



**Approved Minutes  
Board of Directors  
The Westin Sacramento  
4800 Riverside Blvd  
Sacramento, CA 95822**

<b>Date:</b> May 17 - 18, 2023	
<b>Time:</b> 8:00 AM Pacific Time	
<b><u>Board Members</u></b> C. Lester Crawford, Chair Fernando E. Angell III, Treasurer Ray Davis, Secretary Michael Carr Aaron Chambers Brandon Chanley Karen De Vaney Susie DiMaggio Ruth Godfrey Tom O’Saben Lee Reams., Sr. Jodi Runyan-Schechter Yvette Rupp	<b><u>Administrative Staff Present</u></b> Tabitha Bolkish Celeste Heritage

**A. Call to Order**

The meeting was called to order at 8:00 a.m. on Wednesday, May 17, 2023.

**B. Call of the Roll**

All board members were present except Yvette Rupp, who had an excused absence. All board members introduced themselves.

**C. Approval of the Draft Minutes from November 17-18, 2022**

The minutes were approved as presented.

**D. Modify budget requests for the fiscal year 2023-2024 if applicable**

● **Board Activities**

The following changes were made to the Board of Directors budget:

- Increase Board Meeting Room Expense line item from \$60,000 to \$70,000.

Function / Detail	2022 / 2023 Actual	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Airfare	\$219.96	\$7,000.00	\$6,780.04	\$7,000.00
Cab/Shuttle	\$73.15	\$1,000.00	\$926.85	\$1,000.00
Hotel	\$15,129.81	\$40,000.00	\$24,870.19	\$40,000.00
Mileage/car rental	\$1,606.33	\$5,000.00	\$3,393.67	\$5,000.00
Parking	\$60.80	\$3,000.00	\$2,939.20	\$3,000.00
Per Diem	\$1,000.00	\$4,500.00	\$3,500.00	\$4,500.00
Telephone / Fax	\$0.00	\$0.00	\$0.00	\$0.00
Postage	\$1.68	\$0.00	-\$1.68	\$0.00
Board Meeting Room Expense	\$26,907.90	\$60,000.00	\$33,092.10	\$70,000.00
<b>Total</b>	<b>\$44,999.63</b>	<b>\$120,500.00</b>	<b>\$75,500.37</b>	<b>\$130,500.00</b>

**The Board total budget for 2023-2024 is \$130,500.**

- **General and Administrative**

The following changes were made to the budget:

- Increase Legal Fees line item from \$30,000 to \$60,000
- Rename Printing line item to add Annual Report to read Printing / Annual Report and increase from \$5,000 to \$8,500
- Decrease Education & Training line item from \$7,500 to \$2,500

Function / Detail	2022 / 2023 Actual	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Bank Fees / Returned Check Fees	\$12.00	\$200.00	\$188.00	\$200.00
Fees & Licenses	\$200.00	\$300.00	\$100.00	\$300.00
Insurance	\$1,152.00	\$2,500.00	\$1,348.00	\$2,500.00
Legal Fees	\$23,698.75	\$30,000.00	\$6,301.25	\$60,000.00
Management Contract	\$519,750.00	\$567,000.00	\$47,250.00	\$567,000.00
Printing / Annual Report	\$1,537.14	\$5,000.00	\$3,462.86	\$8,500.00
Postal Permits	\$332.00	\$500.00	\$168.00	\$500.00
Miscellaneous Expense	\$0.00	\$500.00	\$500.00	\$500.00
Returned Items	\$0.00	\$0.00	\$0.00	\$0.00
Education & Training	\$358.00	\$7,500.00	\$7,142.00	\$2,500.00
Capitol Reserve	\$0.00	\$15,000.00	\$15,000.00	\$15,000.00
Taxes (Sales Tax)	\$1,111.35	\$0.00	-\$1,111.35	\$0.00
<b>Total</b>	<b>\$548,151.24</b>	<b>\$628,500.00</b>	<b>\$80,348.76</b>	<b>\$657,000.00</b>

**The General and Administrative total budget for 2023-2024 is \$657,000.**

**The council adopted the following:**

**Resolution:** Accept the Board and the General & Administrative budgets for 2023-2024 as presented above.

Lester informed the board that CTEC approved Advocation Strategies contract for a term of two years beginning July 1, 2021, and ending June 30, 2023, with three-two-year extensions. The first of three two-year extensions will begin July 1, 2023, and end June 30, 2025.

**E. Chair’s Report – C. Lester Crawford**

Lester welcomed staff and the public and gave an overview of conducting the meeting. He asked Susie DiMaggio to give an overview of “Robert’s Rules”.

Susie DiMaggio provided an overview of Robert’s Rules.

**The board suggested having a video created to cover Robert’s Rules. Susie will work with Gigi to create the Robert’s Rules video.**

A copy of Robert’s Rules has been shared with all board members and is outlined below.

### ROBERTS RULES CHEAT SHEET

To:	You say:	Interrupt Speaker	Second Needed	Debatable	Amendable	Vote Needed
Adjourn	"I move that we adjourn"	No	Yes	No	No	Majority
Recess	"I move that we recess until..."	No	Yes	No	Yes	Majority
Complain about noise, room temp., etc.	"Point of privilege"	Yes	No	No	No	Chair Decides
Suspend further consideration of something	"I move that we table it"	No	Yes	No	No	Majority
End debate	"I move the previous question"	No	Yes	No	No	2/3
Postpone consideration of something	"I move we postpone this matter until..."	No	Yes	Yes	Yes	Majority
Amend a motion	"I move that this motion be amended by..."	No	Yes	Yes	Yes	Majority
Introduce business (a primary motion)	"I move that..."	No	Yes	Yes	Yes	Majority

The above listed motions and points are listed in established order of precedence. When any one of them is pending, you may not introduce another that is listed below, but you may introduce another that is listed above it.

To:	You say:	Interrupt Speaker	Second Needed	Debatable	Amendable	Vote Needed
Object to procedure or personal affront	"Point of order"	Yes	No	No	No	Chair decides
Request information	"Point of information"	Yes	No	No	No	None
Ask for vote by actual count to verify voice vote	"I call for a division of the house"	Must be done before new motion	No	No	No	None unless someone objects
Object to considering some undiplomatic or improper matter	"I object to consideration of this question"	Yes	No	No	No	2/3
Take up matter previously tabled	"I move we take from the table..."	Yes	Yes	No	No	Majority
Reconsider something already disposed of	"I move we now (or later) reconsider our action relative to..."	Yes	Yes	Only if original motion was debatable	No	Majority
Consider something out of its scheduled order	"I move we suspend the rules and consider..."	No	Yes	No	No	2/3
Vote on a ruling by the Chair	"I appeal the Chair's decision"	Yes	Yes	Yes	No	Majority

The motions, points and proposals listed above have no established order of preference; any of them may be introduced at any time except when meeting is considering one of the top three matters listed from the first chart (Motion to Adjourn, Recess or Point of Privilege).

## PROCEDURE FOR HANDLING A MAIN MOTION

NOTE: Nothing goes to discussion without a motion being on the floor.

### Obtaining and assigning the floor

A member raises hand when no one else has the floor

- The chair recognizes the member by name

### How the Motion is Brought Before the Assembly

- The member makes the motion: *I move that (or "to") ...* and resumes his seat.
- Another member seconds the motion: *I second the motion or I second it or second.*
- The chair states the motion: *It is moved and seconded that ... Are you ready for the question?*

### Consideration of the Motion

1. Members can debate the motion.
2. Before speaking in debate, members obtain the floor.
3. The maker of the motion has first right to the floor if he claims it properly
4. Debate must be confined to the merits of the motion.
5. Debate can be closed only by order of the assembly (2/3 vote) or by the chair if no one seeks the floor for further debate.

### The chair puts the motion to a vote

1. The chair asks: *Are you ready for the question?* If no one rises to claim the floor, the chair proceeds to take the vote.
2. The chair says: *The question is on the adoption of the motion that ... As many as are in favor, say 'Aye'. (Pause for response.) Those opposed, say 'Nay'. (Pause for response.) Those abstained please say 'Aye'.*

### The chair announces the result of the vote.

1. *The ayes have it, the motion carries, and ...* (indicating the effect of the vote) or
2. *The nays have it and the motion fails*

### WHEN DEBATING YOUR MOTIONS

1. Listen to the other side
2. Focus on issues, not personalities
3. Avoid questioning motives
4. Be polite

## HOW TO ACCOMPLISH WHAT YOU WANT TO DO IN MEETINGS

### MAIN MOTION

You want to propose a new idea or action for the group.

- After recognition, make a main motion.
- Member: "Madame Chairman, I move that \_\_\_\_\_."

### AMENDING A MOTION

You want to change some of the wording that is being discussed.

- After recognition, "Madame Chairman, I move that the motion be amended by adding the following words \_\_\_\_\_."
- After recognition, "Madame Chairman, I move that the motion be amended by striking out the following words \_\_\_\_\_."
- After recognition, "Madame Chairman, I move that the motion be amended by striking out the following words, \_\_\_\_\_, and adding in their place the following words \_\_\_\_\_."

### REFER TO A COMMITTEE

You feel that an idea or proposal being discussed needs more study and investigation.

- After recognition, "Madame Chairman, I move that the question be referred to a committee made up of members Smith, Jones and Brown."

### POSTPONE DEFINITELY

You want the membership to have more time to consider the question under discussion and you want to postpone it to a definite time or day, and have it come up for further consideration.

- After recognition, "Madame Chairman, I move to postpone the question until \_\_\_\_\_."

### PREVIOUS QUESTION

You think discussion has gone on for too long and you want to stop discussion and vote.

- After recognition, "Madam President, I move the previous question."

### LIMIT DEBATE

You think discussion is getting long, but you want to give a reasonable length of time for consideration of the question.

- After recognition, "Madam President, I move to limit discussion to two minutes per speaker."

### **POSTPONE INDEFINITELY**

You want to kill a motion that is being discussed.

- After recognition, "Madam Moderator, I move to postpone the question indefinitely."

### **POSTPONE INDEFINITELY**

You are against a motion just proposed and want to learn who is for and who is against the motion.

- After recognition, "Madame President, I move to postpone the motion indefinitely."

### **RECESS**

You want to take a break for a while.

- After recognition, "Madame Moderator, I move to recess for ten minutes."

### **ADJOURNMENT**

You want the meeting to end.

- After recognition, "Madame Chairman, I move to adjourn."

### **PERMISSION TO WITHDRAW A MOTION**

You have made a motion and after discussion, are sorry you made it.

- After recognition, "Madam President, I ask permission to withdraw my motion."

### **CALL FOR ORDERS OF THE DAY**

At the beginning of the meeting, the agenda was adopted. The chairman is not following the order of the approved agenda.

- Without recognition, "Call for orders of the day."

### **SUSPENDING THE RULES**

The agenda has been approved and as the meeting progressed, it became obvious that an item you are interested in will not come up before adjournment.

- After recognition, "Madam Chairman, I move to suspend the rules and move item 5 to position 2."

### **POINT OF PERSONAL PRIVILEGE**

The noise outside the meeting has become so great that you are having trouble hearing.

- Without recognition, "Point of personal privilege."
- Chairman: "State your point."
- Member: "There is too much noise, I can't hear."



## COMMITTEE OF THE WHOLE

You are going to propose a question that is likely to be controversial and you feel that some of the members will try to kill it by various maneuvers. Also you want to keep out visitors and the press.

- After recognition, "Madame Chairman, I move that we go into a committee of the whole."

## POINT OF ORDER

It is obvious that the meeting is not following proper rules.

- Without recognition, "I rise to a point of order," or "Point of order."

## POINT OF INFORMATION

You are wondering about some of the facts under discussion, such as the balance in the treasury when expenditures are being discussed.

- Without recognition, "Point of information."

## POINT OF PARLIAMENTARY INQUIRY

You are confused about some of the parliamentary rules.

- Without recognition, "Point of parliamentary inquiry."

## APPEAL FROM THE DECISION OF THE CHAIR

Without recognition, "I appeal from the decision of the chair."

### Rule Classification and Requirements

Class of Rule	Requirements to Adopt	Requirements to Suspend
Charter	Adopted by majority vote or as proved by law or governing authority	Cannot be suspended
Bylaws	Adopted by membership	Cannot be suspended
Special Rules of Order	Previous notice & 2/3 vote, or a majority of entire membership	2/3 Vote
Standing Rules	Majority vote	Can be suspended for session by majority vote during a meeting
Modified Roberts Rules of Order	Adopted in bylaws	2/3 vote



Lester thanked all directors for bringing their knowledge to the board and accepting the appointments from the Chair.

Lester thanked the board for allowing him to represent CTEC at the Sunset Review hearing on March 14, 2023, before the Joint Business & Professions Senate and Assembly Committees. He thanked Staff for all their hard work in putting together the necessary documents for the Sunset Review committees.

The board members expressed their gratitude to Lester for giving a stellar performance representing CTEC at the hearing.

Lester shared with the board that the Executive Committee met in November 2022 to discuss the creation of a CTEC Emergency Action Plan (EAP). The Plan would include sections on CTEC administration, finance, insurance and legal. The Executive Committee tasked Advocacy Strategies to compile all required information to be included in the EAP. The Executive Committee agreed that a hard copy of the Plan should always be in the possession of the CTEC Secretary, and a virtual copy would be available on the Board page, password protected, for Executive Committee access.

A draft copy of the EAP was distributed to all board members for review.

The board suggested adding “Technology” and “Data Mapping” to the EAP and agreed that this is a living document that will need to be updated constantly.

**The council adopted the following:**

**Resolution:** Accept the CTEC Emergency Action Plan as presented with the recommendation to add “Technology” and “Data Mapping” to the document.

**F. Review of Board Policies if applicable – C. Lester Crawford**

The board reviewed the policies and recommended no changes.

**G. Secretary’s Report – Ray Davis**

No report.

**H. Treasurer’s Report – Fernando E. Angell III**

Fernando reviewed the Profit & Loss Budget vs. Actual handouts.

Celeste shared with the board that there were two CDs that just matured which were transferred to the CTEC checking account and those funds will be utilized to pay outstanding invoices.

**The board suggested Staff contact Raymond James instructing them when investing in CDs to select a Tier 1 bank even at the expense of a little less interest just to make sure CTEC is with a secure bank. Celeste informed the board that all CDs purchased are with FDIC insured banks.**

**I. Audit Oversight Committee Report – Ruth Godfrey**

**● Review of Audit and Oversight Committee policies**

Ruth informed the board that the committee reviewed their policies and recommended no changes to the policies at this time.

**● Moore Webb LLP Audit Firm**

Ruth shared with the board that the committee discussed the audit firm and recommended continuing with Moore Webb LLP to provide both audit and tax return preparation services.

**The council adopted the following:**

**Resolution:** Continue with Moore Webb LLP to provide audit and tax return preparation for the 2022-2023 year.

**● Modify budget requests for Audit Oversight Committee for the fiscal year 2023-2024**

Ruth shared with the board that the committee discussed and agreed on eliminating the accounting Annual Report line item from the Audit Oversight Committee budget and recommended adding this line item to the General & Administrative budget.





The following changes were made to the budget:

- Eliminate the Annual Report line item from the Audit Oversight Committee budget.

Function / Detail	2022 / 2023 Actual	2022/ 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Accounting / Filing	\$0.00	\$15,000.00	\$15,000.00	\$16,000.00
Conference Calls	\$0.00	\$0.00	\$0.00	\$0.00
Travel Expenses	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>\$0.00</b>	<b>\$19,500.00</b>	<b>\$19,500.00</b>	<b>\$16,000.00</b>

The total Audit Oversight Committee budget for 2023-2024 is \$16,000.

The council adopted the following:

**Resolution:** Accept the Audit Oversight Committee budget for 2023-2024 as presented above.

**J. Bylaws Committee Report – Jodi Runyan-Schechter**

- Review of Bylaws Committee policies

Jodi informed the board that the committee reviewed their policies and recommended no changes to the policies at this time.

- Modify budget requests for Bylaws Committee for the fiscal year 2023-2024

Jodi informed the board that no changes or additions were made to the committee’s budget.

Function / Detail	2022 / 2023 Actual	2022/ 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Miscellaneous	\$0.00	\$250.00	\$250.00	\$250.00

The total Bylaw Committee budget for 2023-2024 is \$250.

The council adopted the following:

**Resolution:** Accept the Bylaws Committee budget for 2023-2024 as presented above.

**K. Communication and Technology Report – C. Lester Crawford**

- Review of Communication and Technology policies

Lester informed the board that the committee reviewed their policies and recommended no changes to the policies at this time.

- PII (Personally Identifiable Information) Mark Griffith

Lester informed the board that the committee met and suggested creating a policy to outline what is being done to the Personally Identifiable Information (PII) data.

Mark reminded the board that CTEC handles a lot of personal data information. Currently, CTEC has no policy on how to handle PII data. Mark informed the board that he has an AVAST data breach package, which is software that he uses regularly to search the web for breaches based on CTEC’s data. He does monthly security reviews with PCI compliance, which scans for vulnerability. CTEC is also in the Azure Microsoft Cloud and is federally compliant with data protection, which covers our infrastructure and external contact with the outside world. Data backup is also done in the Azure Microsoft Cloud. CTEC does not store any credit card information in the database, just the transaction IDs.

Mark reminded the board that there are ongoing system security updates based on OWASP Zap Scan recommendations. OWASP Zap is the industry standard penetration testing tool for finding vulnerabilities in web applications and is a more advanced deep scanning system than PCI scans.

He reminded the board that CTEC systems are scanned monthly by an outside security provider (Security Metrics) for vulnerabilities and compliance with PCI standards, which is required to process online payments. Over the last year, these standards have changed significantly due to the increasing cyber threats and problems that many companies have been experiencing. He will be addressing found issues on an ongoing basis.

A handout of draft CT04 – CTEC Personally Identifiable Information (PII) policy was provided to all board members for review.

The board suggested including references to policies where needed and having the Communications and Technology committee review and update the draft policy and present it at the November board meeting.

**The board recommended adding an acknowledgement check box in the new and renewal application process informing the CRTP and applicant that their information will be shared with FTB, IRS and third parties.**

**The council adopted the following:**

**Resolution:** Accept CT04 – CTEC Personally Identifiable Information (PII) policy as presented and have Communications and Technology committee include in the document references to policies where needed and have the updated policy be presented at the November board meeting.

- **Paid Bond Claims on CTEC website – Mark Griffith**

Lester shared with the board that the topic of inaccurate Paid Bond Claims reported on the CTEC website was discussed during the committee meeting.

Mark informed the board that those claims are self-reported. At the committee meeting it was suggested adding more defined language to the Paid Bond Claims page as well as adding an auto email confirmation when an individual does add a bond claim.

**Mark will work with Staff to review and clean up the Paid Bond Claims web page. Mark reminded the board that CRTPs have access to remove paid bond claims reported if not accurate.**

**Lester shared with the board that the committee also suggested including an article in the News and Views Newsletter informing CRTPs of the incorrect information being entered regarding bond claims.**

- **CTEC Website Technology Report – Mark Griffith**

Mark Griffith gave an updated report on database purging records older than 7 years, duplicate records and education reported to CTEC that is being used for the new application process. Mark shared with the board that there are no issues. He has added additional features to the board page, admin and registration pages.

The board discussed the need to hire an outside firm to audit the CTEC database for vulnerabilities.

**The board requested Mark give a monthly scan report of the systems scanned by the outside security provider (Security Metrics) for vulnerabilities and compliance with PCI standards. Mark informed the board that the cost associated with these monthly scans was set up and paid by Wells Fargo because of the high volume of credit card processing.**

**The board tasked Staff to contact a third-party firm to get proposals on the cost to audit the CTEC data for vulnerabilities and compliance with PCI standards.**

- **Modify budget requests for Communication and Technology Committee for the fiscal year 2023-2024**

The following changes were made to the budget:

- Add IT Risk Assessment Review line item and budget \$25,000.

Function / Detail	2022 / 2023 Actual Budget	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Software Development	\$0.00	\$0.00	\$0.00	\$0.00
Software Update	\$19,975.00	\$20,000.00	\$25.00	\$20,000.00
Hardware	\$0.00	\$0.00	\$0.00	\$0.00
System Maintenance / Hosting	\$38,500.00	\$42,000.00	\$3,500.00	\$42,000.00
Computer Hosting	\$0.00	\$0.00	\$0.00	\$0.00
Cyber insurance	\$2,022.96	\$2,500.00	\$477.04	\$2,500.00
Microsoft Cloud	\$6,744.28	\$12,000.00	\$5,255.72	\$12,000.00
Database Cleanup	\$0.00	\$0.00	\$0.00	\$0.00
IT Risk Assessment Review				\$25,000.00
<b>Total</b>	<b>\$67,242.24</b>	<b>\$76,500.00</b>	<b>\$9,257.76</b>	<b>\$101,500.00</b>

**The total Communications and Technology Committee budget for 2023-2024 is \$101,500.00.**

**The council adopted the following:**

**Resolution:** Accept the Communications and Technology Committee budget for 2023-2024 as presented above.

#### **L. Curriculum Provider Standards Committee Report – Lee Reams**

Lee reported that the Provider Task Force meeting was well attended and well received by providers. He informed the board that an Executive Summary of Curriculum Provider Committee policies was created. The document summarizes the policies, and the actual policies must be viewed for full details. Providers must rely upon the complete policies when developing their educational programs, their approval status, and other dealings with CTEC.

A copy of the Executive Summary of Curriculum Provider Committee policies was emailed to all providers with capabilities to quickly locate information in the document and then refer to the full policy when necessary.

- **Review of Curriculum Provider Standards Committee policies**

- i. **CP34 - Advertising Disclosures – QE and CE – Lee Reams**

Lee reminded the board that at last year’s November board meeting the board voted not to regulate provider advertising. Meaning terminology such as “quick and easy” is no longer restricted. He informed the board that when curriculum reviewers audit a provider’s website, they found that the majority of providers are not using the correct approved disclosures. He reported that the committee reviewed the policy and recommended removing the short form version under CP34 – Advertising Disclosures – QE and CE policy section (e).

The board suggested the committee meet with the reviewers and find out the exact issue regarding provider advertisements on their website.

**The council adopted the following:**

**Resolution:** No changes to be made to CP34 – Advertising Disclosures – QE and CE policy at this time.

- **CP23A-Qualifying Education Guidelines – Lee Reams**

Lee shared with the board that CP23A-Qualifying Education Guidelines is not a policy, but rather a living document that keeps providers abreast of tax laws and tax issues as they evolve.

Lee informed the board that the committee discussed removing CP23A-Qualifying Education Guidelines as a policy, which means any modifications to CP23A would no longer need board approval. All modifications to CP23A-Qualifying Education Guidelines would be approved by the CP committee and not the board.

The board recommended changing CP23A-Qualifying Education Guidelines to an exhibit to the CP23 policy and reference CP23A exhibit requirements that providers must cover in their qualifying education courses.

**The council adopted the following:**

**Resolution:** Accept CP23A as an exhibit and reference this exhibit in the CP23 – Education Standards policy and any modifications to CP23A would no longer need board approval.



- **Approved Education Provider Status Report – Tabitha Bolkish**

A copy of the CTEC Approved Education Provider report was distributed to all board members for review.

**CTEC Approved Education Providers Status Report 2023**

Currently there are 96 CTEC Approved Providers. Out of the 96 CTEC Approved Providers -

- 48 Providers Offer Qualifying Education Courses
- 63 Providers Offer Continuing Education Courses
- 8 Providers Offer CA Qualifying Education Courses

**Periodic Review Update 2023**

Currently there are 36 periodic reviews for 2023 that were sent out February 1, 2023. Out of the 36 Providers -

- 9 Providers Offer Both CE And QE
- 21 Providers Offer CE
- 24 Providers Offer QE
- 2 Providers Withdrew

- **Curriculum Reviewers Contract**

Lee shared with the board that the Curriculum Reviewer contracts currently expire on June 30, 2023. A copy of the Curriculum Reviewer contracts for Jennifer Coats and Barry Gilbert were handed out to the board for review. The committee recommended a \$5 increase to their hourly rate from \$235 to \$240.

**The council adopted the following:**

**Resolution:** Accept the Curriculum Reviewer contracts for Jennifer Coats and Barry Gilbert as presented with a \$5 increase to their hourly rate from \$235 to \$240.

- **Modify budget requests for Curriculum Provider Standards Committee for the fiscal year 2023-2024**

The following changes were made to the budget:

- Decrease the Website Review line item from \$5,000 to \$0.

Function / Detail	2022 / 2023 Actual	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Curriculum Review (QE, CE, Periodic Review)	\$52,969.00	\$84,675.00	\$31,706.00	\$84,675.00
Provider Task Force Meeting	\$199.00	\$750.00	\$551.00	\$750.00
Audit Review	\$8,649.90	\$19,800.00	\$11,150.10	\$19,800.00
Appeal Process	\$0.00	\$4,000.00	\$4,000.00	\$4,000.00
CP23 Update	\$3,760.00	\$12,000.00	\$8,240.00	\$12,000.00
	\$2,500.00	\$5,000.00	\$2,500.00	\$0.00
<b>Total</b>	<b>\$68,077.90</b>	<b>\$126,225.00</b>	<b>\$58,147.10</b>	<b>\$121,225.00</b>

**The total Curriculum Provider Standards Committee budget for 2023-2024 is \$121,225.00.**

**The council adopted the following:**

**Resolution:** Accept the Curriculum Provider Standards Committee budget for 2023-2024 as presented above.

**M. Executive Committee Report – C. Lester Crawford**

- **Review of Executive Committee policies**

Lester informed the board that the committee reviewed their policies and recommended no changes to the policies at this time.

- **United Way memo – Celeste Heritage**

Celeste informed the board that United Way was at the Sunset Review hearing on March 14, 2023, and had sent to the Business & Professions committees a memo with a list of issues they would like CTEC to consider for inclusion in SB 812. Most of the issues listed in the memo were discussed during the last Sunset Review. Celeste also shared with the board that a meeting took place with herself, Tabitha Bolkish, Alison Siegel and United Way to discuss those issues.

Celeste reviewed the memo item by item with the board and shared with the board that the Executive Committee has met and discussed this memo. The Executive Committee reviewed all issues outlined in the United Way memo and instructed staff to draft a response letter to United Way informing them that CTEC received their memo and will take into consideration their issues during future meetings to ensure consumer protection.

A copy of the response letter to United Way was distributed to all board members.

Celeste shared with the board that an email response from United Way was received thanking CTEC for the response memo and looking forward to continuing discussions in the future.

In reviewing the United Way memo, the committee felt that unpaid volunteer tax preparers should be registered with CTEC because those individuals have access to personal information (bank account numbers, social security numbers, etc.) yet there is no requirement for them to have a background check.

Lee shared with the board that there is a bill, H.R. 2702, pending in congress which authorizes the Department of the Treasury to certify or decertify (for incompetence or willful misrepresentation) the practice of tax return preparers and imposes fines on such preparers. It also authorizes the Treasury to require tax return preparers to provide disclosures to persons receiving tax return preparation services and refund anticipation payment arrangements.

**The board suggested having CTEC track bill H.R. 2702.**

- **Sunset Review / SB 812 – Fernando E. Angell III / Celeste Heritage**

Fernando thanked Staff and CTEC counsel for all their hard work in putting together the necessary documents for the Sunset Review committee. He also shared with the board that Lester did a stellar job representing CTEC at the hearing.

Celeste shared with the board that CTEC regularly receives information from the California Department of Justice (DOJ) regarding criminal history convictions that have occurred in California by new CTEC applicants.

For Federal criminal convictions, CTEC has not yet received that information, even though the Business & Professions Code allows for that information.

CTEC was informed by a representative of the DOJ that the FBI has indicated that the language in CTEC's statute is not sufficient for the FBI to release criminal history information to the DOJ/CTEC. CTEC has reached out to the DOJ on multiple occasions in relation to this issue with no results.

CTEC has informed the B & P Committees staff of the issue in an effort to seek their assistance in receiving the specific language needed. To date, no language has been developed by the legislature or the DOJ.

Celeste shared with the board that at the Sunset Review hearing in March Senator Roth brought up the issue of CTEC not receiving federal background information and stated that his office will assist CTEC in receiving the specific language needed and he will personally look into this issue.

Celeste shared with the board that SB 812 is the bill extending the CTEC program for another 4 years.

- **CTEC Emergency Action Plan (EAP) – C. Lester Crawford**

Lester shared with the board that the Executive Committee met in November 2022 to discuss the creation of a CTEC Emergency Action Plan (EAP). The Plan would include sections on CTEC administration, finance, insurance and legal. The Executive Committee tasked Advocation Strategies to compile all required information to be included in the EAP.





The Executive Committee also agreed that a hard copy of the Plan should always be in the possession of the CTEC Secretary and a virtual copy available on the Board page, password protected, for Executive Committee access.

A draft copy of the EAP was distributed to all board members for review.

The board suggested adding “Technology” and “Data Mapping” to the EAP and agreed that this is a living document that will need to be updated constantly.

**The council adopted the following:**

**Resolution:** Accept the CTEC Emergency Action Plan as presented with recommendation to add “Technology” and “Data Mapping” to the document.

- **Modify budget requests for Executive Committee for the fiscal year 2023-2024**

Lester informed the board that no changes or additions were made to the committee’s budget.

Function / Detail	2022 / 2023 Actual	2022/ 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Miscellaneous	\$0.00	\$250.00	\$250.00	\$250.00

**The total Executive Committee budget for 2023-2024 is \$250.**

**The council adopted the following:**

**Resolution:** Accept the Executive Committee budget for 2023-2024 as presented above.

**N. Governance Committee Report – Susie DiMaggio**

- **Review of Governance Committee policies**

- i. **GV12 – Conflict of Interest New draft policy – Susie DiMaggio**

Susie shared with the board that the committee has adopted a new policy GV12 - Conflict of Interest. A revised copy was distributed to all board members for review.

The purpose of this conflict of interest policy is to protect CTEC’s interest when contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, or committee member of CTEC or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Susie informed the board that this policy must be signed annually by all board members starting July 1, 2023.

**Staff will send an email out to all board members with this policy for signature starting July 1, 2023.**

**The council adopted the following:**

**Resolution:** Accept GV12 - Conflict of Interest policy as presented.

- **Modify budget requests for Governance Committee for the fiscal year 2023-2024**

The following changes were made to the budget:

- Decrease Travel for CRTP Director Applicants line item from \$5,000 to \$2,500.

Function / Detail	2022 / 2023 Actual	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Orientation / Recognition	\$264.45	\$1,000.00	\$735.55	\$1,000.00
Travel for CRTP Director Applicants	\$0.00	\$5,000.00	\$5,000.00	\$2,500.00
<b>Total</b>	<b>\$264.45</b>	<b>\$6,000.00</b>	<b>\$5,735.55</b>	<b>\$3,500.00</b>



The total Governance Committee budget for 2023-2024 is \$3,500.

The council adopted the following:

**Resolution:** Accept the Governance Committee budget for 2023-2024 as presented above.

**O. Governmental Relations Report – Fernando E. Angell III**

- **Review of Governmental Relations Committee policies**
  - i. **GR04 Attachment – IRS Liaison Meeting Contact Information – Fernando E. Angell III**

A copy of the GR04-Attachment-IRS Liaison Meeting Contact Information policy was distributed to all board members for review.

The following changes were made to the GR04-Attachment-IRS Liaison Meeting Contact Information policy:

IRS CONTACT INFORMATION	LOCATION	TEAM MEMBER
<b>Narina Behtikian</b> Sr. Stakeholder Liaison <a href="mailto:Narina.Behtikian@irs.gov">Narina.Behtikian@irs.gov</a> (213) 372-4554	<b>LOS ANGELES</b> 300 North Los Angeles Street Los Angeles, CA 90012	<b>Susie L. DiMaggio</b> (805) 323-5991 <a href="mailto:susiethetaxlady@gmail.com">susiethetaxlady@gmail.com</a>
<b>Lisa Hamilton</b> Stakeholder Liaison <a href="mailto:Lisa.A.Hamilton@irs.gov">Lisa.A.Hamilton@irs.gov</a> (626) 927-1347	<b>EL MONTE</b> 9350 Flair Drive El Monte, CA 91731 <b>PLM in LA area</b>	<b>C. Lester Crawford</b> (213) 952-1600 <a href="mailto:azurerealty@yahoo.com">azurerealty@yahoo.com</a>
<b>Lisa Hamilton</b> Stakeholder Liaison <a href="mailto:Lisa.A.Hamilton@irs.gov">Lisa.A.Hamilton@irs.gov</a> (626) 927-1347	<b>SAN BERNARDINO</b> 290 N. "D" Street San Bernardino, CA 92401	<b>Ruth Godfrey</b> (909) 373-0770 <a href="mailto:rhgodfrey@godfreyandhardy.com">rhgodfrey@godfreyandhardy.com</a>
<b>Susan Du</b> Sr Stakeholder Liaison <a href="mailto:Susan.Du@irs.gov">Susan.Du@irs.gov</a> 707-646-7272	<b>SACRAMENTO</b> 4330 Watt Ave Sacramento, CA 95821	<b>Karen De Vaney</b> (209) 524-4345 <a href="mailto:Devaney-k@msn.com">Devaney-k@msn.com</a>  <b>Aaron Chambers</b> (559) 871-5950 <a href="mailto:aaron@impossiblelg.xyz">aaron@impossiblelg.xyz</a>
<b>Keith Kershner</b> Sr. Stakeholder Liaison <a href="mailto:Keith.D.Kershner@irs.gov">Keith.D.Kershner@irs.gov</a> (559) 513-5298	<b>FRESNO</b> 2525 Capitol St. Fresno, CA 93721	<b>Karen De Vaney</b> (209) 524-4345 <a href="mailto:Devaney-k@msn.com">Devaney-k@msn.com</a>  <b>Aaron Chambers</b> (559) 871-5950 <a href="mailto:aaron@impossiblelg.xyz">aaron@impossiblelg.xyz</a>
<b>Rena Newell</b> Sr. Stakeholder Liaison <a href="mailto:Rena.Newell@irs.gov">Rena.Newell@irs.gov</a> (510) 907-5101	<b>OAKLAND</b> 1301 Clay Street Suite 1090S Oakland, CA 94612	<b>*Calls only</b> <b>Karen De Vaney</b> (209) 524-4345 <a href="mailto:Devaney-k@msn.com">Devaney-k@msn.com</a>
<b>Narina Behtikian</b> Sr. Stakeholder Liaison <a href="mailto:Narina.Behtikian@irs.gov">Narina.Behtikian@irs.gov</a> (213) 372-4554	<b>CENTRAL COAST</b> 300 North Los Angeles St Los Angeles, CA 90012	<b>Yvette Rupp</b> (209) 345-9059 <a href="mailto:yvette.rupp@centralcatax.com">yvette.rupp@centralcatax.com</a>

<p><b>AND</b> <b>Keith Kershner</b> Sr. Stakeholder Liaison <a href="mailto:Keith.D.Kershner@irs.gov">Keith.D.Kershner@irs.gov</a> (559) 513-5298</p>	<p><b>CENTRAL COAST</b> 300 North Los Angeles St Los Angeles, CA 90012</p>	<p><b>Susie L. DiMaggio</b> (805) 323-5991 <a href="mailto:susiethetaxlady@gmail.com">susiethe tax lady@gmail.com</a>  <b>Jodi Runyan-Schechter</b> (818) 889-7521 <a href="mailto:jodi@rstaxplus.com">jodi@rstaxplus.com</a></p>
<p><b>Keith Kershner</b> Sr. Stakeholder Liaison <a href="mailto:Keith.D.Kershner@irs.gov">Keith.D.Kershner@irs.gov</a> (559) 513-5298</p>	<p><b>SAN JOSE</b> 55 South Market Street San Jose 95113</p>	<p><b>*Calls only</b> <b>Yvette Rupp</b> (209) 345-9059 <a href="mailto:yvette.rupp@centralcatax.com">yvette.rupp@centralcatax.com</a></p>
<p><b>Cecilia Catlin</b> Sr. Stakeholder Liaison <a href="mailto:Cecilia.M.Catlin@irs.gov">Cecilia.M.Catlin@irs.gov</a> (619) 615-7771</p>	<p><b>SAN DIEGO</b> 880 Front Street San Diego, CA 92101</p>	<p><b>Michael Carr</b> (951) 454-8545 <a href="mailto:HomerBDG@aol.com">HomerBDG@aol.com</a></p>
<p><b>Christella Sanchez</b> Sr. Stakeholder Liaison <a href="mailto:Christella.A.Sanchez@irs.gov">Christella.A.Sanchez@irs.gov</a> (916) 531-0885</p>	<p><b>LAGUNA NIGUEL</b> 24000 Avila Road MS5300 Laguna Niguel, CA 92677</p>	<p><b>Lee Reams, Sr.</b> (818) 378-5140 <a href="mailto:lee.reams@clientwhys.com">lee.reams@clientwhys.com</a></p>
<p><b>Christella Sanchez</b> Sr. Stakeholder Liaison <a href="mailto:Christella.A.Sanchez@irs.gov">Christella.A.Sanchez@irs.gov</a> (916) 531-0885</p>	<p><b>SANTA ANA</b> 801 West Civic Center Drive Santa Ana, CA 92701</p>	<p><b>Ruth Godfrey</b> (909) 373-0770 <a href="mailto:rhgodfrey@godfreyandhardy.com">rhgodfrey@godfreyandhardy.com</a></p>

This above attachment will be sent to the IRS Liaison Stakeholder to update the IRS Contact information.

- **H.R. 4184: Taxpayer Protection and Preparer Proficiency Act of 2021 – Celeste Heritage**

Celeste shared with the board the background of H.R. 4184 and its impact on CTEC. The bill, introduced in Congress on June 25, 2021, is authored by Congressman Panetta of California. It was immediately referred to the Ways and Means Committee on June 25, 2021.

Celeste indicated that she has reached out to Congressman Panetta’s office informing them that CTEC is not opposed to the bill but would like CRTPs to be exempt from the requirements outlined in H.R. 4184. A copy of H.R. 4184, Taxpayer Protection and Preparer Proficiency Act of 2021 was distributed to all committee members.

Celeste shared with the board that she has been in contact with Mark Dennin, Legislative Director for Congressman Jimmy Panetta, who indicated that he was not aware of the CTEC program here in California and asked Celeste to send him additional information. Celeste attached a summary of the program, the California B&P Code creating CTEC and an IRS document showing that CTEC Registered Tax Preparers (CRTPs) are exempt from having to take the IRS Annual Federal Tax Refresher course and pass a comprehension test to participate in the IRS Annual Filing Season Program.

Celeste shared with the board that the bill is being reintroduced with the following changes:

(2) Exemption - The Secretary shall exempt

(A) Tax return preparers who have been subject to comparable examination and/or, continuing education requirements, and background checks administered by the Secretary or any comparable State licensing or state registration program, including state tax education councils, and

(B) Tax return preparers who were previously or are currently certified registered by a state tax education council program that currently subjects tax return preparers to comparable examination and/or, continuing education requirements, and background

A copy of the above draft language was distributed to the board.

**The board made the following recommendations:**

- (2) Exemption - The Secretary shall exempt
  - (A) Tax return preparers who have been subject to comparable examination and/or, continuing education requirements, and background checks administered by the Secretary or any comparable State licensing or state registration program, including state tax education councils, and
  - (B) Tax return preparers who ~~were previously~~ are currently certified registered by a state ~~tax education council~~ program that currently subjects tax return preparers to comparable examination and/or, continuing education requirements, and background

**The council adopted the following:**

**Resolution:** Accept the language above as presented with changes.

- **Amend Business & Professions Code Sections 22250-22259 to require unpaid volunteer preparers to go through a background check procedure and register with CTEC.**

The board discussed the possibility of amending Business & Professions Code Sections 22250-22259 to require unpaid volunteer preparers to go through a background check procedure and register with CTEC. The board felt that unpaid volunteer tax preparers should be registered with CTEC because those individuals have access to personal information (bank account numbers, social security numbers, etc.) and, yet there is no requirement for them to have a background check.

Celeste shared with the board that CTEC will need to find a legislative author that is willing to carry this bill. This will be difficult because CTEC will be going against the IRS and other organizations that have programs in place for low-income individuals to provide free tax preparation.

Celeste raised the question what if H.R. 4184: Taxpayer Protection and Preparer Proficiency Act of 2021 might impact these volunteer preparers and if CTEC should pursue this.

Rebecca Landeros, FTB Enforcement shared with the board her concern regarding enforcement when it comes to volunteer tax preparers, who should only be preparing those free returns at a specific location for a specific organization and are giving a specific identification number to put on the tax return.

**The board recommended having the Governmental Relations Committee gather more information regarding volunteer preparer programs and present it at the next board meeting for further discussion.**

- **Legislative Issue Regarding Federal Background Checks – Celeste Heritage**

Celeste shared with the board that CTEC regularly receives information from the California Department of Justice (DOJ) regarding criminal history convictions that have occurred in California by new CTEC applicants. For Federal criminal convictions, CTEC has not yet received that information, even though the Business & Professions Code was drafted to allow for that information.

CTEC was informed by a representative of the DOJ that the FBI has indicated that the language in CTEC's statute is not sufficient for the FBI to release criminal history information to the DOJ/CTEC. CTEC has reached out to the DOJ on multiple occasions in relation to this issue with no results.

CTEC has informed the B & P Committee staff of the issue in an effort to seek their assistance in receiving the specific language needed. To date, no language has been developed by the legislature or the DOJ.

Celeste shared with the board that at the Sunset Review hearing Senator Roth brought up the issue of CTEC not receiving federal background information and stated that his office will assist CTEC in receiving the specific language needed and he will personally look into this issue.

Celeste emailed Senator Roth's office and has not received any response.

**The board suggested Staff keep pursuing this issue.**

○ **Modify budget requests for Governmental Relations Committee for the fiscal year 2023-2024**

**The following changes were made to the budget:**

- Decrease Printing of Sunset Review Documents line item from \$10,000 to \$0.
- Decrease Polling Expense line item from \$40,000 to \$0.
- Decrease Sunset Review line item from \$60,000 to \$0.
- Add Legislative Issues as a new line item and budget \$60,000.

Function / Detail	2022 / 2023 Actual Budget	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Printing of Sunset Review Documents	\$5,039.53	\$10,000.00	\$4,960.47	\$0.00
Polling Expense	\$0.00	\$40,000.00	\$40,000.00	\$0.00
Sunset Review	\$8,368.71	\$60,000.00	\$51,631.29	\$0.00
Travel & Hotel	\$5,132.99	\$7,500.00	\$2,367.01	\$7,500.00
Enforcement	\$176,663.14	\$407,000.00	\$230,336.86	\$407,000.00
Legislative Issues				\$60,000.00
<b>Total</b>	<b>\$195,204.37</b>	<b>\$524,500.00</b>	<b>\$329,295.63</b>	<b>\$474,500.00</b>

**The Governmental Relations Committee’s budget for 2023-2024 is \$474,500.**

**The council adopted the following:**

**Resolution:** Accept the Governmental Relations Committee budget for 2023-2024 as presented above.

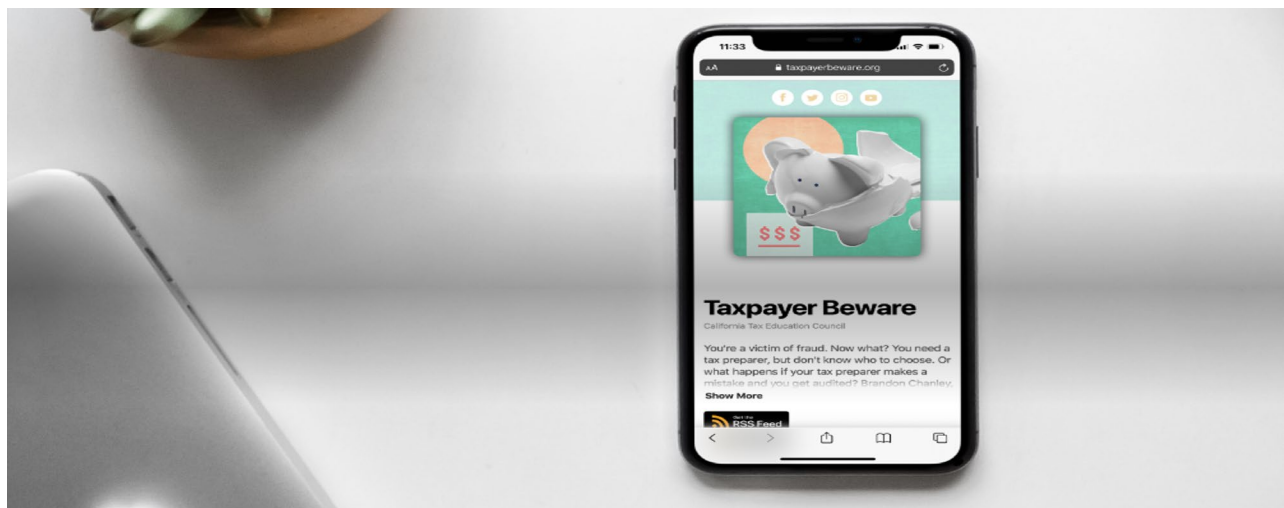
**P. Public Awareness Report – Ray Davis**

● **Review of Public Awareness Committee policies**

Ray shared with the board that the committee reviewed their policies and recommended no changes to the policies at this time.

● **Report on Public Awareness Campaign – Gigi Jones**

Gigi gave a PowerPoint presentation and shared with the committee the 2023/2024 Advertising Campaign Strategy outlined below:





## Campaign Overview



Getting taxpayers engaged with podcasts through testimonies and storytelling continued to be the focus of the 2023...

### Podcast Promotions

Continue to expand the podcast campaign with new guests and advertising strategy.

### New Test Campaigns

Implement a mobile ad campaign, as well as OTT and CTV targeting taxpayers identified by FTB enforcement.

### Campaign Promotions

Continue with Google ads, social media and other past strategies, which includes Spotify, plus Pandora and iHeart Media via Audiogo.



## Campaign Updates

Amaze Media Labs

**EXPERTS IN ALL THINGS PODCASTING**

Podcast Production

Audience Growth

Media Buying

Talent & Experiences

**01** Adjusted podcast strategy with Amaze Media Labs

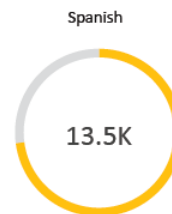
**02** A portion of the campaign will continue uninterrupted and running within the current budget

## Amaze Podcast Campaign

Amaze is an AI platform that guarantees a minimum amount of downloads for a podcast campaign based on demographics, interests and budget. All downloads meet IAB standards.

The strategy is similar to Google Ads where it can track users searching keywords with an interest in podcasts.

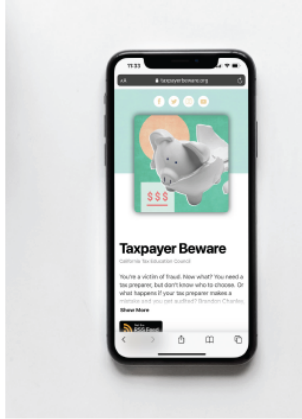
Because of this strategy, the podcast campaign can now effectively continue without disruption until the end of the year, which CTEC is guaranteed to receive a minimum of 43,700 guaranteed downloads for English and Spanish episodes.



## Podcast Campaign

\*Total of 53,959 downloads from all podcast advertising as of July 1, 2022...

### English Version | 40,103 Downloads



Tax Preparers' Legal Responsibilities – Includes Video

**20.4K**

You're Facing a Tax Issue

**492**

Scary Truth About Ghosts – Includes Video

**16.9K**

### Spanish Version | 13,856 Downloads

Avoid Tax Scams and Fraud (IRS)

**5.2 K**

Scary Truth About Ghost (Victim) - Includes Video

**5 K**

Scary Truth About Ghost (IRS/FTB)

**4.9 K**



## GroundTruth Ads



Tax Prep Offices Reach

**133.6K**

Bundled Services Reach

**99.5K**

Videos Reach

**63.3K**

Impressions

**20.7+ Million**

Total Clicks

**21.8K**



## Spotify Video + Podcast Ads



Videos Reach

**383K**

Podcasts Reach

**961K**

Podcast Downloads

**280**

Total Clicks

**5,362**  
4,762 videos

Impressions

**3.1+ Million**



## Pandora Video Ads



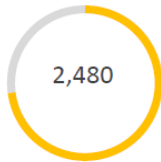
Videos Reach

**368K**

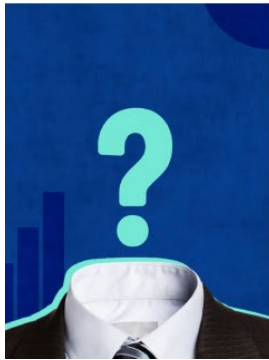
CTR

**.20%**

Total Clicks



## OverCast/Podcast Addict



Impressions

**1.8 M**

Podcast Downloads

**256**

New Subscribers

**294**



## Audiogo (Pandora + iHeart)



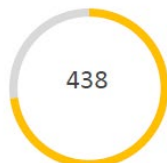
Impressions

**2.6 M**

Podcast Downloads

**55**

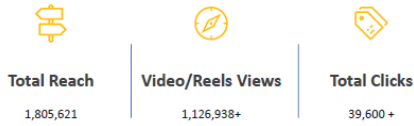
Total Clicks



## Social Media

Overall, videos and the graphics from videos showed the most clicks and engagement. Those on Instagram also showed interested in videos of the podcasts. Traffic from social media was up by 75% compared to last year.

The campaign was slowed down due to the extended filing deadline. Below are the results as of April 13<sup>th</sup>.



Most posts promoted reels – CTEC received 251,938 views.



CTEC received 875,000+ video views, plus 31,976 clicks.

Most tweets were in February to promote the podcasts. More than 500 people visited CTEC's profile.



Most posts promoted the videos and podcasts - 5,668 people clicked on the posts for more information.



## Google Ads + Website Traffic

Google Ads - As of Aug. 1, 2022 to May 10, 2023

**442+K**

52,866 – Taxpayers Page  
12,757 - Taxpayers Page (SP)  
248,579 – Did Your TP Sign?  
128,728 – Spanish Page

Sessions

**+ 48%**

Top pages visited varies depending on source of traffic, but in general "Verify a Tax Preparer" was the top second page.

Verify a Tax Preparer

**+89%**

233,586 hits  
As of July 1, 2022 through April 13, 2023

Referral Sites

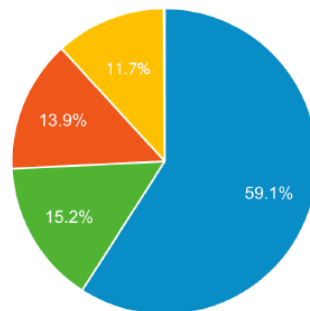
**+234%**

26,582 hits  
As of Jan. – April 13, 2023  
*Fox Business, Politico, Forbes, FTB*



## Website Analytics

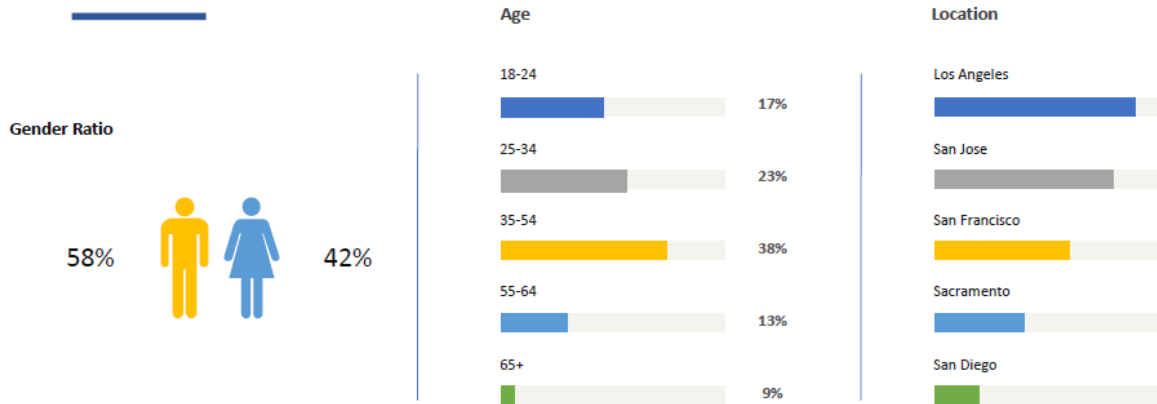
The most noteworthy percentages are the increase in referral sites at 11.7% compared to 2.1% from 2022. Also, social media continues to increase with traffic at 15.2% compared to 5.4% this time last year.



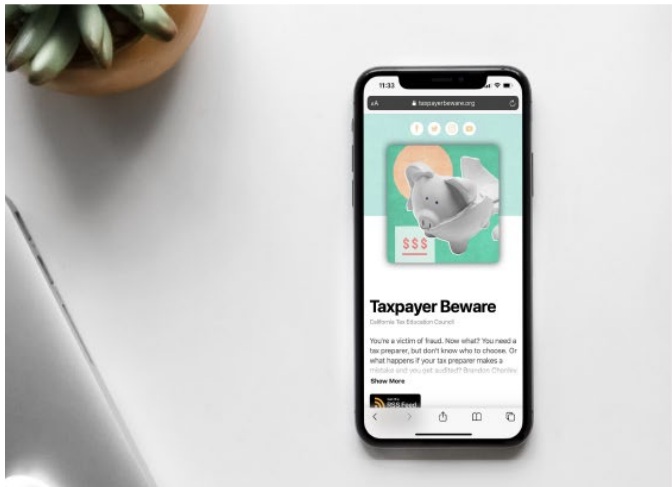
- Direct
- Social
- Organic Search
- Referral



## Taxpayer Analysis



## Moving Forward



- 01 Continuing with Amaze Podcast and Google Campaigns + Relaunch Campaign late September/Early October
- 02 Evaluate the CTEC landing pages
- 03 Launch a new campaign with VidMob

- **Modify budget requests for Public Awareness Committee for the fiscal year 2023-2024**

The following changes were made to the budget:

- Increase Preparer Newsletter-Email line item from \$0 to \$1,000.

Function / Detail	2022/ 2023 Actual	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Compliance Brochure - "How to.."	\$0.00	\$3,000.00	\$3,000.00	\$3,000.00
Advertising	\$325,389.90	\$391,000.00	\$65,610.10	\$391,000.00
Public Relations	\$66,825.00	\$89,100.00	\$22,275.00	\$89,100.00



Function / Detail	2022/ 2023 Actual	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Speakers Bureau Travel	\$0.00	\$0.00	\$0.00	\$0.00
Toll Free Lines	\$0.00	\$1,800.00	\$1,800.00	\$1,800.00
Public Brochure - "Choosing..."	\$3,383.15	\$3,500.00	\$116.85	\$3,500.00
Promotional Items	\$0.00	\$0.00	\$0.00	\$0.00
Public Relations Expenses	\$1,632.00	\$2,500.00	\$868.00	\$2,500.00
Advertising Survey	\$0.00	\$0.00	\$0.00	\$0.00
Advertising Commission	\$33,618.75	\$33,675.00	\$56.25	\$33,675.00
Media clipping	\$0.00	\$0.00	\$0.00	\$0.00
Preparer Newsletter – Email	\$0.00	\$0.00	\$0.00	\$1,000.00
<b>Total</b>	<b>\$430,848.80</b>	<b>\$524,575.00</b>	<b>\$93,726.20</b>	<b>\$525,575.00</b>

**The total Public Awareness Committee budget for 2023-2024 is \$525,757.00.**

**The council adopted the following:**

**Resolution:** Accept the Public Awareness Committee budget for 2023-2024 as presented above.

**The board meeting adjourned at 4:16 p.m. on Wednesday, May 17, 2023.**

**The board meeting reconvened at 9:00 a.m. on Thursday, May 18, 2023.**

**Q. Closed session with CTEC's legal counsel pursuant to California Government Code Section 11126(e)**

The board went into closed session to discuss Timothy James Martin vs. CTEC.

The board came out of closed session.

**R. Tax Preparer Committee Report – Karen De Vaney**

● **Review of Tax Preparer Committee policies**

**i. TP12 – New Preparer Application Process – Karen De Vaney**

A copy of TP12 – New Preparer Application Process policy was distributed to all board members.

Alison Siegel, CTEC legal counsel, reminded the board that CTEC Hearing Officers already have the ability to suspend a registrant for up to a year. Alison felt that one year for re-registration was too short and that applicants will keep reapplying every year, which then will cause a larger workload for the background reviewers and hearing officers. Her recommendation to the committee was to change the one year to three years for the final denial date for an applicant to reapply.

The committee recommended the following changes:

**STEP 1 - Complete Online Application**

Applicant completes the Online Application Process at ctec.org which includes:

- Registration Options (identifying cycle year and application type);
- Record Search (SSN number required to search for existing records);
- Personal Information (address, phone number, etc....);
- Create Logon Account (create user ID and password);
- Experience in Lieu of Information and Documentation (if required);
- Background Information (questionnaire and documentation for background investigation).

***This application will expire after ~~18 months~~ three years if registration has not been completed.***

1. Re-Application. An applicant who is denied registration shall not be allowed to re-apply for registration until after ~~one~~ **three** years from the effective date of denial.

**The council adopted the following:**

**Resolution:** Accept TP12 – New Preparer Application Process policy as presented above.

## ii. **New Preparer Application Flowchart – Karen De Vaney**

Karen informed the board that Paralegal would like to extend the timeframe for sending out proposed denial letters from 2-4 weeks to 6-8 weeks.

The board reviewed the New Preparer Application Flowchart and recommended having the committee review the online new application language on the CTEC website.

**This topic was tabled to the November board meeting.**

- **CRTP Report – Celeste Heritage**

Celeste Heritage gave a registration update for both current and previous cycle year registrations. Celeste informed the board that as of May 10, 2023, for 2022/2023 cycle year registration, CTEC registered 38,112 preparers.

A report was included in the board packet with total registrants for 2021/2022 cycle year.

Celeste shared with the committee that there are still new applicants registering.

**The board requested adding 5-year historical registration data be included in this report.**

- **New Application Background Check Report – Supriya Panda**

Supriya Panda reviewed with the board the Department of Justice progress report. This report was distributed to all board members.

### **Breakdown of New Applications and Registrations for 2022/2023 Cycle Year as of May 8, 2023**

#### **Submitted: 6915**

Applicants in this category have submitted an application for registration. CTEC is waiting for background check reports to be issued by the California Department of Justice.

**Pending: 602** – Applicants in the pending category have started the application process but have not actually submitted the application.

#### **Initial review: 18**

Applicants are placed in the initial review queue pending a response to CTEC’s Request for Information because they have a related criminal conviction.

#### **Background review: 6**

Applicants placed in the background review queue have related criminal convictions on their CA DOJ report and will be reviewed by Background Reviewers or have been proposed to be denied by BRs.

#### **Approved: 4497**

Applicants have completed the background review process but have not completed the registration process.

#### **Proposed Denials: 39**

Background Reviewers have proposed to deny the application for registration because of violations of the provisions in TP-12. Applications in this queue have been issued a proposed denial letter but have not been issued a final and effective denial.

Applicants are given 30 days to request a hearing. If the applicant does not request a hearing within the allotted time frame, the proposed decision to deny becomes final and effective 40 days after the letter of proposed denial and all attachments are mailed and emailed to the applicant.



**Hearing Review: 15**

Applicants have requested a hearing to oppose the Background Reviewers' proposed decision to deny the application for registration and are waiting for a final decision from the Hearing Officers.

**Closed-Denial: 30**

Hearing Officers have decided to uphold the Background Reviewers proposed decision to deny the application for registration, or the applicant has failed to request a hearing within the given time frame and the proposed decision of the Background Reviewers to deny the application for registration has become final and effective.

**Hearings Held: 15**

**Pending Hearings: 7**

**Closed-Registered: 4430**

Applicants have completed the registration process.

**Closed-Expired: 0** This status is for applications that have not been completed within 18 months of the date submitted.

**Close-Cancelled: 4** – This status is for applications that have been canceled by staff at the applicant's request or because a previously denied applicant has submitted a new application for registration.

**Total Applications: 10,881**

**2022/2023 Registrations**

Renewals: 26, 524

New Applications: 429

Total Registrations: 26, 945

**2021/2022 New Applications:**

Closed-Registered: 4,601

Closed-Denial: 84

Close-Cancelled: 42

**2021/2022 Registrations**

Renewals: 33,644

New Applications: 4,601

Total Registrations: 38,252

● **Paralegal/Background Reviewers/Hearing Officers Report – Supriya Panda**

Supriya Panda shared with the board additional Background Reviewer recommendations regarding issues that the Background Reviewers encounter. A copy of this report was distributed to all board members.

**Suggestions & Issues from the Background Reviewers**

**Suggested Revisions:**

1. On the Background Questionnaire portions of the online application, if the applicants select “Yes” to any of the three questions, the corresponding text box should become a required field.
  - a. Many applicants select “Yes” to the questions on the Background Questionnaire but fail to provide any of the required information.
2. Question 3 of the Background Investigation Questionnaire and the Background Questionnaire Information should include a question asking for a short statement regarding rehabilitation.

3. Form Change on Question 3 of Background Questionnaire Information:

- a. The form of this question should match the form of Question 3 of the Background Investigation Questionnaire.

**Current Form of Question 3 of the Background Questionnaire Information:**

Have you ever been convicted of, or pled guilty or nolo contendere to, ANY criminal offense, other than a minor traffic violation? (You are not required to disclose any marijuana related offenses specified in the Marijuana Reform Legislation and codified in Health and Safety Code sections 11361.5 and 11361.7.) All convictions MUST be fully reported, even if they have been adjudicated, dismissed, or expunged. The definition of a conviction includes a plea of nolo contendere (no contest) as well as pleas or verdicts of guilty.

You must disclose all convictions, including felonies, misdemeanors, infractions, and municipal code violations, except for minor traffic violations. "Minor traffic violations," for the purposes of this question, means traffic infractions under \$1,000.00 that did not involve alcohol, dangerous drugs, or controlled substances. Convictions that were adjudicated in the juvenile court should NOT be reported.

**Current Form of Question 3 of the Background Investigation Questionnaire:**

**Have you ever been convicted of, or pled guilty or nolo contendere to, ANY federal or state criminal offense, felony, misdemeanor, infraction, or municipal code violation?**

- This includes any conviction, even if it has been adjudicated, dismissed, or expunged and should include ALL criminal offenses, regardless of the length of time since the incident occurred.
  - You are not required to disclose marijuana related offenses specific in the Marijuana Reform Legislation and codified in Health and Safety Code sections 11361.5 and 11361.7.
  - Convictions that were adjudicated in the juvenile court should NOT be reported.

(\*If the answer to this question is yes, provide dates and an explanation of the charges/events that led to the conviction(s) or upload supporting documentation.)

**The council adopted the following:**

**Resolution:** Accept the language suggestion as stated above.

4. Applicants may not be filling out the applications themselves. CTEC should include an attestation that the person filling out the application is the same person who is applying to be a CRTTP.

The committee is working with Mark to add an attestation checklist prior to an applicant starting the new application.

**The council adopted the following:**

**Resolution:** Accept adding the attestation checklist to the new application process.

5. The email field should be a required field on the application.

The committee discussed this topic and recommended having the email field as required on the new application only and not the renewal application.

Mark shared with the board that the email field has not been a required field because some individuals do not have an email address.

The board suggested having the email field as required on the new application only and not the renewal application.

**The council adopted the following:**

**Resolution:** Accept adding the email field as required on the new application only, and not make it required on the renewal application.

6. Applicant should be able to disclose former names on the application (i.e., maiden names)

The committee discussed this topic and recommended adding a field to disclose former names on the application.

Mark shared with the board that CTEC currently has the following statement on the application process: You are required to have your Full **Social Security Number and your last name exactly as it appears on your Social Security Card.**

The board approved adding the option to the review process to disclose former names (legal name or also known as, aka)

**The council adopted the following:**

**Resolution:** Accept adding the option to the review process to disclose former names (legal name or also known as, aka).

● **Background Reviewers Contract – Karen De Vaney**

- Yolanda Cannon
- Sue Gaston
- David Hill

Karen shared with the board that the Background Reviewer contracts will expire on June 30, 2023. A copy of the Background Reviewer contracts was handed out to the board for review.

The committee recommended a \$3 increase to the Background Reviewers hourly rate from \$45 to \$48.

**The council adopted the following:**

**Resolution:** Accept the Background Reviewer contracts as presented with an increase in the hourly rate from \$45 to \$48.

● **Hearing Officers Contract – Karen De Vaney**

- Rudy Bistrovich
- Aaron Gray
- Mary Beth LaMunyon-Jones

Karen shared with the board that the Hearing Officer contracts will expire on June 30, 2023. A copy of the Hearing Officer contracts was handed out to the board for review.

The committee recommended a \$3 increase to their hourly rate from \$45 to \$48.

**The council adopted the following:**

**Resolution:** Accept the Hearing Officers contract as presented with an increase in the hourly rate from \$45 to \$48.

● **Paralegal Contract – Karen De Vaney**

- Supriya Panda

Karen shared with the board that the Paralegal contract will expire on June 30, 2023. A copy of the Paralegal contracts was handed out to the board for review.

**The council adopted the following:**

**Resolution:** Accept the Paralegal contract as presented.

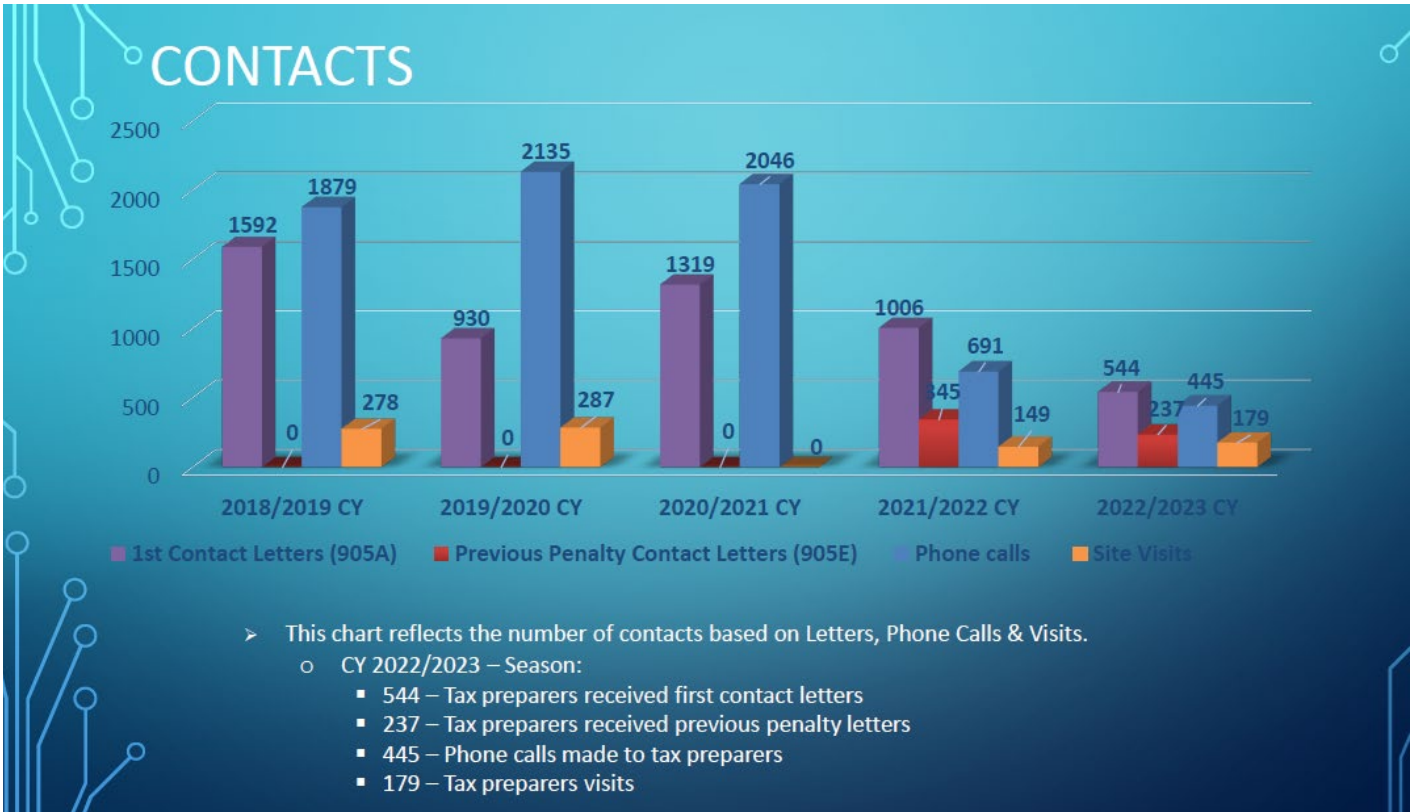
● **FTB Report – Rebecca Landeros**

Rebecca reviewed the enforcement statistics for 2022/2023. A copy of the report was distributed to all board members. She also introduced two new managers: Diane Ferrari and Raquel Hopkins.



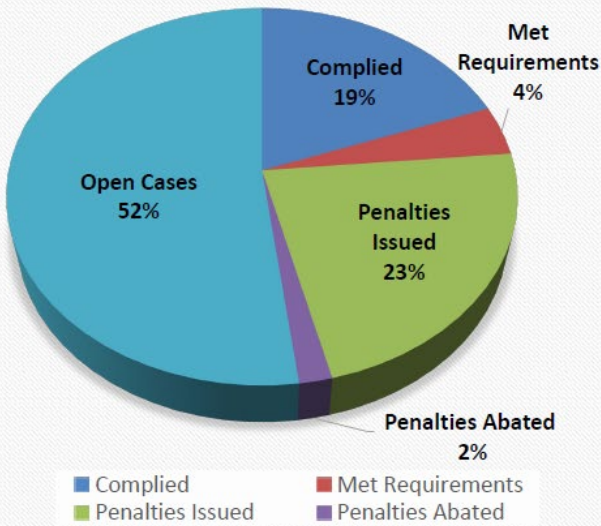
# CTEC ENFORCEMENT

REBECCA LANDEROS  
MAY 17, 2023

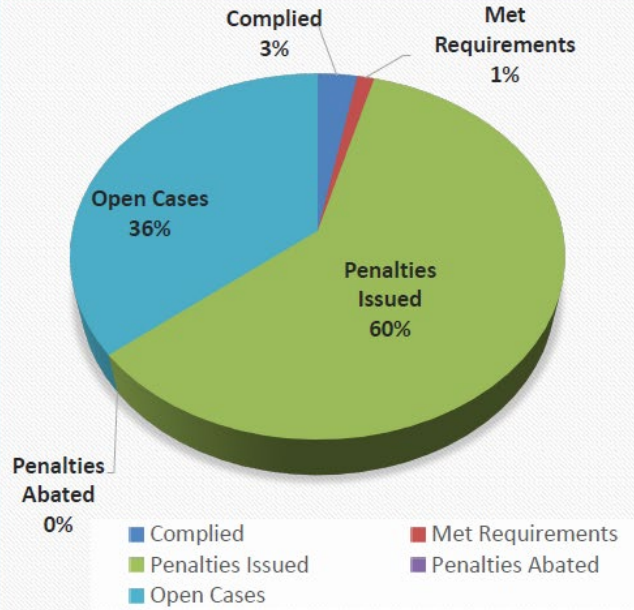


# LETTERS

FIRST CONTACT LETTERS – 2023 CY



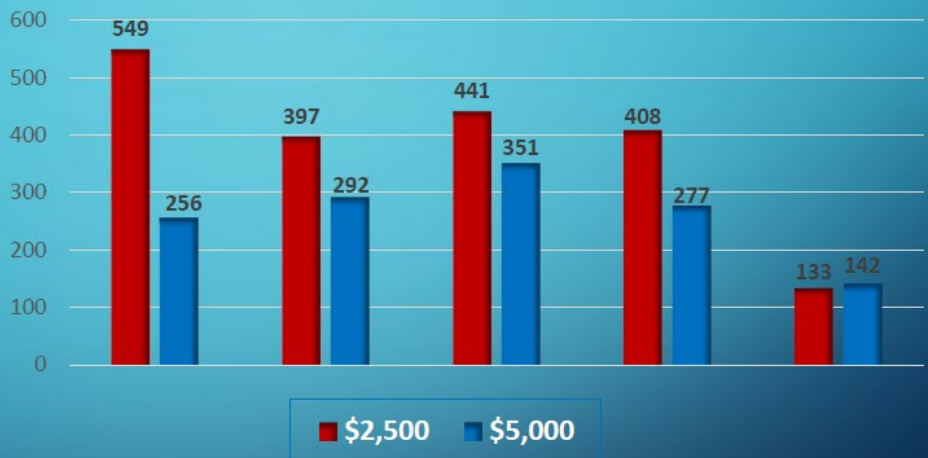
PREVIOUS PENALTY LETTERS – 2023 CY



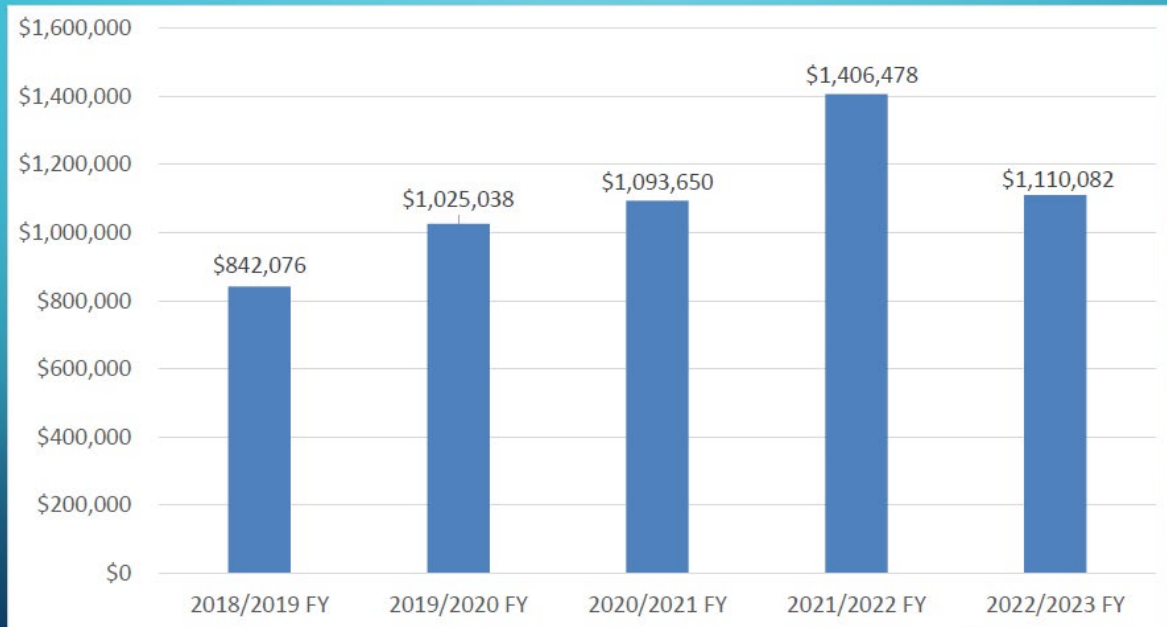
# PENALTIES ISSUED

2023 Mid-Season:

- \$2,500 – 133 Issued
- \$5,000 – 142 Issued



## PENALTY REVENUE



## QUESTIONS





Karen suggested penalties collected by FTB be used towards the Ghost Preparer Program which will require a change in CTEC’s Business and Professions Code Sections 22250-22259.

Rebecca shared with the board that FTB will be neutral on such legislation and will not oppose or encourage it.

Rebecca informed the board that there will not only be changes to the B & P Code but also the Revenue and Taxation Code allowing FTB to use the penalties they collect from unregistered preparers for the Ghost Preparers Program.

Rebecca shared with the board that currently they are not able to use those funds for the Ghost Preparers Program.

- **Modify budget requests for Tax Preparer Committee for the fiscal year 2023-2024**

The following changes were made to the budget:

- Increase the Window Stickers line item to \$5,000.
- Increase the Email Renewal Reminder line item from \$0 to \$3,000.
- Increase the Background Reviewers line item from \$25,000 to \$27,000.
- Increase the Paralegal line item from \$70,000 to \$100,000.00.

Function / Detail	2022 / 2023 Actual Budget	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Renewal Certificates and Envelopes	\$19,283.88	\$18,000.00	-\$1,283.88	\$18,000.00
Window Stickers	\$4,407.59	\$4,407.59	\$0.00	\$5,000.00
Postage	\$8,054.54	\$12,000.00	\$3,945.46	\$12,000.00
Email Renewal Reminder	\$0.00	\$0.00	\$0.00	\$3,000.00
Credit Card Fees	\$49,362.95	\$55,000.00	\$5,637.05	\$55,000.00
Background Reviewers	\$29,064.17	\$25,000.00	-\$4,064.17	\$27,000.00
Paralegals	\$81,188.72	\$70,000.00	-\$11,188.72	\$100,000.00
Hearing Officers	\$3,976.25	\$5,000.00	\$1,023.75	\$5,000.00
Federal Search Services	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>\$195,338.10</b>	<b>\$189,407.59</b>	<b>-\$5,930.51</b>	<b>\$225,000.00</b>

**The total Tax Preparer Committee budget for 2023-2024 is \$225,000.00.**

**The council adopted the following:**

**Resolution:** Accept the Tax Preparer Committee budget for 2023-2024 as presented above.

**S. Budget and Finance Committee Report – Brandon Chanley**

- **Review of Budget and Finance Committee policies**

Brandon shared with the board that the committee reviewed their policies and recommended no changes to the policies at this time.

- **Modify budget requests for Budget and Finance Committee for the fiscal year 2023-2024**

No changes or additions were made to the committee’s budget.

Function / Detail	2022 / 2023 Actual Budget	2022 / 2023 Budget	(+/-) Remaining	2023 / 2024 Budget
Miscellaneous	\$0	\$250.00	\$.250.00	\$250.00

**The total Budget and Finance Committee budget for 2023-2024 is \$250.00.**

**The council adopted the following:**

**Resolution:** Accept the Budget and Finance Committee budget for 2023-2024 as presented above.





- Review and Approve CTEC 2023-2024 Budget

The board reviewed CTEC’s 2023-2024 Budget outlined below:

Income	Jul '21-Jun '22	Jul '22-Jun '23	Jul '23-Jun '24	Jul '24-Jun '25	Jul '25-Jun '26
<b>4000 - Registration</b>					
4001 - New Registration	\$0.00	\$1,000.00	\$0.00	\$0.00	\$0.00
4002 - Renewal Registration	\$3,894.00	\$5,000.00	\$3,000.00	\$3,900.00	\$5,070.00
4003 - CC - New Registration	\$142,329.00	\$150,000.00	\$151,000.00	\$196,300.00	\$255,190.00
4004 - CC - Renewal Registration	\$1,130,272.50	\$1,200,000.00	\$1,100,000.00	\$1,430,000.00	\$1,859,000.00
	<b>Jul '21-Jun '22</b>	<b>Jul '22-Jun '23</b>	<b>Jul '23-Jun '24</b>	<b>Jul '24-Jun '25</b>	<b>Jul '25-Jun '26</b>
<b>Total Registration Fees</b>	<b>\$1,276,495.50</b>	<b>\$1,356,000.00</b>	<b>\$1,254,000.00</b>	<b>\$1,630,200.00</b>	<b>\$2,119,260.00</b>
<b>4005 - Late Registration</b>					
4006 - Registration	\$1,870.00	\$2,500.00	\$2,000.00	\$2,600.00	\$3,380.00
4007 - CC - Registration	\$359,920.00	\$362,000.00	\$368,000.00	\$478,400.00	\$621,920.00
<b>Total Late Fees</b>	<b>\$361,790.00</b>	<b>\$364,500.00</b>	<b>\$370,000.00</b>	<b>\$481,000.00</b>	<b>\$625,300.00</b>
<b>Total 4010 - Mailing List</b>	<b>\$3,250.00</b>	<b>\$3,500.00</b>	<b>\$4,000.00</b>	<b>\$5,200.00</b>	<b>\$6,760.00</b>
<b>4020 - Interest Income</b>					
4021 - Interest - Dividends	\$100.00	\$125.00	\$125.00	\$162.50	\$211.25
4022 - Interest	\$5,558.55	\$6,000.00	\$7,000.00	\$9,100.00	\$11,830.00
4020 - Interest-Income - Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total 4020 - Interest Income</b>	<b>\$5,658.55</b>	<b>\$6,125.00</b>	<b>\$7,125.00</b>	<b>\$9,262.50</b>	<b>\$12,041.25</b>
<b>4030 - Returned Check Charge</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>4040 - Provider Fees</b>					
4041-Qualifying Education	\$6,000.00	\$6,000.00	\$3,000.00	\$3,900.00	\$5,070.00
4042-Continuing Education	\$1,200.00	\$2,400.00	\$2,400.00	\$3,120.00	\$4,056.00
4044 - Periodic Review	\$14,000.00	\$20,000.00	\$20,000.00	\$26,000.00	\$33,800.00
4045 - Provider Late Fees	\$3,500.00	\$3,000.00	\$3,000.00	\$3,900.00	\$5,070.00
<b>Total 4040 - Provider Fees</b>	<b>\$24,700.00</b>	<b>\$31,400.00</b>	<b>\$28,400.00</b>	<b>\$36,920.00</b>	<b>\$47,996.00</b>
4050 - Duplicate Certificate Fee	\$440.00	\$500.00	\$500.00	\$650.00	\$845.00
4060 - Brochure Income	\$189.75	\$300.00	\$300.00	\$390.00	\$507.00
4070 - Miscellaneous Income	\$5.88	\$100.00	\$100.00	\$130.00	\$169.00
<b>Total Income</b>	<b>\$1,672,529.68</b>	<b>\$1,762,425.00</b>	<b>\$1,664,425.00</b>	<b>\$2,163,752.50</b>	<b>\$2,812,878.25</b>
<b>5000 - Board Activities</b>					
5001 - Airfare	\$541.71	\$7,000.00	\$7,000.00	\$7,000.00	\$5,463.64
5002 - Cab/Shuttle	\$20.90	\$1,000.00	\$1,000.00	\$1,000.00	\$1,092.73
5003 - Hotel	\$9,710.94	\$40,000.00	\$40,000.00	\$40,000.00	\$27,318.18
5004 - Mileage	\$1,646.96	\$5,000.00	\$5,000.00	\$5,000.00	\$5,463.64
5005 - Parking	\$317.99	\$2,500.00	\$3,000.00	\$3,000.00	\$1,639.09
5006 - Per Diem	\$1,000.00	\$4,500.00	\$4,500.00	\$4,500.00	\$5,463.64
5007 - Telephone/Fax	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5009 - Postage	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5010 - Board Mtg. Room Expense	\$19,902.71	\$60,000.00	\$70,000.00	\$60,000.00	\$21,854.54
<b>Total 5000 - Board Activities</b>	<b>\$33,141.21</b>	<b>\$120,000.00</b>	<b>\$130,500.00</b>	<b>\$120,500.00</b>	<b>\$68,295.44</b>



<b>5100 - General &amp; Administrative</b>	<b>Jul '21-Jun '22</b>	<b>Jul '22-Jun '23</b>	<b>Jul '23-Jun '24</b>	<b>Jul '24-Jun '25</b>	<b>Jul '25-Jun '26</b>
5103 - Bank Fees/Returned Check Fees	\$0.00	\$200.00	\$200.00	\$200.00	\$1,092.73
5105 - Fees & Licenses	\$150.00	\$300.00	\$300.00	\$300.00	\$163.91
5106 - Insurance	\$1,144.00	\$2,500.00	\$2,500.00	\$4,500.00	\$4,370.91
5107 - Legal Fees	\$19,200.00	\$30,000.00	\$60,000.00	\$30,000.00	\$27,318.18
5109 - Mgmt Contract Expense	\$519,750.00	\$567,000.00	\$567,000.00	\$609,000.00	\$590,072.58
5110 - Printing/ Annual Report	\$3,199.76	\$5,000.00	\$8,500.00	\$6,000.00	\$1,092.73
5113 - Postal Permits	\$322.00	\$500.00	\$500.00	\$500.00	\$546.36
5116 - Miscellaneous Expense	\$0.00	\$500.00	\$500.00	\$500.00	\$546.36
5118 - Returned Items	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5119 - Education & Training	\$0.00	\$7,500.00	\$2,500.00	\$0.00	\$0.00
<b>5100 - General &amp; Administrative</b>					
5120 - Capitol Reserve	\$0.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
5130 Taxes (Sales Tax)	\$47.19	\$0.00	\$0.00	\$0.00	\$500.00
<b>Total 5100 - General &amp; Administrative</b>	<b>\$543,812.95</b>	<b>\$628,500.00</b>	<b>\$657,000.00</b>	<b>\$666,000.00</b>	<b>\$640,703.75</b>
<b>5150 - Budget &amp; Finance Committee</b>					
5151 - Conference Calls	\$0.00	\$250.00	\$250.00	\$250.00	\$250.00
<b>Total 5150 - Budget &amp; Finance</b>	<b>\$0.00</b>	<b>\$250.00</b>	<b>\$250.00</b>	<b>\$250.00</b>	<b>\$250.00</b>
<b>5160 Audit Oversight Committee</b>					
5101 - Accounting/Filing	\$11,100.00	\$15,000.00	\$16,000.00	\$15,000.00	\$15,000.00
5102 - Conference Calls	\$0.00	\$0.00	\$0.00	\$250.00	\$250.00
5169 - Travel Expense	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00
Annual Report	\$5,267.21	\$4,500.00	\$0.00	\$6,000.00	\$6,000.00
<b>Total 5160 - Audit Oversight</b>	<b>\$16,367.21</b>	<b>\$19,500.00</b>	<b>\$16,000.00</b>	<b>\$22,250.00</b>	<b>\$22,250.00</b>
<b>5200 - Bylaws Committee</b>					
5201 - Conference Calls	\$0.00	\$250.00	\$250.00	\$250.00	\$250.00
<b>Total 5200 - Bylaws</b>	<b>\$0.00</b>	<b>\$250.00</b>	<b>\$250.00</b>	<b>\$250.00</b>	<b>\$250.00</b>
<b>5300 - Communications &amp; Technology</b>					
5306 - Software Development	\$21,250.00	\$0.00	\$0.00	\$0.00	\$0.00
5307 - Software Update	\$36,890.00	\$20,000.00	\$20,000.00	\$10,000.00	\$10,000.00
5308 - Hardware	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5309 - System Maintenance / Hosting	\$38,500.00	\$42,000.00	\$42,000.00	\$42,000.00	\$24,200.00
5310 - Computer Hosting	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5311 - Cyber Insurance	\$1,797.87	\$2,500.00	\$2,500.00	\$12,000.00	\$5,000.00
5312 - Microsoft Cloud	\$8,689.95	\$12,000.00	\$12,000.00	\$2,500.00	\$2,500.00
IT Risk Assessment Review	\$0.00	\$0.00	\$25,000.00	\$25,000.00	\$25,000.00
5313 - Database Cleanup	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total 5300 - Comm. &amp; Technology</b>	<b>\$107,127.82</b>	<b>\$76,500.00</b>	<b>\$101,500.00</b>	<b>\$66,500.00</b>	<b>\$41,700.00</b>
<b>5400 - Curriculum Provider Committee</b>					
5406 - Curriculum review - QE and CE 5406 - Periodic Review	\$60,292.49	\$84,675.00	\$84,675.00	\$70,000.00	\$70,000.00
5411 - Provider Task Force meeting	\$0.00	\$750.00	\$750.00	\$1,500.00	\$1,500.00
5413 - Policy Reviewer	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
5414 - Audit Review	\$11,391.29	\$19,800.00	\$19,800.00	\$12,000.00	\$10,000.00
5415 - Appeal Process	\$0.00	\$4,000.00	\$4,000.00	\$18,750.00	\$18,750.00
5417 - CP23 Update	\$6,075.00	\$12,000.00	\$12,000.00	\$0.00	\$0.00

5400 - Curriculum Provider Committee	Jul '21-Jun '22	Jul '22-Jun '23	Jul '23-Jun '24	Jul '24-Jun '25	Jul '25-Jun '26
5418 - Website Review	\$0.00	\$5,000.00	\$0.00	\$0.00	\$0.00
<b>Total 5400 - Curriculum Provider</b>	<b>\$77,758.78</b>	<b>\$126,225.00</b>	<b>\$121,225.00</b>	<b>\$107,250.00</b>	<b>\$105,250.00</b>
5500 - Executive Committee					
5501 - Conference Calls	\$0.00	\$250.00	\$250.00	\$250.00	\$250.00
<b>Total 5500 - Executive</b>	<b>\$0.00</b>	<b>\$250.00</b>	<b>\$250.00</b>	<b>\$250.00</b>	<b>\$250.00</b>
5600 - Governance Committee					
5608 - Orientation / Recognition	\$138.95	\$1,000.00	\$1,000.00	\$1,500.00	\$1,500.00
5610 - Travel for CRTP Director Applicants	\$0.00	\$5,000.00	\$2,500.00	\$25,000.00	\$25,000.00
<b>Total 5600 - Governance</b>	<b>\$138.95</b>	<b>\$6,000.00</b>	<b>\$3,500.00</b>	<b>\$26,500.00</b>	<b>\$26,500.00</b>
5700 Governmental Relations					
5702 - Printing Sunset review docs	\$0.00	\$10,000.00	\$0.00	\$0.00	\$1,000.00
5703 - Polling Expense	\$0.00	\$40,000.00	\$0.00	\$0.00	\$0.00
5704 - Sunset Expense	\$0.00	\$60,000.00	\$0.00	\$0.00	\$15,000.00
Legislative Issues	\$0.00	\$0.00	\$60,000.00	\$60,000.00	\$60,000.00
5705 - Travel & Hotel	\$0.00	\$7,500.00	\$7,500.00	\$5,000.00	\$5,000.00
5706 - Enforcement	\$172,305.34	\$407,000.00	\$407,000.00	\$523,547.00	\$260,000.00
<b>Total 5700 - Governmental Relations</b>	<b>\$172,305.34</b>	<b>\$524,500.00</b>	<b>\$474,500.00</b>	<b>\$528,547.00</b>	<b>\$281,000.00</b>
5800 - Public Awareness					
5802 - Compliance Brochure "How To..."	\$2,962.98	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
5803 - Printing - Preparer Newsletter	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00
5804 - Advertising	\$232,517.05	\$391,000.00	\$391,000.00	\$601,500.00	\$601,500.00
5805 - Public Relations	\$67,500.00	\$89,100.00	\$89,100.00	\$81,000.00	\$81,000.00
5806 - Speakers Bureau Travel	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
5807 - Toll Free Lines	\$0.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00
5808 - Public Brochure "Choosing your CRTP"	\$0.00	\$3,500.00	\$3,500.00	\$3,500.00	\$3,500.00
5809 - Postage - Preparer Newsletter	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00
5810 - Promotional Items	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
5812 - Public Relations Expenses	\$932.52	\$2,500.00	\$2,500.00	\$2,000.00	\$2,000.00
5813 - Advertising Survey	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5814 - Advertising Commission	\$19,333.00	\$33,675.00	\$33,675.00	\$60,000.00	\$60,000.00
5815 - Media Clipping Service	\$3,191.45	\$0.00	\$0.00	\$5,500.00	\$5,500.00
5816 - Preparer Newsletter - Email	\$3,408.90	\$0.00	\$1,000.00	\$5,000.00	\$5,000.00
<b>Total 5800 - Public Awareness</b>	<b>\$329,845.90</b>	<b>\$524,575.00</b>	<b>\$525,575.00</b>	<b>\$793,300.00</b>	<b>\$793,300.00</b>
5900 Tax Preparer Committee					
5902 - Renewal Post card / Certificates	\$10,152.99	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00
5906 - Window Stickers	\$0.00	\$4,407.59	\$5,000.00	\$4,407.59	\$4,407.59
5908 - Postage	\$7,285.64	\$12,000.00	\$12,000.00	\$25,000.00	\$25,000.00
Email Renewal Reminder	\$0.00	\$0.00	\$3,000.00	\$10,000.00	\$10,000.00
5912 - Credit Card Fees	\$49,191.09	\$55,000.00	\$55,000.00	\$55,000.00	\$55,000.00
5913 - Background Reviewers	\$22,517.65	\$25,000.00	\$27,000.00	\$50,000.00	\$50,000.00
5914 - Paralegal	\$59,637.58	\$70,000.00	\$100,000.00	\$0.00	\$0.00
5915 - Hearing Officer	\$2,547.50	\$5,000.00	\$5,000.00	\$25,000.00	\$25,000.00
5917 - Federal Search Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total 5900 - Tax Preparer</b>	<b>\$151,332.45</b>	<b>\$189,407.59</b>	<b>\$225,000.00</b>	<b>\$187,407.59</b>	<b>\$187,407.59</b>

6999 - Uncategorized Sales Tax Expense	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7020 - Amortization - Curriculum Provider	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7021 - Amortization - Public Awareness	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7022 - Amortization - Tax Preparer	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8000 - Brokerage Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Income</b>	<b>\$1,672,529.68</b>	<b>\$1,762,425.00</b>	<b>\$1,664,425.00</b>	<b>\$2,163,752.50</b>	<b>\$2,812,878.25</b>
<b>Total Expenses</b>	<b>\$1,431,830.61</b>	<b>\$2,215,957.59</b>	<b>\$2,255,550.00</b>	<b>\$2,519,004.59</b>	<b>\$2,167,156.78</b>
<b>(Enter Months)</b> <b>3</b>	<b>\$238,638.44</b>	<b>\$553,989.40</b>	<b>\$563,887.50</b>	<b>\$629,751.15</b>	<b>\$541,789.20</b>
<b>Net Income</b>	<b>\$240,699.07</b>	<b>-\$453,532.59</b>	<b>-\$591,125.00</b>	<b>-\$355,252.09</b>	<b>\$323,675.45</b>
Current Bank Balance	\$ 191,985.94	\$ 1,257,183.85	\$ 1,257,183.85	\$ 1,350,921.22	\$ 1,350,921.22
Surplus or Deficit (-)	\$432,685.01	\$803,651.26	\$666,058.85	\$995,669.13	\$1,674,596.67

The board recommended approval of CTEC’s fiscal year 2023-2024 budget based on 38,000 registrations -- total registration fee of \$1,254,000.00; total income of \$1,664,425.00; total expenses of \$2,255,550.00 with 3 months reserve \$563,887.50 for a total net income of -\$591,125.00. The current CTEC bank balance is \$ 1,257,183.85.

**The council adopted the following:**

**Resolution:** Accept the 2023-2024 budget as presented.

**T. Public comments regarding issues, not on this agenda – C. Lester Crawford**

Rebecca Landeros thanked the board for the opportunity to bring up the issue of not being able to use the FTB/CTEC budget to travel to conferences.

Rebecca informed the board that during the Sunset Review hearing process the question was asked whether FTB can use the FTB/CTEC budget for conferences and why. She informed the board that there is money in the FTB/CTEC budget to utilize for these travels.

She is requesting the board reconsider FTB attending the IRS forums and other conferences.

This topic was tabled to the November board meeting.

**U. Items/suggestions from Board Members for future meeting agendas – C. Lester Crawford**

The board suggested the following:

- Add the topic “FTB travel to IRS Forums and other conferences” to the Governmental Relations Committee agenda.
- Add CT04 – CTEC Personally Identifiable Information (PII) policy to the Communications and Technology Committee agenda.

Brandon Chanley suggested that committee chairs, when giving their committee report, give a full background report on why they are bringing each policy or motion to the board for approval. It helps the full board to have clarification on what is being voted on.

Ruth Godfrey recommended having microphones on the table to be able to hear each other better.

Lester thanked all board members, CTEC Curriculum Reviewers, Paralegal, Hearing Officers, Background Reviewers, Gigi Jones, Mark Griffith, and Advocation staff for all their hard work.

**V. Adjourn**

The board meeting adjourned at 9:46 a.m. on Thursday, May 18, 2023.