



How Effective Is Your Board?

This article is based on a presentation by Ed Barnicott and Jeffrey M. Rosa at the 2014 FSBPT Annual Meeting.

(Note – The 2015 Supreme Court decision against the North Carolina Board of Dental Examiners may influence the board model discussion, particularly with regards to board autonomy.)

A paper published by the National Association of State Boards of Accountancy (NASBA) in fall 2010, “Establishing the semi-independent state board of accountancy,” stated that autonomous, independent boards were the most effective.

In discovering the effectiveness of a board, it is important to look at the five board models as defined by the late Benjamin Shimberg, Chairman Emeritus of the Citizen Advocacy Center Board of Directors and Founder of the Council on Licensure, Enforcement and Regulation (CLEAR).

Decisions on regulatory issues are made by boards alone in Models A, B, and C. In Model D, some functions are not as autonomous. The board can make the decision, but there may be another layer of review above the board. Model E has a board that is only advisory. A state employee makes the decision on regulatory issues.

Model A

Boards are autonomous. They hire their own staff and make decisions about office location, purchasing, and procedures. Each board receives and investigates complaints and disciplines licensees. Each board is responsible for the preparation, conduct, and grading of examinations or the contracting out of these tasks. Each board sets qualifications for licensing and standards for practice. Boards collect fees and maintain financial records. Board staff prepares and mails applications for licensing and renewal, licenses, and answers inquiries from licensees and the public. Seventeen state PT boards fall under Model A.

Model B

Boards are autonomous, but less so than in Model A. They set policy and determine standards regarding licensing and professional practice. They prepare or approve exams and decide who is qualified for licensure. They handle complaints and discipline licensees. The board has responsibility for hiring and supervising staff. A central agency may be responsible for

housekeeping matters, such as providing space, answering routine inquiries, collecting fees, and issuing licenses and renewals. Three PT boards fall under this model.

Model C

Boards are autonomous and have decision-making authority in many areas. The central agency, however, has greater authority over certain functions than in Model B. Its powers go beyond housekeeping. For example, budgets, personnel, and records may be subject to some control by the agency. Complaints, investigations, and adjudicatory hearings may be handled by a central staff, even when boards continue to make final decisions with respect to disciplinary actions. There are 17 Model C state PT boards.

Model D

Boards are not fully autonomous. That is, they do not have final decision-making authority on all substantive matters as do boards in the preceding models. While the central agency provides a wide range of services, in practice, boards may be delegated responsibility for such functions as preparing or approving exams, setting pass / fail points, recommending professional standards, and recommending disciplinary sanctions. A crucial distinction, however, between Model D and the preceding models is that certain board actions are subject to review by the central agency. Eight state PT boards fall under this model.

Model E

Boards are optional. The regulatory system is run by an agency director, commission, or council, with or without the assistance of a board. Where boards do exist, they are strictly advisory. The agency director, commission, or council has final decision-making authority on all substantive matters. Boards may be delegated such functions as preparing or approving exams, setting pass / fail points, recommending professional standards, and recommending disciplinary sanctions. A crucial distinction between this model and Model D is that where boards exist, they serve only in an advisory capacity. Six state PT boards fit this model.

In determining what model may be best, the presenters looked at the criteria used by the National Association of State Boards of Accountancy (NASBA). PT boards cover only individuals, but the mission is similar to that of NASBA.

NASBA's Strategic Mission is derived from the mission of the Boards of Accountancy (BOA): To protect the public through the effective regulation of the practice of public accounting by individuals and firms. NASBA's formal strategic mission is to: "Enhance the effectiveness and advance the common interest of the Boards of Accountancy."

There are five components in BOA's level of independence that affect the Shimberg models: Governance, Control of Staff, Control of Finances, Adopting Regulations, and Board Composition.

However, three key factors have the most impact on effectiveness. Governance, or reporting relationships, decides how boards are appointed and who they answer to. Then there is staffing. Are they qualified, dedicated staff or shared staff where their loyalty is with the entity that appoints them, which may not be the board. Finances is the third key factor. Adequate funding is needed for investigations and staffing.

NASBA defines effectiveness as having an efficient administration and enforcement of the jurisdiction's laws and regulations related to public accountancy and the professional conduct of Certified Public Accountants (CPA) and CPA firms. In addition, an effective regulatory board is one that protects the public welfare by fulfilling the letter and intent of the jurisdictions' statutes and regulations in an efficient manner.

NASBA created an Effectiveness Survey with 73 items and sent them to 10 BOAs, all of which responded. The items were designed to cover the six BOA Functional Areas of Board Effectiveness.

1. Initial Qualification and Licensing.
2. Relationships (with state society or association).
3. Rule Making.
4. Board Operations.
5. Ongoing Competency and Compliance.
6. Enforcement.

The goal was to help BOAs identify how they are doing and where they can improve. They combined that with a Process Model. An example would be to provide input into a business process with internal resources and external resources (from state, etc.) and end with outputs. This is the State Board Assessment Effectiveness Framework.

NASBA's Comparative vs. Prescriptive Approach combined a best practices (prescriptive) assessment with comparative data from other boards to provide meaningful feedback to a board and generate insight into areas that may need improvement.

NASBA looks at certain questions when determining board effectiveness. It asks if your regulatory board is effective, what that question means to a board, who can you ask and how would they know, who can improve your boards' effectiveness, and how. Effectiveness in regulatory issues has similar themes between accountancy and PT.

The states were appreciative of NASBA's support in their own assessment in determining how to improve their own effectiveness.

Measure Performance

Regardless of what model a board follows, customer service is very important with applicants and licensees as the customers. They should be able to reach the boards for information and boards should also be good stewards of their funds. One method to measure performance, therefore, would be to look at how long it takes to issue a license. Allow applicants and licensees to measure your performance, too, by being transparent with this type of information. Customer satisfaction surveys also may be helpful.

Quarterly National Physical Therapy Exam (NPTE) comment summaries and candidate satisfaction survey results are very important to have and to act on to maintain high customer service.



Ed Barnicott serves as NASBA's Vice President of Strategic Planning and Program Management. In this position, he is responsible for leading a strategic planning program that includes NASBA staff, NASBA's Board of Directors, state boards of accountancy, and other stakeholders. Under program management, he is charged with ensuring progress on all NASBA projects and initiatives, managing their organization, and successful delivery through enterprise-level reporting and tracking. Barnicott joined NASBA in 2007 as Chief Technology Officer. In that role, he was responsible for all new product development, maintenance of all NASBA software systems, and strategy for future technology implementations. Prior to joining NASBA, Barnicott served five years as the Enterprise Project Manager for the conversion of the Uniform CPA

Examination to the CBT format. His career in technology has spanned 30 years and has focused on project management for high-risk, complex information technology projects. Since 2011, Ed has led a work group to develop a framework for understanding board independence and autonomy among the Boards of Accountancy. For the past two years, he has studied the relationship between independence and board effectiveness, and has worked with the accountancy boards to do strategic planning and board effectiveness assessments.



Jeffrey M. Rosa

FSBPT Managing Director of Continuing Competence

Jeff Rosa joined the Federation of State Boards of Physical Therapy as one of its Managing Directors in August 2015. He previously served for 12 years as the Executive Director of physical therapy licensing board in Ohio. Prior to joining the Ohio PT Board, Jeff worked for the Ohio Board of Nursing and as a budget analyst with the Ohio Legislative Service Commission. Jeff holds a Bachelor of Arts in History from Yale University and a Master of Public Policy from the Gerald Ford School of Public Policy

at the University of Michigan.