

MINUTES

The Regulatory Council for Community Association Managers Telephone Conference Call Friday, May 6, 2005, 10:30 A.M.

Members Present

Reginald Billups, Chair
Chris Brown, Vice Chair
Steve Czonstka
Edith Yates

Staff Present

Jerry Wilson, Division Director
Donna Salters, Government Analyst
George Ayrish, Bureau of Education & Testing
Alex Touissant, Bureau of Education & Testing
Barbara Edwards, Board Counsel

Others Present

Molley Foley-Healy, CAI
David Richards, Education Provider

The meeting was called to order at 10:30 a.m. and a quorum was established by roll call.

Approval of Minutes

Mr. Brown offered the motion to accept the minutes from the February 18, 2005 Council meeting. The motion was seconded by Mr. Czonstka and passed unanimously.

Chair Report

Mr. Billups reported his term ended November 2004 and he is continuing to serve until the Governor appoints a replacement.

Board Counsel Report

Ms. Edwards stated that there are no outstanding rules. She reported that Rule 61-20.508, Florida Administrative Code (F.A.C.) (Continuing Education Renewal Requirement) and Rule 60-20.025, F.A.C. (Exemption of Spouses of Members of Armed Forces from Licensure Renewal Provisions) were both adopted and became effective on April 25, 2005.

She also provided a report on a letter received from Mr. Mark Benson of Benson's, Inc. Accredited Association Management Company expressing his dissatisfaction in regards to the changes to Rule 61-20.508, F.A.C. that now allows all 20 continuing education (CE) hours to be completed by either classroom or by correspondence.

The Council requested that Ms. Edwards acknowledge the receipt of the letter and indicate to Mr. Benson that this topic was discussed during the October 8, 2004 meeting in Orlando, Florida.

Executive Director's Report

In Mr. Spivey's absence, Mr. Wilson provided the financial reports ending December 21, 2004.

Ms. Yates asked a question regarding a \$17,701 transfer from the administrative trust fund. Mr. Wilson explained that the administrative trust fund is what pays for the Secretary, finance and accounting personnel, mail room, print shop, etc. This transfer occurs to pay for the administrative services provided by the board office.

It was noted that the Statement of Net Assets was excluded from the agenda and will be forward to Council members immediately after this meeting.

Mr. Wilson will request that Mr. Spivey make available a 5 year projection for the next meeting.

Regulation Report

Mr. Wilson reported that there were 159 complaints added, 36 were found legally sufficient, 13 unlicensed complaints found legally sufficient, 31 investigations were assigned, 53 investigations were complete, 3 complaints assigned to mediation, 3 mediations completed, and 1 citation filed.

The Council requested that a Prosecutorial Report for discipline on licensed individuals be made available at the next meeting.

There was a brief discussion regarding discipline cases. It was noted that formally, licensees who had been disciplined was listed in the CAM Newsletter. It was stated that there has not been a newsletter produced since 2002. Mr. Wilson insured the Council that there will be a CAM newsletter completed.

There were proposed meeting dates of August 5, 2005 in Orlando; November 4, 2005 telephone conference; February 3, 2006, and May 5, 2006 by telephone conference.

Ms. Yates indicated that certain Council issues such as discussion of privatization should be taken into consideration when deciding whether to do in-person meetings or teleconference meeting. Mr. Billups added that anything that requires legislative changes may also substantiate the need for in-person meetings. Ms. Edwards reminded the Council that the next meeting will be a time to discuss submitting drafts for the 2006 legislature. Mr. Wilson also reminded the Council to look at other avenues other than the department to corral support for legislative changes. Mr. Billups stated the Council realizes that there is a need for industry support to sponsor changes in legislation.

Old Business

At the February 8, 2005 Council meeting, it was requested that staff do an internal search for a sample strategic goals document that could serve as a model for the study of privatization. Mr. Wilson reported that staff was unable to locate a sample document. In

his search he found that the Board of Architects privatized their enforcement, which only included their investigator and the attorney. They accomplished this by changing their practice act legislatively and they did not go through Chapter 455, Florida Statutes (F.S.) Management Privatization Act. He further found that, the Board of Professional Engineers, did go through Chapter 455, F. S., but the requirements completely changed and their sample would not be beneficial to the Council. Also, the Board of Professional Land Surveyors & Mappers is currently working on constructing a business case for privatization, but after two submissions there is still no finished product and it would not serve as a useful sample either.

Ms. Foley-Healy reported that the Board of Surveyors & Mappers hired Mr. Scraub, owner of a management service company in Tallahassee as a consultant to complete their business case. Mr. Scraub produced the business case for approximately \$4000 instead of the assumed cost of approximate \$15,000 to \$20,000. She indicated that she was told that the Board of Surveyors & Mappers passed the business case and have written a letter requesting privatization from the Department. She stated that Mr. Scraub will be paid an additional \$4000 - \$6000 to take the Board through the entire privatization process beyond the business case.

Ms. Foley-Healy reported that Community Association Institute (CAI) is already receiving pledges from vendors who want to support the development of a business case for CAM privatization study. Ms. Foley-Healy indicated that she will provide a copy of Surveyors and Mappers business case to the executive director who in turn will provide it to the Council. She stated that she will do everything possible to have funds available by the next meeting to begin completing the business case for CAM privatization study.

New Business

Mr. Brown addressed the Council regarding a letter from the Bureau of Education & Testing (BET) sent to license holders regarding required continuing education courses. He had concerns regarding how classes are approved and seemingly it is done independent of the Council. He was concerned that some providers are not aware of what they are approved to teach.

Mr. Wilson explained that under Chapter 455, F.S. the department has a requirement of 100% monitoring for CE. Therefore, when a group is going through the renewal cycle, a query is completed to determine what licensees have completed the total required hours. Mr. Wilson explained that errors may exist and the licensee should contact our Bureau of Education and Testing (BET).

Mr. Ayrish addressed the Council regarding the deficiency letter sent to licensees. He apologized for the Council not being made aware of the letters mailed, and proceeded to explain the approval process for CE providers. He explained that if a provider submits an application, and during the review the course contents do not match what the application is for, additional information is then requested. He explained that once a provider reports courses taken by a licensee, the system automatically attaches those credits to the license in the database. If the license number is reported incorrectly then it would create a

problem for the license holder. Mr. Ayrish reported that this is the first time for electronic monitoring for continuing education credits and many issues may come to the forefront. Mr. Wilson stated that this is Phase I of the electronic monitoring, but in Phase II there will be no license renewals without CE's on the license holder record.

Mr. Billups presented the question regarding obtaining credits for the previous year's legal update requirement and asked if the licensee can take the 2005 legal update course for the 2004 credit. Mr. Ayrish stated that the legal update 1 & 2 are supposed to be taken each year of the biennium. Licensees who did not take any CE's during the period that a legal update course was available for that year only, are now in a situation where the legal update required is either obsolete or expired.

Mr. Brown stated that the license holder should be required to take the legal update for the appropriate year because often there may not be any changes. Mr. Ayrish then asked that when a legal update course is approved it is approved for that year's cycle only. Mr. Czonstka also expressed that the legal update should be for that year and once the course is approved it should remain current and active for more than one year.

Ms. Edwards indicated that with a rule change the courses should be approved for 3 years which would allow the courses to carry over after a renewal period so the courses can be available throughout the entire biennium.

Mr. Ayrish recommended that if there is a change, the Council should make the expiration dates consistent for all courses.

Mr. Richards, CE Provider explained that he had to go through his database to respond to hundreds of letters concerning the continuing education and legal update reporting problem. To ensure that all licensed CAMs received the proper credit he forwarded the information to the department via fax.

Ms. Edwards asked if a provider submitted a course for one subject, but the course material did not meet the requirements, would then the course be approved for whatever qualifications was met? The response from Bureau of Education & Testing (BET) was yes.

Mr. Ayrish explained that if the provider is having difficulty sending the information electronically, he would prefer the providers call BET rather than fax corrections as it is important to determine why the electronic information is not transferring properly. He explained that every morning, BET receives a report on courses that did not post. The providers are then notified by e-mail of which licensees did not get their credit.

Mr. Billups stated that it is the consensus of the Council that the licensees who did not complete their 2003 & 2004 legal update are still required to do so for those years.

Mr. Ayrish also requested guidance in the area of the 90 day window concerning CE requirement on the first renewal. Often within that 90 day window initial licensees may have a license over 24 months. He needed the Council to clarify what is intended as the "first renewal" which is addressed by Rule 61-20.508(6), F.A.C. which states "*A licensee shall not be required to comply with the continuing education requirements prior to the licensee's first renewal.*" Ms. Edwards will submit language to change the rule for CE requirements to indicate that licenses held over 24 months will be required to have 20 hours of CE even if it is the first renewal.

The next meeting is schedule for August 5, 2005 in Orlando.

Ms. Yates indicated that she would be on vacation.

Mr. Wilson indicated that there has been a concerted effort to fill the Council vacancies.

Mr. Brown offered the motion to adjourn; it was seconded by Ms. Yates and the meeting adjourned at 12:06 p.m.