

## **Professional Fiduciaries Bureau Strategic Planning Session**

**Thursday, August 1, 2013  
9:00 – 3:30 p.m.**

**Meeting Location:  
Department of Consumer Affairs-HQ2  
1747 North Market Boulevard, Emerald Room, Suite 184  
Sacramento, California 95834**

**Committee Members:**

Marguerite Lorenz – Chair  
Barbara de Vries - Vice-Chair  
Donna Estacio  
Aileen Federizo  
Prescott Cole  
Kathleen Thomson

### **AGENDA**

1. Call to Order – Marguerite Lorenz, Chair
2. Roll Call – Julia Ansel, Bureau Chief
3. Introductions
4. Day 2 – Strategic Planning Session
  - Review of Day 1 Strategic Planning Session
  - Review Responses and Environmental Scan
  - Review and Update of Goals
  - Review and Update Objectives
5. Strategic Planning – Next Steps
6. Public Comment on Items Not on the Agenda (See **“Note”** below)
7. Adjournment

**Note:** The Professional Fiduciaries Bureau Advisory Committee may not discuss or take action on any matter raised that is not included in this agenda. The Committee may however decide to place the matter on the agenda of a future meeting.

**Notice:** The meeting is accessible to the physically disabled. A person who needs disability-related accommodations or modifications in order to participate in the meeting shall make a request no later than five working days before the meeting to the Bureau by contacting Angela Bigelow at (916) 574-7341, [angela.bigelow@dca.ca.gov](mailto:angela.bigelow@dca.ca.gov) or by sending a written request to the Professional Fiduciaries Bureau, 1625 North Market Blvd., Ste. S-209, Sacramento, California 95834. Requests for further information should be directed to Ms. Bigelow at the same address and telephone number.



**Professional Fiduciaries Bureau**  
 Post Office Box 989005  
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 Telephone: (916) 574-7340 FAX (916) 574-8645  
 Website: [www.fiduciary.ca.gov](http://www.fiduciary.ca.gov)



## MEMORANDUM

<b>DATE</b>	August 1, 2013
<b>TO</b>	Advisory Committee Members Professional Fiduciaries Bureau
<b>FROM</b>	Professional Fiduciaries Bureau
<b>SUBJECT</b>	Agenda Item #1 - Call to Order- Marguerite Lorenz, Chair Agenda Item #2 – Roll Call – Julia Ansel, Bureau Chief

### Advisory Committee Members:

Marguerite Lorenz – Chair

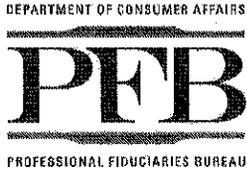
Barbara de Vries – Vice Chair

Donna Estacio – Public Member

Aileen Federizo – CLPF

Prescott Cole – Governor Appointee – Nonprofit organization advocating on behalf of the elderly

Kathleen Thomson – Governor Appointee – Probate Court Investigator



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## MEMORANDUM

<b>DATE</b>	August 1, 2013
<b>TO</b>	Advisory Committee Members Professional Fiduciaries Bureau
<b>FROM</b>	Professional Fiduciaries Bureau
<b>SUBJECT</b>	Agenda Item #3 - Introductions

### **Advisory Committee Members:**

Marguerite Lorenz – Chair, CLPF  
Barbara de Vries – Vice Chair, CLPF  
Aileen Federizo – CLPF  
Donna Estacio – Public Member  
Prescott Cole – Nonprofit organization advocating on behalf of the elderly  
Kathleen Thomson – Probate Court Investigator

### **PFB Staff Present:**

Julia Ansel, Bureau Chief  
Sonja Merold, Chief, Division of Programs & Policy Review  
Gil DeLuna, Former Acting Bureau Chief  
Angela Bigelow, Program Analyst  
Angelique Scott, DCA Legal Counsel



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**MEMORANDUM**

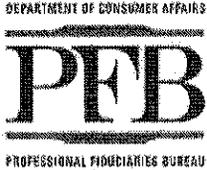
<b>DATE</b>	August 1, 2013
<b>TO</b>	Advisory Committee Members Professional Fiduciaries Bureau
<b>FROM</b>	Professional Fiduciaries Bureau
<b>SUBJECT</b>	Agenda Item #4 - Day 2 - Strategic Planning Session

- Review of Day 1 Strategic Planning Session
- Review Responses and Environmental Scan Attachment #1
- Review and Update of Goals
- Review and Update Objectives

Public Comment:

# **Attachment**

**#1**



## **2013 Professional Fiduciaries Bureau Environmental Scan Analysis**

One of the first steps in developing a strategic plan is to conduct a scan and analysis of the environment in which an organization operates. This analysis allows us to take a look at the factors that can impact the Bureau's success. These factors fall into three environments, strengths, challenges and recommendations.

Attached is a summary of the results of the environmental scan recently conducted for the Professional Fiduciaries Bureau. The methods used to collect this information included the following:

- Interviews conducted with the Committee Members of the Professional Fiduciaries.
- Three separate online surveys for internal (DCA) stakeholders, external stakeholders and advocates of consumers.

The attached represents the compiled results of this assessment, divided by strategic goal area. The grouping structure in which these comments are organized was determined by SOLID. Details about the data collection of this environmental scan can be found at the end of this document.

This document, as well as the previous strategic plan will be used as discussion guides for the upcoming Professional Fiduciaries Bureau's strategic planning session.



### Accomplishments

The following list of accomplishments was provided by Committee members and Acting Bureau Chief:

- The ability to conduct enforcement measures internally adds credibility to the Bureau's mission.
- A desire for knowledge of the industry has resulted in an increase in the public attending bureau meetings.
- A noted increase in license applications is an indication that the public has become aware of the industry.
- The recent creation of a Fiduciary Bureau newsletter is one of the positive outreach methods.
- Staff with limited resources has done a great job in the administration of the Bureau.
- The Bureau's up-to-date website with frequently asked questions and other information is a great resource.
- The Governor appointed a Bureau Chief with a fiduciary license and experience.
- The Bureau implemented a Cite and Fine program in June 2012.
- The Bureau completed and updated policies and procedure manuals for the Bureau's key functions.
- The Bureau completed an Occupational Analysis, conducted by OPES to ensure that the examination was current to the profession.  
(Sonja might want to expand on this)

## Licensing & Education

Ensure the professional qualifications of all Professional Fiduciaries by setting requirements and/or guidelines for education, experience and practice standards.

Strengths	Challenges/Trends	Recommendations
<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>The entire licensing process is viewed as positive and the number one strength of the bureau.</li> <li>The requirements for licensing are clearly outlined on the website.</li> <li>The frequently asked questions section of the website is a very useful tool to future licensees.</li> <li>An increase in the number of licenses indicates an upward trend in industry awareness and knowledge.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>The bureau conducts a thorough background check of applicants.</li> <li>The in-depth screenings of all applications ensures only qualified individuals are licensed.</li> <li>Staff processes applications for licensure in a very timely manner.</li> <li>The Bureau tries to maintain the integrity of the license process.</li> <li>Bureau staff is always looking for new ways to improve the current process.</li> </ul>	<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>There is concern that some licensees are acquiring the license in order to add to their own multi-profession capabilities.</li> <li>In addition to being a licensed fiduciary, many also maintain other professional licenses (i.e. social worker, real estate, etc.) This poses a consumer risk (conflict of interest) and they are required to disclose this information to the Bureau.</li> <li>The requirements for licensing appear to be very light when compared to the responsibilities a fiduciary can have.</li> <li>A fiduciary licensee is authorized to make a variety of financial and health decisions. There is no standardized test which covers all aspects of the profession.</li> <li>There are two Fiduciary Certification programs offered at Cal State Fullerton. On their website they state they are approved as an educational provider by the bureau.</li> <li>Very little is known about the curriculum and depth of detail. There is concern that the small number of programs may not provide the information required to be a</li> </ul>	<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>Consider the establishment of a state test.</li> <li>Review mentor/intern programs in other boards and bureaus to determine the feasibility of PFB doing the same.</li> <li>Establish guidelines for curriculum taught prior to certification.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>If a budget allows, have permanent staff that can make more than a short term commitment.</li> <li>Breeze: Create a tutorial for its licensees to help them become more familiar with Breeze.</li> </ul> <p><b>External Survey Comments</b></p> <p>None</p>

## PROFESSIONAL FIDUCIARIES BUREAU ENVIRONMENTAL SCAN ANALYSIS

Strengths	Challenges/Trends	Recommendations
<ul style="list-style-type: none"> <li>• A new reporting process for the required Initial Annual Statement was implemented.</li> <li>• The Bureau helps assure a degree of professionalism to the licensees.</li> <li>• The current licensing requirement for an applicant's education is sufficient.</li> <li>• The interaction between the Bureau and applicants seeking licenses is excellent.</li> <li>• The staff is committed and dedicated to working through any licensing backlog.</li> </ul> <p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>• Good follow up with potential licensees.</li> <li>• Bureau is very good at working with people in this area.</li> <li>• The Bureau is strong and accomplished with very little funding.</li> <li>• The Bureau has raised the status and legitimacy of the profession through licensing requirements.</li> <li>• The Bureau continues to do an excellent job of licensing all professional fiduciaries with limited funding.</li> </ul>	<p>qualified fiduciary.</p> <ul style="list-style-type: none"> <li>• These certifications do not cover the wide range of a fiduciary's duties or responsibilities.</li> <li>• Members of the Bar (Attorneys) and Certified Public Accountants (CPA) are not required to be licensed. The board is divided on potential conflict of interest or business encroachment.</li> <li>• There are only two levels of license. Active and delinquent. Retired fiduciaries that opt out of the profession fall in the delinquent category.</li> <li>• The spectrum of the responsibilities a new fiduciary may have requires exposure to many different areas. Often they are unprepared.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>• There are concerns that there are not enough applicants to make this a viable industry and bureau.</li> <li>• There are fewer applicants than was forecast in 2008.</li> <li>• There is no oversight on the quality of education provided by the approved providers. The providers should be re-evaluated and audited.</li> </ul>	

PROFESSIONAL FIDUCIARIES BUREAU ENVIRONMENTAL SCAN ANALYSIS

Strengths	Challenges/Trends	Recommendations
	<p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>• The standards of the educational requirements for licensing and license renewal are extremely low, if non-existent.</li> <li>• There is little verification of meeting educational licensing requirements.</li> <li>• The Bureau should support the educational goals of stakeholders.</li> <li>• An increasing number of people obtaining licenses do not have the background and skills to be in this profession.</li> <li>• Although there is an uptick in licensee request, there is not enough demand to support many as full-time fiduciaries.</li> </ul>	

**Enforcement**

*Protect consumers by preventing violations and effectively enforcing laws and regulations when violations occur.*

Strengths	Challenges/Trends	Recommendations
<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>The Bureau has dedicated a position to enforcement as their primary function.</li> <li>Complaints are handled and closed in a timely manner.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>A very active enforcement program that does timely, appropriate and complete investigations.</li> <li>Referrals for action are consistent and appropriate.</li> <li>Complaints are entered and responded to quickly.</li> <li>The investigative staff conducts thorough investigations and research.</li> <li>An enforcement arm lets the consumer know there is a system if someone is a victim of fraud.</li> </ul> <p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>Investigative work is very detailed and presented well.</li> <li>The Bureau works with a variety of people to review complaints.</li> <li>The Bureau has an experienced, albeit part time, investigator.</li> </ul>	<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>Probate and Superior Courts often make decisions which are not consistent with other courts in similar situations.</li> <li>Often court decisions are not considered best practices by the fiduciary industry.</li> <li>The budget has made enforcement a challenge.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>There is not enough staff to work complaints timely and do proactive audits.</li> <li>Increasingly complex investigations demonstrate the need in the future for a permanent investigator.</li> <li>When implementing enforcement, sometimes there are cases when the investigator cannot locate the licensee.</li> <li>Need to increase the budget for enforcement.</li> <li>The Bureau lacks the funds to run a meaningful enforcement program.</li> </ul> <p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>As more people learn about the PFB, more complaints will come in. Is the bureau prepared?</li> </ul>	<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>Increase enforcement awareness through various low-cost outreach methods.</li> <li>Partner with other state agencies that have the protection of seniors as a mission.</li> <li>Increase exposure to the PFB newsletter to advocates, industry and the public.</li> </ul> <p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>Hire more staff to provide a thorough and timely investigation.</li> </ul>

**PROFESSIONAL FIDUCIARIES BUREAU ENVIRONMENTAL SCAN ANALYSIS**

Strengths	Challenges/Trends	Recommendations
	<ul style="list-style-type: none"> <li>Although the Bureau has regulations they have no enforcement powers.</li> </ul>	

**Administration**

*Enhance organizational effectiveness and improve processes and the quality of customer service in all programs.*

Strengths	Challenges/Trends	Recommendations
<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>A new Bureau Chief has been appointed.</li> <li>Implementation of the Breeze program.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>The Bureau brings a professional group and fledging industry together.</li> <li>By having one source of information, all of the licensees are assured of the same knowledge and standards.</li> <li>The staff and advisory members of PFB interact well with consumers and licensees.</li> </ul> <p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>The Bureau is very strong and accomplished with very little funding.</li> <li>The Acting Bureau Chief has excellent skills and took actions to improve the overall functioning of the PFB.</li> </ul>	<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>Three advisory committee seats are vacant.</li> <li>It takes too much time for committee members to be reimbursed for their time and travel costs.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>Budget issues are a challenge to completing all aspects of the mission. We have to rely on DCA entities for most of our support.</li> <li>The data input of annual renewal statements is a challenge.</li> </ul> <p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>There is value in the updating and streamlining the Bureau.</li> </ul>	<p><b>Interview Committee Members</b></p> <p>None</p> <p><b>Internal Survey Comments</b></p> <p>Tasks/Functions that will be listed for completion will need to be realistic as there are 1.7 staff assigned to the Bureau and loaned staff will not be available for the duration of the 2014-2017 plan.</p> <p><b>External Survey Comments</b></p> <p>None</p>

**Outreach**

*Increase public and professional awareness of the PFB's mission, activities and services.*

Strengths	Challenges/Trends	Recommendations
<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>The website is an excellent resource. It is comprehensive and easy to understand.</li> <li>Bureau meetings are well attended by licensed fiduciaries and other industry associates.</li> <li>The relationship with the Professional Fiduciaries Association of California (PFAC) is a positive one.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>The newsletter is sent to all those subscribed to the interested parties list.</li> <li>The call center staff of DCA's Consumer Information Center have been trained by PFB to answer general questions about the Bureau.</li> <li>PFB staff has gone to some outreach events in Sacramento.</li> <li>PFB answers questions immediately and is good at follow-up.</li> </ul> <p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>Communications are timely</li> <li>Email blasts are of value.</li> <li>The staff are always pleasant and helpful.</li> </ul>	<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>The outreach to consumers on the process available to file complaints has been limited.</li> <li>Partnerships with state and local government agencies are non-existent.</li> <li>Awareness of the industry by advocates is non-existent.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>Bureau staff are not able to travel out of Sacramento to educate</li> <li>The vast majority of the public are not familiar with the profession.</li> </ul> <p><b>External Survey Comments</b></p> <p>None</p>	<p><b>Interview Committee Members</b></p> <p>None</p> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>An increase in communications to reach more potential applicants using the internet and mail-outs.</li> <li>Increase awareness by visiting local colleges, trade shows and local community organizations.</li> <li>Increase the outreach to the public and educate them on the value of the profession.</li> </ul> <p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>The Bureau should make its role more visible.</li> </ul>

## Regulation and Legislation

*Seek a proactive approach to shaping the industry by developing proposed regulations or statutes.*

Strengths	Challenges/Trends	Recommendations
<p><b>Interview Committee Members</b> None</p> <p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>Regulations have been adopted that address specific needs of the bureau such as cite and fine authority.</li> <li>The current legislation is good but, we can always use enhancements to be proactive.</li> </ul> <p><b>Internal Survey Comments</b> None</p>	<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>The committee is advisory only; the driving force behind legislative and regulatory changes should be PFAC and other special interest groups.</li> <li>Any regulatory requirements on set fees or a menu of services and charges will cause an undue burden on the fiduciary industry. One size will not fit all.</li> <li>The Bureau should take a pro-active approach, and work on regulatory development and scope of work legislation.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>The point where a fiduciary license is needed is sketchy - regulation should be black and white with area for appeal.</li> <li>PFB needs legislation to implement a license reinstatement process.</li> <li>PFB needs to be able to mark a license with the status of "Retired." There have been inquiries for this request.</li> <li>The Bureau needs to be able to assess who qualifies as an approved provider.</li> </ul>	<p><b>Interview Committee Members</b></p> <ul style="list-style-type: none"> <li>Committee members need to learn more about the regulatory and legislative process and develop a plan to achieve goals.</li> </ul> <p><b>Internal Survey Comments</b></p> <ul style="list-style-type: none"> <li>Authorize the Bureau to add new approved education providers.</li> </ul> <p><b>External Survey Comments</b> None</p>

**PROFESSIONAL FIDUCIARIES BUREAU ENVIRONMENTAL SCAN ANALYSIS**

Strengths	Challenges/Trends	Recommendations
	<p><b>External Survey Comments</b></p> <ul style="list-style-type: none"> <li>• Take a neutral position on legislation. Would prefer support.</li> <li>• Regulation is slow in coming as it is up from nothing. Legislation is pandering to the worst interests.</li> <li>• Monitoring legislation related to the profession and keeping stakeholders involved.</li> <li>• The Bureau should be a stronger proponent for the profession.</li> <li>• Provide valuable input to the Professional Fiduciaries Association of California spell out and legislators about Bureau interests.</li> <li>• The Bureau needs to develop a strong set of rules to avoid the intrusion of politics into fiduciary service.</li> <li>• Until the Bureau puts more teeth into its educational requirements and standards, plus enforcement, there will be further regulations and legislations forthcoming.</li> </ul>	



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**MEMORANDUM**

<b>DATE</b>	August 1, 2013
<b>TO</b>	Advisory Committee Members Professional Fiduciaries Bureau
<b>FROM</b>	Professional Fiduciaries Bureau
<b>SUBJECT</b>	Agenda Item #5 - Strategic Planning – Next Steps

Public Comment:



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**MEMORANDUM**

<b>DATE</b>	August 1, 2013
<b>TO</b>	Advisory Committee Members Professional Fiduciaries Bureau
<b>FROM</b>	Professional Fiduciaries Bureau
<b>SUBJECT</b>	Agenda Item #6 - Public Comment on Items not on the Agenda

Public Comment:



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## MEMORANDUM

<b>DATE</b>	August 1, 2013
<b>TO</b>	Advisory Committee Members Professional Fiduciaries Bureau
<b>FROM</b>	Professional Fiduciaries Bureau
<b>SUBJECT</b>	Agenda Item #7 Adjournment

Adjournment: