

December 31, 2025

Tomiquia Moss, Secretary  
California Business, Consumer Services and Housing Agency  
500 Capitol Mall, Suite 1850  
Sacramento, CA 95814

Dear Secretary Tomiquia Moss,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the California Board of Naturopathic Medicine submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2025.

Should you have any questions please contact Rebecca Mitchell, Executive Officer, at (916) 928-5862, [Rebecca.Mitchell@dca.ca.gov](mailto:Rebecca.Mitchell@dca.ca.gov).

## **GOVERNANCE**

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### **Mission and Strategic Plan**

The California Board of Naturopathic Medicine (CBNM) is committed to protecting the health, safety, and well-being of Californians by licensing and regulating the practice of naturopathic medicine in a manner that supports access to safe, high-quality care. This mission guides every aspect of the Board's work and is reflected in its strategic planning, regulatory oversight, and stakeholder engagement.

CBNM operates according to the following **core principles**:

- **Access**– Promoting equitable access to naturopathic care across California.
- **Collaboration**– Engaging with stakeholders, licensees, and partner agencies to improve outcomes.
- **Diversity, Equity, and Inclusion (DEI)**– Embedding DEI in all aspects of the Board's operations and outreach.
- **Integrity**– Upholding transparency, accountability, and ethical standards in decision-making.
- **Quality Healthcare**– Supporting high standards of care through regulation, education, and enforcement.

These principles are embedded throughout the Board's **2025–2030 Strategic Plan**, which outlines six strategic goals that guide its priorities and initiatives over the five-year planning period.

**Goal 1: Licensing**

CBNM is focused on establishing and promoting licensing standards that protect consumers while ensuring reasonable access to the profession. The Board is conducting a comprehensive review of its licensing criteria and processes to ensure they are equitable, efficient, and accessible. Strengthening collaboration with applicants, licensees, and stakeholders is a key priority, as is improving transparency and accuracy in licensing data and reporting. The Board is also working to enhance stakeholder understanding of the licensing process, streamline communication, and improve customer satisfaction through more responsive service delivery.

**Goal 2: Continuing Education**

To promote excellence in the practice of naturopathic medicine and ensure public safety, the Board is refining its continuing education (CE) standards. This includes maintaining an up-to-date list of approved CE courses on the Board's website and establishing clear procedures and best practices for CE program oversight. These efforts aim to ensure that licensees remain current in their knowledge and skills, ultimately benefiting the public they serve.

**Goal 3: Enforcement**

CBNM plays a critical role in preventing, reducing, and remediating unlawful or unsafe activities by both licensed and unlicensed individuals that violate the Naturopathic Doctors Act and pose a threat to public health and safety. The Board is enhancing investigative tools and techniques to increase efficiency and reduce average case completion times. It is also identifying and implementing process improvements, strengthening collaboration with enforcement partners, and developing a comprehensive reporting framework to improve transparency. Additionally, the Board is creating resources to help licensees better understand and comply with regulations, while increasing penalties for non-compliance to deter repeat offenses.

**Goal 4: Laws and Regulations**

To support its consumer protection mandate, the Board actively reviews, amends, and develops laws and regulations that govern the practice of naturopathic medicine. This includes updating the naturopathic formulary to reflect advances in medicine and training and pursuing legislation that would grant the Board authority to establish continuing education requirements through regulation. CBNM also seeks or supports legislation that enhances consumer access and safety and collaborates with other regulatory bodies to improve outcomes. The Board is committed to transparency and accountability through the development of a regulatory activity report and is conducting a comprehensive review of

existing regulations to ensure clarity, relevance, and alignment with current industry practices. Promoting inclusive stakeholder participation in the legislative and regulatory process is also a key priority.

**Goal 5: Board Administration**

The Board is focused on maximizing the efficiency and effectiveness of its internal operations to better serve the public and licensees. This includes conducting a comprehensive review of decision-making processes and establishing best practices to strengthen governance and oversight. CBNM is implementing a risk management framework to inform Board members and staff and reduce potential risks. In alignment with its commitment to equity, the Board is developing systems to monitor and evaluate the impact of its diversity, equity, and inclusion (DEI) initiatives and is providing DEI training to both staff and Board members. Additionally, the Board is working to ensure that funds are used efficiently to expand outreach efforts and promote licensure.

**Goal 6: Stakeholder Outreach**

The Board recognizes the importance of educating and engaging stakeholders about the safe practice and regulation of naturopathic medicine. The Board is committed to increasing public awareness of professional standards and enforcement actions and is developing a comprehensive outreach plan to enhance stakeholder engagement. A key focus of this goal is promoting culturally competent communication through DEI-focused outreach and fostering collaborative partnerships that support shared goals. The Board is also establishing reporting mechanisms to increase transparency and accountability regarding the progress and outcomes of its DEI initiatives.

**Control Environment**

The California Board of Naturopathic Medicine (CBNM) is committed to maintaining a strong internal control environment that supports ethical governance, operational integrity, and accountability in alignment with the State Leadership Accountability Act (SLAA). The Board's control environment is built upon a foundation of clearly defined values, transparent oversight, and a commitment to continuous improvement.

**Integrity and Ethical Values**

CBNM promotes a culture of integrity through its core values, which include Access, Collaboration, Diversity, Equity and Inclusion, Integrity, and Quality Healthcare. These values are embedded in the Board's daily operations and decision-making processes. Staff are expected to adhere to ethical expectations and professional standards. Mechanisms are in place for staff to report ethical concerns or suspected misconduct through confidential channels, including the DCA's Office of Human Resources and the Whistleblower Hotline. Ethical behavior is reinforced through regular training and leadership modeling.

### **Oversight by Executive Leadership**

Oversight of the Board's operations is provided by the Executive Officer, who provides reports and updates to the Director of the Department of Consumer Affairs. The Executive Officer ensures that internal controls are implemented and monitored, and that the Board's strategic goals align with its statutory mandate. The Board Members, appointed by the Governor and Legislature, provide policy direction and oversight during public meetings, ensuring transparency and accountability in decision-making.

### **Organizational Structure**

CBNM maintains a clearly defined organizational structure that delineates roles, responsibilities, and reporting lines. The structure supports effective supervision, appropriate delegation of authority, and accountability at all levels. The Executive Officer serves as the chief administrator, supported by program analysts and administrative staff who manage licensing, enforcement, and operational functions. This structure ensures that decisions are made at the appropriate level and that staff have the authority and support necessary to carry out their responsibilities.

### **Documentation of the Control System**

The Board maintains documentation of its internal control systems, policies, and procedures in accordance with DCA and state requirements. This includes desk manuals, process maps, and procedural guides that are regularly reviewed and updated. Documentation is stored in secure, shared locations accessible to relevant staff and is used to support training, continuity of operations, and compliance with state mandates.

### **Competent Workforce**

CBNM is committed to recruiting, developing, and retaining a competent workforce. Staff receive training through DCA's SOLID Training and Development Program, as well as role-specific instruction to ensure they are equipped to perform their duties effectively. The Board supports professional development and encourages participation in leadership and technical training to build capacity and support succession planning.

### **Enforcement of Accountability**

Accountability is enforced through performance evaluations, supervisory oversight, and adherence to state personnel policies. The Board fosters a culture of responsibility by setting clear expectations and providing regular feedback. Management is attentive to identifying and mitigating unreasonable or excessive pressures that could compromise ethical behavior or operational integrity. Staff are encouraged to raise concerns without fear of retaliation, and corrective actions are taken when necessary to address performance or compliance issues.

### **Information and Communication**

The California Board of Naturopathic Medicine (CBNM) maintains a robust information and communication framework that supports effective decision-making, operational efficiency, and transparency. The Board prioritizes the timely collection, processing, and dissemination of relevant and reliable information to support its regulatory responsibilities and strategic goals.

### **Internal Communication and Decision Support**

CBNM has established processes to ensure that accurate and timely information is available to support operational, programmatic, and financial decision-making. Staff regularly collect and analyze data related to licensing, enforcement, continuing education, and administrative functions. This information is shared with management through internal reports, dashboards, and regular team meetings. The Executive Officer uses this data to inform policy recommendations, resource allocation, and performance monitoring.

### **Communication Channels Across the Organization**

The Board fosters open communication across all levels of the organization. Upward communication is encouraged through regular one-on-one meetings, staff check-ins, and open-door access to management. Downward communication occurs through staff briefings, email updates, and procedural guidance. Lateral communication is supported through collaborative workgroups, shared documentation platforms, and cross-functional coordination between licensing, enforcement, and administrative staff.

CBNM also maintains regular communication with the Department of Consumer Affairs (DCA) and other boards and bureaus to align on best practices, policy updates, and shared initiatives. This cross-organizational communication ensures consistency and supports broader departmental goals.

### **External Communication and Stakeholder Engagement**

The Board communicates regularly with external stakeholders, including licensees, applicants, educational institutions, and the public. Key communication tools include the Board's website, email bulletins, public Board meetings, and stakeholder outreach events. Regulatory updates, licensing requirements, enforcement actions, and public health information are shared in a timely and accessible manner to promote transparency and informed engagement.

### **Reporting Inefficiencies and Inappropriate Conduct**

CBNM encourages staff to report inefficiencies, concerns, or inappropriate actions through multiple channels. Employees may raise issues directly with supervisors or the Executive Officer or utilize confidential reporting mechanisms available through DCA's Office of Human Resources and the Whistleblower Hotline. The Board fosters a culture of openness and accountability, where staff are empowered to speak up without fear of retaliation. Reported concerns are reviewed promptly and addressed through appropriate corrective actions or process improvements.

## **MONITORING**

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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 Naturopathic Medicine monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Rebecca Mitchell, Executive Officer.

The California Board of Naturopathic Medicine (CBNM) employs a structured, entity-wide approach to monitor the effectiveness of its risk management and internal control systems. These monitoring activities are designed to ensure that controls remain effective, responsive to emerging risks, and aligned with the Board's mission to protect the health, safety, and well-being of Californians.

### **Routine Monitoring Activities**

CBNM integrates routine monitoring into its daily operations to proactively identify potential issues. These activities include tracking key performance indicators (KPIs), conducting regular staff meetings, reconciling financial and licensing data, and reviewing enforcement case processing timelines. These tools help management detect anomalies, inefficiencies, or compliance gaps early and respond accordingly.

### **Periodic Reviews by Independent Personnel**

In addition to routine monitoring, the Board conducts periodic, in-depth reviews of its internal control systems. These reviews are performed by knowledgeable staff who are not directly involved in the day-to-day operations of the processes under evaluation, ensuring objectivity and independence. When appropriate, the Board also engages internal or external reviewers—such as the Department of Consumer Affairs' internal audit team or external consultants—to assess specific functions or risk areas.

### **Comparison of Results to Expectations**

Monitoring results are regularly compared to established benchmarks, performance goals, and statutory requirements. When discrepancies or underperformance are identified, management evaluates whether changes to policies, procedures, or resource allocations are necessary. This comparison process ensures that the Board remains agile and responsive to both internal and external changes.

### **Assignment of Ownership for Corrective Action**

When vulnerabilities are identified through monitoring, ownership for corrective action is clearly assigned to the appropriate staff or program area. The Executive Officer provides oversight and ensures that responsibilities are communicated, timelines are established, and progress is tracked. This accountability structure ensures that issues are addressed promptly and effectively.

### **Ongoing Monitoring of Remediation Efforts**

CBNM monitors the implementation of corrective actions to ensure that identified vulnerabilities are resolved and that improvements are sustained over time. Follow-up reviews, status updates, and performance tracking are used to assess the effectiveness of remediation efforts. If issues persist, management reevaluates the approach and adjusts strategies as needed.

Through this layered and responsive monitoring framework, CBNM maintains a strong internal control environment that supports transparency, accountability, and continuous improvement.

## **RISK ASSESSMENT PROCESS**

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The following personnel were involved in the California Board of Naturopathic Medicine risk assessment process: executive management, and staff.

The following methods were used to identify risks: brainstorming meetings, ongoing monitoring activities, audit/review results, other/prior risk assessments, questionnaires, consideration of potential fraud, performance metrics, and other.

The following criteria were used to rank risks: likelihood of occurrence, potential impact to mission/goals/objectives, timing of potential event, potential impact of remediation efforts, and tolerance level for the type of risk.

The California Board of Naturopathic Medicine (CBNM) employs a proactive and structured risk assessment process to identify, evaluate, and respond to risks that may impact the achievement of its mission and strategic objectives. This process considers both internal and external risk factors, including operational, regulatory, financial, technological, and reputational risks, and is designed to support informed decision-making and continuous improvement.

### **Identification and Evaluation of Risks**

CBNM's risk assessment process begins with the identification of potential risks through multiple channels, including staff input, performance data, stakeholder feedback, audit findings, and environmental scanning. Risks are assessed in terms of their likelihood and potential impact on the Board's ability to fulfill its statutory responsibilities. The Executive Officer, in collaboration with program leads, evaluates these risks during regular operational reviews and strategic planning sessions.

### **Unique Aspects of the Board's Risk Assessment Approach**

A unique aspect of CBNM's approach is its integration of risk assessment into day-to-day operations and strategic planning. Rather than treating risk as a standalone activity, the Board

embeds risk awareness into licensing, enforcement, and administrative functions. For example, staff are encouraged to flag emerging issues during team meetings or when reviewing licensing trends, enforcement caseloads, or stakeholder inquiries. These observations are documented and escalated as needed for further analysis and response.

Additionally, the Board leverages its small size and cross-functional structure to facilitate rapid communication and collaborative risk evaluation. This allows for early detection of vulnerabilities and timely implementation of mitigation strategies.

### **Fraud Risk Considerations**

CBNM recognizes the importance of assessing the risk of fraud as part of its overall risk management framework. Fraud risk is considered in both financial and non-financial contexts, including misuse of public funds, falsification of licensing documentation, and unethical conduct by licensees or staff. The Board maintains internal controls to prevent and detect fraud, such as segregation of duties, supervisory review, and reconciliation processes. Staff are trained to recognize red flags and are encouraged to report concerns through confidential channels, including but not limited to, DCA leadership and the State Whistleblower Hotline.

### **Developing Risk Responses**

Once risks are identified and assessed, the Board develops appropriate responses based on the nature and severity of the risk. Responses may include revising procedures, enhancing internal controls, reallocating resources, or initiating policy changes. Ownership for implementing risk responses is clearly assigned, and progress is monitored to ensure that mitigation efforts are effective and sustained.

CBNM's risk assessment process is dynamic and responsive, allowing the Board to adapt to changing conditions and emerging threats while maintaining its focus on public protection and regulatory excellence.

## **RISKS AND CONTROLS**

### **Risk: Inability to Delegate Critical Enforcement Functions**

The Board faces a structural risk due to the inability to delegate critical enforcement functions—such as issuing Interim Suspension Orders (ISOs) or filing Accusations—in the absence of the Executive Officer (EO). Currently, no management-level staff position exists within the Board's structure that can be formally delegated these responsibilities.

This limitation creates several vulnerabilities:

- **Operational Delays:** Time-sensitive enforcement actions may be delayed if the EO is unavailable, potentially compromising public safety and delaying resolution of serious cases.
- **Legal and Compliance Risks:** Delays in initiating enforcement actions may result in missed statutory deadlines, weakening the legal standing of cases or increasing the risk of procedural challenges.
- **Reputational Risk:** Inability to act swiftly in high-risk or high-profile cases may erode public trust and stakeholder confidence in the Board's regulatory effectiveness.
- **Workflow Disruption:** Staff may experience frustration and inefficiencies due to bottlenecks in decision-making, particularly in enforcement workflows.
- **Governance and Succession Planning Gaps:** The lack of a designated backup for the EO limits the Board's ability to ensure continuity of operations and may be viewed as a control deficiency under SLAA standards.

### Control: Interim Delegation and Continuity Planning for Enforcement Authority

The objective of the control is to ensure continuity of enforcement operations and timely execution of critical regulatory functions in the absence of the Executive Officer, while maintaining compliance with statutory requirements and internal control standards.

Although the Board currently lacks a formal management-level position to which authority can be delegated, the following interim controls are in place or under consideration:

- **Risk Documentation:** The Board has formally documented this risk in its SLAA reporting and internal planning processes to ensure visibility and prioritization.
- **Escalation Protocols:** In the EO's absence, staff are instructed to escalate urgent matters to DCA executive leadership or legal counsel for guidance, ensuring that critical issues are not left unaddressed.
- **Cross-Training and Knowledge Sharing:** Key staff are cross-trained in enforcement procedures to maintain operational continuity and support case progression, even if final decisions are delayed.
- **Strategic Planning:** The Board is exploring long-term solutions, including

requesting statutory or budgetary authority to establish a management-level position (e.g., Assistant Executive Officer) who could be formally delegated enforcement authority.

- **Consultation with Legal:** The Board works closely with DCA Legal Affairs to explore permissible delegation options and ensure that any interim actions taken are legally sound.

These controls help reduce the impact of the identified risk by ensuring that enforcement operations remain functional and that urgent matters are addressed to the extent possible, even in the absence of the EO. However, the Board recognizes that a structural solution—such as the creation of a management-level position—is necessary to fully mitigate this risk.

### Risk: Consumer Confusion Between Licensed Naturopathic Doctors and Unlicensed Practitioners

The Board faces an ongoing risk to consumer safety due to widespread public confusion between licensed **Naturopathic Doctors (NDs)** and unlicensed individuals who use similar titles, such as “naturopathic practitioner” or “traditional naturopath.” These unlicensed individuals are not subject to the Board’s regulatory oversight, do not meet the educational and clinical training standards required for licensure, and may engage in practices that pose risks to public health.

This confusion is exacerbated by:

- The similarity in professional titles used in marketing and online platforms.
- The lack of public awareness about the difference between licensed and unlicensed practitioners.
- Limited enforcement authority over unlicensed activity unless it rises to the level of unlicensed practice of medicine.

As a result, consumers may unknowingly seek care from unqualified individuals, which can lead to:

- Delayed or inappropriate treatment.

- Exposure to unsafe or unregulated therapies.
- Erosion of public trust in the naturopathic profession and the Board's regulatory role.

### **Control: Public Education and Outreach on Licensure Distinctions**

The Board attempts to increase consumer awareness of the difference between licensed Naturopathic Doctors and unlicensed individuals using similar titles.

One way the Board can mitigate its risk is by maintaining a searchable license verification tool on its website and regularly publishes consumer alerts, FAQs, and educational materials. Outreach efforts include social media campaigns, website updates, and participation in public health events to educate consumers on how to verify licensure and understand the scope of practice for NDs.

### **Control: Collaboration with Enforcement Partners**

The Board identifies and addresses cases of unlicensed practice or misleading advertising within its Consumer Protection Services Program.

The Board collaborates with the Department of Consumer Affairs' Division of Investigation, local law enforcement, and other regulatory boards to investigate and take action against individuals who misrepresent themselves as licensed NDs. The Board also refers cases to the Medical Board of California when unlicensed activity crosses into the practice of medicine.

### **Control: Legislative and Regulatory Advocacy**

In addition to enforcement collaboration, the Board is engaged in ongoing legislative and regulatory advocacy to strengthen consumer protections. This includes supporting statutory changes that clarify title protection for licensed Naturopathic Doctors and establish clearer boundaries between licensed and

unlicensed practice. The Board also advocates for enhanced enforcement tools and penalties for individuals who misrepresent their credentials or mislead the public. These efforts aim to reduce consumer confusion, deter deceptive practices, and reinforce the integrity of the naturopathic profession in California.

### **Risk: Structural Fiscal Imbalance Due to Limited Licensure Growth and Enforcement Burden**

The Board faces a growing risk of fiscal instability due to structural limitations in its licensing base and the disproportionate enforcement workload related to unlicensed activity. As a special fund agency, the Board's operational funding is directly tied to licensing and renewal fees. However, California's restrictive naturopathic scope of practice—when compared to neighboring states—has made it increasingly difficult to attract and retain licensees. Many naturopathic doctors trained in California, including those graduating from one of the seven accredited naturopathic medical schools in North America (one of which is located in California), choose to practice in states where they are granted full-scope authority and recognized as physicians.

This exiting of qualified professionals limits the Board's ability to grow its licensee population and generate sustainable revenue. At the same time, the Board faces a disproportionately high volume of enforcement cases involving unlicensed individuals who misrepresent themselves as naturopathic practitioners. These individuals are often unlicensable under California law, yet they engage in activities that pose risks to public health and require investigation and enforcement action. Because these cases do not involve licensees, the Board cannot recover enforcement costs through traditional cost recovery mechanisms, placing additional strain on its limited resources.

This enforcement imbalance was recognized by the Legislature during the 2021 Sunset Review, which authorized the addition of a full-time enforcement analyst to manage the growing caseload. While necessary for public protection, this staffing increase has further exacerbated the Board's fiscal structural imbalance and threatens long-term solvency if not addressed through broader policy or structural reform.

### **Control: Strategic Workforce and Policy Advocacy**

To address this risk, the Board is actively engaged in strategic planning and policy advocacy aimed at expanding the naturopathic scope of practice in California. By aligning the scope more closely with the full training and education of naturopathic doctors, the Board seeks to retain more graduates from California's naturopathic medical school and attract licensees from other states. This would not only improve access to care but also strengthen the Board's fiscal foundation by increasing the licensee population.

### **Control: Legislative Engagement and Budget Transparency**

The Board continues to work closely with the Legislature and the Department of Consumer Affairs to communicate the fiscal impact of unlicensed activity and the limitations of current cost recovery mechanisms. By providing transparent budget data and workload analysis, the Board is advocating for long-term solutions that may include statutory changes, funding adjustments, or shared enforcement resources to ensure sustainability without compromising consumer protection.

### **Control: Fee Increase**

To address the ongoing structural fiscal imbalance, the Board has implemented several key controls. Most notably, the Board raised its licensing and renewal fees to the statutory maximums authorized in its Practice Act. This action was taken to stabilize revenue and help offset increasing operational costs, particularly those associated with enforcement activities and staffing. While this measure provides some fiscal relief, it is recognized as a temporary solution, as fee caps limit the Board's ability to respond to future cost increases or unforeseen expenditures.

## CONCLUSION

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The California Board of Naturopathic Medicine 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.

As a small but high-impact regulatory body, the CBNM remains committed to maintaining a strong internal control environment that supports our mission to protect the health, safety, and well-being of Californians. We recognize that effective risk management is not a one-time exercise, but an ongoing process that requires vigilance, adaptability, and collaboration across all levels of the organization.

Through regular monitoring, cross-functional communication, and strategic planning, the Board continues to strengthen its operational resilience and responsiveness. We are actively working to address structural limitations, modernize our systems, and enhance transparency in both internal processes and public-facing functions. Our efforts are guided by our core principles—Access, Collaboration, Diversity, Equity and Inclusion, Integrity, and Quality Healthcare—which shape how we assess risk, serve the public, and support our licensees.

The Board appreciates the importance of the State Leadership Accountability Act as a framework for good governance and welcomes the opportunity to reflect on our progress and identify areas for growth. We remain committed to fostering a culture of accountability and continuous improvement in service to the people of California.

**Rebecca Mitchell, 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