



CALIFORNIA
MASSAGE THERAPY
COUNCIL

Board of Directors Meeting

AGENDA

September 11, 2019

Hilton Garden Inn Los Angeles

Marina del Rey, CA



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MISSION STATEMENT

California Massage Therapy Council's mission is to protect the public by certifying massage professionals in California that meet the requirements in the law and approving massage programs that meet the minimum standards for training and curriculum.

California Massage Therapy Council

Board Members

Mark Dixon, Chairman, Appointed by American Massage Therapy Association, California Chapter

Jeff Forman, Vice Chair, Appointed by the Office of the Chancellor of the California Community Colleges

Michael Marylander, Treasurer, Appointed by Board

Allison Budlong, Secretary, Appointed by California Association of Private Postsecondary Schools

Ronald Bates, Appointed by League of California Cities

Shana Faber, Appointed by Board

Heather Forshey, Appointed by San Mateo County Department of Health

Elna Leonardo, Appointed by Board

Stephany Powell, Appointed by Journey Out, Anti-Human Trafficking Organization

Dixie Wall, Appointed by American Massage Council



RULES OF DEBATE AND DISCUSSION

1. Only one item, the item on the floor, is discussed at a time.
2. Only one person speaks at a time:
 - The person introducing the item;
 - The person speaking for or against the item;
 - Or the person asking or answering a question or raising a point of order.
3. Side conversations will be ruled out of order.
4. Directors debating a motion will have two minutes to speak, once on each motion, with three each from supporting and opposing sides, at which time the motion will go to a vote. The board may vote to extend time for debate.
5. When you want to speak, raise your hand and wait to be called on by the Chair.
6. A question is not an occasion to make an argument.

See accompanying Parliamentary Procedures At-A-Glance

Parliamentary Procedures At-A-Glance

To Do This (1)	You Say This	May You Interrupt Speaker?	Must You Be Seconded?	Is the Motion Debatable?	Is the Motion Amendable?	What Vote is Required?
Adjourn the meeting (before all business is complete)	“I move that we adjourn.”	May not interrupt speaker	Must be seconded	Not debatable	Not amendable	Majority vote
Recess the meeting	“I move that we recess until...”	May not interrupt speaker	Must be seconded	Not debatable	Amendable	Majority vote
Complain about noise, room temperature, etc.	“Point of privilege”	May interrupt speaker	No second needed	Not debatable (2)	Not amendable	None (3)
End debate	“I move the previous question”	May not interrupt speaker	Must be seconded	Not debatable	Not amendable	Majority vote
Amend a motion	“I move that this motion be amended by...”	May not interrupt speaker	Must be seconded	Debatable	Amendable	Majority vote
Object to a procedure or to a personal affront	“Point of Order”	May interrupt the speaker	No second needed	Not debatable	Not amendable	None (3)
Request information	“Point of information”	If urgent, may interrupt speaker	No second needed	Not debatable	Not amendable	None

Notes:

- These motions or points are listed in established order of precedence. When any one of them is pending, you may not introduce another that’s listed below it. But you may introduce another that’s listed above it.
- In this case, any resulting motion is debatable.
- Moderator decides.



CALIFORNIA MASSAGE THERAPY COUNCIL

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Sent and Posted: September 1, 2019

NOTICE OF PUBLIC MEETING

BOARD OF DIRECTORS

Wednesday, September 11, 2019 -1:30 p.m.
Thursday, September 12, 2019 – 8:30 a.m.
Hilton Garden Inn
4200 Admiralty Way
Marina del Rey, CA 90292

AGENDA

1. Call to order, roll call, and establish quorum
2. Chair's Comments
 - Welcome/Introductions
 - Rules of Debate
3. Approval of minutes from May 29, 2019 meeting
4. Consideration of waiving automatic removal based on attendance for Sean Thuilliez
5. Closed session with CAMTC legal counsel pursuant to California Government Code Section 11126(e) - schools; lawsuits
6. Closed Session regarding the appointment, employment, evaluation of performance, or dismissal of an employee pursuant to California Government Code Section 11126(a) – CEO
7. Return to open session and announce any action taken in closed session under item 6
8. Review of draft sunset report
9. School Advisory Committee report
10. Proposed legislative changes to Massage Therapy Act

11. Chief Executive Officer's report
 - 2019 strategic priorities – update
 - Operations
 - Finance
 - Outreach
12. 2020 strategic priorities
13. Limited recertification
14. Extending time period to apply for recertification after expiration of certificate
15. Proposed revision of the recertification reminders schedule
16. Proposed amendments to Employee Handbook
17. CAMTC's delegation to FSMTB's annual meeting
18. Treasurer's report
 - Applications received
 - Financial statements
 - Conclusions
 - Comments/discussion on financial reports
19. 2019 budget
20. Audit Committee Report
21. Director of Governmental Affairs and Special Projects' report
 - Local government update
 - Anti-Human Trafficking
 - Legislative updates
 - Certification and Application Management System
22. Director of Operations' report
 - Application Processing
 - Customer Service
23. Director of Educational Standards Division's report
 - School Status Updates
 - School Outreach
 - Looking Forward
24. Director of Law Enforcement Relations' report
 - Interaction with law enforcement agencies
 - Training
25. Outreach Director's report
 - Upcoming Events
 - Schools Outreach

- Law Enforcement Outreach
- Governmental Affairs Outreach

26. Appointment of new Board members and/or filling vacant Board seats

27. Public comments regarding issues not on this agenda/suggested agenda items for future meetings

28. Items/suggestions from Board members for future meeting agendas

29. Adjourn

All agenda items are subject to discussion and possible action. All interested parties are invited to attend the meeting. Time will be allowed for members of the public to make comments on each agenda item (up to 2 minutes). To make a request for more information, to submit comments to the Board, or to make a request regarding a disability-related modification or accommodations for the meeting, please contact Amenda Yang at (916) 669-5336 or One Capitol Mall, Suite 800 Sacramento CA 95814 or via email at info@camtc.org. 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>

History and Function of CAMTC

Provide a short explanation of the history and function of the regulatory entity. Describe the occupations/profession that are certified and/or regulated by the CAMTC (Practice Acts vs. Title Acts). Please include history/purpose for existence.

Protection of the public has been the highest priority for the California Massage Therapy Council (CAMTC) since it was established in 2009. This includes not only customers receiving massages and members of the public at large, but also potential victims of human trafficking. CAMTC has been at the forefront of anti-human trafficking efforts since inception.

CAMTC is a private nonprofit corporation that carries out the responsibilities and duties set forth in chapter 10.5. of Division 2 of the Business and Professions Code (Massage Therapy Act), a Title Act.¹ CAMTC implements a voluntary statewide certification program for massage professionals and approves massage schools. Massage professionals who are certified by CAMTC may provide massage for compensation in any California city or county without being required to obtain a local permit to practice their profession.

CAMTC is a private, not for profit, 501(c)(3) corporation, which was established in 2009 by private individuals in response to the enactment of the Massage Therapy Act the prior year. Not being part of California State government, CAMTC has never used any taxpayer monies, State funds or other public funding. In order to launch its operations,

¹ SB 731 (Oropeza, Chapter 384, Statutes of 2008) established the Massage Therapy Act and allowed for the voluntary certification of massage therapists on a statewide basis instead of permitting by local jurisdictions and authorized a Massage Therapy Organization (MTO) with the authority to implement a certification program. The name of the MTO was changed to the current CAMTC by AB 619 (Halderman, Chapter 309, Statutes of 2011).

CAMTC raised \$184,410 in loan commitments from five private sources. All loans were fully repaid (principal and interest) by February 17, 2010. CAMTC has never relied on any State agency infrastructure, administrative, logistical, technical or legal support.

As a private non-profit organization, CAMTC has the ability to take action in situations where a state licensure board cannot. It's current school approval program, and predecessor un-approval program, is a prime example of the benefit of its private non-profit and voluntary status. On July 1, 2016, CAMTC began actively approving massage schools and began requiring that only education completed at CAMTC approved schools could be used for CAMTC certification purposes. CAMTC's school approval program ensures that approved schools meet the highest standards for massage education and are not being used as conduits for human trafficking.

Human traffickers want the air of legitimacy provided by businesses that appear to be legitimate massage establishments but are actually fronts for illicit activity. In order to accomplish this, traffickers need individuals working for them who have clean criminal history records and evidence of massage education. But traffickers don't want to take the time required to have victims actually complete massage education. Instead, it is much more cost effective to purchase transcripts and immediately set victims up in brothels disguised as massage establishments. Fraudulent schools looking to make a quick buck feed into and support this system of victimization. CAMTC's efforts to only approve schools that are actually providing all of the education listed on the transcript cuts at the heart of human traffickers, closing off this avenue. Its diligent efforts to deny and revoke certification to those who engage in prostitution related activity also cuts off the easy flow of victims and takes them out of the stream of commerce, making it more expensive and complicated for human traffickers to engage in their criminal enterprise. Through these efforts and its cooperation with law enforcement agencies, CAMTC is working to stem the tide of human trafficking.

CAMTC went through its first Sunset Review in 2014, at which time its statute was reorganized and significantly revised by AB 1147. On January 1 of 2015, the statutory changes authorized by AB 1147 became effective. In September of 2015, the existing

20-member Board of Directors (BOD) was replaced with the currently configured 13-member BOD, of which five seats are held for local government officials, three are for representatives of the therapeutic massage profession, one represents an anti-human trafficking organization, one is appointed by the Office of the Chancellor of the California Community Colleges, one is a public member appointed by the Department of Consumer Affairs, one is appointed by the California Association of Private Postsecondary Schools and one is chosen by the Board to provide knowledge of the massage industry or expertise in the operation of the council. There are no advisory bodies required by statute.

In 2016, CAMTC went through its second Sunset Review. AB 2194 re-authorized the Massage Therapy Act for another four years. Numerous changes were made regarding denial and disciplinary procedures and local government authority. These are explained more fully in response to Question No. 3 of this report.

In September of 2016, CAMTC amended its mission statement to reflect its new role approving massage schools. The current mission statement is: "California Massage Therapy Council's mission is to protect the public by certifying massage professionals in California that meet the requirements in the law and approving massage programs that meet the minimum standards for training and curriculum."

Since 2015, there have been numerous amendments to the law. The statutory changes have accomplished many things, such as removing the exam requirement for two years, clarifying local government regulation of massage businesses, limiting regulatory fees imposed on massage businesses by local governments to only those that are reasonable and necessary, clarifying some portions of CAMTC's denial and disciplinary process, and addressing CAMTC's voluntary program to approve massage schools. In addition, the 2016 sunset bill required CAMTC to provide a number of reports to the appropriate legislative committees, such as a feasibility study for licensure and detailed performance metrics information. At this time, all of the requested reports have been submitted.

CAMTC also participated in a Joint Informational Hearing of the Business and Professions Committee in June of 2016 on the “Role of Regulated Professions in Combatting Human Trafficking.” CAMTC played a key role in assisting committee staff with the hearing by helping to identify and contact participants. As the issue of sex trafficking under the guise of massage, and the prevalence of fraudulent schools that enable human traffickers by providing fake transcripts has been uncovered, CAMTC has been at the forefront of efforts to prevent and abate sex trafficking in massage establishments while working with and in coalitions to support wise policies and effective victim services.

Makeup and Function of the Board of Directors and Committees

Please describe the makeup of the board of directors or any advisory body required by law. Please explain any changes to the composition of the board or advisory body (statutorily or through bylaws).

1. Describe the make-up and functions of each of the CAMTC's committees, if applicable, (cf., Section 12, Attachment B).

Currently there are two committees of the BOD (defined as committees which may have the authority of the BOD on particular issues) and one advisory committee:

A. Executive Committee

This committee consists of the elected officers of the BOD and has the authority to review and recommend changes to the bylaws and to other operating policies to the BOD. The Executive Committee also has the authority delegated to it by the BOD, if any.

B. Audit Committee

This committee is charged with oversight of financial reporting and disclosures. The committee interfaces with the auditing firm, the Chief Financial Officer, and the Chief Executive Officer, and makes recommendations to the BOD as to the approval of the

annual audit report. It also files the organization's tax returns. This committee is currently comprised of two BOD members.

C. School Advisory Committee

[NOT YET COMPLETED]

BOD Attendance

Table 1a. Attendance

[NOT YET COMPLETED]

Current BOD Member Roster

Table 1b. Board /Committee Member Roster

[NOT YET COMPLETED]

2. In the past four years, was the board of directors unable to hold any meetings due to lack of quorum? If so, please describe. Why? When? How did it impact operations? Explain any quorum requirements, if applicable.

In the past four years, the BOD was able to hold all meetings with sufficient quorum.

3. Describe any major changes to CAMTC since the last Sunset Review, including:

- **Internal changes (i.e. reorganization, relocation, change in leadership, strategic planning).**
- **All legislation sponsored by the CAMTC and affecting the CAMTC since the last sunset review.**
- **Any changes to bylaws approved by the board of directors since the last Sunset review.**

Internal Changes

Reorganization

In 2019 the division responsible for the investigation and review of applicant and certificate holder background issues, and making proposed and final denial and disciplinary decisions, the Professional Standards Division (PSD), was completely restructured and new departments were created. (Please see the current organizational chart, Section __, Attachment __.) Prior to the restructure, groups of PSD employees engaged in significantly different categories of job duties, but were all housed under one division. The restructuring was done in order to: improve the process and flow of cases thereby creating operational efficiencies; set up walls between the various departments engaged in different job functions to eliminate the perception of bias, and; allow the former Director of PSD to focus on a new role as the Director of Law Enforcement Relations.

While from a high level view all job tasks previously performed by employees working in the division are still being performed, the restructuring has allowed those tasks to be performed in a more efficient manner, in part by eliminating redundancies. What was formerly the PSD has now been divided into four different departments:

1. Investigations and
2. the Background Review Department, which both report directly to the CEO;
3. Hearing Officers, which are now under the direct supervision of the Legal Department; and
4. the Director of Law Enforcement Relations, who was previously the Director of PSD and is now a stand-alone department.

Investigations does just that. The department is dedicated to identifying, gathering, and reviewing information related to potential violations of the Massage Therapy Act. The investigators regularly interact with law enforcement and code enforcement officials, witnesses, complainants, and victims of sexual assault. Once investigations are complete, cases are sent to the Background Review Department (BRD). The BRD reviews information related to violations of the Massage Therapy Act and makes proposed decisions to deny applications and discipline certificate holders. The BRD is the department with the authority to make proposed decisions to deny or discipline, or not. If individuals who receive a proposed decision to deny or discipline request an oral

telephonic hearing, or consideration of a written statement, the Hearing Officers are the ones who hear the matter and make final decisions to deny or discipline. The Director of Law Enforcement Relations is primarily focused on providing training and is a dedicated point of contact for law enforcement agencies, code enforcement agencies, and local government agencies that regulate massage.

Change in Leadership

Day-to-day application processing tasks related to individual certification, such as fee collection, application intake and processing, certificate and ID card printing, and customer service, are generally performed for CAMTC by a contract management firm, Advocacy Management Group (AMG). At the end of 2017, the Director of Operations, an AMG employee, left the organization. With her departure, a new individual was engaged by AMG to oversee CAMTC's day-to-day operations. This individual reviewed application processing and the job tasks performed by AMG for CAMTC, analyzed the then current process, and then substantially restructured operations to create significant increases in processing efficiencies, reduced processing times, and created more robust fail-safe systems, all without a significant increase in staff. This individual was therefore quickly promoted to Director of Operations, a position he currently holds.

Strategic Planning

Each year the BOD establishes a set of Strategic Priorities for the following year. The strategic priorities guide the operations of CAMTC and provide the organization with a list of objectives it will be focusing on for that specific year. They are also used to set budget priorities.

2016 Strategic Priorities

1. Continue CAMTC as a private non-profit organization administering voluntary massage certification programs until such time as the results of the feasibility study are completed and implemented.

2. In preparation for sunset review, to continue to meet the goals and priorities outlined by the Legislature in the AB 1147 process, in particular assisting local governments and law enforcement in meeting their duty to maintain the highest standards of conduct and safety in massage establishments by vetting and disciplining certificate holders, and improving communications with local government and law enforcement.
3. CAMTC to conduct a feasibility study of licensure for the massage profession, including proposed scope of practice, legitimate techniques of massage, and related statutory recommendations by January 1, 2017.

2017 Strategic Priorities

1. Public Protection
 - 1.1 Monitor legislative initiatives and take appropriate action
 - 1.2 Take appropriate action to ensure that CAMTC's approved exams eligibility requirements do not weaken CAMTC's ability to protect the public.
2. Schools. Evaluate the accessibility of massage education in the state of California and review school-related policies.
 - 2.1 By April 1, 2017, conduct a study to identify population areas where no massage education for the purpose of CAMTC certification is available.
 - 2.2 By July 1, 2017, Examine CAMTC's potential role in mitigating the shortage of professional massage educational opportunities, if such exist.
 - 2.3 Establish and support a fully functioning schools advisory committee and conduct its first meeting by March 1, 2017.
 - 2.4. The schools advisory committee shall evaluate CAMTC's school-related policies and submit its recommendations to the Board by September 1, 2017.
 - 2.5 Develop and implement an outreach plan by December 1, 2017, that informs prospective massage students about the ramifications of enrolling in massage programs which are not approved by CAMTC.
 - 2.6 By October 1, 2017, develop and analyze data pertaining to correlation between individual schools and disciplinary actions against applicants and certificate holders.

3. Accountability. Hold CAMTC accountable to the public by ensuring that all stakeholders can review CAMTC's progress in meeting its public protection mission.

3.1 Regularly track quarterly disciplinary performance measures and make them easily available by prominently posting that data on the website every 90 days.

4. Local Government. Promote collaboration with cities and counties and evaluate the implementation of Business and Professions Code section 4603.1

4.1 Develop and offer education to local government officials, especially to city attorneys, about CAMTC's certification, school approval program, and the use of revocable registration.

4.2 Continue with outreach initiatives to city and county managers and elected officials and law enforcement to offer support and encourage proactive improvements to local ordinances.

4.3 Continue to build a positive relationship with the League of California Cities and California State Association of Counties throughout 2017.

4.4 Track how well cities comply with their legal responsibility to impose and enforce only reasonable and necessary fees and regulations on massage businesses throughout 2017.

4.5 Submit a report to the Legislature by December 31, 2017, on how well local government keeps with the requirements of existing law to be mindful of the need to protect legitimate business owners and massage professionals, particularly sole providers.

4.6 Institutionalize information about CAMTC by developing MOU's with cities and counties that documents CAMTC's and local governments' respective protocols, obligations and duties.

4.7 To initiate, in cooperation with law enforcement, the development of proactive protocol, budget and staff to discipline certificate holders that may be engaged in sexually suggestive advertising.

5. Businesses. Establish communication channels with business owners.

- 5.1 Develop a comprehensive statewide database which will enable CAMTC to establish an ongoing communication with owners of establishments where massage professionals practice.
6. Certificate Holders. Help certificate holders better understand what constitutes a violation of CAMTC's statute.
- 6.1 Develop easy to understand summaries regarding violations of CAMTC's statute and widely disseminate this information to certificate holders, applicants and schools.

2018 Strategic Priorities

1. Public Safety

As part of the Board's public safety goal for 2018, CAMTC has entered into strategic a partnership agreement with the California Police Chiefs Associations (CPCA). CAMTC was also the premier sponsor of CPCA's Annual Training Symposium (March 18-22, 2018). CAMTC was also a major sponsor and presenter at the California Association of Code Enforcement Officer's conference.

2. Customer Service

Jon Walters was promoted to CAMTC's Director of Operations. Under his leadership numerous application processing and customer service protocols have already been implemented. AMG and CAMTC entered into a new service agreement to further increase CAMTC's ability to meet the Board's customer service objectives. The quality and efficiency of CAMTC's customer service has shown a remarkable improvement in 2018.

3. Non-English Speakers

CAMTC reported to the Legislature on the findings of CAMTC's assessment of contact with non-English speakers (attached). Based on the findings of the assessment, staff recommends that in 2019 CAMTC start the process of offering all publicly available written and electronic materials provided to certificate holders and applicants in Chinese in addition to English. These materials will not

include examinations, denial and disciplinary legal documents or email communications.

4. Schools

The Schools Advisory Committee continued its important work in 2018 and made significant contributions to improving CAMTC's school-related policies and protocols. We continued our close relationship with schools by enhancing communication and the accessibility of relevant information. CAMTC instituted a public monthly conference call with schools. CAMTC's Educational Standards Division Director hosts the conference call.

5. Local Government

CAMTC sent a letter (attached) to all city and county managers throughout the state offering to assist with ordinance amendments that will improve public safety. We received numerous responses from local government executives requesting CAMTC's assistance.

2019 Strategic Priorities

1. Sunset Review

In preparation for the 2019-2020 sunset review, prioritize all organizational functions for a successful outcome for the sunset review. Specifically, the continuation of CAMTC as a nonprofit organization, implementing a state-wide voluntary certification program for massage professionals and approval of educational programs. Sunset review shall be the highest priority for CAMTC in 2019.

2. Accountability

Continue to implement a transparent system of performance measurement.

2.1 These measures will be easily accessible and prominently posted publicly on CAMTC's website on a quarterly basis. In addition to reporting cycle time, we will also track and report total case volume for each measure.

3. Exam

Evaluation of feasibility of CAMTC developing and administering its own exam.

4. Non-English Speakers

Implement the findings of CAMTC's assessment of contact with non-English speakers.

5. Outreach to Schools and Students

Develop and widely distribute easy to access and understand resources about CAMTC's processes as they relate to students and school approvals.

Legislation

CAMTC has sponsored no legislation since the last Sunset review. The following bills which affect CAMTC and were sponsored by others were passed since the last Sunset report.

AB 2194 (Salas, 2016)

AB 2194 was the most recent Sunset bill for the Massage Therapy Act. This bill made a number of significant changes to the Act, therefore only the most substantive changes will be discussed.

AB 2194 moves previous intent language related to fees imposed by local governments and codifies it as Business and Professions Code section 4603.1, which states that, local governments, "shall impose and enforce only reasonable and necessary fees and regulations on massage businesses and massage establishments, in keeping with the requirements of existing law and being mindful of the need to protect legitimate business owners and massage professionals, particularly sole providers."

AB 2194 clarifies that a final decision to deny or impose discipline can be based solely on a written statement or declaration made under penalty of perjury. It further states that an applicant or certificate holder seeking to challenge a denial or discipline decision in court must do so within 90 days from the effective date of the denial or discipline. The bill further provides that a certificate issued under the Act is not a fundamental vested right and judicial review of a denial or disciplinary decision is to be conducted using the substantial evidence standard of review. The bill additionally authorizes the council to notify an establishment or employer of the suspension of a certificate by first-class mail.

AB 2194 prohibits a local jurisdiction from requiring a massage establishment to have a shower or bath as part of its facility. It also further clarifies previous statutory language which prohibits local government from requiring “background checks” of CAMTC certificate holders.

The bill also requires that various reports be submitted to the Legislature at specified dates. Those reports, all of which have been submitted, are as follows:

1. Feasibility study for licensure of the profession;
2. CAMTC’s compensation guidelines and current salary levels;
3. Status of revisions to the school approval process; and
4. Detailed performance metrics data related to denials, suspensions, revocations, discipline, school inspections, and complaints.

AB 2194 also extends the Massage Therapy Act for a period of four years, to January 1, 2021.

SB 314 (Nguyen, 2017)

SB 314 became effective January 1, 2018. It requires CAMTC, pursuant to its policies and procedures, to accept hours earned by an applicant for certification as a massage therapist if those hours were completed before July 1, 2016, and were earned from a school providing education in California and that school was unapproved by the council on or after July 1, 2016, based solely on the fact that the National Certification Board for Therapeutic Massage and Bodywork took denial or disciplinary action against the school. This very narrow exception applies only to one massage school in California.

SB 315 (Nguyen, 2017)

SB 315 became effective January 1, 2018. It initially requires CAMTC to assess its contact with non-English speakers and provide a report to the legislature with that assessment on or before January 1, 2019. The bill then requires CAMTC to determine what language(s) other than English are used by a substantial number of non-English speakers in contact with CAMTC. After this determination is complete, the bill then requires that CAMTC offer and make available all publicly available written and electronic materials provided to certificate holders and applicants in this other non-

English language or languages. The bill excludes examinations, denial and disciplinary legal documents, and email communications from the materials that must be made available in languages other than English.

SB 1480 (Hill, 2018)

SB 1480 became effective on January 1, 2019. This bill suspends the certification requirement mandating passage of a CAMTC approved exam as a condition of certification for a two-year time period, spanning from January 1, 2019, through December 31, 2020.

AB 775 (Chau, 2019)

AB 775 was introduced this year and will become operative on January 1, 2020, if it is signed by the Governor. The bill establishes specified timelines for the approval and reapproval of schools, including requiring the council to approve a school, propose to deny approval of a school, or notify the school that corrective action is required on or before one year from the date CAMTC receives an initial application for school approval. The bill also requires that an appeal be heard within a specified time period.

AB775 also requires CAMTC to note on its internet website the date that a letter proposing to deny a school's application for approval, reapproval, or requesting corrective action has been sent to the school and the final outcome of the proposed action. The bill also requires a school offering a professional massage therapy program that has not been approved by CAMTC to notify, and obtain a signed confirmation from, each student that the student has been notified that the school is not approved by CAMTC and that education completed at the school cannot be used to satisfy any of the requirements for CAMTC certification in California.

AB 630 (Stern, 2019)

AB 630 allows local governments to enact ordinances or regulations intended to prevent or address human trafficking that exceed the requirements currently contained in Civil Code Section 52.6. This bill has been signed and chaptered and will become operative

on January 1, 2020. It specifically addresses penalties regarding posting of Human Trafficking notices.

Changes to Bylaws

The statutory changes made to the Massage Therapy Act since the last review do not create any conflicts with CAMTC's bylaws, nor do they establish mandates that require bylaw revisions. Therefore, CAMTC's bylaws have not been amended since the last Sunset report.

4. Describe any major studies conducted by the CAMTC.

Assessment of Contact with Non-English Speakers

CAMTC has conducted an assessment of its contact with non-English speakers, pursuant to Business and Professions Code section 4602(l). Upon assessment, it was determined that 11.8% of contacts were from non-English speakers. Of this 11.8% of contacts, 9.8% reported Chinese as their primary language, 0.7% reported Thai as their primary language, 0.4% reported Korean as their primary language, 0.3% reported Spanish as their primary language, 0.2% reported Lao as their primary language, 0.2% reported Vietnamese as their primary language, and 0.2% reported Russian as their primary language. Based on this assessment, it was determined that Chinese is the only language other than English that is spoken by a substantial number of individuals in contact with CAMTC. Based on this determination, CAMTC has decided that it will offer and make available all publicly available written and electronic materials provided to applicants and certificate holders in Chinese as well as English. These materials will not include examinations, denial and disciplinary legal documents, or email communications. CAMTC currently utilizes Google translate on its website, making it available in more than 100 languages. The full assessment results can be found as attachment ____ to section ____.

Feasibility Study for Licensure of the Profession

As required by Business and Professions Code section 4620(a)(1), CAMTC funded a feasibility study that addressed the potential for licensure of the massage profession. The feasibility study was performed by Blue Sky Consulting Group, an independent consultant firm. The study discussed the feasibility of adopting a license act, and concluded that CAMTC certification provides the greatest benefits at the lowest cost. The study stated the following:

*Adopting a licensure model is technically feasible, requiring an act of the legislature and approval by the governor. However, the issue which confronts the legislature, consumers, massage therapists, local government officials, and other stakeholders is, which system – licensure or certification – provides the greatest benefits at the lowest cost. In spite of the many benefits of regulation, and the increasing number of occupations and professions governed by such regulations, there has recently been an increasing awareness that these regulations come with a cost, both for consumers and for practitioners. For consumers, research has found that prices are higher in occupations that are licensed. For practitioners, a license can act as a barrier to work, preventing some would-be workers from obtaining a job in their chosen field. The state's sunrise review process for establishing new occupational licenses explicitly acknowledged this tradeoff, and is guided by the belief that "the public is best served by minimal government intervention." Given the relative lack of conclusive evidence supporting the effectiveness of regulation in achieving its most important stated goals, our conclusion is that **the additional costs of a licensure model are not warranted**. In fact, our review suggests that – while evidence is limited – **the certification model is likely superior to a licensure model in accomplishing the goal of distinguishing legitimate practitioners from sex workers**. And, a certification model has the capacity to accomplish this goal without raising prices for consumers or costs for the profession or restricting the ability of would-be massage therapists to work in their chosen field. The primary benefit of California's certification model as administered by CAMTC is that, because certification is voluntary, it can be revoked much more quickly and easily than can a state-granted license. Under the current approach, certificates can be suspended for reasons that would not be possible under most licensure*

models. Specifically, CAMTC has the ability to suspend a certificate based on credible allegations of wrongdoing (in the form of an arrest with charges filed for 647(b) or an act punishable as a sexually related crime or a declaration from victims or law enforcement officers). Under a licensure model, an allegation of wrongdoing would typically not be enough to take action. This ability to react quickly to allegations of wrongdoing is particularly important for purposes of distinguishing legitimate massage therapists from sex workers. Absent this ability, many illicit practitioners could continue to operate for months or years before official action could be taken to revoke or suspend their license. While this delay might not directly increase the extent of prostitution, it might well contribute to the ongoing perception that many massage therapists are really sex workers.

(Emphasis added.) The study can be found in Section ___, Attachment ___ to this report.

National Associations

5. List the status of all national associations to which the CAMTC belongs.

- Does the CAMTC's membership include voting privileges?
- List committees, workshops, working groups, task forces, etc. on which CAMTC participates.
- How many meetings did CAMTC representative(s) attend? When and where?
- If the CAMTC is using a national exam, how is the CAMTC involved in its development, scoring, analysis, and administration?

National Associations

CAMTC currently belongs to the following National Associations:

Federation of State Massage Therapy Boards (FSMTB)

FSMTB is a membership organization that primarily develops and administers a national entry level massage proficiency exam, the Massage and Bodywork Licensing

Examination (MBLEx). CAMTC is a member and has voting rights at the Annual Conference, the same as other members representing 43 states, Puerto Rico, the US Virgin Islands, and the District of Columbia. CAMTC's Chair serves as the Delegate to the Annual Conference and attends each year. CAMTC has presented at several annual FSMTB conferences on issues related to fraudulent schools and human trafficking. For the past three years, FSMTB has also hosted a meeting of Executive Directors of member boards. Members of CAMTC's Executive staff attend each Annual Conference.

International Spa Association (ISPA)

ISPA's stated mission is to advance the spa industry by, "providing invaluable educational and networking opportunities, promoting the value of the spa experience and speaking as the authoritative voice to foster professionalism and growth." CAMTC is a member of this association, but does not have voting rights on policy issues.

Anti-Human Trafficking Taskforces/ Coalitions/ Organizations

CAMTC also participates in the following groups related to human trafficking issues:

Santa Clara Coalition to End Human Trafficking

CAMTC is a voting member of this coalition, as well as Stop the Traffick, an off-shoot of the Coalition which addresses specific issues regarding trafficking. CAMTC's Director of Governmental Affairs and Anti-Human Trafficking has attended most of the Coalition's monthly meetings since joining, as well as all of the quarterly meetings of Stop the Traffick in the past year.

San Mateo County Human Trafficking Program

CAMTC's Director of Governmental Affairs and Anti-Human Trafficking attends all of these meetings and has since inception of the organization in 2017. There is no formal voting membership.

San Francisco Mayor Taskforces - Adult Trafficking and General Trafficking

CAMTC's Director of Governmental Affairs and Anti-Human Trafficking has participated in these taskforces since their inception in 2013. As the focus has shifted from massage, due in part to enhanced cooperation between CAMTC and local jurisdictions, CAMTC has chosen not to retain voting rights, but still attends most of the meetings.

San Francisco Coalition Against Human Trafficking (SFCaHT)

CAMTC's Director of Governmental Affairs and Anti-Human Trafficking has participated in this countywide taskforce since inception. SFCaHT meets quarterly in San Francisco. CAMTC's representative is a voting member, is on the steering committee, and has assisted in planning the SFCaHT annual conference as well as presenting and moderating a panel on human trafficking at the 2016 annual conference.

Stanislaus County Human Exploitation and Recovery Taskforce (290 Project)

CAMTC's Director of Governmental Affairs and Anti-Human Trafficking has also participated in this countywide taskforce since its inception in 2013. The 290 Project currently meets every two months in Modesto, hosted by the District Attorney, but met monthly until 2014. CAMTC has been monitoring this taskforce but has not participated in recent meetings.

Contra Cost Coalition against Human Trafficking

CAMTC's Director of Governmental Affairs and Anti-Human Trafficking has participated in this taskforce and currently monitors its activities.

Central Valley Coalition,

Freedom Coalition,

Marin County Coalition,

Monterey Peninsula Coalition

CAMTC's Director of Governmental Affairs and Anti-Human Trafficking monitors these taskforces.

Alameda County Heatwatch

CAMTC's Director of Governmental Affairs and Anti-Human Trafficking has participated in this taskforce and has attended most of the quarterly meetings for the past several years. This taskforce does not have voting members.

Polaris Project

CAMTC's Director of Governmental Affairs and Anti-Human Trafficking has been an active participant in the current massage initiative organized by the Polaris Project. Executive staff will be attending a conference in October, 2019 entitled, "National Strategy Convening: Large-Scale Network Disruption of Human Trafficking in the Illicit Massage Industry," organized by Polaris and Praesidium Partners, a group formed by former FBI agents. Polaris does not have memberships.

Coalition to Abolish Slavery & Trafficking (CAST)

CAMTC participates in the monthly legislative update calls of CAST and has supported this organization by attending its annual Galas.

In addition to the organizations noted above, CAMTC monitors and communicates with numerous other coalitions, collaboratives, and taskforces throughout the state. This year CAMTC plans greater participation in coalitions in Southern California.

Use of National Exams

The Massage Therapy Act does not currently require passage of an exam for certification. However, for applications received on or after January 1 of 2015, through December 31, 2018, the Massage Therapy Act did require passage of a CAMTC approved exam for certification. This requirement has been suspended for a two-year time period, beginning on January 1, 2019, and will become operative again on January 1, 2021.

The following exams have been approved by CAMTC: the MBLEx; the National Certification Examination for Therapeutic Massage and Bodywork (NCETMB) and the

National Certification Examination for Therapeutic Massage (NCETM) if taken prior to February of 2015; the Board Certification Examination for Therapeutic Massage and Bodywork (BCETMB); and the New York State Massage Therapy Exam.

CAMTC's Director of Educational Standards Division served on the Job Task Analysis Taskforce for the MBLEx in 2017. This taskforce made recommendations to FSMTB regarding the proportional weight of specific categories of questions that are to appear on future MBLEx exams. Aside from providing these recommendations, CAMTC is not now, and has never been, involved in the development, scoring, analysis, or administration of any of these exams.

Performance Measures

6. Provide each quarterly and annual performance measure report for the CAMTC. If no current report is available, please explain the goals to establish such a report.

CAMTC established initial average performance targets for performance measures 1-4 for its disciplinary program on July 15, 2015. Please see CAMTC's response to Question number ____ in this Sunset Report for a discussion of the process used to establish the average performance targets. CAMTC has met its disciplinary performance targets every quarter since it began tracking this data in 2015. All performance measure data reported is from the second quarter of 2015 through the second quarter of 2019. Section ____, Attachments ____, contains the performance measures (PM) reports for this time period.

CAMTC has been well under its target PM numbers for every quarter since it began tracking this data. CAMTC's initial PM targets for 2015 – 2016 were:

- PM2 target average – 9 days
- PM3 target average – 180 days
- PM4 target average – 480 days

Starting in 2017, the target PM numbers were lowered to the following:

- PM2 target average – 4 days
- PM3 target average – 90 days
- PM4 target average – 240 days

As a point of comparison, the target averages for DCA boards are as follows: PM2 – 11 days, PM3 - 204 days, and PM4 – 540 days.

The following charts summarize CAMTC's performance metrics data for 2015-2019.

Performance Metrics 1 – Total Complaint Volume (total number of complaints received on average per month)				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2015	N/A	41	39	34
2016	36.7	47.7	33.7	35.7
2017	46	43	43	44
2018	45	64	45	41
2019	41	48		

Performance Metrics 1.1 – Complaint Volume, Certificate Holders (total number of complaints received on average per month against Certificate Holders)				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2015	N/A	26	28	22
2016	26.7	31	20.3	20.3
2017	28	30	26	31
2018	26	42	26	25
2019	20	32		

Performance Metrics 1.2 – Complaint Volume, Certificate Holders, Complaints From Law Enforcement (total number of complaints from Law Enforcement received on average per month against Certificate Holders)				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2015	N/A	18	22	17
2016	16.7	16.7	8.3	10.3
2017	9	12	9	13
2018	10	29	14	17
2019	10	11		

Performance Metrics 2 – Intake, All Complaints (number of days from receipt of complaint to assignment to Investigator) Current Target Average – 4 days				
	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
2015	N/A	0	0	0
2016	0	0	0	0
2017	0	0	0	0
2018	0	0	0	0
2019	0	0		

Performance Metrics 3 – Complaint Intake and Investigation, Informal Resolution (average number of days from intake to closure) Current Target Average – 90 days				
	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
2015	N/A	12	14	10
2016	6.6	13.5	16.3	9.4
2017	11	10.7	15	9
2018	8.5	10	8	15.8
2019	8	11		

Performance Metrics 4 – Average Number of Days to Complete Formal Discipline (average number of days from intake to effective date of discipline) Current Target Average - 240 days				
	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
2015	N/A	189	117	147
2016	118	116	89	140
2017	204	112	116	151

2018	119	129	155	132
2019	107	144		

Customer Satisfaction Surveys

7. If available, explain the results of any customer satisfaction surveys conducted.

[NOT YET COMPLETED]

Fiscal Issues

8. Describe CAMTC's current reserve level, spending, and if a statutory reserve level exists.

Current Reserve Level and Spending

CAMTC seeks to take a conservative approach to spending that maintains a consistent level of operating expenditures and a prudent level of reserves. As of [DATE] CAMTC's reserve level was equal to [NUMBER] months of current operating budget.

[DATA NOT YET COMPLETED]

Statutory Reserve Level

There is no statutory reserve level in the Act, however CAMTC budgetary planning has established three months of operating expenses as a prudent goal of revenues in reserve.

9. Describe if/when a deficit is projected to occur and if/when fee increase or reduction is anticipated. Describe the fee changes (increases or decreases) anticipated by the CAMTC.

No deficit is projected to occur. Based upon historical spending levels, and revenues received, no fee increase or reduction is anticipated.

CAMTC Fund Condition

TABLE 2. FUND CONDITION

10. Describe the amounts and percentages of expenditures by program component. Use *Table 3. Expenditures by Program Component* to provide a breakdown of the expenditures by the CAMTC in each program area. Expenditures by each component do not need to be broken out by personnel expenditures and other expenditures.

For amount of expenditures by program component, please see Table 3 below.
[TABLE NOT YET COMPLETE]

Expenditures by Program Component

Table 3

11. Describe certificate re-certification cycles and history of fee changes in the last 10 years. Give the fee authority (Business and Professions Code, California Code of Regulations, or bylaw citation) for each fee charged by CAMTC.

CAMTC began operation in 2009 and its fees for certification and re-certification remained unchanged from 2009 through 2018. Beginning on January 1, 2019, CAMTC increased its fees for individual certification and related services. (Section __, Attachment ____.)

CAMTC's authority to set fees is provided in Business and Professions Code section 4602(i), which states that the BOD "shall establish fees reasonably related to the cost of providing services and carrying out its ongoing responsibilities and duties." The BOD reviews the certification and re-certification fees annually. Business and Professions Code section 4602(i) further provides that the fee for certification and re-certification shall not exceed \$300. Additionally, Business and Professions Code sections 4602(k) and (l) state that notice must be given at least 90 days before a BOD meeting where a vote on a proposal to increase the fees will occur and, if the fees are increased, affected applicants and certificate holders must be notified by email within 14 days of the BOD's action.

Fees for an initial application for certification and for a re-certification application (each of which results in certification for a two-year time period) were initially set at \$150 (\$75 a year) and remained at this amount through December 31, 2018. This fee was raised to \$200 (\$100 a year) beginning on January 1, 2019.

On January 18, 2011, the BOD established a \$75 late fee for re-certification applications received after their certificate expiration date, with the provision that if an application for re-certification is received 180 days or more after the expiration of a certificate, the applicant has to re-apply as a new applicant. This means that the applicant would be required to meet the current requirements for certification, including the current education and examination requirements. On September 13, 2012, the BOD replaced the \$75 late fee with a sliding fee scale. This sliding fee scale was in place through December 31, 2018. The sliding fee scale for late re-certification applications during this time was as follows:

(September 13, 2012-December 31, 2018) Applications for re-certification received or postmarked:

1-10 days after expiration -	\$25
11-29 days after expiration -	\$40
30-180 days after expiration -	\$90

These fees were all raised to the following:

(January 1, 2019 and after) Applications for re-certification received or postmarked:

1-10 days after expiration -	\$50
11-29 days after expiration -	\$80
30-180 days after expiration -	\$180

On September 15, 2011, the BOD established a fee for oral hearings and consideration of written statements for all applicant proposed denials and certificate holder discipline. The initial fee for an oral hearing was \$95 and the fee for consideration of a written statement was \$65. On September 13, 2012, the fees were raised to \$135 for an oral hearing and \$90 for consideration of a written statement. On January 1, 2019, the fees were raised to \$270 for an oral hearing and \$180 for consideration of a written statement. CAMTC grants fee waivers to individuals who demonstrate that they are financially unable to pay the hearing or consideration fees.

Fee Schedule and Revenue

Table 4. Fee Schedule and Revenue

Staffing Issues

12. Describe any staffing issues/challenges, i.e., vacancy rates, efforts to reclassify positions, staff turnover, recruitment and retention efforts, succession planning.

The BOD does not have issues with staffing of CAMTC employees. CAMTC is unusual in that it has both its own employees and a contract management firm, AMG, that provides day-to-day services. CAMTC employees hold all executive positions (CEO, Director of Governmental Affairs/ Anti-Human Trafficking and IT, Director of Law Enforcement Relations, Outreach Director, and Director of ESD) and generally administer the denial and disciplinary program against individuals (Investigations, BRD, and Legal). CAMTC employees also generally administer the school approval, denial, and disciplinary program (ESD). AMG generally provides administrative services. AMG administers the day-to-day operations related to individual certification, such as: 1) processing applications for certification, and re-certification; 2) processing payments; 3) providing telephonic and email customer support; 4) maintaining the database and documents; and 5) printing and issuing certificates and ID cards. AMG also employs staff that provides administrative support to Investigations, BRD, and ESD. For more information about AMG, please see Section 3, response to Question 14 of this Sunset Report. AMG hires the staff dedicated to CAMTC's account.

Additionally, CAMTC works with an outside law firm that provides general counsel and special counsel services related to denial, disciplinary, school, litigation, and other matters, much like the Attorney General's Office provides services to the Department of Consumer Affairs' boards and bureaus. CAMTC also employs three staff attorneys and three paralegals that work exclusively on denial and disciplinary matters against individuals and schools, under the direction of Special Counsel. Please see the 2019

Organization Chart for the division of tasks. (Section __, Attachment ____.) Neither AMG nor CAMTC has had significant turnover and staff retention is excellent. The CEO, Director of Governmental Affairs/ Anti-Human Trafficking and IT, Director of Law Enforcement Relations, Outreach Director, and Director of ESD positions have not changed since they were initially hired.

13. Describe the CAMTC's staff development efforts and how much is spent annually on staff development.

CAMTC holds one annual in-person training day related to individual certification denial and disciplinary matters for the BRD, Investigations, and Legal departments, conducted by Special Counsel. Additional telephonic and in-person trainings are also conducted on an as needed basis.

In 2015, 2016, 2017, and 2018, Special Counsel provided a one-day training session to PSD, Hearing Officers, and Legal employees related to individual denials and discipline. This training is scheduled to occur in December of 2019, for BRD, Investigations, and Legal employees (which includes Hearing Officers). Special Counsel also regularly provided training on legal issues to AMG and CAMTC staff as needed. As an entity operating in a changing legal landscape, it is imperative that CAMTC employees and those working on CAMTC matters be continually brought up to speed on the implementation of the law and best practices for combating human trafficking.

CAMTC works with employees to identify those who are interested in expansion of their roles. Whenever possible, CAMTC will offer opportunities to move staff into new positions with additional responsibilities. For example, recently a part-time employee became full-time.

ESD began operating in 2015. The Director provides informal training as needed to the School Inspector and other administrative staff.

The total cost for all training annually, was as follows:

[CHART NOT YET COMPLETED]

14. Please explain any outside consulting contracts for staff services, administrative or other services.

AMG provides CAMTC with administrative services, such as: 1) processing applications for certification and re-certification; 2) processing payments; 3) providing telephonic and email customer support; 4) maintaining documents and the database; and 5) printing and issuing certificates and ID cards. AMG also employs staff that provides general administrative support, such as planning, organizing, and coordinating BOD meetings. AMG's bookkeeper processes and issues checks to CAMTC staff and BOD members for expense reimbursement requests. AMG contracts with a payroll service for payment of CAMTC employees' payroll.

As of June 30, 2019, there were 23 full-time and 2 part-time AMG employees working exclusively on CAMTC's account, including the Director of Operations. Four other AMG employees provide services such payroll, event planning, bookkeeping and IT support on a part-time as needed basis.

CAMTC engages the law firm of Jill S. England, Attorney at Law, in Sacramento, California, for legal services. The firm provides General Counsel services; Special Counsel services related to denial and disciplinary matters for individuals and schools and litigation matters; and specialized legal services related to other matters. The firm bills monthly on an hourly basis.

CAMTC contracts with inLumon to continue the development, creation, implementation, and administration of the database and document management system (CAMS). This system allows applicants to complete applications online, allows CAMTC to manage and provide secure access to documents in a cohesive fashion, and allows for data and document management and tracking.

CAMTC contracts with Datavail, a database administration firm, to help secure data and stabilize its system.

The current auditing firm is Damore, Hamric, & Schneider, Inc., CPAs. They provide independent auditing services.

CAMTC contracts with J. S. Financial Group to provide Chief Financial Officer services.

CAMTC contracts with Sterling (formerly Talent Solutions/ TalentWise) to perform background checks for school owners, administrators, and instructors of those schools that apply for CAMTC approval. These background checks report on Criminal Database Searches, Nationwide Sex Offender Registry, and Credential Verification.

Certification Targets

15. What are the CAMTC’s targets/expectations for its certification program? Is the CAMTC meeting those expectations? If not, what is CAMTC doing to improve performance?

CAMTC’s goal is to maintain a median processing time for complete new application packets, with no outstanding issues, within 45 days of the application packet becoming complete. This goal was established by the BOD as a 2018 strategic priority on November 2, 2017. By March of 2018, the goal was achieved and has been maintained every month since. As of June 30, 2019, the median processing time for complete new application packets with no outstanding issues was 10 days.

On November 2, 2017, the BOD also established a goal of maintaining a median processing time for complete recertification applications, with no outstanding issues, within 30 days of the application packet becoming complete. By April of 2018, this goal was achieved and has been maintained every month since. As of June 30, 2019, the median processing time for complete recertification applications with no outstanding issues was 6 days.

Application and Certification Processing Times

16. Describe any increase or decrease in the CAMTC’s average time to process applications and/or issue certificates. Have pending applications grown at a rate that exceeds completed applications? If so, what has been done by the CAMTC to address them? What are the performance barriers and what improvement plans are in place? What has the CAMTC done and what is the CAMTC going to do to address any performance issues, i.e., process efficiencies, regulations, legislation?

Increase or Decrease in Average Time to Process Application and/or Issue Certificates

In January of 2018, the median processing time to issue a certificate for approved new applications, with no outstanding issues, was 66 days from the date that the application packet was complete. After the goal of reducing this to 45 days was set, processing time dropped rapidly and the goal was achieved within two months, with a median processing time of 10 days as of June 30, 2019.

Also, in January of 2018, the median processing time to issue a certificate for approved recertification applications, with no outstanding issues, was 32 days from the date the application was complete. After the goal of reducing this to 30 days was set, the goal was achieved within three months, with a median processing time of 6 days as of June 30, 2019.

This acceleration was achieved through a combination of leadership change and the application of various process improvement methodologies.

Complete Application Packets With No Education, Criminal, or Background Issues

The time needed to issue certificates depends largely on the receipt of the items required for certification and if there are any outstanding education, criminal, or background issues which are, for the most part, outside of CAMTC's control. CAMTC bases its application processing statistics from the date that an application packet is complete. A complete application packet is one for which CAMTC has received a signed, dated, and fully filled out application form that includes all required attachments, the application fee, livescan results from the DOJ and FBI, official transcripts received directly from an approved school or schools, and test results from a CAMTC approved exam received directly from the testing organization (when required). Application packets that are not completed within one year are purged. As of June 30, 2019, the median processing time for complete application packets with no education, criminal, or background issues was the following:

New Applicants - 10 days;

Re-certifications - 6 days.

Application Packets With Education, Background, or Other Issues

As of June 30, 2019, the median processing time for approved, complete, new applications with education, background, or other issues was 43 days. The median processing time for approved, complete recertification applications with education, background, or other issues was also 43 days.

Complete application packets for applicants with education issues (education from purged or denied schools or where CAMTC has a reason to question whether the applicant received the education listed on the transcript) are generally grouped together and sent education only Proposed Denial Letters, with hearings set approximately 90 days from the date the letter is sent. Additionally, those students that apply to CAMTC with education from a school that has applied for school approval before January 1, 2019, but the school's application is still pending, are generally held until a final decision is made to approve, deny, or purge the school's application for school approval. If the school is ultimately approved, then the hold on the applicants is lifted and their applications are processed in accordance with standard procedures. This can result in longer applicant processing times while a school moves through the process and the applications are held. For applications for school approval received on or after January 1, 2019, their students will only be able to use the education for certification purposes if the school's application is ultimately approved.

Likewise, applicants with background issues are sent for review, and move through the process described in the response to Question ___ of this Sunset Report. As described, CAMTC makes its best efforts to immediately identify applicants with easily cleared issues and moves them quickly through the background review process. CAMTC believes that its efforts can be seen in the fact that as of June 30, 2019, applicants with education, background, or other issues (new and recertifications) have a median processing time of 43 days.

Pending Applications

Currently, there are no significant backlogs for pending applications. CAMTC is processing applications and issuing certificates for complete applications in a very short amount of time.

Performance Barriers

Like all organizations, CAMTC is limited in how fast it can process applications based on the amount of resources it has to accomplish this task. The BOD has balanced the operational needs of the organization and certificate holder requests for faster processing times with its reticence to increase fees. CAMTC has worked very hard to create as many processing efficiencies as possible while still maintaining the integrity of its system. Fees were recently raised on January 1, 2019, in part to fund the resources needed to continue to maintain faster processing times and maintain improved customer service response times. At the current time, CAMTC is quickly processing applications of all types and does not see a need to increase fees in the near future.

17. How many certificates does the CAMTC issue each year? How many re-certifications does the CAMTC issue each year?

Please see Tables 6 and 7 for this information for 2015 through June 30, 2019.

Table 6. Certification Population for 2015 through June 30, 2019

[TABLE NOT YET COMPLETED]

Total Certification Data ***Table 7. Total Certification Data***

[TABLE NOT YET COMPLETED]

Information Verification and Requirements

18. How does CAMTC verify information provided by the applicant?

- a. What process does the CAMTC use to check prior criminal history information, prior disciplinary actions, or other unlawful acts of the applicant?
- b. Does the CAMTC fingerprint all applicants?
- c. Have all current certificate holders been fingerprinted? If not, explain.
- d. Is there a national databank relating to disciplinary actions? Does the CAMTC check the national databank prior to issuing a certificate?
Renewing a certificate?
- e. Does the CAMTC require primary source documentation?

Process to check prior criminal history, disciplinary actions, and unlawful acts of the applicant.

Pursuant to Business and Professions Code section 4606, all applicants must be fingerprinted and must comply with live scan requirements using CAMTC's ORI number, so that reports on State and Federal level convictions and arrests are sent directly to CAMTC. This has been a statutory requirement since the enabling law became effective, so every applicant (and therefore certificate holder) has submitted fingerprints. Once someone has applied for CAMTC certification, CAMTC continues to receive criminal history information notifications from the DOJ and FBI, unless and until CAMTC sends a "no longer interested" notification. In this manner, CAMTC is continually updated on applicant and certificate holder State and Federal level convictions and arrests.

CAMTC also communicates regularly with cities, counties, and local law enforcement agencies to gather information about local disciplinary actions taken against an applicant or certificate holder applying for certification or re-certification. Email communication with cities, counties, and law enforcement agencies related to applicants and certificate holders is continuous and on-going. Weekly notifications of all suspensions, reinstatements, and revocations are sent to all authorized contacts.

Certificate holders must apply for recertification every two years. In between, certificate holders are required to notify CAMTC of any arrests, citations or administrative or disciplinary actions. Information received is reviewed and, when warranted, investigated to determine if a violation of CAMTC's statute has occurred.

The receipt of information from local jurisdictions is critical. The DOJ and FBI reports are limited to criminal arrests and convictions and do not include administrative citations or civil actions related to a local massage or business permit, as these are commonly civil, not criminal, matters. Additionally, local municipal code violations that are criminal don't always show up on the DOJ, since in many cases these violations don't require fingerprinting, so there is no DOJ reporting. Local jurisdictions may also provide evidence that an applicant or certificate holder has engaged in conduct that violates CAMTC's statute. Since the last Sunset report, CAMTC has seen a substantial uptick in reporting from local cities, counties, and law enforcement agencies.

CAMTC regularly receives information about applicants and certificate holders through its complaint link. CAMTC also receives information from out-of-state massage boards in relation to discipline against massage professionals. This information is thoroughly reviewed before applicants are certified or certificate holders are recertified.

Fingerprinting of Applicants

This has been a statutory requirement since the enabling law became effective, so every applicant has submitted fingerprints.

Fingerprinting of Certificate Holders

This has been a statutory requirement since the enabling law became effective, so every certificate holder has submitted fingerprints.

National Databank

Currently, there is no functional national databank related to disciplinary actions against massage professionals. While one has recently been developed by the Federation of State Massage Therapy Boards, it is not fully populated with data from the member boards at this time. It is unknown how many states will upload data and allow full access. Therefore, the exact manner in which it will operate, and the quality of the data it will provide, is not known.

Primary Source Documentation

CAMTC does require primary source documentation. CAMTC requires that open schools directly submit transcripts to CAMTC, and will not accept transcripts submitted by students. For schools that have closed, and no independent verification of education exists, CAMTC accepts compelling evidence of attendance and graduation submitted by the applicant. Information submitted by an applicant is assessed by staff. Applicants may also be required to pass an interview with a CAMTC curriculum expert who has many years of expertise in the profession.

Test scores from CAMTC approved exams (NCETMB, NCETM, BCETMB, New York State Massage Therapy Exam, and MBLEx) are also sent directly to CAMTC. If an exam has been taken prior to submission of an application for certification and is being used as part of the application packet, CAMTC staff will verify the score with the testing provider. The requirement to pass a CAMTC approved exam as a condition of certification has been suspended from January 1, 2019 through December 31, 2020. The requirement will again become operative on January 1, 2021.

19. Describe the CAMTC's legal requirement and process for out-of-state and out-of-country applicants to obtain certification.

Out of State Applicants

Business and Professions Code section 4604(a)(6) provides:

The council may issue a certificate to an applicant who meets the qualifications of this chapter if he or she and holds a current and valid registration, certification, or license from any other state whose licensure requirements meet or exceed those defined within this chapter. If an applicant has received education at a school that is not approved by the council, the council shall have the discretion to give credit for comparable academic work completed by an applicant in a program outside of California.

When CAMTC receives an application from an applicant that is licensed, registered, or certified in another state, it first assesses whether the license is from a state that meets or exceeds the educational requirements in CAMTC's statute. Since 2015, CAMTC has

required 500 hours of education (or credit unit equivalent), with 100 of those 500 hours in core curriculum subjects (anatomy and physiology, contraindications, health and hygiene, and business and ethics). (Bus. & Prof. Code §4604(a)(1)(A).) For applicants who hold valid licenses from these states, the state license is considered to meet the educational requirements in CAMTC's statute. These applicants are still assessed to determine whether they meet the other background requirements in the Act. They must still pass CAMTC's background check. They were also required to pass a CAMTC approved exam, during the time that this was a requirement for certification.

For applicants who have licenses from states that do not meet or exceed the educational requirements in CAMTC's statute, or have education completed in other states, their education is considered on a case-by-case basis. CAMTC has the statutory authority to give credit for comparable work completed outside of California. CAMTC has experts that assess out of state transcripts and determine the credit that should be given for each transcript and whether it meets CAMTC's educational requirements, including the core curriculum requirements.

Out of Country Applicants

Business and Professions Code section 4601(a)(5) states that out-of-state schools must require "equal or greater training than what is required pursuant to this chapter and is recognized by the corresponding agency in another state or accredited by an agency recognized by the United States Department of Education." CAMTC is not aware of any international schools that are recognized by a corresponding agency in another state or accredited by an agency recognized by the United States Department of Education. Therefore, CAMTC is unable to consider education from international schools.

20. Does the CAMTC send No Longer Interested notifications to DOJ on a regular and ongoing basis? Is this done electronically? Is there a backlog? If so, describe the extent and efforts to address the backlog.

[NOT YET COMPLETE]

Examinations

21. Describe the examinations required for certification. Is a national examination used? Is a California specific examination required?

Passage of a CAMTC approved exam was required for certification from January 1, 2015 through December 31, 2018. Due to a change in the law, no exam is currently required for CAMTC certification. (Bus. & Prof. Code section 4604(a)(3).) This requirement will become operative again on January 1, 2021.

CAMTC has approved and recognizes five psychometrically developed exams, though only four of the exams are available for individuals taking an exam on or after February 15, 2015. The examinations currently approved by CAMTC's BOD are: the MBLEx (offered by FSMTB); the NCETMB and the NCETM if taken before February 1, 2015, and the BCETMB (all of which are offered by NCBTMB); and the New York State Massage Therapy Exam. The FSMTB and NCBTMB each contract with Pearson VUE to deliver and score their exams.

22. What are pass rates for first time vs. retakes in the past 4 fiscal years? If information is available.

This information is not available to CAMTC since it does not administer the exam(s).

23. Are there existing statutes that hinder the efficient and effective processing of applications and/or examinations? If so, please describe.

CAMTC does not believe that existing statutes are hindering the efficient and effective processing of applicants. CAMTC's statute provides it with the ability to process applications in both an efficient and effective manner, as can be seen by its short processing times. Information sharing with local agencies, codified in CAMTC's statute, provides it with the ability to effectively evaluate a significant amount of information. CAMTC's broad statutory authority for denials and discipline also affords it ample opportunity to effectively assess applicants and discipline certificate holders when necessary.

School Approvals

24. Describe the legal requirements regarding school approval. Who approves your schools? What role does BPPE have in approving schools? How does the CAMTC work with BPPE in the school approval process?

Business and Professions Code section 4601 defines an approved school as:

a school approved by the council that meets minimum standards for training and curriculum in massage and related subjects, that meets any of the following requirements, and that has not been otherwise unapproved by the council:

(1) Is approved by the Bureau for Private Postsecondary Education.

(2) Is approved by the Department of Consumer Affairs.

(3) Is an institution accredited by the Accrediting Commission for Senior Colleges and Universities or the Accrediting Commission for Community and Junior Colleges of the Western Association of Schools and Colleges and that is one of the following:

(A) A public institution.

(B) An institution incorporated and lawfully operating as a nonprofit public benefit corporation pursuant to Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code, and that is not managed by any entity for profit.

(C) A for-profit institution.

(D) An institution that does not meet all of the criteria in subparagraph (B) that is incorporated and lawfully operating as a nonprofit public benefit corporation pursuant to Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code, that has been in continuous operation since April 15, 1997, and that is not managed by any entity for profit.

(4) Is a college or university of the state higher education system, as defined in

Section 100850 of the Education Code.

(5) Is a school requiring equal or greater training than what is required pursuant to this chapter and is recognized by the corresponding agency in another state or accredited by an agency recognized by the United States Department of Education.

Business and Professions Code sections 4615(b)-(c) require CAMTC to develop policies, procedures, rules, or bylaws governing the requirements and process for the approval and unapproval of schools, consistent with section 4601, and provides for CAMTC to charge a reasonable fee for the inspection or approval of schools.

CAMTC established the Educational Standards Division (ESD) to oversee the approval of schools. Schools must first be BPPE approved or accredited in accordance with section 4601 to apply for CAMTC approval. CAMTC works with BPPE to verify if a school is approved by BPPE. The two organizations also share information upon request about disciplinary actions that have been taken against a school.

25. How many schools are approved by CAMTC? How often are approved schools reviewed? Can the CAMTC remove its approval of a school?

As of August 1, 2019, there were 71 approved campuses and 5 provisionally approved campuses. The initial approval period for a school is 2 years with subsequent re-approval periods being every 4 years. Approved schools are required to submit and receive approval for changes made while approved. CAMTC continuously monitors and makes regular unscheduled and scheduled site visits to schools. CAMTC may revoke a school's approval if necessary. (Please see Policies and Procedures for Approval of Schools, section __, attached to Section __, attachment __.)

26. What are the CAMTC's legal requirements regarding approval of international schools?

Section 4601(a)(5) states that out-of-state schools must require "equal or greater training than what is required pursuant to this chapter and is recognized by the

corresponding agency in another state or accredited by an agency recognized by the United States Department of Education.” CAMTC is not aware of any international schools that are recognized by a corresponding agency in another state or accredited by an agency recognized by the United States Department of Education. Therefore, CAMTC is unable to consider education from international schools.

27. Please describe the number of schools approved, disapproved or re-approved.

As of August 1, 2019, since CAMTC School Approval began on July 1, 2016, CAMTC has approved 100 campuses with 5 schools provisionally approved, denied 6 schools, purged 26 schools, and re-approved 61 campuses.

Continuing Education/Competency Requirements

28. Describe the CAMTC’s continuing education/competency requirements, if any. Describe any changes made by CAMTC since the last review.

- a. How does the CAMTC verify CE or other competency requirements?
- b. Does the CAMTC conduct CE audits of certificate holders? Describe the CAMTC’s policy on CE audits?
- c. What are the consequences for failing a CE audit?
- d. How many CE audits were conducted in the past four fiscal years? How many fails? What is the percentage of CE failure?
- e. What is the CAMTC’s course approval policy?
- f. Who approves CE providers? Who approves CE courses? If the CAMTC approves them, what is the CAMTC application review process?
- g. How many applications for CE providers and CE courses were received? How many were approved?
- h. Does the CAMTC audit CE providers? If so, describe the CAMTC policy and process.
- i. Describe the CAMTC’s effort, if any, to review its CE policy for purposes of moving toward performance based assessments of the certificate holder’s continuing competence.

There is no continuing education requirement. There have therefore been no changes made since the last Sunset review.

Enforcement Program Performance Targets

29. What are the CAMTC's performance targets/expectations for its enforcement program? Is the CAMTC meeting those expectations? If not, what is the CAMTC doing to improve performance?

In 2015, CAMTC engaged in a project to establish performance targets for its program. Since there are no other programs exactly like CAMTC to review for comparison value, CAMTC decided to review existing DCA programs to get a sense of what targets those programs were setting and achieving. While this data was not directly on point, we hoped it would serve as a beginning point. CAMTC surveyed 36 DCA boards and bureaus and calculated an average for each measure. For the 36 boards and bureaus researched, the following aggregate averages were found for Q2 fiscal year 2014-2015:

- DCA Boards and Bureaus Aggregate Average – PM1 - Volume of complaints per month, on average: 243;
- DCA Boards and Bureaus Aggregate Average – PM2 - Intake, target average was 11 days, actual average: 11 days;
- DCA Boards and Bureaus Aggregate Average – PM3 - Intake and Investigation (does not include cases resulting in formal discipline), target average was 204 days, actual average was: 153 days (this number does not include numbers for the Medical and Physician Assistant boards, as they did not report due to Breeze);
- DCA Boards and Bureaus Aggregate Average – PM4 - Imposition of Formal Discipline, target average was 540 days, actual average was: 728 days (this number does not include information from the Medical, Physician Assistant, and Nursing boards as they did not report due to Breeze).

After reviewing this information, CAMTC established the following performance targets for its program on July 15, 2015:

- PM2 – Intake Target Average- (Average cycle time from complaint receipt to the date the complaint was assigned to an investigator) - 9 days;
- PM 3 - Intake and Investigation Target Average (Average cycle time from complaint receipt to closure of the investigative process. Does not include cases forwarded for formal discipline) –180 days; and
- PM 4 - Formal Discipline Target Average (Average number of days to complete the entire enforcement process for cases resulting in formal discipline.) – 480 days.

CAMTC has been well under its target averages for every quarter since it began tracking this information. Therefore in 2017, these target averages were lowered to the following:

- PM2 – Intake Target Average- (Average cycle time from complaint receipt to the date the complaint was assigned to an investigator) – 4 days;
- PM 3 - Intake and Investigation Target Average (Average cycle time from complaint receipt to closure of the investigative process. Does not include cases forwarded for formal discipline) – 90 days; and
- PM 4 - Formal Discipline Target Average (Average number of days to complete the entire enforcement process for cases resulting in formal discipline.) – 240 days.

CAMTC's performance numbers have been well below the target averages for every quarter that it has been tracking this data. Please see response to Question Number 6 in this Sunset Report for those quarterly numbers. CAMTC believes that its high level of performance is based on its statutory authority, legal standards, and the design of its program.

30. If performance targets/expectations for CAMTC's enforcement program are not established, please explain when, and if, CAMTC expects to establish such performance guidelines.

Performance targets have been established. Please see discussion in response to Question 29 to this report, above.

Trends in Enforcement Data

31. Explain trends in enforcement data and the CAMTC's efforts to address any increase in volume, timeframes, ratio of closure to pending, or other challenges. What are the performance barriers? What improvement plans are in place? What has the CAMTC done and what is the CAMTC going to do to address these issues, i.e. process efficiencies, bylaws, legislation?

[NOT YET COMPLETE]

32. Please explain CAMTC's enforcement program and disciplinary review.

[NOT YET COMPLETE]

33. Please explain any fees related to enforcement activities.

In accordance with Business and Professions Code section 4602(i), the BOD is authorized to "establish fees reasonably related to the cost of providing services and carrying out its ongoing responsibilities and duties." On September 15, 2011, the BOD established a fee for oral hearings and consideration of written statements. The initial fee for an oral hearing was \$95 and the fee for consideration of a written statement was \$65. On September 13, 2012, the fees were raised to \$135 for an oral hearing and \$90 for consideration of a written statement. On January 1, 2019, the fees were raised to \$270 for an oral hearing and \$180 for consideration of a written statement. Fee waivers are granted for individuals who are able to demonstrate that they are financially unable to pay the hearing fees. (Section __, Attachment __.) CAMTC uses the same financial guidelines to determine indigence that California courts do.

Enforcement Statistics

[NOT YET COMPLETED]

TABLEs 9a., 9b., 9.c., 9.d.

Enforcement Aging

Please see the response to Question 6 of this Sunset report, where performance measures are discussed. CAMTC is more than meeting its disciplinary performance targets and is providing swift discipline to certificate holders (107 days on average for Formal Discipline in the first quarter of 2019). (Section ____, Attachment ____.)

Please also note, CAMTC certificate holders are only certified for a two-year time period. This means that in no case can CAMTC take longer than two years to discipline a certificate holder, as it loses its jurisdiction over a certificate holder once the certificate has expired.

34. What do overall statistics show as to increases or decreases in disciplinary action since last review?

[NOT YET COMPLETED]

Case Prioritization

35. How are cases prioritized? What is the CAMTC's complaint prioritization policy?

[NOT YET COMPLETED]

36. Are there mandatory reporting requirements? For example, requiring local officials or organizations, or other professionals to report violations, or for civil courts to report to the CAMTC actions taken against a certificate holder. Are there problems with the CAMTC receiving the required reports? If so, what could be done to correct the problems?

CAMTC is not subject to any mandatory reporting requirements, nor are other entities required to report information to CAMTC. CAMTC does receive Subsequent Arrest Notifications from the DOJ and FBI. It also regularly receives information from local jurisdictions about administrative, civil, and criminal actions taken against applicants and certificate holders.

37. Does the CAMTC operate with a statute of limitations? If so, please describe and provide citation. If so, how many cases have been lost due to

statute of limitations? If not, what is CAMTC's policy on statute of limitations?

CAMTC does not operate within a statute of limitations. No cases are lost due to statute of limitations issues and there is no BOD policy on statute of limitations.

38. Describe the CAMTC's efforts, if any, to address uncertified activity and the underground economy.

CAMTC has no jurisdiction over uncertified activity. Its authority is limited in statute to applicants and certificate holders. As a voluntary certification organization, it does not fully occupy the field. CAMTC does send cease and desist letters to individuals who are using terms reserved for CAMTC certificate holders in their advertising. In regards to the underground economy, on a positive note, CAMTC has brought many thousands of massage professionals into the open, obtaining CAMTC certification and local business licenses as professionals for the first time.

CAMTC has worked with the Employment Development Department, the Department of Industrial Relations, the Department of Homeland Security, and local law enforcement agencies in preparation for joint operations with law enforcement.

Cite and Fine

39. How is cite and fine used? What types of violations are the basis for citation and fine? If no cite and fine authority is available, please state, "no cite and fine authority."

40. What are the 5 most common violations for which citations are issued?

CAMTC does not have cite and fine authority.

Cost Recovery and Restitution

Describe the CAMTC's efforts to obtain cost recovery. Discuss any changes from the last review.

41. Are there cases for which the CAMTC does not seek cost recovery? Why?

42. Describe the CAMTC's efforts to obtain restitution for individual consumers, any formal or informal CAMTC restitution policy, and the types of restitution that the CAMTC attempts to collect, i.e. monetary, services, etc. Describe the situation in which the CAMTC may seek restitution from the certificate [sic] to a harmed consumer.

CAMTC does not have cost recovery or restitution authority and therefore does not engage in these activities.

Public Information Policies

43. How does the CAMTC use the internet to keep the public informed of CAMTC activities? Does the CAMTC post meeting materials online? When are they posted? How long do they remain on the website? When are draft meeting minutes posted online? When does the CAMTC post final meeting minutes? How long do meeting minutes remain available online?

CAMTC posts notices on its website related to issues of certificate holder and applicant concern on an as needed basis. This includes changes to the law, BOD policy such as changes to how applications from closed schools are reviewed, proposed fee changes and the current fees, and a summary of common actions that violate CAMTCs' law.

CAMTC posts statuses of certificate holders on its public, "Verify Certification" website. This information applies only to current and expired certificate holders, including those whose certificates have been suspended or revoked. Individuals can be searched by certificate number, name, or city of work as reported by the certificate holder.

Pursuant to Business and Professions Code section 4602(j) and the rules of the Bagley-Keene Open Meeting Act, CAMTC also posts notices and agendas of all meetings 10 days in advance on its website at <https://www.camtc.org/Meetings.aspx>. All meetings are open to the public. Prior to every vote on each issue listed on the agenda, time is provided for public comment. Additionally, public comment is also allowed for issues not on the agenda and suggestions for future meetings. Board Packets are emailed upon request to each requesting party, and copies are available at the meeting for guests. Board Packets are also posted on the website prior to each meeting and remain there indefinitely. Final meeting minutes are posted on CAMTC's website within fourteen days of being approved. Final minutes remain on the website indefinitely. Draft minutes are not posted. Audio recordings of the open session portions of the meetings are also posted to CAMTC's website and remain there indefinitely.

44. Does the CAMTC webcast its meetings? What is the CAMTC's plan to webcast future CAMTC and committee meetings? How long do webcast meetings remain available online?

CAMTC currently audio records its meetings and posts those recordings to its website. The audio recordings of CAMTC's BOD meetings can be found at <https://www.camtc.org/information-about-camtc/meetings>. CAMTC's BOD meetings are open to the public; agendas, dates and location of meetings are posted on the website at least ten days in advance; there is always an opportunity for public comment at meetings; and meeting minutes and votes on issues are posted on its website.

CAMTC does not webcast its meetings and currently has no plans to do so, as the cost is prohibitively expensive. For example, a recent search lists the cost to webcast a meeting at anywhere from \$3,000 - \$6,000 a day, not including additional costs such as travel time, addition rental fees for the room, or hotel stays for the engineer. CAMTC does not want to have to increase fees to cover these additional costs.

45. Does the CAMTC establish an annual meeting calendar, and post it on the CAMTC's web site?

Yes, CAMTC has had this policy since November 18, 2015.

46. Does the CAMTC post accusations and disciplinary actions?

CAMTC is not a State agency. CAMTC is a private nonprofit corporation with its own denial and disciplinary process. CAMTC's denial and disciplinary process does not result in the creation of accusations, and therefore there are no accusations to be posted on its website.

On its public "verify certification" website, CAMTC only shares information about certificate holder discipline when the matter has reached a resolution. So, for example, CAMTC posts information about suspensions and revocations on its public "verify certification" website when they are imposed. It does not post information about

proposed imposition of discipline on certificate holders.

47. What information does the CAMTC provide to the public regarding its certificate holders (i.e., education completed, awards, certificates, certification, specialty areas, disciplinary action, etc.)?

Members of the public can access a certificate holder or former certificate holder's information on CAMTC's website by going to: <https://www.camtc.org/> and clicking on the "Verify Certification" icon. The "verify certification" link allows a member of the public to search by any of the following criteria: certificate number; city of work location; last name; or first name. Only one of these search criteria is needed in order to return information. So, for example, if a member of the public wanted to know if their therapist, "Sarah," was certified, they could run a search of all certified individuals with that first name. The "verify certification" link provides the following information for each certified or formerly certified individual: name; certificate number; certificate type (conditionally certified massage practitioner, certified massage practitioner, or certified massage therapist); effective date of certification; date certification expires; city of work location; and status (active, suspended, revoked, permanently revoked, expired, or expired while suspended).

48. What methods are used by CAMTC to provide consumer outreach and education?

[NOT YET COMPLETE]

49. Please identify and explain the location of CAMTC's headquarters.

CAMTC is unique in that it has both its own employees and uses a management firm, AMG, to provide application processing and some administrative services. CAMTC's principal place of business is located at One Capitol Mall, Suite 800, in the city of Sacramento, California. This is also the address where all of its mail is received. These are the offices of AMG.

All CAMTC employees work out of their own locations, at various places around the State. For example, the CEO and the Division Director for the ESD are located in southern California, while the Director of Governmental Affairs and Staff Attorneys are located in Northern California. CAMTC employees engage in regular telephone conference calls to conduct staff meetings and interact with each other. Additionally, CAMTC has a secure database where information needed to perform job duties can be viewed and shared.

Online Practice Issues

50. Discuss the prevalence of online practice and whether there are issues with unlicensed activity.

Massage is a hands-on profession that cannot be practiced online. Since certification is voluntary, uncertified activity is not an issue.

51. Discuss any applicable authority to regulate online resources related to the practice of massage therapy.

[NOT YET COMPLETED]

Workforce Development and Job Creation

52. What actions has the CAMTC taken in terms of workforce development?

CAMTC has developed a system that allows employers to send employment offers to CAMTC certificate holders in a specific geographic area without CAMTC releasing the personal information of its certificate holders to those potential employers. Upon request, CAMTC sends out postcards with employment offers. These are fully paid for by the employer, after CAMTC review and approval of the content. Certificate holders are offered the opportunity to opt out of receiving these mailings. The employer can choose one or more targeted zip codes to receive these postcards.

53. Describe any assessment the CAMTC has conducted on the impact of certification delays.

CAMTC has not conducted any assessments of the impact of certification delays. At the current time, there are no certification delays.

54. Describe the CAMTC's efforts to work with schools to inform potential certificate holders of the certification requirements and process.

CAMTC requires approved schools to include information about CAMTC in their school catalogs and on their enrollment agreements, in addition to including their CAMTC School Approval Code (once approved) in any and all massage program advertising and marketing materials, including but not limited to website, business cards, brochures, print advertisements, and online banners. CAMTC verifies that approved schools comply with these requirements through the approval and re-approval processes.

CAMTC requires schools that have applied for approval, but have not yet received a final decision on their application, to distribute notice to all prospective students before

they enroll in the program and to all students currently enrolled in the program regarding the implications of attending a school that is not yet approved by CAMTC. CAMTC supplies a full-color, trifold brochure free of charge to schools and a printable FAQ for this purpose. AB 775 would extend this requirement to all schools with a massage program whether the school applies with CAMTC or not.

CAMTC regularly communicates changes, updates, and current happenings to all schools through its school newsletter and school conference call. Newsletters are emailed to schools four times per year and archived on CAMTC's website. Conference calls are regularly scheduled for the first Wednesday of every month with dial-in information and reminders emailed to schools and posted on CAMTC's website. Additionally, CAMTC responds quickly to calls and emails from individual schools with specific questions or concerns.

55. Provide any workforce development data collected by CAMTC, such as:

a. Workforce shortages.

CAMTC currently does not collect such data.

b. Successful training programs.

[NOT YET COMPLETED]

Section 9 – Current Issues

Current Issues

56. Describe the CAMTC's current database system and describe any planned changes or updates.

[NOT YET COMPLETE]

57. Describe any plans to establish performance goals for certificate issuance and certificate discipline time frames. Discuss any issues with establishing such standards.

CAMTC established average targets for its performance metrics on July 15, 2015. CAMTC is processing cases in well under these target averages. (Section __, Attachment __.) The process used to initially establish these standards is described in response to Question __ of this Sunset Report. CAMTC has consistently reduced the average targets for its performance metrics, and they currently are as follows: 4 days for PM2; 90 days for PM3; and 240 days for PM4. CAMTC has met, and been well under, all of its target averages since it began tracking this information. Please see the summary of PM data provided in response to Question 6 of this Sunset Report.

CAMTC's goal is to maintain a median processing time for complete new application packets, with no outstanding issues, within 45 days of the application packet becoming complete. This goal was established by the BOD as a 2018 strategic priority on November 2, 2017. By March of 2018, the goal was achieved and has been maintained every month since. As of June 30, 2019, the median processing time for complete new application packets with no outstanding issues was 10 days.

On November 2, 2017, the BOD also established a goal of maintaining a median processing time for complete recertification applications, with no outstanding issues, within 30 days of the application packet becoming complete. By April of 2018, this goal was achieved and has been maintained every month since. As of June 30, 2019, the median processing time for complete recertification applications with no outstanding issues was 6 days.

58. Please describe any plans or need for statutory changes.

There are some minor changes to the Massage Therapy Act that would be beneficial and CAMTC respectfully requests that the changes listed below be made. Each is addressed individually in turn.

1. Require Name Updates Within 30 Days of a Legal Name Change.

Currently, certificate holders are required to notify CAMTC of changes to their home address, work address, and email address within 30 days of the change. (Bus. & Prof. Code section 4608(d).) When they are at the location where they provide massage for compensation, certificate holders are also required to provide their “full name and certificate number” upon request to any member of the public. (Bus. & Prof. Code section 4608(b).) Certificate holders are also required to include the name they are certified under in any advertisement for massage for compensation. (Bus. & Prof. Code section 4608(c).) However, there is no legal requirement that they notify CAMTC of a legal name change within a specified period of time. This can create disparities between the name listed on a certificate and an individual’s legal name. CAMTC therefore requests that the Massage Therapy Act be amended in the following manner to address this issue (additions in red, bold):

4608. In addition to the other requirements of this chapter, a certificate holder shall:

...

(d) Notify the council within 30 days of any changes in the certificate holder’s **legal name**, home address, or the address of any massage establishment or other location where he or she provides massage for compensation, excluding those locations where massage is only provided on an out-call basis. A certificate holder also shall notify the council of his or her primary email address, if any, and notify the council within 30 days of a change of the primary email address.

2. Change BOD Appointment to Include Retired City Attorney.

The Business and Professions Code requires that the city attorney appointment be a currently practicing city attorney. Broadening the appointment category to allow a retired city attorney to be on CAMTC’s board would allow someone with the required knowledge and expertise to serve on the board who also has sufficient time to actively engage in board responsibilities. CAMTC therefore requests that the Massage Therapy Act be amended in the following way (additions in red, bold):

4602 (f)(11) The members appointed to the board in accordance with paragraphs (1) to (10), inclusive, shall appoint three additional members, at a duly held board meeting in accordance with the board’s bylaws. One of those appointees shall be an attorney licensed by the State Bar of California, who has been practicing law

for at least three years and who at the time of appointment **or as their last position before retirement** represents **or represented** a city in the state. One of those appointees shall represent a massage business entity that has been operating in the state for at least three years. The council shall establish in its bylaws a process for appointing an additional member, provided that the member has knowledge of the massage industry or can bring needed expertise to the operation of the council for purposes of complying with Section 4603.

3. Allow Broader Information Sharing With State and Federal Law Enforcement Agencies and Professional Licensing Agencies

CAMTC recommends the following statutory change so that it has more flexibility to fully share information with state and federal law enforcement agencies and state agencies that license professions. Under the language of the current law, it appears to contemplate sharing “other information in the council’s possession that is necessary to verify facts relevant to administering a *local ordinance*,” (emphasis added) which is limiting. This limitation can hinder sharing financial information with state and federal law enforcement agencies who are investigating complicated organized crime schemes such as human trafficking. CAMTC has also been receiving requests from state boards and bureaus that are not law enforcement agencies for information about applicants and certificate holders. CAMTC therefore recommends that the following changes be made to the Massage Therapy Act (proposed changes in red, bold, and strikethrough):

4614. (a) Upon the request of any law enforcement agency, **state agency**, or any ~~other~~ representative of a local government agency with responsibility for regulating or administering a local ordinance relating to massage or massage establishments, the council shall provide information concerning an applicant or a certificate holder, including, but not limited to, any of the following:

- (1) The current status of an application or certificate.
- (2) Any history of disciplinary actions.
- (3) The home and work addresses of the applicant or certificate holder.
- (4) The name and home and work addresses of any person whose certificate has been suspended and the length of the suspension, **~~if the work address is located within the jurisdiction of agency making the request.~~**

(5) Any other information in the council's possession that is necessary to verify facts relevant to administering **the a** local ordinance, **enforcing state, federal, or local law, or regulating a licensed profession.**

[ADDITIONAL REQUESTS FOR STATUTORY CHANGES NOT YET COMPLETED]

CAMTC is also requesting that it be granted a six-year Sunset period.

59. Please explain any important board of directors-related decisions which have occurred since the past Sunset review under the jurisdiction of the current board composition, including staff changes, contract negotiations or any other significant activity conducted prior to and after the change in the board of directors' composition.

[NOT YET COMPLETED]

Action and Response to Prior Sunset Issues

Include the following:

1. **Background information concerning the issue as it pertains to the CAMTC.**
2. **Short discussion of recommendations made by the Committees/Joint Committee during prior Sunset review.**
3. **What action the CAMTC took in response to the recommendation or findings made under prior Sunset review.**
4. **Any recommendations the CAMTC has for dealing with the issue, if appropriate.**

CAMTC was last reviewed by the Committees in 2015. During that Sunset review, 16 issues were raised, each of which will be addressed here in turn. In most cases, CAMTC believes that these issues were properly addressed during the prior Sunset review and no further action is needed at this time. CAMTC therefore will only be providing a recommendation for dealing with a specific issue when it is appropriate.

ISSUE #1: Please explain, as a nonprofit entity, how the CAMTC prepares its annual budgets? How is budget planning different from other state-regulatory boards?

Staff Recommendation: *In an effort to help the Committees better understand the financial structure of the CAMTC, the CAMTC should explain to the Committees how it prepares, projects, and categorizes its annual budget.*

CAMTC Response:

CAMTC provided the response below to the Committees' question during its last Sunset review, and it is still accurate.

(Previous CAMTC response provided here for the Committees' convenience.) CAMTC's annual budget is based on a calendar year. Its preparation involves a three-step process.

1. At its September Board of Directors ("BOD") meeting in the year preceding the one in which the budget will become operative, the BOD adopts a list of specific strategic priorities for the following year. Having well defined objectives and goals are critical to developing a realistic budget that actually matches organizational goals and operations.

2. Staff then develops and presents a preliminary budget to the BOD at the November meeting for the following year. Revenue projections are extrapolated based on historical data, recent market trends, and evaluation of the potential impact of legislative changes on the number of new applications and the recertification rate. Expense projections are calculated based on historical data, BOD priorities, and changes in cost structure. In some cases the BOD may designate special priority projects to be financed by existing principal and not from operational income. At this juncture, staff evaluates the certification fee structure to see if there are any necessary changes. To date, CAMTC has never raised its certification fee.
3. In the February meeting during the year that the budget becomes operative, the BOD adopts a final budget for that year. Unlike the preliminary budget, which is based on projected starting cash balance, the final budget and cash flow projection are based on actual numbers. This also allows for better calibration and fine-tuning of projections.

Unlike state boards, CAMTC does not categorize revenue as income when payments are received, but instead spreads the recognition of income from the certification fee over the entire certification period, which is 24 months. In cases where an application is denied, the entire application fee is fully recognized as income on the effective date of denial. Likewise, in cases of revocation of a certificate, the remainder of the unrecognized income is recognized on the effective date of revocation. The deferment of revenue recognition is an integral element of maintaining the fiscal viability of the organization.

ISSUE #2: *What is the CAMTC's contingency plan if problems arise with its current administrative contract provider?*

Staff Recommendation: *The CAMTC should advise the Committees on its proposed course of action in the event that its contract services with the AMG ends.*

CAMTC Response: CAMTC provided the response below to the Committees' question during its last Sunset review, and it is still accurate.

(Previous CAMTC response provided here for the Committees' convenience.) CAMTC contracts with AMG to process applications and provide customer service. However, CAMTC owns all of its own data, database, and computer systems, including all files related to applicants and certificate holders and all documents related to their processing, and all processes and procedures used to process applications and certificate holders. If its relationship with AMG were to end, CAMTC would either contract with another management firm to perform these functions or it would hire its own employees to perform these duties. It would then migrate its data, database, and documents to its newest provider.

ISSUE #3: *Why are the numbers of new applicants for certification decreasing?*

Staff Recommendation: *From a consumer protection standpoint, certification ensures that a "certified professional" has met specified educational, training, and background standards, thereby giving consumers some reassurance that their practitioner is properly educated and trained. If applications for certification are decreasing, what are the implications for consumer safety? The Committees may wish to inquire of the CAMTC as to some of the reasons it believes are leading to a drop in new application levels.*

CAMTC Response:

[NOT YET COMPLETED]

ISSUE #4: *Human Trafficking. Is there a role for the CAMTC to help in the fight against human trafficking?*

Staff Recommendations: *The Committees may wish to inquire of the CAMTC what it believes its role is in helping to combat human trafficking.*

CAMTC Response:

[NOT YET COMPLETED]

ISSUE #5: *Information sharing processes and local government entities. Are there ways to enhance information sharing?*

Staff Recommendation: *The CAMTC should advise the Committees as to the problems it has with obtaining timely enforcement-related data from local jurisdictions. In addition, the CAMTC should explain to the Committees alternative means to reach an optimal level of information sharing that is mutually beneficial to the CAMTC and those jurisdictions that may be uncomfortable with the current information-sharing system.*

CAMTC Response: CAMTC has a great working relationship with many law enforcement agencies, cities, and counties, where information is shared quickly, easily, and regularly. CAMTC works with local government and law enforcement personnel every day to gather the information needed to take action against applicants and certificate holders. CAMTC has engaged in significant outreach efforts, including providing no cost training sessions, meeting regularly with law enforcement agencies and local government agencies, and providing information to these agencies to assist them with their enforcement efforts. CAMTC's outreach efforts are working, which can be seen in the total numbers of denial and disciplinary actions regularly taken. Most local jurisdictions quickly notify CAMTC on their own when information comes in about an applicant or certificate holder, so that swift action can be taken by CAMTC. While it might not have been true in the past, CAMTC currently is not having a problem with receiving timely enforcement-related information from local jurisdictions.

As we move into the future, CAMTC plans to continue to provide no-cost training to local, state, and federal law enforcement agencies, code enforcement agencies, and other agencies that regulate massage. These efforts help educate agencies about CAMTC's statute and processes and how all parties can work together to achieve our mutual goals. CAMTC will continue to reach out to local, state, and federal agencies in an effort to increase information sharing.

ISSUE #6: *Why did the CAMTC update its bylaws at the September 15, 2015 meeting?*

Staff Recommendation: *The CAMTC should explain to the Committees why it was necessary to amend the organization's bylaws and articles of incorporation in September 2015.*

CAMTC Response:

CAMTC provided the response below to the Committees' question during its last Sunset review, and it is still accurate.

(Previous CAMTC response provided here for the Committees' convenience.)

CAMTC updated its articles of incorporation and bylaws at the September 15, 2015 meeting in order to be consistent and compliant with AB1147. AB1147 was a brand new law and therefore the purposes section of the articles and bylaws, as well as the BOD composition section of the bylaws, had to be updated to reflect the new law prior to the new BOD being seated. Had the bylaws and articles of incorporation not been updated prior to the new BOD being seated, then the new BOD would have been operating without authority.

ISSUE #7: *Is training available to CAMTC board members to ensure compliance with the Bagley-Keene Act and other statutory requirements?*

Staff Recommendation: *The Committees may wish to inquire of the CAMTC how it conducts board member training to ensure compliance with the Bagley-Keene Act.*

CAMTC Response:

[NOT YET COMPLETED]

ISSUE #8: *What is the status of the CAMTC's feasibility study?*

Staff Recommendation: *The Committees may wish to grant the CAMTC with a six-month extension to complete the feasibility study in order to ensure a timely, accurate and unbiased report.*

CAMTC Response: The feasibility study has been completed and was timely submitted to the appropriate committees of the legislature. The feasibility study generally analyzed the feasibility of adopting a license act and concluded that CAMTC certification provides the greatest benefits at the lowest cost.

ISSUE #9: *Is clarification of the Public Member participant requirements necessary?*

Staff Recommendation: *The Committees may wish to discuss if the definition of "member of the public" needs to be further clarified or if the current statute is sufficient.*

CAMTC Response:

CAMTC provided the response below to the Committees' question during its last Sunset review, and it is still accurate.

(Previous CAMTC response provided here for the Committees' convenience.) CAMTC does not believe that the definition of "member of the public" in Business and Professions Code section 4602(g)(6) needs to be further clarified. Business and Professions Code section 450.5 provides the following:

A public member, or a lay member, at any time within five years immediately preceding his or her appointment, *shall not* have been engaged in pursuits which lie within the field of the industry or profession, or have provided representation to the industry or profession, regulated by the board of which he or she is a member, nor shall he or she engage in those pursuits or provide that representation during his or her term of office.

CAMTC believes that Business and Professions Code section 450.5 applies and already provides sufficient clarification as to the definition of a "member of the public" as referenced in Business and Professions Code section 4602(g)(6).

ISSUE #10: *Explain the criteria for school approval. Should there be a fee cap for the approval of schools?*

Staff Recommendation: *The CAMTC should explain to the Committees the status of the new school approval program. The CAMTC should explain the process for those transitional students who begin coursework before July 1, 2016, and complete the coursework after July 1, 2016.*

CAMTC Response:

[NOT YET COMPLETED]

ISSUE #11: *When does the CAMTC anticipate signing the MOU with the BPPE?*

Staff Recommendation: *The CAMTC should advise the Committees on the MOU process and provide an update as to its relationship development with the BPPE.*

CAMTC Response:

[NOT YET COMPLETED]

ISSUE #12: *What is the CAMTC's relationship with Law Enforcement and Local Governments? Is there a sufficient exchange of information? Has that relationship improved?*

Staff Recommendation: *The CAMTC should update the Committees about its relationship with local governments and local law enforcement with respect to information sharing and explain any plans to increase its communications strategy with local regulators. In addition, the CAMTC should explain to the Committees where there may be bottlenecks in the communications process. The CAMTC should explain to the Committees if there are times when certificate holders avoid discipline or applicant denials based on a breakdown of shared communication.*

CAMTC Response: CAMTC has a great working relationship with law enforcement agencies, cities, and counties, where information is shared easily and regularly. CAMTC works with local government and law enforcement personnel every day to gather the information needed to take action against applicants and certificate holders. Through these regular contacts CAMTC is cementing relationships and educating people on the best way to provide information to CAMTC so that action can be taken quickly, with the least amount of burden on law enforcement, and city and county personnel. Cities and counties are the ones that have the information CAMTC needs to take action, so CAMTC relies on local agencies to help address violations of CAMTC's law. Outreach efforts are working, and CAMTC is regularly taking action based on information provided by local jurisdictions.

Most jurisdictions notify CAMTC on their own when information comes in about an applicant or certificate holder, so that quick action can be taken. They like the fact that CAMTC can swiftly suspend a certificate holder based on the information they provide to us.

In order to improve relationships and increase cooperation and information sharing, the current Director of Law Enforcement Relations (then Director of PSD) began providing no-cost training to local law enforcement and government agencies, in 2014. From the time we started the training program through June 30, 2019, CAMTC has trained over ____ individuals and ____ separate agencies. The training sessions have become quite popular. District attorney offices, contract attorneys for cities, code enforcement officers, and local police departments are asking for CAMTC training for their respective departments as they recognize the value of our system of discipline. This is because CAMTC has the ability to take action in situations where unprofessional conduct occurred, but does not have the ability to file criminal cases.

CAMTC also has a local government database where city and county personnel can have secure access to information about applicants and certificate holders. Access to this information helps local agencies take action on their end. CAMTC also notifies law enforcement agencies, cities, and counties by email in the jurisdiction where a certificate holder lives or works when it has suspended, revoked, or taken disciplinary action against a certificate holder.

ISSUE #13: *How have local governments changed the way they regulate the massage industry?*

Staff Recommendation: *The Committees may wish to ask the CAMTC and other stakeholders to provide additional background on this issue. The Committees may wish to continue discussions about this issue during the Legislative Session.*

CAMTC Response:

[NOT YET COMPLETED]

ISSUE #14: *Are there minor/non-substantive changes to the massage therapy act that may improve the CAMTCs operations?*

Staff Recommendation: *The Committees may wish to consider amending the Massage Therapy Act to include the above-mentioned technical changes in either an omnibus bill or another bill.*

CAMTC Response:

[NOT YET COMPLETED]

ISSUE #15: SB 1193 Posting Requirements.

Staff Recommendation: *The CAMTC should explain to the Committees what, if any, communication it has had with stakeholder groups regarding this change. The CAMTC should explain to the Committees why massage professionals should be exempt from the posting requirement. Further, the CAMTC may wish to consider creating its own model posting notification in order to help certified individuals comply with current law.*

CAMTC Response:

[NOT YET COMPLETED]

ISSUE #16: Can CAMTC continue to effectively fulfill its mission of certifying massage professionals in California? Will CAMTC be able to fulfill its mission if new requirements, such as more frequent or thorough school inspections, are imposed?

Staff Recommendation: *The Committees may wish to consider extending the CAMTC for four- years in order for the organization to continue its regulatory oversight over the Massage Therapy Act, and the voluntary certification system. The CAMTC should continue to work with certificate holders, consumers, local governments, the Legislature, and other stakeholders to help improve upon the certification system and ensure that only those individuals who meet the education, examination, and background requirements are granted certification, and to take swift enforcement actions against those who violate the Massage Therapy Act. The CAMTC should be prepared to testify at a future legislative sunset review hearing, if requested by the Legislature, prior to its next statutorily required sunset review hearing, to discuss its progress in addressing the issues raised in this Background Paper.*

CAMTC Response:

[NOT YET COMPLETED]

Section 11 – New Issues

New Issues

This is the opportunity for the CAMTC to inform the Committees of solutions to issues identified by the CAMTC and by the Committees. Provide a short description of each of the outstanding issues, and the CAMTC's recommendation for action that could be taken by the CAMTC or by the Legislature to resolve these issues (i.e. policy direction, budget changes, and legislative changes) for each of the following:

1. Issues that were raised under prior Sunset Review that have not been addressed.
2. New issues that are identified by the CAMTC in this report.
3. New issues not previously discussed in this report.
4. New issues raised by the Committees.

CAMTC has no new issues to be addressed that have not already been addressed in other portions of this Sunset report.

Section 12 – Attachments

CAMTC is providing the following materials in relation to its program.

[NOT YET COMPLETED]

Section 13 – Board Specific Issues

Professional Standards Division

Discuss the Professional Standards Division's oral hearing processes and procedures and the extent to which it was used, the outcomes of those who participate, the overall costs of the program compared with its successes.

[NOT YET COMPLETED]

1. What is the membership/makeup composition of the Professional Standards Division?

[NOT YET COMPLETED]

2. Does the PSD comply with the Open Meetings Act?

The PSD no longer exists. Additionally, the Open Meetings Act is not intended to apply to departments within a body which perform investigatory and internal processing activities, such as Investigations and BRD, where staff are engaged in daily work tasks. Any meetings these employees attend are just staff meetings, not meetings of the BOD or Committees subject to Bagley Keene.

3. How many meetings held in last three fiscal years?

Any meetings CAMTC employees working for the PSD, BRD, or Investigations attended were just staff meetings. CAMTC staff meetings occur regularly.

4. Did the CAMTC have any difficulties with scheduling PSD meetings? If so, describe why and how the difficulties were addressed.

CAMTC employees have not had any difficulties with scheduling staff meetings.

5. Who appoints the participants?

As previously noted, meetings are attended by CAMTC employees. No participants at staff meetings are “appointed.”

6. How many cases (average) at each meeting?

[NOT YET COMPLETE]

7. How many pending? Are there backlogs?

[NOT YET COMPLETE]

8. What is the cost per meeting? Annual cost?

[NOT YET COMPLETE]

9. Provide statistics on PSD actions/outcomes.

[NOT YET COMPLETE]

DRAFT



CEO Report

September 11, 2019

The following is a brief summary of some developments and key activities CAMTC has been engaged in since the May 29, 2019 Board meeting.

Sunset Review

On July 22, 2019 CAMTC received a memorandum from Senator Steven M. Glazer and Assemblymember Evan Low regarding a request for information and issues to be addressed for the 2019-2020 sunset review.

This comprehensive process allows the Legislature to review the Massage Therapy Act and CAMTC's programs and policies; determine whether CAMTC operates and enforces its responsibilities appropriately; and examine CAMTC's fiscal management practices and financial relationships with other entities. Through the sunset review process, CAMTC is also evaluated on key performance measures and targets related to the timeliness of action, disciplinary actions and other necessary efforts to serve the needs of California consumers while promoting efficiency and effectiveness.

CAMTC's report is due by **December 1, 2019**. Our report will provide a snapshot and substantive information about who we are, who we certify and approve, and how we perform our functions.

Our report will serve as the basis for the Background Paper legislative staff will prepare. Recommendations in the Background Paper may include statutory changes and other reforms.

The Legislature will announce the date for the sunset review oversight hearing in early 2020.

Performance Measures

Attached are CAMTC's Disciplinary Performance Metrics for the last two quarter of 2018 and the first two quarters of 2019. In addition to reporting cycle time we also track and report total case volume for each measure.

Exam

Staff is in the process of evaluating the feasibility of CAMTC developing and administering its own exam and is expected to bring its findings to the Board before November 15, 2019.

Non-English Speakers

CAMTC is in the process of starting to offer all publicly available written and electronic materials provided to certificate holders and applicants in Chinese in addition to English. These materials will not include examinations, denial and disciplinary legal documents or email communications. It is staff's objective that this translation project be fully implemented by December 31, 2019.

Outreach to Schools and Students

Staff is on target to develop and widely distribute by December 31, 2019, easy to access and understand resources about CAMTC's processes as they relate to students and schools.

Finances

As of June 30, 2019: Actual net cumulative revenue for the year was \$141,422 (budgeted for the year was \$931). Cash position was \$2,439,395 which was equal to approximately five months of cash reserve.

PERFORMANCE METRICS – 1st and 2nd Quarters, 2019

PM1 – VOLUME

TOTAL NUMBER OF COMPLAINTS RECEIVED – ALL (actionable and non-actionable)

FIRST QUARTER 2019: 41 complaints received on average per month.

SECOND QUARTER 2019: 48 complaints received on average per month.

PM1.1 – VOLUME – CERTIFICATE HOLDERS

TOTAL NUMBER OF COMPLAINTS RECEIVED AGAINST CERTIFICATE HOLDERS

FIRST QUARTER 2019: 20 complaints against certificate holders received on average per month.

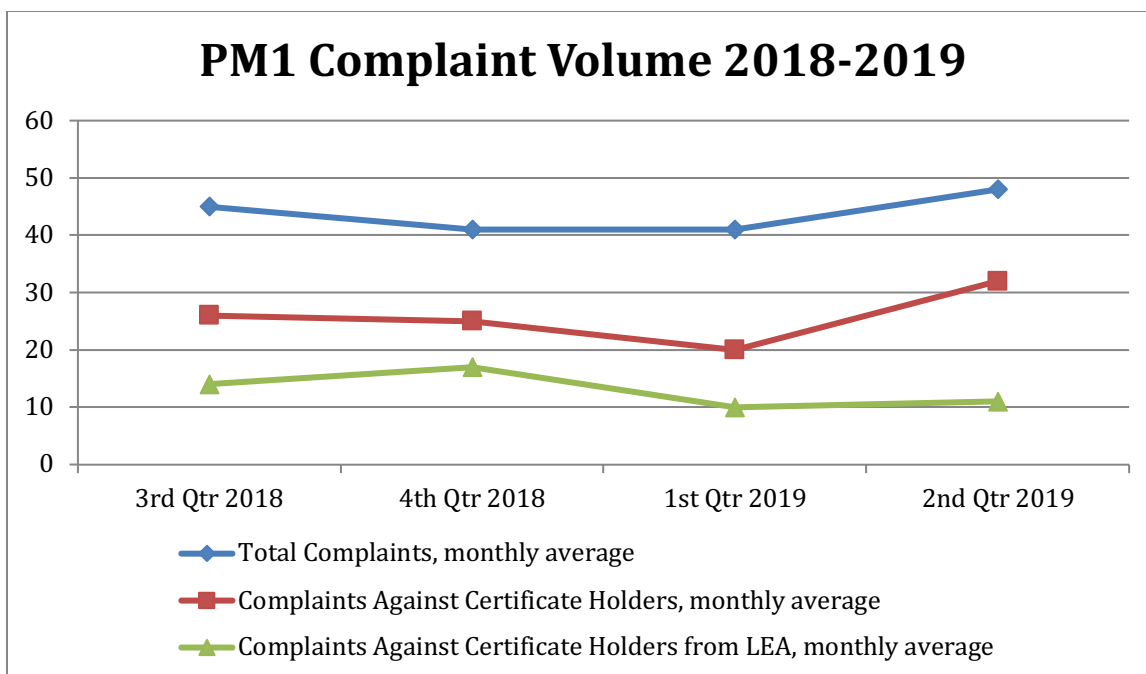
SECOND QUARTER 2019: 32 complaints against certificate holders received on average per month.

PM 1.2 – VOLUME – CERTIFICATE HOLDERS – COMPLAINTS FROM LAW ENFORCEMENT

Total number of complaints received against certificate holders from law enforcement agencies or government agencies with the responsibility to regulate massage. Does not include complaints against those who are not certified.

FIRST QUARTER 2019: 10 complaints from LEA received against certificate holders on average per month.

SECOND QUARTER 2019: 11 complaints from LEA received against certificate holders on average per month.

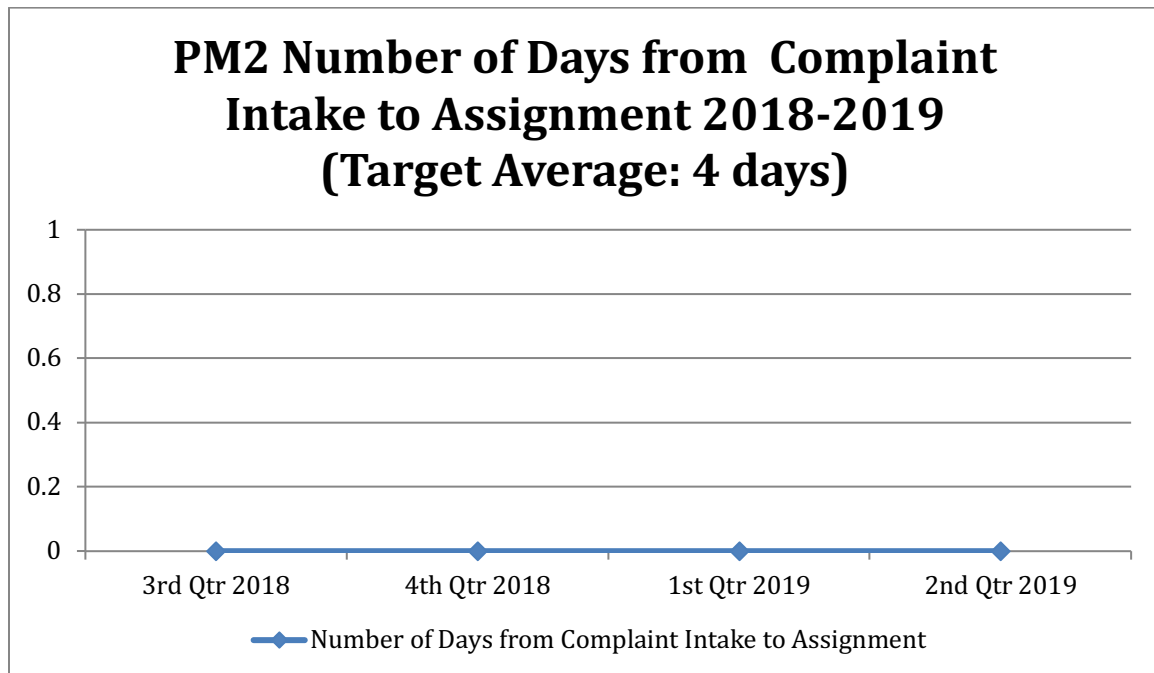


PM2 – INTAKE – ALL COMPLAINTS

Number of days from when a complaint is received to when it is sent to an investigator. All complaints received are immediately forwarded to an investigator.

FIRST QUARTER 2019: 0 days to assignment.

SECOND QUARTER 2019: 0 days to assignment.

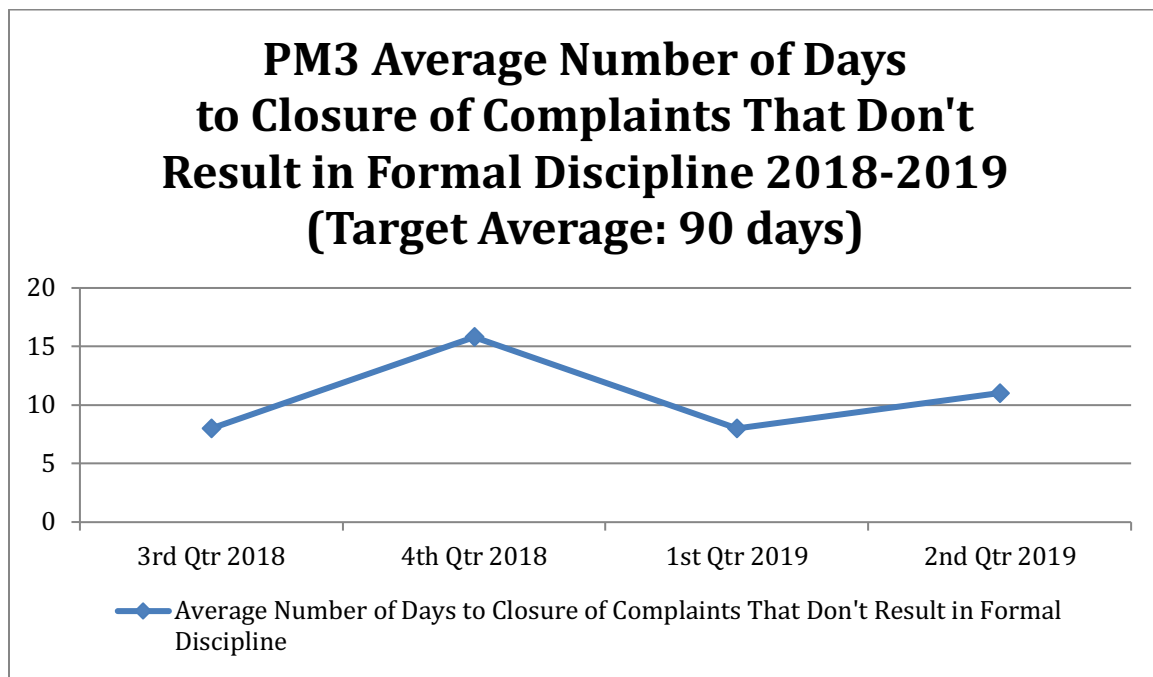


PM3 – INTAKE AND INVESTIGATION

Average time in days from date complaint was received to date complaint was resolved/closure of the investigation process. This number includes ALL complaints, not just those against Certificate Holders, which are resolved prior to being referred to Legal for formal discipline. It does NOT include cases against certificate holders sent to Legal for formal discipline (proposed revocation, suspension, or imposition of probationary conditions).

FIRST QUARTER 2019 (68 complaints resolved): 8 days is the average number of days to closure.

SECOND QUARTER 2019 (42 complaints resolved): 11 days is the average number of days to closure.

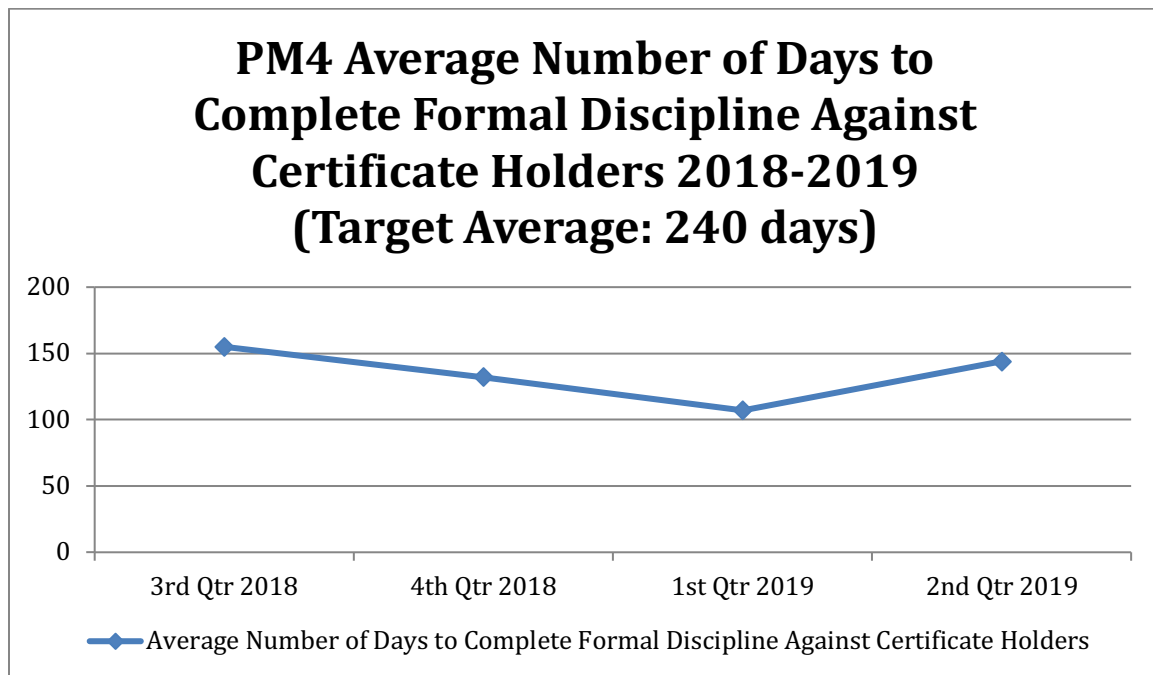


PM4 – FORMAL DISCIPLINE AGAINST CERTIFICATE HOLDERS

Average number of days to complete the entire disciplinary process against certificate holders for cases resulting in formal discipline by CAMTC. Formal discipline includes permanent revocation, revocation, suspension, and imposition of probationary conditions. Average number of days is calculated from date of intake to final date of disciplinary action.

FIRST QUARTER 2019 (73 actions): 107 days is the average number of days from intake to final date of formal discipline.

SECOND QUARTER 2019 (66 actions): 144 days is the average number of days from intake to final date of formal discipline.



CAMTC Bank Account Summary
As of 6/30/2019

	Bank	Type	Term	Maturity Date	Rate	Value	% of Portfolio	Valuation Date
1	Umpqua Bank	Checking	NA	NA	0.000%	695,631.62	30.9%	6/30/2019
2	Synchrony	CD	12 Mos	11/10/2019	1.487%	266,793.76	11.9%	6/30/2019
3	State Farm Bank	CD	36 Mos	11/26/2020	1.440%	267,458.45	11.9%	6/30/2019
4	Centennial Bank/Giant Bank	CD	36 Mos	11/26/2020	1.550%	250,000.00	11.1%	12/31/2018
5	EH National Bank	CD	24 Mos	12/5/2020	1.120%	261,103.73	11.6%	12/31/2018
6	First Internet Bank of Indiana	CD	24 Mos	12/8/2020	1.900%	250,595.99	11.1%	6/30/2019
7	Golden State Bank	CD	36 Mos	6/21/2019	1.000%	257,645.30	11.5%	6/30/2019
						<u>2,249,228.85</u>		



Strategic Priorities 2020 – Proposed

September 11, 2019

Sunset Review

In preparation for the 2020 sunset review, prioritize all organizational functions for a successful outcome for the sunset review. Specifically, the continuation of CAMTC as a nonprofit organization, implementing a state-wide voluntary certification program for massage professionals and approval of educational programs. Sunset review shall be the highest priority for CAMTC in 2020. Whenever sunset review is inconsistent with other interests sought to be promoted, sunset review shall be paramount.



Proposed 9/11/19

2019 LIMITED RECERTIFICATION POLICY

CAMTC'S current policy on recertification allows certified individuals to apply for recertification within six months of expiration of their certificate by paying a graduated late fee of up to \$180. This policy allows individuals who do not meet current educational requirements to apply for recertification without having to meet those requirements (500 hours of education from a CAMTC approved school). Under the current policy, those whose certificates have been expired for more than six months must reapply as a new applicant and must therefore meet all of the current requirements for certification.

Under the temporary policy described herein, for a limited time period, former CAMTC certificate holders whose CMP or CMT certificates expired on or after January 1 of 2018 will be allowed to apply for recertification even if it is more than six months after their certificates have expired, as long as they meet the requirements set forth in this document. This temporary limited recertification policy will expire at 11:59 p.m. (PST) on September 30, 2020. During and after this temporary policy regarding the timing of a recertification application, all other criteria, rules, and procedures regarding recertification continue to apply.

Who Does This Policy Apply to?

1. This policy only applies to those who were previously certified by CAMTC as a CMP or a CMT. It does not apply to those who were previously certified as a CCMP when their certificate expired.
2. This policy only applies to those whose certificates have been expired for more than six months and whose certificates expired on or after January 1 of 2018. It does not apply to former certificate holders whose certificates expired before January 1, 2018.
3. This policy only applies to certificate holders whose certificates were in good standing at the time of expiration. It does not apply to those who have had their CAMTC certificate revoked or nullified or to those whose certificates were suspended at the time of expiration. It does not apply to past certificate holders who have applied for

recertification or certification and had their application for recertification or certification denied.

How Long Will This Second Chance Policy Be in Effect?

1. This policy will only be in effect for the limited time period of October 1, 2019, through September 30, 2020, at 11:59 p.m. (PST).

What Are the Requirements That Must Be Met In Order For This Policy to Apply?

1. Applicants must have been certified by CAMTC as a CMP or a CMT and had a certificate that was in good standing when it expired (not suspended, revoked, or nullified, or application denied).

2. The CMP or CMT certificate must have been expired for more than six months and the certificate must have expired on or after January 1, 2018.

3. CAMTC must RECEIVE all of the following on or after October 1, 2019, and by or before 11:59 p.m. (PST) on September 30, 2020 (a postmark date will not suffice):

- A completely filled out Recertification Application and all supporting documents;
- All fees have been paid; and
- A new Livescan must be performed and submitted.

If all required items are not received by or before September 30, 2020, the requirements of this policy will not have been met and CAMTC will consider the application to be incomplete and the file will be purged, though the individual may still reapply as a new applicant. All fees, including the late fee, are non-refundable.

Please note, CAMTC recommends that the application and all supporting documents be mailed well in advance of the September 30, 2020, cut-off date, as September 30, 2020, is the last date that documents must be RECEIVED in order for this policy to apply, regardless of the date documents were post-marked or mailed.

4. The following fees apply to the Recertification Application:

- All regular application fees, including but not limited to the \$200 fee for the application; and
- An additional \$180 late fee.

5. Applications received pursuant to this policy will be processed in accordance with CAMTC's standard operating procedures for applications for recertification, though please note that limited recertification applications may require additional processing time. This policy only allows for the late receipt of applications for recertification and has no bearing on whether the application received will be approved or denied.



CALIFORNIA MASSAGE THERAPY COUNCIL

One Capitol Mall, Suite 800 | Sacramento, CA 95814
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September 3, 2019

TO: BOARD OF DIRECTORS CALIFORNIA MASSAGE THERAPY COUNCIL
FROM: AHMOS NETANEL, CEO
RE: REASONS FOR 2019 LIMITED RECERTIFICATION POLICY

Per the Board motion on changes to policies, the following information is provided:

The language of the current policy and when the policy was adopted.

Pursuant to current Board policy, certificate holders who have been expired for more than six months must reapply for certification as a new applicant.

The proposed 2019 Limited Recertification policy will allow an identified group of past certificate holders in good standing to apply for recertification more than six months after expiration. In 2016 the Board also allowed for limited recertification under similar conditions. The proposed policy is similar to the past policy.

A short description of why the policy should be changed.

This limited policy will help expired certificate holders who have been working in the profession for a significant period of time and work in jurisdictions that are now requiring certification. This policy will also allow past certificate holders in good standing who were previously certified under education/experience portals that no longer exist to apply for recertification without having to meet current educational requirements (500 hours from a CAMTC approved school, with 100 hours in core curriculum requirements).

The language of related statutes that may have an impact on the decision. None

The fiscal impact the proposed change may have on CAMTC and certificate holders and applicants.

Will allow more past certificate holders to apply for recertification, which should result in an increase in applications received and an increase in application fees received by CAMTC. Projected fiscal impact is that CAMTC will see an increase in revenues above the current budget.

The late fee is the same as the current highest late fee.

No impact on currently certified individuals.

Potential pro's and con's if the new policy is adopted.

Pros – Allows past certificate holders in good standing who were previously certified under education/experience portals that no longer exist to apply for recertification, which may be helpful to them in jurisdictions that now require certification.

Con – Increased work load for staff.

The impact on current certificate holders and applicants.

No impact on current certificate holders or applicants.

A suggested date for the change to be implemented.

Effective October 1, 2019.



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Proposed 9/11/19

Proposed Policy to Extend Time to Apply for Recertification

CAMTC'S current policy on recertification allows certified individuals to apply for recertification within six months of expiration of their certificate by paying a graduated late fee of up to \$180. This proposed policy change would allow individuals who were prior certificate holders and who do not meet current educational requirements to apply for recertification for an extended period of time without having to meet those current requirements (500 hours of education from a CAMTC approved school). Under the current policy, those whose certificates have been expired for more than six months must reapply as a new applicant and must therefore meet all of the current requirements for certification.

For past certificate holders, staff is proposing to extend the time an applicant may apply for recertification to approximately 1.5 years from the date a certificate expires (547 days). This would allow more individuals who were certificate holders in the past to apply for recertification without having to meet current education requirements.



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September 3, 2019

TO: BOARD OF DIRECTORS CALIFORNIA MASSAGE THERAPY COUNCIL
FROM: AHMOS NETANEL, CEO
RE: EXTENSION OF TIME TO APPLY FOR RECERTIFICATION

Per the Board motion on changes to policies, the following information is provided:

The language of the current policy and when the policy was adopted.

Pursuant to current Board policy, certificate holders who have been expired for more than six months must reapply for certification as a new applicant.

The proposed new policy would extend the time an expired certificate holder could apply for recertification to approximately 1.5 years (547 days).

A short description of why the policy should be changed.

This change in policy will help expired certificate holders who have let their certificates lapse and who do not meet current education requirements. This policy will allow past certificate holders who were previously certified under education/experience portals that no longer exist to become recertified without having to meet current educational requirements (500 hours from a CAMTC approved school, with 100 hours in core curriculum requirements).

The language of related statutes that may have an impact on the decision. **None**

The fiscal impact the proposed change may have on CAMTC and certificate holders and applicants.

Will allow more past certificate holders to apply for recertification, which should result in an increase in applications received and an increase in application fees received by CAMTC. Projected fiscal impact is that CAMTC will see an increase in revenues.

The late fee is the same as the current highest late fee.

No impact on currently certified individuals.

Potential pro's and con's if the new policy is adopted.

Pros – Allows past certificate holders who were previously certified under education/experience portals that no longer exist to recertify, which may be helpful to them in jurisdictions that now require certification.

Con – Increased work load for staff.

The impact on current certificate holders and applicants.

No impact on current certificate holders or applicants.

A suggested date for the change to be implemented.

Effective October 1, 2019.



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September 11, 2019

TO: BOARD OF DIRECTORS CALIFORNIA MASSAGE THERAPY COUNCIL

FROM: BEVERLY MAY, DIRECTOR OF GOVERNMENTAL AFFAIRS, ANTI-HUMAN TRAFFICKING AND IT

RE: PROPOSED CHANGES TO RECERTIFICATION NOTIFICATION SCHEDULE

Staff proposes that numerous changes be made to the "Recertification Notification Schedule." As a courtesy, CAMTC sends reminder notices regarding recertification to certificate holders. It is the responsibility of the certificate holder to apply for recertification with a complete application and payment before their expiration date.

Proposed new policy:

- 90 to 120 days prior to expiration, an email reminder will be sent.
- 90 to 120 days prior to expiration, a hard copy reminder will be sent.

Staff requests authority to make reasonable changes to this policy in the future as the need arises. Staff requests that modifications to this policy in the future be left to the CEO and Director of Operations.



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September 11, 2019

TO: BOARD OF DIRECTORS CALIFORNIA MASSAGE THERAPY COUNCIL

FROM: BEVERLY MAY, DIRECTOR OF GOVERNMENTAL AFFAIRS, ANTI-HUMAN TRAFFICKING AND IT

RE: REASONS FOR PROPOSED CHANGES TO RECERTIFICATION NOTIFICATION SCHEDULE

Per the Board motion on changes to policies, the following information is provided.

The language of the current policy and when the policy was adopted:

Current Board Policy:

At the October 26, 2017 meeting, the Board approved the following reminder schedule:

- 120 days prior to expiration, an email reminder will be sent.
- 90-120 days prior to expiration, a hard copy reminder will be sent.
- 75 days prior to expiration, an email reminder will be sent.

All of the above reminders will state that Certificate Holders who have submitted a complete application for recertification that is received at least 60-days before expiration, with no background issues, should have a new certificate and ID card mailed to them 5 days or more prior to the date of expiration.

Immediately upon expiration, an email will be sent that states that the individual is no longer certified. It will include the late fee schedule and a reminder that failure to apply for recertification within six months of expiration will require that a new application be submitted. Within 30 days of expiration, a similar hard copy notification will be sent.

Staff also requests that they be provided authority to add text messages at appropriate intervals in the future. More and more people use smart phones, and people tend to change home, work and email addresses more frequently than cell numbers. It is easy to miss emails, which may end up in junk mailboxes, whereas texts are easily seen and read. Adding easy to view text reminders may help avoid late fees for certain certificate holders.



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A short description of why the policy should be changed.

Paper and email recertification reminders are consistently being sent timely. Sending two more email reminders, at 75 days prior and upon expiration seem unnecessary as certificate holders have by and large been applying on time for recertification. Sending a follow-up hard copy is thus costly and takes staff from other duties.



Employee Handbook

Approved June 8, 2017

Proposed Amendments Prepared 8/22/19

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INTRODUCTION

This Employee Handbook is intended to help you get acquainted with the California Massage Therapy Council (“CAMTC”).

This handbook describes in general terms some of our employment guidelines. This handbook is not intended to be a contract (express or implied). This handbook supersedes and replaces any and all prior handbooks or policy manuals that may have previously been in effect. CAMTC reserves full discretion to add to, modify, or delete provisions of this handbook, or the policies and procedures on which they may be based, at any time, with or without advance notice. This handbook applies to all CAMTC employees, whether the employee works at a CAMTC-maintained office or from a home office.

This handbook is the property of CAMTC, and it is intended for your personal use and reference as an employee of CAMTC. Circulation of this handbook outside of CAMTC requires the prior approval of CAMTC’s Chairperson.

After reviewing the handbook, please sign the acknowledgment forms at the back of the handbook, tear them out, and mail them to CAMTC’s General Counsel. This will provide CAMTC a record that you received the handbook and are aware of its policies.

EQUAL EMPLOYMENT OPPORTUNITY POLICY

It is CAMTC’s policy to provide equal employment opportunity for all job applicants and employees. CAMTC does not unlawfully discriminate on the basis of race, color, religion, religious creed (including religious dress and religious grooming), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity, gender expression, transgender status, sex stereotype, national origin, ancestry, citizenship, age, physical or mental disability, legally protected medical condition or information (including genetic information), family care or medical leave status, military caregiver status, military status, veteran status, marital status, domestic partner status, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, or any other basis protected by local, state, or federal laws, ordinances, or regulations. CAMTC also makes reasonable accommodations for disabled employees. CAMTC prohibits the harassment of any individual on any of the bases listed above. ~~This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation and benefits.~~ This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfer, and disciplinary action. It is the responsibility of every supervisor and employee to conscientiously follow this policy.

EMPLOYMENT AT WILL

During the course of your employment, you are free to quit CAMTC at any time for any reason or no reason, and CAMTC reserves a similar right. Thus, both you and CAMTC will have the right to terminate your employment at any time, with or without advance notice, and with or without cause. Employees also may be re-assigned, demoted or disciplined, and the terms of their employment may be altered at any time, with or without advance

notice and with or without cause, at the discretion of CAMTC. This is called "employment at-will" and no one other than the CAMTC Board of Directors has the authority to alter this arrangement, or to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to this policy.

POLICY AGAINST HARASSMENT

CAMTC maintains a strict policy prohibiting sexual harassment or any harassment because of factors such as ~~race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, veteran status, marital status, sex, age, sexual orientation, gender identity expression, or any other basis protected by federal, state, or local law, ordinance, or regulation~~ race, color, religion, religious creed (including religious dress and religious grooming), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity, gender expression, transgender status, sex stereotype, national origin, ancestry, citizenship, age, physical or mental disability, legally protected medical condition or information (including genetic information), family care or medical leave status, military caregiver status, military status, veteran status, marital status, domestic partner status, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, or any other basis protected by local, state, or federal laws, ordinances, or regulations.

CAMTC strongly disapproves of and will not tolerate harassment of employees by managers, directors, officers, supervisors, coworkers or any person involved in CAMTC operations. CAMTC will also attempt to protect employees from harassment by non-employees in the workplace.

Prohibited harassment in any form will not be tolerated, including verbal, physical, and visual conduct, threats, demands, retaliation, or any other protected basis including, but is not limited to:

1. Verbal conduct such as epithets, derogatory comments, slurs, or unwanted sexual advances, invitation, or comments.
2. Visual conduct such as derogatory posters, photography, cartoons, drawings, or gestures.
3. Physical conduct such as assault (unwanted touching), blocking normal movement, or interfering with work directed at you because of your sex, or any other protected basis.
4. Threats and demands to submit to sexual requests to keep your job or avoid another loss, and offers of job benefits in return for sexual favors.
5. Retaliation for having reported or threatened to report harassment.

You should report any incident of harassment promptly to the Chairperson of CAMTC who is responsible for consulting with legal counsel and investigating the matter.

Supervisors who receive complaints or who observe harassing conduct should inform the Chairperson immediately. CAMTC emphasizes that you are not required to complain first to

the Chairperson if the Chairperson is the person who is harassing you. In that case, employees may report the harassment to any board member or the CEO.

Beginning January 1, 2019, mandatory sexual harassment training will be provided to employees as required by California law.

Every complaint of harassment that is reported to a supervisor or to the Chairperson will be investigated thoroughly, promptly, and in a confidential manner (circumstances permitting). In addition, CAMTC will not tolerate retaliation against any employee for cooperating in an investigation or for making a complaint to the appropriate authority.

In the case of CAMTC employees, if harassment is established, CAMTC will discipline the offender. Disciplinary action for a violation of this policy can range from verbal or written warnings up to and including termination, depending upon the circumstances. With regard to acts of harassment by non-employees, corrective action will be taken after consultation with the appropriate management personnel and legal counsel.

In addition to notifying CAMTC about harassment or retaliation complaints, affected employees may also direct their complaints to the California Department of Fair Employment and Housing ("DFEH"), which has the authority to conduct investigations of the facts. The deadline for filing complaints with the DFEH is one year from the date of the alleged unlawful conduct. If the DFEH believes that a complaint is valid and settlement efforts fail, the DFEH may file a lawsuit in court. The courts have the authority to award monetary and non-monetary relief in meritorious cases. Employees can contact the nearest DFEH office at the locations listed on the DFEH website.

WHISTLEBLOWER POLICY

A whistleblower is an employee who reports an activity that he/she believes to be illegal or dishonest. The whistleblower is not responsible for investigating the activity or for determining fault or corrective measure; the Chairperson/Board of Directors and/or the CEO are charged with these responsibilities.

If an employee has knowledge of or a concern of illegal, dishonest or fraudulent activity, the employee is to contact the Chairperson, unless the Chairperson is the target of the complaint, in which case the employee may contact the CEO or another member of the Board of Directors. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing will be subject to discipline up to and including termination.

Insofar as possible, the confidentiality of the whistleblower will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense. CAMTC will not retaliate against a whistleblower. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action (including but not limited to termination or compensation decreases), or threats of physical harm. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated. Employees with any questions regarding this policy should contact the CEO.

EMPLOYMENT APPLICATIONS

CAMTC relies upon the accuracy of information provided in the employment application, as well as the accuracy of other data presented by the employee throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions may result in CAMTC's exclusion of the individual from further consideration for employment, or, if the person has been hired, termination of employment.

PROOF OF RIGHT TO WORK

Under federal law, all new hires must produce original documentation establishing their identity and right to work in the United States, and complete the required federal forms, swearing that they have a right to work in the United States. Documentation must be produced within three business days of hire, or on the first day of any employment that is less than three business days. If you have questions about the type of documentation necessary to establish your identity or right to work, please ask your supervisor.

EMPLOYEE CLASSIFICATIONS

Throughout this handbook, employees are classified in various ways, as set forth below.

I. By Number of Hours Worked

A. Full-Time Employees

Full-time employees are all those having a regular work schedule of 35 or more hours per week. Full-time employees are eligible for all benefits.

B. Part-Time Employees

Part-time employees are all those having a regular work schedule of less than 35 hours per week. Part-time employees are not eligible for CAMTC-sponsored benefits.

II. By Length of Employment

A. Temporary Employees

Temporary employees are those employees hired to work for CAMTC on special assignment with the specific understanding that such work will be completed within a short period of time. Temporary employees may be part-time or full-time. Individuals hired as temporary employees do not become regular employees after any particular period of time, but remain temporary employees unless and until notified in writing of a change of status. Temporary employees are not eligible for CAMTC-sponsored benefits.

III. By Method of Payment

A. Salaried Employees

Salaried employees are all those who are paid a fixed salary and not by the hour. Method of payment does not determine eligibility for overtime pay.

B. Hourly Employees

Hourly employees are all those whose wages are paid by the hour. Method of payment does not determine eligibility for overtime pay.

IV. By Eligibility for Overtime Pay

A. Non-exempt Employees

Non-exempt employees are all those who are entitled to overtime pay under state and/or federal law.

B. Exempt Employees

Exempt employees are all those who are not entitled to overtime pay under state and/or federal law.

HOURS OF WORK, OVERTIME, AND PAY DAY

I. Hours of Work

CAMTC work hours vary depending on the nature of your job. Your supervisor will inform you of your expected work hours and break times.

~~Non-exempt employees who work 3-1/2 hours or more in a workday are entitled to a 10-minute paid rest period.~~

~~Non-exempt employees who work 5 hours or more in a workday are entitled to a 30-minute unpaid meal period.~~

~~Non-exempt employees who work at least 7 hours in a workday are entitled to a second 10-minute paid rest period during the second half of the day.~~

~~You are not expected to work during your rest or meal periods.~~

II. Overtime

A. Authorization/Payment

~~Payment to non-exempt employees for authorized overtime will be provided in accordance with applicable state and federal law. No non-exempt employee may work overtime without the prior authorization of his or her supervisor. Working unauthorized overtime may result in discipline or termination of employment.~~

II. Meal and Rest Periods

A. Rest Periods

CAMTC authorizes and permits non-exempt employees working at least three and one-half hours in a day to take a ten-minute, off-duty paid rest period for each four hours worked or major fraction thereof. Non-exempt employees who work more than six hours in a day may take a second rest period. Non-exempt employees who work more than 10 hours in a day may take a third rest period. Non-exempt employees should take their rest periods in the middle of each work period to the extent it is practicable to do so, and not combine them with meal periods or skip them to leave work early. No supervisor or manager may impede or discourage non-exempt employees from taking rest periods provided under this policy.

B. Meal Periods

CAMTC provides non-exempt employees who work more than five hours in a day with an unpaid 30-minute, uninterrupted meal period starting no later than the end of the fifth hour of work. CAMTC provides non-exempt employees who work more than 10 hours in a day with a second unpaid 30-minute, uninterrupted meal period starting no later than the end of the 10th hour of work. Non-exempt employees who work no more than six hours in a day may waive the first meal period. Non-exempt employees who work no more than 12 hours in a day may waive the second meal period if they took their first meal periods. Non-exempt employees are entitled, encouraged, and expected to take all meal periods provided under this policy and not waived. During meal periods, CAMTC will relieve non-exempt employees of all duty and will not exercise control over non-exempt employees' activities. Non-exempt employees are free to spend their meal period time as they choose and are free to leave their worksite. No supervisor or manager may impede or discourage non-exempt employees from taking meal periods provided under this policy.

III. Overtime

Overtime may not be worked without express authorization from your supervisor. All non-exempt employees who work more than eight (8) hours in one workday or more than forty (40) hours in one workweek will receive overtime pay computed as follows:

- (1) Overtime at the rate of 1-1/2 times the employee's regular rate of pay for all hours worked in excess of forty (40) in any one workweek.
- (2) Overtime at the rate of 1-1/2 times the employee's regular rate of pay for the hours worked in excess of eight (8) hours in any one workday up to twelve (12) hours, and for the first eight (8) hours worked on the seventh day of work in any one workweek.
- (3) Overtime at the rate of double the employee's regular rate of pay for all hours worked in excess of twelve (12) in one workday, and for all hours worked in excess of eight (8) on the seventh day of work in one workweek.

Overtime will be computed on actual minutes worked, adjusted to the nearest 15-minute increment. Only those hours that are actually worked are counted to determine an employee's overtime pay. Compensated holidays, for example, are not hours worked and therefore are not counted in making overtime calculations.

Non-exempt employees must obtain prior authorization from their supervisor before working any overtime. Working unauthorized overtime may result in discipline or termination of employment.

IV. Workweek and Workday

Unless otherwise provided:

1. The workweek on which overtime calculations will be based begins each Monday at 12:00 a.m. and ends Sunday at 11:59 p.m.; and
2. Each workday on which daily overtime calculations will be based begins at 12:00 a.m.

Only actual hours worked count toward computing daily and weekly overtime.

~~V~~III. Pay Days and Payroll Deductions

Pay days are the 5th and 20th day of each month. If a payday falls on a weekend day, employees will be paid on the Friday preceding the payday. If a payday falls on a holiday, employees will be paid on the preceding workday.

CAMTC will deduct required state and federal withholdings from your pay, as well as any court-ordered garnishments or attachments. Any errors in your paycheck should be immediately brought to the attention of your supervisor.

~~IV~~VI. Timekeeping

All non-exempt full-time and part-time employees must record their time worked on a timesheet form acceptable to CAMTC.

Time records should be prepared daily, for each pay period, and must be signed and turned in to the appropriate office staff no later than two days before each payday. It is important for you to keep accurate time records and to turn in timesheets when they are due.

Accuracy in timekeeping is essential. Falsification of any information on time records is a serious offense that will result in disciplinary action, up to and including immediate termination.

~~VII~~. Expense reimbursements/Travel and Other Expenses

Reasonable authorized expenses incurred at CAMTC's specific request will be reimbursed by CAMTC. Examples of such expenses are: meals, lodging, and transportation costs associated with business trips undertaken at our request; automobile expenses undertaken at our specific request; and incidental purchases of supplies, tools, and equipment undertaken at CAMTC's request. Only reasonable, previously authorized expenses will be reimbursed. Employees using personal automobiles for travel will be reimbursed at the current IRS approved rate. All requests for travel reimbursement will be documented on the approved mileage/travel reimbursement form and in accordance with any then-adopted CAMTC policy regarding such reimbursements. Original receipts will be required for most

travel-related expenses, excluding meals and incidentals which are on a per diem basis. If you have any questions about what expenses are authorized and what expenses will be reimbursed, please direct them to your supervisor before you incur the expense.

VIII. Pay for Mandatory Meetings for Non-Exempt Staff

The organization will pay you for your attendance at meetings, lectures and training programs if attendance is required by your supervisor.

If you meet the above conditions you will be compensated at your regular rate of pay. You will not receive compensation time spent in voluntary attendance in courses that are conducted outside of normal business hours and/or that are not directly related to your current job.

IX. Advances

CAMTC does not permit advances against paychecks or against un-accrued paid vacation or paid sick leave.

VACATION POLICY

CAMTC has established a vacation plan to provide eligible employees with time away from the workplace without loss of pay or benefits.

A. Eligibility and Accrual

All non-temporary full-time employees are eligible to accrue vacation benefits based on their continuous length of service. Vacation accrues for non-temporary full-time employees according to the following schedule:

Years of Continuous Service	Vacation Accrual
First day of employment through end of second year of employment	6.67 hours per month up to a maximum of 80 hours per year (10 days per year).
Beginning of third year through end of ninth year of employment	10 hours per month up to a maximum of 120 hours per year (15 days per year).
Beginning of tenth year and thereafter	13.33 hours per month up to a maximum of 160 hours per year (20 days per year)

B. Part-time and temporary employees

Part-time and temporary employees do not accrue vacation benefits.

C. Maximum Accrual

Eligible employees may carry over accrued but unused vacation from one year to the next. However, vacation accruals may not exceed 160 hours (20 days). If an employee's accrued but unused vacation hours reach 160 hours, all further accruals will cease. Vacation accruals will recommence after the employee has taken vacation and his or her accrued vacation hours have dropped below the maximum.

D. Vacation Accrual During Periods of Leaves of Absence

Unless required by law, no vacation accrues during an unpaid leave of absence. Vacation accruals recommence when the employee returns to work.

E. Vacation Pay on Termination

On resignation from or termination of employment, the employee is paid all accrued but unused vacation at the employee's base rate of pay at the time of his or her resignation or termination.

F. Vacation Approval

All vacations must be approved in advance by your supervisor.

G. Vacation Scheduling

Scheduling of vacations is to be done in a manner consistent with CAMTC's operational requirements. If practical, vacation requests should be submitted by employees to their supervisor for approval at least two weeks prior to the commencement of a vacation period. Vacation requests must be submitted in writing on an approved form. In the event that two or more employees have requested vacations covering the same period and may not be absent simultaneously, supervisors will make every effort to approve requests in a fair manner, including alternating approval of vacation requests between such employees. However, seniority will be considered in such cases.

H. Vacation Advances

An employee may not borrow or take vacation time before an employee accrues the vacation.

I. Holidays Occurring During Vacation

If an observed holiday (see guideline entitled "Holidays") occurs during an employee's vacation and the employee is eligible for holiday pay, no deduction from accrued vacation will be made for the holiday period.

J. "Working" While on Vacation

There is no general expectation that employees are to work or "check in" while away from work on vacation. Days away from work will not be considered "time worked" just because you voluntarily check your email or voicemail or perform work that was not requested by your supervisor. Time away from work that would normally be deducted from your accrued vacation (or deducted from your pay if no accrued PTO leave is available) will only be considered "time worked" if the activity performed during your vacation period was specifically and expressly requested by your supervisor.

K. Donating Vacation to Another CAMTC Employee

A CAMTC employee may donate/transfer accrued hours of vacation to another CAMTC employee by notifying the CEO in writing (email acceptable) of the specifics of the donation, including but not necessarily limited to the receiving employee's name and the exact number of hours the donating employee wishes to donate. Donations of vacation are not reversible once written notice is given to the CEO.

SICK LEAVE

In order to help prevent loss of earnings that may be caused by accident or illness, CAMTC has established paid sick leave for eligible employees.

A. Eligibility and Accrual

All non-temporary full-time employees are eligible to accrue sick leave benefits beginning on their date of hire. Eligible full-time employees accrue 12 days paid sick leave per year (8 hours of sick leave accrued per month).

Eligible full-time employees may carry over accrued but unused sick leave from one year to the next. However, sick leave may only be accumulated up to a total of 24 days (192 hours). Once this maximum is reached, all further accruals will cease until some sick leave has been used and the total drops below the 24 day/192 hour maximum.

Part-time and temporary employees will accrue 3 days (24 hours) of paid sick leave on their 31st day of employment and each year thereafter on the anniversary of their date of hire. Unused sick leave accrued by part-time and temporary employees may be carried over from year to year, but the total maximum accrual cannot exceed 6 days (48 hours). If the 6 day/48 hour maximum is reached, all further sick leave accruals will cease until some sick leave has been taken and the total drops below the 6 day/48 hour maximum.

B. Use

1. Sick leave may be taken for the employee's personal illness or disability, or for an illness or disability in the employee's immediate family. "Immediate family" is defined as the employee's spouse (including a domestic partner), children, parents, grandparents, brothers, sisters, and parents of the employee's spouse. If practical, sick leave requests should be submitted by employees to their supervisor for approval in advance of the absence. For purposes of this policy, a "child/children" means a biological or adopted child,

a foster child, a step-child, a legal ward, or a child to whom the employee stands *in loco parentis*. Similarly, a "parent" under this policy means a biological or adoptive parent, a foster parent, a step-parent, an employee's legal guardian, a legal guardian of an employee's spouse or domestic partner, or a person who stood *in loco parentis* when the employee was a minor child.

Employees who are victims of domestic violence, sexual assault, or stalking also may use paid sick leave for treatment, assistance, and other purposes authorized by law.

2. Medical and dental appointments will be treated as sick leave and deducted from your accrued sick leave hours.

3. CAMTC retains the right to request verification from a licensed medical practitioner for any absence due to illness or disability. Sick pay may be withheld if a satisfactory verification is not received.

4. Sick leave may be used in increments of one hour or more.

C. Pay in Lieu of Sick Leave

No employee will receive pay in lieu of sick leave under any circumstances, and employees will not receive pay for unused sick leave upon resignation from or termination of employment.

D. Sick Leave Accrual During Periods of Leaves of Absence

Unless required by law, no sick leave accrues during an unpaid leave of absence. Sick leave accruals recommence when the employee returns to work.

E. "Working" While on Sick Leave

There is no general expectation that employees are to work or "check in" while on sick leave. Hours or days away from work for illness or injury will not be considered "time worked" just because you voluntarily check your email or voicemail or perform work that was not requested by your supervisor. Time away from work for illness or injury that would normally be deducted from your accrued sick leave (or deducted from your pay if no accrued sick leave is available) will only be considered "time worked" if the activity performed during your sick leave was specifically and expressly requested by your supervisor.

F. Donating Sick Leave to Another CAMTC Employee

A CAMTC employee may donate/transfer accrued hours of sick leave to another CAMTC employee by notifying the CEO in writing (email acceptable) of the specifics of the donation, including but not necessarily limited to the receiving employee's name and the exact number of hours the donating employee wishes to donate. Donations of sick leave are not reversible once written notice is given to the CEO.

HOLIDAYS

A. Recognized Holidays

CAMTC provides non-temporary full-time employees the following paid holidays each year:

1. New Year's Day
2. Martin Luther King Jr. Day
3. President's Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. Veteran's Day
8. Thanksgiving Day
9. Day after Thanksgiving Day
10. December 24, 25, and 26

In addition to the holidays listed above, non-temporary full-time employees shall be entitled to take two additional paid days off of their choice as floating holidays (subject to his/her supervisor's approval regarding scheduling). The two floating holidays (16 hours of paid time off) will be accrued initially on March 9, 2017 for those employed as of that date, and for those employed after that date, on their date of hire. Thereafter, employees will receive the two floating holidays (16 hours of paid time off) each January 1. Floating holiday time is treated like vacation hours for purposes of payment upon resignation or termination.

Employees may only accrue a maximum of two floating holidays. Thus, on January 1 of each year, an employee with zero floating holidays will accrue two floating holidays, an employee with one accrued but unused floating holiday will accrue one additional floating holiday, and an employee with two accrued but unused floating holidays will not accrue any additional floating holidays until the next January 1, and then only if one or both floating holidays have been used.

Paid time off for holidays is not counted as hours worked for the purpose of calculating overtime compensation.

B. Part-Time and Temporary Employees

Part-time and temporary employees are not entitled to paid holidays.

C. Weekends and Vacations

When a scheduled holiday falls on Sunday, it will be observed on the following Monday. When a scheduled holiday falls on a Saturday, it will be observed on the preceding Friday. Holidays that occur during your vacation will not be counted as vacation days.

D. Holidays Occurring During Periods of Leaves of Absence

Unless required by law, no holiday pay is provided during an unpaid leave of

absence. Paid holidays recommence when the employee returns to work.

LEAVES OF ABSENCE

I. Introduction

CAMTC provides pregnancy disability leave, leave as required to accommodate a workplace injury, and leave for other legally required absences as set forth below. Employees having any questions regarding this policy should contact their supervisor.

II. Pregnancy-Related Disability Leave or Transfer

A. Eligibility and Duration

1. Leave of Absence for Pregnancy

Any employee who is disabled on account of pregnancy, childbirth, or related conditions may take an unpaid pregnancy-related disability leave for the period of actual disability, up to four months. Pregnancy-related disability leaves may be taken intermittently, or on a reduced-hours schedule, as medically necessary.

2. Temporary Transfer Before Childbirth

Any employee affected by pregnancy is entitled to transfer temporarily to a less strenuous or hazardous position or to less strenuous or hazardous duties if the transfer is medically necessary and the transfer can be reasonably accommodated.

B. Substitution of Paid Leave for Pregnancy-Related Disability Leave

Pregnancy disability leaves are unpaid except as follows. An employee taking pregnancy-related disability leave must substitute any available paid sick leave for her leave and may, at her option, substitute any accrued vacation time for her leave. The substitution of paid leave for pregnancy-related disability leave does not extend the total duration of the leave to which an employee is entitled. Employees on pregnancy-related disability may also be entitled to apply for short-term state disability benefits.

III. Workplace Injury Leaves

In addition to pregnancy-related disability leaves, employees may take a temporary disability leave of absence if necessary to reasonably accommodate a workplace injury. Please report any workplace injury to your supervisor immediately (within no more than 24 hours after the injury). Workplace injury leaves are governed by special laws and regulations. Disability leaves under this section will be governed by those laws and will be unpaid, except as covered by workers' compensation insurance.

IV. Military Spouse Leave

Qualified California employees will be given up to 10 days leave during that time in which the employee's spouse or domestic partner is on leave from deployment in a combat zone

with the active duty or reserve military or national guard during a period of military conflict. Employees may use accrued vacation time to cover this absence. If the employee has no accrued vacation, the employee must request time off without pay.

Qualifying employees are employees who work an average of 20 hours per week and have a spouse or domestic partner who is serving as (1) a member of the U.S. Armed Forces and who has been deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President of the United States or (2) a member of the Armed Forces Reserve Components or the National Guard and has been deployed during a period of military conflict.

Qualifying employees who wish to request this leave must provide CAMTC with a written request for such leave within two business days of receiving official notice that the military spouse or domestic partner will be on leave from deployment. The employee must also provide written documentation to CAMTC certifying that the military member will be on military leave from deployment.

IV. Other Leaves of Absence

Occasionally, for medical, personal, or other reasons, you may need to be temporarily released from the duties of your job with CAMTC. It is the policy of CAMTC to allow its eligible employees to apply for and be considered for certain specific unpaid leaves of absence. If the leave is necessary for a qualified disability under the ADA or the FEHA, the duration of the leave shall be consistent with applicable law, but in no event shall the leave extend past the date on which the employee becomes capable of performing the essential functions of his or her position, with or without reasonable accommodation.

Other than ADA/FEHA qualified leaves, all unpaid leaves under this section are granted in the sole discretion of CAMTC and are considered in light of operational needs, and shall not exceed three (3) months unless required by law.

Failure to return to work as scheduled from an approved unpaid leave of absence will be considered a voluntary resignation of employment.

All requests for unpaid leaves of absence under this section shall be submitted in writing to the CEO. Each request shall provide sufficient detail such as the reason for the leave and the expected duration of the leave. Requests should be provided at least 30 days in advance when at all possible, but leaves on shorter notice will be considered depending on the circumstances.

Health insurance premiums paid by CAMTC, if any, must be paid by the employee during a leave of absence unless payment by CAMTC is required by law.

You will not accrue vacation, sick time, or holiday pay during any unpaid leave of absence unless required by law.

VI. Jury Duty, Appearance as a Witness, Military Duty, Appearance at Child's School, Duty as a Volunteer Firefighter, Leave for Crime Victims, Time Off to Vote

Employees will be granted a leave of absence as required by law for the purpose of fulfilling

any required legal or military obligation (e.g., jury duty, appearance as a witness in a legal proceeding, military reserve duty, appearance at school by a parent when requested pursuant to the Education Code, leave for victims of crimes, including domestic violence, sexual assault, or stalking, or performance of emergency duty by a volunteer firefighter).

Employees are required to provide reasonable advance notice of any need for such leave and are expected to return to work each day or portion of the day that they are not legally obligated to be away. For non-exempt employees, these types of leave will be unpaid unless the employee chooses to utilize accrued vacation time. For exempt employees, salary during these leaves will be paid if the employee works any portion of a workweek (no salary will be paid for workweeks in which no work is performed).

Employees who do not have sufficient time outside of their regular working hours to vote in a statewide election may request time off to vote. If possible, employees should make their request at least two days in advance of the election. Up to two hours of paid time off will be provided, at the beginning or end of the employee's regular shift, whichever will allow more free time for voting and the least time off work.

VII. Bereavement Leave

Non-temporary full time employees who experience a death in the immediate family will be given up to three paid days off.

"Immediate family" includes the employee's spouse, domestic partner, children, son-in-law or daughter-in-law, parents or parents-in-law, brothers or brothers-in-law, sisters or sisters-in-law, or grandparents or grandchildren by blood, marriage or domestic partnership.

VIII. Leave for Organ and Bone Marrow Donation

CAMTC will grant an employee the following paid leaves of absence for the purpose of organ or bone marrow donation:

1. A leave of absence of up to five days in any one-year period for the purpose of donating the employee's bone marrow to another person.
2. A leave of absence of up to 30 days in any one-year period for the purpose of the employee donating his or her organ to another person.

A leave of absence for the purpose of organ or bone marrow donation will be provided with pay, however, if an employee has earned and unused PTO available, the employee is required to first use up to five days of PTO for a bone marrow donation and up to 10 days of PTO for organ donation.

In order to receive a leave of absence pursuant to this policy, the employee must provide written verification to the CEO that he or she is an organ or bone marrow donor and that there is a medical necessity for the donation of the organ or bone marrow.

Any leave taken for the donation of an organ or bone marrow will not constitute a break in service for purposes of the employee's right to salary adjustments, PTO accrual, or

seniority. During any leave taken under this policy, CAMTC will maintain and pay for coverage under any group health plan (if any), for the full duration of this leave.

Leave provided under this policy may be taken in one or more periods.

Upon expiration of a leave of absence authorized by this policy, CAMTC will restore the employee to the position held by the employee when the leave began or to a position with equivalent seniority status, employee benefits, pay, and other terms and conditions of employment. CAMTC may decline to restore an employee because of reasons unrelated to the exercise of rights under this policy by the employee.

IX. Parental Leave Act

When required by law, CAMTC will provide employees with the required leave to bond with a newborn or with a child placed with the employee for adoption or foster care. Eligibility and additional details regarding this type of leave can be obtained from the CEO.

EMPLOYEE BENEFITS

I. Group Insurance Plans

CAMTC does not provide any group insurance plans at this time.

II. Workers' Compensation Insurance

CAMTC carries workers' compensation coverage as required by law to protect employees who are injured on the job. This insurance provides medical, surgical and hospital treatment in addition to payment for loss of earnings that result from work-related injuries. The cost of this coverage is paid by CAMTC.

III. State Disability Insurance

The State of California provides disability insurance to California workers under certain circumstances. Generally speaking, state disability insurance is available for a non-work related accident or illness. It is available for some elective surgery and for pregnancy, childbirth and related medical expenses. Each year, in accordance with state law, a small percentage of your wages is deducted and paid to the state for this insurance.

IV. California Paid Family Leave

Paid Family Leave is a partial wage replacement insurance plan administered by the California Employment Development Department (EDD) for eligible workers who have absences longer than eight workdays related to care of a family member, or bonding with a new child. Benefits are paid directly by the EDD. Specific rules and regulations governing paid family leave are available from the EDD at www.edd.ca.gov/. Each year, in accordance with state law, a small percentage of your wages is deducted and paid to the state for this insurance.

OPEN DOOR

The purpose of the Open Door policy is to implement CAMTC's philosophy that employees should be encouraged to raise their work-related concerns informally with their supervisor. CAMTC will attempt to keep all such expressions of concern, the investigation, and the terms of any resolution confidential. However, in the course of investigating the concerns, some dissemination of information to others may be appropriate and therefore CAMTC cannot promise complete confidentiality.

I. Procedure

Employees are encouraged to raise work-related problems with their supervisor promptly after the concern has arisen. However, if you believe that your supervisor is part of your concern and feel uncomfortable talking with him or her, you may contact the CEO to discuss your concern. If the CEO is the problem, you may contact the Chairperson of the Board to discuss your concern.

You are encouraged to pursue discussion of your work related concerns until the matter is fully resolved. It may not always be possible to achieve the result you want, but if not, CAMTC will attempt in each case to explain why. CAMTC believes that employee concerns are best addressed through informal and open communication. No employee will be disciplined or otherwise penalized for raising a good faith concern.

PERFORMANCE EVALUATIONS

CAMTC reserves the right to periodically review your performance and discuss the review with you in private. Performance evaluations may include factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluation is designed to help you become aware of the progress you are making and of the areas in which you need to improve. Generally, your review will be conducted by your immediate supervisor. The CEO's review will be conducted by CAMTC's Board of Directors.

Nothing in this section shall require that an employee's salary/wages be adjusted based upon his or her review. While salary/wage adjustments are in part determined by employee performance, CAMTC, in its full discretion, may award, or not award, salary/wage adjustments.

PERSONNEL RECORDS

It is important that CAMTC personnel files contain current information regarding each employee. It is a condition of your employment that you inform your supervisor whenever there are changes in your personal data such as address, telephone number, marital status, number of dependents, and person(s) to notify in case of emergency.

You have the right to inspect your personnel file at reasonable times on reasonable notice. You may also obtain copies of any document in your personnel file that you have signed.

Personnel files are the property of CAMTC.

DRESS AND GROOMING STANDARDS

It is in CAMTC's best interests to present a professional image to its board members, constituents¹, government contacts, and to the public. Accordingly, while CAMTC has no formal dress code, it is expected that all employees will dress in a manner consistent with good hygiene, safety, and good taste when interacting with others on behalf of CAMTC.

CAMTC PROPERTY; CONFIDENTIAL INFORMATION

The security of employees, employee property, and CAMTC property is of vital importance to CAMTC. All employees share responsibility to ensure that proper security is maintained. Any breach of security should be reported promptly to your supervisor.

CAMTC property includes not only tangible property, like equipment, but also intangible property such as information. Of particular importance is confidential and proprietary information. Proprietary information includes all information obtained by CAMTC employees during the course of their work. This handbook, for example, contains proprietary information. Confidential information is any information of CAMTC that is not known generally to constituents or the public. Applicant/certificate holder information, personnel files, and financial data are examples of confidential information. Employees may not disclose or use proprietary or confidential information except as their jobs require. Anyone who violates this guideline will be subject to discipline up to and including termination, and possible legal recourse.

TECHNOLOGY USE AND PRIVACY

CAMTC provides various Technology Resources to authorized employees to assist them in performing their job duties for CAMTC. Each employee has a responsibility to use CAMTC's Technology Resources in a manner that increases productivity, enhances CAMTC's public image, and is respectful of other employees and constituents. Failure to follow CAMTC's policies regarding its Technology Resources may lead to disciplinary measures, up to and including termination of employment. Moreover, CAMTC reserves the right to advise appropriate legal authorities of any violation of law by an employee.

This guideline on Technology Use and Privacy applies to employees working exclusively from a home office only to the extent applicable.

I. Technology Resources Definition

Technology Resources consist of all electronic devices, software, and means of electronic communication provided by CAMTC or purchased for employee's use as an employee of CAMTC including but not limited to the following: personal computers and workstations;

¹ For purposes of this Handbook, "constituents" means applicants for certification [and school approval](#), [approved schools](#), and certificate holders.

lap-top computers; computer hardware; peripheral equipment such as printers, scanners, modems, fax machines, copiers, digital cameras, memory sticks, and hands-free devices; computer software applications and associated files and data, including software that grants access to external services, such as the Internet; electronic mail; telephones; cell phones; smart phones; and voicemail systems.

II. Authorization

Access to CAMTC's Technology Resources is within the sole discretion of CAMTC. Generally, employees are given access to CAMTC's various technologies and systems based on their job functions.

III. Use

CAMTC's Technology Resources are to be used by employees primarily for the purpose of conducting CAMTC activities. Employees may, however, use CAMTC's Technology Resources for the following incidental personal uses so long as such use does not interfere with the employee's duties, is not done for pecuniary gain, does not conflict with CAMTC's activities, and does not violate any CAMTC policy:

1. To send and receive occasional personal communications; and
2. To prepare and store incidental personal data (such as personal calendars, personal address lists, and similar incidental personal data) in a reasonable manner.

CAMTC assumes no liability for loss, damage, destruction, alteration, disclosure, or misuse of any personal data or communications transmitted over or stored on CAMTC's Technology Resources. CAMTC accepts no responsibility or liability for the loss or non-delivery of any personal electronic mail or voicemail communications or any personal data stored on any CAMTC property. As such, CAMTC discourages employees from storing any personal data on any of CAMTC's Technology Resources.

IV. Improper Use

A. Prohibition Against Harassing, Discriminatory and Defamatory Use

CAMTC is aware that employees use electronic mail for correspondence that is less formal than written memoranda. Employees must take care, however, not to let informality degenerate into improper use. As set forth more fully in CAMTC's "Policy Against Harassment," CAMTC does not tolerate discrimination or harassment based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, veteran status, marital status, sex, age, sexual orientation, gender identity expression, or any other basis protected by federal, state, or local law, ordinance, or regulation. Under no circumstances may employees use CAMTC's Technology Resources to transmit, receive, or store any information that is discriminatory, harassing, or defamatory in any way (e.g., sexually-explicit or racial messages, jokes, cartoons, etc.).

B. Prohibition Against Violating Copyright Laws

Employees must not use CAMTC's Technology Resources to copy, retrieve, forward

or send copyrighted materials unless the employee has the author's permission or is accessing a single copy only for the employee's personal use and reference.

C. Other Prohibited Uses

Employees may not use any of CAMTC's Technology Resources for any illegal purpose, in violation of any CAMTC policy, in a manner contrary to the best interests of CAMTC, in any way that discloses confidential or proprietary information of CAMTC or third parties, or for personal or pecuniary gain.

V. CAMTC Access to Technology Resources

All messages sent and received, including personal messages, and all data and information stored on CAMTC's electronic-mail system, voicemail system, or computer systems are CAMTC property regardless of the content. As such, CAMTC reserves the right to access all of its Technology Resources including its computers, voicemail, and electronic-mail systems, at any time, in its sole discretion.

A. Privacy

Although CAMTC does not wish to examine personal information of its employees, on occasion, CAMTC may need to access its Technology Resources including computer files, electronic-mail messages, and voicemail messages. Employees should understand, therefore, that they have **no right of privacy** with respect to any messages or information created or maintained on CAMTC's Technology Resources, including personal information or messages. CAMTC may, at its discretion, inspect all files or messages on its Technology Resources at any time for any reason. CAMTC may also monitor its Technology Resources at any time in order to determine compliance with its policies, for purposes of legal proceedings, to investigate misconduct, to locate information, or for any other purpose.

B. Passwords

Certain of CAMTC's Technology Resources can be accessed only by entering a password. Passwords are intended to prevent unauthorized access to information. Passwords do not confer any right of privacy upon any employee of CAMTC. Thus, even though employees may maintain passwords for accessing Technology Resources, employees must not expect that any information maintained on Technology Resources, including electronic mail and voicemail messages, are private. Employees are expected to maintain their passwords as confidential. Employees must not share passwords and must not access coworkers' systems without express authorization.

C. Deleted Information

Deleting or erasing information, documents, or messages maintained on CAMTC's Technology Resources is, in most cases, ineffective. All employees should understand that any information kept on CAMTC's Technology Resources may be electronically recalled or recreated regardless of whether it may have been "deleted" or "erased" by an employee. Because CAMTC periodically backs-up file storage space, files and messages may exist that are thought to have been deleted or erased. Therefore, employees who delete or erase information or messages should not assume that such information or messages are

confidential.

VI. The Internet and On-Line Services

CAMTC provides authorized employees access to on-line services such as the Internet. CAMTC expects that employees will use these services in a responsible way and for company-related purposes and incidental personal use only. Except as authorized by a supervisor, employees are not permitted to use CAMTC's Technology Resources to access, download, or contribute to the following:

1. gross, indecent, or sexually-oriented materials;
2. job-search sites;
3. gambling sites;
4. games, humor;
5. illegal drug-oriented sites;

Additionally, employees must not sign "guest books" at Web sites or post messages to internet news groups or discussion groups at Web sites. These actions will generate junk electronic mail and may expose CAMTC to liability or unwanted attention because of comments that employees may make. CAMTC strongly encourages employees who wish to access the Internet for non-work-related activities to obtain their own personal Internet access accounts.

Some of the information to which CAMTC has access is confidential. Employees should be very careful about sending confidential information over the Internet. Ask your supervisor if you are unsure whether information is considered confidential or if it should be sent via the Internet. Employees also should verify electronic mail addresses before transmitting any messages.

VII. Software Use

A. License Restrictions

All software in use on CAMTC's Technology Resources is officially licensed software. No software is to be installed or used that has not been duly paid for and licensed appropriately for the use to which it is by any means of transmission, unless authorized in writing in advance by CAMTC. Authorization for loading software on the computers should not be given until the software to be loaded has been thoroughly scanned for viruses.

VIII. Confidential Information

CAMTC is very sensitive to the issue of protecting the confidential and proprietary information of CAMTC, its constituents, and third parties ("Confidential Information"). Therefore, employees are expected to use good judgment and to adhere to the highest ethical standards when using or transmitting Confidential Information on CAMTC's Technology Resources.

Confidential Information should not be accessed through CAMTC's Technology Resources in the presence of unauthorized individuals. Similarly, Confidential Information should not be left visible or unattended.

IX. Security

CAMTC may install programs and devices to ensure the safety and security of CAMTC's Technology Resources. Any employee found tampering or disabling any of CAMTC's security devices will be subject to discipline up to and including termination.

X. Audits

CAMTC may perform auditing activity or monitoring to determine compliance with these policies. Audits of software and data stored on CAMTC's Technology Resources may be conducted without warning at any time.

SOCIAL MEDIA POLICY

A. Use

Social media are powerful communications tools that have a significant impact on organizational and professional reputations. Social media is a set of Internet tools that aid in the facilitation of interaction between people online. Examples include but are not limited to LinkedIn, Twitter, Facebook, YouTube, and MySpace. Both in professional and organization roles, employees need to follow the same behavioral standards online as they would in real life. The same laws, professional expectations, and guidelines for interacting with co-workers, constituents, vendors and the general public apply online as in the real world. Employees are liable for anything they post to social media sites. All CAMTC policies with respect to computers, electronic media, discrimination, harassment, confidentiality, conflict of interest and record retention apply to social media activity.

B. Prohibition Against Disclosing Proprietary and Confidential Information

CAMTC's policies regarding the nondisclosure of proprietary, confidential and personal information applies to online blogging or postings. As such, employees must not post information on a blog or website that in any way discloses confidential or proprietary information of CAMTC or any third party. The posting of copyrighted materials is also prohibited.

C. Other Prohibitions

Employees may not use CAMTC-sponsored social networking sites to promote or solicit participation in any activity that is unrelated to their work at CAMTC. Employees also may not use blogs or social media for any illegal purpose, violation of any CAMTC policy, in a manner contrary to the best interests of CAMTC, or for personal or pecuniary gain.

D. Non-CAMTC Blogs/Social Networking

Employees are free to create or participate in non-CAMTC blogs and other forms of online publishing and discussion/social networking, provided that such participation does not violate CAMTC policy, is not detrimental to CAMTC's best interests and does not interfere with an employee's regular work duties. Employees may not engage in personal blogging/social networking during work time. Employees are personally responsible for their postings and online comments. CAMTC does not assume any liability or risk for an employee's blogging or posting online.

When posting in a non-CAMTC blog or online forum, employees should not represent or suggest that their opinions or positions are endorsed by CAMTC or any of its managers or employees. CAMTC executives should exercise particular care when posting online to ensure their published personal thoughts are not misunderstood to be expressions of official CAMTC positions. Executives/managers should also assume their subordinates will read their postings, and fully understand that non-CAMTC blogs and websites are not appropriate forums for communicating CAMTC policy to CAMTC employees.

Even when posting on non-CAMTC blogs/social networking sites, employees must always be in compliance with CAMTC's policies regarding non-disclosure of proprietary, confidential and personal information. Accordingly, employees are prohibited from revealing any proprietary or confidential information. Employees also must respect copyright and fair use laws when posting and, as a best practice, always credit and/or link to someone else's work when quoting or relying upon it. Additionally, never identify a CAMTC constituent by name, and never discuss a constituent's confidential information online except through proper CAMTC Technology Resources.

Employees are prohibited from using CAMTC logos or trademarks without CAMTC's written permission. Employees likewise may not post any content that is harassing, discriminatory, defamatory, threatening, disparaging, libelous or otherwise illegal or injurious. .

Non-CAMTC blog/social media postings may generate media interest or coverage. If a member of the media contacts an employee about a CAMTC-related posting or online comment published by the employee, or requests CAMTC information of any kind, inform your supervisor immediately.

Failure to adhere to CAMTC policies regarding blogging and online postings will be considered grounds for discipline, up to and including termination.

Any inappropriate bloggings and/or postings that violate these guidelines should be reported to CAMTC management immediately.

CELLULAR PHONE POLICY

CAMTC prohibits the use of all hand-held cellular devices for work purposes while operating a motor vehicle or for personal purposes while operating a motor vehicle during work hours or on CAMTC business.

Employees may use hands-free cellular devices while driving when safe to do so. Special care should be taken in situations where there is heavy traffic, inclement weather or

the employee is driving in an unfamiliar area. Employees must adhere to all federal, state, and local rules and regulations regarding the use of cellular phones while driving.

Under no circumstances are employees allowed to use text devices to type or review text messages for work purposes while operating a motor vehicle or for personal purposes while operating a motor vehicle during work hours or on CAMTC business.

EMPLOYMENT OF RELATIVES

Beginning on the date this Handbook is first adopted, relatives of present employees may be hired by CAMTC only if (1) the individuals concerned will not work in a direct supervisory relationship, (2) the employment will not pose difficulties for supervision, security, safety, or morale, and (3) approved by the CEO. "Relatives" are defined as spouses, domestic partners, children, sisters, brothers, mothers, or fathers, and persons related by marriage or domestic partner relationship. Present employees who marry or have a domestic partnership or who become related by marriage or domestic partnership will be permitted to continue employment with CAMTC only if they do not work in a direct supervisory relationship with one another, or otherwise pose difficulties for supervision, security, safety, or morale. If employees who marry or who become related by marriage do work in a direct supervisory relationship with one another, CAMTC will attempt to reassign one of the employees to another position for which he or she is qualified, if such a position is available. If no such position is available, then one of the employees will be required to resign from CAMTC. The decision as to which employee resigns will be left solely to the spouse/employees. In the event that no alternative position is available and neither employee voluntarily resigns, the employee with lesser seniority will be terminated.

NON-FRATERNIZATION

In order to promote the efficient operation of CAMTC and to avoid misunderstandings, complaints of favoritism, other problems of supervision, security, and morale, and possible claims of sexual harassment, managers, supervisors, and Board/committee members are forbidden to date or pursue romantic or sexual relationships with employees whom they supervise, directly or indirectly. Employees and Board/committee members who violate this guideline will be subject to discipline, up to and including termination of employment or removal from the Board or committee on which the member serves.

VEHICLE USE

Employees may be required to use their personal vehicle from time to time for conducting CAMTC activities. Employees will be reimbursed for mileage while on CAMTC business at the then current IRS mileage reimbursement rate. Employees whose jobs require the use of their personal vehicle must provide CAMTC with written documentation satisfactory to the CEO and/or Chairperson that verifies that the employee carries appropriate liability insurance coverage.

TELECOMMUTING

Telecommuting is the practice of working at home or at a site near the home instead of physically traveling to a central workplace. It is a work alternative that CAMTC may offer to some employees when it would benefit both the organization and the employee.

Employee compensation, benefits, work status, work responsibilities, performance standards, and the typical amount of time you generally work per day or per pay period will not change due to telecommuting.

The decision to approve a telecommuting arrangement will be based on factors such as position and job duties, performance history, related work skills, and the impact on the organization. Employees' at-home work and project deadlines will conform to a schedule agreed upon by the employee and his/her supervisor.

During working hours, an employee's at-home workspace will be considered an extension of CAMTC's workspace. Employees allowed to telecommute agree to maintain safe conditions in the at-home workspace and to practice safety habits. In the case of an injury while working at home, employees must immediately report the injury to their supervisor or to the CEO to get instructions for obtaining medical treatment.

Telecommuting is an alternative method of meeting the needs of the organization and is not a universal employee benefit. As such, CAMTC has the right to refuse to make telecommuting available to an employee and to terminate a telecommuting arrangement at any time.

CONFLICTS OF INTEREST

CAMTC employees are expected to devote their best efforts and attention to the full-time performance of their jobs. Employees are expected to use good judgment, to adhere to high ethical standards, and to avoid situations that create an actual or potential conflict between the employee's personal interests and the interests of CAMTC. A conflict of interest exists when the employee's loyalties or actions are divided between CAMTC's interests and those of another, such as a constituent, outside organization, or a supplier. Both the fact and the appearance of a conflict of interest should be avoided. Employees unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with his/her supervisor. Any exceptions to this guideline must be approved in writing by the Chairperson.

This guideline does not attempt to describe all possible conflicts of interest that could develop. Some of the more common conflicts from which employees should refrain, however, include the following:

A. Accepting personal gifts or entertainment from constituents, suppliers, or potential suppliers without the express consent of your supervisor.

B. Using proprietary or confidential CAMTC information for personal gain or to CAMTC's detriment;

C. Using CAMTC assets or labor for personal use;

D. Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to CAMTC.

An employee may engage in outside employment, provided that 1) he or she discloses this fact to his or her supervisor, and 2) the outside employment does not in any way interfere or conflict with the employee's duties at CAMTC.

Failure to adhere to this guideline, including failure to disclose any conflicts or to seek an exemption, may result in discipline, up to and including termination of employment.

DRUG-FREE WORKPLACE

I. Purpose of Guideline

It is the intent of CAMTC to maintain a workplace that is free of drugs and alcohol and to discourage drug and alcohol abuse by its employees. CAMTC has a vital interest in maintaining safe and efficient working conditions for its employees. Substance abuse is incompatible with health, safety, efficiency, and success at CAMTC. Employees who are under the influence of a drug or alcohol on the job compromise CAMTC's interests, and endanger their own health and safety and the health and safety of others. Substance abuse in the workplace can also cause a number of other work related problems, including absenteeism and tardiness, substandard job performance, increased workloads for co-workers, behavior that disrupts other employees, delays in the completion of jobs, inferior quality in service, and disruption of relations with constituents and suppliers.

To further its interest in avoiding accidents, to promote and maintain safe and efficient working conditions for its employees, and to protect its reputation, property, equipment, and operations, CAMTC has established this Guideline concerning the use of alcohol and drugs. As a condition of continued employment with CAMTC, each employee must abide by this Guideline.

II. Employee Cooperation

Early detection of substance-abuse problems benefits everyone. For example, it benefits the employee with the substance-abuse problem because it gives him or her the opportunity to correct the problem before it leads to serious harm to the employee or others; it benefits the employee's co-workers who otherwise might be exposed to serious injury or have to carry an extra burden by "covering" for the substance abuser, and it benefits CAMTC by providing an opportunity to prevent accidents and avoid the performance problems and other losses associated with substance abuse. Accordingly, all employees should understand that co-workers with substance-abuse problems should be encouraged to seek assistance.

III. Definitions

For purposes of this Guideline:

- (1) "Illegal drugs or other controlled substances" means *any* drug or substance that (a) is not legally obtainable; or (b) is legally obtainable but has not been legally obtained; or (c) has been legally obtained but is being sold or distributed unlawfully.
- (2) "Legal drug" means any drug, including any prescription drug or over-the-counter drug, that has been legally obtained and that is not unlawfully sold or distributed.
- (3) "Abuse of any legal drug" means the use of any legal drug (a) for any purpose other than the purpose for which it was prescribed or manufactured; or (b) in a quantity, frequency, or manner that is contrary to the instructions or recommendations of the prescribing physician or manufacturer.
- (4) "Reasonable suspicion" includes a suspicion that is based on specific personal observations such as an employee's manner, disposition, muscular movement, appearance, behavior, speech or breath odor; information provided to management by an employee, by law enforcement officials, by a security service, or by other persons believed to be reliable; or a suspicion that is based on other surrounding circumstances.
- (5) "Possession" means that an employee has the substance on his or her person or otherwise under his or her control.

IV. Prohibited Conduct

A. Scope

The prohibitions of this section apply whenever the interests of CAMTC may be adversely affected, including any time the employee is:

- (1) On CAMTC premises;
- (2) Conducting or performing CAMTC business, regardless of location;
- (3) Operating or responsible for the operation, custody, or care of CAMTC equipment or other property; or
- (4) Responsible for the safety of others.

B. Alcohol

The following acts are prohibited and subject an employee to discharge:

- (1) The unauthorized use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of alcohol; or
- (2) Being under the influence of alcohol except as described below.

C. Illegal Drugs

The following acts are prohibited and subject an employee to discharge:

- (1) The use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of any illegal drug or other controlled substance; or
- (2) Being under the influence of any illegal drug, or other controlled substance.

D. Legal Drugs

The following acts are prohibited and subject an employee to discharge:

- (1) The abuse of any legal drug;
- (2) The purchase, sale, manufacture, distribution, transportation, dispensation, or possession of any legal prescription drug in a manner inconsistent with law; or
- (3) Working while *impaired* by the use of a legal drug whenever such impairment might:
 - (a) Endanger the safety of the employee or some other person;
 - (b) Pose a risk of significant damage to CAMTC property or equipment; or
 - (c) Substantially interfere with the employee's job performance or the efficient operation of CAMTC's business or equipment.

V. Disciplinary Action

A. Discharge for Violation of Guideline

A first violation of this Guideline will result in *immediate discharge*, whenever the prohibited conduct:

- (1) Caused injury to the employee or any other person, or, in the sole opinion of management, endangered the safety of the employee or any other person;
- (2) Resulted in significant damage to CAMTC property or equipment, or, in the sole opinion of management, posed a risk of significant damage;
- (3) Involved the sale or manufacture of illegal drugs or other controlled substances;
- (4) Involved the possession, distribution, or dispensation of illegal drugs or

other controlled substances or alcohol in a quantity greater than for personal use.

~~(5) Involved the failure of an employee to report a criminal conviction, as required below.~~

B. Discretion Not to Discharge

In circumstances other than those described in Paragraph A, above, CAMTC, in the discretion of management, may choose not to discharge an employee for a first violation of this Guideline if the employee satisfactorily participates in and completes an approved drug or alcohol abuse assistance or rehabilitation program (at the employee's expense).

~~C. Effect of Criminal Conviction~~

~~An employee who is convicted under a criminal drug statute for a violation occurring in the workplace or during any CAMTC-related activity or event will be deemed to have violated this Guideline.~~

~~C.D.~~ Written Warning

An employee who is not discharged for a first violation of this Guideline will receive a written warning and immediate suspension without pay for a period of 10 calendar days.

~~D.E.~~ Effect of Second Violation

A second violation of this Guideline at any time will result in immediate discharge.

~~E.F.~~ Effect of Discharge on Eligibility for Rehire

Employees who are discharged for a violation of this Guideline will not be eligible for rehire by CAMTC.

~~G. Criminal Convictions~~

~~Employees must notify CAMTC management of any conviction under a criminal drug statute for a violation occurring in the workplace or during any CAMTC-related activity or event. Employees must notify CAMTC management within five days after any such conviction.~~

VII. Use of Legal Drugs

CAMTC recognizes that employees may, from time to time, be prescribed legal drugs that, when taken as prescribed or according to the manufacturer's instructions, may result in impairment. Employees may not work while impaired by the use of legal drugs if the impairment might endanger the employee or someone else, pose a risk of significant damage to CAMTC property, or substantially interfere with the employee's job performance. If an employee is so impaired by the appropriate use of legal drugs, he or she may not report to work. To accommodate the absence, the employee may use accrued sick leave or vacation time. Nothing in this Guideline is intended to sanction the use of accrued sick

leave or vacation time to accommodate absences due to the *abuse* of legal drugs. Further, nothing in this Guideline is intended to diminish CAMTC's commitment to employ and reasonably accommodate qualified disabled individuals. CAMTC will reasonably accommodate qualified disabled employees who must take legal drugs because of their disability.

VIII. Unregulated or Authorized Conduct

A. Customary Use of Over-the-Counter Drugs

Nothing in this Guideline is intended to prohibit the customary and ordinary purchase, sale, use, possession, or dispensation of over-the-counter drugs, so long as that activity does not violate any law or result in an employee being impaired by the use of such drugs in violation of this Guideline.

B. Off-the-Job Conduct

This Guideline is not intended to regulate off-the-job conduct, so long as the employee's off-the-job use of alcohol or drugs does not result in the employee being under the influence of or impaired by the use of alcohol or drugs in violation of this Guideline.

C. Authorized Use of Alcohol

CAMTC may provide alcohol for consumption at certain events, such as social functions. The responsible consumption of alcohol at these events does not violate this policy.

IX. Confidentiality

Disclosures made by employees to CAMTC management concerning their use of legal drugs will be treated confidentially and will not be revealed to other managers or supervisors unless there is an important work-related reason to do so in order to determine whether it is advisable for the employee to continue working. Disclosures made by employees to CAMTC management concerning their participation in any drug or alcohol rehabilitation program will be treated confidentially.

POLICY CONCERNING VIOLENCE IN THE WORKPLACE

I. Statement of Policy

This policy will only apply if CAMTC establishes its own central office (i.e. this does not apply to employees who work from a home office). CAMTC recognizes that workplace violence is a growing concern among employers and employees across the country. CAMTC is, therefore, committed to providing a safe, violence-free workplace. In this regard, CAMTC strictly prohibits employees, constituents, vendors, visitors, or anyone else on CAMTC premises or engaging in a CAMTC-related activity from behaving in a violent or threatening manner. Moreover, as part of this policy, CAMTC seeks to prevent workplace violence before it begins and reserves the right to deal with behavior that suggests a propensity towards violence even prior to any violent behavior occurring.

II. Workplace Violence Defined

Workplace violence includes, but is not limited to, the following:

- (1) Threats of any kind;
- (2) Threatening, physically aggressive, or violent behavior, such as intimidation of or attempts to instill fear in others;
- (3) Other behavior that suggests a propensity toward violence, which can include belligerent speech, excessive arguing or swearing, sabotage, or threats of sabotage of CAMTC property, or a demonstrated pattern of refusal to follow CAMTC policies and procedures;
- (4) Defacing CAMTC property or causing physical damage to the facilities; or
- (5) With the exception of security personnel, bringing weapons or firearms of any kind on CAMTC premises, in CAMTC parking lots, or while conducting CAMTC business.

III. Reporting

If any employee observes or becomes aware of any of the above-listed actions or behavior by an employee, constituent, consultant, visitor, or anyone else, he or she should contact their supervisor immediately.

Further, employees should notify their supervisor immediately if any restraining order is in effect, or if a potentially violent nonwork-related situation exists that could result in violence in the workplace.

IV. Investigation

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly. In appropriate circumstances, CAMTC will inform the reporting individual of the results of the investigation. To the extent possible, CAMTC will maintain the confidentiality of the reporting employee and of the investigation but may need to disclose results in appropriate circumstances, for example, in order to protect individual safety. CAMTC will not tolerate retaliation against any employee who reports workplace violence.

V. Corrective Action and Discipline

If CAMTC determines that workplace violence has occurred, CAMTC will take appropriate corrective action and will impose discipline on offending employees. The appropriate discipline will depend on the particular facts but may include written or oral warnings, probation, suspension, or termination. If the violent behavior is that of a non-employee, CAMTC will take appropriate corrective action in an attempt to ensure that such behavior is not repeated.

CAMTC may, in its discretion, forego disciplinary action on the condition that the employee takes an unpaid medical leave of absence, and/or participates in counseling or special

training, either voluntarily or as a condition of continued employment, at the employee's own expense.

TERMINATION, DISCIPLINE, AND RULES OF CONDUCT

I. Termination

A. Voluntary Termination

CAMTC will consider an employee to have voluntarily terminated his or her employment if an employee does any of the following:

- (1) Resigns from CAMTC;
- (2) Fails to return from an approved leave of absence on the date specified by CAMTC; or
- (3) Fails to report for work without notice to CAMTC for two consecutive days.

B. Involuntary Termination

An employee may be terminated involuntarily for reasons that may include, but are not limited to, poor performance, misconduct, or other violations of CAMTC's rules of conduct as set forth below. **Notwithstanding this list of possible reasons, every CAMTC employee is "at-will", and as such CAMTC reserves the right to discharge any employee with or without cause and with or without prior notice.**

C. Termination Due to Reorganizations, Economics, or Lack of Work

From time to time, CAMTC may need to terminate an employee as a consequence of reorganizations, job eliminations, economic downturns, or lack of work.

II. Discipline and Rules of Conduct

A. Policy

Employees are expected to observe certain standards of job performance and good conduct. When performance or conduct does not meet CAMTC standards, the employee may be given a reasonable opportunity to correct the deficiency. If, however, the employee fails to make the necessary correction(s), he or she may be subject to disciplinary action up to and including termination. **Provided, however, that CAMTC reserves the right to proceed directly to termination, without resort to prior disciplinary steps, when CAMTC, in its sole discretion, deems such action necessary or appropriate.**

The rules set forth in this Guideline are intended to provide employees with fair notice of what is expected of them. Such rules cannot identify every type of unacceptable conduct and performance. Therefore, employees must be aware that conduct not specifically listed below, but which adversely affects the interests of CAMTC, its employees, or constituents may also result in disciplinary action, and nothing herein mitigates an employee's at-will

status.

B. Job Performance

Employees may be disciplined or terminated for poor job performance, including but not limited to the following:

- (1) Unsatisfactory work quality or quantity;
- (2) Poor attitude (for example, rudeness or lack of cooperation);
- (3) Excessive absenteeism (three or more unexcused absences in a 90 day period), tardiness, or abuse of break and lunch privileges;
- (4) Failure to follow instruction or CAMTC procedures; or
- (5) Failure to follow established safety regulations.

C. Misconduct

Employees may be disciplined or terminated for misconduct, including but not limited to the following:

- (1) Insubordination;
- (2) Dishonesty;
- (3) Theft of any kind;
- (4) Discourtesy;
- (5) Misusing or destroying CAMTC property or the property of another on CAMTC premises;
- (6) Violating conflict of interest rules;
- (7) Disclosing or using confidential or proprietary information without authorization from the appropriate management personnel;
- (8) Falsifying or altering CAMTC records, including but not limited to the application for employment or timecards;
- (9) Interfering with the work performance of others;
- (10) Altercations, arguing, fighting, badgering;
- (11) Harassing, including sexually harassing, employees or others;
- (12) Being under the influence of, manufacturing, dispensing, distributing, using, or possessing illegal or controlled substances on CAMTC property or while

conducting CAMTC business;

(13) Gambling on CAMTC premises or while conducting CAMTC business;

(14) Sleeping on the job or leaving the job without authorization;

(15) Possessing a firearm or other dangerous weapon on CAMTC property or while conducting CAMTC business; or

(16) Being convicted of a crime that indicates unfitness for the employee's particular job or raises a threat to the safety or well-being of CAMTC, its employees, constituents, or property; ~~or~~

~~(17) Failing to report to CAMTC, within five days, any conviction under any criminal drug statute for a violation occurring in the workplace or during a CAMTC-related activity.~~

ED. Attendance

In addition to the general rules stated above, employees may be disciplined or terminated for failing to observe the following specific requirements relating to attendance:

(1) Reporting to work on time, observing the time limits for rest and lunch periods, and obtaining approval to leave work early; and

(2) Notifying your supervisor in advance of anticipated tardiness or absence.

EF. No Discipline Procedure

CAMTC reserves the right to proceed directly to termination, without resort to prior disciplinary steps, when CAMTC, in its sole discretion, deems such action appropriate.

EG. Exit Interview

Employees who leave CAMTC for any reason may be asked to participate in an exit interview. This interview is intended to permit terminating employees the opportunity to communicate their views regarding their work with CAMTC, including job duties, job training, job supervision, and job benefits. At the time of the interview, employees are required to return all CAMTC furnished property, such as equipment, I.D. cards, keys, credit cards, documents, and handbooks.

III. Employment at Will

Nothing in this section on discipline/termination is intended to alter the at-will status of employment with CAMTC. Either you or CAMTC may terminate the employment relationship at any time, with or without cause, and with or without prior notice. CAMTC reserves the right to terminate the employment relationship, or to demote, discipline, or alter the terms and conditions of employment (including this handbook) without advance notice and without resort to any particular procedures.

EXTERNAL COMMUNICATIONS

Occasionally, employees may be contacted by outside sources (including but not limited to media) requesting information about CAMTC matters, including information regarding current or former employees, constituents, CAMTC projects, or other workplace issues. In order to avoid providing inaccurate or incomplete information to outside sources, employees contacted by an outside source should immediately refer the contact to the CEO without disclosing any information or making any comment.

REFERENCES

Requests for references after an employee leaves CAMTC will be responded to by disclosing only dates of employment and title of last position held.

ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK

(PLEASE READ THE EMPLOYEE HANDBOOK AND FILL OUT AND RETURN THIS PORTION TO YOUR SUPERVISOR WITHIN ONE WEEK OF RECEIPT)

Employee Name: _____

I acknowledge that I have received a copy CAMTC Employee Handbook as approved on _____, 2019. I understand that I am responsible for reading the policies and for knowing and complying with the policies during my employment with CAMTC.

I further understand, however, that the policies are guidelines only and are not intended to create any contractual rights or obligations, express or implied, and shall not be construed to create any type of right to a "fair procedure" prior to termination or other disciplinary action. I also understand that CAMTC has the right to amend, interpret, modify, or withdraw any of the policies at any time in its sole discretion, with or without notice. Furthermore, I understand that, because CAMTC cannot anticipate every issue that may arise during my employment, if I have any questions regarding any of CAMTC's policies or procedures, I should consult my supervisor.

I understand and agree that my relationship with CAMTC is "at-will," which means that my employment is for no definite period and may be terminated by me or by CAMTC at any time, for any reason, with or without cause, and with or without advance notice. I also understand that CAMTC may demote or reassign me or otherwise alter the terms of my employment at any time at its discretion, with or without cause or advance notice.

I understand and agree that if I resign or am terminated from my employment with CAMTC I will immediately return any CAMTC-owned property to the CAMTC office, including but not limited to CAMTC-owned laptops or other computers, phones, printers, electronic storage devices, and documents. With respect to CAMTC-owned computers, phones, and storage devices, I agree to return such property to CAMTC without removing any data, documents, software, or applications from the device(s).

I understand and agree that the terms of this Acknowledgment may not be modified or superseded except by a written agreement approved by CAMTC board of directors and signed by me and the Chairperson of CAMTC, that no other employee or representative of CAMTC has the authority to enter into any such agreement, and that any agreement to employ me for any specified period of time or that is otherwise inconsistent with the terms of this Acknowledgment will be unenforceable. If the terms of this Acknowledgment are inconsistent with any policy or practice of CAMTC now or in the future, the terms of this Acknowledgment shall control.

Finally, I understand and agree that this Acknowledgment contains a full and complete statement of the agreements and understandings that it recites, that no one has made any promises or commitments to me contrary to the foregoing, and that this Acknowledgment supersedes all previous agreements, whether written or oral, express or implied, relating to the subjects covered in this Acknowledgment.

Date: _____

Signed: _____

Signature of Employee

Print Name of Employee

ACKNOWLEDGEMENT OF RECEIPT OF POLICY AGAINST HARASSMENT

(PLEASE READ THE POLICY AGAINST HARASSMENT AND FILL OUT AND RETURN
THIS PORTION TO YOUR SUPERVISOR WITHIN
ONE WEEK OF EMPLOYMENT)

I have received a copy of CAMTC's Policy Against Harassment contained in the Employee Handbook as approved on _____, 2019. I have read and understand the Policy Against Harassment, including the procedures for reporting harassment, and I agree to abide by the provisions contained therein.

Date: _____

Signed: _____
Signature of Employee

Print Name of Employee

Treasurer's Report through June 30, 2019

Board Meeting: September 11, 2019

Applications Received and Re-Certifications Billed

The Number of Certificate Holders

The number of Active Certificate Holders is a meaningful measure of CAMTC's performance. While the total size of the market is unknown, some observers think that the strong economy, with many job opportunities in other areas, may have put downward pressure on the size of the massage therapist category.

In spite of the tight job market and the \$50 increase in fees to New Certificate Holders and Recertifications, Active Certificate Holders on June 30, 2019, at 50,551, has held virtually unchanged from the 50,490 a year ago. CAMTC appears to be doing an effective job of retaining Certificate Holders over time.

The following table shows the number of certificate holders at year-end, beginning in 2012 and those on June 30 this year and last. The number of Active Certificate Holders has higher in odd-numbered years, possibly because of the two-year renewal cycle:

DATE	NUMBER OF CERTIFICATE HOLDERS
June 30, 2019	50,551
December 31, 2018	49,698
June 30, 2018	50,490
December 31, 2017	51,038
December 31, 2016	46,801
December 31, 2015	51,499
December 31, 2014	49,997
December 31, 2013	44,750
December 31, 2012	35,214

New Applications and Re-Certifications

Four thousand and seventy (4,070) New Applications were received through June 30, 2019, almost three times (275%) the 1478 in the comparable period 2018. This is the highest number of New Applicants in the past four years.

A continuation of the pattern reported for the first quarter of 2019 continued. While New Applications was up substantially, Recertifications Billed was down, to 11,026 from 13,789 from the first half of 2018. This decline in Recertifications Billed is because fewer certifications expired during this period, probably reflecting the low levels of applications two years ago because of the now no-longer-required testing. An important issue is whether the jump in New Applications is also the because of the absence of testing requirements.

Through June 30, 2019, Total Activity (15,096) in 2019 was similar (15267) to the comparable period of 2018. However, Recertifications accounted for just 73% of the total activity, the lowest share in recent years. The gain in New Applications largely offset the decline in Recertifications Billed.

Year	New Applications Received	Re-Certifications Billed	Total	Re-Certifications as a % of Total
2019*	4070	11026	15096	73%
2018*	1478	13789	15267	90%
2018	3536	26260	29796	88%
2017	2340	23088	25428	91%
2016	4940	26624	31564	83%
2015	4160	21268	25428	84%
2014	12688	23452	36192	65%
2013	11388	12896	24284	53%
2012	10764	15392	26156	59%
2011	13728	2808	16536	17%
2010	13468	0	13468	0%

*Through June 30

Although the number of Recertifications Billed in the period ended June 30, 2019 was low, the percent of those who were billed (Paid Recertifications), at 89% was the highest to date. Most of those who are billed are remaining active.

	Re- Certifications Billed	Re- Certifications Paid	% Billed That Are Paid
2019*	4719	4192	89%
2018*	7619	6428	84%
2018	26277	22836	87%
2017	23079	18702	81%
2016	26632	21844	82%
2015	21309	16136	76%
2014	23484	18618	79%
2013	12913	9871	76%
2012	15368	11687	76%
Through June 30			

Processing Time

The average number of days required to process and approve documents (assuming no background or education issues) was 10 days in June, somewhat better than the 12 days reported for June of 2018. Over time CAMTC has improved considerably on this measure.

What It All Might Mean

CAMTC has been effective in maintaining the level of Total Active Certificate Holders. The decline in Recertifications this quarter can be explained by the testing procedures set up in 2017 (and since modified). Better understanding of the growth in New Applications is important. Whether this is an aberration or an opportunity for CAMTC will be more accurately determined as this number is viewed over time.

Financial Statements

Statement of Functional Activities (Income Statement)

Overview – A Major Change in Reporting of Revenue

As previously discussed, a major change in the recognition of revenue was made late in 2017. The new procedure is that 88% of all revenue for New Applications and Re-

Certifications will be recognized at the time of receipt. The balance, 12%, will be accounted for over the subsequent 24 months at 0.5% per month. This change applies not only to revenues received during 2017, but to revenues collected in previous years.

This differs with the past procedures in which:

- Revenue for New Applications has been recognized as follows: 37% of the \$150 initial application when the application is received, 39% when the certificate is issued and the balance, 24%, over 24 months
- Recertification revenue has been reported as follows: 46% when received, 42% when approved and the balance over 24 months.

The result of this change in accounting procedure is that it substantially increased the revenue during 2017 over what it would have been under the previous allocation. Since more revenue was recognized in 2017, the backlog of revenue from prior years for New Applications and Re-Certification that was recognized in 2018 was less than it would have been under the previous accounting system.

This year, 2019, is the first year that fairly meaningful comparisons can be made with the prior year under the new accounting system. Even so, there is still some effect of the previous deferred income recognition procedure.

Overview Revenue, Expenses, and Net Income Relative to Budget and Prior Year

Revenue through June 30 of 2019 was close to Budget, while Expenses were 5% under the budgeted amount. The result was a Net Income of \$141,442, compared to a budgeted loss of \$36,682.

Revenue through June 30 of 2019 was up 21% from the previous year while Expenses increased only 7%. The result was the previously noted profit in 2019 compared to a loss of \$179,819 in 2018.

SUMMARY OF FUNCTIONAL ACTIVITIES					
June 30					
	2019		2018		201900%
	Actual	Budget	Actual	Budget	Change in Actual from 2018
Total Revenue	\$3,028,906	\$2,988,806	\$2,507,651	\$2,086,352	21%
Total Expenses	\$2,887,465	\$3,025,488	\$2,687,470	\$3,029,186	107%
Net Income	\$141,442	(\$36,682)	(\$179,819)	(\$942,834)	

The following sections discuss the Revenues and expenses both in absolute terms and relative to the budget.

Revenue Detail

Revenue was close to Budget, exceeding it by one percent (1%). More so than usual, many of the major sources of revenue were close to their budgeted figures.

Re-Certifications – CY (Current Year) account for 64% of Total Revenue through June 30, with *New Certification Fees* – CY adding an additional 21%. These two sources, together, comprise 85% of Revenue, reflecting accounting change that recognizes 88% of new fees at the time they are received.

Past Year Re-Certification Fees, which makes up 6% of Revenue, accounts for an additional 5%.

REVENUE June 30, 2019			
	Actual	% of Total	Actual as a % of Budget
CERTIFICATION FEES			
New Certification Fees - CY	\$638,079	21.07%	98%
New Certification Fees - PY	\$25,487	0.84%	100%
Re-Certifications - CY	\$1,937,999	63.98%	105%
Re-Certifications - PY	\$163,351	5.39%	99%
Recertification Late Fees	\$54,215	1.79%	62%
Limited Recertification Fees	\$275	0.01%	183%
Total CERTIFICATION FEES	\$2,819,406	93.08%	102%
Hearing Fees - Individuals	\$38,856	1.28%	120%
School Application Fees -	\$22,853	0.75%	91%
School Background Check Fees	\$4,838	0.16%	236%
School Hearing Fees	\$270	0.01%	4%
Interest and Other Income	\$15,913	0.53%	133%
Miscellaneous Fees	\$126,771	4.19%	96%
		0.00%	
Total REVENUE	\$3,028,906	100.00%	101%

Performance Relative to Budget by Major Expense Categories.

Expenses were virtually at Budget.

CAMTC has modified the method of presenting Expenses. Rather than categorizing expenses in sub-accounts under nine major categories, 40 expense accounts are listed separately.

Fourteen (14) of those 40 accounts make up 87% of actual expenses and 97% of budgeted expenses in the first quarter of 2019. These fourteen accounts are shown in the table below in the order they are listed in CAMT's financial statements.

Most of these expenses were at or slightly below the budgeted amounts.

Application Processing, at 31% of the total, is clearly the major expense category, followed by Legal, 9%, then by Legal In-house and Paralegals, each at 7%. Legal-related activity accounts for 23% of all expenses.

Major Expense Categories, June 30, 2019

Account	Amount	% of Total	Actual as a % of Budget
Senior Management	\$187,607	6%	97%
Management	107,250	4%	98%
Field Investigators	98,960	3%	99%
School Inspectors	66,442	2%	99%
Legal In-house	189,360	7%	93%
Paralegals	214,291	7%	84%
Payroll Taxes	82,240	3%	94%
Benefits	92,793	3%	96%
Travel	53,084	2%	100%
Communications & Outreach	127,051	4%	89%
Banking/credit Card Fees	53,791	2%	115%
Certification/Mats/Print/Mail	65,002	2%	100%
Legal	259,996	9%	100%
Application Processing	900,900	31%	100%
Total of Above Expenses	2,498,767	87%	97%
Total All Expenses	2,887,465	100%	95%

Statement of Financial Position (Balance Sheet)

Overview

As observed in the March Treasurer's Report, CAMTC is in a much weaker financial position on June 30, 2019 than it was at the same time a year ago. While the organization is in no financial jeopardy, its financial health has certainly declined:

- Assets, which are composed primarily of cash or cash equivalents, are down about \$745,000 to \$2,439,395.
- Liabilities have declined approximately \$229,000 to \$697,466, primarily because of a smaller Accounts Payable. At first glance one might assume that a decline in Liabilities is a good thing. However, that is not the case here. Most of the Liabilities are to individuals and schools, which are deferred income. This means that there is less deferred income to recognize in the future.
- Equity, at \$1,781,244, is down approximately \$516,000 from a year ago.

BALANCE SHEET, JUNE 30

	2019	2018
Assets		
Current	\$2,249,229	\$2,968,187
Fixed	\$147,367	\$174,142
Other	\$42,799	\$42,049
Total Assets	\$2,439,395	\$3,184,377
Liabilities		
To Individuals and Schools	\$496,693	\$757,915
Other Current	\$104,341	\$75,625
Long term	\$96,432	\$93,191
Total Liabilities	\$697,466	\$926,730
Equity	\$1,741,929	\$2,257,647
Total Liabilities and Equity	\$2,439,395	\$3,184,377

Conclusions

- The large increase in New Applications may suggest an opportunity. Whether the upsurge is an aberration resulting from the removal of testing requirements or an indication of changes in the category should be closely watched over the next few months.
- CAMTC is in a solid financial position; however, key indicators on the balance sheet should be continuously monitored.

Respectfully submitted by
Michael Marylander,
Treasurer
September 11, 2019

*Financial Statements and
Independent Auditor's Report of*

CALIFORNIA MASSAGE THERAPY COUNCIL

December 31, 2017

CALIFORNIA MASSAGE THERAPY COUNCIL

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
California Massage Therapy Council
Sacramento, California

We have audited the accompanying statement of financial position of California Massage Therapy Council (a California non-profit corporation) as of December 31, 2017, and the related statement of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of California Massage Therapy Council as of December 31, 2017, and the changes in its net assets, functional expenses and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, these financial statements include a prior period adjustment. The effect of this adjustment was to increase prior period net assets by \$209,460. Our opinion is not modified with respect to this matter.

Campbell Taylor & Company

An Accountancy Corporation

Roseville, California

August 9, 2019

CALIFORNIA MASSAGE THERAPY COUNCIL

STATEMENT OF FINANCIAL POSITION

December 31, 2017

ASSETS

Assets:

Cash and cash equivalents	\$ 1,136,399
Prepaid expenses	44,612
Certificates of deposit	2,033,149
Software and equipment, net	<u>144,239</u>
Total assets	<u>\$ 3,358,399</u>

LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable	\$ 87,025
Accrued liabilities	88,745
Deferred revenue	<u>745,164</u>
Total liabilities	920,934

Net Assets:

Unrestricted net assets	<u>2,437,465</u>
Total net assets	<u>2,437,465</u>
Total liabilities and net assets	<u>\$ 3,358,399</u>

The accompanying notes are an integral part of these financial statements.

CALIFORNIA MASSAGE THERAPY COUNCIL

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS For the Year Ended December 31, 2017

Revenues:

Individual - recertification fees	\$ 2,768,667
Individual - new certification fees	1,016,906
Late fees, hearing fees and denied applications fees	398,055
Other processing fees	108,677
Interest and other income	53,414
School - new application fees	34,500
Background check fees	<u>4,853</u>
Total revenues	<u>4,385,072</u>

Expenses:

Program services	2,684,242
General and administrative	<u>1,933,530</u>
Total expenses	<u>4,617,772</u>

Change in net assets	(232,700)
Net assets, beginning of year (restated)	<u>2,670,165</u>
Net assets, end of year	<u><u>\$ 2,437,465</u></u>

The accompanying notes are an integral part of these financial statements.

CALIFORNIA MASSAGE THERAPY COUNCIL

STATEMENT OF FUNCTIONAL EXPENSES For the Year Ended December 31, 2017

	Program Services						
	Board of Directors and Committees	Educational Standards Division	Executive Staff	Outreach and Marketing	Professional Standards Division		Total

The accompanying notes are an integral part of these financial statements.

CALIFORNIA MASSAGE THERAPY COUNCIL

STATEMENT OF CASH FLOWS For the Year Ended December 31, 2017

Cash Flows for Operating Activities:	
Cash received from members and customers	\$ 4,225,376
Cash paid to suppliers and employees	(4,594,853)
Interest received	<u>53,414</u>
Cash used for operating activities	<u>(316,063)</u>
 Cash Flows from Investing Activities:	
Proceeds from certificates of deposit	475,061
Purchase of software and equipment	<u>(3,501)</u>
Cash provided by investing activities	<u>471,560</u>
 Net change in cash and cash equivalents	155,497
Cash and cash equivalents, beginning of year	<u>980,902</u>
Cash and cash equivalents, end of year	<u>\$ 1,136,399</u>
 Reconciliation of Change in Net Assets to Cash used for Operating Activities:	
Change in net assets	\$ (232,700)
Adjustments to reconcile change in net assets to cash used for operating activities:	
Depreciation and amortization	43,200
(Increase) decrease in assets:	
Prepaid expenses	(10,198)
Increase (decrease) in liabilities:	
Accounts payable	(27,358)
Accrued liabilities	17,275
Deferred revenue	<u>(106,282)</u>
Cash used for operating activities	<u>\$ (316,063)</u>

The accompanying notes are an integral part of these financial statements.

CALIFORNIA MASSAGE THERAPY COUNCIL

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The California Massage Therapy Council (the Organization) was created in February 2009 through the enactment of SB731 (California Business and Professions Code Section 4600 et seq). The Organization's mission is to protect the public by certifying the massage professionals in California and approving massage programs that meet the requirements in the laws and regulations governing the massage profession.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets represent resources over which the Board of Directors has discretionary control and that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations. The organization has no temporarily restricted net assets and permanently restricted net assets.

Basis of Accounting

These financial statements have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Cash and Cash Equivalents

All highly liquid instruments with an original maturity of three months or less are classified as cash equivalents.

Concentration of Credit Risk

The Organization maintains cash in banks and financial institutions in amounts, which at times, exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Certificates of Deposit

The Organization has investments in certificates of deposits. Certificate of deposits are stated at certificate value, which approximate fair value. The changes in market value of investments during the year and gains or losses realized from the sale of investments are reported as interest income on the statement of activities and changes in net assets.

Software and Equipment

Software and equipment are recorded at cost. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, which range from 2 to 5 years. The Organization's policy is to capitalize asset purchases and betterments over \$500. The Organization reviews the value of software and equipment for impairment annually. For the year ended December 31, 2017, there was no impairment loss.

Deferred Certification Fee and Revenue Recognition

Certification and recertification fees are recorded as deferred revenue and recognized over the two year certification period as the costs to maintain the certifications are realized. All other revenue received is recognized when earned.

**NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Functional Allocation of Expenses

The costs of providing the various programs and general and administrative services have been summarized on a functional basis in the statement of activities and changes in net assets. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and general and administrative services benefited. Cost identified with a specific program are charged as direct costs to the applicable program. Indirect costs of various programs or services have been allocated among the programs or services benefited based on personnel time.

Income Taxes

The Organization is a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. They are, however, subject to income taxes from activities unrelated to their tax-exempt purposes. There were no such activities for the year ended December 31, 2017.

Accounting principles generally accepted in the United States of America requires management of the Organization to evaluate tax positions taken by the organization and recognize a tax liability or asset if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Organization has determined that as of December 31, 2017 there are no uncertain tax positions taken or expected to be taken that would require recognition or disclosure in the financial statements. The Organization is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. The Organization is open to examination for the previous four years by various taxing authorities.

Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates used in the preparation of these financial statements included estimated lives of software and equipment.

Recent Accounting Pronouncements

In August 2016, the FASB issued ASU No 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The new accounting standard modifies the information provided to donors, grantors, and other users of the financial statements by eliminating the distinction between resources with permanent and temporary restrictions, requiring the use of the placed-in-service approach for reporting gift restrictions, and enhancing disclosures. Application of this statement is effective for the year ending December 31, 2018. Early adoption is permitted. The Organization has elected not to early adopt.

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The new accounting standard develops a common revenue standard that will remove inconsistencies and weaknesses in revenue requirements, provide a more robust framework for addressing revenue issues, improve comparability of revenue recognition practices, provide more useful information to users of financial statements, and simplify the preparation of financial statements. In August 2015, the FASB deferred the original implementation date by one year. Application of this standard is effective for the Organization for the year ending December 31, 2019. The Organization is currently evaluating the impact of adoption of the new standard on its financial statements.

NOTE 2: PRIOR PERIOD ADJUSTMENT

Certain errors resulting in an understatement of revenue and understatement of general and administrative expenses were discovered during the current year. Accordingly, an adjustment of \$209,460 was made to net assets as of December 31, 2016. As a result, the Organization's net assets were adjusted as follows:

	<u>Previously Reported</u>	<u>Prior Period Adjustment</u>	<u>Restated</u>
Net assets	\$ 2,460,705	\$ 209,460	\$ 2,670,165

NOTE 3: SOFTWARE AND EQUIPMENT

Software and equipment consist of the following at December 31, 2017:

Software	\$ 197,326
Equipment	<u>31,726</u>
	229,052
Less accumulated depreciation and amortization	<u>(84,813)</u>
	<u>\$ 144,239</u>

Depreciation and amortization expense for the year ended December 31, 2017 was \$43,200.

NOTE 4: FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) ASC 820 provides a framework for measuring fair value. That framework provides a three-tier hierarchy that prioritizes the inputs to valuation techniques used for measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

Level 1

Inputs are unadjusted quoted prices for identical assets or liabilities that the Plan has the ability to access.

Level 2

Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, model-based valuation techniques for which all significant assumptions are observable in the market, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3

Inputs that are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 4: FAIR VALUE MEASUREMENTS (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017.

Certificates of deposit

Certificates of deposit are recorded based on their carrying value, which approximates fair value.

Certificates of deposit as of December 31, 2017 are valued at fair market value and are summarized in the following table:

	Fair Value at December 31, 2017			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 2,033,149	\$ -	\$ 2,033,149
Total	<u>\$ -</u>	<u>\$ 2,033,149</u>	<u>\$ -</u>	<u>\$ 2,033,149</u>

NOTE 5: CONTINGENCIES

As discussed in Note 1, the Organization was created pursuant to California Senate Bill 731 and was reauthorized pursuant to California Assembly Bill 2194 during 2016. This legislation remains in effect until January 1, 2021. Unless new legislation is enacted before January 1, 2021 to extend this date, this statute will be repealed.

The Organization is involved in certain legal matters which arise from the normal course of business. The ultimate outcome of these matters cannot presently be determined. The Organization, in consultation with its legal counsel, believes that these matters will be resolved without a material impact on the Organization's financial statements.

NOTE 6: SUBSEQUENT EVENTS

Subsequent events have been reviewed through August 9, 2019, the date the 2017 financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2017 that require recognition or disclosure in the 2017 financial statements.



CALIFORNIA MASSAGE THERAPY COUNCIL

One Capitol Mall, Suite 800 | Sacramento, CA 95814
tel 916.669.5336 fax 916.669.5337 www.camtc.org

To: CAMTC Board of Directors

From: Beverly May, Director of Governmental Affairs, Anti-Human Trafficking and IT

Report for Board Meeting September 11-12, 2019

Sunset

Since receiving the Sunset Survey in mid-July, 3 or 4 months later than usual, much of my time has been spent working on the report, with Ahmos Netanel, Alison Siegel and I principal authors.

Human Trafficking

I've been especially busy with Human Trafficking meetings lately and plan to become even more so. In June I attended an awards luncheon at which Santa Clara DA Jeff Rosen was recognized for his work in addressing human trafficking. I sat with Alameda county DA Nancy O'Mally, considered one of the "mothers" of anti-human trafficking in the country, and Chair of the CA District Attorneys' Association HT committee.

Later that month I attended the Human Trafficking training that all law enforcement officers are required to attend. This is a Police Officers Standards Training (POST) approved class. The class I took was in San Mateo county. Since it is designed for law enforcement only, it provided some information that I hadn't heard before, some of it very relevant.

I remain directly involved in Taskforces and Collaboratives in San Mateo, Santa Clara, Alameda and San Francisco Counties and continue to monitor several others. I am on the steering committee of the San Francisco Collaborative against Human Trafficking (SFCaHT) which will host their 10th annual conference later in September.

I attended a recent hearing of a committee of the Santa Clara County Supervisors to hear a report by Sharan Dharon, an Assistant DA and Co-Chair of the South Bay Coalition against Human Trafficking. The report was on Illicit Massage Establishments and acknowledges the assistance Rick and I provided in drafting the paper. It encourages full cooperation with CAMTC.

I attend meetings of No Traffick Ahead as it addresses demand, sex and labor trafficking. September 5th I attended a half day workshop hosted by the Bay Area Anti Trafficking Coalition (BAATC) on building effective Coalitions.

In October I have been invited to a conference organized by Polaris and several other organizations to share how best to close illicit massage establishments. Although CAMTC has no authority over massage establishments, it is widely accepted nowadays that working in collaboration with a wide range of stakeholders produces the best results. CAMTC is seen as an expert on preventing the ability of traffickers to operate under the guise of massage, particularly in our work addressing fraudulent schools.

At the invitation of the Sacramento area office of the FBI I participated in the regional Sacramento Taskforce meeting this month and plan to continue to do so.

Chico city has asked me to help establish their HT coalition early next month.

Until now, most of my direct participation has been with N. California groups. With encouragement from Board member Stephany Powell, Rick McElroy and I will join several taskforces including those in Long Beach and San Diego, as well as the LA Regional Human Trafficking Taskforce. In 2015 Rick and I were invited to see their new facility in Monterey Park. It houses members of LAPD, the Sheriff, FBI, HIS, CAST (the Coalition to Abolish Slavery and Trafficking), a research center and more, providing a true multi-dimensional approach, considered one of the most effective collaboratives in the country. In fact, the day we chose to visit happened to be the official opening day, so we met the then Sheriff as well, an old friend of Ricks' from LAPD.

Ahmos, Rick and I will be meeting with CAST later this month.

Last week, Roberta Rolnick, Kellie Rodriguez (of BRD) and I attended the Women in Law Enforcement conference, our second time attending. It has been nice to meet with some of the people we interact with, usually by email or phone.

Local Government

Benicia- Benicia police asked me to be available for questions at the first reading of their ordinance in August. It is based on the San Mateo model. Very notable is that the police requested that the \$688 fee for an establishment permit (\$319 renewal) be reduced to \$49 for a simple registration of the establishment, or renewal, citing that CAMTC provides so much of the work that they will no longer need to do.

Oakdale introduced an ordinance also based the San Mateo model, requiring certification. There is a fairly generous exemption for existing massage therapists and businesses that have city permits as of October 2019. Nevertheless, one massage therapist brought up a situation of someone who might move to the city and not qualify for CAMTC certification, but is currently certified by the National Certification Board for Therapeutic Massage and Bodywork (NCBTMB). She asked to add an exemption for this scenario as neighboring Escalon has done. The ordinance has been referred back to staff and is likely to include such an exemption.

San Diego – I have been providing information on best practices and language from other ordinances to city staff for well over a year as they draft a new ordinance. They have asked me to speak at the introduction of the draft to the Public Safety Committee next month. At this time

they don't plan to require certification but are considering a provision to minimize regulations of solo practitioners.

Pleasanton has introduced a new ordinance for first reading, also close to the San Mateo model. Notable is that the city repealed their very restrictive zoning pertaining to massage businesses in the Downtown area.

I'm currently working directly with a number of other cities and counties in the process of amending ordinances, some of which have not been updated in decades.

Despite these impressive new ordinances, there are still cities that impose significant land use restrictions, including requirements for conditional use permits costing over well \$10,000. This is in addition to the applicant needing to secure and pay rent on a location that they may not be approved to move into. The process typically takes 6-12 months and may be denied, with no refund of the costs. A few cities still require live scans and criminal background checks of certified owners.

In 2015 San Francisco passed new ordinances for massage businesses as well as zoning. Both were strongly opposed by the local massage community, yet were passed as promising to save hundreds of human trafficking victims. As a result, many massage therapists lost their businesses, went underground or paid thousands of dollars in fees. In recent months someone has reported over 300 solo massage therapists to the city, many not even aware that they were non-compliant. None are considered to be providing illicit services. They have been sent cease and desist letters and are subject to fines of \$1,000 per day. A dynamic group of local massage therapists has been working with the Small Business Commission and a supportive Supervisor for several years to try to revise the ordinances. The new letters has created significant momentum towards change. As of 2019 SF has required certification but will renew city permits as long as massage therapists maintain them. Meanwhile, only a small number of the most egregious illicit establishments have been closed, not due to the ordinances but using the costly nuisance abatement process.

Senior staff and I met with the Santa Clara sheriff office, introduced by the San Mateo sheriff, to discuss anti-trafficking projects in the county.

Legislation of interest

AB 476 - Status: Set for third reading in Senate. Authored by Assembly member Blanca Rubio, titled the "California Opportunity Act of 2019", would require the Department of Consumer Affairs to create a task force, as specified, to study and write a report of its findings and recommendations regarding the licensing of foreign-trained professionals.

AB 775 - Status: Engrossed and enrolled and sent to the Governor. Authored by Assembly Member Chau, would revise the time frames for CAMTC to notify schools of the approval or denial of applications for approval. It would also require all schools, including that that have not applied for CAMTC approval or that have been denied, to notify each student in writing that their education will not qualify them for certification. *CAMTC has supported this bill. It is expected to be signed.*

There are two human trafficking bills being sponsored by the Coalition against Slavery and Trafficking (CAST) that pertain to massage.

SB 35 – **Status: On the Assembly floor.** Authored by Senator Ling Ling Chang and sponsored by CAST, this bill seeks to re-create a taskforce and study the extent of Human Trafficking in California. *CAMTC issued a letter of support for this bill.*

SB 630 **Status: Signed by the Governor and chaptered.** Authored by Senator Stern this bill will allow local governments to enact ordinances or regulations intended to prevent or address trafficking that exceed the requirements in this law. It is specifically intended to address local governments' ability to impose fines or other violations for failure to display the Human Trafficking poster required under Civil Code section 52.6.

Other bills of interest:

AB 5 (Gonzalez) Worker status: employees and independent contractors

Status: Ready for second reading in the Senate

There has been quite a bit of confusion and some degree of panic over this bill. However, most of the criteria for classification as an independent contractor under this law (the ABC test) has been California law since 1979. This bill expands this test. There is an exemption specific to barbers and cosmetologists. However, they must, amongst other criteria:

- a) Have a booth rental permit
- b) Set their own rates
- c) Have their own book of clients

Many businesses that utilize massage therapists do not meet the ABC test and would fail if audited. The scare is that many of these businesses now realize that they are mis-classifying employees. According to the analysis by DCA, "providers of 'professional services' would be exempt if they meet further specified workplace and work type standards", so under the right business model, massage businesses may qualify to contract for massage services.

I have included summaries of the following two bills again as they are both bills pertaining to regulation of those in the healing arts professions.

AB 1592 (Bonta) Athletic trainers.

Status: This is a two-year bill and dead for 2019.

This bill would create the California Board of Athletic Training within the Department of Consumer Affairs. It provides title protection and practice restrictions, making it a license law despite the credential being called certification. Requirements to become a certified athletic trainer include a bachelors' or masters' degree from an accredited professional athletic training program, passing a comprehensive Board Certification exam, and meeting ongoing continuing education requirements. Certified athletic trainers will be required to practice only under the supervision and approved protocol of licensed medical physicians. The bill specifically states that it does not require new or additional reimbursement by a healthcare plan, insurer, workers' compensation plan, employer or state program for services of athletic trainers. It is the 13th

attempt at licensing of athletic trainers to try to overcome legislative resistance to new licensing laws.

AB 1540 (Holden) Music therapy.

Status: Approved by the Governor and chaptered.

This bill would (1) establish the Music Therapy Act, (2) prohibit use of the term “board certified music therapist” unless specified educational and clinical training has been completed and a national exam has been passed, (3) clarify music therapists are not mental or occupational health professionals as provided in other practice acts, and (4) require music therapists to adhere to a code of professional practice and recertify every five years. This bill is intended to provide a statutory definition and title protection for music therapists.

Board certified Music Therapists would need a bachelors’ degree or higher from a music therapy program approved by the American Music Therapy Association), 1200 hours of supervised clinical work in pre-internship training as well as an internship through an approved university affiliated or national roster program.

Update on the Certification Management System (CAMS)

We are focused now with our Database Administrator on developing many specialized queries that support our daily operations and provide reports for analytical purposes.



To: The CAMTC Board of Directors
From: Jon Walters, Director of Operations

Operations Report

September 11, 2019

Overview

The Operations division of the California Massage Therapy Council (CAMTC) continues to maintain and exceed expectations with CAMTC's application processing and customer service goals while supporting a sustained volume increase of new application submissions and approvals since the beginning of the year. This increased activity, and ongoing issues with inLumon's CAMS platform, combined with budget constraints, have constrained our ability to conduct maintenance and improvement projects this year. Sufficient funding, personnel and bandwidth are required for the team to protect their progress, continuously improve and engage in new initiatives simultaneously.

New Applications & Certificates

New certificate approval activity continues to vary from month to month due to the government's decision to make the exam requirement for certification inoperative. This activity is trending downward compared to the beginning of 2019, although in August 2019 it was at a ~234% monthly volume compared to 2018's average monthly volume (460/197). By the end of the first four months of 2019, the Certification Support team had certified more new massage therapists than were certified during all 12 months of 2018, and by the end of August 2019 had certified ~89% more new CMTs than in the entire year of 2018.

- New certificate approvals in 2018: 2,360
- New certificate approvals in 2019 (through August): 4,470

New application approvals have been within tolerances so far in 2019 (see attached charts; goal = 45 days).

Customer Service Phone Calls

CAMTC Operations' Customer Service team has handled over 29,000 calls so far in 2019 (through August). The average wait time to answer for the three months in 2019 Q1 was 18 seconds, and for 2019 Q2 the average wait time to answer was eight seconds (goal = 90 seconds).

Correspondence

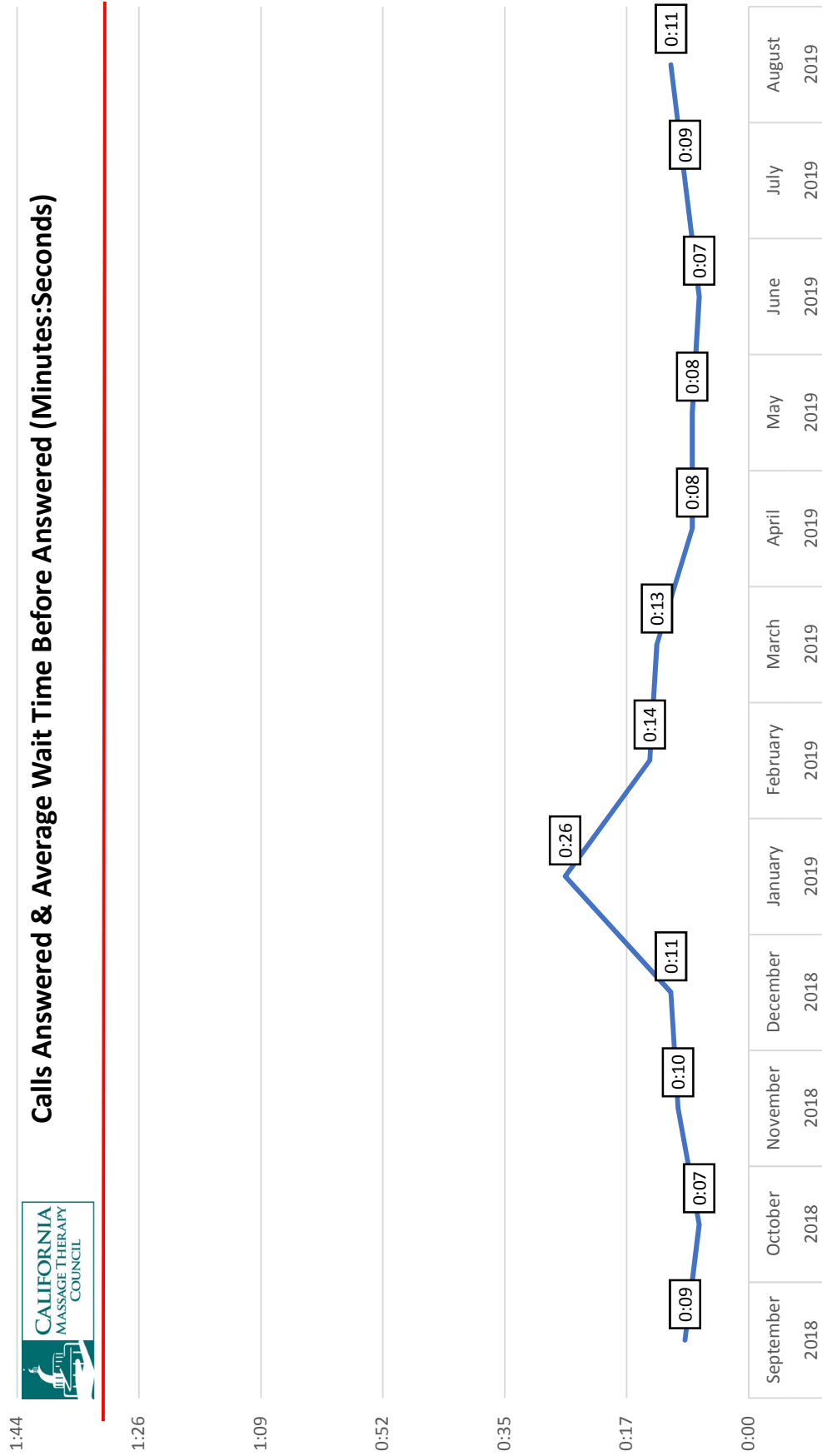
The average initial response time for inbound emails initiated by applicants and certificate holders to CAMTC's customer service and support accounts in 2019 Q1 was 2 hours, 1 minute and 25 seconds, and for 2019 Q2 it was 1 hour, 11 minutes and 41 seconds (goal = 1 business day).

Recertifications

Recertification approvals have been within expectations and tolerances so far in 2019 (see attached charts; goal = 25 days).



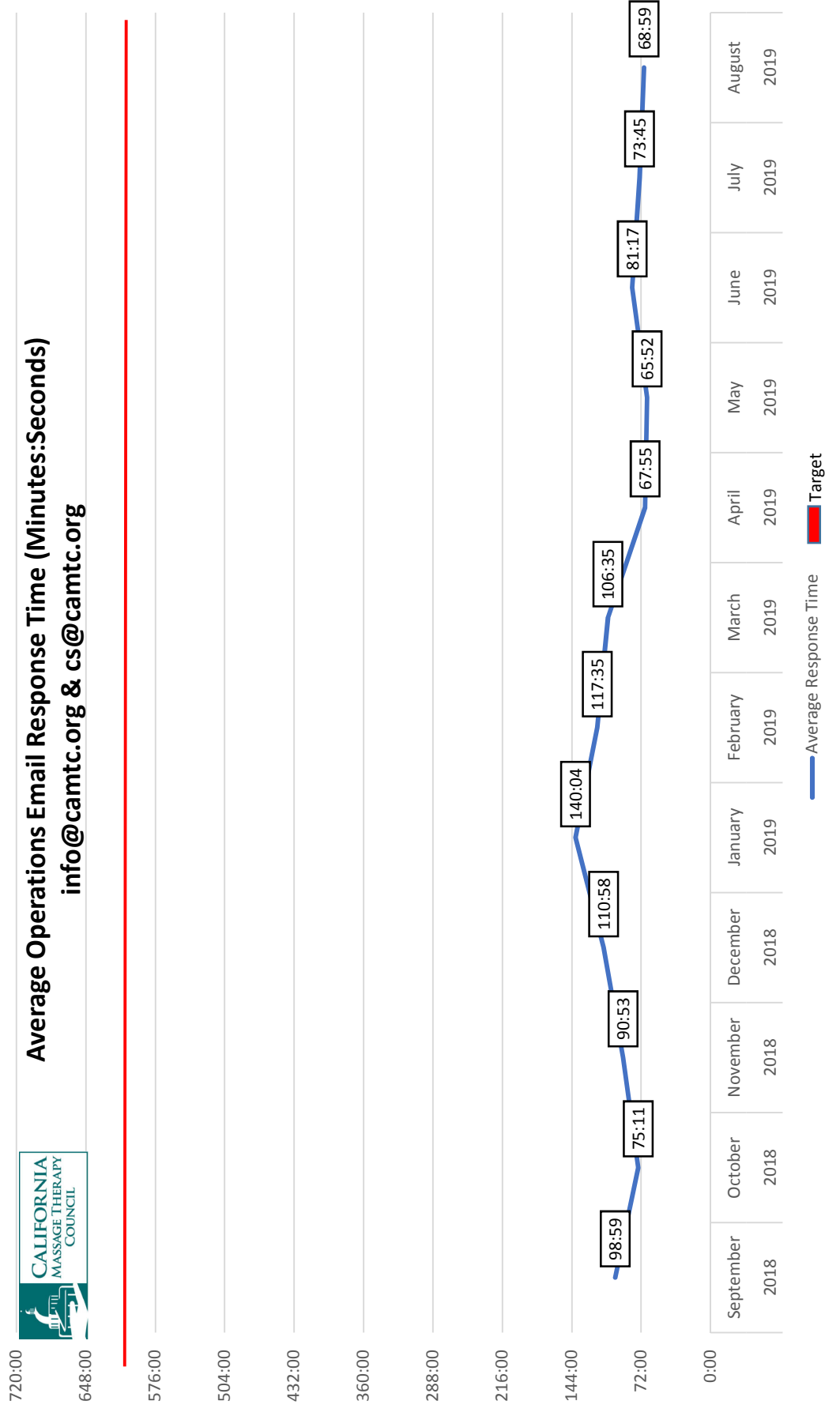
Calls Answered & Average Wait Time Before Answered (Minutes:Seconds)



— CAMTC Average Wait Time Before Answered ■ Target

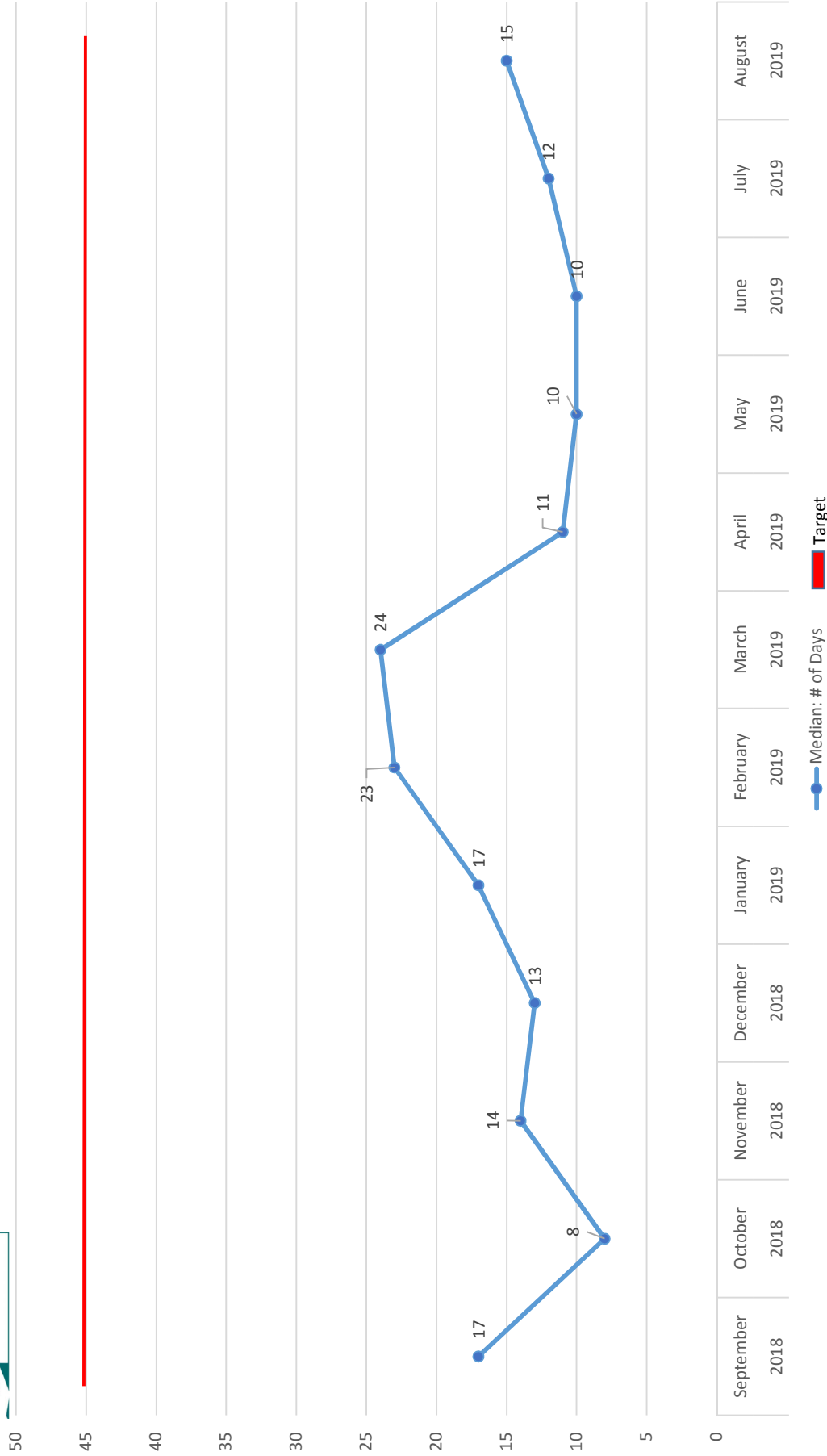


Average Operations Email Response Time (Minutes:Seconds)
info@camtc.org & cs@camtc.org



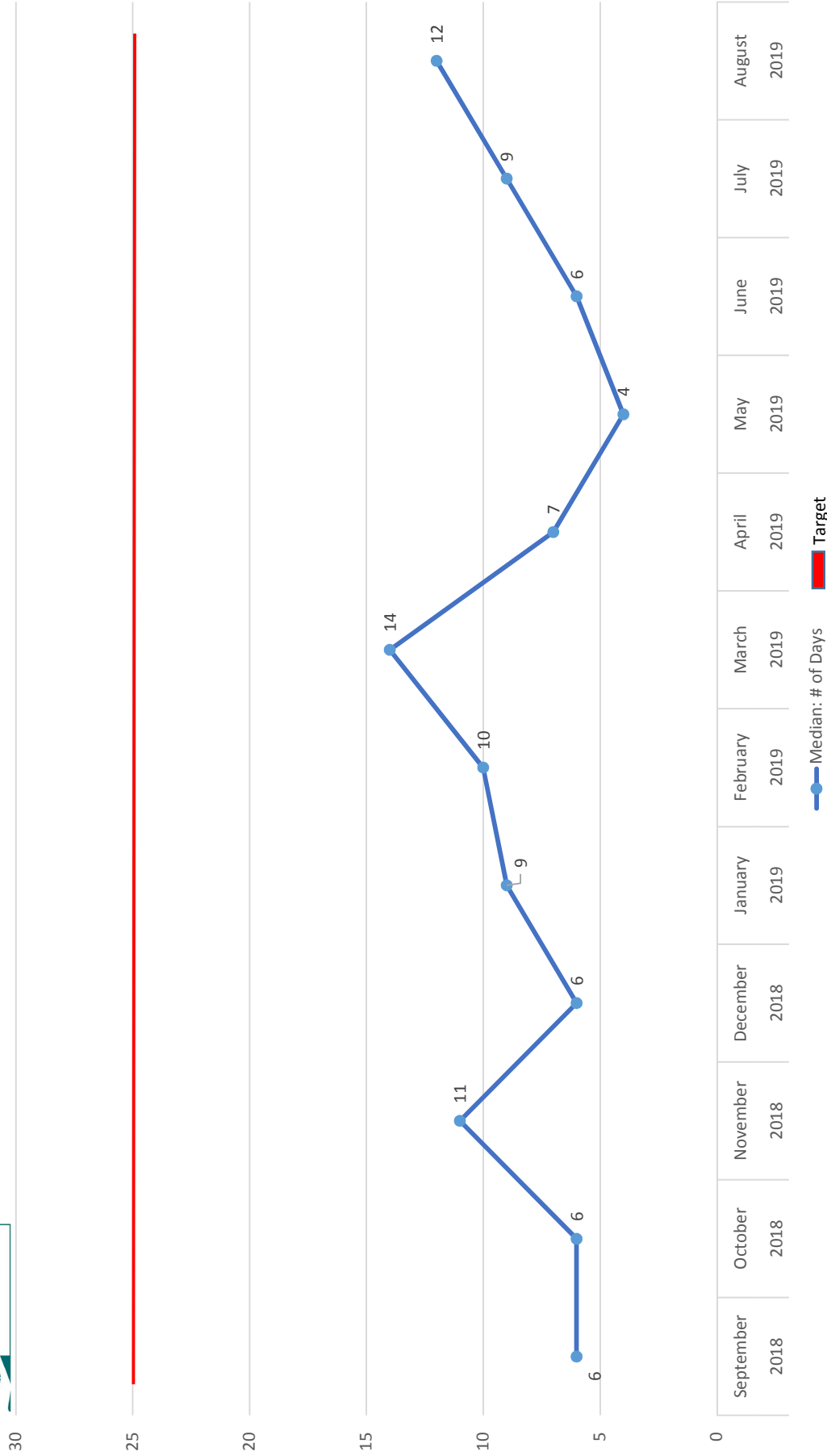


CAMTC Median Processing Time - New Applications with No Background or Education Issues





CAMTC Median Processing Time - Recertification Applications with No Background Issues





CALIFORNIA MASSAGE THERAPY COUNCIL

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To: CAMTC Board of Directors
From: Joe Bob Smith, Director of Educational Standards Division
For: Board Meeting – September 11 & 12, 2019

School Statuses Update – as of August 19, 2019

CAMTC currently has 71 approved campuses, plus 5 provisionally approved campuses. CAMTC has received 1 new school application since the previous board meeting.

ESD Active Applications:

- Initial applications <5 days old = 3
- Initial application corrective action response <5 days old = 1

School Outreach

Quarterly Newsletter

The quarterly CAMTC School Newsletter (Vol 3, Issue 2) was published and distributed to schools a few weeks after the May Board meeting. Communication highlights included:

- Stopping Fraudulent Schools
- Tip for Getting Students Certified Faster
- Update on Closed School Policy

Monthly Schools Conference Calls

The Schools Conference Calls have continued monthly on the 1st Wednesday of the month at 2 pm as scheduled. We continue to see positive feedback and good participation from schools, even through the summer months. These monthly calls will continue for the foreseeable future as a beneficial communication for CAMTC Approved Schools.

AMTA 2020 School Summit

CAMTC looks forward to attending the AMTA School Summit on February 13 & 14, 2020, in Los Angeles. We hope to see many of our CAMTC Approved Schools there!

(continued on page 2)

Looking Forward

- **Sunset Review:** ESD continues to support other staff in preparing the sunset review report, particularly as it pertains to school approval and education
- **AB 775:** ESD continues to watch AB775, a bill introduced by Asm. Chau. ESD appreciates its inclusion in the legislative process and looks forward to complying with the law should it pass. In general, AB775:
 - Establishes specified timelines for the approval of schools;
 - Requires CAMTC to post corrective action and proposed denial notifications on its website; and
 - Requires massed schools not approved by CAMTC to notify students of such and that students cannot use education completed at the school for CAMTC Certification.
- **Ongoing Activities:**
 - Process new approval and re-approval applications
 - Monitor currently approved schools, including processing change applications
 - Continue processing education reviews for individual certification applicants
 - Assist in creating a process for schools to submit transcripts electronically
 - Support the Schools Advisory Committee



CALIFORNIA MASSAGE THERAPY COUNCIL

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To: CAMTC Board of Directors
From: Rick McElroy, Director of Law Enforcement Relations (LER)
Re: Board Meeting – September 11/12, 2019

Law Enforcement Relations Training for Law Enforcement

Law Enforcement Relations continues to expand the departments and agencies it provides training to, while continuing to return to past police departments to provide updated training. So far for 2019, 22 individual training sessions have occurred around the state, provided to 430 attendees, representing 144 agencies. A trend that continues to grow is representatives from code enforcement, finance, and planning departments continue to populate the training sessions. The cumulative total since 2014 is 2,168 attendees representing 827 agencies. I have completing four recent training sessions during this reporting period, which include:

- *Contra Costa Sheriff's-City of Martinez
- *San Diego Police and Code Enforcement
- *Monterey Park Police (multiple agencies)
- *City of Tracy Police

Getting LAPD On Board

This continues to be an ongoing project for the supervisor of the Background Review Department (BRD), Kellie Rodriguez, and I for the last year. We have now met with the Captain of Detective Support and Vice Division (DSVD) twice this year. DSVD Captain Lee has brought various representatives from the City Attorney's Office, Risk Management Division, and Legal Affairs Division to both meetings. Kellie and I answered all of their questions in the meeting and Kellie has completed all of the follow up requests via email that they requested. We are hoping for some resolution soon as the number of declaration requests from BRD keep piling up.

California Association of Code Enforcement Officers (CACEO) - Annual Conference October 2-4, 2019

A new power point presentation entitled “Sex Trafficking in Massage Stops Here!” has been completed for the CACEO conference in San Diego from October 2-4, 2019. I am scheduled for two 2-hour presentations on Wednesday, October 3. CAMTC will also have a booth manned by CAMTC executive and staff members, who will be present to answer questions.

The City of Campbell Reaches Out for Assistance

Interim Chief Captain Gary Berg, who is sitting in for Chief David Carmichael (who is out for an undisclosed period of time), contacted CAMTC for help in updating their massage ordinance and for CAMTC training for its police officers. Kellie and I met Captain Berg on July 30, 2019, to discuss ways CAMTC can assist them, including providing a review of their current massage ordinance. The meeting was attended by Captain Berg, Captain Cefalu and Sergeant Ian White. We were well received and we pledged our assistance in helping Campbell reach their zero tolerance goals for human trafficking in their massage businesses. I just received an email from Captain Berg stating his two sergeants would be contacting me this week to get going on this project. Beverly will also be working directly with Kellie and I on this project.

Santa Clara Sheriff's Meeting August 7, 2019

Santa Clara County Sheriff Lauri Smith contacted us in July regarding ways CAMTC can help them to address potential illicit massage businesses in their jurisdiction and provide a review of their existing massage ordinance. Santa Clara Sheriff's is contracted with several cities in the county, most notably Cupertino and Saratoga. On August 7, 2019, Ahmos, Beverly, and I met Assistant Sheriffs Ken Binder and Eric Taylor at their office in San Jose. Assistant Sheriff Ken Binder was very appreciative of our help and said he would be notifying Captain Rich Urena (who presides over Cupertino and Saratoga) to set up a meeting with Beverly, Kellie and I in the near future to discuss solutions.

CAMTC Meets With FBI to Discuss Issues of Common Interest

I was contacted by an FBI agent (who attended my training last year) to discuss issues of common interest in relation to criminal activity occurring in California related to massage services. On August 14, 2019, CAMTC representatives attended a meeting with FBI representatives. It was a good exchange of information and we plan to keep our partnership active to both of our collective benefits.



Outreach Report

Upcoming & Recent Events and Outreach to CAMTC Stakeholders

Since CAMTC's event sponsorships with important stakeholder have been successful to educate, collaborate and attain synergistic results, I'm working to stretch the outreach budget to cover more events with costs-saving strategies. Two such events in 2020 are related to Massage Schools and Women Police Chiefs.

CPCA/WLLE – 2019 in Santa Clara

The Women Leaders in Law Enforcement (WLLE) is an event that would be worthwhile to sponsor, as they have twice the number of attendees than their male counterparts, and they're very interested in learning more about making an impact to reduce sex trafficking in massage.

Beverly May, Kellie Rodriguez and I attended WLLE this month. CPCA's Executive Director and I discussed participating in next year's WLLE in Anaheim. The goal would be for CAMTC to educate and motivate this large segment of women police chiefs and inform them about CAMTC's strategies to stop sex and labor trafficking in massage.

CACEO Annual Seminar – 2019 in San Diego

With the California Association of Code Enforcement Officers (CACEO) Annual Conference this October, we have reached out to once again be the Premier Sponsor in

order to build on the large interest that we garnered last year. This year, Rick McElroy is scheduled for two presentations in order to capture a larger audience, plus we'll have a 10' x 20' booth for 3 days.

AMTA Annual Schools Summit – 2020 in West Hollywood

Next year's AMTA Annual Schools Summit event will be held in West Hollywood. Naturally, we expect many California schools to attend. We submitted a proposal for a presentation by Joe Bob Smith "How Schools Can Help Stop Sex & Labor Trafficking", which is critical to educate school owners and administrators across the board. We also plan to have a booth presence during the Summit.

CPCA Annual Training Symposium – 2020 in Palm Springs

In April 2020, this will be our 3rd year to sponsor the California Police Chiefs Association's Training Symposium. I'll be reaching out to their leadership team and working with our team to develop a strategy to deepen the results and success that we've had to date. CAMTC's leadership will most likely meet with small focus groups to expand the programs we've initiated to make new in-roads as "Partners To Protect The Public".

CAMTC's Website

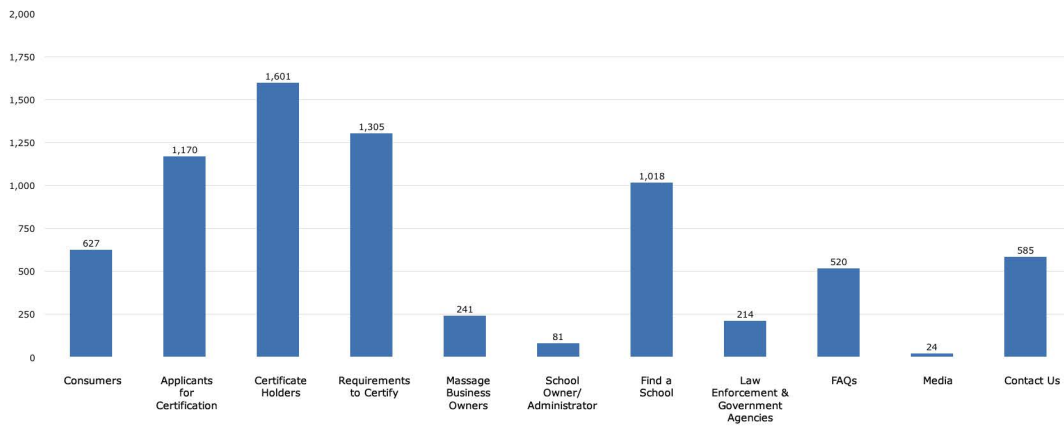
All CAMTC's stakeholders are represented on CAMTC's website to inform, educate, and connect for greater public safety and to elevate professional massage throughout California. Please review the

CAMTC Website Outreach Statistics



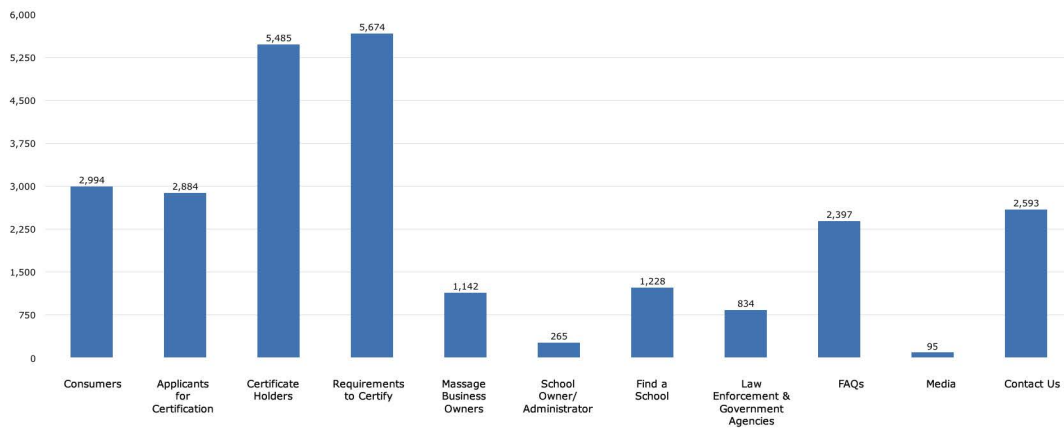
2019 January Website Pageviews

Total number pageviews of entire website for January 2019: 19,956



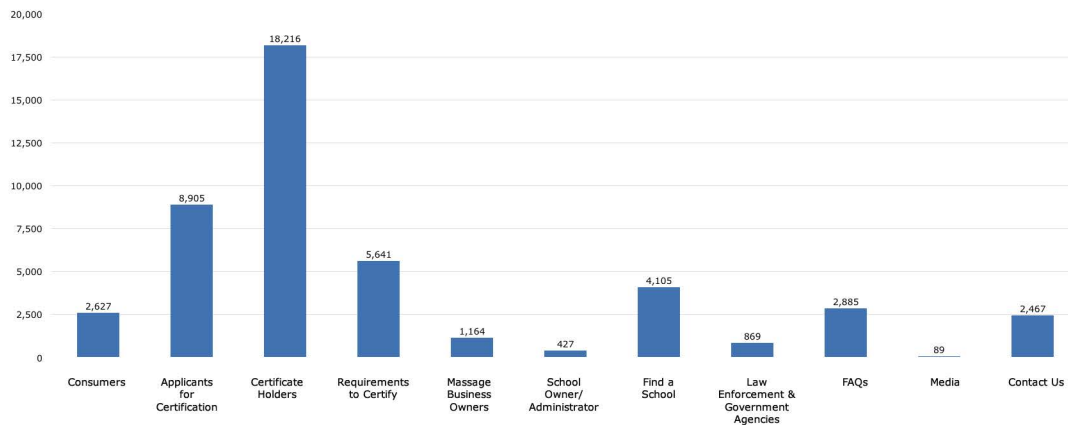
2019 February Website Pageviews

Total number pageviews of entire website for February 2019: 101,280



2019 March Website Pageviews

Total number pageviews of entire website for March 2019: 117,126

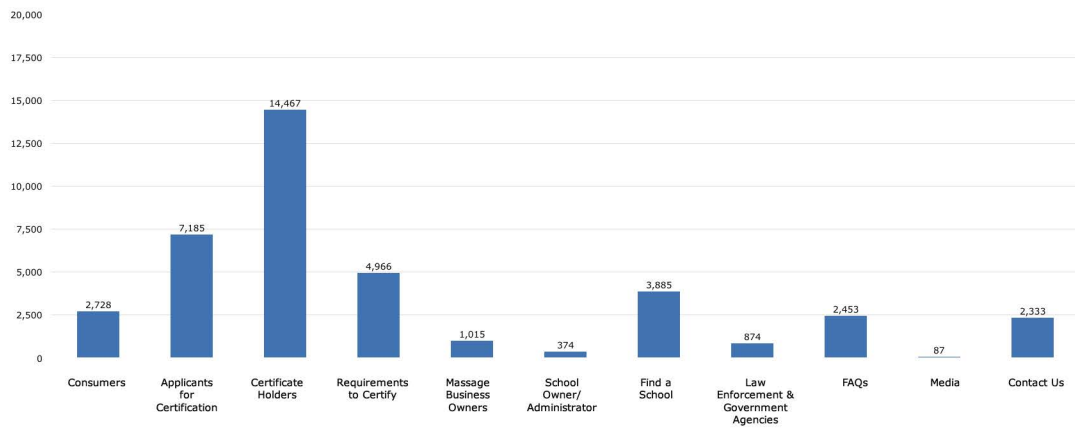


CAMTC Website Outreach Statistics



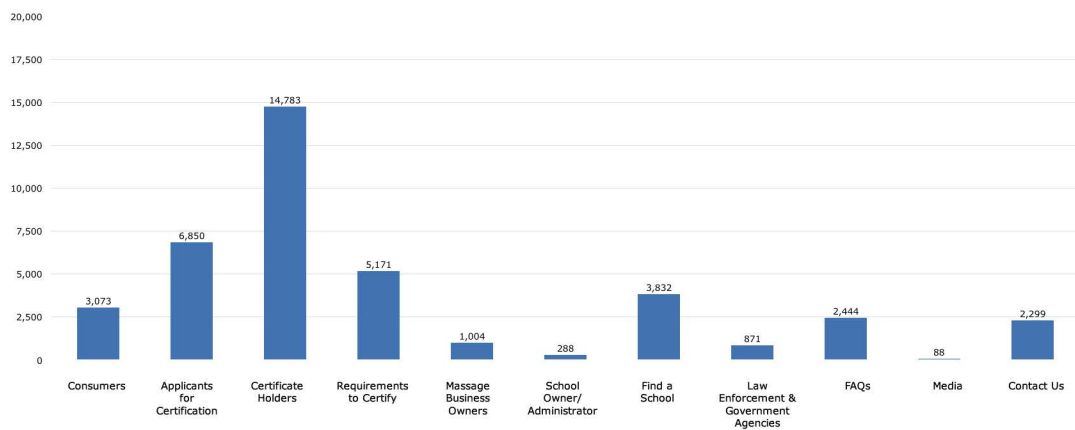
2019 April Website Pageviews

Total number pageviews of entire website for April 2019: 128,117



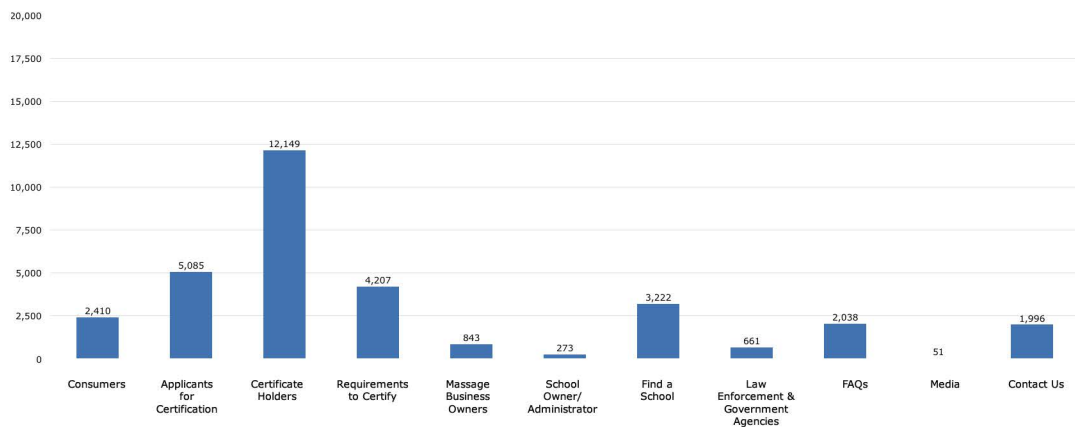
2019 May Website Pageviews

Total number pageviews of entire website for May 2019: 103,714



2019 June Website Pageviews

Total number pageviews of entire website for June 2019: 87,133

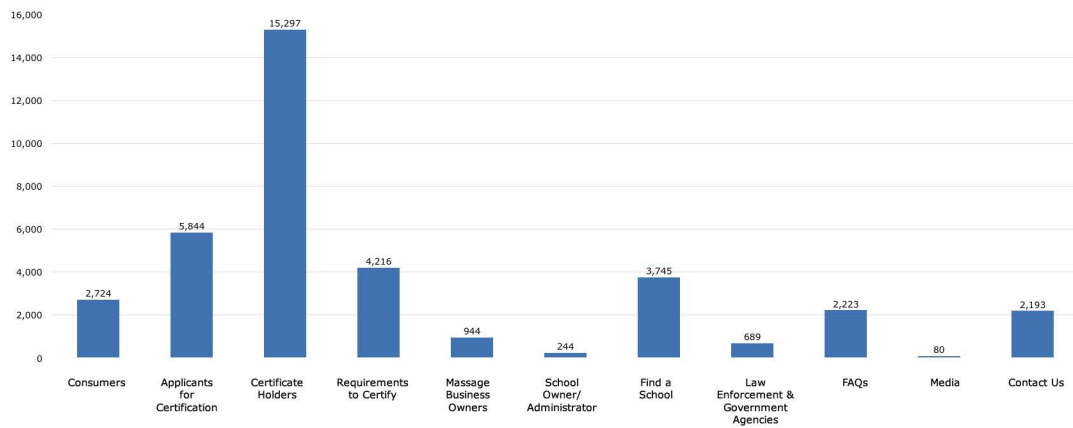


CAMTC Website Outreach Statistics



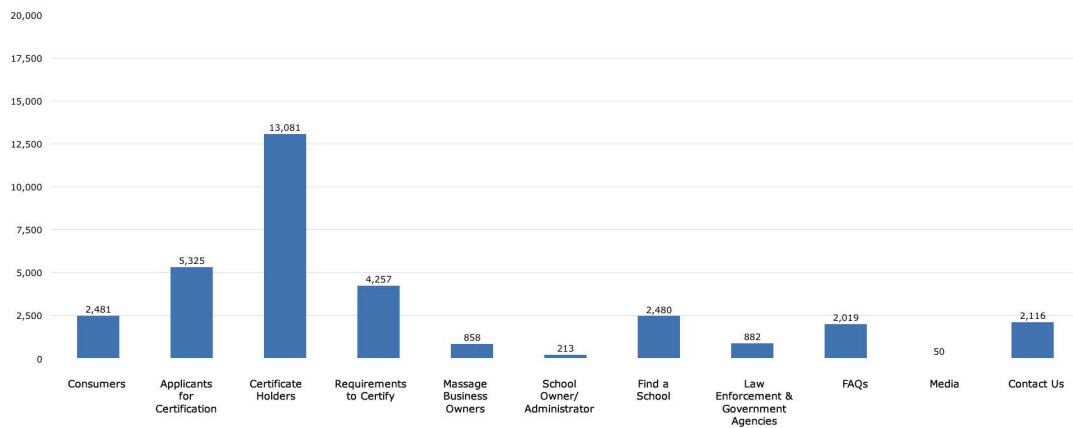
2019 July Website Pageviews

Total number pageviews of entire website for July 2019: 95,573



2019 August Website Pageviews

Total number pageviews of entire website for August 2019: 90,549





STOP FRAUDULENT SCHOOLS

Since its inception 10 years ago, CAMTC has unapproved 78 schools, denied approval for 6 schools, and taken disciplinary action against others. Many of these “schools” were fraudulent and provided little to none of the education listed on their transcripts – modern day diploma mills. These fraudulent schools steal students from legitimate schools, artificially devalue tuition rates, rob students of an actual education, put massage clients in harm’s way, and make it easier for human trafficking to proliferate.

Many of our investigations start with tips. If you suspect a school may be fraudulent, don’t assume that CAMTC knows or has the evidence to prove it. You can help us crack down on fraudulent schools by:

- Reporting suspicious behavior from other schools, such as:
 - i. Calls asking you to list hours from their school on your transcript
 - ii. Other schools’ transcripts with inconsistencies or misinformation
 - iii. False or questionable advertising (e.g., “CAMTC Approved” when they are not)
 - iv. Unsolicited calls about buying your school
- Reporting suspicious information received from students, such as:
 - i. Students stating another school offered to sell them a transcript
 - ii. Students stating they came to your school because they weren’t receiving the education promised at another school

If you suspect something, get as much information as you can (e.g., first and last names, phone numbers, Caller ID information, dates, times, etc.) and send an email to: complaints@camtc.org. In order for us to determine whether the complaint may warrant investigation, you must:

- Identify yourself by name and contact information. CAMTC DOES NOT INVESTIGATE ANONYMOUS COMPLAINTS
- Identify the name and location of the massage school, individuals involved, and provide as much other information as possible
- Describe the suspicious behavior in detail. If CAMTC decides to investigate the complaint, you (or the student, if that is the case) may be asked and must be willing to:
 - Provide a signed declaration under penalty of perjury
 - Possibly testify to the allegations
 - Explain your relationship with the massage school and/or individuals
 - Provide any other evidence in your possession

CAMTC IS NOT A LAW ENFORCEMENT AGENCY NOR GOVERNMENT AGENCY. IT IS WITHIN THE SOLE DISCRETION OF CAMTC WHETHER OR NOT TO INVESTIGATE OR PURSUE ANY COMPLAINT AGAINST A MESSAGE SCHOOL OR PROFESSIONAL.



GET YOUR STUDENTS CERTIFIED FASTER



CAMTC understands that massage professionals who apply with us want to become certified quickly and that CAMTC Approved Schools have a responsibility to place their graduates soon after completion. To that effect, CAMTC's April 2019 median processing times for a new CAMTC Application for Certification with no background or education issues was 11 days (593 new CAMTC Certificates were mailed in April 2019) and for CAMTC Recertification Applications with no background issues was 7 days.

To improve processing times even further, CAMTC recently conducted a study of new paper application forms and the most common causes for them to be returned to the applicant and thus delayed, indicating that fewer delays occur with electronically submitted applications. Educating your students about these pitfalls will improve application processing times and help applicants obtain CAMTC Certification even more quickly. Please note that totals may exceed 100% because some applications have more than one issue.

New Certification Application Delays

- 45% of the paper applications sent back had affidavit issues (e.g., boxes not checked, no name, no signature, incorrect dates, etc.)

- 14% had incomplete or incongruent information on question 25 (previous work locations)
- 11% involved payment issues (e.g., declined credit card, incomplete information, missing late fee, etc.)
- 11% had incomplete education/school information
- 8% were submitted using the wrong version of the form
- 8% did not include an answer to question 13 (place of birth)
- 8% did not provide complete information on question 15 (previous licenses, registrations and/or permits)

Recertification Application Delays

- 40% had affidavit issues (e.g., boxes not checked; no name; no signature; incorrect dates, etc.)
- 20% applied too early
- 17% payment issues (e.g., declined credit card, incomplete information, missing late fee, etc.)
- 11% wrong version of the form
- 9% did not provide date of birth
- 7% missing or modified pages
- 6% missing work status

WHERE TO FIND SCHOOL APPLICATIONS



Find the Application for School Re-Approval and Application for Change of Staff on our website at:

www.camtc.org/schools/school-owneradministrator/school-login/.

To inquire about Applications for School Approval for new schools or other change applications, please email Joe Bob Smith at: jbsmith@camtc.org.

As a reminder, schools must inform CAMTC of all changes affecting their massage program(s) including, but not limited to, changes to ownership, officers, school name, school address, BPPE approval, curriculum, instructors, authorized transcript signers and administrators.



A. While applicants for CAMTC Certification must have a total minimum of 100 hours of core requirements (Anatomy & Physiology, Contraindications, Health & Hygiene, and Business & Ethics), it is not required that they have the exact same breakdown as CAMTC Approved Massage Programs. That said, when an applicant completed education at multiple schools, CAMTC reviews the education to ensure that it closely resembles that of an approved program. For example, a student may have only completed 62 hours of Anatomy & Physiology, rather than the 64 hours required

Q. CAMTC Approved Massage Programs must meet the following minimum hours of core requirements:

64 hours Anatomy & Physiology, 13 hours Contraindications, 5 hours Health & Hygiene, and 18 hours Business & Ethics (total hours = 100).

If a student has education from more than one school, does he or she have to meet those same core hour requirements?

for CAMTC Approved Massage Programs. This would likely be acceptable. However, if a student only completed 20 hours of Anatomy & Physiology, even though he or she may have 80 hours of the other core subjects, it would likely not be accepted as it is too far from what an approved program would offer. Keep in mind that all education submitted from multiple schools is reviewed as a whole for each individual. Depending on the exact hours and subjects submitted, acceptance of hours may vary from applicant to applicant. CAMTC reserves the right, in its sole discretion, to not accept any or all submitted hours.

CLOSED SCHOOL EDUCATION DEADLINE MOVED

Based on feedback from schools and certification applicants, the CAMTC Board amended the closed schools policy at the May 2019 Board meeting. Previously, effective January 1, 2019, applicants for CAMTC Certification with education from schools closed prior to July 1, 2016, and that did not have a CAMTC Approved School as the custodian of records, had the additional requirement of either: 1) providing proof of current and continuous city and/or county permit(s) to provide massage for compensation, or 2) passing a CAMTC Education Hearing. The date for imposing these requirements has been pushed forward to January 1, 2021. This amendment is being applied retroactively starting on January 1, 2019. This means that all applicants who previously received

notice to comply with these additional requirements have been told they are no longer required to do so.



The CAMTC Monthly Schools Call occurs the **1st Wednesday of every month at 2pm. The next call is: July 3rd.** Calls are open to the public, but participation is prioritized for school owners and administrators. Please have your school related questions ready for the call or email in advance to jbsmith@camtc.org.



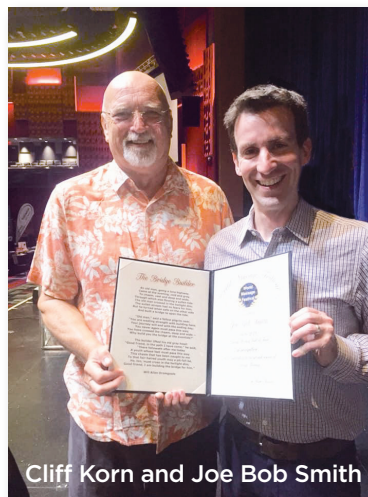
ATTEND A SAC MEETING

The next CAMTC Schools Advisory Committee (SAC) meeting is scheduled for the morning of Wednesday, September 11th, 2019. The next CAMTC Board meeting is scheduled for the afternoon of Wednesday, September 11th, and all day Thursday, September 12th, 2019. All meetings are open to the public. Schedules are subject to change. You can find all current meeting information, as well as minutes and audio for past meetings at:

www.camtc.org/information-about-camtc/meetings/ and scroll down.

WE'RE HERE TO HELP

For School Questions
or Comments,
Joe Bob Smith,
CAMTC Director,
Educational Standards
Division,
can be reached at:
jbsmith@camtc.org



MESSAGE THERAPY HALL OF FAME INDUCTION

Joe Bob Smith, CAMTC Director of Educational Schools Division, attended the World Massage Festival where he was honored to be inducted into the 2019 Massage Therapy Hall of Fame. This recognition

extends beyond just a personal achievement but to CAMTC as well and the work we've done for the past 10 years to protect the public and elevate the massage profession, most specifically through our focus on strengthening minimum education standards and weeding out fraudulent schools.

Missed a CAMTC School Newsletter?

Digital versions of all previous CAMTC School Newsletters can always be found at:
<https://www.camtc.org/information-about-camtc/publications> and scroll down.

California Massage Therapy Council's mission is to protect the public by certifying massage professionals in California that meet the requirements in the law and approving massage programs that meet the minimum standards for training and curriculum.

www.camtc.org



California Massage Therapy Council
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Sacramento, CA 95814

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