2002—a transition year

On the national scene, 2002 left us with a transition from 9/11 to the future. We saw a transition to formalization of homeland security. We saw a flat economy with little churn in the marketplace, limited job opportunities, and people holding to their current positions. We saw low interest rates and a downturn in the stock market. We saw corporate scandals that challenged professional ethics at many levels.

In the safety profession, many saw some change in job responsibility resulting from the focus on homeland security. Some felt the sluggishness of the job market. Some experienced a renewed commitment to ethics in the workplace.

BCSP saw some transition activities as well. As part of a commitment to help attract the best and brightest to the safety profession, BCSP established an agreement with the American Society of Safety Engineers Foundation to ensure that the publication, Career Guide to the Safety Profession, stays in print and is available free to students and schools with safety degrees. The Board increased emphasis on a “mentor” program that encourages CSPs to help other safety professionals to demonstrate their professionalism through achieving the CSP. After a lengthy study, BCSP updated its standard for acceptance of degrees from U.S. colleges and universities.

BCSP continued its emphasis on excellence as a certification body. BCSP began a transition in the structure of the Board positions to achieve participation based on a wider variety of professional characteristics. The new structure expands the number of at-large director positions from two to six and allows BCSP membership organizations to nominate individuals to all six membership organization positions.

To help validate the quality of the CSP certification, BCSP continues to find opportunities to meet the highest possible standards for certifications. In addition to holding accreditation from the National Commission for Certifying Agencies (NCCA) and the Council of Engineering and Scientific Specialty Boards (CESB), during 2002 BCSP achieved recognition from the National Skill Standards Board (NSSB), a federal agency with responsibility for making U.S. workers competitive in the world economy. Also, BCSP was selected by the American National Standards Institute (ANSI) as one of six certifications in all fields in the U.S. to participate in a pilot program for a new international standard (ISO 17024) covering certification of persons. Results will be announced in 2003.

We hope that any transitions you experienced in 2002 were positive ones that helped to advance your professional safety career.

Stew Burkhammer
CSP, OHST, PE
2002 BCSP President

Roger L. Brauer
Ph.D., CSP, PE, CPE
Executive Director
PURPOSE AND HISTORY OF BCSP

The Board of Certified Safety Professionals was founded in 1969 as a not-for-profit corporation in the state of Illinois. It functions solely as a peer-operated certifying organization. It is not a member organization and does not provide services usually offered by member organizations. Membership in any organization is not a requirement for certification.

BCSP sets standards related to competency in professional safety practice. Safety professionals identify hazards and evaluate them for the potential to cause injury or illness to people or harm to property and the environment. Safety professionals recommend administrative and engineering controls that eliminate or minimize the risk and danger posed by hazards. They work with professionals in other disciplines in many different job settings. Safety professionals work for companies, government agencies, and private organizations or offer individual professional services. They may engage in design, planning, program management, training, auditing and other aspects of practice. They apply hazard recognition, evaluation and control knowledge and skills for equipment, systems, facilities and processes, or in operations, manufacturing, transportation, construction, insurance services and other enterprises.

The BCSP Bylaws state the purpose of BCSP:

- Establish the minimum academic and experience requirements necessary to receive certification as a Certified Safety Professional® (CSP®), the designation of Associate Safety Professional (ASP), or other such designations established pursuant to resolution by the Board of Directors.

- Determine the qualifications of applicants and arrange, control and conduct investigations and examinations to verify the qualifications of candidates for certificates to be issued by the BCSP.

- Grant and issue to qualified applicants a certificate and maintain a directory of the holders of all valid certificates.

- Establish requirements for the continuance of certification.

VISION
BCSP is recognized as the leader in high quality credentialing for SH&E practitioners in order to enhance safety of people, property and the environment.

MISSION
1. Overall mission is to strengthen our position in SH&E credentialing with a focus on the U.S. market.
   - Increase market share.
   - Increase participation in credentialing market.

2. To maintain and enhance the recognition and respect for the CSP designation.
   - By enhancing respect of constituencies for the CSP.
   - By enhancing the perception of the value of credentials to all constituents.

3. To be responsive to practitioner needs in SH&E credentialing.

4. To continuously improve the credentialing process and systems to increase customer satisfaction.

5. To pursue strategies to improve the quality of credentials in the marketplace, to reduce confusion and to expand BCSP market penetration. (To promote the reduction of confusion in the marketplace through promotion of quality credentialing.)

6. To enhance the financial strength of the organization.
   - To ensure that the organization has resources to achieve the vision.
   - To maintain a reserve at 50% of total operating budget.
The chart below illustrates the growth in the number of certifications issued by BCSP over the years. During 2002, BCSP certified 427 individuals as new CSPs.

Below is a table of statistics that summarizes the BCSP certification activity. Data are either for calendar year 2002 or reflect counts at the end of 2002.

Number of CSPs issued in 2002: 427
Number of current CSPs: 10,106
Number of ASPs issued in 2002: 340
Number of current ASPs: 959
Number of CSPs electing CSP (Retired) status in 2002: 119
Number of persons currently holding CSP (Retired) status: 929
Number of CSPs dropped during 2002 for:
  Failure to pay annual fee: 236
  Failure to meet Continuance of Certification: 65

The chart below identifies how current CSPs achieved their certification.
Applications

Applicants for the CSP designation must meet academic and professional safety experience requirements in order to qualify for the Safety Fundamentals and Comprehensive Practice examinations leading to the Certified Safety Professional. The minimum academic qualification is an associate degree in safety and health or a bachelor's degree in any field. The minimum amount of professional safety experience is four years, depending on the degree major. Individuals apply only once.

During 2002, BCSP received 703 applications for the CSP.

Examinations

Candidates for the CSP must pass two examinations: Safety Fundamentals and Comprehensive Practice. Individuals possessing certain other certifications and licenses by examination may apply for a waiver of the Safety Fundamentals examination; however, all CSP candidates must pass the Comprehensive Practice examination.

National accreditation standards for peer certifications require that examination contents be validated periodically against the professional practice the examination intends to measure.

The passing scores rely on a modified Angoff criterion reference procedure to ensure that all candidates have the same opportunity to pass the examinations. This procedure also ensures that passing scores are based on those candidates who meet minimum qualifications.

A summary of examination performance for 2002 appears below. Examination reliability is above that required for quality certification examinations.

<table>
<thead>
<tr>
<th></th>
<th>Safety Fundamentals</th>
<th>Comprehensive Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Candidates</td>
<td>795</td>
<td>755</td>
</tr>
<tr>
<td>Percent Passing</td>
<td>41.1%</td>
<td>56.2%</td>
</tr>
<tr>
<td>Mean Score</td>
<td>61.7%</td>
<td>62.2%</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>15.7</td>
<td>13.4</td>
</tr>
<tr>
<td>Low Score</td>
<td>28.0%</td>
<td>21.7%</td>
</tr>
<tr>
<td>High Score</td>
<td>88.0%</td>
<td>87.4%</td>
</tr>
<tr>
<td>Internal Consistency Reliability (KR-20)</td>
<td>0.85</td>
<td>0.77</td>
</tr>
<tr>
<td>Standard Error of Measurement</td>
<td>6.14</td>
<td>6.21</td>
</tr>
<tr>
<td>Decision Consistency $[K^2_{(c,r)}]$</td>
<td>0.86</td>
<td>0.84</td>
</tr>
</tbody>
</table>
CONTINUANCE OF CERTIFICATION

Individuals holding the CSP designation must be recertified every five years by gaining 25 points through ten activity categories in the Continuance of Certification (COC) program. Some categories have upper limits for points that can be earned. CSPs report how they earned points at the end of each five-year cycle. BCSP randomly selects a portion of those submitting COC reports for an audit to verify points claimed.

The table below summarizes Continuance of Certification activities for 2002.

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of CSPs due for recertification</td>
<td>1,931</td>
</tr>
<tr>
<td>Number of CSPs submitting COC reports</td>
<td>1,866</td>
</tr>
<tr>
<td>Number failing to meet COC requirements</td>
<td>65</td>
</tr>
<tr>
<td>Total recertified through COC program</td>
<td>1,849</td>
</tr>
</tbody>
</table>

In 2002, CSPs earned Continuance of Certification points in the following categories. Results are based on a sample of those reporting.

<table>
<thead>
<tr>
<th>Category</th>
<th>Average Points Earned</th>
<th>Percent of Total Points</th>
<th>People</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Safety Organization Membership</td>
<td>4.65</td>
<td>14.01</td>
<td>98</td>
</tr>
<tr>
<td>3. Service on Committees and Offices</td>
<td>2.30</td>
<td>6.91</td>
<td>44</td>
</tr>
<tr>
<td>4. Professional Publications and Papers</td>
<td>0.68</td>
<td>2.03</td>
<td>11</td>
</tr>
<tr>
<td>5. Writing Draft Examination Questions</td>
<td>0.12</td>
<td>0.36</td>
<td>8</td>
</tr>
<tr>
<td>6. Professional Development Conferences</td>
<td>4.0</td>
<td>13.5</td>
<td>80</td>
</tr>
<tr>
<td>7. Continuing Education Courses &amp; Seminars</td>
<td>7.22</td>
<td>21.31</td>
<td>91</td>
</tr>
<tr>
<td>8. College &amp; University Courses</td>
<td>2.55</td>
<td>7.39</td>
<td>14</td>
</tr>
<tr>
<td>9. Achieving an Advanced Degree</td>
<td>1.0</td>
<td>3.01</td>
<td>7</td>
</tr>
<tr>
<td>10. Passing Certification/License Examinations</td>
<td>1.18</td>
<td>3.55</td>
<td>4</td>
</tr>
</tbody>
</table>

AVERAGE POINTS EARNED: 33.10

ACCREDITATION

BCSP holds accreditation from two national organizations that set standards for peer certification boards. The National Commission for Certifying Agencies (NCCA) grew out of a U.S. Department of Education program in the 1970s. The Council of Engineering and Scientific Specialty Boards (CESB) emerged in the 1980s from a national conference on credentialing in the engineering disciplines. Standards cover governance, audited financial disclosure, fairness in testing, validity and reliability of examinations, use of acceptable methods to set passing scores, independence from membership organizations, public participation, security, recertification and many other factors. BCSP’s current five-year accreditations extend as follows: NCCA until 2004 and CESB until 2006.

The CSP Ergonomics and Construction Safety specialty examinations are accredited by NCCA.

In 2002, the National Skill Standards Board (NSSB), an independent, non-partisan body created by Congress to build a voluntary national skill standards system, recognized the CSP program and its specialties.

The CSP complies with ASTM E1929-98—Standard Practice for Assessment of Certification Programs for Environmental Professionals: Accreditation Criteria.
BCSP MEMBERSHIP ORGANIZATIONS

The primary role for BCSP membership organizations is to nominate safety professionals for potential service on the BCSP Board of Directors. Membership organizations do not contribute to the operations of BCSP and the CSP certification. Membership organizations help assure broad representation from the profession in the governance of BCSP affairs. They do not have direct involvement in the governance of BCSP and its policies. Membership organizations may endorse the value and significance of the CSP designation as a means to identify competency in professional safety practice.

Current BCSP membership organizations and the year each became one are as follows:

- American Society of Safety Engineers (ASSE) 1974
- American Industrial Hygiene Association (AIHA) 1974
- System Safety Society (SSS) 1977
- Society of Fire Protection Engineers (SFPE) 1984
- National Safety Council (NSC) 1994
- Institute of Industrial Engineers (IIE) 1994

GOVERNANCE

BCSP has 13 directors who oversee BCSP affairs. BCSP is not a member organization. BCSP has candidates who have applied and are pursuing certification and certificate holders who must meet requirements to retain their certification. BCSP Board directors are the only BCSP members.

BCSP directors volunteer their time and services to attend semi-annual Board meetings, participate in committee meetings and activities, review candidate application materials to determine eligibility and oversee other BCSP matters. Directors do not receive compensation, but are reimbursed for direct expenses.

Directors may serve two three-year terms. The BCSP Board of Directors is comprised of thirteen members who represent a cross-section of the safety profession and the public. One member is a public director, not involved with the safety profession, who represents public interests. Six of the remaining twelve members are chosen from nominations from BCSP’s membership organizations. The Board of Directors also elects six additional members from across the safety and health profession. All but the public director must hold the CSP designation.

The standing committees of the Board include:

- Nominating Committee
- Executive Committee
- Finance Committee
- Professional Standards Committee
- Continuance of Certification Committee
- Professional Development Committee
GENERAL FINANCIAL CONDITION

BCSP receives funds through four means: application fees that cover application and evaluation processing costs, examination fees that cover basic costs for registration, examination delivery, reporting of results and analysis of examination performance, annual renewal fees that cover governance, examination development and maintenance, facilities, equipment, supplies and other support services and expenses, and other miscellaneous income derived from the sale of directories, self-assessment examinations, etc.

The Board, Finance Committee, and staff continually strive to improve customer service and value, while minimizing expenses.

During 2002, BCSP exceeded the net revenue forecast in the 2002 budget and contributed to reserves at a rate beyond the annual goal.

The charts below show how income and expenses are distributed in general. The following pages contain the 2002 audited financial statement.
AUDITED FINANCIAL STATEMENT

McGladrey & Pullen
Certified Public Accountants

Independent Auditor's Report

To the Board of Directors,
Board of Certified Safety Professionals,
Survey, Illinois

We have audited the accompanying statements of financial position of Board of Certified Safety Professionals as of December 31, 2002 and 2001, and the related statements of revenue, expenses and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Board’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Board of Certified Safety Professionals as of December 31, 2002 and 2001, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information is presented for additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP
Champaign, Illinois
February 12, 2003

McGladrey & Pullen, LLP, independent auditor

BOARD OF CERTIFIED SAFETY PROFESSIONALS
STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
Years Ended December 31, 2002 and 2001

<table>
<thead>
<tr>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td></td>
</tr>
<tr>
<td>Renewal fees</td>
<td>$1,183,720</td>
</tr>
<tr>
<td>Examinations fees</td>
<td>405,088</td>
</tr>
<tr>
<td>Management fees</td>
<td>108,672</td>
</tr>
<tr>
<td>Taxation fees</td>
<td>50,700</td>
</tr>
<tr>
<td>Application fees</td>
<td>74,808</td>
</tr>
<tr>
<td>Interest and dividends</td>
<td>44,009</td>
</tr>
<tr>
<td>Self assessment test sales</td>
<td>31,200</td>
</tr>
<tr>
<td>Directors and salary surveys</td>
<td>6,848</td>
</tr>
<tr>
<td></td>
<td>1,596,030</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
</tr>
<tr>
<td>Examinations and testing</td>
<td>348,720</td>
</tr>
<tr>
<td>Applications for certification</td>
<td>677,433</td>
</tr>
<tr>
<td>Certification maintenance</td>
<td>247,753</td>
</tr>
<tr>
<td>General and administrative</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,351,282</td>
</tr>
<tr>
<td>Equity in net income of joint venture</td>
<td>10,177</td>
</tr>
<tr>
<td>Unrealized loss on investment in securities</td>
<td>(9,333)</td>
</tr>
<tr>
<td></td>
<td>1,360,650</td>
</tr>
<tr>
<td>Increase in restrict net assets</td>
<td>353,797</td>
</tr>
<tr>
<td>Net unrestricted assets as of beginning of year</td>
<td>1,287,022</td>
</tr>
<tr>
<td>Net unrestricted assets as of end of year</td>
<td>1,340,819</td>
</tr>
</tbody>
</table>

See Notes to Financial Statements.

BOARD OF CERTIFIED SAFETY PROFESSIONALS
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2002 and 2001

<table>
<thead>
<tr>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
</tr>
<tr>
<td>Increase in unrestricted net assets</td>
<td>$323,797</td>
</tr>
<tr>
<td>Adjustments to reconcile increase in unrestricted net assets:</td>
<td></td>
</tr>
<tr>
<td>Income from operations</td>
<td>$1,163,720</td>
</tr>
<tr>
<td>Non-cash expenses</td>
<td>$505,088</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>50,700</td>
</tr>
<tr>
<td>Other expenses</td>
<td>74,808</td>
</tr>
<tr>
<td>Interest and dividends</td>
<td>44,009</td>
</tr>
<tr>
<td>Self assessment test sales</td>
<td>31,200</td>
</tr>
<tr>
<td>Directors and salary surveys</td>
<td>6,848</td>
</tr>
<tr>
<td></td>
<td>1,596,030</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>(561,000)</td>
</tr>
<tr>
<td>Less realized gains</td>
<td>323,797</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>$323,797</td>
</tr>
</tbody>
</table>

See Notes to Financial Statements.

2002 BCSP Annual Report
BOARD OF CERTIFIED SAFETY PROFESSIONALS
NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies

Nature of Organization:
The Board is a nonprofit corporation organized to provide peer certification of safety professionals.

Significant Accounting Policies:

Revenue and application fees: Revenue from renewal fees is recognized in the calendar year in which they are received. Unearned renewal fees and unearned exam fees represent revenue applicable to future periods. Revenue from examination fees is recognized when the examinations are given, or when the time allowed to take the exams expires.

Investments: U.S. Treasury Bills and notes are carried at fair value which approximates amortized cost. Mutual funds are carried at fair value. Fair value is based upon quoted market prices as listed on various national markets. Realized and unrealized gains and losses are reflected in the statement of revenues and expenses and changes in net assets.

Investment in non-profit joint venture: The Board accounts for its investment in a non-profit joint venture by the equity method. Accordingly, the Board records its share of net income (loss) of the joint venture, the amount of which is also added to (deducted from) net income from (to) investment in non-profit joint venture.

Property and equipment: Property and equipment are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Development costs: Examination development costs are capitalized when incurred and amortized over three to five years.

Income tax: The Board qualifies for tax-exempt status under Section 501(c)(6) of the Internal Revenue Code as a business league not organized for profit.

Use of estimates in preparation of financial statements: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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BOARD OF CERTIFIED SAFETY PROFESSIONALS
NOTES TO FINANCIAL STATEMENTS

The balance sheets of CCHET as of December 31, 2002 and 2001, were unaudited from its audited financial statements and are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$239,250</td>
<td>$313,789</td>
</tr>
<tr>
<td>Receivables</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,518</td>
<td>1,333</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>9,997</td>
<td>8,284</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>66</td>
<td></td>
</tr>
<tr>
<td>State development costs</td>
<td>111</td>
<td>1,729</td>
</tr>
<tr>
<td>Total</td>
<td>$254,906</td>
<td>$253,208</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$189,722</td>
<td>$110,697</td>
</tr>
<tr>
<td>Unearned renewal and examination fees</td>
<td>$15,882</td>
<td>$105,273</td>
</tr>
<tr>
<td>Net assets - unclassified</td>
<td>$189,322</td>
<td>$107,006</td>
</tr>
<tr>
<td>Total</td>
<td>$254,906</td>
<td>$253,208</td>
</tr>
</tbody>
</table>

Increase in unclassified net assets was $12,214 and $45,110 for the years ended December 31, 2002 and 2001, respectively.

Note 5. Line of Credit

The Board has a $500,000 line of credit with a bank which is secured by substantially all of the Board's assets. There was no outstanding balance as of December 31, 2002 and 2001.

Note 6. Restructification

Certain items in the accompanying statement of functional expenses as of December 31, 2001 have been restated, with the effects on unclassified net assets, to be consistent with the classification adopted as of December 31, 2002.

BOARD OF CERTIFIED SAFETY PROFESSIONALS
NOTES TO FINANCIAL STATEMENTS

Note 2. Concentrations of Credit Risk

The Board examines its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Corporation has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Note 3. Retirement Plans

The Board has a 401(k) plan which was implemented on January 1, 1998 for eligible employees. The plan requires the Board to provide a "matching" contribution equal to one percent of the participant's compensation, however, the required "matching" contribution shall not exceed 2% of the participant's compensation. Additional contributions are at the discretion of the Board of Directors. Contributions are funded at the discretion of the Board of Directors, including payment of administrative expenses, amounted to $34,955 and $71,167 for the years ended December 31, 2002 and 2001, respectively.

Note 4. Investment in Non-Profit Joint Venture

In June 1985, the Board (BCSP) became a 50% owner in a non-profit joint venture known as Council on Certification of Health, Environmental and Safety Technicians (CCHET). The other 50% owner is The American Board of Industrial Hygiene, Inc. (ABIH). CCHET is a non-profit organization to provide certification of health, environmental and safety technicians.

BCSP performs the administrative duties related to the CCHET's operations. For the years ended December 31, 2002 and 2001, BCSP charged CCHET $196,412 and $97,812, respectively, to cover direct staff support and overhead. This management fee is based on the number of examinations administered and the number of certifications of occupational health and safety technicians, construction health safety technicians and safety health technicians. The management fee is based on the examination fee charged to the CCHET of $847.82 and $767.31 as of December 31, 2002 and 2001, respectively. In addition, BCSP owed CCHET $79,872 and $329 of reclassification expenses on December 31, 2002 and 2001, respectively, which is included in interest and other receivables in the accompanying statement of financial position.

Investment in the CCHET, as reported in the Balance sheet at December 31, 2002 and 2001, is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning balance</td>
<td>$53,544</td>
<td>$32,289</td>
</tr>
<tr>
<td>Board's share of CCHET's increase in unclassified net assets</td>
<td>$6,197</td>
<td>21,285</td>
</tr>
<tr>
<td>Ending balance</td>
<td>$59,741</td>
<td>$53,544</td>
</tr>
</tbody>
</table>

6

BOARD OF CERTIFIED SAFETY PROFESSIONALS
NOTES TO FINANCIAL STATEMENTS

Note 3. Retirement Plans

The Board has a 401(k) plan which was implemented on January 1, 1998 for eligible employees. The plan requires the Board to provide a "matching" contribution equal to one percent of the participant's compensation, however, the required "matching" contribution shall not exceed 2% of the participant's compensation. Additional contributions are at the discretion of the Board of Directors. Contributions are funded at the discretion of the Board of Directors, including payment of administrative expenses, amounted to $34,955 and $71,167 for the years ended December 31, 2002 and 2001, respectively.

Note 4. Investment in Non-Profit Joint Venture

In June 1985, the Board (BCSP) became a 50% owner in a non-profit joint venture known as Council on Certification of Health, Environmental and Safety Technicians (CCHET). The other 50% owner is The American Board of Industrial Hygiene, Inc. (ABIH). CCHET is a non-profit organization to provide certification of health, environmental and safety technicians.

BCSP performs the administrative duties related to the CCHET's operations. For the years ended December 31, 2002 and 2001, BCSP charged CCHET $196,412 and $97,812, respectively, to cover direct staff support and overhead. This management fee is based on the number of examinations administered and the number of certifications of occupational health and safety technicians, construction health safety technicians and safety health technicians. The management fee is based on the examination fee charged to the CCHET of $847.82 and $767.31 as of December 31, 2002 and 2001, respectively. In addition, BCSP owed CCHET $79,872 and $329 of reclassification expenses on December 31, 2002 and 2001, respectively, which is included in interest and other receivables in the accompanying statement of financial position.

Investment in the CCHET, as reported in the Balance sheet at December 31, 2002 and 2001, is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning balance</td>
<td>$53,544</td>
<td>$32,289</td>
</tr>
<tr>
<td>Board's share of CCHET's increase in unclassified net assets</td>
<td>$6,197</td>
<td>21,285</td>
</tr>
<tr>
<td>Ending balance</td>
<td>$59,741</td>
<td>$53,544</td>
</tr>
</tbody>
</table>

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2002 BCSP Annual Report
BCSP obtains a variety of services through contracts. A summary of services appears below.

CASTLE Worldwide, Inc., Research Triangle Park, NC  
(www.castlelearning.org)  
Columbia Assessment Services (CAS) was merged into CASTLE as a subsidiary in 2000. CASTLE stands for CAS Testing & Learning Enterprises. It remains a national provider of services in support of peer certification organizations like BCSP. CASTLE services include test development, item editing, examination and item analysis, passing point setting, job analysis and validation studies, foreign examination delivery, publication of examination reference materials and general psychometric expertise. CASTLE has nationally recognized psychometricians on its staff.

Prometric, Inc., Baltimore, MD (A Division of Thompson Learning Company)  
(www.prometric.com)  
Prometric, Inc. is a division of the Thompson Learning Company, an international publishing company. Prometric provides computer-based testing at locations throughout the United States, U.S. territories and Canada for BCSP and many other organizations. BCSP contracts for examination appointment operators, loading and encrypting of examinations, distribution of the examinations to testing facilities, testing facility use, examination proctoring, archiving of examination records, local publication of results, and electronic transfer of examination records to BCSP.

Other Contracted Services  
BCSP obtains services from a variety of local businesses. Included are legal services, audit services, temporary help, computer and network setup, maintenance and administration, computer and Internet programming, technical editing of draft examination items, printing and publication, mailing services, graphic design, photography and other business services. Major providers include:

- General Legal Services  
  Erwin, Martinkus & Cole, Ltd.
- Intellectual Property Legal Services  
  Leydig, Voit & Mayer, Ltd. (Chicago)
- Audit Services  
  McGladrey & Pullen, LLP
- Systems and Programming Services  
  KSC Systems
- Design and Graphic Arts Services  
  Image Graphics
- Mailing Services  
  Direct Impressions, Inc.
  Strategic Marketing and Mailing
- Printing Services  
  Crouse Printing
  Dixon Graphics
  Insty-Prints Business Printing Services
  Rieble Printing
  Superior Printing
  United Graphics
2002 DIRECTORS AND OFFICERS

PRESIDENT
S.C. Burkhammer, CSP, OHST, PE
Principal Vice President (Retired)
Bechtel Group of Companies
Director, Office of Construction Services
Occupational Safety and Health Administration
(American Society of Safety Engineers)

VICE PRESIDENT
David A. Herbert, CSP
Consultant
Herbert Management
(At Large Director)

SECRETARY/TREASURER
Curt L. Lewis, CSP, PE
Corporate Manager, System Safety
American Airlines
(At Large Director)

PAST PRESIDENT
Jan Simon Clark, CSP, CIH
Safety and Health Consultant
Environmental Resources Management
(At Large Director)

DIRECTORS
Thomas F. Bresnahan, CSP
Consultant
Bresnahan Consulting Associates
(American Society of Safety Engineers)

Larry W. Jones, CSP
Specialty Engineering Manager
Dynetics, Inc.
(System Safety Society)

Carter J. Kerk, Ph.D., CSP, PE, CPE
Assistant Professor,
Industrial Engineering Program
South Dakota School of Mines and Technology
(Institute of Industrial Engineers)

S.Z. Mansdorf, Ph.D., CSP, CIH
Safety, Industrial Health & Environment Director
L’Oreal, Production & Technology
(American Industrial Hygiene Association)

Donald M. Ostrander, CSP
Director, Product Development
Occupational Safety and Health Services
National Safety Council
(National Safety Council)

Jeffrey L. Robinson, CSP, PE
Facilities Support Manager
Washington Group
(Society of Fire Protection Engineers)

Henry J. Smablik, CSP, CIH
Manager, Industrial Hygiene and Environmental Consulting
Vallen Knowledge Systems
(American Industrial Hygiene Association)

Richard Stephans, CSP, PE
Consultant
(System Safety Society)

PUBLIC DIRECTOR
Patricia Scharer, Ph.D.
Professor
The Ohio State University
BCSP STAFF

**EXECUTIVE DIRECTOR**
Roger L. Brauer, Ph.D., CSP, PE, CPE

Administrative Assistant
Linda Charles

**MANAGER OF CANDIDATE OPERATIONS**
J. Mark Hance, CM

Customer Service Coordinator
Barbara Manolakes

**MANAGER OF COMMUNICATION AND MARKETING**
Heather Murphy

**MANAGER OF BUSINESS SYSTEMS**
Sean Conklin

**EXAMINATION DIRECTOR**
Steven G. Schoolcraft, CSP, PE

Examination Assistant
Andrea Nolan

Customer Service Associate
Jennifer Heinold

**DIRECTOR OF FINANCE AND HUMAN RESOURCES**
Angela Kluth, CPA

Financial Assistant
Jana Pflugmacher

Customer Service Clerk
Stacy Fisher

**DIRECTOR OF BUSINESS SYSTEMS**
Donald Samdahl, CSP, CIH

Technical Specialist (Contractor)
Donald Samdahl, CSP, CIH

Customer Service Clerk
Jada Minor

Operations Clerk
Alicia Neils-Millsap

Systems Developer (Contractor)
Paul Kohler
KCS Systems

Customer Service Coordinator
Barbara Manolakes

**EXAMINATION DIRECTOR**

Customer Service Associate
Jolene Keach

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2002 BCSP Annual Report
ACHIEVEMENTS AND MILESTONES

During 2002, some of the achievements and milestones of BCSP included the following:

- CSP Construction Safety Specialty examination accredited by the National Commission for Certifying Agencies (NCCA).
- Accreditation renewed for the ASP and CSP from the Council of Engineering and Scientific Specialty Boards (CESB).
- All CSP Specialty examination (Construction Safety, Ergonomics, and System Safety) fees reimbursed by the Department of Veterans’ Affairs (VA).
- The CSP and all three CSP Specialties recognized by National Skill Standards Board (NSSB).
- Standard updated for acceptance of U.S. degrees.
- BCSP selected to participate in ANSI/IEA/ISO 17024 accreditation pilot project.
- Contracts with Prometric and CASTLE Worldwide renewed.

JOINT VENTURE

Together with the American Board of Industrial Hygiene (ABIH), the Board of Certified Safety Professionals operates the Council on Certification of Health, Environmental and Safety Technologists (CCHEST), formerly the ABIH/BCSP Joint Committee. CCHEST provides safety and health certifications for technologists, technicians and supervisors. BCSP provides staff support for CCHEST (www.cchest.org). Current certifications offered are:

- OHST: Occupational Health and Safety Technologist (since 1985)
- CHST: Construction Health and Safety Technician (since 1994)
- STS-Construction: Safety Trained Supervisor in Construction (since 1995)

All of these programs are nationally accredited by the Council of Engineering and Scientific Specialty Boards (CESB) and recognized by the National Skill Standards Board (NSSB). The Department of Veterans’ Affairs (VA) now reimburses OHST, CHST, and STS-Construction examination fees.
NEW CSPs IN 2002

JOHN ABLE
WILLIAM ADAMS
MIGDOL ALI
RICHARD ALLEN
TROY ALLEN
CRISPIN ALLEYNE
BRADLEY ALTON
DAVID ANGLEN
JEFFREY ANSEL
PAUL ANTONINEAU
SUSAN ARMSTRONG
PAUL ARONIAN
TRACY AVANT
DAVID AVERS
RODDY BACHMAN
EIMAN BADR
CHRISTOPHER BAILEY
RANDALL BAILEY
FRANK BAILEY
THOMAS CULROSS
ROBERT CRUSE
PAUL CRUSE
PATRICIA COWIN
RENEE COWELL
MICHAEL COWAN
SOCORRO COTTLE
LYNN CORLETT
GREGORY COOLEY
BILL COOK
THOMAS CONRAD
TIM CONNELLY
LAURA COMSTOCK
HUGH COLLINS
CHRISTOPHER COLES
STEVEN COLE
STEVEN COOK
DIANA COOLEY
KIM COOKE
MICHAEL COYLE
ROBERT CRUSE
THOMAS CULROSS
TODD CUMMINGS
THOMAS DADDIGET
JOHN DANBY
DAVID DAUM
KEENA DAVILINCK
EDWARD DAVIS
ROGER DAVIS
PETER DEARDORFF
PAUL DEBASSE
GARY DEWEES
MARK DEWITT
Dale DOHOOE
MIGALO DIAZ
EDWARD DICKS
KEVIN DILLOW
EDWARD DOBO
ARNOLD DOPPLER
BRUCE DORTORT
JOHN DOWNEY
BRIAN DRAKE
JEFFREY DRYE
ABRENA DUKE
EDWARD DYN
MATTHEW EAST
REBECCA EHRLING
KENNETH ELUINE
SONYA ERDELE
LANCE ERCIKSON
COLLEN EUBANKS
DRAKE EVANS
GAIL EVERSON
PATRICIA FARELL
S. FAIRS
LUIVIN FERNANDEZ
LISA FERREIRA
THOMAS FINNEGAN
MAURICE FINSTERWALD
ROBERT FISCHER
SHARON FISHER
RICHARD FLUHARTY
RUSSELL FONDACO
GARY FONTENOT
SHAWN FOREMAN
BRIAN FRANKLIN
DAVID FRAZELLE
CAROLE FRYE
JASON FUGATE
MARK GABINET
MATT GAINES
RICHARD GARTH
WILLIAM GARRITT
THOMAS GENIN
JAMES GERALD
DIANE GERGART
BART GEVERY
STUART GOCK
PENNY GOOLSTEDT
GARRY GOOPOL
KEITH GOSS
MICHAEL GOTTIBA
RANOLD GOWEN
EARNEST GRAHAM
MARK GRAHAM
STEPHEN GRAHAM
JADA GRAY
BRUCE GRIFFIN
LISA GROSSBACH
NICHOLAS GROVES
DANE GUIDES
JOSE GUTIERREZ
SAMUEL GUY
STEPHEN HALTERMAN
BRUCE HAMILTON
BRIAN HANN
RANDY HANSEN
JOHN HARLACH
JENNIFER HARP
HOWARD HARRINGTON
DONALD HARRIS
WAYNE HARRIS
DANIEL HARRISON
BRIAN HAWKER
LARRY HAYDEN
ROBERT HICK
JEFFREY HEGE
JEFFREY HEINRICHS
CHRISTOPHER HENESY
MICHAEL HERGES
DONALD HESS
DENNIS HICKMAN
EDWARD HILL
HOLGER HILLE
PAULA HINNEN
ROBERT HOISDON
DIANA HOHMANN
DELICIA HOLLAND
TOBY HOLLIDAY
PHILLIP HOLLIS
DAN HOOVER
BRIIT HORDAL
VAN HOWELL
WILLIAM HUSSER
HENRY HUTCHINSON
ISAAC HUVAL
KEVIN HYDE
Cameron ISAACS
GARY JACKSON
JODY JACKSON
JAMES JENNINGS
MICHAEL JOEL
JODY JOHNSON
RICHARD JONES
JAMIN KAZARIAN
BUSTER KEASLER
SAMUEL KEEN
MARGARET KETCHAM
SCOTT KETCHAM
DAVID KEYS
VIRGIL KISLOV
SCOTT KINDIG
REBECCA KING
DONALD KINSTLE
JOHN KLEVEN
MICHAEL KLUZIK
MICHAEL KNOTT
KEVIN KONKEY
CHRISTIAN KOPP
JOHN KOK
Diane KROCK
ALAN KROV
ROBERT KUCKENBERG
DARREN KUNKELMANN
WILLIAM LACKEY
JOHN LAFAYETTE
DENNIS LAJEUNESSE
TODD LALLEY
ANDRE LAM
JEREMY LANCASTER
ERICK LANNHMAN
WILLIAM LARSON
LINDA LASZEWSKI
DOUGLAS LAUGHLIN
DAVID LAVINE
ROGER LEACH
SHELA LEAVINGS
MEDRICK LEE
MICHAEL LEE
JEFFREY LEVENHAGEN
GREGORY LOGAN
JERRY LOGHR
DAVID LOOMIS
DOUGLAS LOVE
STEPHEN LOWERY
JAY LUCIANI
DAVID LUMBY
STEVEN LUNDIN
BRYAN LUTZ
TODD MACUMBER
DAVID MADARIAS
PAUL MANZI
CRAG MARRA
FRANK MARINO
STEPHEN MARQUEZ
MARK MARTIN
MAN MASON
CHRISTOPHER MASSEY
WILLIAM MATHIER
PATRICK MATOS
NEIL MAXSON
JOHN MCCABE
TIMOTHY MCCLAIN
JAMES MCELLELAN
RANDY MCCURIE
LAWRENCE MCGOWAN
EDWARD MCGRAIL
YONG MCGUIRE
DAVID MCHALE
KYLE MCKINNIS
STEVEN MCKINNON
LADY MCKENZIE
CHARLES McMICHMA
ROBERT MCNEALY
WILLIAM MECHEM
MARVIN MIESBINE
ROBERT MUMCGER
JEANNE MICHEAL
BRIAN MILLER
KAREN MILLIGAN
ANDREW MINOR
CARISSA MINE
BRIAN MONK
EDWARD MONTOYA
NANCY MORKHOUSE
STEPHEN MORGAN
SUSAN MORS
ROBERT MORS
THOMAS MULL
ROKE MUNA
PATRICK MURPHY
CHRISTOPHER MURRAY
JO MYRICK-JENKINS
CHRISTOPHER MURRAY
BRITT HALL
BRIAN MCMANUS
JENNIFER MERSCH
KEVIN MESSIER
DAVID NEAL
DAVID NEAL
RICKIE NEELY
JERRY NORMAN
KENNETH NORWITZ
PALL NUGENT

2002 BCSP Annual Report
NEW CSPs IN 2002 continued

HENRY NYQUIST  
JOHN O'GRADY  
DANIEL OFARRELL  
KRISTY OLIVE  
GARY OLSEN  
RAYMOND RICHLISON  
HELEN CROWAY  
JASON ORR  
CHARLES OSBORNE  
DANIEL PABST  
JONATHAN PARKER  
LYNNE PARKER  
DAVID PARKS  
ASHOK PATEL  
MARK PATTSON  
DAVID PAULSON  
GEORGE PETTSON  
TODD PEEFFER  
DAVID PICKARD  
LAWRENCE PIERCE  
RANDALL PITTMAN  
MICHAEL PITTS  
MICHAEL PLAGGE  
DEAN PODGERS  
STEVEN POLICH  
JOHN POSTON  
ALAN PRATT  
FRANCINE PRESTON  
CHRISTOPHER RAMSEY  
JAMES RANDALL  
WILLIAM RANDALL  
FERNANDO RANGEL  
JANE RANK  
DENNY'S RAVENSTEIN  
THOMAS REA  
JAMIE REDD  
SARA RICHARDS  
GARY RIMMEY  
CHERYL RIXIAN  
ROBERT RIVARD  
SCOTT ROBBINS  
RAMEY ROBERGE  
KELLY ROBERTS  
JACQUELINE ROBERTSON  
JAMES ROBINSON  
JUNE ROBINSON  
ROBY ROBINSON  
MARK ROEHIL  
THEODORE ROGERS  
TIMOTHY ROGERS  
DOMINIC ROMANO  
JEFFREY ROMINE  
ROBERT ROWLEY  
CHRISTOPHER ROY  
ROBERT ROY  
ORLANDO RUIZ  
LORI RANTOU  
KENNETH SATOR  
VANESSA SALAS  
BRAD SAYRE  
JASON SCHAUFENBUEL  
KENNETH SCHMURBER  
EUGENE SCHMITT  
PULL SCHMUICK  
MARK SCHROERING  
JENNIFER SCHUSTER  
LEAH SEACE  
ANDREW SEAL  
BRIAN SEAMAN  
MICHAEL SEARS  
JOHN SEIBERT  
DENNIS SEVIN  

BENJAMIN SHAGULA  
LAWRENCE SHASSETZ  
JOSHUA SHAW  
DEBORAH SHEWITZ  
DAVID SHIPLEY  
ROD SIEMENS  
ROBERT SILVESTRI  
CHARLESPaul SINGH  
DENNIS SKINNER  
ANDREW SMITH  
GREGORY SMITH  
JAMES SMITH  
JAMES SMITH  
WESLEY SMITH  
PATRICK SNODGRASS  
THERESA SNOW  
PAUL SORRELLE  
MICHAEL SPACIL  
ERIC SPERLING  
ROBERT STALDER  
BAZ STEVENS  
DANIEL STRAPON  
JAMES STREET  
MAUREEN SULLIVAN  
MARVIN SWAYNE  
ALICIA SWEENEY  
LINDA SWENSON STOPPACHER  
PETER SWERZENSKI  
SCOTT SYLVESTER  
BRADLY TAYLOR  
JAMES THIBODEAUX  
JASON THIEL  
BRIAN THOMAS  
DOUGLAS THORNTON  
PATRICK THORNTON  
PETER TIBBETS  
TERRY TINCHER  
GARY TOWERY  
KEITH TROMBLEY  
BEBEI TU  
KIMBERLY TUM SUDEN  
CHERIE WALTON  
JEFFREY WAWRZENIAK  
PAUL WEBB  
PETER WEGUNIS  
STEVEN WEHRSPANN  
SCOTT WEICHLER  
DAWN WEINAND  
CAROL WELLS  
BRUCE WENDLAND  
DONAL WESTBROOK  
DAWN WESTIN  
ROBERT WETHERINGTON  
DAVID WHEELER  
DANNY WHITE  
TERRY WHITE  
MARK WIDGERGEN  
CHUCK WILLIAMS  
JOHN WILSON  
STEVEN WISEN  
MICHAEL WOLTERSORF  
ROBERT WOYTUS  
DENNIS YANCEY  
JAMES YOUNG  
JERRY YOUNG  
NAMEER YOUSSEF  
COLMAN ZSIROS
RESPONSIBILITIES OF CSPs

Ethics and Professional Conduct
In applying for and achieving the CSP designation, candidates and certificate holders agree to abide by the CSP Code of Ethics and Professional Conduct. Achieving ethical professional practice can sometimes be difficult, however, CSPs are required to protect people, property, and the environment while keeping the interests of employers and clients in mind. The Code of Ethics and Professional Conduct is a guide for making professional safety practice decisions.

BCSP has had a Code of Professional Conduct for many years. The last time it was updated was in October 2000. The current Code of Ethics and Professional Conduct appears at the end of this annual report.

When there are substantiated violations of the CSP Code of Ethics and Professional Conduct, BCSP acts through its disciplinary procedures to reprimand individuals or suspend or revoke certifications. BCSP publishes the disciplinary procedures, along with the rest of the BCSP Bylaws, on the BCSP web site (www.bcsp.org).

Keeping BCSP Informed
Those holding the CSP have an obligation to keep BCSP informed of their current address. BCSP must be notified when someone moves or changes employment. BCSP can provide the best support for candidates and certificate holders when their data is current and accurate. BCSP does have an address change form on the BCSP web site. Name changes require documented proof of the change before BCSP can change an individual’s record.

Authorized and Unauthorized Use of the CSP
Once individuals become CSPs, the fundamental concept is that if they engage in professional safety practice at all, they must either meet the requirements to retain the certification or they will lose it. CSPs must pay an annual renewal fee and must meet Continuance of Certification requirements by achieving 25 points every five years to retain their certification. Individuals failing to meet these two requirements lose the right to use BCSP designations.

Individuals who are no longer engaged in professional safety practice, may chose CSP-Retired status. This denotes that the individual has previously met the requirements for and once held the CSP designation.

BCSP takes action against individuals who claim to hold BCSP designations but have never achieved them or have lost the right to use them. BCSP will act against such individuals when there is clear evidence that they have used BCSP designations on business cards, resumes, letters or other documents and BCSP has an address by which to contact the unauthorized user. Employers, those holding the CSP and others, provide assistance in identifying individuals who may be using the CSP without authority.

BCSP publishes certification status several ways. The list of those meeting current certification requirements appears on the BCSP web site within the online BCSP Directory and International Registry of Certified Safety Professionals (updated daily), as well as in BCSP directories in print and in electronic format.