

BACKGROUND PAPER FOR HEARING

CALIFORNIA COUNCIL FOR INTERIOR DESIGN CERTIFICATION

IDENTIFIED ISSUES, QUESTIONS FOR THE COUNCIL, AND BACKGROUND CONCERNING ISSUES

PRIOR SUNSET REVIEW: The Joint Legislative Sunset Review Committee (Joint Committee) last reviewed the California Council for Interior Design Certification (CCIDC) two years ago (2000-01). The Joint Committee identified a number of issues and problem areas concerning CCIDC and made the following recommendations: (1) the certified interior designer (CID) law should be continued; (2) CCIDC should report back to the Joint Committee by September 1, 2002, on the following: (a) outreach efforts, specifically relating to outreach to schools, law enforcement, architects, building officials, public, (b) examinations, the availability of the California Codes and Regulation Exam (CCRE) and status of occupational analyses, (c) finances, (d) interactions with the California Legislative Council of Interior Designers (CLCID) and efforts made to separate themselves from CLCID, and (e) whether CCIDC materials and information adequately reflect their purpose; (3) that Section 5800(b) of the Business and Professions Code should be amended to more clearly define “interior design organization.” In particular, the amendment should strike the word “professional” and require the nonprofit organization to be a 501(c)(3); (4) the CID law (B&P Sec. 5800 – 5810) should be amended to provide for a title act for CID’s; (5) that CCIDC should work with the Joint Committee to determine what if any authority CCIDC should be given to deny, suspend or revoke a certificate; (6) the Joint Committee should continue to monitor the relationship between CCIDC and CLCID to ensure it is appropriate; (7) the examinations recognized and required by CCIDC should be subject to an occupational analysis schedule similar to that required of Department of Consumer Affairs (DCA) boards and bureaus under Business and Professions Code Section 139; (8) CCIDC should have an independent audit of their revenues and expenditures and provide the audit results to the Joint Committee within a reasonable time; (9) CCIDC should clearly post the inactive status information on their webpage, application materials and anywhere else they deem appropriate and applicable; and (10) CCIDC should continue working with the Joint Committee to ensure the accuracy of the information they provide in their written materials and on their webpage.

On August 13, 2002, CCIDC submitted to the Joint Committee an independent audit of their revenues and expenditures, dated December 31, 2001. In October 2002, CCIDC submitted its required sunset report to the Joint Committee. In this report, information of which is provided in Members’ binders, CCIDC described actions it has taken since their prior review.

The following are unresolved issues pertaining to CCIDC, or areas of concern for the Joint Committee, along with background information concerning the particular issue. There are questions that staff has asked concerning the particular issue. CCIDC was provided with these issues and questions and is prepared to address each one if necessary.

CURRENT SUNSET REVIEW ISSUES

OUTREACH ISSUES

ISSUE #1: In the prior Joint Committee review of CCIDC, it became clear that outreach to law enforcement is important because CCIDC has no legal authority to enforce disciplinary cases. However, it does not appear that outreach efforts have included law enforcement.

Question #1 for CCIDC: *Do CCIDC outreach efforts include law enforcement? If not, why not? If so, what outreach efforts are being made to law enforcement (district and city attorneys and other relevant prosecutors of consumer laws)? If so, what is the message of the outreach efforts?*

Background: In the current report to the Joint Committee, CCIDC has stated that it is a private organization that has no legal authority to enforce a complaint against a certified or non-certified interior designer.

Despite this, according to the CCIDC report, many consumers turn to CCIDC with complaints about interior designers, whether certified or not. If a consumer contacts CCIDC with a complaint about a CID, CCIDC will offer suggestions and act as a resource to help solve the problem. If the CID has violated the CCIDC Code of Ethics or the Rules and Regulations, the CCIDC report states that CCIDC has the duty and authority to investigate alleged violations by CIDs and to revoke certification if it is deemed warranted in accordance with Section 2.14 of the CCIDC Bylaws.

ISSUE #2: CCIDC has been doing outreach to interior design students as well as interior design schools to increase awareness of the CID certification program. Is CCIDC being as effective as they could be?

Question #2 for CCIDC: *What interaction, beside distributing posters and bookmarks, has CCIDC had with the 65 interior design schools in California?*

Background: CCIDC stated in the current report to the Joint Committee that it has created posters and bookmarks describing the necessary education, examination, and experiential standards for certification. These materials – 12,000 bookmarks and 500 posters – are distributed to the 64 interior design schools and programs in California. In the report, CCIDC noted that these materials were also distributed at many student forums held throughout the state.

Beyond the distribution of posters and bookmarks, it is unclear what else CCIDC has done to communicate with interior design students about the education and experiential standards necessary for certification.

ISSUE #3: The extent and effectiveness of CCIDC outreach towards building officials is unclear. The extent of CCIDC outreach towards architects is also unclear.

Question #3 for CCIDC: *What outreach has CCIDC conducted towards building officials? What outreach has CCIDC conducted towards architects? How does CCIDC distribute the materials created for building officials? How is the CCIDC website currently being utilized to relay information to building officials? Is there a section on the website's homepage directing building officials to information they may need?*

Background: Section 5805 of the Business and Professions Code states that CIDs shall not be precluded from submitting interior design plans to local building departments. It also states that CID's may prepare and submit non-structural or non-seismic plans consistent with Section 5805 and Section 5538 to local building departments. Generally, because of Section 5538 of the Business and Professions Code, which allows building and safety departments to not accept construction drawings based on the safety of the building, building officials may exercise discretion and at times do not accept designs from CIDs.

In the current report to the Joint Committee, CCIDC reports that outreach to building officials entails involvement with California Building Officials (CALBO) and the International Conference of Building Officials (ICBO) through membership in both organizations and attendance at the CALBO annual business meeting as an exhibitor. Additionally, CCIDC has developed a brochure targeted toward building officials explaining the certification program. In August 2002, CCIDC conducted a survey of all CALBO members, to determine how many do, or do not, accept non-residential interior designer plans from CIDs. Results from this survey are presented in the current CCIDC report to the Joint Committee.

It is unclear whether the CCIDC efforts to explain the standards and requirements of CID certification to building officials, primarily consisting of membership in CALBO, a brochure with limited distribution, and a survey, have been effective.

The current report to the Joint Committee mentions no interaction with or outreach to the California Architects Board or to professional organizations representing architects. It is also unclear if CCIDC has had any interaction with or done outreach to architects at all.

ISSUE #4: It is unclear if the operational and procedural elements involved in planning and carrying-out CCIDC outreach are executed in the most cost effective and efficient manner.

Question #4 for CCIDC: *Who from CCIDC conducts the outreach to students, consumers and professional groups? How does CCIDC decide on an outreach plan? Does CCIDC employ a cost-benefit analysis to determine the best method of outreach to students? Does CCIDC have a strategic plan for the next five years? If not, why not?*

Background: While the current report to the Joint Committee does detail the general methods for CCIDC outreach to target constituencies, such as attendance at student forums, trade shows,

the development of brochures and the use of the website, the report does not provide information about the internal administrative processes which create and sustain these efforts.

ISSUE #5: Consumers cannot access information regarding the status of a CID on the website.

Question #5 for CCIDC: *Is there a way that consumers may verify a CID's status? How are the inquiries received via the website addressed?*

Background: CCIDC stated in the current report to the Joint Committee that the biggest source of consumer outreach has been the CCIDC website. The website, per the report, has an average of over 800 visits each month, and includes items such as an online complaint form, a downloadable "Consumer Guide" and a "Frequently Asked Questions" page. Also in the report, CCIDC states that since March 2001, 43 consumers have requested and received emailed lists of CIDs in their region.

Beyond emailing CCIDC with a specific inquiry about a CID, the website currently has no search function allowing a consumer to quickly verify the status of an interior designer. Other boards with DCA oversight, such as the Contractors' State Licensing Board, have this sort of verification tool as a part of their websites.

ISSUE #6: CCIDC states that its biggest source of consumer outreach is its website. CCIDC outreach information and materials may not be as effective as it could be.

Question #6 for CCIDC: *How does CCIDC determine the effectiveness of its website? How does CCIDC evaluate the success of other outreach efforts and materials directed at students, consumers and professional groups?*

Background: As stated in the current report to the Joint Committee, CCIDC considers its website to be the biggest source of consumer outreach as well as an important component of outreach to students, interior designers, and building officials. This being the case, it is important for this resource to be effective and easy to navigate. It is unclear whether CCIDC has evaluated the website with respect to these attributes.

Similarly, it is unclear whether the materials created by CCIDC for distribution have been re-evaluated to ascertain their effectiveness both in content and distribution with the target audience, either for informational or certification marketing purposes.

EXAMINATION ISSUES

ISSUE #7: During CCIDC's prior review, the Joint Committee recommended that CCIDC exams, including the CCRE, should be subject to an occupational analysis and examination validation process similar to that followed by DCA boards and bureaus.

Question #7 for CCIDC: *Why was the CCRE exam recently updated? What was updated? Who is doing the psychometric validation? What are their credentials? Please articulate the process used for the occupational analysis. When does CCIDC expect completion of the psychometric evaluation? Has CCIDC considered other ways to ensure that candidates are conversant with California building codes and laws with respect to interior design?*

Background: In the current report to the Joint Committee, CCIDC states that the CCRE is specifically designed to test candidates on their knowledge of building codes (including fire/life safety) specific to California, as well as the subjects of civil law, Title 24 handicap access codes, business practices, ethics, and ergonomics.

According to CCIDC, the examination is given twice a year in San Diego, Los Angeles, and San Francisco, typically in April and October. The exam is administered by paid proctors who are not involved in the design profession. After the proctors collect the exam, the exams are sent back to CCIDC. CCIDC then forwards the exams to Castle Worldwide, a professional psychometric evaluation company, for scoring. The results are faxed to CCIDC when complete, and CCIDC sends out a letter and certificate (certificate to successful candidates only) to the candidates. Since November 2000 (not including the October 12, 2002 exam), 105 candidates have taken the CCRE, of which 99 have passed and 6 have failed.

The current report to the Joint Committee states that the CCRE was completely updated and psychometrically evaluated in 2000, utilizing an occupational analysis prepared by the National Council for Interior Design Qualification (NCIDQ) as an analysis tool of their national interior design exam, and was updated again in July 2002. CCIDC states that the CCRE is currently going through another psychometric evaluation.

The report does not provide information about the identity or credentials of the organization or consultant providing the current psychometric evaluation, nor an estimated date of completion for this project. Similarly, few details are provided about the reason for the July 2002 update to the CCRE, such as what on the test was updated and what necessitated the update. It is also not clear if CCIDC has, since the creation of the exam in 1995, evaluated whether the bi-annual CCRE exam is the most cost-effective and efficient means to guarantee that candidates are conversant with California specific laws relevant to interior designers.

ISSUE #8: **It is unclear what CCIDC does to ensure that each national examination required for certification appropriately measures the professional and technical skills required for certification, and what CCIDC does to ensure that each recognized national examination has scheduled an occupational analyses every five to seven years.**

Question #8 for CCIDC: *What is the status of the most recent occupational analyses of each examination recognized by CCIDC? What does CCIDC do to ensure that the national examinations are following the occupational analyses schedule? Does CCIDC know the schedule for upcoming occupational analyses for each exam? If so, what are they?*

Background: Pursuant to Business and Profession Code Section 5801.1, the procedure for the issuance of a stamp by an interior design organization under Section 5801, including the

examinations recognized and required by the organization, shall be subject to the occupational analyses and examination validation required by Section 139 every five to seven years. To issue a stamp and certify an individual as a CID, along with a tiered system of education and experience requirements, CCIDC will accept successful passage of any one of three national examinations. The three national interior design examinations are offered by: (1) the Council of Qualification for Residential Designers (CQRID); (2) the NCIDQ; and, (3) both parts [Certified Bath Designer (CBD) and Certified Kitchen Designer (CKD)] of the National Kitchen and Bath Association (NKBA). Additionally, the candidate must pass the CCRE, provide transcripts and confidential references from industry professionals, pay the required application fee, and sign the CCIDC code of ethics and conduct.

Section 139 of the Business and Professions Code describes requirements for occupational analyses and examination validation studies of boards and organizations overseen by DCA. Components of this section, which have since been detailed in the DCA Examination Validation Policy, include an appropriate schedule for examination validation and occupational analyses, minimum requirements for psychometrically sound examination validation, and standards for review of state and national examinations.

The extent to which CCIDC fully complies with the DCA Examination Validation Policy, beyond ensuring that the nationally recognized exams are subjected to occupational analyses and examination validations every five to seven years, is unclear.

BUDGETARY ISSUES

ISSUE #9: The CCIDC fund reserve has continued to decline over the past three years, even though CCIDC projected an increase of the amount held in reserve. If this continues, CCIDC will not have a prudent reserve and will have to raise fees.

Question #9 for CCIDC: *What is the status of the CCIDC fund reserve? What caused the depletion of the reserve from November 2000 to the present? What is the monthly operating budget? How many months in reserve is currently being held?*

Background: The current report to the Joint Committee does not include any discussion of the fund reserve or budgeting matters beyond the independent audit included in Appendix C. In the prior report to the Joint Committee, CCIDC noted that their reserve for FY 00 was \$113,596. In the prior report, CCIDC projected that the reserve in FY 01 would be \$127,096, \$169,096 in FY 02, and \$249,096 in FY 03.

The December 31, 2001 audit by certified public accountants Tate, Propp, Beggs & Sugimoto reports the CCIDC fund reserve as \$85,445. Rather than increasing, as was projected in the prior report, the amount held in reserve declined \$28,151 between June 30, 2000 and December 31, 2001. In the prior report, CCIDC set the reserve level at 6 months using a figure of \$19,000 per month for expenditures. If the CCIDC monthly expenditures budget is still \$19,000, then the current reserve is 4.5 months. The Legislature currently considers three to six months of reserves as financially prudent for consumer-related boards. While CCIDC reserves still fall within this range, the reason for the decline is unclear.

ISSUE #10: Some CCIDC expenses, as stated in the independent audit of CCIDC revenues and expenditures dated December 31, 2001, are unclear.

Question #10 for CCIDC: *What activities account for the \$21,812 spent on “Travel and Lodging” during 2001? What mailings account for the \$23,300 spent on “Postage?” How much does CCIDC spend participating in or attending community programs and trade shows? How often did CCIDC participate in or attend community programs and trade shows between November 2000 and the present? How does CCIDC decide to attend these shows? Who attends? For what reason were the “credit card fees” expenses listed in the audit so high?*

Background: The December 31, 2001 audit outlines the details of CCIDC expenditures. Some of the categories listed, such as “Travel and Lodging” and “Postage” are vague and warrant greater detail about what activities generated the higher amount of spending in these categories.

The current CCIDC report to the Joint Committee, in the sections titled “Student Outreach” and “Consumer Outreach,” lists attendance at student forums and community programs and trade shows as means of outreach to these constituencies. The frequency of these events is unclear, as well as the process by which CCIDC decides how the organization will benefit through attendance at these events and who attends.