



Professional Fiduciaries Bureau Advisory Committee Meeting

Meeting Location: NOTICE OF TELECONFERENCE MEETING WEBCAST

The Professional Fiduciaries Bureau will meet by teleconference at
10:00 a.m., on Wednesday, December 2, 2020

NOTE: Pursuant to Governor Gavin Newsom's Executive Order [N-29-20](#), issued on March 17, 2020, this meeting will be held by teleconference with no physical public locations.

Important Notice to the Public: The Professional Fiduciaries Bureau (Bureau) will hold a public meeting via WebEx Events. To participate in the WebEx Events meeting, please log on to this website the day of the meeting:

<https://dca-meetings.webex.com/dca-meetings/onstage/g.php?MTID=ef3d599b422c4920f26e370847d18edde>

Event number: 146 562 2457

Event password: PFB122

Instructions to connect to the meeting can be found at the end of this agenda. Due to potential technical difficulties, please consider submitting written comments by November 30, 2020, to fiduciary@dca.ca.gov for consideration.

AGENDA

- 1) Call to Order – Wendy Hatch, Vice Chair
- 2) Roll Call & Establishment of Quorum – Angela Cuadra, Program Analyst
- 3) Advisory Committee Members, Bureau Chief, Staff and Legal Counsel Introductions
- 4) Public Comment on Items Not on the Agenda (See “Note” below)
- 5) Reading of the Professional Fiduciaries Bureau Mission Statement – Rebecca May, Bureau Chief

- 6) Discussion and Approval of the Advisory Committee Meeting Minutes from September 2, 2020
- 7) Update from the Director's Office – DCA Executive Staff
- 8) Budget Report – DCA Budget Analyst
 - Budget Overview and Update
- 9) Bureau Updates – Rebecca May, Bureau Chief
 - Application, Licensing and Enforcement Statistics
 - Outreach Events
 - E-Newsletter
 - Bureau Performance Measure Goals for Complaint Response Times
 - Legislative Update
- 10) Proposed Rulemakings Update – Rebecca May, Bureau Chief
 - Proposed Inactive/Retired License Regulation Amending Sections 4560 and 4562, and Adding Article 8.3 (Commencing with Section 4563) and Article 8.5 (Commencing with Section 4571) to, Division 41 of Title 16 of the California Code of Regulations
 - Proposed Client Notification Regulation Adding Article 7.5 (commencing with Section 4550) to Division 41 of Title 16 of the California Code of Regulations
 - Proposed Substantial Relationship and Rehabilitation Criteria Regulation Addition of Section 4521 to, and Amendments to Sections 4520,4522, 4620 and 4622 Division 41 of Title 16 of the California Code of Regulations
- 11) 2021 Chair and Vice Chair Advisory Committee Elections
- 12) Future Agenda Items
- 13) Future Meeting Dates
 - Wednesday, March 10, 2021
 - Wednesday, June 16, 2021
 - Wednesday, September 15, 2021
 - Wednesday, December 8, 2021
- 14) Adjournment

This agenda can be found on the Professional Fiduciaries Bureau's website at www.fiduciary.ca.gov. Action may be taken on any item on the agenda. The time and order of agenda items are subject to change at the discretion of the Bureau and may be taken out of order. In accordance with the Bagley-Keene Open Meeting Act, all meetings of the Board are open to the public.

Government Code section 11125.7 provides the opportunity for the public to address each agenda item during discussion or consideration by the Committee prior to the Committee

taking any action on said item. Members of the public will be provided appropriate opportunities to comment on any issue before the Committee, but the Committee Chair may, at his or her discretion, apportion available time among those who wish to speak. Individuals may appear before the Committee to discuss items not on the agenda; however, the Committee can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)).

This meeting is being held via WebEx Events. The meeting is accessible to the physically disabled. A person who needs disability-related accommodations or modifications to participate in the meeting may make a request by contacting the Bureau at (916) 574-7341, email: fiduciary@dca.ca.gov, or send a written request to the Professional Fiduciaries Bureau, 1625 N. Market St., Suite S-209, Sacramento, CA 95834. Providing your request at least five (5) business days prior to the meeting will help ensure availability of the requested accommodations. TDD Line: (916) 326-2297.

*The Bureau plans to webcast this meeting on its website at www.fiduciary.ca.gov. Webcast availability cannot, however, be guaranteed due to limitations on resources or technical considerations. If you wish to participate or to have a guaranteed opportunity to follow the meeting, you may do so by following the instruction listed above.

HOW TO – Join – DCA WebEx Event

The following contains instructions to join a WebEx event hosted by the Department of Consumer Affairs (DCA).

NOTE: The preferred audio connection to our event is via telephone conference and not the microphone and speakers on your computer. Further guidance relevant to the audio connection will be outlined below.

1. Navigate to the WebEx event link provided by the DCA entity (an example link is provided below for reference) via an internet browser.

Example link:

<https://dca-ca.webex.com/dca-ca/onstage/g.php?MTID=eb0a73a251f0201d9d5ef3aaa9e978bb5>

2. The details of the event are presented on the left of the screen and the required information for you to complete is on the right.

NOTE: If there is a potential that you will participate in this event during a Public Comment period, you must identify yourself in a manner that the event Host can then identify your line and unmute it so the event participants can hear your public comment. The 'First name', 'Last name' and 'Email address' fields do not need to reflect your identity. The department will use the name or moniker you provide here to identify your communication line should you participate during public comment.

HOW TO – Join – DCA WebEx Event

3. Click the 'Join Now' button.

NOTE: The event password will be entered automatically. If you alter the password by accident, close the browser and click the event link provided again.

4. If you do not have the WebEx applet installed for your browser, a new window may open, so make sure your pop-up blocker is disabled. You may see a window asking you to open or run new software. Click 'Run'.

Depending on your computer's settings, you may be blocked from running the necessary software. If this is the case, click 'Cancel' and return to the browser tab that looks like the window below. You can bypass the above process.

3

HOW TO – Join – DCA WebEx Event

5. To bypass step 4, click 'Run a temporary application'.

6. A dialog box will appear at the bottom of the page, click 'Run'.

The temporary software will run, and the meeting window will open.

7. Click the audio menu below the green 'Join Event' button.

HOW TO – Join – DCA WebEx Event

8. When the audio menu appears click 'Call in'.
9. Click 'Join Event'. The audio conference call in information will be available after you join the Event.
10. Call into the audio conference with the details provided.

HOW TO – Join – DCA WebEx Event

NOTE: The audio conference is the preferred method. Using your computer's microphone and speakers is not recommended.

Once you successfully call into the audio conference with the information provided, your screen will look like the screen below and you have joined the event.

Congratulations!

NOTE: Your audio line is muted and can only be unmuted by the event host.

If you join the meeting using your computer's microphone and audio, or you didn't connect audio at all, you can still set that up while you are in the meeting. Select 'Communicate' and 'Audio Connection' from top left of your screen.

HOW TO – Join – DCA WebEx Event

The 'Call In' information can be displayed by selecting 'Call in' then 'View'
You will then be presented the dial in information for you to call in from any phone.

HOW TO – Join – DCA WebEx Event

Participating During a Public Comment Period

At certain times during the event, the facilitator may call for public comment. If you would like to make a public comment, click on the 'Q and A' button near the bottom, center of your WebEx session.

This will bring up the 'Q and A' chat box.

NOTE: The 'Q and A' button will only be available when the event host opens it during a public comment period.

HOW TO – Join – DCA WebEx Event

To request time to speak during a public comment period, make sure the 'Ask' menu is set to 'All panelists' and type 'I would like to make a public comment'. Attendee lines will be unmuted in the order the requests were received, and you will be allowed to present public comment.

NOTE: Your line will be muted at the end of the allotted public comment duration. You will be notified when you have 10 seconds remaining.

OUR MISSION

To protect consumers through licensing, education, and enforcement of the Professional Fiduciaries Act by promoting and upholding competency and ethical standards across the profession.



**Professional Fiduciaries Bureau (Bureau)
Advisory Committee Meeting
Wednesday, September 2, 2020**

Meeting Minutes

Committee Members Present

Wendy Hatch, Vice Chair
James Moore
Chi Elder
Bertha Sanchez Hayden

Department of Consumer Affairs (DCA) Staff Present

Rebecca May, Bureau Chief
Angela Cuadra, Bureau Program Analyst
Fred Chan-You, DCA Legal Counsel

- 1) Call to Order – Ms. Hatch called the meeting to order at 10:03 a.m. and stated the meeting was being held via WebEx with no physical public locations due to the Governor’s executive order N-29-20.
- 2) Roll Call & Establishment of Quorum – Ms. Cuadra called roll. Committee members Ms. Wendy Hatch, Mr. James Moore, Ms. Chi Elder, and Ms. Bertha Sanchez Hayden were present via WebEx. A quorum was established with four members present.
- 3) Advisory Committee, Bureau Chief, Staff and Legal Counsel Introductions – Committee Members, Bureau staff, and Legal Counsel introduced themselves.
- 4) Public Comment on Items Not on the Agenda – There were comments made by the public as follows:
The Bureau issues citations to licensees for paperwork and misuse, but not for mistreating clients. A request was made to track all requests for agenda items from 2018 to current. A request was made to forward criminal actions to Department of Consumer Affairs. Lastly, a request was made to set mandatory response times to complaints and provide progress of complaint.
- 5) Reading of the Professional Fiduciaries Bureau Mission Statement – Ms. May read the Bureau’s mission statement.

Public Comment: A member of the public commented the Bureau should protect consumers.

- 6) Discussion and Possible Approval of the Advisory Committee Meeting Minutes from September 2, 2020 –
 Ms. Hatch requested a change to agenda item 5, changing “Ms. Chi” to “Ms. Elder.” Mr. Moore motioned to approve the minutes with this change. Ms. Sanchez Hayden seconded the motion. A vote by roll call was made: Ms. Hatch, Mr. Moore, Ms. Chi, and Ms. Sanchez Hayden were in favor. There was no discussion from the committee members and the motion carried with four votes. Ms. Cuadra stated the minutes would be posted to the website with the change requested by Ms. Hatch.

Public Comment: None.

- 7) Update from the Director’s Office –
 Ms. Carrie Holmes, Deputy Director of Board and Bureau Relations, reported there are four new budget reports that have been created by DCA to assist Bureau staff in creating reports. There is a new tracking system created by DCA’s regulations unit which will allow their office and Bureau staff to exchange information on-line while working through the regulation process. Ms. Holmes also provided an update on DCA office closures related to COVID-19.

Public Comment: None.

- 8) Budget Report –
 Mr. Paul McDermott, DCA Budget Analyst, presented the budget projection report and fund condition for the Bureau. He stated the budget is holding steady and the Bureau is projecting a two percent savings for the fiscal year.

Public Comment: None.

- 9) Legislative Update and Discussion –
 Ms. Bianca Angulo, DCA Legislative Affairs Analyst, updated the committee regarding the legislative calendar, and the status of current bills of interest to the Bureau.

Public Comment: A member of the public commented that the Bureau should introduce legislation that provides consumer protection. A representative of the Professional Fiduciaries Association of California (PFAC) commented that PFAC is in support of SB 1123 and AB 2844. Another member of the public commented that the Bureau should refer enforcement cases to DCA’s Division of Investigation.

- 10) Bureau Updates – Ms. May presented the Bureau’s statistics as of April 30, 2020.

- Application Licensing and Enforcement Statistics –

July 1, 2019 – June 30, 2020	
New Licenses	59

Active Licenses	766
Total Licenses Issued	1,166
New Applications Received	113
AG Cases Initiated	6
Citations Issued	30
Complaints Received	142
Complaints Closed	90
Complaints Pending	89
Average Days to Close Complaints	178

- Outreach – Ms. May stated no outreach events were attended since the last meeting due to the pandemic. Ms. May asked the committee to inform the Bureau of any outreach events by email.
- E-Newsletter – Ms. May stated the newsletter is pending DCA’s publication’s office.
- Website – Ms. May stated that a link to the Office of Administrative Hearings (OAH) has been added to the Bureau’s enforcement website after receiving a request from the public.

Public Comment: Comments were made suggesting clarification of the OAH link to hearings. Ms. Cuadra explained how to search the website. A request was made to add an advocate column to the newsletter. A comment was made that a complaint filed in April had not concluded and insufficient updates were provided. The commenter also asked why the Bureau does not respond to questions during the meeting. Ms. May replied that the Bureau is not allowed to discuss items that are not on the agenda and explained that specific complaints cannot be discussed during a public meeting. Mr. Chan-You reiterated Ms. May’s explanation of discussion of items not on the agenda.

11) Proposed Rulemakings –

Ms. May reported that the inactive/retired license and client notification proposed regulations are in the pre-review process and have not yet been filed with the Office of Administrative Law. The proposed regulation for substantial relationship and rehabilitation criteria is in its final few weeks of the process.

Public Comment: None.

12) Discussion of the Bureau’s ability to create and to provide educational and training courses to licensees –

In response to a previous request by the public, Ms. May explained the pre-licensure and ongoing educational requirements for Bureau. She also stated that the Professional

Fiduciaries Act (Act) does not authorize the Bureau to provide direct training to licensees. Further, the Bureau cannot mandate specific coursework that is not required by the Act.

Public Comment: None.

13) Future Agenda Items –

Ms. Cuadra listed the following suggested agenda items as requested by Advisory Committee members and members of the public:

- Bureau to create mandatory time requirement for responses to complaints.
- Bureau to provide progress reports to complainants.

Public Comment: A comment was made that the Bureau staff need to be educated on DCA's complaint prioritization and referral guidelines.

14) Future Meeting Dates

- Wednesday, December 2, 2020

Committee members did not mention any scheduling conflicts and were asked to contact Ms. Cuadra if there are any conflicts.

Public Comment: None.

15) Adjournment – The meeting was adjourned at 11:10 a.m.

3108 - Professional Fiduciary Fund

Analysis of Fund Condition

Prepared 11.6.2020

(Dollars in Thousands)

2020-21 Budget Act

	PY 2019-20	Budget Act CY 2020-21	BY 2021-22
BEGINNING BALANCE	\$ 296	\$ 264	\$ 277
Prior Year Adjustment	\$ (5)	\$ -	\$ -
Adjusted Beginning Balance	<u>\$ 291</u>	<u>\$ 264</u>	<u>\$ 277</u>
REVENUES AND TRANSFERS			
Revenues:			
4121200 Delinquent fees	\$ 3	\$ 3	\$ 3
4127400 Renewal fees	\$ 483	\$ 501	\$ 501
4129200 Other regulatory fees	\$ 23	\$ 17	\$ 17
4129400 Other regulatory licenses and permits	\$ 89	\$ 117	\$ 117
4163000 Income from surplus money investments	\$ 8	\$ 3	\$ 5
Totals, Revenues	<u>\$ 606</u>	<u>\$ 641</u>	<u>\$ 643</u>
Totals, Revenues and Transfers	<u>\$ 606</u>	<u>\$ 641</u>	<u>\$ 643</u>
Totals, Resources	<u>\$ 897</u>	<u>\$ 905</u>	<u>\$ 920</u>
EXPENDITURES			
Disbursements:			
1111 Department of Consumer Affairs Program Expenditures (State Operations)	\$ 595	\$ 584	\$ 569
8880 Financial Information System for California (State Operations)	\$ -	\$ -	\$ -
9892 Supplemental Pension Payments (State Operations)	\$ 12	\$ 12	\$ 12
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 26	\$ 32	\$ 26
Total Disbursements	<u>\$ 633</u>	<u>\$ 628</u>	<u>\$ 607</u>
FUND BALANCE			
Reserve for economic uncertainties	\$ 264	\$ 277	\$ 313
Months in Reserve	5.0	5.5	6.1

Department of Consumer Affairs

Expenditure Projection Report

Professional Fiduciaries Bureau

Reporting Structure(s): 11117000 Support

Fiscal Month: 3

Fiscal Year: 2020 - 2021

Run Date: 11/06/2020

PERSONAL SERVICES

Fiscal Code	Line Item	Budget	Current Month	YTD	Projections to Year End	Balance
5100 PERMANENT POSITIONS		\$202,000	\$19,175	\$56,746	\$224,721	
5100000000	Earnings - Perm Civil Svc Empl	\$125,000	\$11,294	\$33,363	\$132,749	
5105000000	Earnings-Exempt/Statutory Empl	\$77,000	\$7,881	\$23,383	\$91,973	
5100 TEMPORARY POSITIONS		\$22,000	\$0	\$0	\$0	
5105-5108 PER DIEM, OVERTIME, & LUMP SUM		\$0	\$0	\$0	\$400	
5105100002	Committee Mbrs 904,911,931,961	\$0	\$0	\$0	\$400	
5150 STAFF BENEFITS		\$132,000	\$10,362	\$29,815	\$118,070	
PERSONAL SERVICES		\$356,000	\$29,537	\$86,561	\$343,191	\$12,809

OPERATING EXPENSES & EQUIPMENT

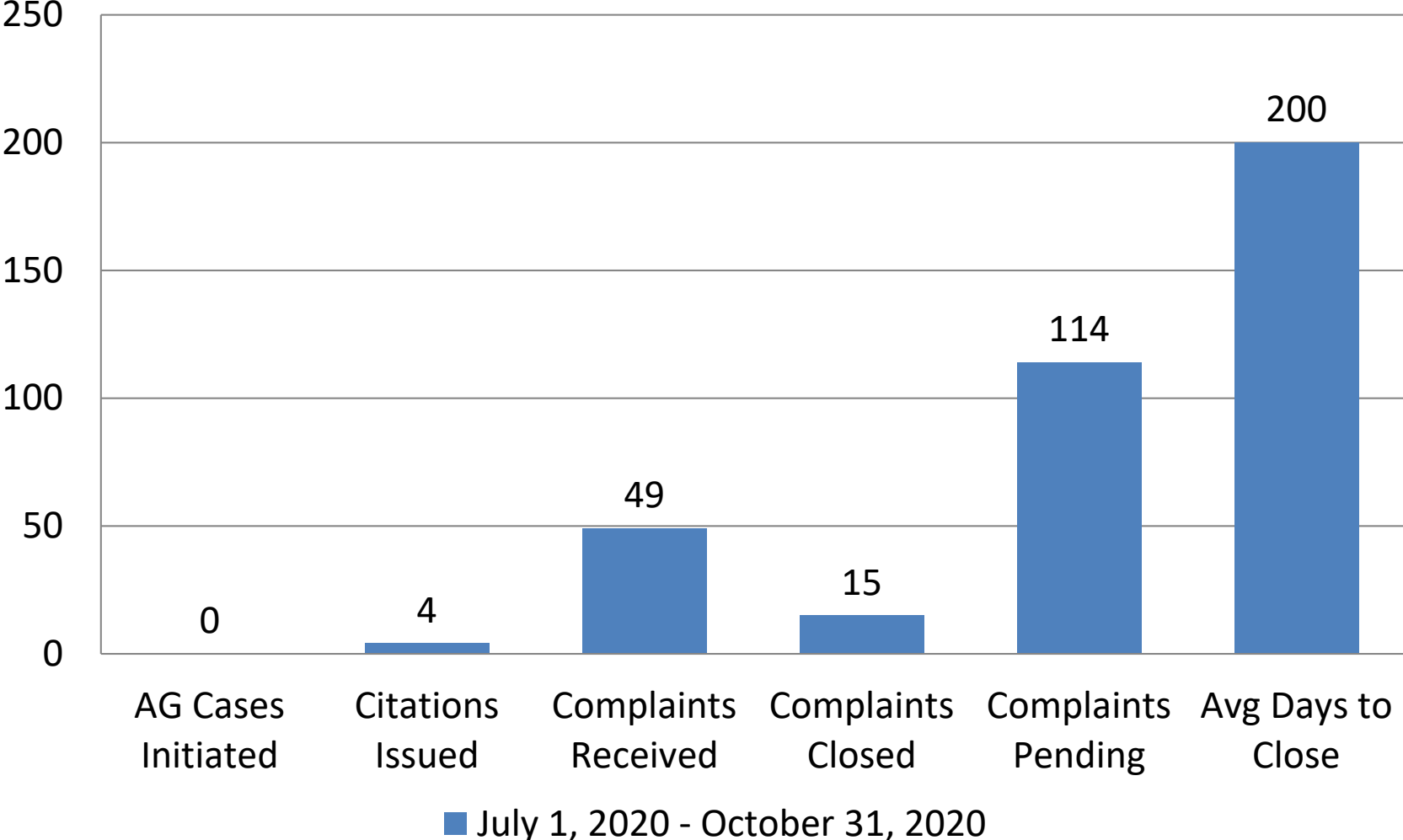
Fiscal Code	Line Item	Budget	Current Month	YTD	Projections to Year End	Balance
5301 GENERAL EXPENSE		\$5,000	\$49	\$49	\$981	
5302 PRINTING		\$1,000	\$0	\$0	\$1,761	
5304 COMMUNICATIONS		\$1,000	\$49	\$67	\$349	
5306 POSTAGE		\$2,000	\$0	\$0	\$207	
5308 INSURANCE		\$0	\$0	\$0	\$7	
53202-204 IN STATE TRAVEL		\$4,000	\$0	\$0	\$772	
5322 TRAINING		\$1,000	\$0	\$0	\$164	
5324 FACILITIES		\$40,000	\$3,375	\$6,663	\$41,219	
53402-53403 C/P SERVICES (INTERNAL)		\$78,000	\$3,791	\$6,729	\$64,855	
53404-53405 C/P SERVICES (EXTERNAL)		\$0	\$0	\$0	\$8,400	
5342 DEPARTMENT PRORATA		\$113,000	\$28,250	\$56,500	\$113,000	
5342 DEPARTMENTAL SERVICES		\$4,000	\$0	\$0	\$4,000	
5344 CONSOLIDATED DATA CENTERS		\$0	\$0	\$0	\$930	
5346 INFORMATION TECHNOLOGY		\$1,000	\$0	\$0	\$354	
5362-5368 EQUIPMENT		\$0	\$0	\$0	\$4,010	
5390 OTHER ITEMS OF EXPENSE		\$0	\$0	\$0	\$0	
OPERATING EXPENSES & EQUIPMENT		\$250,000	\$35,514	\$70,008	\$241,010	\$8,990

OVERALL TOTALS		\$606,000	\$65,051	\$156,569	\$584,201	\$21,799
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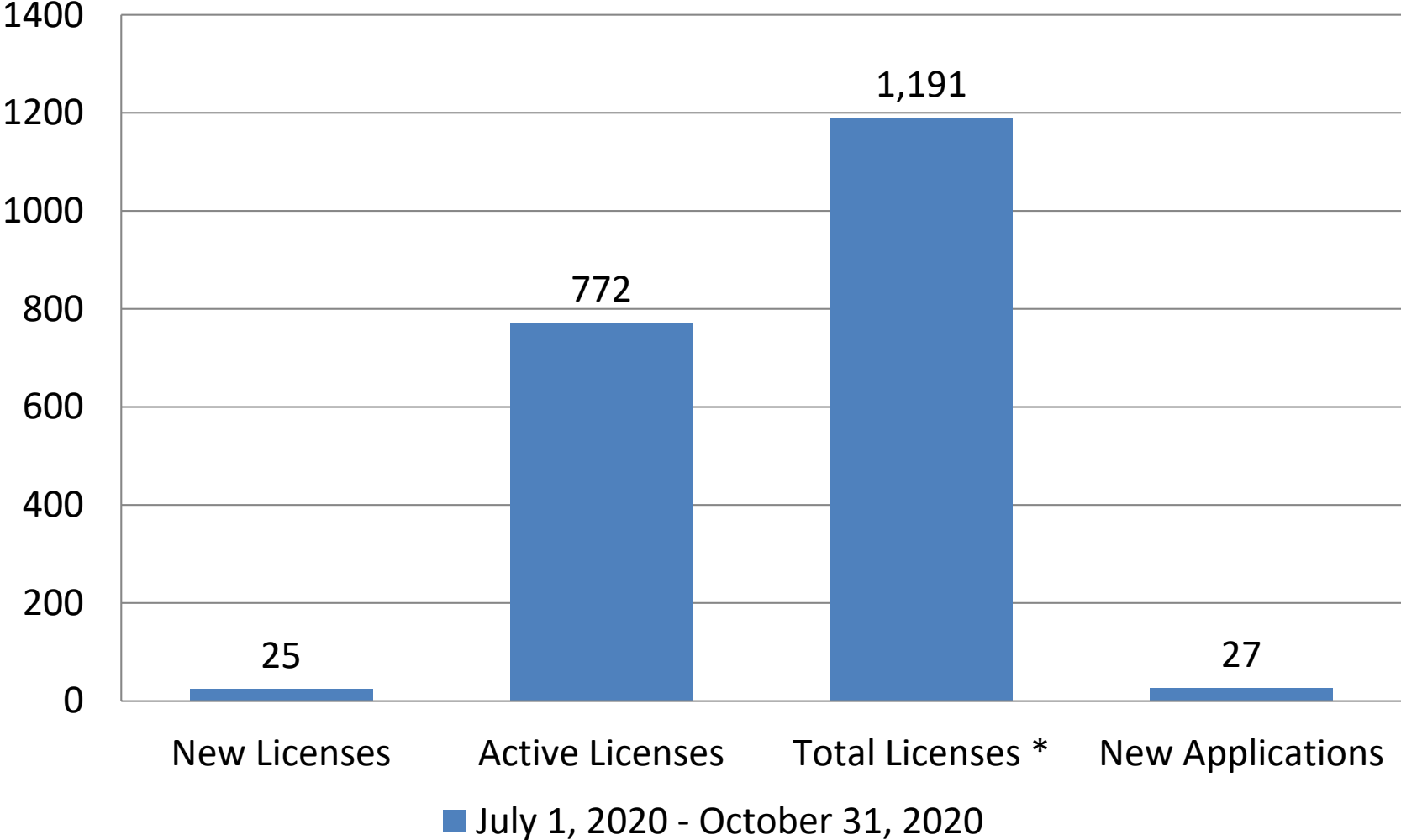
3.60%

Complaint Statistics FY 2019-20

July 1, 2020 – October 31, 2020



Licensing Statistics Through July 1, 2020 – October 31, 2020



* Total licenses issued since July 1, 2008