

**MINUTES**  
*IDAHO STATE BOARD OF ACCOUNTANCY*  
Boise, Idaho  
October 10, 2001  
**REGULAR SESSION**

The Regular Session of the Idaho State Board of Accountancy was called to order at 9:05 AM with Chair J. Thomas Jones, CPA presiding. The Board adjourned to Executive Session at 9:10 AM. The Executive Session concluded at 10:48 AM. A break was taken until 11:00 AM. The Regular Session reconvened immediately thereafter. The Regular Session recessed for lunch at 12:00 PM and reconvened at 12:25 PM. The Regular Session adjourned at 2:45 PM.

**ROLL CALL:** The following members of the Board were present:  
Tom Jones, CPA, Chair  
Kitty Pumphrey, CPA, Vice-Chair  
Larry Bird, CPA, Secretary  
Larry Stewart, LPA, Treasurer  
Don Etter, Public Member  
Jim Pilcher, CPA, CPA Member  
Craig Rasmussen, CPA, CPA Member

Barbara Porter, Executive Director, and Sue Lenon, Board Secretary attended as Board staff and Larry Hunter, Board Attorney were also in attendance.

Sam Cotterell, CPA, Investigative Committee Chair attended the Executive Session. Melissa Nelson representing the Idaho Society of CPAs, Linda Trent, CPA, Jerry Berggren, CPA, and Terry Bayless, CPA representing the Idaho Association of Public Accountants, attended after the Executive Session.

**1. CONVENE REGULAR SESSION:**

*(A) Introduction of new Board Member:* Mr. Craig Rasmussen, CPA was appointed to the Board by Governor Dirk Kempthorne for a five year term commencing September 1, 2001 through August 31, 2006. Mr. Jones welcomed Mr. Rasmussen to the Board.

*(B) Approve Minutes:* Ms. Pumphrey motioned to approve the minutes of the June 27, 2001 Regular Session with corrections noted. Mr. Etter seconded the motion. Motion carried.

**2. EXECUTIVE SESSION:**

J. Thomas Jones, Chair, citing *Idaho Code* Section 67-2345 (1)(d) & (f), called for a vote to adjourn to Executive Session for discussion of complaints and disciplinary proceedings, and exam and license special considerations. All members of the Board present voted as follows: Tom Jones, CPA, yes; Larry Stewart, LPA, yes; Kitty Pumphrey, CPA, yes; Don Etter, yes; Larry Bird, CPA, yes; Jim Pilcher, CPA, yes; and Craig Rasmussen, CPA, yes. When the Regular Session resumed, the Board addressed the items from the October 10, 2001 Executive Session.

*(A) Approve Minutes:* Ms. Pumphrey motioned to approve the minutes of the June 27, 2001

**MINUTES**  
*IDAHO STATE BOARD OF ACCOUNTANCY*  
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**REGULAR SESSION**

Executive Session. Mr. Stewart seconded the motion. Motion carried.

*(B) Status Reports on Complaints:* Mr. Cotterell, Investigative Committee Chair updated the Board on the status of open docket numbers 2000-17, 2001-01, 2001-09, 2001-10, 2002-01, 2002-02, 2002-03, 2002-04, 2002-05, 2002-06, and 2002-07. Mr. Etter motioned to close Docket 2000-17. Mr. Pilcher seconded. Motion carried. Mr. Rasmussen motioned leave Docket 2001-01 open to monitor final order. Mr. Bird seconded. Motion carried. Mr. Bird motioned to close Docket 2001-09. Mr. Etter seconded. Motion carried. Ms. Pumphrey motioned to close Docket 2001-10. Mr. Pilcher seconded. Motion carried. Mr. Rasmussen motioned to dismiss and close Docket 2002-01. Mr. Stewart seconded. Motion carried. Based on Board staff action to withdraw complaints filed for failure to renew and for failure to comply with Peer Review, Mr. Bird motioned to close the following dockets: 2002-02, 2002-03, 2002-04, 2002-05, 2002-06, and 2002-07.

*(C) Exam and License: (1) May 2001 Grades:* Board took action in Regular Session Item 3.B.

*(2) Exam Special Consideration:* Board took action in Regular Session Agenda Item 3.C.

*(3) License Special Consideration:* Board took action in Regular Session Agenda Item 4.B.

**3. EXAMINATION:**

*(A) Approve November 2001 Applicants:* Three special consideration applications for the November 2001 Exam were presented in Executive Session. Mr. Bird motioned to accept the list of candidates with one special consideration excluded. Mr. Rasmussen amended the motion to accept the list of candidates, with one special consideration excluded, and giving the interviewing board member authority to approve the exclusion after having a face-to-face meeting with the candidate. Ms. Pumphrey seconded the amendment. Mr. Stewart seconded the amended motion. Motion carried.

*(B)(1) Approve May 2001 Grades:* Ms. Pumphrey motioned to approve the grades from the May 2001 exam. Mr. Rasmussen seconded. Motion carried.

*(2) Designate High Scoring Candidates:* Mr. Pilcher moved to designate Jo Ann Alicia Haug high scoring candidate from the May 2001 Examination with 351 total points. Mr. Bird seconded the motion. Motion carried.

*(3) Void grades:* Mr. Etter motioned to void the May 2001 grades for Placido Ramirez Gomez, Jr. who appeared late for the third session of the May 2001 examination and did not return for the fourth session. Mr. Pilcher seconded. Motion carried.

*(C) Special Considerations: (1)* Three special considerations were handled in 3A.

*(2)* Mr. Bird motioned to deny the exam application of Mr. Garth R.Oakey for failure to sit for the ATAG exam. Mr. Etter seconded. Motion carried.

*(3)* Mr. Rasmussen motioned to transfer Mr. Todd Claiborn's fees forward to the May 2002 exam and to not count the November 2001 exam as one of his six exams to complete the exam. Mr. Pilcher seconded. Motion carried.

*(4)* Mr. Bird motioned to refund Ms. Julee Kennedy's exam fee for the November 2001 examination. Mr. Rasmussen seconded. Motion failed by a three to four vote by the Board members.

**MINUTES**  
**IDAHO STATE BOARD OF ACCOUNTANCY**  
 Boise, Idaho  
 October 10, 2001  
**REGULAR SESSION**

*(D) Proctoring Assignments for November Exam:* Board members or their representatives volunteered to take a day or two at proctoring the November Exam along with Board Staff.

*(E) Examination Administration Handbook Revisions:* Ms. Porter reported that recommendations of the Exam Security Task Force on which she served were included in NASBA's revised "CPA Examination Administration Handbook" for additional security measures to protect the confidentiality and security of the CPA Exam. Idaho began using the standards with the exceptions of armored car delivery of the exams to Pocatello and Moscow and restricting out-of-state candidates proctoring in Idaho. Alternative approaches have been developed that provide adequate, cost effective security. Ms. Pumphrey moved to adopt the latest version of NASBA's "CPA Examination Administration Handbook" for use in Idaho, with the alternative practices previously identified. Mr. Stewart seconded. Motion carried.

**4. APPLICANTS FOR LICENSURE:** *(A) Review of Applicants*

<b>Name</b>	<b>License</b>	<b>Effective</b>	<b>Method</b>	<b>State</b>
LISCINSKI, AMANDA J	CP-3994	7/1/2001	Exam	
SAMAHON-OUMAR, M GULAM	CP-3995	7/1/2001	Exam	
KNUFF, BRYAN WILLIAM	CP-3996	7/12/2001	Exam	
MURAYAMA, KAZUKO	CP-3997	7/12/2001	Exam	
HENDON, LORI	CP-3998	7/24/2001	Exam	
IPSEN, WAYNE RUEL	CP-3999	7/24/2001	Exam	
HAMILTON, ANNE M	CP-4000	7/24/2001	Exam	
MYERS, CHRISTOPHER L	CP-4001	7/24/2001	Transfer of Grades	MT
GLEASON, RONALD MARK	CP-4002	7/24/2001	Reciprocity	WA
MEEK, JAMES N	CP-4003	7/24/2001	Exam	
KING, MICHELLE MARIE	CP-4004	7/24/2001	Exam	
TENNEY, BRIAN CARSON	CP-4005	7/24/2001	Transfer of Grades	WA
VALENTINE, REBECCA POOL	CP-4006	7/30/2001	Exam	
BARNES, SALLY GAY	CP-4007	7/30/2001	Reciprocity	TX
HOCH, MYLYNDA	CP-4008	8/2/2001	Exam	
SMITH, MARK ANDREW	CP-4009	8/14/2001	Exam	
ANDERSON, JESSICA M	CP-4010	8/14/2001	Exam	
MARSH, JOHN M	CP-4011	8/14/2001	Exam	
HUME, SCOTT A	CP-4012	8/14/2001	Exam	
CAYKO, MARSHA RAE	CP-4013	8/16/2001	Reciprocity	WA
STEWART, SAMUEL R	CP-4014	8/23/2001	Reciprocity	NM
STILL, RYAN ORANGE	CP-4015	9/6/2001	Reciprocity	MN
ALLEN, DAVID M	CP-4016	9/6/2001	Reciprocity	OR
MORASCI, PEGGY DEEN	CP-4017	9/6/2001	Reciprocity	CA
RUDBECK, HEATHER L	CP-4018	9/7/2001	Exam	

**MINUTES**  
**IDAHO STATE BOARD OF ACCOUNTANCY**  
 Boise, Idaho  
 October 10, 2001  
**REGULAR SESSION**

SIMITZES, JENNIFER LEE	CP-4019	9/11/2001	Exam	
PIERCEY, ROBERT WILSON	CP-4020	9/11/2001	Reciprocity	OH
FINKBEINER, KENNETH E	CP-4021	9/12/2001	Exam	
LARSON, MATTHEW S	CP-4022	9/12/2001	Exam	
SKEEM, CRAIG S	CP-4023	9/13/2001	Exam	
BROYLES, KAREN LEE	CP-4024	9/13/2001	Exam	
HEMPHILL, TODD M	CP-4025	9/19/2001	Exam	
PECORA, ANTHONY C	CP-4026	9/20/2001	Exam	
STETTLER, SCOTT T	CP-4027	9/20/2001	Exam	
BUSH, BRIGHAM R	CP-4028	9/20/2001	Exam	
HARRIS, LAURIE A	CP-4029	9/20/2001	Transfer of Grades	MT
BOZIC, ANITA	CP-4030	9/20/2001	Exam	
KOFOED, SPENCER	CP-4031	9/20/2001	Exam	
WESTFALL, DAVID JAMES	CP-4032	9/24/2001	Exam	
ALLEN, RYAN W	CP-4033	9/24/2001	Exam	
JOLICOEUR, EDWIN G	CP-4034	9/25/2001	Reciprocity	WA
BRASH, DUANE FRED	CP-4035	9/25/2001	Reciprocity	CA
HOMAN, MASON WADE	CP-4036	9/27/2001	Exam	
HIRSCHI, WADE E	CP-4037	9/27/2001	Exam	
BRIGGS, TAMARA I	CP-4038	10/4/2001	Exam	
BLACKHAM, MICHAEL GARNER	CP-4039	10/9/2001	Exam	
KATSUMOTO, SHINICHI	CP-4040	10/9/2001	Exam	

Mr. Bird motioned to approve the list of applicants for licensure. Mr. Rasmussen seconded. Motion carried.

(B) *Special Consideration (1)* Ms. Pumphrey motioned to accept the special consideration application for licensure discussed during the Executive Session. Mr. Rasmussen seconded. Motion carried with Mr. Bird abstaining.

(2) Mr. Bird motioned to deny Ms. Leslie Melby's request to waive the late license renewal fine. Mr. Etter seconded. Motion carried.

**5. Discussion of NASBA Annual Meeting Topics of Interest:**

(A) *Bylaws Proposed Changes:* Ms. Porter presented NASBA's proposed bylaw changes for the Board's review. Ms. Pumphrey motioned for the acceptance of the proposed NASBA bylaws changes and the authorization of the Idaho State Board of Accountancy Board Chair to so vote at the NASBA Annual Meeting in Laguna Beach, California October 15<sup>th</sup> and 16<sup>th</sup>. Mr. Pilcher seconded. Motion carried.

(B) *Computerized Uniform CPA Examination AICPA/NASBA Negotiations:* At this date, no contract had been reached between AICPA and NASBA. It was agreed that Board Chair, Tom Jones, would poll the Board members prior to participating in any vote for the acceptance, rejection or

**MINUTES**  
*IDAHO STATE BOARD OF ACCOUNTANCY*  
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**REGULAR SESSION**

modification of a proposed contract between AICPA and NASBA regarding administering the computerized exam.

*(C) NASBA Membership Fee Increase:* Discussion of NASBA's proposed 100% fee increase for State Board membership took place. Mr. Pilcher moved to authorize the Chair to vote for a 50% increase instead of the proposed 100% increase at NASBA's Annual Meeting. Mr. Bird seconded. Motion carried.

**6. PRACTICE UNIT REGISTRATION AND PEER REVIEW PROGRAMS:**

*(A) PUR Late Filing Fine Waiver Requests:* The Board discussed the requests for waiver of the late PUR filing fine. Mr. Pilcher motioned that no waivers would be granted. Mr. Etter seconded the motion. Mr. Rasmussen made an amended motion denying the requests for waiver of the PUR fine due to failure to demonstrate reasonable cause. Mr. Bird seconded the amended motion. Amended motion carried by a 6 to 1 vote.

*(B) Federal Privacy Act:* No action was taken as the board was still awaiting a response from NASBA's legal counsel, Noel Allen. Mr. Rasmussen motioned that the Board defer responding to Dale Arnold's letter until the Board has received a response from NASBA's legal counsel. Mr. Pilcher seconded. Motion carried.

**7. DIRECTORS REPORT:**

*(A) Auditors in Government:* The Board discussed the issue of a non-licensee signing a report on financial statements. The majority of the board felt that paragraph (3) of *Idaho Code* section 54-221 is clear that a non-licensee could not issue such a report. Ms. Porter was directed to discuss the situation with the Washington State Board of Accountancy to clarify what authority they use to allow a non-licensee to sign the reports generated by their legislative audit office.

*(B) Investigative Committee – Reviewing and Adopting Revised Procedures for Handling Complaints and Cease & Desist Actions:* The Board reviewed the revised Complaint and Cease & Desist procedures that will provide a framework for the Investigative Committee's activities and interfacing with the Board. Ms. Pumphrey motioned to adopt the revised procedures. Mr. Pilcher seconded. Motion carried.

*(C) UAA:* ISCPA and ISBA have the latest version of the UAA Legislative Proposal on their web sites. IAPA expressed concern that there be a common understanding of what earned credentials are acceptable. Ms. Porter will have a draft copy of the rules necessary to accompany the changes to the law for review by the December Board meeting.

*(D)(1) CPE Committee and QROC Board Member Liaison Appointments:* Mr. Jones will continue as the QROC liaison. Mr. Rasmussen was appointed as the CPE Committee liaison.

*(2) CPE Committee Appointment:* Ms. Pumphrey motioned to reappoint Bill Baxter, CPA; Mike Rodgers, CPA; and Ric Eborall, CPA to three-year terms. Mr. Etter seconded. Motion carried. Mr. Stewart motioned to appoint Bill Allen, LPA as the new CPE Committee member for a three-year term beginning 12/31/01 replacing outgoing committee member Geneva A. Trent, CPA. Mr. Pilcher seconded. Motion passed.

**MINUTES**  
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October 10, 2001  
**REGULAR SESSION**

*(E) Director's Report:* Ms. Porter reported on the activities accomplished during the months of July through September 2001.

**8. TREASURER'S REPORT:** The Board reviewed the Treasurers Reports that reflected the conclusion of FY 2001, and the first three months of FY 2002.

**9. SCHEDULE DECEMBER BOARD MEETING:**

The December Board Meeting will be held at the Owyhee Plaza, Boise, Idaho on December 5, 2001 starting at 9:00 AM.

There being no further business before the Board, the meeting was adjourned at 2:45 PM.

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J. Thomas Jones, CPA, Chair

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Lela D. Pumphrey, CPA, Vice-Chair

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Larry R. Bird, CPA, Secretary