

MINUTES
IDAHO STATE BOARD OF ACCOUNTANCY
Boise, Idaho
October 16 , 2014
REGULAR SESSION

The Regular Session of the Idaho State Board of Accountancy was called to order on Thursday, October 16, 2014 at 8:30 AM with Chair Brad Lewis, CPA, presiding. The Board adjourned to Executive Session at 8:35 AM and returned to Regular Session at 9:57 AM. The meeting adjourned at 2:56 PM.

ROLL CALL

The following members of the Board were present:

Brad Lewis, CPA, Chair

Cheryl Guiddy, CPA, Vice-Chair

Terry Bayless Sr., CPA, Secretary

David Westfall, CPA, Treasurer

Kay Bradford, Public Member

Layne VanOrden, CPA Member

Jae Hallett, CPA Member

Kent Absec, Executive Director, Sue Lenon, Board Staff, Andrea Rosholt, Legal Counsel was present as Board staff. Melissa Nelson, as representative of the ISCPA, and Dr. Raymond Johnson of NASBA and Marilyn Johnson attended the Regular Session. Patricia Davis as representative of the IAPA attended the Regular Session until 12:05 PM.

1. CONVENE REGULAR SESSION

Mr. Bayless moved, and Ms. Guiddy seconded, to accept the minutes of the July 24, 2014 Board Meeting. Motion carried.

2. EXECUTIVE SESSION

Brad Lewis, 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; Layne VanOrden, yes; Jae Hallett, 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: Ms. Guiddy moved, and Ms. Bradford, seconded to approve the minutes of the July 24, 2014 Board Meeting Executive Session. Motion carried.

(B) Status Reports on Complaint Dockets:

2014-04 Mr. Bayless moved, and Ms. Guiddy seconded, to accept the signed Stipulation and Consent Agreement, issue a Final Order and close the docket. Motion carried.

(C) Cease & Desist: Ms. Guiddy moved, and Mr. Westfall seconded, to close docket 2014-04. Motion carried. Ms. Guiddy moved, and Mr. Westfall seconded, to close docket 2014-07. Motion carried.

(D) Approval of Exam Special Considerations and Exam Scores: Mr. VanOrden moved, and Ms. Guiddy seconded, to ratify the approval of the Exam Special Considerations. Motion carried. Mr. Hallett moved, and Mr. Bayless seconded to approve the CPA Examination scores from the July/August 2014 test window. Motion carried.

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(E) License and Renewal Special Consideration: There were no License Special Consideration applications during the period.

(F) Performance Evaluations and Merit Pay Increases: There were no motions made regarding evaluations and salary administration.

4. REPORTS TO THE BOARD

Director Report: 1) Mr. Absec provided the Board with a report on the Uniform CPA Exam candidate performance for 2014-Q3 on the national and Idaho level. 2) Mr. Absec updated the Board on the status of the two(2) rule changes the Board has submitted to the Office of Administrative Rules (OAR). Ms. Guiddy moved, Mr. Westfall seconded to approve the modification of Rule 502.01(b) as a 'pending' rule. Motion carried. Mr. VanOrden moved, Ms. Guiddy seconded to approve the modification of Rule 606.01 as a 'pending' rule. Motion carried. 3) Mr. Absec discussed the status of the AICPA CPA Exam Practice Analysis. Staff will work with Board Chair, Mr. Lewis, on a potential comment from the Idaho Board which would be circulated to the Board members before submission. Comment period ends December 2, 2014. 4) The Board was informed of a request through the Office of Performance Evaluations (OPE) regarding information from state agencies in relation to their legal services expenditures. The Board staff has provided information to the OPE and will continue to monitor and report information as received to the Board. 5) The Board was made aware of a movement by tenants who share the office space with the Board of Accountancy to have a generator installed as a precaution against power outages. Mr. Absec informed the Board this situation was in the early development stages but costs applied to the Board would need to be amortized over the life of the equipment with the Board's cost added to the annual lease payments while the Board is a tenant.. As more information and details are made available the Staff will follow up with the Board. 6) Mr. Absec updated the Board on his activities since the July Board meeting.

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

Legal Counsel Report: Ms. Rosholt provided information to the Board gathered via both the NASBA List Serve service for State Board Legal Counsel and her own research which included a report on the use of 'online meetings', the reporting of ethical situations by CPA's and what jurisdictions are doing when non-licensees are holding out as a CPA. Ms. Rosholt also reiterated the Board does not provide 'advisory opinions' to licensees and recommended licensees are encouraged to seek the advice of their own legal counsel. Ms. Rosholt also discussed firms and the potential for non-licensees to be owners, partners, shareholders, etc. Ms. Rosholt agreed with former legal counsel and advised the Board to not issue a formal opinion at this time.

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5. EXAMINATION

Examination Candidates: Ms. Guiddy moved, and Mr. Hallett seconded, to ratify the first-time examination candidates approved since the last Board meeting. Motion carried.
 7/14/2014 to 10/07/2014

Name	ATT Export Date		
Ivan Wesley Robison	07/14/2014	Christina Van Paepeghem	09/15/2014
Landon David Newell	07/22/2014	Yike Huang	09/18/2014
Quinn Monet Tremayne	07/29/2014	Casey John Rankin	09/23/2014
Jason Patrick Smith	07/30/2014	Andrew Philip Bahnson	09/23/2014
Justin Thomas Allen	08/27/2014	Kenneth Eldon Webster	09/23/2014
Sarah Lucile Ober	08/27/2014	Sarah Michelle Mason	09/23/2014
Samaj Neupane	08/27/2014	Tisha K Newbold	09/23/2014
Chelsea Jeannette Izatt	08/28/2014	Jefferey Eugene Newbold	09/23/2014
Jared Clayton Lyons	09/10/2014	Gian M Gieri	10/01/2014
Craig Baker Hill	09/10/2014	Tianyuan Zhao	10/02/2014
Kevin Robert Burkhart	09/10/2014	Anthony Nebrigich	10/7/2014
Kayla Jewel Darnell	09/11/2014		

6. NEW LICENSEES

New Licensees: CP-5491 to CP-5527

Mr. VanOrden moved, and Mr. Bayless seconded, to ratify the list of new licensees from CP-5491 through CP-5527 as presented. Motion carried. Mr. Hallett abstained from the vote.

Karl Robert Pedersen	CP-5491	Exam	ID	07/24/2014
James Robert Jones	CP-5492	Exam	ID	07/24/2014
Kristin Lee O'Connor	CP-5493	Exam	ID	07/24/2014
Gregory Larry Edgar	CP-5494	Grade Transfer	IL	07/24/2014
Adam Joshua Heisler	CP-5495	Exam	ID	07/31/2014
Kari Jean Ott	CP-5496	Reciprocity	OR	07/31/2014
George Wright Wilber	CP-5497	Reciprocity	OR	07/31/2014
Kari Anderson Cook	CP-5498	Exam	ID	07/31/2014
Lara Michelle Carlone	CP-5499	Reciprocity	WA	07/31/2014
Ryan Daniel Ballain	CP-5500	Exam	ID	07/31/2014
Ryan Curt Ballestero	CP-5501	Exam	ID	08/12/2014
Jex Hillam Bjorn	CP-5502	Reciprocity	WA	08/12/2014
Brent Arthur Mills	CP-5503	Reciprocity	WA	08/12/2014

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Ryan Wayne Paluso	CP-5504	Exam	ID	08/12/2014
Alexa Nicole Chiuppi	CP-5505	Reciprocity	MA	08/12/2014
Jeremy James Holcomb	CP-5506	Exam	ID	08/12/2014
Cara Renee Wilber	CP-5507	Reciprocity	OR	08/12/2014
Angelica Guzman	CP-5508	Exam	ID	08/12/2014
Emily King Brawley	CP-5509	Exam	ID	08/12/2014
Michael John Murphy	CP-5510	Exam	ID	08/12/2014
Dale L Russell	CP-5511	Reciprocity	WA	08/12/2014
Andrew Jack Newman	CP-5512	Exam	ID	08/14/2014
Brett Alan Bierwagen	CP-5513	Grade Transfer	MT	08/28/2014
Walter Louis Schultz	CP-5514	Reciprocity	OR	08/28/2014
Heidi Noelle Morgan	CP-5515	Reciprocity	WA	08/28/2014
Lindsay Marie Andrysiak	CP-5516	Exam	ID	08/28/2014
Robin Danielle Schmidt	CP-5517	Exam	ID	08/28/2014
B Russell Mower	CP-5518	Exam	ID	09/10/2014
Terri Janel Hunter	CP-5519	Exam	ID	09/10/2014
Jace Arnold Briggs	CP-5520	Reciprocity	CO	09/10/2014
Ryan David Lee	CP-5521	Exam	ID	09/11/2014
John Russell Wonderlich	CP-5522	Exam	ID	09/18/2014
Lois Jane Salinas	CP-5523	Exam	ID	09/23/2014
Michael Taylor Seven	CP-5524	Exam	ID	10/01/2014
Juline Azina Berning	CP-5525	Exam	ID	10/01/2014
Marshall Todd Bratton	CP-5526	Reciprocity	WA	10/14/2014
Larry Dwayne Gibbons	CP-5527	Exam	ID	10/14/2014

7. FIRM REGISTRATION AND PEER REVIEW PROGRAM

Ms. Lenon reported to the Board there are currently 265 firms registered with the Board which is down from 309 firms. The number of firms registered with the Board has decreased over the past few years with Ms. Lenon attributing this to factors such as firm mobility and single member firms who are not performing those services which would require them to register with the Board. There are currently only three(3) firms with registrations still outstanding. Ms. Lenon also discussed current Peer Review issues involving the Board.

8. CONTINUING PROFESSIONAL EDUCATION - CPE

Ms. Lenon reported there are 2,694 licensees who will need to report for the 2014 CPA year. The concept of time versus competency when determining credit was discussed by Dr. Ray Johnson of NASBA. The concept of ‘nano’ learning was also mentioned by Dr. Johnson and the impact it will potentially have on licensees and the reporting of CPE. The Board was also made aware of the work being done around the revision of the Statement on Standards for CPE.

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9. AICPA

Mr. Absec provided the Board with the latest Exposure Draft on the Preparation of Financial Statements Performed under SSARS and the impact on the scope of Peer Review. The comment period closed on October 31, 2014 and the Board did not make a determination to comment on the Exposure Draft. The Board was invited to participate in the AICPA's State Regulation and Legislation Team webcast on October 28, 2014. The webcast will feature presentations on the Exam Practice Analysis, information on short term peer review initiatives and an update on SSARS 21 addressing compilations and the preparation of financial statements.

10. NASBA

Dr. Johnson reported to the Board on important issues involving NASBA which includes the UAA Definition of Attest and Firm Mobility. Mr. Absec expressed an interest in having NASBA re-examine the nomination process and the solicitation of candidates to the Board by those individuals seeking NASBA positions such as Vice Chair, Regional Directors and Directors-At-Large as well as terms and conditions for those individuals in the position of Regional Director. Mr. Absec's concern is that some individuals are being restricted in the amount of time they can serve in the role of Regional Director due to the NASBA bylaws.

11. UPCOMING MEETINGS

Mr. Absec reminded Board members of the NASBA Annual Meeting which will take place in Washington, D.C. on November 2nd – 5th. The dates and places of the 2015 Regional Meeting (June 17-19 in Coronado, CA) and the Annual Meeting (October 25-28) were announced.

The Board set the following meeting dates:

Thursday, April 23, 2015

Thursday, July 23, 2015

Thursday, October 22, 2015

Thursday, January 7, 2016

The next regularly scheduled Board meeting will take place on Thursday, January 8, 2015.

There being no further business before the Board the meeting was adjourned at 2:56 PM.

Bradley Lewis, CPA, Chair

Cheryl Giddy, CPA, Vice Chair

Terry Bayless Sr., CPA, Secretary