Deferred Current Year (35% of \$150/24)	56,545	42,012	14,533	74,714	(18,169)	75.7%
Deferred Prior Yrs	527,497	527,496	1	725,368	(197,871)	72.7%
Denied Applications (73% \$150)	54,859	68,657	(13,798)	108,076	(53,217)	100.0%
Purged/Revoked Suspended Applications (73% \$150)	20,367	40,296	(19,929)	105,996	(85,629)	100.0%
Miscellaneous Fees	20,395	17,487	2,908	21,087	(692)	96.7%
Interest	742	873	(131)	1,273	(531)	58.3%
Total Revenue	\$ 1,448,862	\$ 1,398,762	\$ 50,100	\$ 2,276,515	\$ (827,653)	63.6%
OPERATING EXPENSES						
Board & Committee						
Board Travel	\$ 5,477	\$ 4,702	\$ 775	\$ 12,702	\$ (7,225)	43.1%
Committee Travel	182	182	-	182	-	100.0%
Facility/Banquet	7,331	7,331	-	17,331	(10,000)	42.3%
Conference Calls	356	198	158	698	(342)	51.0%
Printing/Reproduction	315	403	(88)	803	(488)	39.2%
Postage & Mailing	75	-	75	-	75	0.0%
Miscellaneous	-	-	-	-	-	0.0%
Total Board & Committee	\$ 13,736	\$ 12,816	\$ 920	\$ 31,716	\$ (17,980)	43.3%
Outreach/Marketing						
Comminications & Promotions	47,390	49,083	(1,693)	67,483	(20,093)	70.2%
Public Relations	6,143	5,214	929	7,214	(1,071)	85.2%
	-	-	-	-	-	0.0%
Total Outreach/Marketing	\$ 53,533	\$ 54,297	\$ (764)	\$ 74,697	\$ (21,164)	71.7%
General Administrative						
Office Supplies	\$ 7,090	\$ 6,129	\$ 961	\$ 9,129	\$ (2,039)	77.7%
Office Equipment/Furniture	4,800	3,822	978	3,822	978	125.6%
Office Rental	30,201	30,198	3	45,398	(15,197)	66.5%
Printing/Copying	12,476	11,881	595	18,881	(6,405)	66.1%
Records Scanning	7,436	41,634	(34,198)	47,634	(40,198)	15.6%
Telephone/Fax	663	689	(26)	1,089	(426)	60.9%
Postage/Mailing	4,204	4,515	(311)	7,515	(3,311)	55.9%
Dues & Subscriptions	16,598	19,696	(3,098)	21,696	(5,098)	76.5%
Insurance	7,784	7,983	(199)	13,731	(5,947)	56.7%
Banking/credit card fees	11,969	11,757	212	20,038	(8,069)	59.7%
Staff Travel	842	1,041	(199)	1,291	(449)	65.2%
Certification/Mat's/Print/Mail	47,735	60,505	(12,770)	88,147	(40,412)	54.2%
Database Development	54,641	79,191	(24,550)	93,191	(38,550)	0.0%
Database Maintenance	6,436	5,912	524	8,232	(1,796)	78.2%
Amortization Expense	-	-	-	5,338	(5,338)	0.0%
Miscellaneous	1,985	2,887	(902)	4,687	(2,702)	42.4%
Total General Administrative	\$ 214,860	\$ 287,840	\$ (72,980)	\$ 389,819	\$ (174,959)	55.1%

California Massage Therapy Council
Statement of Functional Activities
August 31, 2011

Board Approved
July 20, 2011

	YTD Actual 8/31/2011	Budget 8/31/2011	Variance	Annual Budget	Remaining Budget	Actual %
Executive Staff						
Executive Salaries	\$ 189,008	\$ 189,008	\$ -	\$ 279,008	\$ (90,000)	67.7%
Vacation Expense	5,333	3,871	1,462	8,871	(3,538)	0.0%
Off-Site Office Rent	6,167	9,734	(3,567)	15,202	(9,035)	0.0%
Benefit Allowance	40,792	43,084	(2,292)	65,084	(24,292)	62.7%
Executive Travel	14,947	18,109	(3,162)	30,109	(15,162)	49.6%
Cell Phones	3,450	4,848	(1,398)	8,048	(4,598)	42.9%
Supplies	565	764	(199)	1,164	(599)	48.5%
Furniture	-	-	-	-	-	0.0%
Equipment	4,142	7,942	(3,800)	8,942	(4,800)	46.3%
Phone (land line-DSL)	911	917	(6)	1,437	(526)	63.4%
Miscellaneous	299	1,840	(1,541)	2,840	(2,541)	10.5%
Executive Staff Meetings	690	-	690	-	690	0.0%
Total Executive Staff	\$ 266,304	\$ 280,117	\$ (13,813)	\$ 420,705	\$ (154,401)	63.3%
Professional Standards Division						
Management	\$ 41,394	\$ 41,568	\$ (174)	\$ 63,584	\$ (22,190)	65.1%
Application Review Staff	56,757	57,816	(1,059)	91,816	(35,059)	61.8%
Clerical	86,898	94,821	(7,923)	177,269	(90,371)	49.0%
Field Investigations	15,558	15,539	19	23,539	(7,981)	66.1%
Supplies	1,057	1,025	32	1,185	(128)	89.2%
Cell Phones	1,737	1,737	-	2,637	(900)	65.9%
Travel	3,622	3,085	537	4,085	(463)	88.7%
Conference Calls	5,911	5,890	21	8,290	(2,379)	71.3%
Dept Meetings	357	457	(100)	657	(300)	54.3%
Equipment	397	496	(99)	696	(299)	57.0%
Legal Service - Denials	333,829	342,930	(9,101)	546,930	(213,101)	61.0%
Legal Service - Contingency	-	16,614	(16,614)	47,282	(47,282)	0.0%
Investigations (SSA)	28,229	33,332	(5,103)	50,132	(21,903)	56.3%
Court Record fees	896	887	9	1,487	(591)	60.3%
Proposed Denial Mailing/Supplies	5,163	6,147	(984)	8,147	(2,984)	63.4%
Miscellaneous	297	397	(100)	597	(300)	49.7%
Total Professional Standards Division	\$ 582,102	\$ 622,741	\$ (40,639)	\$ 1,028,333	\$ (446,231)	56.6%
General Staffing Expenses						
Payroll Services	865	903	(38)	1,403	(538)	61.7%
Payroll Taxes	35,563	37,584	(2,021)	56,312	(20,749)	63.2%
Workers' Compensation	2,005	2,005	-	2,005	-	100.0%
Total General Staffing Expenses	\$ 38,433	\$ 40,492	\$ (2,059)	\$ 59,720	\$ (21,287)	225%
Professional Services						
Management fees	445,000	445,000	-	685,000	(240,000)	65.0%
Legal - General	76,180	96,360	(20,180)	126,360	(50,180)	60.3%
Legal challenge from cities	1,015	1,015	-	26,515	(25,500)	3.8%
Accounting/Audit	8,769	9,625	(856)	11,625	(2,856)	75.4%
Total Professional Services	\$ 530,964	\$ 552,000	\$ (21,036)	\$ 849,500	\$ (318,536)	62.5%
TOTAL EXPENSES	\$ 1,699,932	\$ 1,850,303	\$ (150,371)	\$ 2,854,490	\$ (1,154,558)	59.6%
EXCESS REVENUE OVER EXPENSES	\$ (251,070)	\$ (451,541)	\$ 200,471	\$ (577,975)	\$ 326,905	43.4%

California Massage Therapy Council (CAMTC)
Affidavit For Wavier of Hearing Filing Fee
Notice For Use By CAMTC Applicants

Applicants with gross monthly income of less than specified Indigence guidelines below are entitled to a wavier of hearing filing fees. If you believe that you meet these requirements, please complete this form and submit it with your Request for a hearing to the CAMTC's Professional Standards Division by scanning and emailing this signed form to camtc@camtc.org or by mailing to One Capitol mall, Suite 320, Sacramento, CA 95814.

Name: _____

Address: _____

Number of Persons in Household: _____

Gross Monthly Income: _____

I hereby swear under penalty of perjury that the forgoing is a true and correct statement.

Signature of Applicant or Certificate Holder

Indigence Guidelines

Persons in family	Indigence guideline (per month)
1	\$2,707
2	3,642
3	4,577
4	5,513
5	6,448
6	7,383
7	8,318
8	9,253

For families with more than 8 persons, contact CAMTC



MEMO

TO: Board of Directors

FROM: Ahmos Netanel, Chief Executive Officer

DATE: September 7, 2011

RE: PSD budget-breakdown

Background

During the Board of Directors teleconference meeting on July 20, 2011, the Board adopted a PSD budget through December 2011 and directed the CEO to come to the September 15th Board meeting with an analysis providing a detailed breakdown. Developing an accurate long term projection is a difficult task. For example, Bob Bensons' detailed analysis dated March 7, 2011 projected that 106 "90 day letters" would be sent from July through December, where in actuality we already sent 128 in July and August alone.

Analysis

According to Brian Stiger, Director of the Department of Consumer Affairs, 80% of most of California's professional board's budgets are consumed by enforcement and investigations relating to reports of unprofessional and illegal conduct by licensees. This figure is in line with what other state massage boards typically spend on this function. CAMTC has to grapple with the additional burden created by the limited ability of the State to effectively regulate schools. Yet, CAMTC is demonstrating exceptional efficiency by managing this monumental challenge with only 36% of its budget.

At this point, PSD has scheduled all of its hearing dates for 2011 and is getting closed to filling its January calendar as well. Therefore it is reasonable to expect that not much will change with PSD's cost in the current year. We are currently scheduled for the following:

- 4 hearing days in July
- 5 hearing days in August
- 6 hearing days in September
- 4 hearing days in October
- 4 hearing days in November (a 5th for General Denials being confirmed)
- 5 hearing days in December (a 6th for General Denials being confirmed)

Approximately 120 files a month are sent from AMG alone to PSD for background issues. On the attached spreadsheet titled “PSD Review of Background Issues/Subsequent Arrest/City Notification” it should be noted that January 2011 shows a significantly higher figure than the other months of 2011 to date. At that time, the average was over 50 per week. The current average is 30 -35 per week. This is due to PSD authorizing AMG to approve some minor issues without going through PSD and AMG holding some files back due to the workload of PSD.

On the spreadsheet titled “Education PDLs” it should be noted that in July 2011 no education PDL’s were sent due to counsel vacation. 90 day letters sent correspond with PDL’s sent 90 days later – for example, 90 day letters sent in May might result in PDL’s sent no sooner than August if the applicant fails to provide convincing evidence of education. Projections are based on the typical 9 oral hearings and 8 written considerations at a time. There does not appear to be a deviation from the average rate of 48% approved at hearing, 51% denied and 1% held over due to extensions or other reasons.

On the addendum titled “Transcript not Proof of Education: 90 days to Present Evidence” it needs to be noted that the 90 day letter is not sent until a file is complete. The date for a file to be complete varies widely due to when all the materials and live scan results are received and entered. One 90 letter may go out in September for an application that was received in August, but the next letter may be for application that was received in March. Tracking graduation dates is also irrelevant – one applicant may have graduated a year ago, another last month, and of even greater consequence, these are transcripts that by definition (Datapoe) CAMTC is not recognizing as believable on their face.

For the first seven months of 2011, monthly totals of 90 day letters for education issues were: 195, 71, 103, 73, 75, 100, and 75. With numbers this small and so many variables, one would be foolish to try to establish meaningful trends.

Similar factors apply to the numbers of files sent to PSD with background issues. For the first seven months of 2011, monthly totals of 273, 159, 127, 110, 91, 177 and 133 also can be considered too small a sample to establish trends with too many variables affecting the timing of a file reaching PSD.

The one trend that is clear is that the number of applicants requesting oral hearings is increasing. This has a noticeable effect on PSD resources – not only do these hearings take more time for preparation and more attention while asking questions but many applicants who opt for oral hearings have a lawyer present, requiring greater legal time and resources on CAMTC’s part.

As for 2012 and beyond, multiple factors may contribute to a significant deviation from PSD's current cost structure and workload. Such factors may include, but are not limited to:

- Possible hiring of an in-house counsel
- Increase or decrease in number of initial applications
- Potential changes in policy regarding acceptance of transcripts from certain schools
- Implementation of hearing filing fees
- Increased number of denials of applicants and business owners based on unprofessional conduct as it relates to advertising
- Increased number of denials upon recertification based on workplace advertising practices
- Anticipated roll-out of the declaration form and protocol to all law enforcement agencies
- Aggressive partnership programs with select cities law enforcement programs
- Increase in consumer's complaints and implementation of response protocol
- Possible re-structuring of PSD hearing protocol
- Re-application by those previously denied

Based on policy decisions to be made at the September 15 Board meeting and developments in any of the remaining factors noted above over the next eight weeks, we will be in a better position to make meaningful projections for 2012 when we consider the next year's budget.

Abbreviations:

Datapoe: Applications from schools from which we Do not Accept Transcript Alone as Proof Of Education

MTC: Memo to Counsel with background and reasons that denial is being proposed

PDL: Proposed Denial Letter

SSA: Investigation firm

AMG: Sacramento staff

Professional Standards Division Staff:

Director: Rick McElroy

Staff contact in Sacramento/prepares list for background issue calls/ obtains missing information: Sheryl

Review of background issues/ subsequent arrest/city notification: Rick, Tim, Kellie and Elaine (substitute) plus paralegal.

Scheduling of hearings: Lisa

Hearing officers: Rick, Tim, Elaine, Tim, Joe, Dean (Minimum two, generally three hearing officers)

Paralegals (minutes during hearings and review meetings): Bonnie or Stacey

Preparation of documents for review calls: Bonnie

Investigations into Advertising as Unprofessional Conduct: Elaine

Court Records/Filings/Progress Search: Kellie

Receives complaints from cities/counties and assigns to PSD staff or SSA: Rick

Additional Research/investigation/ Declarations that don't require SSA: Tim

MTC for DATAPOE: Tim

MTC for background issues (with or without Datapoe): Kellie

PDL's, moderator/ counsel during hearings, litigation: Alison

Approval Letters, Spreadsheet tracking ongoing investigations and denials that are not final: Cindy

Types of Meetings:

1. General Review: Review of background issues/ subsequent arrest/city notification
2. Hearings: (Can be for Datapoe or after general review results in PDL)
Each hearing date consists of 10 hearings scheduled starting at 9:00 AM and ending with the last hearing at 2:30 PM. There are generally 6-10 written statement hearings held following the oral ones. All of the hearing information is uploaded by Lisa the week before. This gives the hearing officers a chance to review the cases in advance and prepare questions. There are several hundred pages of evidence to review (per person) and the hearings last 30 minutes each. Occasionally, if a general denial involves both criminal and education issues and an attorney is involved, 60 minutes is allocated by Alison.

Process for General Denial

1. AMG prepares an initial list of files/ Uploads to PSD secure site
2. Paralegal organizes files for review
3. SSA and court check reports get added
4. Outside agency or PSD follow up reports get added
5. PSD reviews and makes a factual finding/Paralegal takes minutes
6. May go back to AMG for explanation of discrepancies on application/ other documents
7. May go to SSA or PSD staff for additional information and be reviewed again later
8. Decision:
 - A. Approve-approval letter is prepared
 - B. Deny -If evidence is more probable than not meeting at least one of the sections of paragraph 1 of Denial Procedure
 - a. PSD drafts MTC
 - b. Counsel sends PDL
 - c. If no hearing requested denial becomes effective automatically/AMG is notified/may re-apply after one year
 - d. If a hearing is requested/hearing takes place/PSD makes its decision
 - e. If decision is to uphold denial, a final notice of decision is sent to counsel/AMG is notified/ can re-apply in 1 year
 - f. If decision is made to reverse initial denial, approval letter is sent/AMG is notified

Process for a Combination of General background and Datapoe:

1. General background issue is dealt with first.
2. If background issue clears PSD, MTC for rejected transcript
3. Counsel prepares PDL
4. Opportunity for hearings as above

Process for Datapoe

1. Application file is complete and includes a Datapoe transcript
2. Applicant is sent "90 day letter" asking for additional proof of education
3. Evidence is submitted to AMG
 - A. AMG accepts/ application approved
 - B. Extension may be granted upon applicant request while attend another school
 - C. AMG rejects/ PDL by counsel
 - D. No Response or no hearing requested/ Automatic revocation/ may reapply in 1 year
4. Hearing requested in response to PDL
5. Oral or written hearing occurs
6. PSD decision to deny/ Final Denial letter sent by counsel/AMG notified/ can re-apply in 1 year
7. PSD decision to approve/ AMG notified/ approval letter sent

Process for Revocation:

1. No arrest/conviction is necessary but a higher level of clear and convincing evidence is needed
2. Certificate holders where charges are not filed/are dropped/ or there is no conviction, or the person pleads to a lesser crime. Can be based on officer or citizen report or other city/county concern.
3. PSD is notified of the reason to revoke
4. Declaration by officer or citizen is needed
5. May involve SSA or PSD investigation
6. PSD reviews and makes factual finding
 - A. Meets at least one of the sections of paragraph 1 of Denial Procedures
 - B. Clear and convincing evidence or reliable and competent evidence
7. PSD drafts MTC
8. Proposed revocation letter sent by counsel
9. No hearing requested
 - A. Automatic revocation
 - B. May reapply in 1 year
10. Hearing requested
 - A. Oral or written hearing occurs
 - B. PSD decision
 - C. Final Notice of Decision Letter sent/ employer notified if a revocation
 - D. AMG notified/ city notice sent
 - E. Can reapply in 1 year

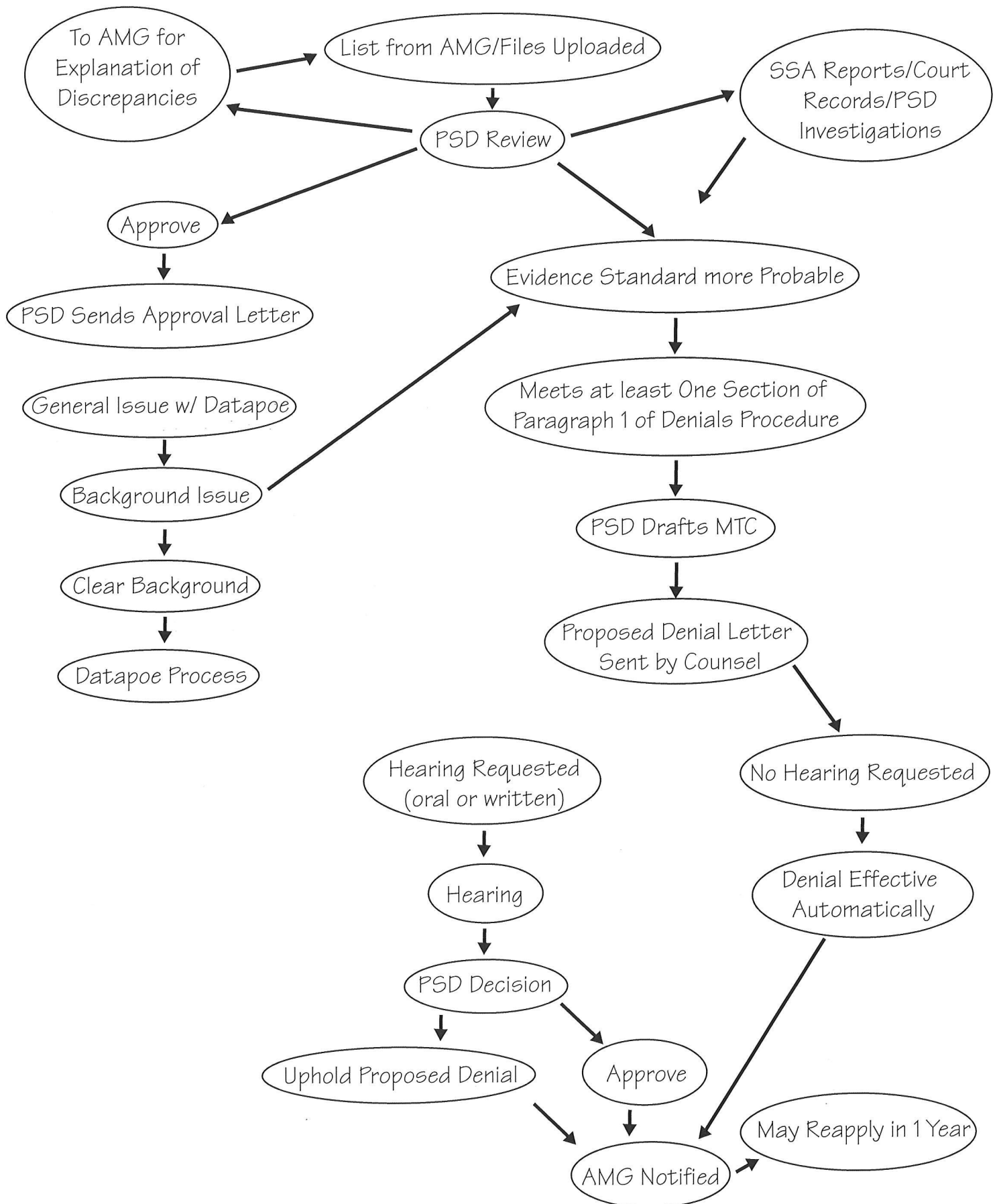
Process for Suspension:

1. By law, only applied to a certificate holder who has been arrested AND charges have been filed for 647(b) or other sex crimes (AMG or PSD have been notified via subsequent arrest notification or city/county notification)
2. MTC drafted by PSD
3. Certification suspended within 6-48 hours
4. Notification made to AMG/ city notification sent out
5. Counsel notifies certificate holder and employer within 10 days
6. Court proceedings tracked by PSD
7. Case disposition occurs
 - A. Acquittal or charges dismissed
 - a. PSD notifies counsel
 - b. Certificate immediately reinstated
 - c. Certificate holder/employer notified by counsel within 10 days
 - d. City notified
 - B. Convicted of charges filed for 647(b) or other sex crime
 - a. PSD drafts permanent Revocation Memo to Counsel
 - b. Counsel sends Proposed Revocation letter to certificate holder within 10 days
 - c. Certificate holder has 15 days to provide evidence that the conviction is invalid or that the information is erroneous
 - d. If no response or not credible information, certificate is permanently revoked
 - e. AMG is notified/ Person cannot re-apply
 - C. Convicted of different charges (not 647(b) or sex crime
 - a. May be subject to regular revocation

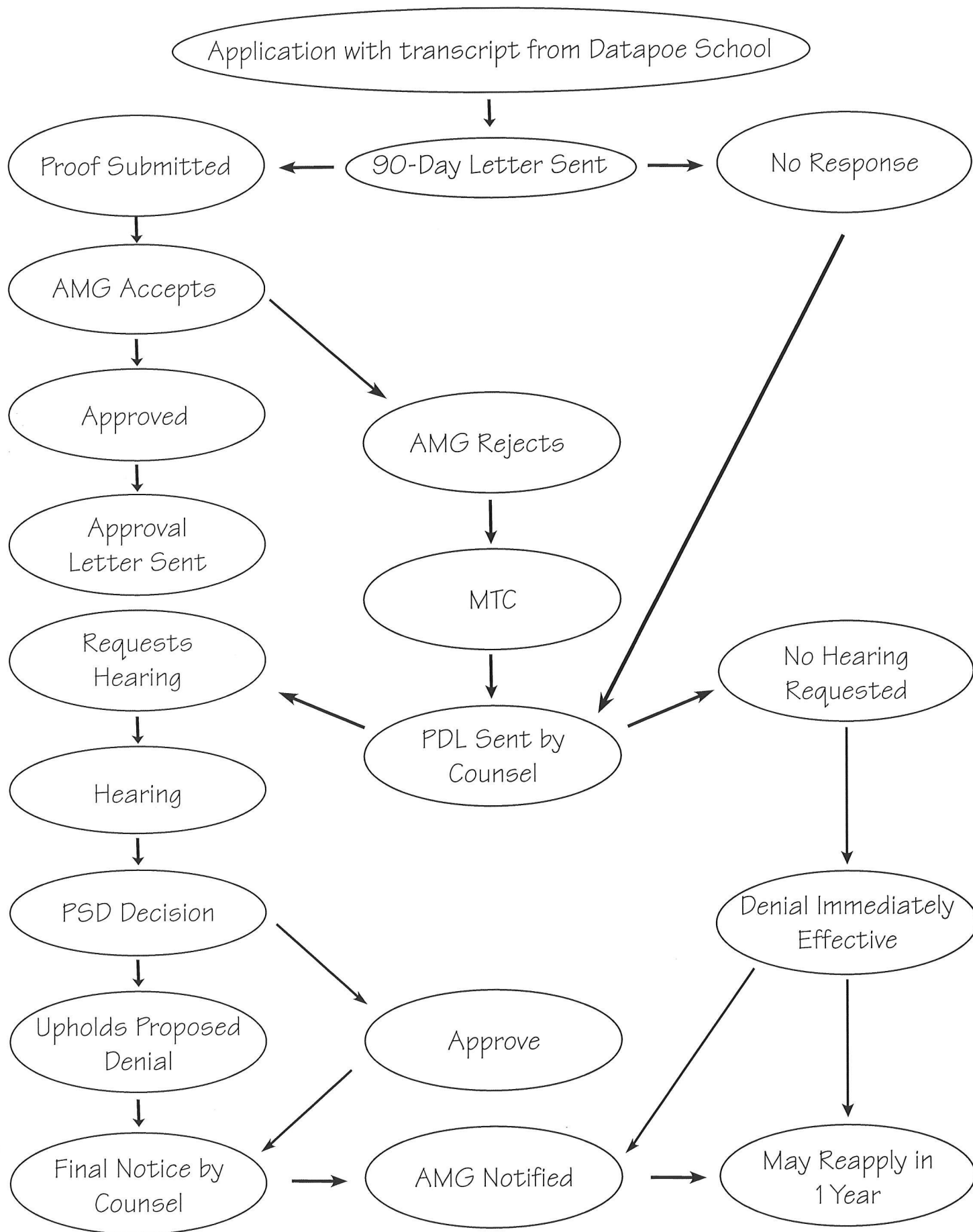
Addendums:

1. Flowcharts for PSD Process for Education, General Background, Suspensions, Revocations
2. Transcript not Proof of Education: 90 days to Present Evidence
3. Education PDL's
4. PSD Review of background issues/ subsequent arrest/city notification
5. General Denial PDL's
6. Grand Total by month
7. Graphs – Number of applications held due to education – Jan – Aug 2011
8. Graphs – Total Monthly PSD expense

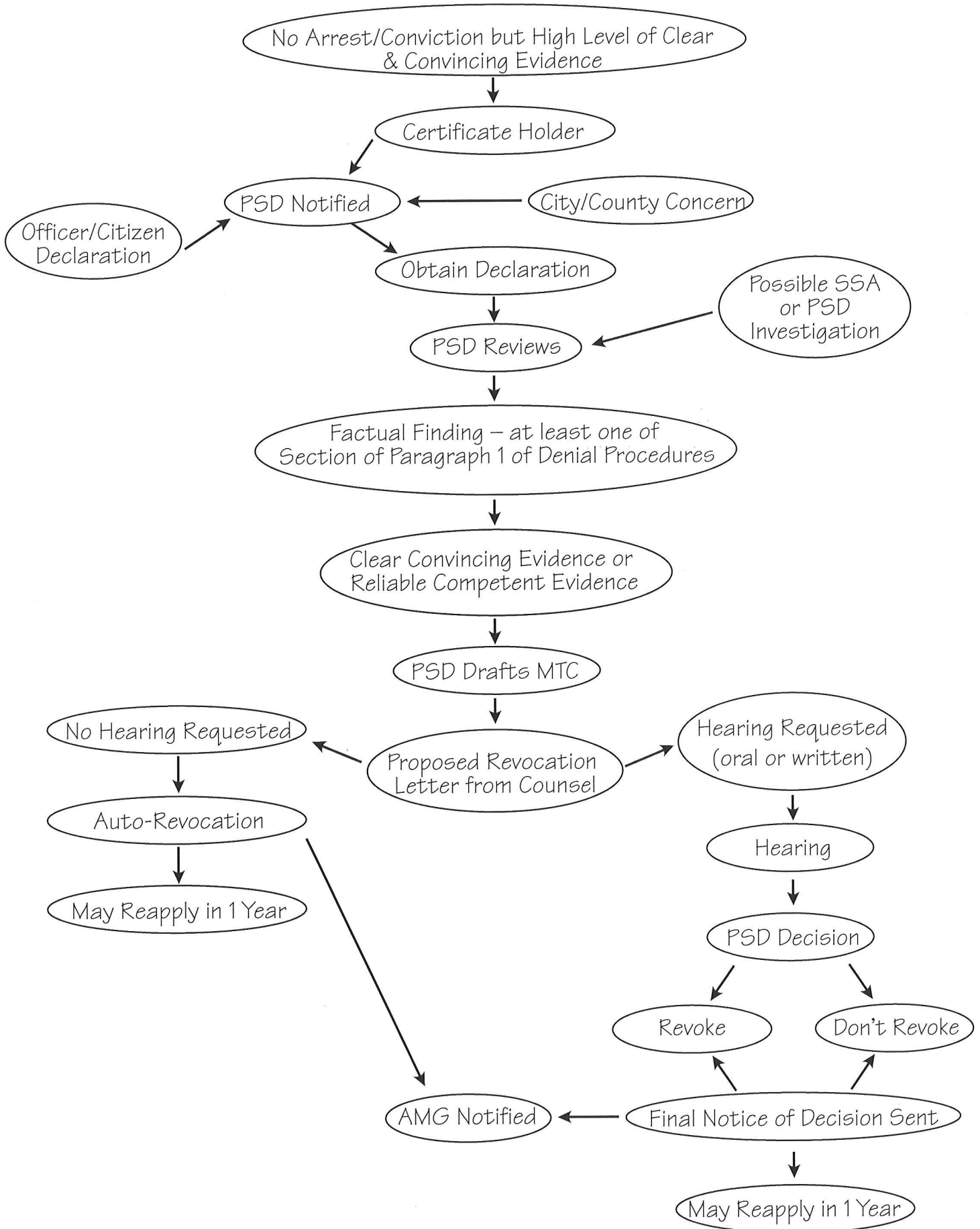
General Denials



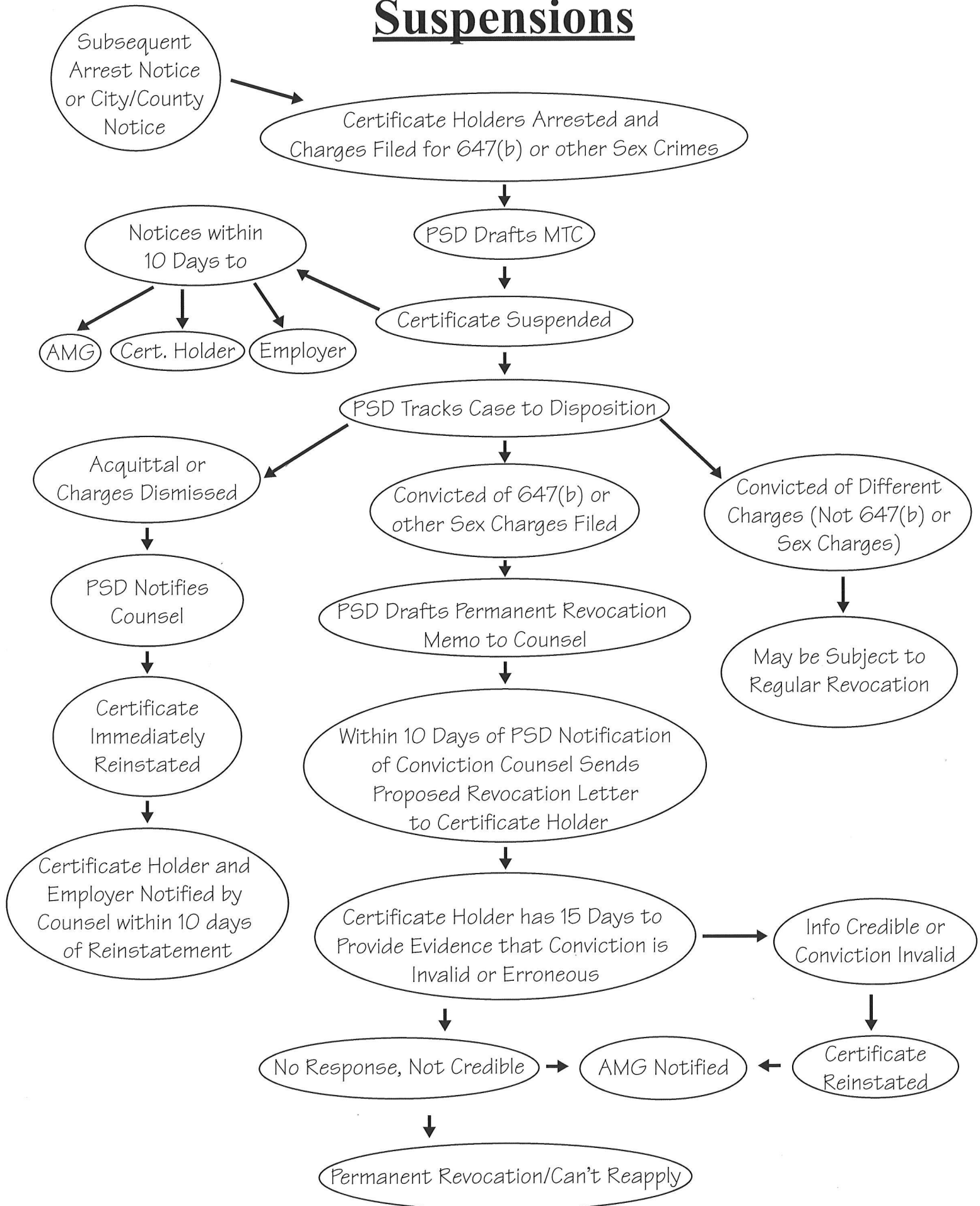
Datapoe



Revocations



Suspensions



TRANSCRIPT NOT PROOF OF EDUCATION: 90 DAYS TO PRESENT EVIDENCE

September 1, 2011

90-DAY LETTER SENT	NUMBER OF 90-DAY LETTERS SENT	EDUCATION-ONLY PROPOSED DENIAL LETTERS SENT	NUMBER OF EDU-ONLY PDLs SENT (Numbers do not include general denial PDLs)	EFFECTIVE DENIAL DATE
February, 2010	15	August, 2010	13	November, 2010
March, 2010	3344	July, 2010 and August, 2010	2711	October, 2010 and November, 2010
April, 2010	30	August, 2010	28	November, 2010
May, 2010	602	September, 2010	330	January, 2011
June, 2010	36	October, 2010	37	February, 2011
July, 2010	522	November, 2010	202	March, 2011
August, 2010	302	December, 2010	186	May, 2011
September, 2010	229	January, 2011	157	June, 2011
October, 2010	115	February, 2011	96	June, 2011
November, 2010	323	March, 2011	203	July, 2011
December, 2010	170	April, 2011	155	August, 2011
January, 2011	195	May, 2011	141	September, 2011
February, 2011	71	June, 2011	54	October, 2011
March, 2011	103	August, 2011	87	November, 2011
April, 2011	73	August, 2011	39	November, 2011
May, 2011	75			
June, 2011	100			
July, 2011	75			
August, 2011	53			
TOTALS	6433		4439	

Note: Applicants who (incorrectly) got 90-day letters in Feb-August will get PDL in later months

90-DAY LETTER SENT – 90 days given for applicants to supply evidence to prove their education for transcripts submitted from schools which we do not accept transcripts as sole proof of education.

NUMBER OF 90-DAY LETTERS SENT – Total number of 90-day letters sent.

EDUCATION-ONLY PROPOSED DENIAL LETTER SENT – Applicants who receive 90-day letter and have not provided compelling evidence to certify in-house will receive a Proposed Denial Letter. PDL's are drafted and mailed by Counsel.

NUMBER OF EDU-ONLY PDLs SENT (Numbers do not include general denial PDLs) – Total number of PDL's sent.

EFFECTIVE DENIAL DATE - Applicants who receive a PDL and have not provided compelling evidence to certify in-house or by hearing will be denied. Each PDL batch has an effective denial date.

Education PDL's							
	January-11	February-11	March-11	April-11	May-11	June-11	TOTAL
Education PDL's sent	157	96	203	155	141	54	806
Hearing Request	71	56	37	47	29	80	380
Oral	28	36	23	20	25	40	204
Written	43	20	14	27	4	40	176
Extension/Rescheduled/Continued	2	2	2	4	1	5	18
Oral	2	1	1	1	0	2	8
Written	0	1	1	3	1	3	10
Approved at Hearing	43	14	15	20	12	37	177
Oral	15	9	9	10	9	18	91
Written	28	5	6	10	3	19	86
Denied/Nullified/Revoked	26	40	20	23	16	38	185
Oral	11	26	13	9	16	20	105
Written	15	14	7	14	0	18	80

Education PDL Projections						
	August 2011 Actual	September-11	October-11	November-11	December-11	TOTAL
Education PDL's	126	55	85	55	35	356
Hearing Request	63	84	50	66	84	347
Oral	37	45	27	36	45	190
Written	26	39	23	31	39	158
Extension/Rescheduled/Continued	1	1	1	1	1	5
Approved at Hearing	35	41	24	32	41	173
Denied/Nullified/Revoked	27	42	25	33	42	169

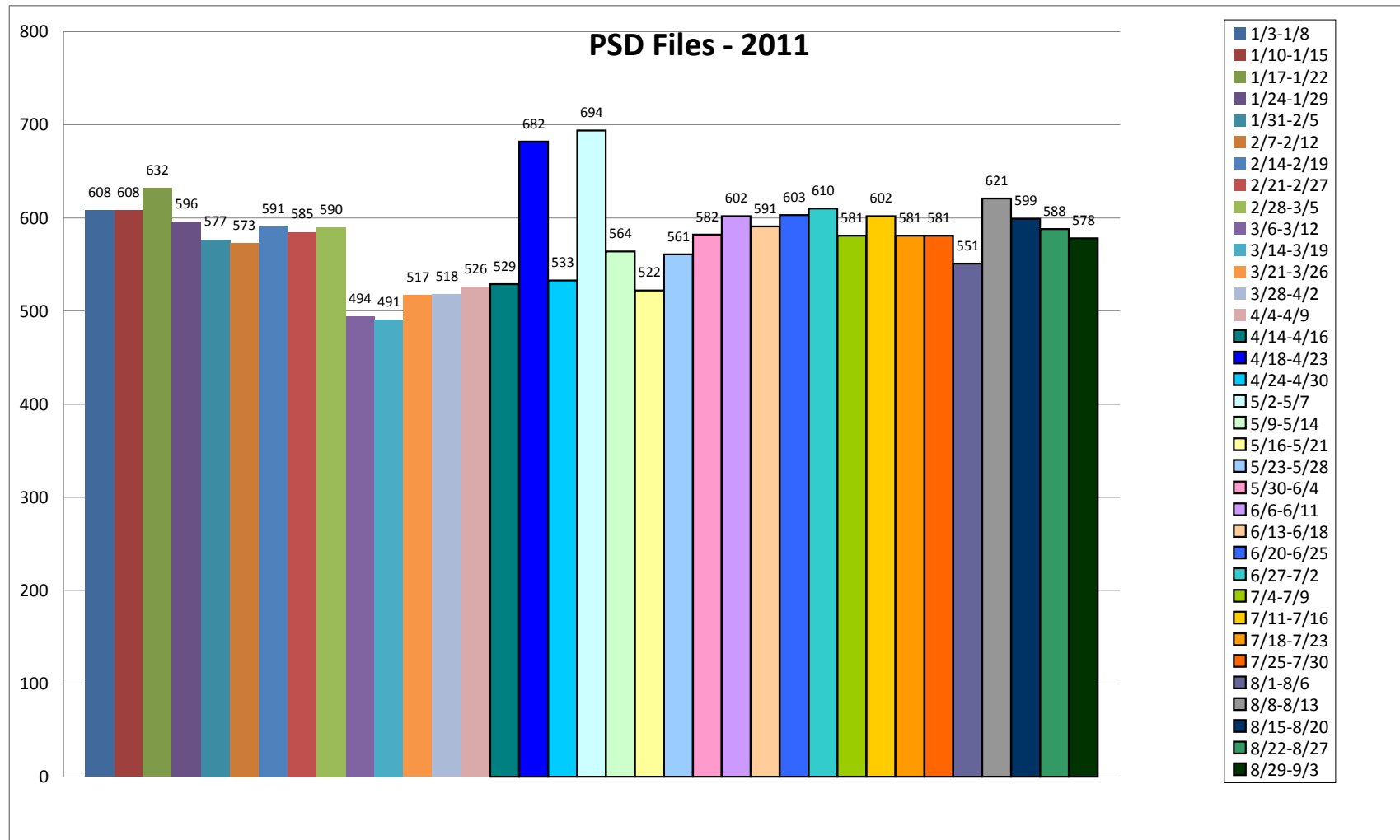
PSD Review of Background Issues/Subsequent Arrest/City Notification								
	January-11	February-11	March-11	April-11	May-11	June-11	July-11	TOTAL
Total CAMTC sent to PSD	273	159	127	110	91	177	133	1070
Cleared/No Action - back to CAMTC for certification	20	15	17	16	6	7	9	90
Sent to SSA	55	19	24	28	12	0	3	141
PSD Follow-up/Investigate	38	33	20	21	15	13	7	147
<i>Kellie</i>	27	22	15	17	14	9	3	107
<i>Tim</i>	11	10	5	4	1	4	3	38
<i>Rick</i>	0	1	0	0	0	0	1	2
Special Projects - <i>Elaine</i>	2	2	2	2	2	2	2	14
LAPD Hold	0	3	2	1	0	2	0	8
Sent back to CAMTC for discrepancy/follow-up	5	2	6	5	11	3	4	36
SSA Report, re-reviewed	11	29	3	8	6	6	2	65
Proposed Education Only General Denial - MTC	14	10	20	5	13	3	1	66
Proposed General Denial - MTC	11	15	6	5	2	1	3	43
Proposed Revocation - MTC	2	4	1	1	1	2	0	11
Proposed Suspension - MTC	1	3	2	0	1	1	2	10

General Denial PDL's								
	January-11	February-11	March-11	April-11	May-11	June-11	July-11	TOTAL
Education Only General Denial PDL Sent	23	37	3	1	0	34	0	98
General Denial PDL Sent	1	9	38	9	0	10	20	87
Proposed Revocation PDL Sent	2	0	0	0	0	0	0	2
Proposed Suspension PDL Sent	4	2	4	4	4	1	8	23
Proposed Nullification PDL Sent	3	3	7	9	28	7	0	57
Hearing Request - Oral	8	7	7	15	4	6	4	51
General Denial	8	7	6	15	3	5	3	47
Revocation	0	0	0	0	0	0	0	0
Nullification	0	0	1	0	1	1	1	4
Hearing Request - Written	2	13	4	4	2	4	1	30
General Denial	1	13	3	3	2	4	0	26
Revocation	1	0	1	0	0	0	0	2
Nullification	0	0	0	1	0	0	1	2
Extension/Rescheduled/Continued	1	1	0	2	0	0	0	4
General Denial	1	1	0	2	0	0	0	4
Revocation	0	0	0	0	0	0	0	0
Nullification	0	0	0	0	0	0	0	0
Approved at Hearing - Oral	7	0	3	4	2	1	1	18
General Denial	7	0	3	4	1	1	1	17
Revocation	0	0	0	0	0	0	0	0
Nullification	0	0	0	0	1	0	0	1
Approved at Hearing - Written	1	1	1	1	0	3	1	8
General Denial	1	1	1	0	0	3	0	6
Revocation	0	0	0	0	0	0	0	0
Nullification	0	0	0	1	0	0	1	2
Denied/Nullified/Revoked - Oral	0	6	4	10	2	5	3	30
General Denial	0	6	3	10	2	4	2	27
Revocation	0	0	0	0	0	0	0	0
Nullification	0	0	1	0	0	1	1	3
Denied/Nullified/Revoked - Written	1	12	3	2	2	1	0	21
General Denial	0	12	2	2	2	1	0	19
Revocation	1	0	1	0	0	0	0	2
Nullification	0	0	0	0	0	0	0	0

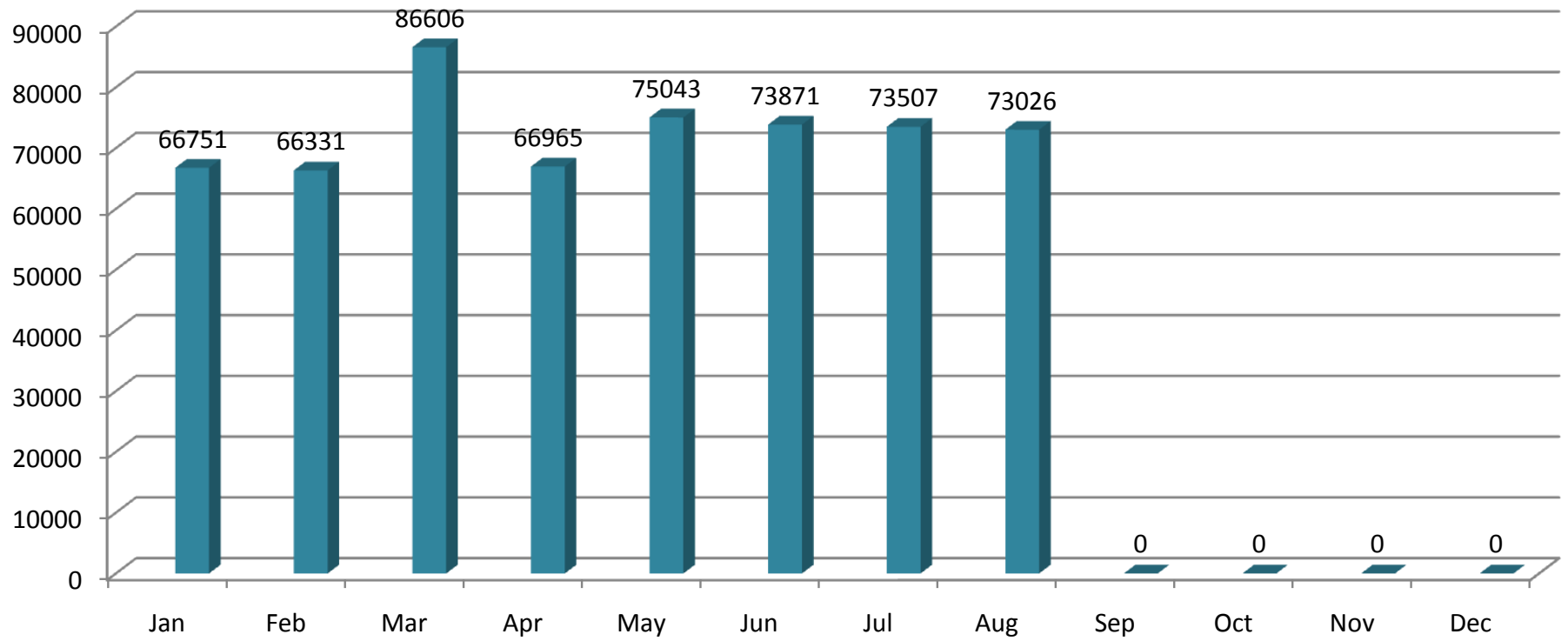
General Denial PDL Projections						
	August 2011 Actual	September-11	October-11	November-11	December-11	TOTAL
Education Only General Denial PDL Sent	0	14	14	14	14	56
General Denial PDL Sent	6	12	12	12	12	54
Proposed Revocation PDL Sent	11	1	1	1	1	15
Proposed Suspension PDL Sent	0	3	3	3	3	12
Proposed Nullification PDL Sent	0	8	8	8	8	32
Hearing Request - Oral	9	9	9	9	9	45
Hearing Request - Written	2	8	8	8	8	34
Extension/Rescheduled/Continued	0	1	1	1	1	4
Approved at Hearing - Oral	6	6	6	6	6	30
Approved at Hearing - Written	1	1	1	1	1	5
Denied/Nullified/Revoked - Oral	3	6	6	6	6	27
Denied/Nullified/Revoked - Written	1	3	3	3	3	13

Grand Totals by Month								
	January-11	February-11	March-11	April-11	May-11	June-11	July-11	TOTAL
Total PDL's	190	147	255	174	173	106	28	1073
Education PDL's	157	96	203	155	141	54	0	806
General Denials PDL's	1	9	38	9	0	10	20	87
Education Only (Background Cleared) PDL's	23	37	3	1	0	34	0	98
Proposed Revocation Letter	2	0	0	0	0	0	0	2
Proposed Suspension Letter	4	2	4	0	4	1	8	23
Proposed Nullificaion Letter	3	3	7	9	28	7	0	57
Total Hearings	81	76	48	66	35	90	65	461
Oral	36	42	29	32	28	43	35	245
Written	45	34	19	34	7	47	30	216
Total Extension/Rescheduled/Continued From Hearing	3	3	2	6	1	5	2	22
Oral	2	2	1	3	0	2	1	11
Written	1	1	1	3	1	3	1	11
Total Approved	51	15	19	25	14	41	38	203
Oral	22	9	12	14	11	19	22	109
Written	29	6	7	11	3	22	16	94
Total Denied	27	58	27	35	20	44	25	236
Oral	11	32	17	19	18	25	13	135
Written	16	26	10	16	2	19	12	101

Grand Total Projections						
	August 2011 Actual	September-11	October-11	November-11	December-11	TOTAL
Total PDL's	143	93	123	93	73	525
Education PDL's	126	55	85	55	35	356
General Denials PDL's	6	12	12	12	12	54
Education Only (Background Cleared) PDL's	0	14	14	14	14	56
Proposed Revocation Letter	11	1	1	1	1	15
Proposed Suspension Letter	0	3	3	3	3	12
Proposed Nullificaion Letter	0	8	8	8	8	32
Total Hearings	73	99	65	81	99	417
Total Approved	42	48	31	39	48	208
Total Denied	31	51	34	42	51	209



PSD EXPENSES - 2011





MEMO

TO: Board of Directors

FROM: Ahmos Netanel, Chief Executive Officer

DATE: September 7, 2011

RE: Feasibility of in-house counsel

Background

Insuring that the financial resources of the organization are well managed is a primary responsibility of the CEO. Aligned with this task is creating an infrastructure that utilizes our available human resources in the most effective and cost efficient manner possible.

To this end, during the July 20, 2011 teleconference meeting, I directed the Board's attention to the significant legal fees incurred by PSD. As it is my opinion that CAMTC cannot sustain an annual legal expense of \$600,000 I informed the Board of my intent to explore alternatives, including contracting the work to a different firm or hiring a staff attorney. While \$600,000 per year in legal fees is a big nut for CAMTC, other California Boards envy it. California Board of Chiropractic Examiners is a good example: with only 14,000 licensees that Board already surpassed \$1,000,000 in legal fees this year, even though they pay only \$150 per hour to the State Attorney General. CAMTC's Board passed a motion authorizing me to explore the feasibility of in-house counsel and report back at the 9/15/11 meeting.

It should be noted that I am committed to maintaining a similar standard of service to what we receive from our current legal team, whose expertise and dedication is well beyond expectation. Clearly CAMTC has benefited greatly from the excellent level of professionalism and genuine care that Jill and Alison bring to their work. In discussion with Jill I have emphasized that consideration of alternatives is purely a matter of cost and sustainability.

Analysis and possible solution

An analysis of the approximately 150 pages of detailed invoices for legal services during the twelve months from September 2010 through August 2011 revealed that we utilize 235 legal hours per month. It can be assumed that this level will not diminish for the remainder of 2011.

Projections for 2012 and beyond should consider a number of factors that may have significant effects on our legal needs. Such factors include but are not limited to:

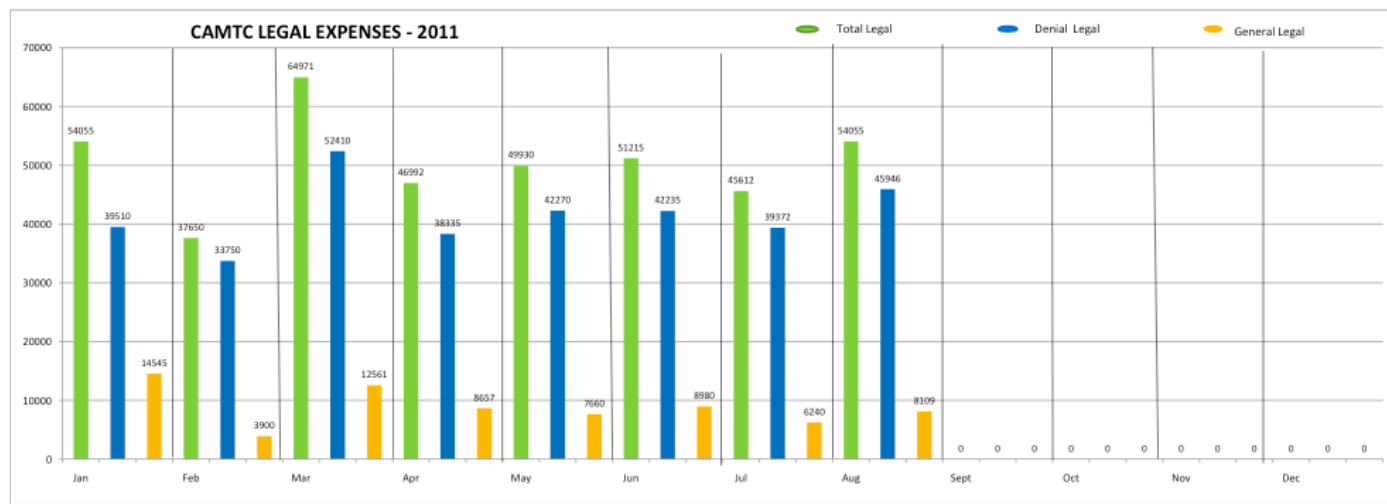
- Increase or decrease in number of initial applications
- Potential changes in policy regarding acceptance of transcripts from certain schools
- Implementation of hearing filing fees
- Increased number of denials of applicants and business owners based on unprofessional conduct as it relates to advertising
- Increased number of denials upon recertification based on workplace advertising practices
- Anticipated roll-out of the declaration form and protocol to all law enforcement agencies
- Aggressive partnership programs with select cities law enforcement programs
- Increase in consumer's complaints and implementation of response protocol
- Possible re-structuring of PSD hearing protocol
- Re-application by those previously denied

Based on policy decisions to be made at the September 15 Board meeting and developments in any of the remaining factors noted above over the next eight weeks, we will be in a better position to make meaningful projections for 2012 when we consider the next years' budget. For the purpose of this memo I'm assuming CAMTC's annualized legal hours to be at 2,800 for the remainder of 2011.

CAMTC's legal work generally falls into one of the following areas:

- General legal
- Litigation
- Non-profit
- Administrative law

Based on current data, we can assume that out of the 2,800 hours mentioned above, 2,400 hours per year (85%) will be needed for PSD's legal work. In my opinion, after being brought up to speed and trained, an experienced in-house administrative lawyer should be able to assume 1,500 hours of legal work per year. This assumes that Alison will be willing to train a staff attorney. With or without her help, the learning curve will be steep as this position is complex and still evolving.



A Deputy Attorney General III typically represents the California Board of Chiropractic Examiners in administrative hearings (See attached specifications). The salary range for such attorney is \$92,184-\$113,736, not including a generous State employee benefit package. Therefore it is reasonable to assume a total annual cost to CAMTC of \$140,000 (including a load factor of employment taxes and benefits). Under such a scenario CAMTC will experience a net annual savings of \$160,000 without losing the institutional memory and expertise of its current legal team. Since Alison's time is currently at maximum, not having an additional lawyer available to help with PSD will require CAMTC to hire an additional prosecutor in case CAMTC gets embroiled in major litigations.

Under such a structure, we will retain Jill England as general counsel at an approximate cost of \$7,000 per month and Alison will handle additional PSD needs and potential litigations.

Recommended action

Authorize the CEO to enter into a discussion with Jill England regarding the hiring of a staff legal counsel. Assuming Jill England is receptive to the idea of collaborating with an in house counsel, authorize the CEO to conduct a search, interview, negotiate a compensation package, not to exceed a total cost of \$140,000 per year and hire and manage an administrative attorney as a W-2 employee of CAMTC as soon as is feasible. I already informed Jill that I'll be making this recommendation to the Board and she is supportive of the concept.

16 s5730
CALIFORNIA STATE PERSONNEL BOARD
SPECIFICATION

DEPUTY ATTORNEY GENERAL

Series Specification

(Established October 22, 1970)

SCOPE

The classes in this series are used in the Office of the Attorney General to perform a wide variety of legal work concerned with representing the State, most of its officers, departments, boards, commissions, and other such bodies before the State and Federal courts and administrative bodies and acts as legal counsel for such agencies and officials; assisting or displacing local district attorneys in unusual situations; preparing pleading and other legal materials for trials, hearings, and other legal proceedings; presenting criminal and civil cases at trial (jury and nonjury); drafting and analyzing legislative measures and regulations; giving legal advice to grand juries, district attorneys, county counsels, officials, and representatives of public agencies on legal problems; performing legal research; writing opinions; and to do other related work. The series includes classes which are primarily nonsupervisory in nature with the exception of the Supervising Deputy Attorney General classification.

Schem Code | Class Code | Class

OC65		5730	Deputy Attorney General
OC60		5706	Deputy Attorney General III
OC50		5705	Deputy Attorney General IV
OC45		5703	Supervising Deputy Attorney General

ALL LEVELS:

Nonsupervisory classes generally perform similar duties. Differences between these classes are essentially in the level of service and expertise incumbents can be expected to provide and in the difficulty of assignments that they receive.

DEPUTY ATTORNEY GENERAL

This is a recruitment class for persons qualified to practice law in the State of California. Incumbents assigned to Range A perform the least difficult professional legal work in the Department of Justice. Based upon the appropriate alternate range criteria, incumbents advance to Range B, C, and D and are assigned progressively more difficult professional legal work. Incumbents assigned to Range D are assigned the more complex and sensitive legal work in this class.

DEPUTY ATTORNEY GENERAL III

Incumbents in this class are well-experienced attorneys who have developed the expertise necessary to capably perform the most complex and sensitive work of the Office of the Attorney General on an independent basis. A Deputy Attorney General III represents and acts as counsel for large State departments, for a group of boards and commissions whose legal work is difficult, and advises district attorneys, county counsels, grand juries, and other public agencies staffed principally by attorneys. Persons in this class are assigned litigation of great difficulty and handle cases that are likely to be appealed to the highest courts. They may act as a leadperson over the work of other attorneys.

16 s5730
DEPUTY ATTORNEY GENERAL IV

Incumbents in this class are the most experienced attorneys who are experts in a broad or specialized area of law and have demonstrated their ability to independently perform assignments consisting of the most complex and sensitive legal work of the Office of the Attorney General and to consistently produce favorable results on these proceedings. A Deputy Attorney General IV represents and acts as counsel for the largest State departments, for a group of boards and commissions whose legal work is exceptionally difficult, and advise district attorneys, county counsels, grand juries, and other public agencies staffed principally by attorneys. Persons in this class are assigned litigation of the greatest difficulty and handle cases that are very likely to be appealed to the highest courts. They may act as leadpersons over the work of other attorneys.

SUPERVISING DEPUTY ATTORNEY GENERAL

This is the working supervisor level. Individuals in this class plan, organize, and direct the work of subordinate attorneys and may supervise both paralegal and/or support staff; evaluate the performance of subordinate staff and take or effectively recommend appropriate action; provide training to subordinate attorneys; interview and select or actively participate in the interview and selection process for subordinate staff; develop strategy and tactics in the most complex disputes or litigation; and may personally perform the most difficult and complex litigation, negotiation, legislative liaison, hearings, legal research, and opinion drafting.

MINIMUM QUALIFICATIONS

All classes require active membership in The California State Bar. (Applicants who are not members of The California State Bar but who are eligible to take The California State Bar examination will be admitted to the examination but

will not be considered eligible for appointment until they are admitted to The State Bar.)

DEPUTY ATTORNEY GENERAL

Membership in The California State Bar. (Applicants must have active membership in The California State Bar before they will be eligible for appointment. Applicants who are not members of The California State Bar but who are eligible to take The California State Bar examination will be admitted to the examination but will not be considered eligible for appointment until they are admitted to The State Bar.)

DEPUTY ATTORNEY GENERAL III

Six years of legal experience in the practice of law in a governmental jurisdiction or in the private practice of law.* (Applicants will be admitted to the examination upon completion of five and one-half years of legal experience, but must complete six years of such experience before they will be eligible for appointment.)

DEPUTY ATTORNEY GENERAL IV

Ten years of legal experience in the practice of law in a governmental jurisdiction or in the private practice of law*, four years of which must have been at a level of responsibility equivalent to Deputy Attorney General III. The four years of experience at the Deputy Attorney General III level must be obtained in California State Civil Service. (Applicants who have completed nine years and six months of the required total legal experience including three years and six months of the required experience comparable to the Deputy Attorney General III class will be admitted into the examination but must complete the required ten years' total legal experience which includes at least

four years of experience at the Deputy Attorney General III level before they will be eligible for appointment.)

SUPERVISING DEPUTY ATTORNEY GENERAL

Eight years of legal experience in the practice of law in a governmental jurisdiction or in the private practice of law*, two years of which must have been at a level of responsibility equivalent to a Deputy Attorney General III. The two years of experience equivalent to the Deputy Attorney General III level must be obtained in the California State Civil Service.

KNOWLEDGE AND ABILITIES

ALL LEVELS:

Knowledge of: Legal principles and their application; professional and ethical rules as they relate to the practice of law and particularly the role of public attorneys, to ensure the rules are strictly followed by oneself as well as other attorneys. Examples include Federal/State statutes, rules (e.g., Rules of Professional Conduct), and case law defining the scope of the attorney-client privilege, and local rules establishing standards of conduct and sanctions for misconduct by attorneys; available research sources, both printed and electronic, to complete legal research, including what type of material they contain, where they are located, and their breadth, depth, and relative strengths and weaknesses. Examples include primary and secondary legal texts, and electronic databases; scope and character of California statutory law and provisions of the California Constitution; principles and practices for properly conducting legal research, such as ensuring law is current and checking for recent amendments to statutes; principles of administrative and constitutional law, rules of evidence, and conduct of proceedings in trial and appellate courts of California and the

United States and before administrative bodies; duties and powers of the Attorney General of California; and the English language practices for properly conducting legal research, such as ensuring law is current and checking for recent amendments to statutes; principles of administrative and constitutional law, rules of evidence, and conduct of proceedings in trial and appellate courts of California and the United States and before administrative bodies; duties and powers of the Attorney General of California; and the English language to effectively produce a variety of written work products. Includes knowledge of grammar, spelling, punctuation, sentence, and paragraph structure, organization, and appropriate vocabulary.

Ability to: Prepare, present, and handle legal cases; perform research; analyze difficult and complex legal problems, and apply legal principles and precedents to particular sets of facts; present statements of facts, law, and argument clearly and logically in written and oral form; analyze and draft proposed legislative measures; handle difficult legal correspondence; direct the work of clerical and professional assistants; edit written documents written by oneself, as well as those produced by others, for accuracy and effectiveness; analyze situations accurately and adopt an effective course of action; reason logically; work cooperatively with a variety of individuals and organizations; and exercise good judgment.

A greater degree of these "Knowledge and Abilities" is required at each higher level.

SUPERVISING DEPUTY ATTORNEY GENERAL

Knowledge of: In addition to the above, applicable collective bargaining agreements and related issues; State and department policies and procedures; disciplinary guidelines and personnel rules; and a supervisor's responsibility for promoting equal opportunity in hiring and employee development and

promotion, and for maintaining a work environment that is free of discrimination and harassment.

Ability to: Plan and direct the work of subordinate staff, and effectively supervise the work of a group of attorneys and paralegal and support staff; review and monitor cases for efficient and effective progress; initiate and review personnel matters; and effectively promote equal opportunity employment and maintain a work environment that is free of discrimination and harassment.

SPECIAL PERSONAL CHARACTERISTICS

ALL LEVELS:

Honesty, integrity, reliability, fair, and conscientious.

CLASS HISTORY

Class Changed	Date Established	Date Revised	Title
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Deputy Attorney General	03/25/1986	05/02/2006	--
Deputy Attorney General III 03/17/1976	04/08/1944	05/02/2006	
Deputy Attorney General IV 03/17/1976	10/22/1970	05/02/2006	
Supervising Deputy Attorney General	05/02/2006	04/06/2010	--

ALTERNATE RANGE CRITERIA 225

Experience gained outside of State service may be credited only if the appointing power believes the experience was satisfactory and comparable in type and quality to that of a Deputy Attorney General.

When the requirements for the particular criteria are met and upon recommendation of the appointing power, the employee shall receive a rate under the provisions of Section 599.676.

Range A. This range shall apply to individuals who are active members of The State Bar of California and who do not meet the criteria for payment in Range B, C, or D.

Range B. This range shall apply to individuals who are active members of The State Bar of California and who, in addition, have satisfactorily completed one (1) year of legal experience in the practice of law in a governmental jurisdiction or in the private practice of law.* Evidence of such experience may be in the form of a work record of legal experience inside or outside State service.

Range C. This range shall apply to individuals who are active members of The State Bar of California and who, in addition, have satisfactorily completed two (2) years of legal experience in the practice of law in a governmental jurisdiction or private practice of law.* Evidence of such experience may be in the form of a work record of legal experience inside or outside State service.

Range D. This range shall apply to individuals who are active members of The State Bar of California who, in addition, have satisfactorily completed four (4) years of legal experience in the practice of law in a governmental jurisdiction or private practice of law.* Evidence of such experience may be in the form of a work record of legal experience inside or outside State service.

* Experience in the "practice of law" or "performing legal duties" is defined

as (1) only that legal experience acquired after admission to The Bar, or (2) experience as a judicial clerk for a Federal court, California state court, or another state's appellate court of last resort. For an individual's judicial clerkship to qualify as experience in the "practice of law" or "performing legal duties", the experience must have been gained after receipt of a Juris Doctor or equivalent degree.



Memo

To: Ahmos Netanel
From: Connie Payne
Date: 9/14/2011
Re: Certification Expenses – [Follow up](#)

In summary the following has been done to address the increase in the costs from 2010 to 2011.

1. A complete audit of the billing for 2011 and 2010 to be done by the vendor

Both AMG and Corporate Image completed an audit of both years and determined that yes the rates had in fact increased due to the decision of the CCO to send out more batches weekly with less certificates in each batch and other items as stated in #5.

2. A pricing sheet be provided to CAMTC to eliminate questions on future billing

Attached is a new price sheet provided by our vendor to accommodate all files sizes and all material that has been added to the packet over time.

3. Staff will send batches that include no less than 100 and preferably 200 or more and reprints or upgrades will be included in certification batches to eliminate batches of less than 100.

Staff had already implemented this policy back in July when we discovered that it was much more efficient to increase the size of the files and sending small batches everyday was not only hard to manage but expensive.

4. Our vendor, Corporate Image has suggested that we have flat rate pricing that includes everything but postage and sales tax. Below is the recommended grid for your review.

*Corporate Image has provided a new price sheet as stated above and it **will not** be done on a flat rate basis.*

5. The reasons for the increase in the cost of the certificate packet were:

A. Reduced file size

B. Increase of materials included

C. Request by CAMTC for a postage report with each invoice (cost for USPS report \$10 each mailing)

D. Increase of postage cost from \$.55 to \$.71 which is a 30% increase in the postage expense. The postage rates stated represent Corporate Images rate of 500 piece mailings which CAMTC would not qualify for unless we held our mailings and did them every other week. CAMTC mailing of standard first class would be \$1.48 per packet.

	Print Cert &	Color ID	Watermark	Services	Buck Slip	Police Req	Police Req	Meter	File Fee	Post Rpt	Total	Postage	Total
	Welcome Let					Letter	Insert	Services	(1) \$30	\$10			Cost
200	\$ 0.20	\$ 0.59	\$ 0.15	\$ 0.49	\$ 0.10	\$ 0.20	\$ 0.10	\$ 0.15	\$ 0.15	\$ 0.05	\$ 2.13	\$ 0.72	\$ 2.85
100	\$ 0.59	\$ 0.99	\$ 0.15	\$ 0.49	\$ 0.10	\$ 0.20	\$ 0.10	\$ 0.15	\$ 0.30	\$ 0.10	\$ 3.07	\$ 0.72	\$ 3.79
50	\$ 0.99	\$ 1.49	\$ 0.15	\$ 0.49	\$ 0.10	\$ 0.20	\$ 0.10	\$ 0.15	\$ 0.60	\$ 0.20	\$ 4.27	\$ 0.72	\$ 4.99
10-49	\$ 1.49	\$ 1.99	\$ 0.15	\$ 0.49	\$ 0.10	\$ 0.20	\$ 0.10	\$ 0.15	\$ 1.20	\$ 0.40	\$ 5.87	\$ 0.72	\$ 6.59

CAMTC ACCOUNTING PROCEDURES

9/12/11DRAFT

AUTHORIZED PURCHASES

Authorized Purchases:

The Board will establish a miscellaneous/contingency item as part of future annual budgets. The CEO is authorized to approve purchase of goods and services for amounts up to the amount budgeted in this item. No payee will be paid more than \$5,000 from this item in the fiscal year (even if paid in multiple checks) for goods and services unless pre-approved by the Board.

BUDGET OVERSIGHT

Approved Budget line items:

The annual board approved budget is to be maintained and monitored by AMG's accounting manager. All budget lines are to be monitored monthly to insure that purchases are not in excess of the budgeted amount. If an approved budget has been spent prior to the allotted time for the budgeted item by 75% or more the AMG accounting manager will notify the CEO to discuss what the recommendation will be for future expenditures for the budget line item. The CEO may approve continuing with expenditures in excess of the budget to assure operations are not effected, until the next board meeting when official approval to raise the budget can be discussed.

Pre-purchase review of budget limits

Requests for purchases that are unusual in amount or quantity (i.e., unexpected need for a large quantity of office supplies due to a surge in applicants) should include a notation from the accounting manager indicating whether the purchase is within that month's budget. This statement should take into account any previously approved purchases in the accounting period. Such purchases that exceed budget but are of urgent need can be approved by the CEO, the Operations Manager, or the GR/Special Projects Manager. This protocol should be limited to unusual circumstances.

Consulting Services

Consultants used frequently by CAMTC are uniquely able to alert the organization when services requested of them in a specific month will exceed established amounts. Contract amendments should be sent to personal service vendors having signed contracts with anticipated annual costs in excess of \$ 60,000. The amendments should include the specific monthly budget amounts, and request that the consultants cease work and contact CAMTC for approval before the monthly limit is exceeded.

CASH DISBURSEMENTS

Accounts Payable:

When an invoice is received, AMG:

- a) reviews the invoice for accuracy
- b) attaches the corresponding budget code to the invoice & an explanation of the expense
- c) cuts a check
- d) scans copies of the invoice, check, check register, and invoice distribution report and sends to CEO or and Treasurer. CEO and Treasurer reply to AMG with email authorization for check run and copies of these emails are attached to invoice packet as proof of authorization. Hard copies of checks along with addressed, stamped envelopes are sent via Fed Ex to Treasurer. Treasurer signs checks and mails checks in addressed, stamped envelopes.

Reimbursements:

Requests for reimbursement must be submitted with an expense report form and supporting documentation. See “Non-Staff Expense Reimbursement Policy” and “Staff Expense Reimbursement Policy” for more details. Non-budgeted expenditures for amounts above \$5,000 must be pre-approved by the Board. When submitted, they should be processed according to the procedures outlined in Accounts Payable (see above).

Check Writing Procedure:

AMG:

- a) prepares the laser-printed checks from inventory stored in a safe,
- b) posts the A/P to the General Ledger
- c) scans invoices to CEO and Treasurer and sends the batch of checks to Treasurer.

The CEO:

- a) reviews the checks for accuracy
- b) reviews the coding on checks
- c) authorizes check run via email

The Treasurer:

- a) reviews the checks for accuracy
- b) authorizes check run via email
- c) signs the checks
- d) mails checks

AMG:

- a) reviews the email authorization for coding adjustments and/or comments by the CEO or the Treasurer,
- b) for checks with adjustments and/or comments, AMG implements the requested adjustments, and
- c) attaches stub and files the paid invoices, by vendor name, in the paid invoices file.

CAMTC checks require 2 authorizations and 1 signature for checks under \$10,000. All checks over \$10,000 require 2 signatures and 2 authorizations. CEO, Treasurer, Chairman and the Vice Chair also all authorized to sign checks. Treasurer should be the first person asked to sign checks, followed by CEO, Chairman, Vice Chair. No one can sign a check payable to himself/herself.

Voided Checks:

In the event a check is voided, the following procedures must be followed:

- a) the hard copy is marked “void” over the signature line
- b) the check is voided in the General Ledger
- c) the voided check is filed with the other processed checks.

If the check is to be replaced, the paid invoice is pulled from the paid invoice file, the check stub is marked accordingly, and the check stub from the replacement check is attached with a notation about why the original check was replaced.

Employee Payroll:

On a monthly basis, AMG will utilize payroll system to process payroll for CAMTC employees.

RECONCILIATIONS AND FINANCIAL REPORTS

Monthly/Quarterly

Reconciliation of the monthly bank statement

Usually rec'd on or about the 15th of the following month

Upon receipt AMG:

- a) reconciles the statements to the General Ledger activity for the period, and
- b) posts the interest earned and any adjustments as necessary.
- c) gives the reconciliation packet and financial statement to the Treasurer, CEO

AMG:

- a) follows up on any checks that have not cleared within 90 days.

Treasurer:

- a) prepares a summary of financial statements and total value of current assets for Board review.

Annually

Annual Audit or Review

An annual audit is performed each year, after the close of the fiscal year.

AMG prepares the required files, journals, and reports for review by the authorized auditor

The CEO and AMG work with the field auditors, completing checklists, answering questions, and providing additional data and documentation as requested.

Year End Financial Report:

The CEO will review the draft of the Year-end Financial Report prepared by AMG, discuss any adjustments that may be necessary, and send a draft copy to the Treasurer from the fiscal year in the report and a draft copy to the current Treasurer (if different person) for review.

When the former & current Treasurers (if different people) approves the draft Year-end Financial Report, the CEO notifies AMG, who forwards finalized Report to be included in the Board packet for final approval by the Board of Directors.

Year End Financial Report - Capitalization Policy:

Fixed assets with useful lives over three years that amount to more than \$1,000 will be capitalized. Items under \$1,000 are deemed to be immaterial and will be recorded as an expense.

IRS Form 990 (Return of Organization Exempt from Income Tax):

Before April, the auditor prepares the IRS Form 990 and sends it to the CEO for review. The CEO then sends Form 990 to the Treasurer (from the year covered by the 990) for signature. AMG to make 2 copies of the signed Form 990 and mails the original signed Form 990 "return receipt requested" to the IRS Service Center.

IRS Form 990 is due by the 15th day of the 5th month after an organization's accounting period ends. Since CAMTC's accounting period ends on December 31, the Form 990 is to be filed with the IRS by May 15th.

Annual Corporate Filing Report:

Each year, AMG completes the Annual Corporate Filing Report for the State of California, submits a copy of the invoice in order to prepare the filing, and mails the completed form and check to the appropriate state agency.

Annual Operating Budget:

In January of each year, the CEO, in conjunction with the Treasurer and AMG, develop the proposed Annual Operating Budget. The CEO presents the proposed Annual Operating Budget to the Board of Directors as soon as the Board has approved the Year-end Financial Report for the prior year.

