

MINUTES
IDAHO STATE BOARD OF ACCOUNTANCY
Boise, Idaho
April 21, 1998

REGULAR SESSION

The regular meeting of the Idaho State Board of Accountancy was called to order at 8:10 AM with Chair LaVern Gentry presiding. The Board adjourned to executive session at 8:35 AM, reconvened the regular session at 10:05 AM, recessed for lunch at 12:00 PM, reconvened the regular session at 1:30 PM, adjourned to executive session at 1:35PM, reconvened the regular session at 2:05PM and adjourned at 5:00PM.

ROLL CALL: The following members of the Board were present:
LaVern Gentry, CPA
Curtis Pope, CPA
Alan Van Orden, CPA
Leonard Hodge, CPA
Don Etter, Public Member
Sam Cotterell, CPA
Larry Stewart, LPA
Barbara Porter, Executive Director; Chris Arthur, Investigative Coordinator and Steve Drake, Attorney were also in attendance. Also in attendance were David Costello, CEO, NASBA; Dennis Spackman, Regional Director, NASBA; John Travis, Chair, ISCPA; Melissa Nelson, Executive Director, ISCPA; Jerry Berggren, CPA; Betty Jo Berryman, LPA and Bill Tonkin, CPA.

1. (A) UAA Video: The Board members and staff viewed the video provided by the AICPA and NASBA concerning the New Uniform Accountancy Act.

(B) Approve Minutes: Mr Van Orden motioned to approve the minutes of the December 10, 1997 Board meeting. Mr. Etter seconded the motion. Motion carried.

2. EXECUTIVE SESSION: LaVern Gentry, Chair, citing *Idaho Code* Section 67-2345 (1)(b) (d) and (f), called for a vote to adjourn to executive session for discussion of employee evaluations, complaints and disciplinary proceedings before the Board. All members of the Board present voted as follows: LaVern Gentry, CPA, yes; Alan Van Orden, CPA, yes; Curtis Pope, CPA, yes; Leonard Hodge CPA, yes; Don Etter, yes; Sam Cotterell, CPA, yes and Larry Stewart, LPA, yes. The Board adjourned to executive session at 8:35 AM.

The regular session resumed at 10:05 AM.

The Board addressed the items from the April 21, 1998 Executive Session.

Mr. Etter motioned to approve the minutes of the December 10, 1997 Executive session. Mr. Pope seconded the motion. Motion carried.

Docket #95-02: Mr. Cotterell motioned to accept the bankruptcy discharge and close the docket. Mr. Etter seconded the motion. Motion carried.

Docket #97-06: Mr. Cotterell motioned in to deny the request for licensure, citing a failure to meet the qualifications in accordance with 54-210 (b). Mr. Van Orden seconded the motion. Motion carried. Mr. Gentry and Mr. Stewart recused themselves from discussion on this matter and abstained from the vote.

Docket #98-01: Mr. Etter motioned to dismiss the complaint and close the docket. Mr. Hodge seconded the motion. Motion carried. As investigators of this case Mr. Gentry and Mr. Cotterell abstained from voting in this matter.

Docket #98-03: Mr. Cotterell motioned that we enter into a consent agreement with one year suspension of his CPA license, require an additional ethics course acceptable to the Board, eight hours of continuing education on practicing before the IRS, reimbursement of legal and investigative expenses and before reinstatement he must be current with the Board's qualifications. Mr. Pope seconded the motion. Motion carried. Mr. Van Orden recused himself from the discussion of this matter and abstained from the vote.

3. NATIONAL ISSUES:

(A) Exam - Pass Fail Grading: The Board was asked if they would be in favor of moving to a Pass/Fail scoring procedure that maintains a conditioned status and provides diagnostics to failing candidates. Four members were in favor of moving to the Pass/Fail scoring procedure, two were against. None of the members were in favor of maintaining awards. The Board reviewed correspondence from Kentucky, Iowa and Nebraska supporting a request for proposal for testing vendors. The Board opposes a RFP for testing vendors and directed Ms. Porter to respond. The Board was asked if they supported NASBA Exam Committee's interest in eliminating essays. The Board has no overwhelming support for essay questions on the Uniform CPA exam. The Board supports migration to a computer-based exam, and would forego essays to accommodate the change. The Board discussed the November 1997 exam grading errors, no action was needed.

(B) NASBA Bylaws - NASBA request and Mississippi request for input: The Board reviewed the request for suggested revisions to NASBA's Bylaws. No changes were recommended by the Board. The Board was asked to participate in a survey from the Mississippi Board of Accountancy. The Board members chose not to respond to the survey.

(C) Ethics Standards Committee: Mr. Hodge volunteered to participate on the Ethics Committee as being overseen by Mr. Spackman.

(D) CredentialNet Services: The Board reviewed correspondence from NASBA introducing

CredentialNet Services. NASBA's new program is designed to assist accountants by tracking licensure information that will facilitate interstate licensure and tracking CPE.

(E) Public Perception Committee: The Board had no questions that they wanted addressed by this national committee.

Mr. David Costello, CEO NASBA and Mr. Dennis Spackman, Region Director attended the Board meeting to address issues concerning the new Uniform Accountancy Act. The informal session allowed Board members and representatives from the ISCPA to hear NASBA's perspective and ask questions.

4. EXAMINATION:

(A) Approve May 1998 Applicants: Mr. Hodge motioned to approve the attached list of candidates for the May, 1998 CPA Exam including those brought before the Board for special consideration. Mr. Van Orden seconded the motion. Motion carried.

(B) Special Consideration: The following candidates were brought before the Board for special consideration in sitting for the May 1998 exam:

Paul Atkins
Greg Busmann
James Hammack
Marie Haynes
James Huggins
Steve Krause
Caesar Pereira
Randy Rhuman

Elina Annas requested a refund of her November 1997 examination fees due to a family illness. Ms. Annas is currently taking care of her mother and is unable to commit to taking the exam at this time. Mr. Hodge motioned to refund the examination fees due to the extraordinary circumstances in this situation. Mr. Etter seconded the motion. Motion carried with Mr. Pope voting no.

(C) Approve November 1997 Grades and Designate High Candidate: Mr. Cotterell motioned to approve the grades from the November 1997 examination and designated the following high scoring candidates:

(1st) Cecily Vaughn, (2nd) Katherine Jones, (3rd) Kevin Coombe, (4th) Timothy Homer, (5th) Victoria Owens, (6th) Deni Balch, (7th) Annette Dillion and Natalia Jernegan, (8th) Brian Cox, (9th) Scott Taylor, (10th) Ryan Kirkham, (11th) Shane Gentry, (12th) Ryan Gregersen, (13th) Heidi Schaff and Jason Wood, (14th) Christian Drake. Mr. Pope seconded the motion. Motion carried.

(D) Void Grades from the November 1997 Examination: Mr. Hodge motioned to void the grades for the November 1997 examination of Mr. David Merrick for failing to sit for all parts. Mr. Pope seconded the motion. Motion carried.

(E) *Proctor Assignments - May 1998 Examination:* Proctor assignments for the May 1998 examination are as follows: Boise Site - Barbara Porter and Chris Arthur with Mr. Cotterell on Wednesday and Mr. Gentry on Thursday; Moscow Site - Sandy Gentry and Mr. Etter; Pocatello - Kris Yettick and Mr. Van Orden. Mr. Van Orden asked for the Board's consideration in hiring a proctor for both days of the May exam. Mr. Etter motioned to authorize Mr. Van Orden to hire a proctor at the rate of \$75.00 per day. Mr. Pope seconded the motion. Motion carried.

5. APPLICANTS FOR LICENSURE:

(A) *Review Applicants:* Mr. Van Orden motioned to approve the following applicants for licensure. Mr. Stewart seconded the motion. Motion carried.

EXAM	CP-3575	12/12/97	JONES, DAVID F
R-UT	CP-3576	1/07/98	EARL, DENNIS T
R-AZ	CP-3577	1/07/98	ANDERSON, TIMOTHY N
EXAM	CP-3578	1/07/98	ZAIDI, AHSAN JAFER
EXAM	CP-3579	1/07/98	MACDONALD, JONATHAN BRENT
EXAM	CP-3580	1/07/98	SHARK, REX KENNETH
R-AL	CP-3581	1/07/98	REID, AMI T
R-WA	CP-3582	1/07/98	MURPHY, KAREN L
TG-MT	CP-3583	1/07/98	MARTINSON, JODY A
R-CA	CP-3584	1/07/98	HOGSETT, KANDACE K
R-AK	CP-3585	2/05/98	KEENE, CINDY L
EXAM	CP-3586	2/05/98	STEVENS, JULIE R
EXAM	CP-3587	2/05/98	TOLMAN, STEPHEN EDWARD
EXAM	CP-3588	2/05/98	YOST, JILL E
EXAM	CP-3589	2/05/98	MORRIS, NICOLE TERRA
EXAM	CP-3590	2/05/98	HENINGER, SHIRELLE DEE
EXAM	CP-3591	2/05/98	PONOZZO, SHELLEY R
EXAM	CP-3592	2/05/98	DOSTER, BRIAN G
EXAM	CP-3593	2/05/98	LARSON, CHRISTOPHER STEVEN
EXAM	CP-3594	2/05/98	BRUSH, DEBRA MAE
EXAM	CP-3595	2/05/98	EXLEY, DUSTIN DWAYNE
R-FL	CP-3596	3/10/98	RYDER, TERRY W
EXAM	CP-3597	3/10/98	JENNINGS, JASON RAY
EXAM	CP-3598	3/10/98	BOWMAN, BRANDIE ANN
TG-CA	CP-3599	3/10/98	PERRYMAN, CHRISTOPHER T
TG-NV	CP-3600	3/10/98	SMITH, KEVIN R
R-CO	CP-3601	3/10/98	LONGMORE, GARY LESTER
EXAM	CP-3602	3/10/98	MONROE, JAMES EDWARD
EXAM	CP-3603	3/10/98	TAYLOR, SCOTT D
EXAM	CP-3604	3/10/98	COX, LAURA L
EXAM	CP-3605	3/10/98	CAMPER, MICHELLE DIANE
R-CA	CP-3606	3/10/98	NUNEZ, ELENA G
EXAM	CP-3607	4/01/98	AFFLECK, JARED D
EXAM	CP-3608	4/01/98	DRAKE II, CHRISTIAN
EXAM	CP-3609	4/01/98	GROESBECK, JOHN DEAN
EXAM	CP-3610	4/01/98	JONES, KATHERINE M
EXAM	CP-3611	4/01/98	MORGAN, RICHARD THOMAS
EXAM	CP-3612	4/01/98	PAYNE, KURT THOMAS
R-WA	CP-3613	4/01/98	SERLES, VICTORIA K

R-MT	CP-3614	4/01/98	TIMBOE, TODD J
EXAM	CP-3615	4/09/98	ATKINS, STEVEN K
EXAM	CP-3616	4/21/98	GARRISON JR, RONALD DEAN
EXAM	CP-3617	4/21/98	SHROPSHIRE, DARCY L
R-CA	CP-3618	4/21/98	MECHAM, BRYAN N

(B) Ethics Examination for 5 out of 10 Rule Candidates: The Board was asked if they would approve any ethics examination for reciprocity applicants who have been licensed 5 out of the last 10 years, if they met that state's original licensing requirements. The Board determined that if the applicant was licensed 5 out of 10 years, any ethics examination approved by the other state is acceptable. If an ethics examination was not required by the state of original licensure, then one must be taken.

6. TREASURER'S REPORT: The Board reviewed the Treasurer's report through March 31, 1998. No motion was needed.

7. DIRECTOR'S REPORT:

(A) Appointment of Legal Counsel: Ms. Porter asked the Board if they want to continue with Moffatt Thomas, using Steve Drake as our legal counsel. Mr. Etter motioned to appoint Steve Drake to represent the Idaho Board of Accountancy at the rate of \$120.00 per hour. Mr. Van Orden seconded the motion. Motion carried.

(B) Accepting Credit Cards for Exam & Licensure Fees: The Board was asked if there was any interest in allowing the use of Master Card and Visa to pay examination and licensure fees. After a review of the cost, the Board declined to initiate the program at this time.

(C) Director's Activities: Ms. Porter provided the Board with an update on the staff's activities for December, 1997 through March, 1998.

(D) Legal Residency for Licensure: Ms. Porter informed the Board that California now requires Legal Residency for licensure. The Board reviewed information provided them by Ms. Porter. Idaho requires residency for the exam candidates, but not for licensure. California's precedence may ultimately impact other state's residency requirements.

NEXT BOARD MEETING DATE: The next Board meeting is scheduled to be held June 17, 1998 at 8:00 AM.

There being no further business to be brought before the Board, the regular session adjourned at 5:00 PM.

LaVern Gentry, Chair

Alan Van Orden, Vice-Chair

Leonard Hodge, Secretary