

MINUTES
IDAHO STATE BOARD OF ACCOUNTANCY
Boise, Idaho
July 14, 2016
REGULAR SESSION

The Regular Session of the Idaho State Board of Accountancy was called to order on Thursday, July 14, 2016 at 8:35 AM with Chair Cheryl Guiddy, CPA, presiding. The Board adjourned to Executive Session at 8:37 AM and returned to Regular Session at 10:05 AM. The meeting adjourned at 1:58 PM.

ROLL CALL

The following members of the Board were present:

Cheryl Guiddy, CPA, Chair

Terry Bayless, CPA, Vice-Chair

David Westfall, CPA, Secretary

Layne VanOrden, CPA, Treasurer

Kay Bradford, Public Member

Jae Hallett, CPA Member

Scott Dockins, CPA Member

Kent Absec, Executive Director, Tami Helton, Board Staff, and Andrea Rosholt, Legal Counsel were present as Board staff. Melissa Nelson, ISCPA, attended the Regular session from 10:30 – 11:30 AM.

1. CONVENE REGULAR SESSION

Mr. Bayless moved, and Mr. VanOrden seconded, to accept the minutes of the April 28, 2016 Board Meeting Regular Session. Motion carried. Mr. Bayless moved, and Mr. Dockins seconded, to accept the minutes of the Strategic Planning meeting on April 27, 2016. Motion carried.

2. EXECUTIVE SESSION

Cheryl Guiddy, Chair, citing *Idaho Code* Section 74-206 (1)(d) & (f) called for a vote to adjourn to Executive Session. The Board voted as follows: Terry Bayless, yes; Scott Dockins, yes; Kay Bradford, yes; Layne VanOrden, yes; Jae Hallett, yes; Dave Westfall, yes; and Cheryl Guiddy, 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. VanOrden moved, and Mr. Bayless seconded, to approve the minutes of the April 28, 2016 Board Meeting Executive Session. Motion carried.

(B) Status Reports on Complaint Dockets:

2016-04 Mr. VanOrden moved, and Mr. Westfall seconded, to accept the Stipulation & Consent Agreement, issue a Final Order and close the docket. Motion carried.

(C) Cease & Desist: No action taken on Cease and Desist dockets.

(D) Approval of Exam Special Considerations and Exam Scores: Mr. Bayless moved, and Mr. Dockins seconded to approve the Exam Special Consideration applicant that appeared before the Board to sit for the

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CPA Examination as an Idaho candidate. Motion carried with a vote of four to two. Mr. Bayless moved, and Mr. Westfall seconded, to approve the Uniform CPA Exam Scores as presented. Motion carried. Mr. Bayless moved, and Mr. VanOrden seconded to approve the Exam 2016 First Quarter pass list as presented. Motion carried.

(E) License Special Consideration: There were no Licensure Special Considerations.

(F) License Renewal Disclosures: Mr. VanOrden moved, and Mr. Hallett seconded to ratify the decisions by Board Staff and Legal Counsel regarding the most current license renewal disclosures. Motion carried.

(G) Performance Evaluations and Merit Pay Increases: No action needed.

4. REPORTS TO THE BOARD

Director Report: 1) Mr. Absec reported to the Board that 98.3% of license renewals were done via the online renewal system. This usage percentage is identical to the previous year. Mr. Absec also reported that the Board paid \$13,985 in fees to the current credit card payment processor, Access Idaho. As of the date of the Board meeting, there were still 58 licensees who had not renewed their license status. 2) Mr. Absec provided the Board with the FY2017 Budget. The total budget for the year will be \$554,200 of which \$296,000 will be allocated to Personnel Costs and \$253,800 to Operating Expenses. 3) Mr. Absec, Ms. Rosholt and Ms Nelson walked the Board through the upcoming proposed changes to the Idaho Accountancy Act. Mr. Dockins moved, and Mr. Bayless seconded to approve to move forward with the proposed statute changes to the Definition of Attest, IC 54-206(3) as presented as amended which includes the use of the term “professional services” and the addition of the definition of the PCAOB in IC 54-206((16). Motion carried. Mr. Hallett moved, and Mr. Westfall seconded to approve to move forward with the proposed legislation as presented relating to IC 54-219(f). Motion carried. Mr. Hallett moved, and Mr. Westfall seconded that in the event that the proposed changes to IC 54-219(f) becomes an issue in getting the Definition of Attest piece of legislation passed, Board Staff has the authority to pull the piece of legislation effecting IC 54-219(f) in order for the new Definition of Attest to proceed. Motion carried. Mr. Absec and Ms. Rosholt presented the Board with the proposed addition of Rule 511. Mr. Hallett moved, and Mr. VanOrden seconded to proceed with proposed Rule 511 as written and presented. Motion carried. 4) Mr. Absec provided an update on the AICPA’s Exam Practice Analysis and the resulting new CPA Examination which will launch in April 2017. With the delay in the release of scores after the first testing window once the new Exam is launched, the Board will need to look at the impact on candidates on a case by case basis. Mr. Bayless moved, and Mr. VanOrden seconded to grant Board Staff the ability to grant an extension for those who may lose credit on the 4th section of the exam due to the delay in score reporting after the new exam launches and give consideration to other candidates who may be impacted by the delay in scores. Motion carried. 5) Mr. Absec provided the Board with information on the new version of the database software the Board will be updated with beginning in August. 6) Mr. Absec provided a report on some of the issues that he currently had exposure to including the use of Social Media by licensees. The Board decided not to make a policy statement at this time. Mr. Absec reported on issues the Staff was having with licensees not updating their personal information, especially their email addresses. Updating the email address is not specifically addressed in the Accountancy Act & Rules. Mr. Absec also asked for Board input on the interpretation of IC 54-214(2)(b)(ii) which discusses ‘active participation in a firm or affiliated entities’. Staff and Legal Counsel will continue to research. 7) Mr. Absec briefed the Board on his activities since the last Board meeting.

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Treasurer Report: The Board reviewed the FY 2016 year-to-date numbers as reported by Mr. Van Orden, Treasurer. Mr. Absec reported that approximately \$49,835 in timely renewals during the last week of June will roll into FY2017.

Legal Counsel Report: Ms. Rosholt gave a presentation to the Board on issues pertinent to the Board from a legal perspective. Ms. Rosholt also previewed upcoming potential rule changes as a result of proposed legislative changes, the new CPA Exam and CPE Standards.

5. EXAMINATION

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

Christopher Joseph Stevens	Jason Ronald Plaisted	Abigail Alicia Belthoff
Brittany Nicole Strang	Brian Lee Smith	Heidi Kaminar Carey
Alyssa Rose Krenz	Cecilia S Vega-Vargas	James Francis Scott
Ben Jamison Richards	Garrett Connor Teich	Alice Renae Mothershead
Cody Ryan Bunn	Hannah Patricia Louise McQuoid	Samantha Lee Spencer
Lee Mark Ruff	Landon Max Hartley	Brittney Christina Duffin
Ashley Dawn Linton	Benjamin Thomas Ware	Lauren Elizabeth Larsen
Brady Collin Smith	Anjanette Areanna Call	Omar Bernal
Maria Elena Thomas	Michael Vincent Bokan	Matthew David Goodfellow
Krista Noelle Wiscombe	Monica Ashley Johnson	Lara Dawn Banister
Robert Jinho Jung	Vinton Edward Gwinn	Dana Dorothy Cameron
Tyler James Lythgoe	John Eric Abreu	Veronica Ann Buxton
Bailee Marie Olmstead	Michelle Alcaraz Dimas	William Andrew Harvey
Benigna Mora-Ramirez	Dylan Douglass Raymond	Yuen Yuen Allison
Jacob Franklin A Revis	Hayley Brooke Hudson	
Rebecca Claire Bishop		

6. NEW LICENSEES: CP-5714 through CP-5724

Mr. Bayless moved, and Mr. Dockins seconded, to ratify the list of new licensees from CP-5714 through CP-5724 as presented. Motion carried.

5/3/16 to 7/1/16

Name	License #	License Method	State	Issue Date	Status
Brian Lester Richins	CP-5714	Reciprocity	OR	05/03/2016	Active
Thomas Rossi Wall	CP-5715	Reciprocity	CA	05/04/2016	Active
Ashley Ann Montgomery	CP-5716	Reciprocity	UT	05/11/2016	Active
Emelie Raquel Rodriguez	CP-5717	Exam	ID	05/18/2016	Active
Toralyn Hill Jones	CP-5718	Exam	ID	05/19/2016	Active

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Jonathon Wade Miller	CP-5719	Reciprocity	WA	07/01/2016	Active
Merlyn Jenifer	CP-5720	Grade Transfer	AK	07/01/2016	Active
Mark Jolley Kohler	CP-5721	Reciprocity	UT	07/01/2016	Active
Jennifer Paige Jenkins	CP-5722	Reciprocity	FL	07/01/2016	Active
Samaj Neupane	CP-5723	Exam	ID	07/01/2016	Active
Thomas James Golden	CP-5724	Reciprocity	OR	07/01/2016	Active

6. B. Licensure Fees/Fines Waiver Requests:

The Board was briefed on a licensee who admittedly did not make timely payment on the renewal of her license and requested the Board waive her late fee. Board staff denied the request. Upon discussion of the circumstances, the Board supported the denial of the waiver and reiterated late fees should not be waived.

7. FIRM REGISTRATION AND PEER REVIEW PROGRAM

A discussion was held on the AICPA's Proposed Evolution of Peer Review Administration paper. Board member, Mr. VanOrden, put together some comments for the Board which were reviewed during the meeting. Chair Ms. Giddy and Mr. Absec will work on drafting a response to the paper on behalf of the Board.

8. CPE & INVESTIGATIVE COMMITTEE

Ms. Helton asked the Board to appoint Ben Gagnon, CPA to the CPE Committee. Mr. Dockins moved, and Mr. VanOrden seconded to appoint Ben Gagnon to the CPE Committee for a five year term which will run from 1/1/2017 to 12/31/2022. Motion carried.

Mr. Absec asked the Board to appoint Amy Dempsey, CPA to the Investigative Committee. Mr. Bayless moved, and Mr. Dockins seconded to appoint Ms. Dempsey to a five year term which will run from 7/15/16 – 7/15/21. Motion carried. Mr. Dockins moved, and Mr. Hallett seconded to appoint Brad Lewis to the Investigative Committee for a five year term which will run from 9/1/16 – 8/31/17. Motion carried.

9. NASBA

Mr. Absec announced that the 2017 Western Regional Meeting will be held in Coeur d'Alene, ID. The tentative date is scheduled for early June. Mr. Absec informed the Board the Annual Meeting will be held this fall in Austin, TX on October 30 – November 2.

10. Elections

Mr. VanOrden moved, and Ms. Bradford seconded to appoint Ms. Giddy as the incoming Chair of the Investigative Committee for a one year term to run from 9/1/16 - 8/31/17. Motion carried.

Mr. Hallett moved, and Ms. Bradford seconded to make the following appointments as Board officers for the term of 9/1/16 – 8/31/17. Mr. Bayless, Chair; Mr. Westfall, Vice-Chair; Mr. VanOrden, Secretary; and Mr. Dockins, Treasurer; motion carried.

Mr. Bayless recognized Ms. Giddy for her service to the Board for the past five years. Ms. Giddy is

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currently serving a five year term on the Board which has spanned from 9/1/11 – 8/31/16. Mr. Absec also thanked Ms. Guiddy for her commitment and dedication to the Board and the assistance she has provided over the years.

The Board's next meeting dates include:

Thursday, October 20, 2016

There being no further business before the Board the meeting was adjourned at 1:58 PM.

Terry Bayless Sr., CPA, Chair

Dave Westfall, CPA, Vice Chair

T. Layne VanOrden, CPA, Secretary