

# Certification Program Audit Form

Prepared by

Jefferson C. Glassie, Esq.  
Partner  
Pillsbury Winthrop Shaw Pittman LLP

Lenora G. Knapp, Ph.D.  
President  
Knapp & Associates International, Inc.

A. CORPORATE	Yes	No	Comments
1. Are the Articles of Incorporation current?			
2. Are the Articles consistent with the law of the State of incorporation?			
3. Are there foreign corporation registrations in other states where required?			
4. Have all required annual corporate filings been made?			
5. Are there corporate fees or franchise taxes due in any jurisdiction?			
6. Are the Bylaws current?			
7. Are the Bylaws consistent with the law of the State of incorporation?			
8. If not a separate entity, are appropriate governance policies and procedures in place?			



<b>B. INTELLECTUAL PROPERTY</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Are there patents, trademarks, service marks, trade names, certification marks, copyrights, or other intangible property used or owned?			
2. Have all necessary applications/reports been filed to obtain/maintain trademark or certification mark registrations?			
3. If the name, acronym, marks, or logo are to be perpetuated, is there a trademark use policy in effect?			
4. Are examination and related materials registered for copyright protection (under exceptions for deposits)?			
5. Have correct trademark, service mark, certification mark and copyright notices been used routinely?			
6. Are copyright assignments and/or licenses obtained for magazine articles, publications, items for the examinations, software programs, and other intangible property?			
7. Are infringers consistently pursued, such as other organizations, certificant who misuse the marks, and individuals who use the marks without authorization?			
<b>C. TAX</b>			
1. Is there a "parent" organization?			
2. Is the parent organization tax exempt?			
3. Are purposes and other features of Articles, Bylaws, or other governing documents consistent with IRS requirements?			



<b>C. TAX (cont'd)</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
4. Has notice been given to IRS for changes in name, Articles, structure or purposes?			
5. Are volunteers paid other than actual expenses?			
6. Have annual Form 990 tax returns been filed (not required if part of parent organizations)?			
7. Is there unrelated business income tax?			
8. Are rent, royalties, dividends, or interest received?			
9. Is there revenue from advertisements, corporate sponsorship, insurance, mailing lists, consulting, etc.?			
10. Is there adequate autonomy from parent organization, if any, with different tax status?			
11. Has there been an IRS audit or any indication that one is forthcoming?			
12. Have there been any state/local tax problems?			
<b>D. INSURANCE</b>			
1. Is comprehensive general liability insurance maintained?			
2. Is directors and officers, professional liability, or other similar insurance maintained that covers certification activities?			
3. If part of a parent organization, does its insurance cover certification activities?			



<b>D. INSURANCE (cont'd)</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
4. What, if any, claims have been received and covered by insurers?			
5. Is notice of claims to insurer promptly given?			
<b>E. FINANCES</b>			
1. Are budgets approved by the board/commission?			
2. Does the board approve changes to the budget?			
3. Does the board receive periodic financial reports?			
4. Is there a policy on conflicts of interest for staff and volunteers?			
5. Are those who handle funds bonded?			
6. Are there special procedures to prevent embezzlement?			
7. Are there clear policies on investment of operating and surplus funds?			
8. Are there procedures in place regarding those who sign checks?			
<b>F. PERSONNEL</b>			
1. Are there any written employment contracts?			
2. Is there an employee manual?			
3. Is notice given of "employment at will"?			
4. Are references checked?			



F. PERSONNEL (cont'd)	Yes	No	Comments
5. Are objective personnel evaluations made consistently and maintained?			
6. If part of the parent organizations, are compensation, benefits, etc., determined by the certification organization?			
7. Have all decisions on hiring, assignment, compensation, and firing been free of discrimination?			
8. Is overtime paid for all non-exempts?			
9. Is "comp time" without overtime pay offered only within the calendar week in which overtime hours occurred?			
10. Are there outstanding commitments, including annual retainers, to consultants?			
11. How is independent contractor status determined?			
12. Are there pending or past lawsuits, challenges, claims or inquiries on personnel matters?			
<b>G. BENEFITS</b>			
1. Are severance benefits clearly promulgated and consistently followed?			
2. Is the policy on unused vacation time clearly promulgated and consistently followed?			
3. Are COBRA benefits offered?			
4. Have there been promises, or are there expectations, of extra or additional salary, benefits, or severance?			



<b>G. BENEFITS (cont'd)</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
5. Are there qualified or nonqualified benefit plans?			
6. Have the plans been updated to reflect changes in the law?			
<b>H. MEETINGS</b>			
1. Are there outstanding commitments to hotels or other conference facilities?			
2. Is written notice provided for meetings of the board or commission?			
3. Are agendas prepared and followed?			
4. Are agendas reviewed by counsel?			
5. Are meetings on sensitive topics monitored for antitrust issues?			
6. Are minutes prepared and maintained?			
7. Are minutes reviewed by counsel?			
8. Are draft minutes maintained?			
9. Are meetings recorded?			
<b>I. OFFICES</b>			
1. Is office space leased or owned?			
2. What landlord or tenant lease obligations exist?			
3. Are there furniture, computer or equipment leases?			



I. OFFICES (cont'd)	Yes	No	Comments
4. If part of a parent organization, are costs of space, supplies, and equipment paid on fair value basis?			
<b>J. AUTONOMY</b>			
1. Is the certification organization autonomous for essential certification decisions within the meaning of NOCA standards?			
2. Do the Bylaws of the parent organization adequately provide for autonomy of the organization in certification decisions?			
3. Do the governing documents of the organization provide for autonomy in certification decisions?			
4. Is there an agreement or written understanding in place between the parent and the certification organization?			
5. Does the certification organization conduct educational programs?			
6. Does the organization conduct examination "prep" courses?			
<b>K. CONTRACTS</b>			
1. Are contracts reviewed for sufficiency by legal counsel?			
2. Do all contracts contain provisions adequately protecting or transferring intellectual property to the organization?			



<b>K. CONTRACTS (cont'd)</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
3. Do contracts impose a limitation or cap on fees or amounts paid to contractors without prior approval?			
4. Do contracts include indemnification provisions protecting the organization?			
5. Do contracts set forth detailed requirements or specifications for performance with due dates for vendors?			
6. Do contracts include termination provisions that give an adequate "out" to the organizations?			
<b>L. DUE PROCESS</b>			
1. Does the organization have adequate written "due process" policies and procedures?			
2. Do they clearly set forth and define eligibility criteria?			
3. Is adequate advance notice provided for changes in criteria, policies, and procedures?			
4. Is there an enforced code of ethics that is part of the criteria?			
5. Are there clear disciplinary procedures for handling of complaints against certificants?			
6. Is adequate notice of charges of disciplinary action provided?			
7. Are investigations fairly conducted?			



L. DUE PROCESS (cont'd)	Yes	No	Comments
8. Is the decision-making body in disciplinary actions independent (with no participations by those who investigate)?			
9. Are there appeal procedures for denial of eligibility?			
10. Are there appeal procedures for disciplinary activities?			
11. Are procedures in place to uncover cheating?			
12. Are examination irregularities routinely reported?			
<b>M. AMERICANS WITH DISABILITIES ACT</b>			
1. Are ADA requirements followed?			
2. Are reasonable accommodations granted for those with disabilities?			
3. Is advance notice of request for accommodations required?			
4. Are requests for accommodations supported by documentation by health professionals?			
5. Are requests for accommodations or descriptions of disability reviewed by the organization experts?			
6. Are scores "flagged" for those provided with accommodations?			



N. OPERATIONS	Yes	No	Comments
1. Are quality control procedures in place for eligibility decisions and application documentation?			
2. Are quality control procedures in place to ensure scoring accuracy?			
3. Are unusual events and complaints tracked and trends investigated?			
4. Is there a security manual outlining procedures related to electronic files, hard copy files, e-mail and transfer of secure documents?			
5. Are "secret shoppers" used?			
O. STRATEGIC PLANNING			
1. Is there a <i>current</i> strategic plan?			
2. Does the plan focus on the future, rather than current problems?			
3. Have the psychometric, operational, financial and legal implications of the strategic goals and tactics been considered?			
4. Is the effectiveness of strategic tactics measured and evaluated on a regular basis?			
5. Does each strategic goal have a board member "sponsor"?			
6. Is there a staff person assigned to each goal?			



O. STRATEGIC PLANNING (cont'd)	Yes	No	Comments
7. Are board meeting agendas structured around the strategic goals?			
8. Is the plan reviewed and updated on an annual basis?			
<b>P. BUSINESS PLANNING</b>			
1. Is there a <i>current</i> business plan?			
2. Are plans developed prior to major initiatives (e.g., transitioning to CBT, expanding test sites/dates, introducing new credentials)?			
3. Are the plan assumptions based on market research?			
4. Does the plan underestimate volumes and overestimate costs?			
5. Is the plan used to benchmark expenses and financial performance on an ongoing basis?			
6. Are projections rerun when assumptions are found to be incorrect or when new assumptions are needed?			
7. Are the business strategies used consistent with those outlined in the plan and are they being adequately implemented?			
8. Is the plan reviewed quarterly and annually?			



Q. MARKETING	Yes	No	Comments
1. Is market research conducted on an ongoing basis?			
2. Is market research conducted to evaluate major program initiatives and new products/services the board is considering?			
3. Does the program have a formal marketing plan?			
4. Does the plan include a positioning statement and do the strategies and tactics, including branding, support the intended positioning?			
5. Does the plan focus on creating value rather than pushing a credential?			
6. Is the effectiveness of the marketing strategies measured and evaluated on a regular basis?			
7. Are changes in the target market tracked and are the implications of these changes considered?			
8. Is there a standing marketing committee?			
9. Is there a staff person responsible for daily monitoring and implementation of the marketing plan?			
10. Is the plan updated at least annually?			
11. Are marketing efforts adequately funded?			



R. PSYCHOMETRICS	Yes	No	Comments
1. Are the examination specifications based on a formal job analysis study?			
2. Are job analyses conducted on a regular basis?			
3. Are questions and answers keys reviewed and approved by content experts prior to test administration?			
4. Are examiners/raters for oral, performance-based and essay exams thoroughly trained and is their performance evaluated for reliability and accuracy?			
5. Are statistical analyses (e.g., discrimination, difficulty, reliability) conducted on the exams and individual items on an ongoing basis?			
6. Are there established guidelines pertaining to the handling of inadequate or flawed questions?			
7. Are examination forms equated?			
8. Is the passing score determined in a fair and reliable manner?			
9. Is the passing rate consistent across exam forms and if not, has the cause of the inconsistency been determined?			
10. Is the equivalence of paper-and-pencil and computer-based examinations and translated/culturally adapted examinations evaluated?			



R. PSYCHOMETRICS (cont'd)	Yes	No	Comments
11. Are examinations developed and administered in a secure and standardized manner?			
12. Is there formal documentation of the job analysis study, standard-setting procedures and the psychometric characteristics of the examinations?			

