OKLAHOMA ACCOUNTANCY BOARD

MINUTES OF MEETING

January 21, 2005

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, January 21, 2005 in Suite 269, 4545 N. Lincoln Boulevard, Oklahoma City, Oklahoma. A tape recording of the meeting is on file in the OAB office. Members present at the meeting:

Carlos E. Johnson, CPA, Chairman
J.H. Jay Engelbach, CPA, Vice Chairman
E.B. St. John, PA, Secretary
Tom Volturo, Representing the Public
James A. Nickles, CPA, Member
Janice L. Gray, CPA, Member
Vicky Petete, CPA, Member

Also in attendance at the meeting: Staff: Edith Steele, Executive Director and Kelly Brown, Deputy Director; Jim Shepherd and Donita Graves; David Kinney, Assistant Attorney General. Guests: Daryl Hill representing the Oklahoma Society of CPAs; Jim Nolen and Peggy Johnson representing the Oklahoma Society of Accountants. Others: John Crittenden, Assistant Attorney General and Jana Hazelbaker, court reporter were also present for relevant segments of the meeting.

Agenda Item #1a -- Call To Order: At 8:33 a.m. Chairman Johnson called the meeting to order.

Agenda Item #1b -- Declaration of Quorum: All members were present and Chairman Johnson declared a quorum present.

Agenda Item #1c – Announcement of Absences and Action, if Necessary, to Determine Whether Absence(s) Was Unavoidable Pursuant to Title 59, Section 15.3.B.5: No absences pursuant to Title 59, Section 15.3.B.5 were declared.

Agenda Item #1d – Announcement of Legal Meeting Notice: Executive Director Steele stated that notice of the meeting was filed with the Secretary of State and the agenda for the meeting was posted in the reception area of the OAB's office in compliance with the Open Meeting Act.

Agenda Item #2 – Announcement of Visitors: Executive Director Steele read the names of the visitors present.

Agenda Item #3 – Public Comment Period: Executive Director Steele advised the OAB that she had received a request from Peggy Johnson but that she had withdrawn her request.

Agenda Item #4 – Consent Agenda: The Consent Agenda contained 3 items for the OAB's consideration. (1) Approve the minutes of the December 17, 2004 Board Meeting; (2) Ratify list of inventory and equipment transferred to Surplus Property; and (3) Ratify actions taken by the Executive Director on applications and registrations filed since the previous meeting. (Appendix 1)

Member Gray directed the OAB staff to post on its website the states which allow non-notification with regard to substantial equivalency. She also suggested adding this information to the OAB's next Bulletin.

> Petete moved to approve the Consent Agenda; St. John second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #6 – Discuss and Act on Proposed Draft of Permanent Rules Promulgation (Subchapters 10:15-27-8 and 10:15-27-9 only): Executive Director Steele noted that the OAB's registration fees had not been increased since 1977 and prior to that the last fee increase was in 1968. She stated that the permit fee was established in 1983 and was increased in 1992 but has not been increased since. She commented that it had almost been thirty years since the registration fees have been increased. She referenced the fees charged by other state regulatory agencies and the state accountancy boards from the contiguous states and added that based on that data, the fee increases proposed are reasonable.

> St. John moved to adopt proposed rule amendments as outlined in Tab 6 to raise the fees; Engelbach second.

Ms. Steele noted a scrivener error in 10:15-27-8(a)(2) that the "d" should be deleted from the word "licensed" and the word "of" be inserted to read: "In addition to the regular registration fee, there shall be a fee for registering later than twelve (12) months following the lapse date of the certificate or license of Two Hundred Dollars ($200.00)."

> St. John amended his motion to include the correction of the scrivener's error; Engelbach amended his second.

Ms. Steele noted a scrivener error in 10:15-27-8(1) and (b) that instead of the date being June 30 it should be July 31.

> St. John amended his motion to include the correction of the scrivener's error from June 30 to July 31 in both 10:15-27-8(1) and (b); Engelbach amended his second.
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> Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #5a – Report on the Verification of the Administrative Posting of Window 3 Scores to the Board's Records: Member Petete reported that the same testing procedures used to verify grades of exams in prior reporting periods were used to verify the grades and that no errors were found.

Agenda Item #5b – Consideration and Vote to Certify the Scores from the Window 3 Examination: The OAB considered the official grade report from Window 3 of the CBT examination issued by the NASBA CPA Examination Review Board.

> Petete moved that the OAB certify the scores from Window 3 of the CBT examination; Nickles second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

The following 25 candidates successfully passed the Certified Public Accountant Examination:

Name	Name
BENTLEY, RACHELLE LYNN	MARSHALL, CYNTHIA DYANN
BONDS, STEVEN RAY	MAYHEW, ERIN AMANDA
CRAIG, DAVID ALAN	MCINTOSH, AMY BRAMBRINK
EVANS, HOWARD MARTIN	MCKINLEY, REGINA LOUISE
GARCIA, PAUL CHRISTOPHER, JR.	MONTGOMERY, FRANCINE W.
GARDNER, REBEKAH FORREST	QIU, HAIYING
HARTLEY, JAMI RUTH	SMOOT, AMY JO
HARTMAN, MATTHEW STEPHEN	SNYDER, EMILY JEAN
ISBELL, AMY LEANN	STEWARD, TY ROBERT T.
ISLEY, MARIAH CATHERINE	TAYLOR, ERIC LEE
JENNINGS, JEREMY CASTO	WILLIAMS, MARGARET MARY
KAHLE, JERRILYN ALLEY	WILLIAMS, MICHELLE KAYE
KAVANEY, JULIE LYNN	

Agenda Item #5c – Authorization to Notify All Candidates of the Official Examination Scores and to Notify Candidates Who Have Completed the Examination to Make Application for Certification:

> Petete moved to authorize the staff to notify all candidates of their scores and those that have completed the examination to apply for certification; Gray second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #7 – Discuss and Act on Proposed Policy for the Destruction of Audio Tapes or Handwritten Notes Taken at Board Meetings:

Volturo moved to approve the recommendation of staff to retain the tapes for a thirteen-month period after the minutes are approved; Engelbach second.

Nickles moved to amend the recommendation of staff to retain the tapes for a forty-eight month period. Motion failed for lack of a second.

Nickles moved to amend the recommendation of staff to retain the tapes for a thirty-six month period. Motion failed for lack of a second.

Nickles moved to amend the recommendation of staff to retain the tapes for a twenty-four month period. Gray second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Volturo moved to approve the recommendation of the staff and based on the approved amendment to the motion moved to retain the tapes for a twenty-four month period after the minutes are approved; Engelbach second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, and Gray. Negative vote: Nickles. Motion passed.

POLICY
DESTRUCTION OF AUDIO TAPES TAKEN AT BOARD MEETINGS

Audio tapes will be kept for a 24-month period, after which the tape will be destroyed.

Agenda Item #8a – Act on Recommendation to Lift the Suspension of Certificate No. 3273, Noel Ancil Wyatt, which was Suspended May 17, 2002 for Conviction of a Felony:

Engelbach moved to lift the suspension of Certificate No. 3273 for Noel Ancil Wyatt and reinstate the certificate on a probationary period concurrent with the Court's probationary period; St. John second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #8b -- Administrative Actions Taken: Vice Chairman Engelbach presented a written summary of investigative files and administrative actions taken, with recommendations for the disposition of each.

> Engelbach moved to assign Case Nos. 1594, 1595, 1596, 1597, 1598 and 1599 be assigned to the Administrative Law Judge; Gray second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #9a – Discuss and Act on Presentation Ceremony Committee Report and Recommendations: Chairman Johnson presented a report. He explained that it was the intent of the committee to hold the presentation ceremony on a Saturday afternoon at the State Capitol, preferably in the Senate Chamber. He emphasized that the presentation ceremony will honor those who pass the CPA examination. Chairman Johnson directed that the results of a survey of successful candidates conducted by the OAB staff with regard to the presentation ceremony be given to representatives of the OSCPA and the OSA.

Agenda Item #9b – Discuss and Act on the Committee Report and Recommendations of Review Procedures and Qualifications of Independent Auditors Filing Reports: Mr. Volturo presented a report regarding those firms and sole proprietors who have not responded to the first letter requesting affidavits and peer reviews. Mr. Volturo recommended sending a certified letter and if no response is received, those names will be removed from the list "Independent Auditors Registered To Perform Audits Of Government Entities."

Member Gray proposed the inclusion of a statement within the certified letter requiring a response from the firm within 30 days. Chairman Johnson explained that there will be firms which have been performing governmental audits but have not had a peer review and those firms could be subject to enforcement.

Member Gray left the meeting at 10:57 a.m.

Agenda Item #9c – Discuss and Act on CPE Committee Report and Recommendations Regarding Grass Roots Seminar: Secretary St. John requested his report be deferred until the next OAB meeting.

Agenda Item #10 – Director's Report: Executive Director Steele presented her report addressing the following issues:

- Staff currently understaffed by 3 full-time employees for medical reasons.
- Reconfiguration of the board's current office space

Member Gray returned to the meeting at 11:00 a.m.

Agenda Item #11 – Information Technology Director's Report: The OAB's IT Director, Jim Shepherd presented his quarterly report and addressed upcoming projects. Chairman Johnson requested a schedule of replacement of hardware in the next report. He directed that a copy of Coalfire's executive summary report be included in the next report along with a status report of staff's implementation of Coalfire's security assessment recommendations. He requested that a total accumulating tabulation of the OAB's information technology conversion costs be continued.

Agenda Item #12a – Chairman's Report: Chairman Johnson addressed the following issues:

- Finish vision statement of the OAB
- Review and update Strategic Plan
- Implement Statute in accordance with the Yellow Book provisions
- Evaluate registrants holding out in an alternative practice structure
- Evaluate how implementation of Peer Review will affect the activities of the OAB staff
- Implementation of Substantial Equivalency in all states by NASBA and the AICPA and other associations
- Changes to the Uniform Accountancy Act (UAA)
- Review of Ethics requirements by the (PEEC) Committee
- Inclusion of information about the new requirements regarding Independence (Rule 101-3) in the OAB's next Bulletin

Agenda Item #12b -- Next Meeting Date Announced: The next OAB Meeting is scheduled for 8:30 a.m., February 18, 2005 in Conference Room 269 at the Lincoln Office Plaza in Oklahoma City.

Supplemental Agenda – Discuss and Act on Proposed Draft of Emergency Rules Promulgation (Subchapters 10:15-27-8 and 10:15-27-9 only): Executive Director Steele noted a scrivener error in 10:15-27-8(2) that the "d" should be deleted from the word "licensed" and the word "of" be inserted to read: "In addition to the regular registration fee, there shall be a fee for registering later than twelve (12) months following the lapse date of the certificate or license of Two Hundred Dollars ($200.00)."

> Gray moved to adopt the proposed emergency rules as amended; Engelbach second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, and Gray. Abstained: Nickles. Motion passed.

Agenda Item #13 – New Business: No new business.

Case No. 1592 -- Show Cause Hearing in the Matter of the Application to Reinstate the CPA Certificate of Robert C. Burcham: Assistant Attorney General Kinney stated that the show cause hearing in the matter of the application to reinstate the CPA certificate of Robert C. Burcham would have to be rescheduled since the Respondent failed to appear at the scheduled time of 9:30 a.m.

Agenda Item #14 – Adjournment: There being no further business to come before the OAB, at 11:37 a.m. Chairman Johnson adjourned the meeting.

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Carlos E. Johnson, Chairman

ATTEST:

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E. B. St. John, Secretary

APPENDIX 1

CERTIFICATE CANCELLED BY REGISTRANT'S REQUEST:

CPA:
Douglas E. Strubbe, Certificate No. 15190-R, issued August 24, 2001
(no longer practicing in Oklahoma)

DECEASED REGISTRANTS:

CPAs:

Lavina S. Hussey, Certificate No. 5724, issued July 27, 1981
Roger H. Mayer, Certificate No. 8001, issued January 31 1985
Jack P. Revell, Certificate No. 1459, issued February 4, 1961
Frank Lyman Tibbitts, Certificate No. 8380, issued July 26, 1985
Edwin W. Weaver, Jr., Certificate No. 13397, issued January 29, 1996

DISSOLVED FIRMS:

CPA Partnership:

Rice & Vowel

CPA Corporations:

Ed Weaver, CPA, P.C.
J. Gary Hargis CPA, Inc.
Roy A. Ober, Inc.
Stotts, Barclay, Pettus, Moore, Whipple and Dugan, Inc.

CPA Limited Liability Company:

Ross Fred Reavis, Jr., CPA, P.L.L.C.

Applications and Registrations Approved: The OAB took official notice of the following applications and registrations, which have been approved by the Executive Director:

APPLICATIONS FOR CERTIFICATION (Successful Candidates):

15963	April Diane Sandbothe
15966	Bryon Lee Briggs
15967	Chad Oliver Byerly
15970	Dana Maria Collins
15971	Jason A. Herr
15974	Sheridan Rebecca Judd
15980	Kevin Germaine Marshall
15982	Kevin Lee McGuire
15989	Rebecca Ann Tomajan
15990	Christopher Alan Turner
15991	Richard Anthony Wehby, Jr.

APPLICATIONS FOR RECIPROCAL CERTIFICATES:

16001-R	Brenda Hyland Berry
16002-R	Kimberly J. Mapes
16003-R	Nathan Michael Young

APPLICATIONS FOR SUBSTANTIAL EQUIVALENCY (Based on State SE Recognition):

Cynthia Fran Darting (Kansas)
John David Desmond (Minnesota)
Jeffrey Scott Hunter (Kansas)
Karen Louise Keehn (Kansas)
Robert W. Kimbro (Louisiana)
James Anderson Koerber (Mississippi)
Richard John Larkworthy (Virginia)
Mark Lloyd Lavalle (Missouri)
Angela Dawn Lensing (Arkansas)
Joseph E. Madden (Texas)
Marcella A. Maschino (Kansas)
Ryan T. Metko (Minnesota)
George Michael Murphy (Texas)
Charles Edwards Peters (Texas)
Virginia Ann Powell (Kansas)
Shana P. Rains (Kansas)
Margaret Elizabeth Schenz (Alabama)

APPLICATIONS FOR SUBSTANTIAL EQUIVALENCY (Based on State SE Recognition) (Continued):

Traci Sowersby (Minnesota)
Michael R. Sparling (Michigan)
Joseph Peter Vande' Bosch (Indiana)
Kenneth L. Wise (Minnesota)

DENIED APPLICATIONS FOR RENEWAL OF SUBSTANTIAL EQUIVALENCY (Based on the State) DUE TO BEING UNABLE TO VERIFY CPA CERTIFICATION/LICENSURE:

Brook Burroughs (Illinois)
Dee Ann Krause (Illinois)

APPLICATIONS FOR REINSTATEMENT OF CPA CERTIFICATES:

8698	James Kevin Turner
11515	Donald Ray Cummings
13184	James E. Roth, II

INITIAL REGISTRATIONS OF CPA PROFESSIONAL CORPORATIONS:

James R. Robertson PC
Jyl J. Jarnigan, P.C.
Ober & Associates, Inc. PC
Reavis & Associates, P.C.
Stotts, Barclay, Pettus, Moore & Whipple, P.C.

INITIAL REGISTRATIONS OF CPA PROFESSIONAL LIMITED LIABILITY COMPANIES:

Rhonda Little Tax Service, PLC
Rice & Vowel CPA, PLLC

4629.

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