

December 20, 2023

Melinda Grant, Undersecretary
California Business, Consumer Services and Housing Agency
500 Capitol Mall, Suite 1850
Sacramento, CA 95814

Dear Undersecretary Melinda Grant,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the California Board of Architectural Examiners submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2023.

Should you have any questions please contact Laura Zuniga, Executive Officer, at (916) 575-7232, Laura.Zuniga@dca.ca.gov.

GOVERNANCE

Mission and Strategic Plan

Our Mission

The California Architects Board protects consumers by establishing standards for professional qualifications, ensuring competence through examinations, setting practice standards, and enforcing the Architects Practice Act.

Our Vision

The California Architects Board will be the national leader in the regulation of architectural practice.

Our Values

- Collaborative
- Professional
- Innovative
- Proactive
- Diversity

Goal 1: Professional Qualifications

Ensure the professional qualifications of those practicing architecture by setting requirements for education, experience, and examinations.

- Amend existing regulations to revise and expand the types of degrees accepted for

licensure to remove barriers to licensure.

- Collaborate with legal to implement AB 1010 in developing regulations and aligning committee findings to provide more consistency and make continuing education requirements more relevant to current licensing requirements.
- Communicate with staff to include climate resiliency as a priority subject matter for the California Supplementary Exam to protect consumers and licensees.

Communicate to the public what the professional qualifications committee has suggested to the Board to promote the work the committee has done.

Goal 2: Regulation and Enforcement

Establish regulatory standards of practice for California architects and protect consumers by preventing violations and effectively enforcing laws, codes, and standards when violations occur.

- Provide more detail on decisions made in enforcement cases in the Executive Officer report during board meetings and inform consumers.
- Develop narrative discussions and case studies of common violations to educate and inform consumers and architects on what violations to avoid.
- Better educate practitioners on standards of practice during the renewal process to protect the public.
- Educate the public and practitioners regarding their roles when contracts are signed with a third party (contractor/developer).
- Review the current threshold for fines to determine if they are appropriate to deter violations.
- Monitor social media to proactively enforce against unlicensed advertising.

Goal 3: Communications

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

- Resume regular communication with the American Institute of Architects (AIA) by attending joint meetings once a year to give a consistent message to architects, candidates, and consumers in California.
- Develop outreach plan to educate licensees and candidates on information needed to acquire and maintain a license.
- Develop communication regarding accessory dwelling units to clarify to the public how the current architects practice law requirement is not affected by Senate Bill 9.
- Develop an outreach plan for academic and private institutions to continuously provide students and educators with relevant information.
- Spotlight other ethnicities/minorities in the profession to promote the profession.
- Create social media posts educating licensees on violations to increase compliance within the profession.

- Survey higher educational institutions for data on their architect student populations to understand their plans for creating space for US resident students to mitigate a possible vacuum of professionals in the future.
- Provide information in multiple languages to increase accessibility to licensees and candidates.

Goal 4: Organizational Relationships & Effectiveness

Enhance relationships with related organizations in order to further the Board's mission and goals. Increase organizational effectiveness and further develop the quality of customer service in all programs.

- Synchronize the Architects Board committees to meet in the same quarter to foster more collaboration and discuss key issues at board meetings.
- Evaluate, and adjust if necessary, the need for certain committees, to increase the efficiency of the Board.
- Streamline, and further coordinate the work of, the California Architects Board and Landscape Architects Technical Committee to function more as one organization to effectively use resources.
- Work with DCA to implement the business modernization project to improve service to applicants, licensees, and consumers.
- Engage in debate regarding the relationship of interior design to the practice of architecture to increase education and consumer protection.
- Digitize records and document files for improved efficiency.
- Create a calendar of association meeting and events so staff and board members can attend and maintain a Board presence.
- Collaborate with similar allied professional boards and boards outside of California to share knowledge and align policies.
- Invite affinity groups to board meetings to promote awareness of each other's activities and foster collaboration.
- Increase the Board's presence with National Council of Architectural Registration Boards (NCARB) to make sure NCARB's voice matches California's constituency.

Control Environment

The Board is composed of ten appointed members, who set policy for the program. Board staff administer and carry out the day to day work. The Board members meet quarterly to review Board operations. Additionally, the Board appoints committees to assist in developing and carrying out objectives from the strategic plan.

Board management ensures that staff are updated on all DCA policies and submit signed acknowledgement as required.

Information and Communication

Board staff reports quarterly to the Board detailed information on board operations and performance. Annually, or more often as needed, the Board's assigned budget analyst will provide a detailed budget briefing to board members to ensure they are aware of the state of

the Board's Fund.

Board staff meet monthly for an update on current issues and for the opportunity to ask questions about any issue or raise any new issues. Board management meet regularly for a more in depth discussion of current issues and to keep each unit updated.

MONITORING

The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the California Board of Architectural Examiners monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Laura Zuniga, Executive Officer.

Key performance indicators for the Board's licensing and enforcement functions are reported to the Board on a quarterly basis.. At each board meeting, members review and discuss the results. Issues requiring further review and discussion are referred to the Board's appointed committee for further deliberation, with a recommendation from the Committee coming back to the Board.

RISK ASSESSMENT PROCESS

The following personnel were involved in the California Board of Architectural Examiners risk assessment process: executive management, and middle management.

The following methods were used to identify risks: brainstorming meetings, audit/review results, and performance metrics.

The following criteria were used to rank risks: likelihood of occurrence, and potential impact to mission/goals/objectives.

RISKS AND CONTROLS

Risk: Business Modernization

The California Architects Board is in the process of transitioning to a new licensing and enforcement platform. Working under the guidance of the Department of Consumer Affairs, the first phase of the new system came online in the first part of 2023. The Board anticipates that while a new system will bring benefits for consumers and licensees, there will be a potential impact on workload as we transition. Additionally, the second release of the system has been delayed for the Board, and final completion of the project has also been delayed by one year.

Control: Oversight

The Department of Consumer Affairs holds regular meetings with the programs implementing this new system. In addition, Board staff serve as product owners and stay in close contact with staff who are responsible for overseeing the implementation of this new system.

Risk: Inadequate Funding

Based on the last Board meeting fund projections, the Board will be insolvent by FY 26/27. The Board is a special fund entity, entirely supported by license fees. These fees are currently at their statutory cap, and as explained by the DCA Budget Office, based on a workload analysis the time/cost to process an initial application is over \$600. Additionally, the Board receives most of its funding from renewals which are set in statute as being received in odd years. This provides for a wax and wane budget cycle and causes extra difficulty when projecting funding for years the Board does not receive renewal funding.

Control: Fee Audit

In order to prevent insolvency, the Board will work with the Department of Consumer Affairs to perform a workload analysis of its fees and accordingly pursue statutory increase as part of its sunset analysis.

Risk: Reliance on Hard Copy Documents

The Architects Board has taken initial steps to automate many of its processes. This has been supported by the transition to new information technology systems that facilitates the acceptance of electronic documents, enabling the Board to have "soft" copies of documents and in some instances eliminating the need for physically printing materials. However, while this automation will help reduce hard copy documents going forward, the Board has a large volume of hard copy documents for pending applications, enforcement documents, and licensee files. staff believe there is a risk in the event of a possible future pandemic, if staff are not able to regularly access records, or if the records are damaged or destroyed due to an accident.

Control: Explore Document Imaging

The Architects Board will be exploring options and costs to transition hard copy license files and other historical documents to a document imaging application

CONCLUSION

The California Board of Architectural Examiners strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

Laura Zuniga, Executive Officer

CC: California Legislature [Senate, Assembly]
California State Auditor
California State Library
California State Controller
Director of California Department of Finance
Secretary of California Government Operations Agency