



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

Date: May 18 - 19, 2022

Time: 8:00 AM Pacific Time

Board Members Present

Brandon Chanley, Chair
Fernando E. Angell III
C. Lester Crawford
Ray Davis
Karen De Vaney
Susie DiMaggio
Lee Reams., Sr.
Yvette Rupp
Katie Zollo

Administrative Staff Present

Tabitha Bolkish
Celeste Heritage

A. Call to Order

The meeting was called to order at 8:00 a.m. on Wednesday, May 18, 2022.

B. Call of the Roll

All board members were present except Ann Springborn and Ruth Godfrey, who had excused absences.

C. Approval of the Draft Minutes from November 18, 2021

The minutes were approved as presented.

D. Approval of the Draft Minutes from Strategic Planning Session from November 18, 2021

The minutes were approved as presented.

E. Chair's report – Brandon Chanley

Brandon Chanley welcomed staff and the public and gave an overview of conducting the meeting.

F. Presentations by CRTP Candidates:

- [Jodi Runyan-Schechter, A256230](#)
- [Kenneth James Quick, A044858](#)

Elections for CRTP Director vacancies were posted on the CTEC website and in the newsletter. Katie Zolo informed the committee that two applications were received for the vacant positions. The committee reviewed the applications and recommended both applicants be invited to attend the board meeting.

Jodi Runyan-Schechter and Kenneth James Quick outlined their experience and why they would like to be on the board.



G. Discussion/Voting regarding CRTP Director Candidates

The board discussed the CRTP applicants and voted by closed ballot. Jodi Runyan-Schechter and Kenneth James Quick were elected by the board as the new CRTP Directors commencing July 1, 2022.

The council adopted the following:

Resolution: Accept Jodi Runyan-Schechter and Kenneth James Quick as the new CRTP Directors commencing July 1, 2022.

H. Review of Board Policies – Brandon Chanley

Brandon reminded the board that at the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies.

- Policy BD01 – Council Mission Statement

The board reviewed policy BD01 – Council Mission Statement and recommended no changes to this policy.

- Policy BD02 – Council Appointments

The board reviewed policy BD02 – Council Appointments and recommended no changes to this policy. Board members will contact staff to make sure their contact information is up to date.

- Policy BD03/03 – Committee Assignments

The board reviewed policy BD03/03 – Committee Assignments and recommended no changes to this policy.

- Policy BD04 – Term Information

The board reviewed policy BD04 – Term Information and recommended the following changes:

OFFICERS

The term of office for all officers is one year with the option for a one-year renewal. Officers may not serve more than two consecutive years in the same office. For purposes of this rule, where an officer has been elected to fill the uncompleted term of a resigning officer, the uncompleted term of the resigning officer is not considered part of the two consecutive year limit. *In the event that there are no qualified candidates, the current officer(s) may serve an additional one-year term or until a qualified candidate is elected.*

EXECUTIVE COMMITTEE

Members of the Executive Committee are the CTEC Chair, the CTEC Secretary and the CTEC Treasurer. The other two members of the Executive Committee are board elected. The board elected members of the Executive Committee shall be elected for a one-year term with the option of a one-year renewal. They may not serve more than two consecutive years. *In the event that there are no qualified candidates, the current member(s) may serve an additional one-year term or until a qualified candidate is elected.*

COMMITTEE CHAIRS

A director may serve as chair of only one committee at a time *if possible*. All committee chairs are appointed by the council chair. Committee assignments shall be based on the director's interest. The council chair may appoint up to three directors whenever the committee membership is less than three directors.

Advisory Board Members

All Advisory Board Members are elected by the board with no term limits.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BD05 – Agenda Preparation**

The board reviewed policy BD05 – Agenda Preparation and recommended the following changes:

AGENDA PACKETS: The agendas for regular committee and board meetings are prepared in a collaborative effort between staff and the committee chair. The following steps will be maintained:

1. Three weeks prior to the committee meeting, staff will create and forward to the committee chair a draft agenda that includes the open items from the last meeting, any new items that have arisen, the committee member or staff assigned to make any report needed, and the title or purpose of any handout that is anticipated for the meeting.
2. Two weeks prior to the committee meeting, the committee chair will approve the agenda with any changes or comments.
3. According to Bagley-Keene, the board agenda must be posted on the CTEC website ten days before the board meeting. Agenda items for the board meeting will include those items discussed during the committee meetings.
4. Staff will prepare and distribute, via e-mail, the agendas and handouts for both the committee and board meetings.

~~MEETING AGENDA PACKETS: CTEC staff will e-mail, fax, or mail any materials, for example budget report (budget vs. actual), committee agendas, staff reports, updated provider lists, draft policies, and additional handouts pertinent to the meeting, one week prior to the Board/committee meetings.~~

~~The Board of Directors will incorporate this material into their CTEC Informational Handbook and bring it to the meeting. Any material not available at the time the package was sent will be distributed in hard copy form at the meeting. Reference CTEC Policy BD05-01 (Agenda Preparation) for agenda preparation procedures.~~

MEETING NOTICES: Board and committee meeting dates and locations are approved at the annual meeting.

Meeting schedules are posted on the CTEC website and published in the preparer and provider newsletters. No later than one month prior to meetings, a notice will be posted with the date, ~~time~~ and location of the meeting, ~~and information on how to contact the hotel to make room reservations. No later than one week prior to meetings, meeting schedules will be posted.~~

The committee meetings will be conducted virtually / via conference call. ~~From time to time, additional committee meetings are required above and beyond those scheduled at the regular meetings.~~ Notices for these meetings will be sent to Directors via e-mail, ~~or phone message, or may be sent via fax or regular mail.~~ If a meeting is required immediately, it may be conducted via conference call. ~~All such meetings will be posted on CTEC's website as dates and times are established.~~

At the next meeting, the minutes are either approved as presented or approved as corrected. If corrected, staff will make the necessary corrections. Minutes will then be changed from “Draft” to “Approved”, a signature line will be provided for the Chair or Secretary, and then minutes will be ~~emailed~~ mailed to each Chair, or, in the case of Board minutes, to the Secretary ~~with a stamped, addressed envelope.~~ The Chair or Secretary signs and returns the minutes to staff via email.

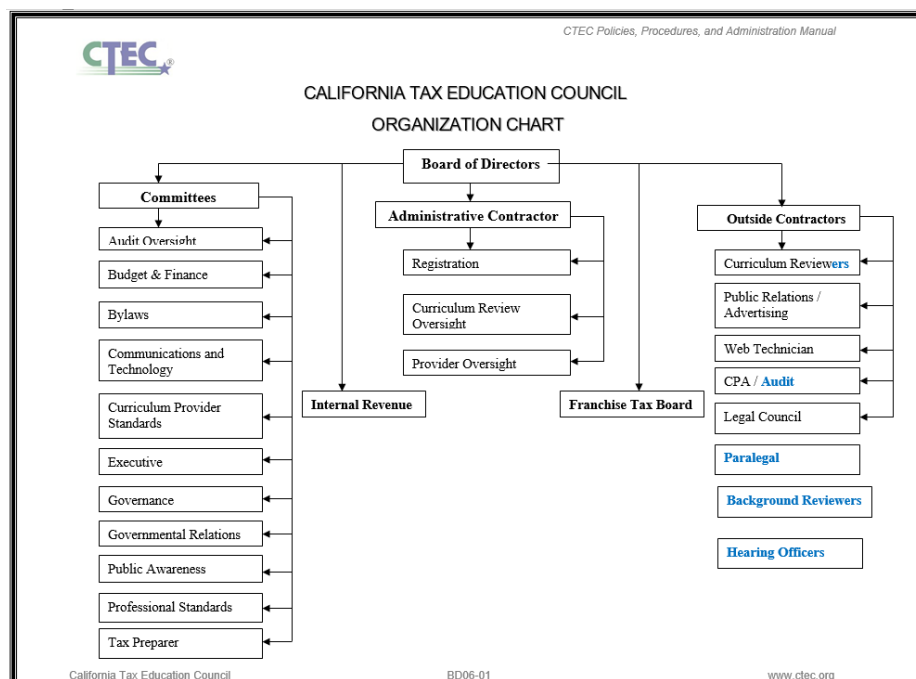
Responsibility: Staff and Board of Directors

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BD06 – Organization Chart**

The board reviewed policy BD06 – Organization Chart and recommended the following changes:



The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BD07 – Council Appointment Qualifications**

The board reviewed policy BD07 – Council Appointment Qualifications and recommended the following changes:

CTEC staff will send out, **every two years** in August, letters to all organizations/companies, with representatives on the board, requesting the following information be sent, in writing, to the CTEC office by November 1st:

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BD08 – Authorized Committee and Charge**

The board reviewed policy BD08 – Authorized Committee and Charge and recommended the following changes:

The meetings of the board of directors shall be subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code). The board of directors may adopt additional policies and procedures that provide greater transparency to registrants and the public than required by the Bagley-Keene Open Meeting Act.

Audit Oversight Committee: **The Committee Chair is appointed by the Board Chair.** The Audit Oversight Committee shall have the responsibility in overseeing the audit process and working with the outside auditor on the timely completion of the audit, issuance of the audit report and responding to the Auditor's Management Letter.

Members of the Committee shall include the Treasurer, and two other directors that the Board Chair wishes to appoint. Neither the Treasurer nor the Budget and Finance Chair shall be the Chair of the Audit Oversight Committee.



Communications & Technology Committee: The Committee is chaired by the Board Chair and is made up of committee chairs. Committee chairs may appoint another committee member to replace them on the Communications & Technology Committee. The Communications & Technology Committee reviews and updates the CTEC website and online registration system.

Public Awareness Committee: The Committee Chair is appointed by the Board Chair. The Committee is responsible for the development and implementation of a communications program targeted to taxpayers, registered preparers, media, education providers, and anyone interested in CTEC and its mission. The goal of the Committee is to ensure the public has an understanding of what CTEC is and who CRTPs are.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BD09 – Board Meeting Structure and Seating**

The board reviewed policy BD09 – Board Meeting Structure and Seating and recommended the following changes:

Background: Attendance at Board and committee meetings includes: directors, government agency representatives, staff, curriculum providers, and the general public. Meetings are conducted under the “Roberts Rules of Order” and Bagley Keen Open Meeting Act. ~~only~~ The Board of Directors and those invited by the Board of Directors are allowed to participate in the Board meeting.

Board Meeting Setup: To facilitate an efficient meeting, the meeting room shall be organized as follows:

1. Only directors, ~~Government Agency Representatives~~ and designated staff shall be seated at the conference table.
2. The conference table shall be set up in the most efficient arrangement, with sufficient space for each participant.
3. The officers shall be seated at the head of the table, with the Council Chair in the center.
4. Committee Chair is seated next to the Council Chair while conducting committee meeting.
5. The recording secretary shall be seated at the head table next to the Chair.
6. The balance of the Board of Directors shall be seated around the conference table.
7. All others shall be seated around the periphery of the meeting room.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BD10 – Liability Insurance**

The board reviewed policy BD10 – Liability Insurance and recommended the following changes:

Background: CTEC ~~wishes shall to~~ protect Board members against lawsuits arising from their service on the Board.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BD11 – Strategic Planning**

The board reviewed policy BD10 – Strategic Planning and recommended removing the year from the title.

STRATEGIC PLAN ~~2020-2021~~

The council adopted the following:

Resolution: Accept the policy as presented.



- **Policy BD12 – Annual Report**

The board reviewed policy BD12 – Annual Report and recommended no changes to this policy.

- **Policy BD13 – Due Dates**

The board reviewed policy BD13 – Due Dates and recommended no changes to this policy.

- **Policy BD14 – Board Meeting Schedule**

The board reviewed policy BD14 – Board Meeting Schedule and recommended no changes to this policy.

- **Policy BD15 – Board Member Meeting Attendance**

The board reviewed policy BD15 – Board Member Meeting Attendance and recommended the following changes:

Attendance at all scheduled Board and Committee meetings is **required**. ~~mandatory~~.

Excused Absences: Each Director shall be allowed ~~one~~ **a limited number of** excused absences per calendar year. An excused absence shall be either:

If absences become an issue, the board will take appropriate action.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BD16 – Board Understudy Program**

The board reviewed policy BD16 – Board Understudy Program and recommended the following changes:

Appointing Organization: Each appointing organization will be sent a copy of this policy **every other year** ~~annually~~ with a letter requesting the name of their representative, along with an explanation on the important contribution trained, experienced Directors make to CTEC. The letter will request their compliance with this policy, and GV05 (Directors Rights, Duties & Responsibilities), Section C, Duty of Loyalty, states, “In exercising duty of loyalty, Directors must acknowledge that the best interests of CTEC must prevail over the Directors or individual interests or the interests of the organization appointing him or her.”

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BD17 – Selection of CRTP Directors**

The board reviewed policy BD17 – Selection of CRTP Directors. This policy was adopted by the Governance Committee and made GV11.

- **Policy AD01 – Administration Contract**

The board reviewed policy AD01 – Administration Contract and recommended the following changes:

Under Agent of Service and Contract Administration, the address has been updated.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy AD02 – Administrative Services**

The board reviewed policy AD02 – Administration Services and recommended eliminating this policy from the Procedures Manual.

The council adopted the following:

Resolution: Accept to eliminate the above policy as presented.



- **Policy AD03 – CTEC E-mail and Mailing List**

The board reviewed policy AD03 – CTEC E-mail and Mailing List and recommended the following changes:

CTEC offers two types of mailing lists:

- The first list contains the current names and mailing addresses of CTEC Registered Tax Preparers, and is updated on a daily basis. Registered tax preparers can, upon registration, elect to have their names excluded from this mailing list.
- The second list contains the current names and e-mail addresses of CTEC Registered Tax Preparers, and is updated on a daily basis. Registered tax preparers can, upon registration, elect to have their names excluded from this mailing list.

Each list is \$250 plus tax. To purchase both lists, the cost would be \$500 plus tax. (Reference: CTEC Policy BF04 – Fees). Payment can be made by credit card, cashier's check or money order. Orders must be prepaid.

Conditions of Sale:

1. CTEC reserves the right to refuse to sell the list for uses that CTEC considers unsuitable.
2. The list may be used as many times as the purchaser sees fit.
3. The list will be sent via e-mail to purchaser.
4. Names will be provided in CTEC registration number order and can be sorted by any field.
5. There are no refunds once the list has been e-mailed.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy AD04 – Contact Information**

The board reviewed policy AD04 – Contact Information and recommended eliminating this policy from the Procedures Manual.

The council adopted the following:

Resolution: Accept to eliminate the above policy as presented.

- **Policy AD05 – Meetings, Minutes, Agenda and Notices**

The board reviewed policy AD05 – Meetings, Minutes, Agenda, and Notices and recommended eliminating this policy from the Procedures Manual and including portions of this policy in BD05 – Agenda Preparation.

The council adopted the following:

Resolution: Accept to eliminate the above policy as presented.

- **Policy AD06 – New CTEC Council Member Orientation**

The board reviewed policy AD06 – New CTEC Council Member Orientation and recommended the following changes:

Background: CTEC wishes new Board members to be apprised of all CTEC materials and policies. (Reference: CTEC Policy BD16 – Board Understudy Program). As new directors join the Board, it is necessary for these individuals to have a clear understanding of how the Board was established, a history of the Board's achievements and directives, and knowledge of the day-to-day operations and procedures developed to carry out the mandates established by the statute. ~~It is also important for all individuals applying appointed/elected to become directors to understand what is involved with these positions and what responsibilities they will be assuming before a final commitment by them is made.~~

The council adopted the following:

Resolution: Accept the above policy as presented.



- **Policy AD07 - Request for Proposal**

The board reviewed policy AD07 – Request for Proposal and recommended the following changes:

Background: The California Tax Education Council currently contracts with an outside firm for the management of the Council. This contract is for a two-year period with provisions for three renewal options. (~~Reference: CTEC Policy AD02-02—Administrative Services~~). Additionally, from time to time, CTEC has other work that requires services from other firms or persons under a contract arrangement.

The council adopted the following:

Resolution: Accept the above policy as presented.

I. Modify budget requests for the fiscal year 2022-2023 if applicable

- **Board Activities**

The following changes were made to the budget:

- Decrease Parking line item from \$3,000 to \$2,500.

The Board total budget for 2022-2023 is \$120,000.

- **General and Administrative**

The following changes were made to the budget:

- Decrease Insurance line item from \$3,000 to \$2,500.
- Increase Legal Fees line item from \$20,000 to \$30,000
- Increase Education & Training line item from \$0 to \$7,500

The General and Administrative total budget for 2022-2023 is \$628,500.

The council adopted the following:

Resolution: Accept the Board and the General & Administrative budgets for 2022-2023 as presented above.

J. Secretary's report – Ann Springborn

No Report.

K. Treasurer's report – Ruth Godfrey

Celeste Heritage reviewed the Profit & Loss Budget vs. Actual handouts.

L. Audit Oversight Committee Report – Susie DiMaggio

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

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Audit and Oversight Committee policies and recommended the following changes:

- **Policy AT01 - Audit Oversight Committee Mission Statement**

Susie informed the board that the committee reviewed policy AT01 – Audit Oversight Committee Mission Statement and recommended no changes to the policy.

- **Policy AT02 - Audit Oversight Committee**

Susie informed the board that the committee reviewed policy AT02 – Audit Oversight Committee and recommended the following changes:

Responsibilities: The Committee and **CTEC Administrator**, working with the Treasurer, ~~and appropriate administrative staff~~, shall review the Auditor's Management Letter and make appropriate recommendations to the Board of Directors and staff as to changes to improve the financial management of the Board. These recommendations shall be presented no later than the annual meeting (usually held in November).

The ~~Committee~~ **CTEC Administrator** shall meet with the Audit manager to discuss the Auditor's management letter **prior to the distribution of the letter.** ~~the review with CTEC Administrator.~~



The **CTEC Administrator Committee** shall ~~also~~ ensure that the Board Chair and the Treasurer receive a copy of the final draft of the annual report prior to authorization for final printing.

The Committee, working with the **CTEC Administrator, Auditor,** shall ensure that the report, along with the Auditor's Management Letter, is included in the Board packet mailed prior to the annual meeting of the Board of Directors. The committee recommended the following approve AT02 – Audit Oversight Committee policy as stated above.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy AT03- Year-End Close / Quickbooks Accounting Policy & Procedures**

Celeste informed the board that she does not close the CTEC books at year-end. Susie reminded the board that the policy does not require year-end closing and that the policy states it is the CTEC Administrator's choice to close the financial records at year-end.

The board reviewed policy AT03 – Year-End Close / Quickbooks Accounting Policy & Procedures and recommended no changes to the policy and suggested leaving it up to the CTEC Administrator to close the financial records at year-end.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Modify budget requests for the Audit Oversight Committee for the fiscal year 2022-2023**

The following changes were made to the budget:

- Decrease Travel Expenses line item from \$1,000 to \$0
- Inactivate Conference Calls line item
- Decrease Annual Report line item from 6,000 to \$4,500

Function / Detail	2021 / 2022 Actual	2021/ 2022 Budget	(+/-) Remaining	2022 / 2023 Budget
Accounting / Filing	\$11,100.00	\$15,000.00	\$3,900.00	\$15,000.00
Travel Expenses	\$0.00	\$1,000.00	\$1,000.00	\$0.00
Annual Report	\$5,267.21	\$6,000.00	\$732.79	\$4,500.00
Total	\$16,367.21	\$22,250.00	\$5,882.79	\$19,500.00

The total Audit Oversight Committee's budget for 2022-2023 is \$19,500.

The council adopted the following:

Resolution: Accept the Audit Oversight Committee's budget for 2022-2023 as presented above.

M. Bylaws Committee Report – Ann Springborn/C. Lester Crawford

o **Review of Bylaws Committee policies**

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Bylaws Committee policies and recommended the following changes:

- **BL01 – Bylaws Committee Mission Statement**

The committee reviewed BL01 – Bylaws Committee Mission Statement and recommended removing the word “all” from the first sentence “The Bylaws Committee shall be responsible for the review of all amendments, shall submit ~~all~~ amendments to legal counsel for conformance to California law and shall submit reviewed amendments to the Board members for approval”.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **BL02 - Bylaws**

The committee reviewed BL02 – Bylaws and recommended this policy be sent to the board for further discussion regarding the following sections:

Article 5, Section 3, Term of Office, Term Limits.

Celeste Heritage reminded the board that staff sends out in August of each year letters to all organizations/companies, with representatives on the board, requesting certain information including the name of their appointment to the council. The board reviewed and revise BD07 – Council Appointment Qualifications to coincide with the CTEC Bylaws:

CTEC staff will send out, **every two years in August**, letters to all organizations/companies, with representatives on the board, requesting the following information be sent, in writing, to the CTEC office by November 1st:

The council adopted the following:

Resolution: Accept the above policy as presented.

Article 7, Section 2, Standing Committees of the Board section (b).

Ann reminded the committee that this section reads that the Curriculum Providers Standards Committee (CPSC) shall consist of at least five directors appointed by the Chairperson, at least two of which shall be CTEC registered tax preparers. Ann shared with the committee that Curriculum Provider Standards Committee (CPSC) is not in compliance with the Bylaws as it currently reads.

The board reviewed policy BL02 – Bylaws. Brandon Chanley, CTEC Chair, will assign new CRTP Directors to the CPSC to comply with the Bylaws.

- **Modify budget requests for Bylaws Committee for the fiscal year 2022-2023**

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

The Bylaws Committee’s total budget for 2022-2023 is \$250.

The council adopted the following:

Resolution: Accept the Bylaws Committee’s budget for 2022-2023 as presented above.

N. Communications and Technology Report – Brandon Chanley

- o **Review of Communications and Technology policies**

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Communications and Technology Committee policies and recommended the following changes:

- **Policy CT01 – Communications & Technology Committee Mission Statement**

The committee reviewed CT01 – Communications & Technology Committee Mission Statement policy and recommended the following changes:

The Communications & Technology Committee was formed to ensure that CTEC is effectively **promoting and** communicating with all constituencies in the most efficient ways available using technology that will reach its total audiences through **all available media and communication sources.** ~~written, telephonic, and electronic media.~~

Responsibility: **Communications and Technology Board of Directors**

The council adopted the following:

Resolution: Accept the above policy as presented.



- **Policy CT02 - Website**

The committee reviewed CT02 - Website policy and recommended the following changes:

Background: CTEC provides the public access to tax preparer information via the CTEC website. CTEC ~~wishes~~ **is committed** to make the best possible use of electronic communication as technology improves, with consideration for cost.

Policy: CTEC maintains a website with the address www.ctec.org. On the website, the public will find the following information:

- How to verify that a tax preparer is registered with CTEC
- Current laws regulating tax preparers
- How to become a CTEC Registered Tax Preparer (CRTP)
- Who is approved to provide tax education
- CTEC annual reports
- Press releases
- Common questions and answers
- Newsletters
- CTEC meeting schedule and locations
- How **to file a complaint** or report ~~illegal~~ **an unregistered tax preparer**
- **Log on to Blogs, Podcast and Links to any CTEC media contents**
- Public brochures
- Product list
- Other information as required by law

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Cyber Breach Protocol – Brandon Chanley**

Brandon reminded the board that to protect CTEC from cyberattacks, a cyber liability insurance policy was purchased. It covers CTEC's costs to recover from a data breach, virus, or other cyberattacks. It also covers legal claims resulting from the breach. The policy will reimburse CTEC for expenses related to a data breach, which could include legal counsel and defense, a digital forensics team, notification costs, crisis communications, and setting up a call center and credit monitoring for those affected by the data.

The committee reviewed the Cyber Breach Protocol document and recommended adding it to the Communications and Technology policy as CT03. The committee suggested having Mark draft a procedure policy to be added to the Administration policies for handling a breach, and a response plan with detailed information for the internal process.

The council adopted the following:

Resolution: Accept the above new policy as presented.

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

Mark Griffith gave an updated report on database purging of 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 many records will not be able to be validated until the application is completed.

Records previously created by providers only have the last name and last 6 of the SSN, and more information is needed in order to identify duplicates. He also reminded the board that he is conducting ongoing system security updates and is now performing monthly scans and will be addressing identified issues on an ongoing basis.

The board recommended adding verbiage to the new application process to indicate applicants should be using their legal name, as it appears on their social security card when applying to CTEC.



The board discussed the Find/Verify a Tax Preparer Search criteria on the CTEC public page. When an individual searches for a CRTP right now they have to enter a valid CTEC ID or **one** search criteria. They may enter one or more criteria but additional criteria will narrow the search.

The board suggested having Mark create a “wild card” where part of the word typed will generate the match.

The council adopted the following:

Resolution: Accept adding verbiage to the new application process to indicate applicants should be using their legal name, as it appears on their social security card, when applying to CTEC.

- **Modify budget requests for the Communication and Technology Committee for the fiscal year 2022-2023**

The following changes were made to the budget:

- Decrease Software Development line item from \$21,250 to \$0
- Decrease Software Update line item from \$37,000 to \$20,000

Function / Detail	2021 / 2022 Actual	2021 / 2022 Budget	(+/-) Remaining	2022 / 2023 Budget
Software Development	\$21,250.00	\$21,250.00	\$0.00	\$0.00
Software Update	\$34,850.00	\$37,000.00	\$2,150.00	\$20,000.00
Hardware	\$0.00	\$0.00	\$0.00	\$0.00
System Maintenance / Hosting	\$35,000.00	\$42,000.00	\$7,000.00	\$42,000.00
Cyber insurance	\$1,797.87	\$2,500.00	\$702.13	\$2,500.00
Microsoft Cloud	\$7,186.67	\$12,000.00	\$4,813.33	\$12,000.00
Database Cleanup	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$100,084.54	\$114,750.00	\$14,665.46	\$76,500.00

The total Communications and Technology Committee’s budget for 2022-2023 is \$76,500.

The council adopted the following:

Resolution: Accept the Communications and Technology Committee’s budget for 2022-2023 as presented above.

O. Curriculum Provider Standards Committee Report – Lee Reams

o Review of Curriculum Provider Standards Committee policies

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Curriculum Provider Standards Committee policies and recommended the following changes:

- CP14-Course Review Policy

Lee informed the board of an issue regarding curriculum reviewer costs. When a bundled course (4 separate courses) is submitted for review it requires the review of 4 separate courses each with a maximum review cost of 2 hours. That results in 8 hours of review time, which results in a cost of \$1,800 paid to the curriculum reviewer, which is more than the cost of reviewing a QE course. This occurred during the current review cycle.

(c) Existing Provider Three-Year Curriculum Provider Periodic Review: The following provisions apply solely to the periodic review process:

- (1)** CE and QE courses from each CTEC approved curriculum provider are reviewed once every three years. Providers offering both CE and QE education must submit both types of courses for review every three years, and the provisions of this policy shall be applied separately to the QE and CE courses.

Example, assume the provider obtained QE provider status in year 1 and CE provider status in year 2. The provider would be up for both QE and CE review in the 3rd year after obtaining QE status, which is only the 2nd year after obtaining CE status.

- (2) Curriculum providers subject to periodic review are notified no later than February 1 of the year of review. Notification of curriculum providers, subject to periodic review, will be made by e-mail ~~and in writing~~ to the curriculum provider's last known address.

The following paragraph was added:

- (b) **Review of Bundled Courses:** Where a bundled course is audited, the review shall apply to only one of the courses making up the bundle. Unless otherwise specified by the CPS committee the review shall apply to the 10-hour federal tax subjects portion of the bundle.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **CP34 -Advertising Disclosures – QE & CE**
The board reviewed and discussed policy CP34-Advertising Disclosures – QE & CE. In order to make an informed decision, this topic was tabled to a future committee meeting.
- **CP15-Provider Curriculum Review Expense**
Lee reminded the board that this policy covers amounts charged to providers for initial reviews, periodic reviews, audits, and incomplete submissions. The last time these fees were reviewed by the committee was May 2016 and subsequently increased July 1, 2016. Waiting long periods of time to adjust fees results in substantial increases and there should be a requirement that the committee review these fees annually and recommend appropriate changes. The board reviewed CP15-Provider Curriculum Review Expense policy and recommended the following:
 - (b) – **Committee Review:** The Curriculum Provider Standards Committee shall annually review fees and adjust as appropriate.
 - (c) - **Initial Curriculum Review Costs**
 - (1) **Qualifying Education Applicants:** Providers applying to obtain CTEC approval to offer qualifying education must submit \$1,500 with their initial application packet.
 - (2) **Continuing Education Applicants:** Providers applying to obtain CTEC approval to offer continuing education must submit \$600 with their initial application packet.
 - ~~(3) **Public Universities and Colleges are exempt from submitting provider curriculum review fees.**~~
 - (d) - **Periodic Review Costs**
 - (1) **Qualifying Education Applicants:** Providers required to submit a QE course for periodic review to extend their CTEC approval, must submit \$1,000 with their application packet.
 - (2) **Continuing Education Applicants:** Providers required to submit a CE course for periodic review to extend their CTEC approval, must submit \$600 with their application packet.
 - ~~(3) **Public Universities and Colleges are exempt from submitting periodic review fees.**~~

The board suggested having an email sent out to all Public Universities and Colleges informing them of this change.

The council adopted the following:

Resolution: Accept the above policy effective July 1, 2022 as presented.

- **CP08-Student Course Evaluations**

Lee informed the board that IRS Return Preparer Office (RPO) has modified its requirements to the student course evaluations form. Since CTEC policies **must** conform to RPO requirements the following changes were recommended:

- (a)- **Background:** To increase subsequent course effectiveness and to assess student satisfaction with each course material and course instructors, where applicable, ~~written~~ evaluations must be solicited from students at the conclusion of the course. *However, completion of the assessment should be voluntary and not conditional on receiving the Certificate of Completion.*

Because most courses taken by CRTPs provide credit for both CTEC and IRS requirements, the student course evaluation must include information required by both the IRS and CTEC.

(b) - **Minimum Content:**

(1) **Pre-entered Information:** Each evaluation form shall include the following pre-entered information (*when not electronically issued or otherwise fully identifiable*):

(3) **Student Evaluation Entries:** Each course evaluation shall include the following IRS/CTEC-required entries to allow the student to provide feedback related to the course by assigning a number grade using a 1-5 scale, with 5 being the highest⁽¹⁾ or marking NA (Not Applicable)

- (1) Were stated learning objectives met?
- (2) Were course materials accurate and relevant, and did they contribute to the achievement of the learning objectives?
- (3) Was the time allotted to learning adequate?
- (4) Were the facilities/equipment appropriate?
- (5) Were the course syllabus or handout materials satisfactory?
- (6) Were the audio and video materials effective?
- (7) Were individual instructors knowledgeable and effective?
- (8) For self-study courses, number of hours it took to complete the course?
- (9) *Comments section*

The council adopted the following:

Resolution: Accept the above new policy as presented.

- **CP11- Provider Course Completion Certificate**

Lee reminded the board that IRS Return Preparer Office (RPO) has modified its requirements for a provider course completion certificate. Since CTEC policies **must** conform to RPO requirements the following changes were recommended:

(c) - **Information Requirements:** The following information is required on the course completion certificate:

- (1) Full name of student (participant)
- (2) Course name (If course is in federal studies, name should be the same as that used for federal registration.
- (3) CTEC course number *or in the case of a bundled course each course number*
- (4) *IRS-issued course number or numbers (not required for California tax courses).*

Note: the type of studies; Ethics, Federal Tax Subjects or Federal update is not required, as that is reflected in the RPO course number. CA courses are obvious as they will not include an RPO number.

- (5) Number of CE hours for each course
- (6) Course completion date
- (7) Location of presentation (If course was not presented at a physical location, use “self-study” or “webinar” as appropriate.)
- (8) CE provider name (Must be the same as it appears in the IRS CE provider system.
- (9) CE provider address (Must be the same as it appears in the IRS CE provider system.



(10) Signature of the administrator or instructor ~~(dated)~~

(11) Certificate shall include the following citation (note courses that also qualify for NASBA credit may also include the NASBA required statement): **"In accordance with the standards set forth in Circular 230 section 10.6(g)(2), CE credits have been granted based on a 50-minute hour."**

~~(10) Indicate whether the studies were in ethics or professional conduct, federal update, federal tax subjects or California tax subjects.~~

~~(d) **Bundled Courses** — One certificate can be used for bundled courses that include multiple education elements that carry separate IRS and CTEC course numbers, provided all the information for all the courses in the bundle appear on the certificate.~~

The council adopted the following:

Resolution: Accept the above policy as presented.

- **CP36-Provider Notification to new Preparers**

The board reviewed policy CP36-Provider Notification to new Preparers and recommended the following changes:

Background: All QE CTEC approved providers are required to provide students with a copy of CP36-01 – Provider Notification to New Preparers, upon completion of your 60-hour qualifying education course.

IMPORTANT: Just because you successfully completed the 60-Hour qualifying education course does not permit you to prepare tax returns in the state of California. You must also complete the registration process with the California Tax Education Council (CTEC). Carefully read the instructions below to complete that process.

Now that you have successfully completed the 60-hour qualification education course, you have 18 months from the completion date listed on your completion certificate provided by your education provider to register with CTEC. If you do not register with CTEC within the 18 months, you will be required to complete another 60-hour qualifying education course before being able to register.

CTEC registrations MUST be completed online at <https://www.ctec.org/>. You will need the following to complete your registration: An **online application for new preparers; a background check and fingerprinting procedure (Live Scan)**; a \$5,000 tax preparer bond; a valid IRS PTIN; and, payment of registration fee of \$33 with a Visa, Master Card or Debit card.

Here are some important registration reminders:

- CTEC's registration year runs from November 1st to October 31st of the following year.
- After your initial registration, you must complete 20 hours of continuing education annually from a CTEC approved provider and renew your registration with CTEC by October 31st each year.
- There is a late renewal period that runs from November 1st through January 15th of the following year. If you renew during that time period, a late registration fee will apply. **Remember, you are not permitted to prepare taxes during this late renewal registration period.**
- If you fail to renew by January 15th of any given year, you will be required to retake the 60-hour qualifying education course from a CTEC approved provider; **complete an online application for new preparers; complete a background check and fingerprinting procedure (Live Scan)**; have a \$5,000 tax preparer bond; have a valid IRS PTIN; and, register as a new preparer.

The council adopted the following:

Resolution: Accept the above policy as presented.

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

Tabitha Bolkish went over the CTEC Approved Education provide report. Tabitha reminded the board that the majority of the periodic reviews come in close to the June 30th deadline.

APPROVED EDUCATION PROVIDER STATUS 2022

➤ **105 CTEC APPROVED PROVIDERS**



- ✓ 53 PROVIDERS OFFERING QUALIFYING EDUCATION COURSES
- ✓ 73 PROVIDERS OFFERING CONTINUING EDUCATION COURSES
- ✓ 8 PROVIDERS OFFERING CA QUALIFYING EDUCATION COURSES

PERIODIC REVIEW UPDATE 2022

➤ 25 PERIODIC REVIEWS HAVE BEEN SENT

- 6 PROVIDERS OFFER BOTH CE AND QE
- 19 PROVIDERS OFFER CE
- 12 PROVIDERS OFFER QE

- Curriculum Reviewers Contract

Lee shared with the board that the Curriculum Reviewer contracts currently expire on June 30, 2022. A copy of the Curriculum Reviewer contract for Jennifer Coats and Barry Gilbert was handed out to the board for review. The committee recommended a \$10 increase to their hourly rate from \$225 to \$235.

The council adopted the following:

Resolution: Approve the Curriculum Reviewer contracts as presented, with an increase in the hourly rate from \$225 to \$235.

- Modify budget requests for Curriculum Provider Standards Committee for the fiscal year 2022-2023

The following changes were made to the budget:

- Increase Curriculum Review (QE, CE, Periodic Review) line item from \$70,200 to \$84,675
- Increase Audit Review line items from \$14,550 to \$19,800
- Decrease Appeal Process line items from \$6,250 to \$4,000
- Increase Website Review line items from \$2,500 to \$5,000

Function / Detail	2021 / 2022 Actual	2021 / 2022 Budget	(+/-) Remaining	2022 / 2023 Budget
Curriculum Review (QE, CE, Periodic Review)	\$60,292.49	\$70,200.00	\$9,907.51	\$84,675.00
Provider Task Force Meeting	\$0.00	\$750.00	\$750.00	\$750.00
Policy Reviewer	\$0.00	\$0.00	\$0.00	\$0.00
Audit Review	\$11,391.29	\$14,550.00	\$3,158.71	\$19,800.00
Appeal Process	\$0.00	\$6,250.00	\$6,250.00	\$4,000.00
CP23 Update	\$6,075.00	\$12,000.00	\$5,925.00	\$12,000.00
Website Review	0	\$2,500.00	\$2,500.00	\$5,000.00
Total	\$77,758.78	\$106,250.00	\$28,491.22	\$126,225.00

The total Curriculum Provider Standards Committee's budget for 2022-2023 is \$126,225.

The council adopted the following:

Resolution: Accept the Curriculum Provider Standards Committee's budget for 2022-2023 as stated above.

P. Executive Committee Report – Brandon Chanley

- Review of Executive Committee policies

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Executive Committee policies and recommended the following changes:

- Policy EX01 – Executive Committee Mission Statement

A copy of EX01 – Executive Committee Mission Statement policy was distributed to all board members. The committee recommended no changes needed to be made to this policy.

- **Policy EX02 – Contract Approval**

A copy of EX02 – Contract Approval policy was distributed to all board members. The following changes were made:

Step #4 - Staff shall make copies of the documents and ~~distribute~~ make available ~~them~~ to:

- CTEC contracts file – maintained by staff
- The committee chair is responsible for the contract or agreement.
- Treasurer
- **Budget and Finance**
- Board Chair

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy EX03 – Executive Committee**

A copy of EX03 – Executive Committee policy was distributed to all board members. The committee recommended no changes needed to be made to this policy.

- **Policy EX04 – Legal Representation**

A copy of EX04 – Legal Representation policy was distributed to all board members. The committee recommended no changes needed to be made to this policy.

- **Modify budget requests for Executive Committee for the fiscal year 2022-2023**

The following changes were made to the budget:

- Change the “Conference calls” budget line item to “Miscellaneous”

The total Executive Committee budget for 2022-2023 is \$250.

The council adopted the following:

Resolution: Accept the Executive Committee budget for 2022-2023 as presented above.

Q. Governance Committee Report – Katie Zollo

- **Review of Governance Committee policies**

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Executive Committee policies and recommended the following changes:

- **Policy GV01 – Governance Committee Mission Statement**

A copy of the GV01 – Governance Committee Mission Statement policy was distributed to all board members. The following changes were made: Under Responsibility, replace the Board of Directors with Governance Committee.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy GV02 – Filling Committee Vacancies**

A copy of GV02 – Filling Committee Vacancies policy was distributed to all board members. The following changes were made:

Policy: When a Director leaves the Board, vacating his/her committee positions, those positions will be offered first to other Directors. The new Director will be assigned **by the Board Chair** to fill committee vacancies immediately upon joining the Board except for the Executive Committee. Appointing organizations should make every effort to notify the Board Chair of anticipated changes in their representation on the CTEC Board as far in advance as possible.

The council adopted the following:

Resolution: Accept the above policy as presented.



- **Policy GV03 - Officers**

A copy of GV03 - Officers policy was distributed to all board members. The committee recommended no changes needed to be made to this policy.

- **Policy GV04 – Self-Dealing Policy**

A copy of GV04 – Self-Dealing policy was distributed to all board members. The committee recommended no changes needed to be made to this policy.

- **Policy GV05 – Directors Rights, Duties and Responsibilities**

A copy of GV05 – Directors Rights, Duties and Responsibilities policy was distributed to all board members. The following changes were made:

Directors’ Rights

A. Directors Rights

- 1) Directors have the right to have access to all information that may assist them in fulfilling their duties and responsibilities. This information includes but is not limited to:
 - i. **Management access:** Within bounds of reason, Board of Directors should feel free to contact the management staff. Directors, while acting on behalf of the Board, should be especially careful not to make demands or requests of staff, which would be inappropriate.
 - ii. **Books and records:** A Director has the right to inspect, for reasonable purposes and at reasonable intervals, CTEC’s books and records and to be provided with requested data.
 - iii. **Notices:** All Directors will be given ample advance notice of all meetings. (Reference: Policy BD05 – Meetings: Minutes, Agendas, and Notices)
 - iv. **Minutes:** All Directors ~~will have electronic access~~ ~~be given a copy~~ of the minutes of all meetings. (Reference: Policy BD05 – Meetings: Minutes, Agendas, and Notices)
 - ~~✱~~ **Policies and Procedures:** All Directors will ~~have electronic access~~ to CTEC’s policies and procedures ~~in an informational handbook~~. In addition, all Directors ~~will have electronic access to~~ any amended or new policies. ~~and will be expected to maintain their handbook with current information provided to them.~~

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy GV06 – Strategic Plan Development**

A copy of GV06 – Strategic Plan Development policy was distributed to all board members. The following changes were made:

Procedure: CTEC establishes and implements a five-year Strategic Plan ~~set forth under the guidance of a facilitator selected by the Governance Committee.~~ (BD11 – Strategic Plan). Once the plan is established, it shall be re-visited annually to measure and assess accomplishments of established goals therein set forth.

Responsibility: ~~Board of Directors~~ **Governance Committee**

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy GV07 – Privacy Policy**

A copy of GV07 – Privacy policy was distributed to all board members. The following changes were made:

Collection of information as allowed by law: CTEC limits the collection of information to what is relevant and necessary to accomplish the lawful purpose of CTEC. For example, identification of individuals is made through the collection of personal information such as mailing addresses, telephone numbers, or birth dates.



In addition, the ~~last six digits of an individual's~~ social security numbers are collected from preparers, both new and renewing, for purposes of identification for online registration. At the request of the California Franchise Tax Board, CTEC requires social security numbers from all CTEC Registered Tax Preparers.

Information security safeguards: CTEC takes reasonable precautions to protect the personal information collected or maintained on individuals against loss, unauthorized access, and illegal use or disclosure. Personal information is stored in secure locations. [CTEC is required to maintain a cyber security policy.](#) CTEC's staff is trained on procedures for the release of information, and access to personal information is limited to those staff whose work requires it. Confidential information is destroyed according to CTEC's records retention schedule. CTEC conducts periodic reviews to ensure that proper information management policies and procedures are being followed.

The council adopted the following:

Resolution: Accept the above policy as presented.

- [Policy GV08 – Record Retention](#)

A copy of GV08 – Record Retention policy was distributed to all board members. The committee recommended no changes needed to be made to this policy.

- [Policy GV09 – Communications Protocol](#)

A copy of GV09 – Communications Protocol policy was distributed to all board members. The committee recommended no changes needed to be made to this policy.

- [Policy GV10 – Harassment Policy](#)

A copy of GV10 – Harassment policy was distributed to all board members. The committee recommended no changes needed to be made to this policy.

- [Policy BD17 – Selection of CRTP Directors](#)

A copy of BD17 – Selection of CRTP Directors policy was distributed to all board members. The committee recommended the responsibility for this policy be moved from the Board to the Governance Committee, making it GV11, with the following changes:

Background: The Council is committed to involving CTEC Registered Tax Preparers (CRTPs) in its activities and programs. The makeup of the Council itself is defined in statute and includes six voting Directors who are CRTPs. A person exempt from the requirements of California B & P Code Section 22250-22259 is not eligible for election as a CRTP to the Council, other than an employee of an individual in an exempt category. The benefits include increased representation and support from the industry, as well as additional resources to handle the substantial workload of the Board. To promote continuity, CRTP Director positions shall be staggered with three positions expiring in even-numbered years and three positions expiring in odd-numbered years, [if possible.](#)

The Governance Committee Chair will schedule a ~~conference call~~ [committee meeting](#) no later than 30 days prior to the board meeting to discuss the applicants for CRTP vacancies and to decide which applicants should be invited to the board meeting. Applicant invitations will be limited to no more than two applicants for each open position.

CTEC staff will notify applicants of the Governance Committee's decision. Governance Committee shall decide by majority vote which applicants will be recommended to the Board. Selected applicants will be instructed to make a three to five-minute verbal presentation to the ~~Board Governance Committee~~ [Board](#) during its meeting. The Board will appoint new CRTP Directors by a majority vote.

~~In the absence of the entire Board, the Executive Committee may act in place of the Board.~~ CRTP terms are for a period no longer than 2 years and shall expire on the second December 31st of their term [unless an extension is required to facilitate staggering terms.](#) CRTPs may be re-elected at the end of each 2-year term. Should a CRTP Director not fulfill their 2-year term, another CRTP Director may be elected to fill the remainder of that term.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Process (questions and answers) for interviewing CRTP Director applicants**

The committee discussed the CRTP Director interview process. A list of questions to ask CRTP Director applicants and CRTP Applicant References was distributed to all board members.

The board discussed the option of creating a short CRTP Directors video to recruit CRTPs to the board to be added to CTEC's website. Lee Reams, Ray David, Katie Zolloe and Karen De Vaney were assigned to a task force of volunteers to work with Gigi Jones on creating the recruiting video.

- **Modify budget requests for Governance Committee for the fiscal year 2022-2023**

The following changes were made to the budget:

- Decrease the Recognition line item from \$1,500 to \$1,000
- Replace the "Policy Developer" line item with "Travel for CRTP Director Applicants/Orientation" and budget \$5,000 for this line item.

The total Governance Committee budget for 2022 – 2023 is \$6,000.

The council adopted the following:

Resolution: Accept the Governance Committee budget for 2022-2023 as presented above.

R. Governmental Relations Report – Fernando E. Angell III

- **Review of Governmental Relations Committee policies**

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Governmental Relations Committee policies and recommended the following changes:

- **GR01 – Governmental Relations Committee Mission Statement**

A copy of GR01 – Governmental Relations Committee Mission Statement policy was distributed to all board members. The following changes were made: Add the following sentence below Responsible: **In Collaboration with Board of Directors.**

The council adopted the following:

Resolution: Accept the above policy as presented.

- **GR02 – Recommendations in Legislative Changes**

A copy of GR02 – Recommendations in Legislative Changes policy was distributed to all board members. The following changes were made: Add the following sentence below Responsible: **In Collaboration with Board of Directors.**

The council adopted the following:

Resolution: Accept the above policy as presented.

- **GR03 – Interfacing with Governmental Entities**

A copy of GR03 – Interfacing with Governmental Entities policy was distributed to all board members. The following changes were made: Under Background: In the first sentence replace the word "**Board**" with "**CTEC program**"; Remove the second bullet: ~~The Governmental Relations Committee will maintain a database directory of relevant governmental entities and contact persons.~~

In the last bullet the following changes were made to the first sentence: The Governmental Relations Committee shall solicit completed applications from council members to act as CTEC's representative to the Franchise Tax Board (FTB) and ~~the Board of Equalization (BOE)~~ the California Department of Tax and Fee Administration (CDTFA), and any other governmental agencies, boards or commissions deemed necessary to meet CTEC goals; Add **Audit Committee to Responsibility.** Add the following sentence below Responsible: **In Collaboration with Board of Directors.**

The council adopted the following:

Resolution: Accept the above policy as presented.

- GR04 – IRS Liaison Meeting Procedures

A copy of GR04 – IRS Liaison Meeting Procedures policy was distributed to all board members. The following changes were made: In the first paragraph add: See GR04-Attachment; Add the following sentence below Responsible: **In Collaboration with Board of Directors.**

The council adopted the following:

Resolution: Accept the above policy as presented.

- **FTB Attendance at Trade Shows/Forums**

Celeste Heritage gave a history as to why CTEC started attending the IRS Tax Forums. In the meantime, Latino Tax Professionals and NATP requested CTEC's attendance at their conferences. Usually, these conferences are attended by Tabitha Bolkish during August, September, and October, which is the busiest time for CTEC registration.

Celeste reminded the board that at the November 2019 board meeting the board approved not having CTEC attend these forums/conferences. She also reminded the board that these conferences are really FTB venues, not CTEC venues, yet CTEC has been paying for FTB to attend. The participants who attend these conferences are tax practitioners, not taxpayers. CTEC's mission statement indicates that CTEC's main responsibility is protecting the taxpayers of California.

The issue is whether or not to continue to pay for FTB's attendance at these forums/conferences.

Angela Flores, FTB Section Manager, informed the board that if CTEC does not attend these forums/conferences and if FTB's Tax Advocate does not attend, FTB will not attend on their own.

The board decided that if FTB attends these forums/conferences, CTEC will not pay for them.

- Applications to attend FTB and CDTFA Advisory Council meetings – Fernando E. Angell III

Celeste reminded the board that for the last several years, CTEC has been invited to have a representative attend both an FTB and CDTFA annual Advisory Group meeting.

At the November 2016 CTEC meeting, the board approved revised policy GR03-Interfacing with Governmental Entities, which called for the election of one board member and one alternate board member to serve a 2-year term as CTEC's representative to the FTB and CDTFA Advisory Council meetings. An application to be the CTEC representative was created and emailed to all board members. At the November 2019, Esperanza Escobedo, who is no longer on the board was elected to be CTEC's representative to the FTB and CDTFA Advisory Council meetings. Karen De Vaney was elected as the alternate.

Celeste reminded the board that Karen's term will be up in December and there will be two vacancies. Once elections are conducted, the representatives will be added to BD04 – Term Information policy.

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

Celeste shared with the board that CTEC is still not receiving Federal Background information. She informed the board that Alison Siegel, CTEC Special Counsel, stated it is not CTEC's problem but rather a legislative problem. This issue will be addressed in CTEC's Sunset Review Documents.

- Sunset Review – Celeste Heritage

Celeste informed the board that CTEC was due to sunset on January 1, 2023. Senate Bill No. 607 extended the CTEC sunset to January 1, 2024. She informed the board that CTEC will receive from the Legislative Sunset Review committee a questionnaire with responses due back to the B&P committee by 12/31/22. Celeste gave an overview of the sunset review process. Celeste shared with the board that Assemblyman Evan Low is no longer Chair of the B&P committee--Assemblyman Marc Berman has replaced him as chair. Celeste also informed the board that Robby Sumner is now Chief Consultant of the B&P committee.

- **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 on June 25, 2021, is authored by Congressman Panetta. It was immediately referred to the Ways and Means Committee on June 25, 2021. As of February 28, 2022 the bill now has 5 cosponsors. Celeste informed the committee 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. A copy of the H.R. 4184: Taxpayer Protection and Preparer Proficiency Act of 2021 was distributed to all board members. Celeste informed the board that she will continue pursuing this issue.

Susie DiMaggio shared with the board that NAEA's Government Relations Committee has a meeting with Congressman Panetta and this subject is on their agenda to discuss. She will keep CTEC informed.

- **FTB MOU 2022-2024 - Fernando E. Angell III**

A draft copy of the 2022-2024 MOU with FTB was distributed to all board members. No provisions were added to the contract. Angela Flores reminded the board that since this is a two-year contract all funds not used during the first year will roll over to the second year.

Celeste asked the question when all funds have not been used from the budget, can the excess funds go towards the Ghost Preparer Program. This topic was tabled to a future committee meeting. The board suggested having a breakdown showing FTB budget amounts vs. actual amounts spent over the last several years.

The council adopted the following:

Resolution: Accept the above FTB MOU 2022-2024 as presented.

- **Modify budget requests for Governmental Relations Committee for the fiscal year 2022-2023**

The following changes were made to the budget:

- Increase the Travel & Hotel line item from \$5,000 to \$7,500

The total Governmental Relations Committee budget for 2022 – 2023 is \$524,500.

The council adopted the following:

Resolution: Accept the Governmental Relations Committee budget for 2022-2023 as presented above.

S. Public Awareness Report – Ray Davis

- **Review of Public Awareness Committee policies**

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Governmental Relations Committee policies and recommended the following changes:

- **Policy PA01 – Public Awareness Committee Mission Statement**

The committee reviewed policy PA01 – Public Awareness Committee Mission Statement and recommended prioritizing the target order and move the word “taxpayers” within the sentence. The sentence should read: The Public Awareness Committee shall be responsible for the development and implementation of a communication program targeted to taxpayers, registered preparers, media, education providers, and anyone interested in CTEC and its mission.

To be consistent with the other policies, the responsibilities was also changed from Board of Directors to Public Awareness Committee.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy PA02 – CTEC Logo Usage**

The committee reviewed policy PA02 – CTEC Logo Usage and recommended no changes to the policy.

- **Policy PA03 – Speakers Bureau**

The committee reviewed policy PA03 – Speakers Bureau and recommended no changes to the policy.

- **Policy PA04 – Preparer Newsletter**

The committee reviewed policy PA04 – Preparer Newsletter and recommended the following changes:

Policy: The newsletter is distributed [via email and available on the CTEC website](#) to all CTEC Registered Tax Preparers, CTEC approved providers, Board of Directors, the media and any members of the public requesting a copy. ~~Newsletters are posted on the CTEC website.~~

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy PA05 – Public Relations Responsibilities**

The committee reviewed policy PA05 – Public Relations Responsibilities and recommended the following changes: **Background:** CTEC wishes to educate the public about the protection offered to them when using CTEC Registered Tax Preparers (CRTPs) and to educate ~~unlawful-unregistered~~ tax preparers about **CTEC requirements. registration.**

Policy: CTEC ~~may, from time to time,~~ **will** use the services of a public relations firm and/or an advertising agency to disseminate the Board's message to the public.

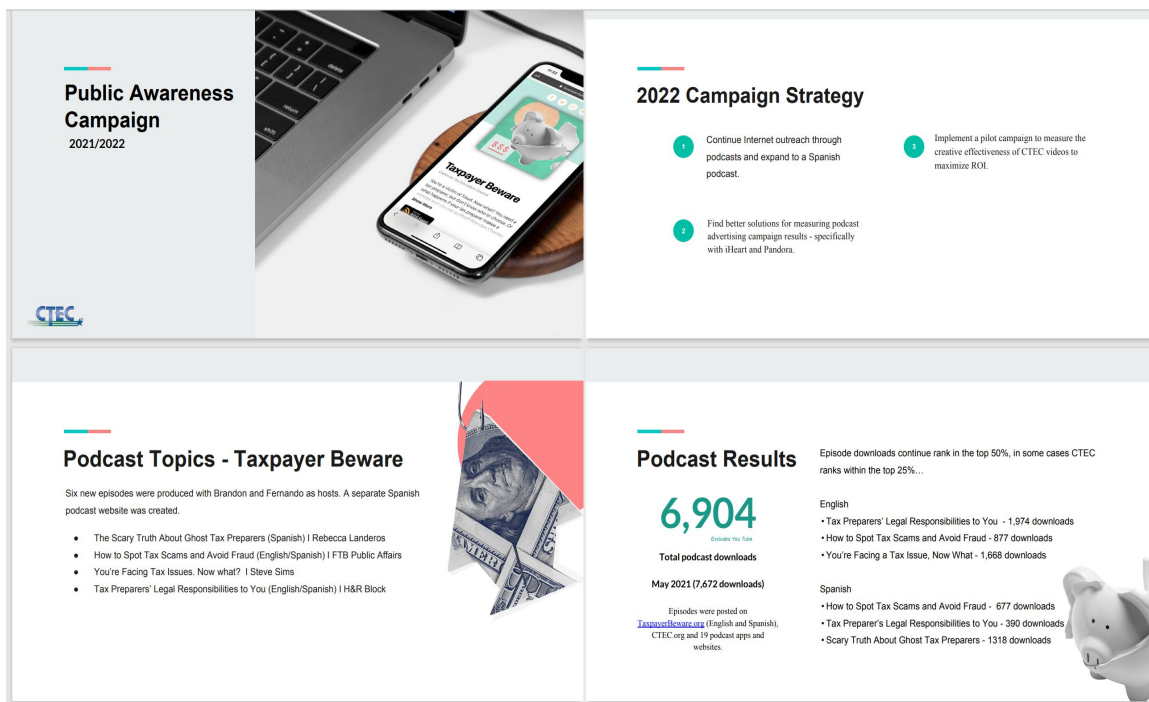
The responsibilities of a public relations firm may vary, depending upon the message that needs to be disseminated, the timing of the message and the tasks agreed to in the scope of work described in the contract. Those tasks may include but are not limited to: communication with the press, drafting press releases, assistance with **CTEC publications newsletter articles and, managing social media, planning media buys and providing creative directions for advertisements** and podcasts. ~~and drafting radio-commercial scripts.~~

The council adopted the following:

Resolution: Accept the above policy as presented.

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

Gigi gave a PowerPoint presentation and shared with the board the 2021/2022 Campaign Strategy outlined below:



Public Awareness Campaign
2021/2022

2022 Campaign Strategy

- Continue Internet outreach through podcasts and expand to a Spanish podcast.
- Find better solutions for measuring podcast advertising campaign results - specifically with iHeart and Pandora.
- Implement a pilot campaign to measure the creative effectiveness of CTEC videos to maximize ROI.

Podcast Topics - Taxpayer Beware

Six new episodes were produced with Brandon and Fernando as hosts. A separate Spanish podcast website was created.

- The Scary Truth About Ghost Tax Preparers (Spanish) | Rebecca Landeros
- How to Spot Tax Scams and Avoid Fraud (English/Spanish) | FTB Public Affairs
- You're Facing Tax Issues. Now what? | Steve Sims
- Tax Preparers' Legal Responsibilities to You (English/Spanish) | H&R Block

Podcast Results

Episode downloads continue rank in the top 50%, in some cases CTEC ranks within the top 25%...

6,904
Total podcast downloads

May 2021 (7,672 downloads)

Episodes were posted on taxnowwithcare.org (English and Spanish), CTEC.org and 19 podcast apps and websites.

English

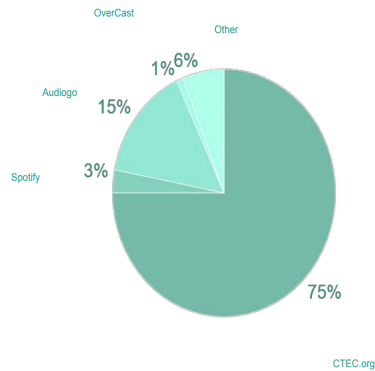
- Tax Preparers' Legal Responsibilities to You - 1,974 downloads
- How to Spot Tax Scams and Avoid Fraud - 877 downloads
- You're Facing a Tax Issue, Now What - 1,668 downloads

Spanish

- How to Spot Tax Scams and Avoid Fraud - 677 downloads
- Tax Preparer's Legal Responsibilities to You - 390 downloads
- Scary Truth About Ghost Tax Preparers - 1318 downloads

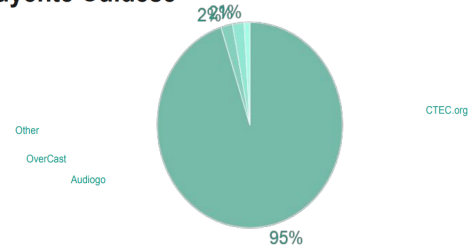
Taxpayer Beware Traffic

*Excludes YouTube Stats



Contribuyente Cuídesse Traffic

*Excludes YouTube Stats



Podcast Advertising

Audiogo

1.2 Million Impressions

Geo targeted and general awareness statewide (English and Spanish).

1,340 Clicks

About 17% of the clicks translated to downloads.

Spotify

633,850 Reach

Geo targeted and general awareness statewide (English).

1,961 Clicks

About 13.5% of the clicks translated to downloads.

Podcast Test Advertising

OverCast/Podcast Addict

2.6 Million Reach

Provided general awareness statewide (English and Spanish).

22,306 Clicks

Less than 1% of the clicks translated to downloads and 143 subscribers.

You Tube

2,200 Reach

Provided general awareness statewide (English and Spanish).

2,058 Listens

About 52% dropped off at after 30 seconds. CTEC received 12 subscribers.

17, 731 Downloads

Since last tax season, CTEC has received more than 10,500 new downloads. Taxpayer Beware (English and Spanish) consistently ranked within the top 200 on Apple Podcast Business News all tax season.

PodChaser ranks the English podcast with Power Score of 44 and the Spanish with a Power Score of 13.

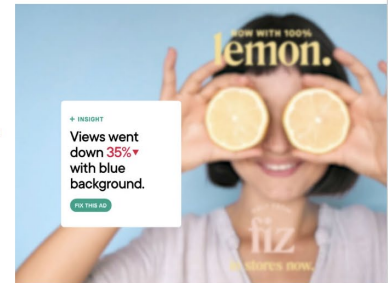
VidMob

Maximize ROI with Real-Time Creative Data

- Platform calculates specific creative elements impacting campaign performance in real-time.

Includes Professionally Designed Ads

- With this we can optimize ads that boost results well above industry, at costs that are lower than typical production.



VidMob

The Discovery

- Incorporating real life imagery instead of graphics showed better performance and stronger reaction for the viewer.
- Placing question-based messaging on creatives in the first three seconds immediately enhanced engagement to build a connection with the viewer.
- Dark neutral blue background creatives show a more impactful performance, aligning with the tone of CTEC's messaging.

Concept A | Report Fraud



Concept B | Verify



VidMob

Concept A

- VidMob's creative performed above average engaged users rate, with Concept A trending more positively (+212% lift).
- The Spanish asset was the most impactful with (+254%) lift in engaged users rate), indicating that Spanish speaking communities resonated the most.
- Engaged users rate average about 1.9% | Concept A received 6.1%
- Average click rates are 2.3% | Concept A received 7%
- Average completion rate is 3.4% | Concept A received 7.5%

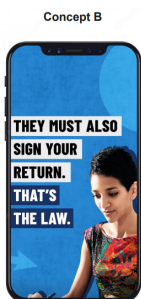
Concept A



VidMob

Concept B

- The English creative drove the highest engaged users rate (+45% lift). Concisely utilizing questions and declarative statements helps the viewer verify a legal tax preparer, which is more effective for English speakers than Spanish speaking audiences (-34% lift).
- Engaged users rate average about 1.9% | Concept B received 2.1%
- Average click rates are 2.3% | Concept B received 2.8%
- Average completion rate is 3.4% | Concept B received 9.8%



Social Media Overview

Facebook

177,572 Reach

Mixed campaign of geo targeting taxpayers by zip, interests, as well general outreach (English and Spanish).

+18% Website Traffic Lift

CTEC received 17,568 video views, 3,170 clicks on English and Spanish posts.

Instagram

40,037 Reach

Mixed campaign of geo targeting taxpayers by zip, interests, as well general outreach.

+60% Website Traffic Lift

CTEC received 1,715 video views, and 550 clicks.

Twitter

3,000 Impressions

Mixed campaign of mostly general outreach.

+17% Website Traffic Lift

CTEC received 1,472 clicks/profile visits.

General Outreach

You Tube

2.4 Impressions

Video ads targeted California taxpayers for general outreach.

+325% Website Traffic Lift

Reached 214,800 total views in English and Spanish.

Pandora

2.6 Million Impressions

Video ads in geo targeted zip codes

6,472 Clicks

Reached 530,307 total views (255,984 unique viewers), video ads outperformed Pandora's benchmark CTR .51% English (.33%) and .48% Spanish (.41%)

iHeart

1.1 Million Impressions

Geo targeted mobile ads (English) in Los Angeles DMA.

1,160 Clicks

Google Ads

Taxpayer Page

214,867 Total Clicks

Visitors spent an average of 2:57, about a minute more compared to the past two years.

English - 128,170 Clicks

Spanish - 86,697 Clicks

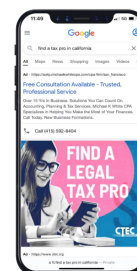
Ghost Tax Preparer Page

263,181 Total Clicks

Visitors spent an average of more than 3 minutes on the page.

English - 170,599 Clicks

Spanish - 92,582 Clicks



1,263,068 Actions

Taxpayers took action downloaded the podcast, clicked on an ad or social media post, watched videos or read our email during the 2022 tax season.

Moving Forward

- Expand podcasts to video and a year round effort to keep momentum going.
- New episodes on the horizon, IRS and a ghost tax preparer victim guest (English and Spanish).
- Appoint a podcast host who can be available past Chair term limits.

- Modify budget requests for Public Awareness Committee for the fiscal year 2022-2023 – Ray Davis

The following changes were made to the budget:

- Increase Advertising line item from \$233,667 to \$385,000
- Inactivate Printing Preparer Newsletter line item
- Inactivate Postage Preparer Newsletter line item
- Increase Public Relations Expenses line item from \$1,000 to \$2,500

Function / Detail	2021/ 2022 Actual	2021 / 2022 Budget	(+/-) Remaining	2022 / 2023 Budget
Compliance Brochure - "How to.."	\$2,962.98	\$3,000.00	\$37.02	\$3,000.00
Advertising	\$202,435.22	\$233,667.00	\$31,231.78	\$385,000.00
Public Relations	\$60,750.00	\$81,000.00	\$20,250.00	\$89,100.00
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

Function / Detail	2021/ 2022 Actual	2021 / 2022 Budget	(+/-) Remaining	2022 / 2023 Budget
Public Brochure - "Choosing..."	\$0.00	\$3,500.00	\$3,500.00	\$3,500.00
Promotional Items	\$0.00	\$0.00	\$0.00	\$0.00
Public Relations Expenses	\$932.52	\$1,000.00	\$67.48	\$2,500.00
Advertising Survey	\$0.00	\$0.00	\$0.00	\$0.00
Advertising Commission	\$19,333.00	\$19,333.00	\$0.00	\$19,333.00
Media clipping	\$2,972.40	\$3,500.00	\$527.60	\$3,500.00
Preparer Newsletter - email	\$3,397.90	\$3,500.00	\$102.10	\$3,500.00
Total	\$292,784.02	\$350,300.00	\$57,515.98	\$511,233.00

The total Public Awareness Committee budget for 2022-2023 is \$511,233.

The council adopted the following:

Resolution: Accept the above Public Awareness Committee's budget 2022-2023 as presented.

The Board adjourned at 6:00 p.m. on Wednesday, May 18, 2022.

The Board reconvened on Thursday, May 19, 2022 at 9:00 a.m.

T. Tax Preparer Committee Report – Karen De Vaney

- Review of Tax Preparer Committee policies

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Tax Preparer Committee policies and recommended the following changes:

- Policy TP01 – Tax Preparer Committee Mission Statement

A copy of TP01 – Tax Preparer Committee Mission Statement policy was distributed to all committee members. The following changes were made: Under Responsibility, replace **Board of Directors** with **Tax Preparer Committee**.

The council adopted the following:

Resolution: Accept the above policy as presented.

- Policy TP02 – Tax Preparer Registration

A copy of TP02 – Tax Preparer Registration policy was distributed to all committee members. The following changes were made: Add the word “**Requirements**” to the title. It should read: **Tax Preparer Registration Requirements**.

The following was added above Bond Requirements: **The individual must complete a 60-hour qualifying education course from a CTEC approved provider, pass a background check and fingerprinting procedure as outlined in TP12 and TP12-A, and register under the provisions of a new preparer.**

In order to complete a registration, an applicant must have a valid Preparer Tax Identification Number (PTIN) from the IRS, a valid social security number and purchase a \$5,000 surety bond.

The council adopted the following:

Resolution: Accept the above policy as presented.

- Policy TP03 – Tax Preparer Registration Number

A copy of TP03 – Tax Preparer Registration Number policy was distributed to all committee members. The committee recommended no changes needed to be made to this policy.

- **Policy TP04 – Experience in Lieu of Education**

A copy of TP04 – Experience in Lieu of Education policy was distributed to all committee members. The following changes were made: Under Experience Exemptions, number 4, replace the word “~~licensed~~” with “~~authorized~~”. The sentence should read: A person who is or was an Enrolled Agent authorized with the Internal Revenue Service within the prior two years, and no longer maintains the EA status, or an employee of such a person who prepared tax returns within the scope of his or her employment.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy TP05 – Registration Packet**

A copy of TP05 – Registration Packet policy was distributed to all committee members. The committee recommended no changes needed to be made to this policy.

- **Policy TP06 – Later Renewal Registration**

A copy of TP06 – Later Renewal Registration policy was distributed to all committee members. The committee recommended no changes needed to be made to this policy.

- **Policy TP07 – Tax Preparer Address**

A copy of TP07 – Tax Preparer Address policy was distributed to all committee members. The committee recommended no changes needed to be made to this policy.

- **Policy TP08 – Tax Preparer Code of Conduct and Responsibilities**

A copy of TP08 – Tax Preparer Code of Conduct and Responsibilities policy was distributed to all committee members. The committee recommended no changes needed to be made to this policy.

- **Policy TP09 – New Preparer Registration after August 15th**

A copy of TP09 – New Preparer Registration after August 15th policy was distributed to all committee members. The committee recommended the following changes: The title was changed from “New Preparer Registration after August 15th” to “~~New Preparer Registration Selection of Cycle year from August 1st through October 31st~~”.

Under Background the following changes were made: **Background:** New preparer registration takes place throughout the year. Individuals who register as new preparers are issued Certificates of Completion valid through the following October 31st. For those new preparers who submit an application during August, September or October, a ~~radio button~~ **drop down** option was added on the CTEC website allowing new applicants to select either a current year or next cycle year registration, and includes disclaimers pertaining to the registration cycle year they choose for registration.

The option also includes a box where the new preparer attests to the terms of that registration. ~~and are issued a Certificate of Completion, their certificates are valid only through October 31st of the same calendar year in which they registered. In order to renew their registration for the following year, these individuals, within a two to three month period, are required to complete a minimum of 20 hours of continuing education, from an approved provider, before October 31st.~~

~~**Policy:** Because most preparers do not prepare taxes during August, September and October of any given year, applications of all new preparers applying between August 15th and October 31st will be deferred. Letters will be sent to those applicants explaining CTEC’s registration process and indicating that new preparer applications will not be processed until November 1st, at which time a Certificate of Completion will be issued which will be valid through October 31st of the next calendar year.~~

~~However, if the applicant is planning on preparing taxes during August, September and October of that calendar year, we will ask that they mark the appropriate box on the letter and resubmit their application with the letter to the CTEC office. Once received by staff, their application will be processed immediately and a Certificate of Completion issued. This certificate will be valid only through October 31st of that calendar year, and the applicant will be required to take 20 hours of continuing education in order to renew for the next calendar year.~~

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy TP10 – Preparer Complaint Procedures**

A copy of TP10 – Preparer Complaint Procedures policy was distributed to all committee members. The committee recommended the following changes: If the tax preparer is not registered, staff will direct the complainant to the CTEC website where they will find the **Non-Compliant Tax Preparer** Complaint Form. ~~or, if necessary, the form (CTEC 015) can be faxed or mailed to the complainant. If the complainant completes the form online, it will automatically be submitted to the California Franchise Tax Board. If the complainant completes the paper form, it should be either faxed or mailed to the CTEC office and CTEC staff will send it to the California Franchise Tax Board.~~

All complaints regarding CRTPs and unregistered tax preparers will be forwarded to FTB for investigation.

~~**Complaints regarding CRTPs:** If the individual is a CRTP, staff FTB will provide a copy of the complaint to the CRTP requesting that the CRTP work with the individual to resolve the complaint. A copy of the complaint and response letter will be filed in the CRTP's file or logged online in the CRTP's notes page. The response letter will be copied to the complainant and shall include options that are available to the complainant such as recouping any losses incurred through the preparer's bonding company. Complaints against CRTPs will not be anonymous to ensure that CRTPs are given the opportunity to resolve issues.~~

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy TP11 – Procedures for Disciplinary Actions or Revocation of Currently Registered CRTPs**

A copy of TP11 – Procedures for Disciplinary Actions or Revocation of Currently Registered CRTPs policy was distributed to all committee members. The committee recommended no changes needed to be made to this policy.

- **Policy TP12 – New Preparer Application Process**

A copy of TP12 – New Preparer Application Process policy was distributed to all committee members. The committee recommended the following changes: Remove the following sentence under Step I: ~~**CTEC ID will not be given to Applicant until registration is approved and completed.**~~

Under letter (o), the following sentence was changed from “Conviction of any felony or misdemeanor that is substantially related to the qualifications, functions, or duties of a registrant, in which event the record of the conviction shall be conclusive evidence of the crime; **to read:** Conviction of any **infraction** felony or misdemeanor **whether expunged/dismissed or not**, that is substantially related to the qualifications, functions, or duties of a registrant, in which event the record of the conviction shall be conclusive evidence of the crime.

Under Step 5 the following changes were made: CTEC Approved Provider reports completed qualifying education of applicant to CTEC using the applicant's ~~last name and the last 6 digits of the applicant's social security number.~~ **CTEC Number.**

~~• The applicant's last name and last 6 digits of their social security number must match an existing record (created in Step 1) in the CTEC system in order for education to be reported.~~

~~• Providers will receive an error message if no matching CTEC record is found.~~

Under Step 6, remove the following sentence: ~~**CTEC ID is issued, application is closed and application /registration process is complete.**~~

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy TP13 – Successful Completion of CTEC Registration**

A copy of TP13 – Successful Completion of CTEC Registration policy was distributed to all committee members. The committee recommended no changes needed to be made to this policy.

- **Policy TP14 – New Application Reviewers**

A copy of TP14 – New Application Reviewers policy was distributed to all committee members. The committee recommended the following: The title has changed from New Application Reviewers to “**New Application Reviewer Process**”

Under (b), Reviewers the following changes were made: **(b) – Reviewers:** CTEC new applicant reviewers shall be comprised of **at least one** Paralegal ~~Staff, and~~ a minimum of 3 Background Reviewers and a minimum of 3 Hearing Officer Reviewers.

Under (c), Duties the following changes were made:

(1) Paralegal Staff:

A. If the DOJ ~~and FBI~~ reports ~~is~~ **are clear with no convictions.**

- 1) **The** Paralegal ~~Staff~~ will review the DOJ/~~FBI~~ reports and make this determination. In this case, the person has cleared the background review process and they move on through the normal registration process.
- 2) **The** Paralegal ~~Staff~~ must make a detailed note in this individual’s file noting that the DOJ/~~FBI~~ reports ~~were~~ **was** reviewed and ~~were~~ **cleared**, what date the reports ~~were~~ **was** reviewed, and by whom.

B. If the DOJ ~~or FBI~~ report contains a criminal conviction.

1) **The Paralegal ~~Staff~~ reviews the criminal conviction(s) and determines that it is CLEARABLE.**

- a) In order to determine if the criminal conviction is clearable, **the** Paralegal ~~Staff~~ looks at the “Designation of Criminal Convictions” document and follows the process outlined there.
- b) If the criminal conviction is one that the Board has decided **the** Paralegal ~~Staff~~ can clear, then **the** Paralegal ~~Staff~~ would review the conviction(s), determine that they are clearable, and then clear them and move the application on through the normal registration process.
- c) **The** Paralegal ~~Staff~~ would make a detailed note in the individual’s file noting that there were criminal convictions, what they are, that they were clearable, the date they were cleared, and by whom.

2) **The Paralegal ~~Staff~~ reviews the criminal conviction and determines that it is NOT one that is clearable by **the** Paralegal ~~Staff~~.**

- a) This application would then be referred to the Background Reviewers.
- b) **The** Paralegal ~~Staff~~ would make a note in the individual’s file that there were criminal convictions that were not clearable by Paralegal, the date the DOJ/~~FBI~~ **report** was reviewed by **the** Paralegal ~~Staff~~, by whom, and the date the individual was referred to the Background Reviewers for review.

C. **The Paralegal ~~Staff~~ must take notes of each decision that is made by the Background Reviewers.**

The Paralegal ~~Staff~~ should make a list of all individuals to be discussed on a specific call in advance of the call, and all materials should be available for review by the Background Reviewers prior to the call. The notes must be taken in such a way that they can be divided up by individual, in case CTEC is sued and the notes for one specific person must be provided in the Administrative Record sent to the Court.

D. **The Paralegal ~~Staff~~ will also serve an important role in tracking individuals that have been sent to the Background Reviewers for review and making sure that they move through the system properly.**

- The Background Reviewers consider all information in relation to an individual and make a final decision as to what should be done. They can determine that more information is needed, and perform additional investigations. If an application does not disclose a conviction, the Background Reviewers might want to ask **the** Paralegal **Staff** to send an email to the individual asking them to provide more information about the circumstances of the conviction. Rehabilitation should be considered for each individual.

If the Background Reviewers make a final decision to propose to deny or discipline.

- For all individuals that the Background Reviewers make a final decision to propose to deny the application or propose to impose discipline, **the** Paralegal **Staff** will draft a memo that identifies all of the information needed to draft a letter to that individual.
- A letter will then be drafted and mailed to the individual notifying them of the proposed decision to deny or impose discipline. ~~This letter must be drafted by CTEC's legal counsel familiar with the legal standards used for these types of decisions, as it must meet the legal standards which are applicable to a Court challenge of the decision.~~

(3) Hearing Officers Reviewers: If the Applicant timely opposes the proposed denial/discipline.

- Applicants can request an oral telephonic hearing or consideration of a written statement.
- If one is requested, it is heard by the Hearing Officers. It is recommended that this happen by telephone, with **a the** Paralegal **Staff to take taking** notes **present**, and CTEC's attorney present to guide the call. After an oral telephonic hearing call with the applicant is finished, the Hearing Officers, Paralegal **Staff**, and CTEC's attorney meet on a separate call to discuss the matter. The Paralegal **staff** is present and taking notes on all of these calls.
- The oral telephonic hearing or consideration of written statement is over.
 - The Hearing Officers decided to APPROVE the application.
 - If the decision is to APPROVE the application, a simple email message is drafted and sent to the applicant to notify them of that decision. This email message is a template that can be drafted by **the** Paralegal **Staff**.
 - The application is moved through the remainder of the normal registration process and the individual is registered.

~~(d) Reviewers and Paralegal Compensation:~~

- ~~Paralegal and Reviewer Compensation Reviewers will be compensated for their reviews at an hourly rate established by the Board of Directors.~~

~~(e) Qualifications of curriculum reviewers Paralegal, Background and Hearing Officers Reviewers are as follows:~~

~~The candidate must be very detail oriented, organized, self-motivated, have strong written and oral communication skills, be able to work independently, communicate well with others, and is capable of understanding significant amounts of complicated information. Must be able to listen and follow directions well and thrive in a fast-paced environment. Related experience preferred, but not required.~~

The candidate must have:

- ~~5 or more years experience as an active:~~
 - ~~tax preparer, enrolled agent, or CPA, or related field;~~
 - ~~or former law enforcement officer with experience assessing credibility;~~
 - ~~lawyer or paralegal with criminal law or administrative law experience;~~
- ~~Highly detail oriented and organized;~~
- ~~Ability to review a large amount of information and documents in a quick and accurate fashion;~~



- Comfortable working alone or in a group of people with diverse backgrounds and personalities;
- Excellent communication skills, including both oral and written, and listening and comprehension skills;
- High degree of proficiency working with email, Microsoft Word, PDFs, and conference calls;
- Ability to follow directions;
- Ability to assess credibility and weigh conflicting factors;
- Knowledge of tax preparer registration, certification, or licensure and tax law, rules, and regulations is a plus;
- Ability to read a DOJ/ FBI criminal history report is a plus; and
- Knowledge of criminal law is a plus.

(f) Solicitation of Reviewers will be as follows:

- (1) The above referenced duties, compensation, and qualifications of reviewers will be disclosed to potential candidates.
- (2) A minimum number of hours expected from a reviewer will be disclosed to potential candidates.
- (3) CTEC's current contracted hourly rate for Reviewers will be disclosed to potential candidates.
- (4) Administrative Staff will keep submitted resumes on file for future review.

(g) Selection:

- (1) Applicants will submit a resume and three references.
- (2) The Tax Preparer Committee will review resumes recommended by Administrative Staff.
- (3) Final candidates will be recommended to the Board.
- (4) The Board will approve or reject a recommended candidate by majority vote. If Board approval is required more than a month before the next Board meeting, the Executive Committee can approve or reject the candidate by majority vote.

(h) Contract:

- (1) Contracts shall be for a period of one year.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy TP15 – Qualifications and Compensation of Paralegals, Background Reviewers and Hearing Officers**

A copy of TP15 – Qualifications and Compensation of Paralegals, Background Reviewers and Hearing Officers policy was distributed to all committee members. The committee recommended the following:

– **Paralegal and Reviewers Compensation:** Reviewers will be compensated for their reviews at an Paralegal and Reviewer Compensation will be an hourly rate established by the Board of Directors.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **C RTP Report – Celeste Heritage**

Celeste Heritage gave a registration update for both current and previous cycle year registrations. Celeste informed the board that as of April 25, 2022, for 2021/2022 cycle year registration, CTEC registered 37,549 preparers.

A report was included in the board packet with total registrants for 2020/2021 and 2021/2022 cycle years.

Celeste shared with the board that there are over 4,000 new applications that have been submitted but never completed. The reason could be that they have not completed their background check or the qualifying education that is required.



The board suggested staff run a date-to-date comparison report of the cycle year registration and present that report at the November 2022 meeting.

- **CRTP Appeal - Renewal registration exemption – Karen De Vaney**

Celeste Heritage informed the board that CTEC received a letter from Matthew Valentine, Associate General Counsel, and CCO at GW & Wade, LLC requesting a one-time exception for Robert Emens, CTEC ID A282401, who is a Counselor and partner at GW & Wade allowing him to register without completing the additional 60-hours of Qualifying Education and meeting the new applicant requirements. Mr. Emens failed to complete all the requirements to renew his registration with CTEC by the late renewal deadline of January 18, 2022. Celeste reminded the board that in the Business & Professions Code Section 22253. (a) It is a violation of this chapter for a tax preparer to do or commit, and the council may deny an application for registration or discipline a registrant for, any of the following:

(1) Fail to register as a tax preparer with the council.

Celeste shared with the board that Alison Siegel, CTEC Special Counsel contacted Mr. Valentine regarding the request and informed him that CTEC staff does not have the authority to waive the requirements for CTEC registration, only CTEC's Board has the authority to waive this requirement. CTEC has no record that it received Mr. Emens's renewal prior to January 18th and Mr. Emens has not provided CTEC with proof that his renewal package and a check were mailed prior to this deadline. Mr. Emens did not reach out to CTEC until February.

CTEC notified Mr. Emens that having missed the deadline, he must apply as a new applicant, including meeting the new applicant education requirements and background check.

The committee recommends the above request from Mr. Robert Emens be denied.

The board reviewed the appeal and recommended granting a one-time exemption with the following conditions:

- Mr. Emens must mail in, within 10 days of this approval, the renewal application packet which includes (2021-2022 renewal application, copy of the bond, copy of the 20-hour completion certificates and a money order for \$88).

The council adopted the following:

Resolution: Approve a one-time exemption above with the following conditions: Mr. Emens must mail in within 10 days of this approval the renewal application packet which includes (2021-2022 renewal application, copy of the bond, copy of the 20-hour completion certificates and a money order for \$88).

- **New 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 CTEC Registrants of 2021/2022 Cycle Year as of April 14, 2022

Submitted: 4,367

Applicants in this category have submitted an application for registration and are waiting for background check reports to be issued by the California Department Of Justice. This number includes approximately 2000 applications from the 2020/2021 cycle year that were transferred to the new cycle year. These 2000 applications do not have a corresponding DOJ record.

Pending: 445

Applicants in the pending category have started the application process but have not actually submitted the application.

Initial review: 19

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: 2**

Applicants placed in background review have related criminal convictions on their CA DOJ report and have either provided a response to CTEC's request for information or have not provided a response within the 28-day time frame allotted by CTEC.

Approved: 3,189

Applicants have passed the background check. This number includes applicants who have requested a hearing and have been approved by CTEC's Hearing Officers

Proposed Denials: 12

Background Reviewers have proposed to deny the application for registration because of violations of the provisions in TP-12.

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 via and emailed to the applicant. Applicants are barred from applying for a CTEC registration for five years from the date of the final denial.

Hearing Review: 0

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.

Hearings Held: 5**Closed-Registered: 3,777**

Applicants have completed the registration process.

Closed-Denial: 1

Hearing Officers have decided to uphold the BR's proposed decision to deny the application for registration. Applicants are barred from applying for a CTEC registration for five years from the date of the final denial.

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

Close-canceled: 42 – This status is for applications that have been submitted in error or the applicant does not wish to continue the application process.

2021/2022 Total Registered Applications: 3,796

2021/2011 Total Applications: 11,944

Total Registered Applications for 2020/2021 Cycle Year: 4,699

Proposed Denials for 2020/2021 Cycle Year: 58

Appeals for 2020/2021 Cycle Year: 7

Final Denials: 2

Final Approval: 5

- **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.

BACKGROUND REVIEW ISSUES – 2021/2022 CYCLE YEAR

Paralegal has the authority to send applicants to background review if the applicant has more than three convictions within the last five years, even if the convictions are unrelated. However, background reviewers have an extremely weak basis to propose to deny an applicant if the convictions are unrelated to the qualifications, functions, or duties of a tax preparer.

The Background Reviewers propose to remove the provision that requires the paralegal to refer applicants with more than three unrelated convictions for background review. The committee recommended approving the Background Reviewers to remove the provision that requires the paralegal to refer applicants with more than three unrelated convictions for background review.

The board felt that no changes should be made to this process at this time.

The council adopted the following:

Resolution: Denied the above request as presented.

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

Karen shared with the board that the Background Reviewer contracts will expire on June 30, 2022. She thanked the Background Reviewers for their hard work. A copy of the Background Reviewer contracts was handed out to the board for review.

The council adopted the following:

Resolution: Accept the above Background Reviewers contract as presented.

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

Karen shared with the board that the Hearing Officer contracts will expire on June 30, 2022. A copy of the Hearing Officer contracts was handed out to the board for review.

The council adopted the following:

Resolution: Accept the above Hearing Officers contract as presented.

- **Paralegal Contract – Karen De Vaney**

Karen shared with the board that the Paralegal contract will expire on June 30, 2022. A copy of the Paralegal contract was handed out to the board for review. Karen reminded the board that the current hourly rate for the Paralegal is \$50. The committee recommended a 10% increase from \$50 to \$55. Karen thanked the Paralegal for a job well done.

The council adopted the following:

Resolution: Accept the above Paralegal contract as presented with a 10% increase to the hourly rate from \$50 to \$55 an hour as presented.

- **IRS Report – Cedric Brown**

Cedric Brown, Acting Manager, IRS Continuing Education reviewed the PowerPoint presentation outlined below with the board.



Update from the IRS Return Preparer Office

Cedric Brown
Acting Manager, Continuing
Education

May 17 -18, 2022



Organization Chart & Introductions

IRS CE Team

- Erin Hoffner, Acting Director, Competency & Standards
- Cedric Brown, Acting Group Manager and Lead Tax Analyst
- Kelly Kirchmer, Mgmt. & Program Analyst
- Rita Barnett, Mgmt. & Program Analyst
- Barbara Wesley, Mgmt. & Program Analyst
- John, Barkley, Tax Analyst
- Stempet Flores, Tax Analyst
- Catogna (Toni) Vommo, Tax Analyst





AGENDA

- New Tax Professional Preparer Tax Identification Number (PTIN) System
- IRS Voluntary Preparer Programs
- Tax Return Preparer Statistics
- Continuing Education Statistics
- CE Provider Reviews
- General Topics

3 Update from the IRS | Return Preparer Office (RPO)

May 2022



New Tax Professional PTIN System

4 Update from the IRS | Return Preparer Office (RPO)

May 2022



Annual Filing Season Program Status

5 Update from the IRS | Return Preparer Office (RPO)

May 2022



History of CE Credits

6 Update from the IRS | Return Preparer Office (RPO)

May 2022



Calendar Year 2022 PTINs

- Application or renewal fee is \$35.95
- Included in the fee is a third-party contractor fee of \$14.95 for application processing, renewals, and call center operations
- All PTINs expire on Dec. 31 of the active year
- PTIN renewals for 2023 will start mid-October, 2022. The 2023 fee will be announced later in the year
- For more information or to contact the Return Preparer Office, visit [IRS.gov/taxpros](https://www.irs.gov/taxpros)

7 Update from the IRS | Return Preparer Office (RPO)

May 2022



IRS Return Preparer Categories

- The IRS offers two voluntary programs:
 - Enrolled Agent Credential:
An elite tax professional status where the enrolled can practice before the IRS with unlimited practice rights.
 - Annual Filing Season Program:
Promotes filing season readiness and federal tax law knowledge through continuing education.

8 Update from the IRS | Return Preparer Office (RPO)

May 2022



Enrolled Agent Credential

- Passing a 3-part Special Enrollment Examination (SEE) or having certain IRS experience
- Completing 72 hours of CE every three years
- An Enrolled Agent (EA) certificate and a 3 -year enrollment card

9 Update from the IRS | Return Preparer Office (RPO)

May 2022



EA SEE Test Prep Program

- 5 hours of Individual Federal Tax Law (category "P")
- 5 hours of Business Federal Tax Law (category "P")
- 2 hours of Ethics (category "E")
- Maximum total of 12 hours

10 Update from the IRS | Return Preparer Office (RPO)

May 2022



Annual Filing Season Program

- A voluntary program for non-credentialed return preparers that:
 - Encourage CE and professional standards
 - Distinguish from non-credentialed return preparers by having completed basic continuing education and ethics training
- Issued an Annual Filing Season Program Record of Completion for one specific tax year

11 Update from the IRS | Return Preparer Office (RPO)

May 2022



Annual Filing Season Program

- Requirements:
 - 18 (or 15) hours of specific types of CE from IRS-approved providers
 - Have active PTIN
 - Be tax compliant
 - *Consent to Circular 230 subpart B and section 10.51 (Video tutorial on IRS.gov)

* Without signing the consent each year (by 4/15), entry into the Annual Filing Season Program program, even when all other requirements have been met is not possible.

12 Update from the IRS | Return Preparer Office (RPO)

May 2022



Annual Filing Season Program CE Requirements

Exemption Status	Annual Federal Tax Refresher Course and Test	Tax Law Updates	Federal Tax Law	Ethics	Total CE Credits
Exempt	0	3	10	2	15
Non-Exempt	6	0	10	2	18

13 Update from the IRS | Return Preparer Office (RPO)

May 2022



Annual Filing Season Program

- Exempt status:
 - Passed Registered Tax Return Preparer test
 - Active California, Maryland, and Oregon state-based program participants
 - Passed Special Enrollment Exam Part I
 - Certain VITA volunteers
 - Certain Accreditation Council for Accountancy and Taxation (ACAT) credential holders

14 Update from the IRS | Return Preparer Office (RPO)

May 2022



Provider Participation in 2022 AFSP

- Offer the Annual Federal Tax Refresher (AFTR) Course & Exam
- Offer CE to unenrolled preparers to qualify for the 15/18 hours of continuing education in federal tax law, federal tax law update, and ethics

15 Update from the IRS | Return Preparer Office (RPO)

May 2022



Limited Practice Rights

- Only Annual Filing Season Program participants will have limited practice rights for returns filed
- Other PTIN holders will only have authority to prepare tax returns
- Attorneys, CPAs, and enrolled agents will continue to have full practice rights

16 Update from the IRS | Return Preparer Office (RPO)

May 2022



Limited Practice Rights

- Can represent clients:
 - Whose returns they prepared and signed
 - Before revenue agents, customer service representatives, and similar employees, including the Taxpayer Advocate Service
 - If they participated in the Annual Filing Season Program in both the year of return preparation and the year of inquiry/examination

17 Update from the IRS | Return Preparer Office (RPO)

May 2022



Directory of Federal Tax Return Preparers with Credentials and Select Qualifications

- Includes:
 - Attorneys, CPAs, enrolled agents, enrolled retirement plan agents, enrolled actuaries, and Annual Filing Season Program participants with active PTINs
 - Name, credential, city, state, and zip

18 Update from the IRS | Return Preparer Office (RPO)

May 2022



Return Preparer Office Federal Tax Preparer Statistics as of 5/8/2022

Number of Individuals with Current Preparer Tax Identification Numbers (PTINs) for 2022
724,236

Professional Credentials

Attorneys	26,466
Certified Public Accountants	198,468
Enrolled Actuaries	164
Enrolled Agents	53,080
Enrolled Retirement Plan Agents	535

Other Qualifications

Annual Filing Season Program Records of Completion Issued
59,927

*Some preparers have multiple credentials and qualifications.

19 Update from the IRS | Return Preparer Office (RPO)

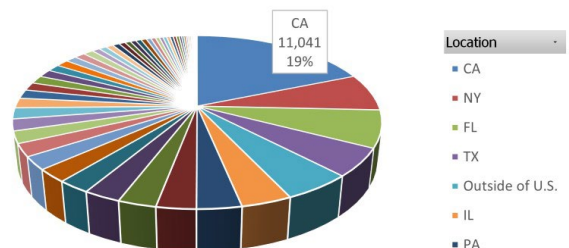
May 2022



Enrolled Agents

Snapshot of Enrolled Agent Population (2022 Filing Season)

58,867 EA's at Peak of Filing Season

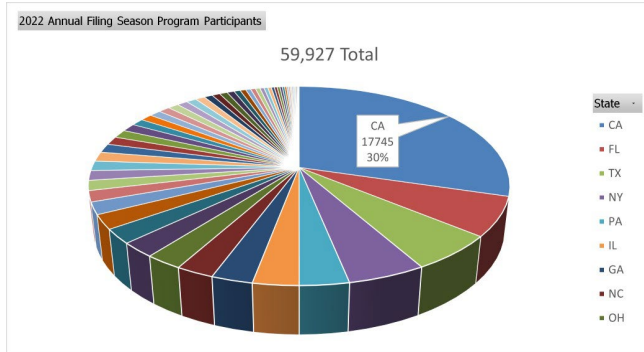


20 Update from the IRS | Return Preparer Office (RPO)

May 2022



Annual Filing Season Program Participation



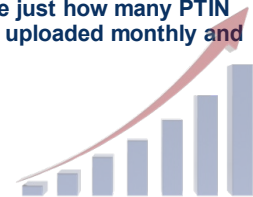
21 Update from the IRS | Return Preparer Office (RPO)

May 2022



Inside the Numbers

- As of 5-16-2022 there are 504 IRS-approved CE providers
- The following charts illustrate just how many PTIN records and credit hours are uploaded monthly and annually

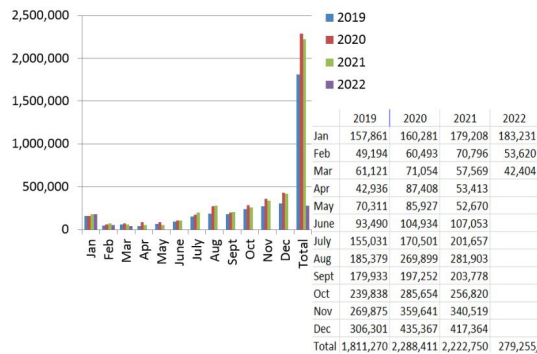


22 Update from the IRS | Return Preparer Office (RPO)

May 2022



CE PTIN Records Uploaded by Providers

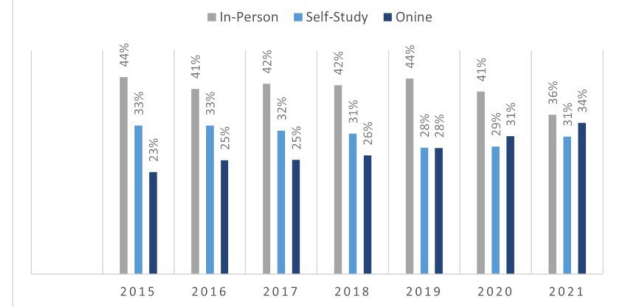


23 Update from the IRS | Return Preparer Office (RPO)

May 2022



PROGRAMS BY DELIVERY METHOD



24 Update from the IRS | Return Preparer Office (RPO)

May 2022



Program Categories Defined

Ethics - A program that addresses federal tax ethics or professional conduct in connection with tax return preparation.

Federal Tax Law Update- A program that provides a practical working knowledge of the latest legislative federal tax law changes and associated IRS forms/instructions/publications.

Federal Tax Law Topics/Federal Tax Related Matters- A program designed to enhance professional knowledge in federal tax laws, regulations, or procedures.

Qualified Retirement Plan Matters - A program designed to enhance an Enrolled Retirement Plan Agent's professional knowledge in employee plans as defined under IRC 401, 403, etc. This includes topics such as plan document requirements, plan operation and administration, and filing requirements.

Annual Federal Tax Refresher - A program which follows three subject area domains outlined annually by the IRS to educate and test a participant's comprehension to receive an Annual Filing Season Record of Completion. Providers must seek approval to offer AFTR during a limited open season.

Special Enrollment Exam Test Preparation- A program that follows the IRS issued test specifications to prepare for the three-part Special Enrollment Examination (SEE Test Prep)

25 Update from the IRS | Return Preparer Office (RPO)

May 2022



PTIN Records by Program Category

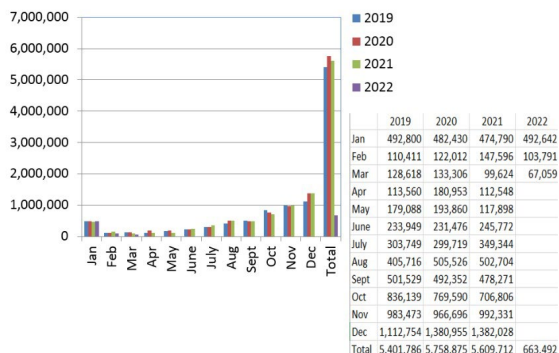


26 Update from the IRS | Return Preparer Office (RPO)

May 2022



Raw CE Credit Hours Uploaded by Providers

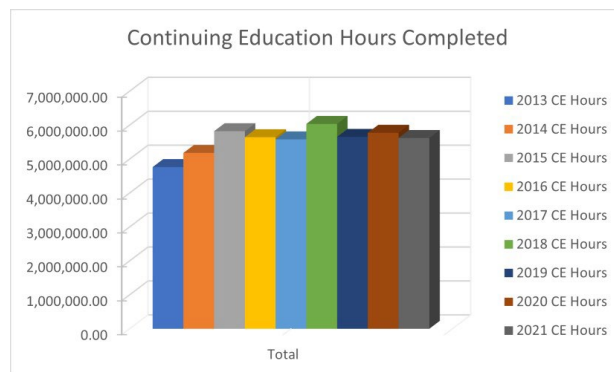


27 Update from the IRS | Return Preparer Office (RPO)

May 2022



CE Credit Hours (PTIN System)

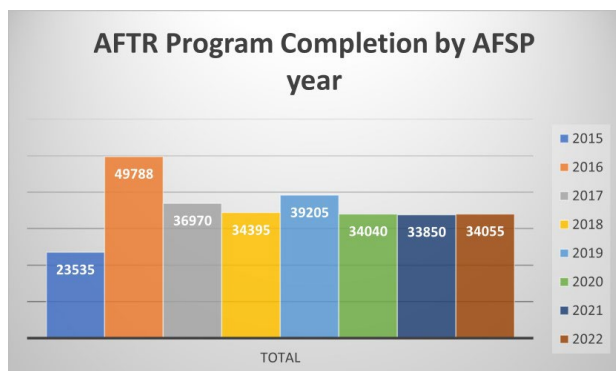


28 Update from the IRS | Return Preparer Office (RPO)

May 2022



Annual Federal Tax Refresher



29 Update from the IRS | Return Preparer Office (RPO)

May 2022



CE Provider Reviews

- All IRS-approved CE providers, including those offering courses for our voluntary programs, are subject to periodic reviews of their course offerings and program processes.
- The CE program is regulated and guided by Circular 230, the IRS CE Provider Standards, and CE Frequently Asked Questions (FAQs).
- Review analysts perform program evaluations and make needed recommendations for achieving compliance.

30 Update from the IRS | Return Preparer Office (RPO)

May 2022



IRS CE Provider Standards No. 1 through No. 8

Standard No. 1. CE Providers are responsible for compliance with all applicable IRS standards and requirements.	Standard No. 5. Continuing education programs must be a qualifying program consistent with Internal Revenue Service rules and regulations.
Standard No. 2. Every CE Provider is required to obtain a continuing education provider number and pay any applicable fees.	Standard No. 6. Continuing education programs must provide current, accurate, and effective development of content, activities, materials, and delivery systems.
Standard No. 3. CE Provider program(s) must be developed by individual(s) qualified in the subject matter.	Standard No. 7. CE Providers of self-study programs must use materials specifically developed for instructional use and employ learning methodologies that clearly define learning objectives, guide the participant through the learning process, and provide evidence of a participant's satisfactory completion of the program.
Standard No. 4. Continuing education programs must be designed to enhance professional knowledge in Federal tax law, Federal tax-related matters, qualified retirement plan matters, or Federal tax-related ethics, and must be consistent with the Internal Revenue Code and effective tax administration.	Standard No. 8. CE Providers must review programs on a periodic basis to ensure the programs are accurate and consistent with currently accepted standards relating to the program's subject matter.

31 Update from the IRS | Return Preparer Office (RPO)

May 2022



IRS CE Provider Standards No. 9 through No. 16

Standard No. 9. CE Providers must provide each attendee with the means for evaluating each program's technical content, manner of presentation, and fulfillment of learning objectives.	Standard No. 13. CE Providers must demonstrate reliable recordkeeping for both program participants and instructor time, including appropriate participant certificates of completion with IRS approval numbers.
Standard No. 10. Certificates of Completion must be issued to each participant who successfully completes the program.	Standard No. 14. CE Providers must submit PTIN level data as prescribed by the Internal Revenue Service for all PTINholders who complete their programs.
Standard No. 11. Sponsored learning activities are measured by program length. One CE credit is given for each contact hour; no fractional credits are given. A contact hour is equal to 50 minutes.	Standard No. 15. CE Providers must, when requested, demonstrate compliance with IRS restrictions on advertising. Each provider's advertised program description must accurately and truthfully describe the program being offered. In addition, advertised programs should clearly state whether the program qualifies for IRS approved CE credit.
Standard No. 12. Instructors, discussion leaders and speakers must be qualified with respect to both program content and instructional methods used.	Standard No. 16. Approved CE Providers must renew their status as prescribed by the IRS.

32 Update from the IRS | Return Preparer Office (RPO)

May 2022



Recordkeeping

The following records must be maintained for 4 years from the completion date of the program even if the program material is purchased:

- Instructor/Developer Biography
- Program material
- Handouts (e.g., syllabus, agenda, PowerPoint presentation)
- Self-study program review questions, final examination, and documentation to support credit hour computation such as the Word Count Formula
- Registration and attendance records (sign -in/out sheet, polling question data, etc.)
- PTIN upload documentation
- Certificates of completion
- Evaluation forms

33 Update from the IRS | Return Preparer Office (RPO)

May 2022



Common NonCompliance Issues

- Recordkeeping
- Failed standard program requirements (non-qualifying course, 80/20 rule not met, no review questions, etc.)
- Outdated program numbers
- Missing elements on required documents
- Incorrect credit hours awarded
- Outdated and incorrect content
- Test integrity failures
- Website inaccuracies and omissions

34 Update from the IRS | Return Preparer Office (RPO)

May 2022



General Topics

- IRS Continuing Education System
- CE Provider Standards and Best Practices
- Resources and Help
- IRS Nationwide Tax Forum (July 19 – August 18, 2022)

35 Update from the IRS | Return Preparer Office (RPO)

May 2022



IRS Continuing Education (CE) Website

www.irs.gov/taxpros/ce is an essential CE reference

Continuing Education for Tax Professionals

Enrolled Agents

Annual Filing Season Program Participants

Enrolled Retirement Plan Agents

Certified Professional Employer Organization (CPEO)

Enrolled Actuaries

E-File Providers

Modernized e-File

Information for Tax Professionals

- [View a list of approved CE providers](#) (P)
- [View a list of IRS-Sponsored Continuing Education Programs](#)
- [View CE requirements for enrolled agents](#)
- [View CE requirements for annual filing season program participants](#)
- [Learn continuing education credit for taking unaffiliated courses on data security](#)

Information for CE Providers

- [Apply to become an IRS-Approved CE Provider](#)
- [Access your CE provider online account](#) (P)
- [Continually Asked Questions](#)
- [IRS CE Provider Standards](#) (PDF)
- [Contact the IRS CE Provider Helpline](#)
- [Annual Federal Tax Refresher \(AFTR\) Course Outline](#) (PDF)
- [Annual Federal Tax Refresher \(AFTR\) Test Parameters](#) (PDF)
- [2022 Annual Federal Tax Refresher Course Information Letter for CE Providers](#)
- [Annual Federal Tax Refresher \(AFTR\) Course - Frequently Asked Questions](#)
- [CE Provider Update: conference call notes from May 2020](#) (PDF)
- [CE Provider Update: conference call notes from November 2020](#) (PDF)
- [CE Provider Update: conference call notes from May 2021](#) (PDF)
- [CE Provider Update: conference call notes from November 2021](#) (PDF)

36 Update from the IRS | Return Preparer Office (RPO)

May 2022



CE System Resource & Help

Available while you are logged in your CE account

37 Update from the IRS | Return Preparer Office (RPO)

May 2022



References for CE Providers

[PPOC Quick Reference Guide](#)

www.irs.gov/taxpros/ce

[Circular 230](#)

[IRS CE Provider Standards](#)

[Continuing Education FAQs](#)

[Past Conference Call Notes](#)

[Revenue Procedures 201212](#)

38 Update from the IRS | Return Preparer Office (RPO)

May 2022



References for CE Providers

[PPOC Quick Reference Guide](#)
www.irs.gov/taxpros/ce
[Circular 230](#)
[IRS CE Provider Standards](#)
[Continuing Education FAQs](#)
[Past Conference Call Notes](#)
[Revenue Procedures 201212](#)



How to Contact Us

If you have a question related to IRS continuing education, please send an email to rpo.ce@irs.gov and we will respond to you directly.

RPO CE mailbox
rpo.ce@irs.gov

Thank You!

38 Update from the IRS (Return Preparer Office (RPO))

May 2022

39 Update from the IRS (Return Preparer Office (RPO))

May 2022

40 Update from the IRS (Return Preparer Office (RPO))

May 2022

Susie DiMaggio shared with Cedric that there was discussion at the Provider Task Force meeting regarding advertising requirements for CTEC providers. Providers are questioning CTEC's policy regarding the terminology "fast and easy" used in their advertising. Susie informed Cedric since CTEC adheres to the IRS Education Standards, she brought up the question of whether the IRS has any type of written standards for their providers in regards to the advertisement of their courses.

Cedric shared with the board that the IRS does not have a specific policy that prevents the IRS providers from using "fast and easy" terminology in the advertisement of their program as long as the information in their course materials is factual but they do agree with CTEC's policy as it stands.

Celeste Heritage shared with Cedric that CTEC has been inundated with phone calls from preparers stating that they have been trying to reach the IRS with no luck and were wondering if there is another number that CTEC can direct those preparers to. Cedric will check on this and will get back to CTEC.

- FTB Report – Rebecca Landeros

Rebecca reviewed the enforcement statistics for 2021/2022. A copy of the report was distributed to all board members.

CTEC Board Meeting

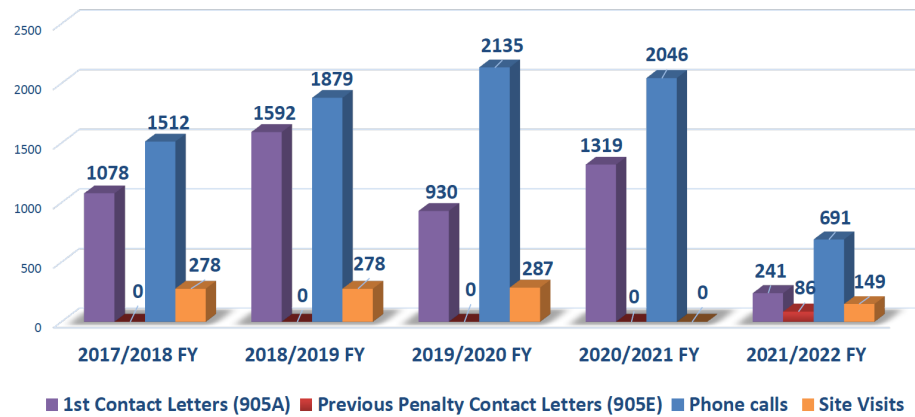
Rebecca Landeros
 May 18, 2022

CTEC Enforcement

FTB & CTEC Partnership

- Legislative Mandate:
 - FTB's Enforcement of Non-Credentialed Tax Preparers for CTEC
 - BPC Sections 22250 – 22259 (chapter 14. Tax Preparers)
 - Revenue & Tax Code 19167
 - Penalty Revenue Collected to CA General Fund
 - 2 Year Contract

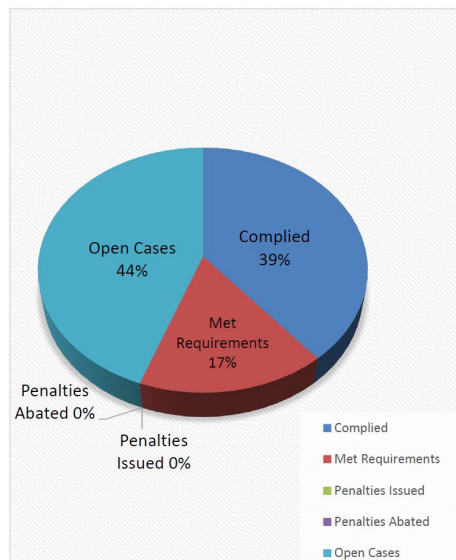
Contacts



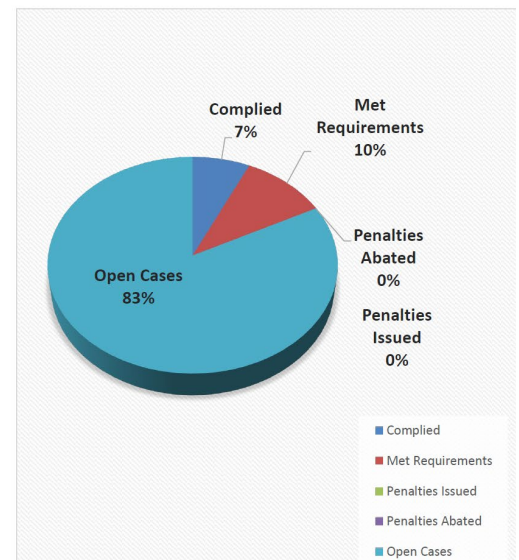
- Contacts
 - This chart reflects the number of contacts based on Letters, Phone Calls & Visits.
 - 905E letters are now included in the chart
 - FY 2021/2022 – Mid Season:
 - 241 – Tax preparers received first contact letters (905A)
 - 86 – Tax preparers received previous penalty letters (905E)
 - 691 – Phone calls made to tax preparers
 - 149 – Tax preparers visits

Contact Mid-Season Results

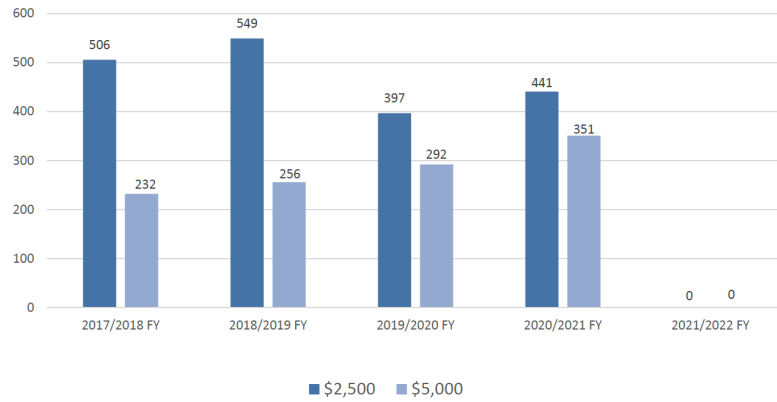
First Contact Letters (905A)



Previous Penalty Letters (905E)

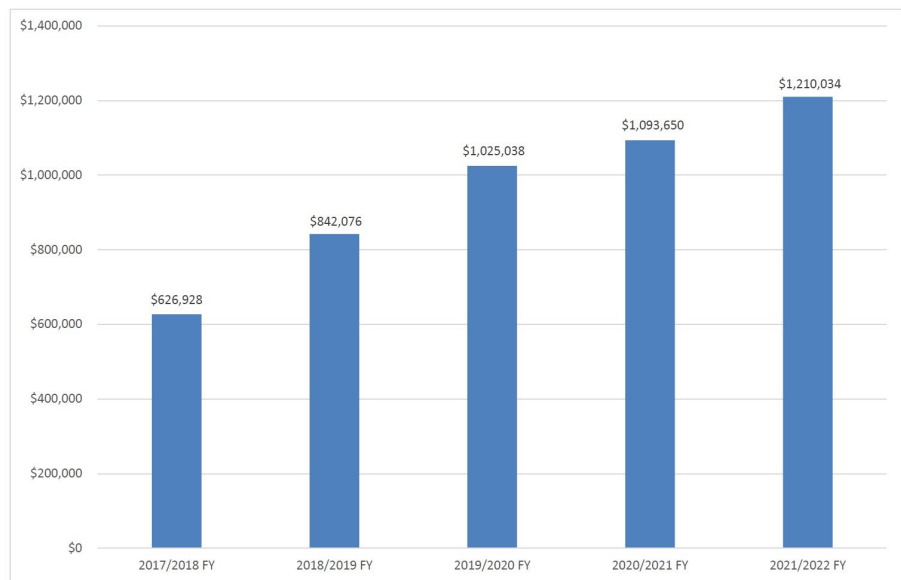


Penalties Issued



- Penalties
 - 2022 Season:
 - \$2,500 – 0 Issued
 - \$5,000 – 0 Issued

Revenue



Questions



- **Modify budget requests for Tax Preparer Committee for the fiscal year 2022-2023**

The following changes were made to the budget:

- Decrease the Postage line item from \$20,000 to \$12,000
- Inactivate the Registration Reminder (January & June) line item
- Decrease Background Reviewers line item from \$35,000 to \$25,000
- Increase Paralegal line item from \$65,000 to \$70,000
- Decrease Hearing Officers line item from \$10,000 to \$5,000
- Decrease Background Check Federal Search Service line item from \$1,500 to \$0

The total Tax Preparer Committee budget for 2022-2023 is \$185,000.

The council adopted the following:

Resolution: Accept the Tax Preparer Committee budget for 2022-2023 as presented above.

U. Budget and Finance Committee Report – C. Lester Crawford

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

At the November 2021 Board Meeting, each committee was tasked with reviewing their respective policies. The committee reviewed the Budget and Finance Committee policies and recommended the following changes:

- **Policy BF01 – Budget & Finance Committee Mission Statement**

The committee reviewed policy BF01 – Budget & Finance Committee Mission Statement and recommended the following changes:

The Budget and Finance Committee shall balance income and expenses to carryout CTEC’s duties and responsibilities in accordance with the Tax Preparation Act.

Responsibility: ~~Board of Directors~~ **Budget and Finance Committee**

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BF02 – Budget Planning and Reserves**

The committee reviewed policy BF02 – Budget Planning and Reserves and recommended the following changes:

Background: CTEC ~~wishes to shall~~ maintain a balanced budget that reflects the objectives of the Tax Preparationers Act ~~and the priorities of CTEC~~. The expenses of the California Tax Education Council (CTEC) are funded primarily from the annual registration fees of ~~CTEC~~ registered preparers. ~~Any increase in expenses must result in a corresponding change in revenue.~~

Budget planning: Prior to the end of each fiscal year, staff will distribute a blank budget planning worksheet and a completed budget planning worksheet reflecting one prior year of actual amounts spent. Committees then prepare and submit draft budgets to the Budget and Finance Committee using Form CTEC-013 (Budget Planning Worksheet). The Budget and Finance Committee compiles and finalizes the draft budgets to present to the Board for approval. The Board approves the balanced CTEC budget. Budgets are continually monitored. Budget vs. Actual Report will be e-mailed each month to Directors to ~~ensure projections~~ monitor that expenses are within budget are accurate. The Budget and Finance Committee notifies committees during the year if changes budget revisions need to be made to reflect available resources. Committees ~~wishing~~ requesting budget augmentations additional funds must bring the matter to the Board. All CTEC committees shall, ~~to the best of their ability, cooperate in maintaining~~ realistic budgets. projections.



Reserves: CTEC's annual revenues are primarily collected from registration fees during the months of September through ~~December~~ January. CTEC's fiscal year begins July 1, ~~three (3)~~two (2) months before the beginning of the revenue stream for the fiscal year. ~~Therefore~~, Two months annualized operating expenses must be funded from the prior year's revenues and provided for in the prior year's budget. In addition, a prudent operating reserve, equal to ~~two (2)~~ three (3) months annualized operating expenses shall be included in a current year budget.

The combination requires budgeted reserves equal to ~~two (2)~~ three (3) months annualized expenses. For example, if the expenditures budgeted for the year is \$700,000 then the budgeted reserves shall be \$175,000 at the end of the fiscal year (\$700,000/12x3).

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BF03 – Director Reimbursement**

The committee reviewed policy BF03 – Director Reimbursement and recommended the following changes:

Lodging: The actual cost of 3 night's maximum lodging while attending Board meetings, committee meetings, and other Board functions pursuant to their Board or committee responsibilities. Exceptions ~~will~~must be approved by CTEC Administrator.

Claims: Claims for reimbursements ~~will~~must be sent to CTEC Administrator on Form CTEC-001 (Director Reimbursement Form). In an effort to maintain accurate financial reporting, all claims for reimbursement must be submitted within 30 days of the date of occurrence.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BF04 – Fees**

The committee reviewed policy BF04 – Fees and recommended the following changes:

Returned Check Fee..... ~~\$20.00~~25.00

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BF05 – Payment (Check Request)**

The committee reviewed policy BF05 – Payment (Check Request) and recommended the following changes:

PAYMENT (~~CHECK REQUEST~~)

Background: Expenses for the goods and services required by CTEC to perform its mandated functions are budgeted and the Board approves the budget. Payment for these goods and services shall only be authorized by use of the approved-~~Check~~Payment Request Form (Form CTEC-002) and by following the procedures detailed here.

Administrative staff completes a ~~Check~~ Payment Request Form on behalf of the vendor and emails or faxes form with copy of invoice to committee chair.

If the expense is not budgeted or exceeds the allotted budget by an amount greater than \$500, the request must be forwarded to either the Executive Committee or the Board for approval. If the Board or committee chair foresees an over-budget expense, a request will be submitted for the authorization to ~~increase~~ go over the budgeted amount.

The council adopted the following:

Resolution: Accept the above policy as presented.



- **Policy BF06 – Accounting Policies**

The committee reviewed policy BF06 – Accounting Policies and recommended the following changes:

Account Balance Limits: The CTEC Administrator shall ~~make every effort to~~ spread CTEC funds among a variety of institutions so that no individual institution holds more than \$250,000.

5400 Curriculum Provider Committee

- 5406 Curriculum Review
- 5411 Provider Task Force Meeting
- 5413 Policy Reviewer
- 5414 Audit Review
- 5415 Appeal Process
- 5416 *~~Senior Reviewer~~

5800 Public Awareness Committee

- 5802 Compliance Brochure “How to”
- 5803 *~~Printing Preparer Newsletter~~
- 5804 Advertising
- 5805 Public Relations
- 5806 Speakers Bureau Travel
- 5807 Toll Free Lines
- 5808 Public Brochure “Choosing”
- 5809 *~~Postage Preparer Newsletter~~
- 5810 Promotional Items
- 5812 Public Relations Expenses
- 5813 Advertising Survey
- 5814 Advertising Commission
- 5815 Media Clipping Service
- 5816 Preparer Newsletter - Email

5900 Tax Preparer Committee

- 5902 Renewal Postcards/Certificates
- 5908 Postage
- 5910 *~~Registration Reminder (Jan & June)~~
- 5912 Credit Card Fees
- 5913 Background Reviewers
- 5914 Paralegals
- 5915 Hearing Officers

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Policy BF07 – Budgets Historical & Projected**

The committee reviewed policy BF07 – Budgets Historical & Projected and recommended no changes to the policy.

- **Policy BF08 – Speakers Bureau Expenses**

The committee reviewed policy BF08 – Speakers Bureau Expenses and recommended no changes to the policy.

- **Policy BF09 – Registration Overpayments and Refunds**

The committee reviewed policy BF09 – Registration Overpayments and Refunds and recommended no changes to the policy.



- **Policy BF10 – Financial Reporting**

The committee reviewed policy BF10 – Financial Reporting and recommended the following changes:

Background: The California Tax Education Council (CTEC) is committed ~~to good corporate practice~~ to sound fiscal practices in the execution of its fiscal responsibilities. In addition to producing an annual balanced budget, the Board of Directors has assigned the duty of care for financial reviews on a regular basis to certain administrative staff and Board members.

Administrative Staff:

- Implement budgeting, payment and reimbursement procedures for all income and expenses.
- Provide a Budget vs. Actual report to the Treasurer concurrent with every check run, and include all back up documentation for ~~Check~~ Payment Requests (Form CTEC-002).
- ~~At the end of~~ Each fiscal year, contract with a CPA firm to conduct an annual audit after obtaining Council approval.

Treasurer:

- Review, or cause to be reviewed, each ~~check~~ payment request, sign and mail checks received from administrative staff, within 48 hours of receipt, whenever possible.

Committee Chairs:

- Review the financial reports prior to each Board meeting, paying particular attention to their committee's Budget vs. Actual report.
- Complete annual ~~Strategic Planning and~~ Budget Planning Worksheets in a timely manner.

Board of Directors:

- Review the financial reports prior to each Board meeting, paying particular attention to the committees' Budget vs. Actual report.
- Prepare annual ~~Strategic Planning and~~ Budget Planning Worksheets in a careful and timely manner.
- Review ~~and approve~~ the annual audited report. ~~presented~~.

The council adopted the following:

Resolution: Accept the above policy as presented.

- **Modify budget requests for the Budget and Finance Committee for the fiscal year 2022-2023**

The following changes were made to the budget:

- Replace "Conference call" wording with "Miscellaneous" and budget \$250.

The Budget and Finance Committee's total budget for 2022-2023 is \$250.

The council adopted the following:

Resolution: Accept the Budget and Fiance Committee's budget for 2022-2023 as presented above.

V. Review and Approve CTEC 2022-2023 Budget

The board reviewed CTEC's 2022-2023 Budget outlined below:

Income	Jul '20-Jun '21	Jul '21-Jun '22	Jul '22-Jun '23	Jul '23-Jun '24	Jul '24-Jun '25
4000 - Registration					
4001 - New Registration	\$726.00	\$0.00	\$1,000.00	\$1,300.00	\$1,690.00
4002 - Renewal Registration	\$5,874.00	\$3,894.00	\$5,000.00	\$6,500.00	\$8,450.00
4003 - CC - New Registration	\$160,578.00	\$142,329.00	\$150,000.00	\$195,000.00	\$253,500.00
4004 - CC - Renewal Registration	\$1,112,859.00	\$1,130,272.50	\$1,200,000.00	\$1,560,000.00	\$2,028,000.00
Total Registration Fees	\$1,280,037.00	\$1,276,495.50	\$1,356,000.00	\$1,762,800.00	\$2,291,640.00
4005 - Late Registration					
4006 - Registration	\$2,585.00	\$1,870.00	\$2,500.00	\$3,250.00	\$4,225.00
4007 - CC - Registration	\$354,200.00	\$359,920.00	\$362,000.00	\$470,600.00	\$611,780.00
Total Late Fees	\$356,785.00	\$361,790.00	\$364,500.00	\$473,850.00	\$616,005.00
Total 4010 - Mailing List	\$2,421.34	\$3,250.00	\$3,500.00	\$4,550.00	\$5,915.00
4020 - Interest Income					
4021 - Interest - Dividends	\$103.67	\$100.00	\$125.00	\$162.50	\$211.25
4022 - Interest	\$7,448.15	\$5,558.55	\$6,000.00	\$7,800.00	\$10,140.00
4020 - Interest-Income - Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total 4020 - Interest Income	\$7,551.82	\$5,658.55	\$6,125.00	\$7,962.50	\$10,351.25
4030 - Returned Check Charge	\$20.00	\$0.00	\$0.00	\$0.00	\$0.00
4040 - Provider Fees					
4041-Qualifying Education	\$3,000.00	\$6,000.00	\$6,000.00	\$7,800.00	\$10,140.00
4042-Continuing Education	\$2,400.00	\$1,200.00	\$2,400.00	\$3,120.00	\$4,056.00
4044 - Periodic Review	\$21,600.00	\$14,000.00	\$20,000.00	\$26,000.00	\$33,800.00
4045 - Provider Late Fees	\$500.00	\$3,500.00	\$3,000.00	\$3,900.00	\$5,070.00
Total 4040 - Provider Fees	\$27,500.00	\$24,700.00	\$31,400.00	\$40,820.00	\$53,066.00
4050 - Duplicate Certificate Fee	\$580.00	\$440.00	\$500.00	\$650.00	\$845.00
4060 - Brochure Income	\$289.75	\$189.75	\$300.00	\$390.00	\$507.00
4070 - Miscellaneous Income	\$198.56	\$5.88	\$100.00	\$130.00	\$169.00
Total Income	\$1,675,383.47	\$1,672,529.68	\$1,762,425.00	\$2,291,152.50	\$2,978,498.25
5000 - Board Activities					
5001 - Airfare	\$575.71	\$541.71	\$7,000.00	\$7,000.00	\$5,463.64
5002 - Cab/Shuttle	\$181.88	\$20.90	\$1,000.00	\$1,000.00	\$1,092.73
5003 - Hotel	\$5,318.74	\$9,710.94	\$40,000.00	\$40,000.00	\$27,318.18
5004 - Mileage	\$987.84	\$1,646.96	\$5,000.00	\$5,000.00	\$5,463.64
5005 - Parking	\$203.99	\$317.99	\$2,500.00	\$3,000.00	\$1,639.09
5006 - Per Diem	\$1,350.00	\$1,000.00	\$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	\$12,944.10	\$19,902.71	\$60,000.00	\$60,000.00	\$21,854.54
Total 5000 - Board Activities	\$21,562.26	\$33,141.21	\$120,000.00	\$120,500.00	\$68,295.44
5100 - General & Administrative					
5103 - Bank Fees/Returned Check Fees	\$43.00	\$0.00	\$200.00	\$200.00	\$1,092.73
5105 - Fees & Licenses	\$300.00	\$150.00	\$300.00	\$300.00	\$163.91
5106 - Insurance	\$1,576.25	\$1,144.00	\$2,500.00	\$4,500.00	\$4,370.91

5100 - General & Administrative	Jul '20-Jun '21	Jul '21-Jun '22	Jul '22-Jun '23	Jul '23-Jun '24	Jul '24-Jun '25
5107 - Legal Fees	\$13,900.00	\$19,200.00	\$30,000.00	\$30,000.00	\$27,318.18
5109 - Mgmt Contract Expense	\$567,000.00	\$519,750.00	\$567,000.00	\$609,000.00	\$590,072.58
5110 - Printing	\$4,032.45	\$3,199.76	\$5,000.00	\$6,000.00	\$1,092.73
5113 - Postal Permits	\$254.00	\$322.00	\$500.00	\$500.00	\$546.36
5116 - Miscellaneous Expense	\$224.85	\$0.00	\$500.00	\$500.00	\$546.36
5118 - Returned Items	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5119 - Education & Training	\$0.00	\$0.00	\$7,500.00	\$0.00	\$0.00
5120 - Capitol Reserve	\$0.00	\$0.00	\$15,000.00	\$15,000.00	\$15,000.00
5130 Taxes (Sales Tax)	\$532.00	\$47.19	\$0.00	\$0.00	\$500.00
Total 5100 - General & Administrative	\$587,862.55	\$543,812.95	\$628,500.00	\$666,000.00	\$640,703.75
5150 - Budget & Finance Committee					
5151 - Conference Calls	\$0.00	\$0.00	\$250.00	\$250.00	\$250.00
Total 5150 - Budget & Finance	\$0.00	\$0.00	\$250.00	\$250.00	\$250.00
5160 Audit Oversight Committee					
5101 - Accounting/Filing	\$13,575.00	\$11,100.00	\$15,000.00	\$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
5503 - Annual Report	\$5,056.83	\$5,267.21	\$4,500.00	\$6,000.00	\$6,000.00
Total 5160 - Audit Oversight	\$18,631.83	\$16,367.21	\$19,500.00	\$22,250.00	\$22,250.00
5200 - Bylaws Committee					
5201 - Conference Calls	\$0.00	\$0.00	\$250.00	\$250.00	\$250.00
Total 5200 - Bylaws	\$0.00	\$0.00	\$250.00	\$250.00	\$250.00
5300 - Communications & Technology					
5306 - Software Development	\$0.00	\$21,250.00	\$0.00	\$0.00	\$0.00
5307 - Software Update	\$9,987.50	\$36,890.00	\$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	\$42,000.00	\$38,500.00	\$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	\$1,698.74	\$1,797.87	\$2,500.00	\$12,000.00	\$5,000.00
5312 - Microsoft Cloud	\$10,996.17	\$8,689.95	\$12,000.00	\$2,500.00	\$2,500.00
5313 - Database Cleanup	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total 5300 - Comm. & Technology	\$64,682.41	\$107,127.82	\$76,500.00	\$66,500.00	\$41,700.00
5400 - Curriculum Provider Committee					
5406 - Curriculum review - QE and CE 5406 - Periodic Review	\$60,680.00	\$60,292.49	\$84,675.00	\$70,000.00	\$70,000.00
5411 - Provider Task Force meeting	\$0.00	\$0.00	\$750.00	\$1,500.00	\$1,500.00
5413 - Policy Reviewer	\$2,700.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
5414 - Audit Review	\$7,000.00	\$11,391.29	\$19,800.00	\$12,000.00	\$10,000.00
5415 - Appeal Process	\$0.00	\$0.00	\$4,000.00	\$18,750.00	\$18,750.00
5417 - CP23 Update	\$0.00	\$6,075.00	\$12,000.00	\$0.00	\$0.00
5418 - Website Review	\$0.00	\$0.00	\$5,000.00	\$0.00	\$0.00
Total 5400 - Curriculum Provider	\$70,380.00	\$77,758.78	\$126,225.00	\$107,250.00	\$105,250.00

5500 - Executive Committee	Jul '20-Jun '21	Jul '21-Jun '22	Jul '22-Jun '23	Jul '23-Jun '24	Jul '24-Jun '25
5501 - Conference Calls	\$0.00	\$0.00	\$250.00	\$250.00	\$250.00
Total 5500 - Executive	\$0.00	\$0.00	\$250.00	\$250.00	\$250.00
5600 -Governance Committee					
5608 - Recognition	\$232.45	\$138.95	\$1,000.00	\$1,500.00	\$1,500.00
5610 - Travel for CRTP Director Applicants/Orientation	\$0.00	\$0.00	\$5,000.00	\$25,000.00	\$25,000.00
Total 5600 - Governance	\$232.45	\$138.95	\$6,000.00	\$26,500.00	\$26,500.00
5700 - Governmental Relations					
5702 - Printing Sunset review docs	\$0.00	\$10,000.00	\$10,000.00	\$0.00	\$1,000.00
5703 - Polling Expense	\$0.00	\$40,000.00	\$40,000.00	\$0.00	\$0.00
5704 - Sunset Expense	\$0.00	\$60,000.00	\$60,000.00	\$0.00	\$15,000.00
5705 - Travel & Hotel	\$0.00	\$5,000.00	\$7,500.00	\$5,000.00	\$5,000.00
5706 - Enforcement	\$244,337.48	\$407,000.00	\$407,000.00	\$523,547.00	\$260,000.00
Total 5700 - Governmental Relations	\$244,337.48	\$522,000.00	\$524,500.00	\$528,547.00	\$281,000.00
5800 - Public Awareness					
5802 - Compliance Brochure "How To..."	\$760.87	\$2,962.98	\$3,000.00	\$3,000.00	\$3,000.00
5803 - Printing - Preparer Newsletter	\$7,461.04	\$0.00	\$0.00	\$10,000.00	\$10,000.00
5804 - Advertising	\$220,935.11	\$232,517.05	\$385,000.00	\$601,500.00	\$601,500.00
5805 - Public Relations	\$81,000.00	\$67,500.00	\$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	\$1,500.00	\$0.00	\$1,800.00	\$1,800.00	\$1,800.00
5808 - Public Brochure "Choosing your CRTP"	\$1,876.06	\$0.00	\$3,500.00	\$3,500.00	\$3,500.00
5809 - Postage - Preparer Newsletter	\$4,314.01	\$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	\$1,052.58	\$932.52	\$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	\$24,075.00	\$19,333.00	\$19,333.00	\$60,000.00	\$60,000.00
5815 - Media Clipping Service	\$1,731.31	\$3,191.45	\$3,500.00	\$5,500.00	\$5,500.00
5816 - Prepaper Newsletter - Email	\$2,088.65	\$3,408.90	\$3,500.00	\$5,000.00	\$5,000.00
Total 5800 - Public Awareness	\$346,794.63	\$329,845.90	\$511,233.00	\$793,300.00	\$793,300.00
5900 Tax Preparer Committee					
5902 - Renewal Post card / Certificates	\$11,432.32	\$10,152.99	\$18,000.00	\$18,000.00	\$18,000.00
5908 - Postage	\$13,758.53	\$7,285.64	\$12,000.00	\$25,000.00	\$25,000.00
5910 - Registration Reminder (January&June)	\$2,412.93	\$0.00	\$0.00	\$10,000.00	\$10,000.00
5912 - Credit Card Fees	\$46,098.21	\$49,191.09	\$55,000.00	\$55,000.00	\$55,000.00
5913 - Background Reviewers	\$28,417.17	\$22,517.65	\$25,000.00	\$50,000.00	\$50,000.00
5914 - Paralegal	\$79,526.54	\$59,637.58	\$70,000.00	\$0.00	\$0.00
5915 - Hearing Officer	\$3,758.60	\$2,547.50	\$5,000.00	\$25,000.00	\$25,000.00
5917 - Federal Search Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total 5900 - Tax Preparer	\$185,404.30	\$151,332.45	\$185,000.00	\$183,000.00	\$183,000.00



	Jul '20-Jun '21	Jul '21-Jun '22	Jul '22-Jun '23	Jul '23-Jun '24	Jul '24-Jun '25
6999 - Uncategorized Sales Tax Expense	\$476.00	\$0.00	\$0.00	\$0.00	\$0.00
7020 - Amortization - Curriculum Provider	\$32,262.00	\$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
Income	\$1,675,383.47	\$1,672,529.68	\$1,762,425.00	\$2,291,152.50	\$2,978,498.25
Total Expenses	\$1,572,625.91	\$1,781,525.27	\$2,198,208.00	\$2,514,597.00	\$2,162,749.19
(Enter Months) 3	\$262,104.32	\$296,920.88	\$549,552.00	\$628,649.25	\$540,687.30
Net Income	\$102,757.56	-\$108,995.59	-\$435,783.00	-\$223,444.50	\$323,675.45
Current Bank Balance	\$ 1,350,921.22	\$ 191,985.94	\$ 226,532.46	\$ 1,350,921.22	\$ 1,350,921.22
Surplus or Deficiet (-)	\$1,453,678.78	\$82,990.35	-\$209,250.54	\$1,127,476.72	\$1,674,596.67

The board recommended approval of CTEC’s fiscal year 2022-2023 budget based on 38,000 registrations -- total registration fee of \$1,356,000.00; total income of \$1,762,425.00; total expenses of \$2,198,208.00 with 3 months reserve \$549,552.00 for a total net income of -\$435,783.00. Current CTEC bank balance is \$ 226,532.46.

The council adopted the following:

Resolution: Accept the 2022-2023 budget as presented.

W. Public comments regarding issues, not on this agenda – Brandon Chanley

John Bishop, CRTP and a previous Board Director thanked the CTEC Board for hosting the meeting and for addressing all his questions. He was glad that he was able to attend. Brandon Chanley thanked everyone for attending.

X. Items/suggestions from Board Members for future meeting agendas – Brandon Chanley

Brandon Chanley recommended scheduling the committee meetings at least 30 days in advance in order to have an excused absence the Directors must give a 30 days notice.

Celeste reminded the board that the final Board agenda must be posted 10 days prior to the Board meeting. Brandon thanked Saff for a job well done.

Y. Adjourn

The meeting was adjourned at 10:35 a.m.