

**MINUTES**  
*IDAHO STATE BOARD OF ACCOUNTANCY*  
Boise, Idaho  
July 24, 2014  
**REGULAR SESSION**

The Regular Session of the Idaho State Board of Accountancy was called to order on Thursday, July 24, 2014 at 8:34 AM with Chair D. Lynn Smith, CPA, presiding. The Board adjourned to Executive Session at 8:36 AM and returned to Regular Session at 10:00 AM. The meeting adjourned at 2:08 PM.

**ROLL CALL**

The following members of the Board were present:

D. Lynn Smith, CPA, Chair  
Bradley Lewis, CPA, Vice-Chair  
Terry Bayless, CPA, Treasurer  
Cheryl Guiddy, CPA, Secretary  
Kay Bradford, Public Member  
David Westfall, CPA Member  
Brady Panatopoulos, CPA Member – excused absence  
Kent Absec, Executive Director, Sue Lenon, Board Staff, Larry Hunter, Legal Counsel was present as Board staff. Andrea Rosholt, Legal Counsel was present until 10:00 AM. Melissa Nelson, as representative of the ISCPA, Patricia Davis as representative of the IAPA, and Suzanne Jolicoeur of the AICPA attended the Regular Session.

**1. CONVENE REGULAR SESSION**

Mr. Lewis moved, and Mr. Bayless seconded, to accept the minutes of the April 24, 2014 Board Meeting. Motion carried.

**2. EXECUTIVE SESSION**

D Lynn Smith, Chair, citing *Idaho Code* Section 67-2345 (1), called for a vote to adjourn to Executive Session. The Board voted as follows: Terry Bayless, yes; David Westfall, yes; Kay Bradford, yes; Lynn Smith, yes, Cheryl Guiddy, yes; and Bradley Lewis, yes.

**3. ACTION ITEMS FROM THE EXECUTIVE SESSION**

When the Regular Session resumed, the Board addressed items from the Executive Session.

**(A) Approve Minutes:** Mr. Lewis moved, and Mr. Bayless, seconded to approve the minutes of the April 24, 2014 Board Meeting Executive Session. Motion carried.

**(B) Status Reports on Complaint Dockets:**

2014-03 Mr. Lewis moved, and Ms. Guiddy seconded, to accept the signed Stipulation and Consent Agreement, and issue an Order in the matter. Motion carried.

2014-05 Ms. Guiddy moved, and Mr. Lewis seconded, to accept the Investigative Committee recommendation to dismiss the complaint and close the docket. Motion carried.

2014-06 Mr. Lewis moved, and Mr. Bayless seconded, to accept the signed Stipulation and Consent Agreement issue a Final Order and close the docket. Motion carried.

**(C) Cease & Desist:** Mr. Bayless moved, and Ms. Guiddy seconded, to close docket 2014-02. Motion carried. Mr. Lewis moved, and Ms. Guiddy seconded, to close docket 2014-03. Motion carried. Ms.

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Guiddy moved, and Mr. Lewis seconded, to close docket 2014-05. Motion carried.

**(D) Approval of Exam Special Considerations and Exam Scores:** Mr. Lewis moved, and Ms. Guiddy seconded, to ratify the approval of an Exam Special Consideration. Motion carried. Ms. Guiddy moved, and Mr. Lewis seconded to approve the CPA Examination scores from the April/May 2014 test window. Motion carried.

**(E) License and Renewal Special Consideration:** Ms. Guiddy moved, and Mr. Lewis seconded, to ratify the decision of the Executive Director to deny a license application with special consideration. Motion carried. Mr. Bayless moved, and Ms. Bradford seconded, to ratify the approval of six license renewals with special consideration disclosures. Motion carried.

**(F) Performance Evaluations and Merit Pay Increases:** Mr. Lewis moved, and Mr. Bayless seconded, to ratify Mr. Absec's salary administration for staff which was based on the current directive from the recent Legislative session and approved by the Idaho Department of Financial Management and the Department of Human Resources. Motion carried. .

**4. REPORTS TO THE BOARD**

**Director Report:** 1) Mr. Absec provided the Board with a report on the online renewal utilization during the most current license renewal period. The online utilization rate was 97.8%. Mr. Absec also provided the Board with the yearly fees the Board paid to its payment processor. The fees were \$15,106 for fiscal year 2014. 2) Mr. Absec updated the Board on the status of two rule changes that were approved at the April 24, 2014 meeting. Mr. Lewis moved, and Mr. Bayless seconded to approve the proposed rule change for Rule 502.01(b). Motion carried. Mr. Lewis moved, and Mr. Bayless seconded, to approve the proposed rule change for Rule 601.01. Motion carried. 3) Mr. Absec updated the Board on the AICPA's Practice Analysis. Mr. Lewis moved, and Ms. Guiddy seconded to provide NASBA with a list of potential candidates for inclusion in a Practice Analysis Survey via the Accountancy Licensee Database. Motion carried. 4) Mr. Absec presented information to the Board regarding the Board office moving to a Virtual Server hosted by the State Controller's Office and serviced by the Office of the Chief Information Office. Mr. Lewis moved, and Ms. Bradford seconded, the approve Mr. Absec's recommendation to move to the Virtual Server during FY15. Motion carried. 5) Mr. Absec informed the Board he will continue to monitor and research what other Boards of Accountancy are doing around the issue of CPA's having clients tied to the 'marijuana industry' in surrounding states. 6) Mr. Absec updated the Board on his activities since the April Board meeting.

**Treasurer Report:** The Board reviewed the FY 2014 year-to-date numbers as reported by Mr. Bayless, Treasurer.

**Legal Counsel Report:** Mr. Hunter reviewed and discussed pertinent information regarding the investigational process used in other jurisdictions. Mr. Hunter discussed the relationship between current Idaho laws and those within the Idaho Accountancy Act and how they can be a factor in determining who can be an owner or director in a CPA firm in Idaho. Mr. Hunter recommended to the Executive Director and the Board to not take a position on the issue at this time.

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**5. EXAMINATION**

**Examination Candidates:** Ms. Guiddy moved, and Mr. Lewis seconded, to ratify the first-time examination candidates approved since the last Board meeting. Motion carried.

4/12/14 to 7/10/14

Lawrence Kofi Saahene	Jill Irene Mix
Michael John Murphy	Kimberlee Jeppson Lystrup
Jordon Bryle Clark	Tyson Vereen Bingham
Paige Marie Richards	Nathan Kim Baird
Jason Lynn Taylor	Reba Irene Barnwell
Kellee Jo Gibbs	Austin Lee Floge
Allison Victoria Bronson	Taylor Lloyd Jensen
Morgan Llewelyn Nichols	Aaron James Rankin
Jenna Caryel Lang	Christina VanPaepeghem
Michael Scott White	Jorge Luis Rangel-Gutierrez
Cody Willis Gamboa	David Walden Butler
LeGrand Boyd Woodward	James Kenneth Tacy
Zachary Ryan Spohn	Adam David Goodworth
Daniel Emil Popadics	Carolyn Erin Hughes
Jill Kathleen Jacobs	Justin Ray Connolly
Connor Robert McCracken	Paul Matthew Gorman
Gerrit James Schoonhoven	Stephanie Dawn Geschke
Cole Allen Mueller	Daniel David Robinson
Cody John Martin	Rachel Ann Booth-Raburn
Angela Martin	Robert Anthony Fabiano
Timothy Clayton Grempe	Jared John Empey
Alison JoAnne Fibiger	Ivan Wesley Robison
Jordyn Kate Parry	Alexandra Lee
Daniel Robison	Emelie Marasigan Obero
David Eugene Coleman	Jennifer Lynne Porter
Steven James Bennett	Nicholas Earl Tunison
Nichole Burr	Nicholas Vincent Gaudio

**6. NEW LICENSEES**

**New Licensees:** CP-5425 through CP- 5442, excluded from the April Board meeting, and CP-5467 through CP-5490

Mr. Lewis moved, and Mr. Westfall seconded, to ratify the list of new licensees from CP-5425 through CP-5442 as presented. Motion carried. Ms. Guiddy abstained from the vote.

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**New Licensees (should have been included in April Board Meeting approvals)**

<b>Name</b>	<b>License #</b>	<b>License Method</b>	<b>State</b>	<b>Issue Date</b>
Kevin Congo	CP-5425	Exam	ID	12/11/2013
David Curtis Papotta	CP-5426	Reciprocity	CA	12/11/2013
Lucas Charles Goodman	CP-5427	Exam	ID	01/01/2014
Karris Akia Kimball	CP-5428	Exam	ID	01/01/2014
Megan Elizabeth Carley	CP-5429	Exam	ID	01/01/2014
Jason Scott Nielson	CP-5430	Reciprocity	UT	01/07/2014
Ashley Marie Lenz	CP-5431	Reciprocity	WI	01/09/2014
Melissa Marie Monroe	CP-5432	Grade Transfer	MD	01/09/2014
Natasha Weathers	CP-5433	Exam	ID	01/15/2014
Thomas Andrew Heffelfinger	CP-5434	Exam	ID	01/23/2014
Huette Susan Woerz	CP-5435	Exam	ID	01/23/2014
Gregory Paul Clark	CP-5436	Reciprocity	OH	01/27/2014
Tyson Jody Weekes	CP-5437	Exam	ID	01/27/2014
Christy Jeanne Stein	CP-5438	Exam	ID	01/27/2014
Steven Lewis Raeder	CP-5439	Exam	ID	01/27/2014
Brody Dee Fitch	CP-5440	Exam	ID	01/27/2014
Julia A Duty	CP-5441	Exam	ID	01/27/2014
John Douglas Wheeler	CP-5442	Exam	ID	01/28/2014

Mr. Lewis moved, and Mr. Bayless seconded, to ratify the list of new licensees from CP-5467 through CP-5490. Motion carried.

<b>Name</b>	<b>License #</b>	<b>License Method</b>	<b>State</b>	<b>Issue Date</b>
Theresa L Flannery	CP-5467	Exam	ID	04/28/2014
Stacy Lee Scott	CP-5468	Exam	ID	05/22/2014
Melanie Michelle Scott	CP-5469	Exam	ID	06/03/2014
Suzanne Freeman	CP-5470	Exam	ID	06/03/2014
Jeanine Nicole Long	CP-5471	Reciprocity	WA	06/03/2014
Christina Jo Auvil	CP-5472	Reciprocity	WA	07/01/2014
Paul Richard Bahnson	CP-5473	Reciprocity	UT	07/01/2014
Steve William Bates	CP-5474	Exam	ID	07/01/2014
Jeffrey Dallin Bird	CP-5475	Reciprocity	TX	07/01/2014
Shawna Wilding Engen	CP-5476	Exam	ID	07/01/2014
Kenneth R Farrow	CP-5477	Reciprocity	CA	07/01/2014
Kyle Lee Holstine	CP-5478	Exam	ID	07/01/2014
Lisa Leigh Kasney	CP-5479	Reciprocity	TX	07/01/2014
Brock Glen Searle	CP-5480	Exam	ID	07/01/2014

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Abel Soares	CP-5481	Exam	ID	07/01/2014
Katie Marie Wilson	CP-5482	Exam	ID	07/01/2014
Brooks Tracy Bodily	CP-5483	Exam	ID	07/01/2014
Laura Anne Ray	CP-5484	Exam	ID	07/01/2014
Jared Daniel Rucks	CP-5485	Exam	ID	07/07/2014
Sheena Marie Garcia	CP-5486	Exam	ID	07/07/2014
Jennifer Marie Kuehn	CP-5487	Exam	ID	07/08/2014
Kerri M Ohse	CP-5488	Exam	ID	07/09/2014
Jace Michael Katseanes	CP-5489	Exam	ID	07/10/2014
Patrick Rory O'Shaughnessy	CP-5490	Reciprocity	WA	07/10/2014

**7. FIRM REGISTRATION AND PEER REVIEW PROGRAM**

Ms. Lenon reported to the Board there are currently 272 firms registered with the Board, and 129 of those firms still need to renew their registration by October 1<sup>st</sup>. The number of firms registered with the Board has decreased over the past few years.

**8. AICPA**

Ms. Suzanne Jolicoeur of the AICPA gave a presentation to the Board on numerous current topics including the Definition of Attest, Firm Mobility, the AICPA Code of Conduct Codification, the

AICPA Practice Analysis regarding the CPA exam and Peer Review. Ms. Jolicoeur also discuss within the topic of Peer Review the current issues brought to the attention of the profession by the Department of Labor (DOL) involving Employee Retirement Plans or ERISA audits

**9. CONTINUING PROFESSIONAL EDUCATION**

Ms. Lenon reported to the Board that six licensees failed to report their 2013 CPE to date. If those licensees do not report and go through the renewal process, their licenses will go to the status of Board Lapsed. Mr. Bayless discussed information from the NASBA CPE Task Force which he is a member. Mr. Bayless reported that 'nano' learning will continue to be a topic of discussion going forward as some jurisdictions have already approved the acceptance of these types of learning for CPE credit. Mr. Smith informed the Board the NASBA National Registry Summit conference for CPE will be held in Nashville, September 17-19, 2014.

**10. NASBA**

Mr. Absec updated the Board on ERISA audits conducted for plans in Idaho. Board staff is continuing to work through a list provided by NASBA of Idaho plans which were audited. The Idaho list contained 243 audits which were conducted by 57 different firms. The research conducted so far shows that all firms which conducted these audits were registered either with the Idaho Board or in their home jurisdiction. Staff is continuing to research whether these firms had audits that included these 'must select' engagements during their peer review. Mr. Absec also reported to the Board the Virgin Islands has now become substantially equivalent to the Uniform Accountancy Act, UAA and the other 54 jurisdictions. Idaho will now consider CPA's from the Virgin Islands to be substantially equivalent for the purposes of exercising practice privileges in Idaho.

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**11. ELECTIONS & UPCOMING MEETINGS**

Ms. Bradford moved, and Mr. Smith seconded, the following officers for the upcoming year: Mr. Lewis as Chair, Ms. Guiddy as Vice Chair, Mr. Bayless as Secretary, and Mr. Westfall as Treasurer. Motion carried.

Ms. Bradford moved, and Mr. Bayless seconded, to elect Mr. Smith as the Chair of the Investigative Committee for the term from September 1, 2014 to August 30, 2015. Motion carried.

The Board's next two meeting dates:

Thursday, October 16, 2014

Thursday, January 8, 2015

The Board recognized Mr. Smith for his service with the Board as his term expires August 30, 2014. The Board recognized Mr. Hunter for his service to the Board as Legal Counsel. Mr. Hunter served as Legal Counsel to the Board since May 2000.

There being no further business before the Board the meeting was adjourned at 2:08 PM.

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Bradley Lewis, CPA, Chair

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Cheryl Guiddy, CPA, Vice Chair

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Terry Bayless Sr., CPA, Secretary