



CAMTC Board of Directors Meeting
November 9, 2010
Radisson Los Angeles Airport Hotel
6225 West Century Blvd.
Los Angeles, CA

OPEN SESSION MINUTES

In attendance

Directors: Bob Benson, Pamela Blackburn, Judi Calvert, Mark Dixon, Ben Drillings, Keith Grant, Michael Marylander Beverly May, Roberta Rolnick, Michael Schroeder, Paul Schwinghamer, Joe Bob Smith, Dixie Wall

Directors Absent: William Armour

Staff: Ahmos Netanel, CEO; Jill Epstein, COO

General Counsel: Jill England

1. Call to Order/Welcome

Chairperson May called the meeting to order at 9:40am.

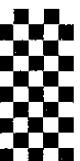
2. Seating new Board Member

Director Judi Calvert introduced Pamela Blackburn as the new Board appointee from Hands On Trade Association. Ms. Blackburn was invited to be seated at the Board table as a voting member of the Board.

Director Bob Benson asked Ms. May about the committee that was convened to solicit new Board members and Ms. May deferred to Director Mike Schroeder to respond. (Mike Schroeder was not yet in attendance at this time.)

3. Approval of Minutes

Motion (1): Dixon/Rolnick – Approve the minutes as presented.



Motion APPROVED, 9-0; Marylander and Blackburn abstained (Joe Bob Smith and Mike Schroeder were not present for this vote).

4. Treasurer's Report

Resolution of differing check signing policies: COO Jill Epstein reported that when the Board voted in September, 2010, to adopt a new threshold for requiring 2 signatures on checks, the Board was not aware that this policy was in direct contrast to the policy that was adopted in April, 2010. Ms. Epstein presented the history from April and September.

Motion (2): Schwinghamer/Marylander – Maintain \$10,000 as the threshold for requiring two signatures on checks (current policy as of September, 2010).

The Board discussed whether this threshold created a burden for staff and for the Treasurer. Ms. Epstein agreed to bring this issue to the Board in the future if the \$10,000 threshold for two signatures becomes an issue.

Motion WITHDRAWN.

Motion (3): Benson/Grant – Board grants an exception to the policy for monthly checks exceeding \$10,000 payable to AMG.

The Board agreed that the AMG fee is set and approved in the budget. Other vendor fees that exceed \$10,000 will vary and, thus, no other exception was appropriate.

Motion APPROVED, 12-0 (Mike Schroeder was not present for this vote.)

Investment Recommendations: COO Jill Epstein reported that CAMTC funds are now invested in an FDIC vehicle called the Certificate of Deposit Account Registry Services (CDARS). The CDARS service places CAMTC funds into CDs issued by other members of the CDARS network in increments below the FDIC insurance maximum so both principal and interest are FDIC insured. Ms. Epstein reviewed the investment strategy and maturity dates that she and Treasurer Mike Marylander developed, which provide for half of CAMTC's assets to be liquid every two weeks.

Treasurer Report: Treasurer Mike Marylander reported that expenses are slightly higher than budget, with the biggest variance in legal fees. He noted that, overall, the CAMTC cash position is healthy. The weekly average of new applications received is slightly lower than previous months, though an anticipated decline from earlier months has been accounted for in the recently approved budget.

5. COO Report

COO Jill Epstein reported on the following areas: cities, IT, CCMP, AMG, applicants from schools whose transcripts are not accepted as sole proof of education, and Professional Standards Division

Cities: Ms. Epstein reported that an email blast was sent to city contacts introducing Ms. Epstein as the COO and the main contact for information about applicants and the denials process. Ms. Epstein also reported that she joined Ahmos Netanel in a presentation for CMRTA members.

IT: Ms. Epstein reported on the updates to the database and the website. Director Paul Schwinghamer added that he would like to see BPPE connected to CAMTC on school issues and information exchanged between the organizations.

Motion (4): Schwinghamer/Rolnick – Provide BPPE with password protected interface to access school information posted on CAMTC website.

Motion Amended: Schwinghamer/Rolnick: Investigate a process to communicate with BPPE and share information regarding schools operating outside the law.

Motion APPROVED, 12-0 (Mike Schroeder was not present for this vote.)

CEO Ahmos Netanel added that he will be meeting with the head of BPPE and DCA in coming weeks to discuss enhanced communication.

CCMP: All 18 CCMP certificate holders that had been approved in September and October, 2009, have provided proof of continuing education, per the CCMP requirements.

AMG: Ms. Epstein reported that she continues to participate in AMG weekly staff meeting and travel to AMG offices twice a month. Staff is working on a comprehensive procedures manual.

Applicants from schools whose transcripts are not accepted as sole proof of education: October showed a drop in the number of applicants from these schools. Ms. Epstein reviewed the status of the 2696 people who received proposed denial letters in July, 2010, with effective denial dates of October 21, 2010. Ms. Epstein commended the incredible team effort between AMG, Jill England's staff, and PSD, who worked tirelessly to schedule and respond to thousands of emails and adjudicate more than 200 hearings and written statement considerations.

Professional Standards Division: PSD spent September and October holding hearings usually twice a week. PSD staff is now finding one day a week to hold regular meetings to review backgrounds. PSD hopes to review 500 background files before the end of the year.

6. CEO Report

CEO Ahmos Netanel reported on the following areas: legislation, law enforcement, local government, fraudulent schools, customer service, Board composition, and applications.

Legislation: Mr. Netanel extended his congratulations to the Board on the legislative accomplishments in 2010. He recognized AMTA-CA, Aaron, Reed and Associates, and ABMP's lobbyist and the entire massage community for contributing to the positive outcome. Director Roberta Rolnick thanked Ahmos Netanel, Beverly May, Mark Dixon for their extraordinary efforts and thanked Jill England for her advisory role.

Mr. Netanel added that there is already work underway for clean-up legislation in 2011 and the Board will need to discuss (at a future meeting) the role that CAMTC will play in the process.

Law Enforcement: Mr. Netanel seeks to recalibrate the relationship with the CA Police Chiefs Association and is reaching out to the leadership to invite them, as always, to work together. CAMTC has reserved a booth at the CA Police Chiefs trade show in February, 2011.

CAMTC is planning a "Best Practices" symposium in October, 2011, for a law enforcement audience.

Local Government: Mr. Netanel reported seeing a slew of local ordinances and moratoriums designed to skirt SB 731. He will be working with local governments to educate them about CAMTC and gain widespread acceptance of the CAMTC certificate.

Schools: Mr. Netanel noted he will be meeting with BPPE and hopes that they will handle investigations into schools that are reported to be selling transcripts.

Customer Service: Mr. Netanel observed that the service level is improving, but still needs work.

Board Composition: Mr. Netanel has reached out to the League of Cities, CSAC and DCA to identify people interested in serving on the CAMTC Board.

Applications: Mr. Netanel believes that the hostile legislation, delays in processing applications, and issues with cities recognizing CAMTC caused the drop in applications in recent months. With these issues being addressed and/or resolved, it is expected that the number of applications will increase in the near future.

7. 2011 Budget

CEO Ahmos Netanel presented the proposed budget, assumptions, and priorities, which were based on input from Board members. Mr. Netanel reviewed the priorities and noted that \$170 application fee (and \$125 renewal fee) would be necessary to cover the proposed expenses and end with a balanced budget.

Motion (5): Dixon/Blackburn -- Accept the proposed budget for 2011.

There was some discussion on various items in the budget proposed by Mr. Netanel. Director Bob Benson expressed his concerns with some key areas in Mr. Netanel's budget and presented an alternative budget for consideration.

Substitute Motion: Benson/Schroeder -- Substitute the budget proposal submitted by Bob Benson, which reflects an application fee of \$150 and a renewal fee of \$150.

Vice Chair Paul Schwinghamer opened the floor for public comment. The guests in attendance voiced their support for a \$150 application fee and \$150 renewal fee.

Motion (6): Schroeder/Rolnick -- Separate the fee discussion from the Benson/Schroeder substitute motion from the balance of the budget discussion.

Motion APPROVED, 13-0

The Board discussed pros/cons for maintaining the existing fees.

Substitute Motion: Benson/Schroeder -- Substitute the budget proposal submitted by Bob Benson, which reflects an application fee of \$150 and a renewal fee of \$150 -- FEE ONLY VOTE, per Motion (6)

Substitute Motion (fee only) APPROVED, 12-0; May abstained.

Amendment to remaining portion of Substitute Motion: Schroeder/Grant -- Amend proposal submitted by Bob Benson to:

- add \$92,000 contingency for "Legal -- Defense"
- reduce budget to \$0 for "Legal -- Cities" for January-April
- reduce budget for \$0 for "Other Outreach/Marketing" for September and November
- reduce budget to \$32,500 for "Website development and maintenance"
- reduce budget to \$28,000 for "Local Government/CPCA"

Motion (7): May/Marylander -- Split Schroeder/Grant amendment into two pieces.

Motion APPROVED, 11-2; Schroeder and Grant opposed.

Add \$92,000 contingency for "Legal-Defense".

APPROVED, 10-1; Schroeder opposed, May abstained.

Accept all other cuts as proposed in the Schroeder/Grant amendment.

APPROVED, 8-5; Rolnick, May, Dixon, Smith, Schwinghamer opposed.

Amendment to Substitute Motion: Schroeder/Benson -- Amend the motion as follows:

- restore PSD salaries to figures reflected in Mr. Netanel's proposed budget
- create a "Temporary Senior Management Salary -- Contingency" line of \$90,000. Expenses subject to Board approval of a specific Senior Staff proposal in early 2011 which defines the roles and length of terms and presents the candidate(s). Board must specifically approve expenses before funds can be spent.

Friendly Amendment – Schwinghamer, accepted by Benson – Separate “Database Maintenance” and “Database Development” from “Other G+A”.

Substitute Motion (all non-fee revenue and expenses) APPROVED, 13-0.

Motion (8): Schroeder/no second: End debate on the 2011 budget.

NO VOTE

Motion (9): Dixon/Marylander – Adjust projected new application to 1250 per month for 2011.

Motion APPROVED, 12-0; May abstained.

Friendly amendment to Substitute Motion – Rolnick: Add line item for media/crisis communication.

WITHDRAWN

Motion (10): Schroeder/Schwinghamer – End debate on 2011 budget.

Motion APPROVED, 13-0.

Substitute Motion, with all amendments in place of budget presented by Mr. Netanel
APPROVED, 12-0; May abstained.

8. Closed session with CAMTC legal counsel pursuant to Gov Code Section 11126(e)
Chairman May called the meeting into closed session at 3:20pm and returned to open session at 4:00pm.

9. Conditional CMP (CCMP)

Chairman May reported that applicants are submitting transcripts with 100 hours of massage education from approved schools which are not approved for 100 hour programs.

Motion (11): Grant/Rolnick - Upon advice of counsel that, acting pursuant to Section 4604(a) of SB 731, CAMTC has the discretion to grant or not grant a conditional massage practitioner certificate to individuals meeting one or more of the criteria set forth subsequently in that Section, the CAMTC Board of Directors directs staff effective, January 31, 2011, not to accept credentials from applicants seeking a conditional certificate under Section 4604(c)(1) for education completed after March 15, 2010 from approved schools whose programs are not specifically approved either by the Bureau for Private Postsecondary Education or previously by the Bureau for Private Postsecondary and Vocational Education. This restriction shall remain in force through May 31, 2011 to provide the Board of Directors and its staff adequate time to

assess whether education secured through emerging new programs satisfies the Board's responsibilities set forth in Section 4601(g)(1).

Applicants submitting 100 hours from an approved program from a school whose transcripts are not accepted as sole proof of education will be required to provide additional proof of education. Motion APPROVED 9-0; Smith, Schwinghamer, Drillings abstained. (Judi Calvert was not present for this vote.)

10. Transcripts and other evidence from closed schools

There was discussion about whether the current policy on reviewing transcripts from closed schools reflects the intention of the Board when the policy was adopted.

Motion (12): Schroeder/Benson – The Board delegates responsibility to the Chairman to develop a scorecard to evaluate compelling evidence of education when the transcript is from a school that is now closed. The Board will ratify this scorecard at the next meeting and staff may apply it in the interim.

Motion APPROVED, 12-0. (Judi Calvert was not present for the vote).

11. Records Retention Policy

Motion (13): Schroeder/Benson – Secretary of State statements of information shall be retained permanently.

Motion APPROVED, 12-0. (Judi Calvert was not present for the vote).

12. Management/Staff needs for 2011

Motion (14): Schroeder/Wall – The Board delegates responsibility to the Chairman to prepare a policy on executive staff reviews and compensation adjustments. The Board will review this policy at the next meeting.

Motion APPROVED, 11-0; May abstained. (Judi Calvert was not present for the vote.)

13. Outreach Committee

Committee Chair Roberta Rolnick directed the Board to the written report and noted that the Committee has been meeting regularly.

Motion (15): Rolnick/Smith – Add an additional \$10,000 to the 2010 budget to allow for the preparation of a mailer, brochure, and poster to accompany 2011 presentations and trade shows.

WITHDRAWN – Motion would be an amendment to the 2010 budget and that was not noticed on the agenda.

Motion (16) Schroeder/Grant – Authorize the Outreach Committee to proceed with planning and production of collateral materials to accompany 2011 presentations and trade shows and code it as a 2011 pre-paid expense.

Motion APPROVED, 11-0; May abstained. (Judi Calvert was not present for the vote).

19. Public Policy and Local Government Committee (PPLG)

There was discussion on whether CAMTC should advocate that cities mandate CAMTC certification and discussion on the establishment part of SB 731.

Motion (17): Schwinghamer/no second: In 2011, remain neutral on encouraging cities to mandate CAMTC certification, but provide assistance to cities that chose to go this route.

WITHDRAWN

Motion (18): Schroeder/Grant – Table discussion of cities mandating CAMTC certification and establishment issues from SB 731 until next meeting.

Motion APPROVED, 12-0. (Judi Calvert was not present for the vote).

20. Next Meeting

The next meeting will be Tuesday, January 18, 2011. Location TBD.

21. Adjourn

Meeting was adjourned at 5:00pm

Minutes Approved: January 18, 2011



Ben Drillings, Secretary