OKLAHOMA ACCOUNTANCY BOARD

MINUTES OF MEETING AND HEARINGS

May 16, 2003

The Oklahoma Accountancy Board convened in regular session on Friday, May 16, 2003 in Suite 284, 4545 N. Lincoln Boulevard, Oklahoma City, Oklahoma. 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 Board's office in compliance with the Open Meeting Act. A tape recording of the meeting is on file in the Board office. Members present at the meeting:

Archer M. Honea, Chairman
Tom Dugger, Vice Chairman
James A. Nickles, Secretary
Carlos E. Johnson, Member
E.B. St. John, Member
J.H. Jay Engelbach, Member
Tom Volturo, Public Member

In attendance at the meeting: Edith Steele, Executive Director; David Kinney, Assistant Attorney General and Prosecutor for the Board; Barbara Walker, Paulina Coffman, and Donita Graves, Board staff members. Daryl Hill and Rusty Hale represented the Oklahoma Society of CPAs. Peggy Johnson represented the Oklahoma Society of Accountants. Janice L. Gray, CPA, and Alan Hart, CPA, attended the meeting. John Crittenden, Assistant Attorney General; Rick Chamberlain, Special Prosecutor; James Bond; J. Phillip Bond; and Jeannette Timmons, former public member of the Board, were also present for relevant segments of the meeting.

Call To Order: At 8:31 a.m. Chairman Honea called the meeting to order and declared a quorum present.

Consent Agenda: The Consent Agenda contained 4 items for the Board's consideration: (1) Approve the minutes of the April 18, 2003 Board meeting; (2) Authorization to surplus the Board's unused or broken furniture and equipment; (3) Take official notice of the Report on the Audit of the Financial Statements for the Fiscal Years Ended June 30, 2001 and June 30, 2002 issued by the State Auditor and Inspector; (4) Take official notice of the Board's Statement of Cash Receipts and Disbursement for the period ended March 31, 2003; (5) Take official notice of the files acted on by the Executive Director since the previous meeting.

Chairman Honea asked Assistant Attorney General Kinney if the minutes from April needed to be deferred. Mr. Kinney responded by offering to provide legal analysis to the Board with regard to the Chairman appointing a second Board

member to the investigative committee in enforcement matters. He further offered to provide recommendations to the Board for consideration for rules changes next year with regard to clarifying any ambiguity within that rule. Chairman Honea accepted his assistance with the suggestion that he look at other accountancy boards across the nation and how they operate. Mr. Johnson recommended that the Assistant Attorney General review the Board's statutes and rules and not what other accountancy boards were doing. Chairman Honea added that it was a moot issue anyway since he had appointed E.B. St. John to be the second Board member receiving information on enforcement issues in April.

Mr. Johnson presented changes to the minutes from the April Board Meeting. He addressed the item of waiving a reinstatement fee for Mr. Kenneth Harold Yazel without his submitting a reinstatement application. Upon further research, Mr. Johnson informed the Board that Mr. Yazel was the County Assessor for Tulsa County and that this had not been disclosed by the Board member who presented this item for discussion at the April meeting. Mr. Johnson emphasized that Mr. Yazel is a public official whose position could affect the taxes assessed to Board members with property in Tulsa County. He noted that more disclosure should have been provided at the April Board meeting. Chairman Honea declared that Mr. Yazel had never requested or received special favors from the Board. Mr. Johnson expressed concern of lack of disclosure when waiving a reinstatement fee when there are specific rules in place regarding the reinstatement process. Chairman Honea stated that it had not been his intent to withhold pertinent information from the Board and that he was not aware of any special favors offered to or received by any Board member. Mr. Volturo recalled that at the last meeting, he had asked if proper procedures had been followed by the Board with regard to waiving reinstatement fees and he had received an affirmative response that reinstatement applications are required to be filed by the Board. He requested that the record reflect that a reinstatement application had not been filed by Mr. Yazel and therefore procedures had not been followed.

Mr. Johnson noted that the Board had received the Audit report and the SAS 61 letter, which is a required communication that the Board's accounting policies were in conformity with GAAP for governmental entities. He stated that a clean opinion was issued by the State Auditor's office and that that there had been no disagreements with management and the auditors encountered no difficulties in performing the audit. Vice Chairman Dugger expressed appreciation to Members Engelbach for his service to the committee and Johnson for his background in GASB 34.

> Dugger moved to accept the Consent Agenda with comments and amendments by various members of the Board to the minutes of the previous month's meeting; Volturo second. Affirmative votes: St. John, Engelbach, Dugger, Honea, Volturo, and Johnson. Nickles abstained on the basis that he was not present at the April meeting.

Discuss and Act on Proposal to Notify Providers of Self Study Programs of the New CPE Standards Effective January 1, 2004: Vice Chairman Dugger urged that a letter be mailed to CPE providers about the new CPE standards adopted by the Board effective January 1, 2004. He expressed concern that some CPE sponsors are not aware that the Board has adopted the national standards for CPE. He added that the OSCPA and the OSA could assist in compiling a list of CPE providers. CPE Coordinator Barbara Walker stated a number of CPE providers are listed on NASBA's website. Vice Chairman Dugger expressed another concern with regard to registrants not knowing the CPE taken did not qualify in Oklahoma until the time of the CPE audit. He proposed having the letter available for mailing to other providers when requested. Mr. Engelbach posed the question that since the Board does not know all of the CPE providers in existence, would notifying some and not all present a problem. Vice Chairman Dugger suggested that the letter could also be included on the Board's website. Secretary Nickles asked if it should be a form letter. Vice Chairman Dugger responded in the affirmative and added that letter should eliminate future problems and make CPE compliance easier for registrants. Executive Director Steele posed the scenario of a registrant notifying the Board office that a problem with a sponsor exists and stated that the staff could mail the same letter to the sponsor.

> Dugger moved to direct staff to provide to known CPE providers a letter indicating that the Oklahoma Board has adopted the national standards and indicating its effective date and in addition a notice be put on the website so that people could obtain the same information; Nickles offered the amendment that letter provided be a form letter. Dugger accepted amendment. Nickles second as amended. Johnson offered the amendment that an initial mail-out be sent to those providers that the Board, the OSCPA, the OSA, and NASBA are aware of and after the initial mail-out, the letter is posted on the website. Johnson offered another amendment that a date of July 1 or August 1 be put on the letter and after that date, the letter be posted to the website. Dugger accepted the amendment. Nickles offered the amendment that the Board members see the letter before it is sent out. Amendments accepted. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

Discuss and Act on Proposed Timeline for the Promulgation of Emergency Rules: Executive Director Steele explained the procedure for promulgating emergency rules. She informed the Board that upon approval of the emergency rules, the process of making these rules permanent will have to be done in January. She explained the reason for emergency rules was related to the fees after the House of Representatives' legal counsel and the Governor's Office did not believe proper notice was given regarding the amount of the fee increase and that the proposed language, "an amount to be determined by the Board" was not acceptable. She stated that the rest of the rules presented to the legislature were still intact. She addressed the need to increase the examination fee to the maximum fee of $300 before the CBT is implemented in April. She explained that the first step upon in the emergency rules process is justifying the need for emergency rules and receiving permission from the Governor's office and the legal counsel of the House Rules Committee to move forward. Secretary Nickles asked why not use the language, "not to exceed the amount authorized by statute" to

prevent having to go through this process every year. Ms. Steele responded that the Governor's office and the legislature do not want the language to be subjective and that such language could create the potential of fee disparity. Mr. Johnson noted that the both the Governor's office and the legal counsel for the House Rules Committee had stated that there was precedence in legislative authority that required all fees be specifically stated.

Executive Director Steele raised the question of when the Board wanted to begin the emergency rules process. Chairman Honea asked if other agencies were going through the emergency rules process. Assistant Attorney General Kinney replied that a number of agencies had proposed rules similar to the Board's and theirs, too, had been rejected this year. Mr. Johnson noted that at the time the Board adopted the proposed rules, there had been discussion as to the language, "as determined by the Board" even though the Executive Director advised the committee that the language had to include a specific amount. Vice Chairman Dugger stated that in the recent past one of the Legislative Committees had suggested the Board use such language. He commented that the Board had always charged less than the statutorily allowed limit.

> Johnson moved that the staff be directed to draft emergency rules in the most expedient manner and to follow all the guidelines and requirements of the Administrative Procedures Act and Statutes; Nickles second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

Hearing in Case No. 1533 – William Dean Brenner a/k/a Dean Brenner, Non-Registrant: Special Prosecutor Kinney noted that this case had been stricken from the docket until further notice due to other developments related to the case.

Hearing in Case No. 1534 – Billy Erman Mitts, CPA, Certificate No. 5311: This matter came on for hearing at 9:08 a.m. The members of the Board present were seated on the hearing panel. Assistant Attorney General John Crittenden represented the Board. Special Prosecutor Rick Chamberlain represented the State. Respondent was not present nor represented by counsel. The purpose of the hearing was to determine whether (1) Respondent violated Section 15.14B(6) of the Oklahoma Accountancy Act, OAC 10:15-39-8(a) and/or OAC 10:15-39-9(4) by failing to fully disclose the charges in the First and Second Unlawful Possession Cases that were pending against him at that time; (2) Respondent violated Section 15.14B(3) of the Oklahoma Accountancy Act by pleading guilty to a felony in the case of State of Oklahoma v. Billy Erman Mitts, Case No. CF-2000-467, District Court, Garvin County; and (3) Respondent violated Section 15.14B(3) of the Oklahoma Accountancy Act by pleading guilty to a felony in the case of State of Oklahoma v. Billy Erman Mitts, Case No. CF-2001-127, District Court, McClain County.

Special Prosecutor Chamberlain presented a Consent Order signed by the Respondent whereby the Respondent consents to the following: (1)

Respondent's CPA Certificate will be suspended for a period of five years from the date of the Consent Order or until May 17, 2008; (2) Respondent will be assessed $3500 in administrative costs, the first half payable on or before July 15, 2003 and the second half payable on or before September 15, 2003; (3) Respondent will be fined the amount of $12,500 payable in four equal installments, first installment due by June 30, 2004, second installment due by June 30, 2005, third installment due by June 30, 2006, and the fourth installment due by June 30, 2007; (4) Respondent is required to complete 40 hours of CPE including 2 hours of Ethics by the end of this year. (5) For each year of his suspension, he is required to comply with the same CPE requirements required of a non-suspended registrant practicing public accounting to maintain his professional education; (6) Respondent agrees not to apply for reinstatement for a period of three years; (7) From the period of three years to five years, Respondent may apply for reinstatement. In addition to complying with all requirements for reinstatement, Respondent must also show successful completion of a drug treatment program, must produce at least three witnesses unrelated to the Respondent to testify as to his good moral character and show good cause as to why the Board should modify the terms of this Consent Order; and (8) If Respondent applies for reinstatement after five years, he must show all these things plus he must satisfy the Board that he had maintained his professional skills as a CPA during the suspension period; (9) By June 30 of each year during the suspension period, he must provide the Board with a signed affidavit which states under oath that he has not been involved in any criminal or drug-related activities during the previous year.

> Johnson moved to go into Executive Session; Engelbach second. Affirmative votes: Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.
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> Johnson moved to come out of Executive Session; Engelbach second. Affirmative votes: Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

Assistant Attorney General Crittenden noted for the record that no official business was voted on in Executive Session.

> Nickles moved that in the matter of Billy Erman Mitts, CPA, Case No. 1534, accept the Consent Order as presented by the Special Prosecutor; Johnson second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.
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> Nickles moved to adjourn the hearing; Johnson second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

The proceedings and the individual votes of the members were conducted in open session and were recorded by a court reporting service. The evidence is contained in Docket File No. 1534.

Show Cause Hearing in Case No. 1544 – James R. Bond, Revoked CPA: This matter came on for hearing at 9:45 a.m. The members of the Board present were seated on the hearing panel. Assistant Attorney General John Crittenden represented the Board. Special Prosecutor David Kinney represented the State. Respondent was present but was not represented by independent counsel.

The purpose of the hearing was to determine whether the Respondent's certificate should be reinstated. The Respondent's certificate had been revoked in August 2001 for failure to register. Respondent testified on his own behalf.

No witnesses were called by the state or by the Respondent, but Special Prosecutor Kinney cross-examined the Respondent.

> Johnson moved to go into Executive Session; Engelbach second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.
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> Nickles moved to come out of Executive Session; Johnson second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

Assistant Attorney General Crittenden noted for the record that during the Executive Session no votes were taken on official business.

> Johnson moved that based on clear and convincing evidence as noted in State's Exhibit 4, that questions 13 and 14 were answered in the negative and by the applicant's own testimony those questions were answered to avoid a hearing, that this application for reinstatement be denied; Engelbach second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.
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> Johnson moved to adjourn the hearing; Nickles second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

The proceedings and the individual votes of the members were conducted in open session and were recorded by a court reporting service. The evidence is contained in Docket File No. 1544.

Show Cause Hearing in Case No. 1545 – J. Phillip Bond, Revoked CPA: This matter came on for hearing at 11:07 a.m. The members of the Board present were seated on the hearing panel. Assistant Attorney General John Crittenden represented the Board. Special Prosecutor David Kinney represented the State. Respondent was present but not represented by counsel.

The purpose of the hearing was to determine whether the Respondent's certificate should be reinstated. The Respondent's certificate had been revoked in August 2001 for failure to register. Respondent testified on his own behalf.

No witnesses were called by the state or by the Respondent, but Special Prosecutor Kinney cross-examined the Respondent.

Mr. Johnson requested a recess in order to present Ms. Timmons with a special commendation for her service to the Board. Hearing recessed at 11:15 a.m.

Special Presentation to Jeanette Timmons for Her Service to the Board: Chairman Honea presented a clock to Ms. Timmons to commemorate her service to the Board as a public member.

Continuation of the Show Cause Hearing in the Matter of J. Phillip Bond, Revoked CPA: The same members of the Board previously seated were present. The hearing was reconvened at 11:18 a.m.

> Johnson moved to go into Executive Session; Nickles second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.
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> Nickles moved to come out of Executive Session; Johnson second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

Assistant Attorney General Crittenden noted for the record that during the Executive Session no votes were taken on official business.

> Johnson moved that this hearing in the matter of Case No. 1545 be continued for a period not later than December 31, 2003 so that the applicant may amend his application and offer proof of good moral character including successful completion of 10 hours of CPE group study related to Ethics in addition to the normal requirement of 2 hours of Ethics; such CPE group study shall be approved in advance by the Vice Chairman of this Board; Nickles second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.
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> Nickles moved to adjourn the hearing; Johnson second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

The proceedings and the individual votes of the members were conducted in open session and were recorded by a court reporting service. The evidence is contained in Docket File No. 1545.

Mr. Nickles left the meeting at 12:13 p.m.

Discuss and Act on the Board's Continuing Publication of Booklets Containing the Oklahoma Accountancy Act and Oklahoma Administrative Code: Executive Director Steele noted that the Act and the rules are available on the Board's website. She explained that it had been the practice of the Board to publish the Act and the rules in the form of a small booklet and mail a copy to all registrants and candidates any time there had been a change to the act and/or the code.

Mr. Nickles returned to the meeting at 12:15 p.m.

Ms. Steele stated that if a booklet were published, it would be outdated immediately if emergency rules were passed. She estimated that a booklet would have to be published at least once a year for the next few years. Mr. St. John suggested doing a special mailing to all registrants informing them that the changes are on the website. Vice Chairman Dugger recommended enclosing such a notice with the registration forms. Ms. Steele added that if a registrant did not have access to the Internet, they can contact the Board office and request a copy be mailed to them.

> Johnson moved that the Board post on its website the Accountancy Act and related rules; upon request by registrants, an 8 ½ x 11 copy be made available which would mean that booklets such as we have today would not be published; Dugger offered the amendment that the Board staff add a notification to the registration form for certificates and permits announcing the Board's position; Johnson accepted the amendment. Chairman Honea offered the amendment to include non-registrants who might request a copy; Nickles offered the amendment that the website should highlight changes made to the rules; Amendments were accepted by Johnson; Engelbach second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

Determine Who Will Be Attending the NASBA Regional Meeting in Portland, Oregon and Authorize Travel: Chairman Honea reported that Board members, Engelbach, St. John, Dugger, Johnson, Volturo, the Executive Director, and himself would be attending. Mr. Johnson noted that NASBA will be paying the cost for Board members Engelbach and Volturo in addition to new Board member Janice Gray to attend.

> Dugger moved to authorize travel to the Regional Meeting in Portland, Oregon; Nickles second but with the amendment that members attend the sessions. Dugger accepted the amendment. Affirmative votes: Nickles and Engelbach. Chairman Honea withdrew the vote and called for discussion.

Mr. Volturo raised the question of whether outgoing Board members should be attending such meetings. Chairman Honea replied that outgoing members had attended such meetings in the past. Based on the appropriateness of funds, Mr. Volturo questioned the purpose of an outgoing Board member attending a meeting on the grounds that knowledge obtained from the meeting would be of no benefit to the public. Chairman Honea stated that he was on the NASBA CPE committee until October 2003. Mr. Johnson asked what purpose that served the public in Oklahoma. He added that in the past, outgoing Board members Harold Russell and Sam Hunsaker had not attended the regional meeting in the years they were going off of the Board. He encouraged Chairman Honea to reconsider his decision to attend based on recent history and based on the fact that newspapers provide unpleasant coverage of such items. Mr. Johnson noted that Mr. Nickles attended the regional meeting held in California but only because he had been re-appointed to the Board.

Secretary Nickles commented that Chairman Honea should be allowed to attend due to the contacts he has made with NASBA throughout the years of serving the Board and serving on NASBA committees. Chairman Honea stated that he had been scheduled to attend a recent FARB conference but voluntarily withdrew because there was no need for so many Board members and staff to attend that particular conference. Mr. Johnson noted that only two Board members attended that FARB conference. Chairman Honea added that two staff members from the Board were also in attendance. Mr. Johnson noted that he and Mr. St. John had not attended a FARB conference since that one.

Mr. Volturo maintained that it did not send the right message for public Boards to be authorizing the travel for individuals who will not be serving the Board in the future. He commented that he had served on Boards in the past where outgoing members' travel had been restricted, especially when there are budgetary concerns. Chairman Honea raised the question that if attendance were a monetary issue, why are so many Board members attending? Mr. Johnson urged Chairman Honea to apply to NASBA to pay his expenses. He added that there had been a lot of debate and official action taken by the current legislature on the issue of travel. Chairman Honea replied that he had already made his hotel and plane reservations to attend. He added that the possibility existed of there being formal CPE activity occurring at the NASBA meeting concerning the CPE committee he was on. Mr. Johnson revisited the question of how the Chairman's attendance would serve the public of Oklahoma. Assistant Attorney General Kinney stated that since a majority of the Board will be attending the meeting, a notice will need to be posted at the Board office.

> Johnson offered the amendment to the motion that travel be authorized for attendees to be members Dugger, Johnson, and St. John; Nickles accepted the amendment. Dugger refused for the amendment to name the attendees. Affirmative votes: Dugger, Nickles, Honea; Negative votes: St. John, Engelbach, Volturo and Johnson. Motion failed.
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> Johnson moved that the Board authorize travel to the NASBA Regional Meeting in Portland, Oregon for Board members St. John, Dugger, Johnson, and Nickles if he decides to attend, and the Executive Director; Volturo second but with the amendment to authorize travel of himself and Board member Engelbach whose travel costs are being paid by NASBA as official business of the Board; Johnson accepted the amendment. Nickles offered his previous amendment that members attend the sessions. Johnson and Volturo accepted the amendment. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

Report from the CBT Examination Committee on the Progress of Prometric Site Visits and Decision Between Oklahoma Jurisdictional Sites or Prometric Sites: Executive Director Steele reported that there was a problem with the location of the bathrooms being around the corner and down the hall in relation to the examination room. She suggested that the Board might need to adopt policies addressing this situation. Mr. St. John commented that he was impressed with the set-up of five or six cameras inside the examination room and the rotation of observers during testing. He

added that the server containing the examination questions was located in a separate locked room. Secretary Nickles asked if the cameras can be seen by the persons taking the examination. Mr. St. John replied that one camera covered three workstations. Mr. Engelbach asked if the cameras have zooming capabilities. Ms. Steele explained that the sites in Oklahoma City and Tulsa were very similar. She addressed the issue of the sites retaining the videotapes from the cameras for a period of thirty days and that this issue might require future discussion by the Board should the Board decide the tapes need to be kept for longer periods. Mr. Johnson commented that the personnel at each site were receptive to making special accommodations.

Secretary Nickles addressed the possibilities of a tester cheating on the examination. Mr. Johnson explained that testers must empty their pockets and all such personal items are kept in lockers. Ms. Steele added that the only item the testers are allowed to keep in their possession is their ID, which enables them to go in and out of the examination room.

Mr. Volturo left the meeting at 12:44 p.m.

Ms. Steele noted they used a checklist furnished by NASBA to make sure all questions about the site were addressed and answered. Secretary Nickles asked if other exams will be given at the same time as the CPA examination. Mr. Johnson replied that the real estate, architect, medical, and GMAT examinations are also given at these sites just to name a few.

Mr. Volturo returned to the meeting at 12:45 p.m.

Ms. Steele stated that the sites were currently at 75% capacity and that the manager of the Prometric site in Oklahoma City requested demographics from the Board. She added that the manager offered to extend weekday and weekend hours for those taking the CPA examination. Mr. Johnson concluded that using Prometric's sites was the best route to go since these sites are already set up to administer computerized professional examinations.

Discuss and Appoint Budget Review Committee Member(s): Chairman Honea appointed Jay Engelbach and Janice Gray to the committee. Mr. Johnson volunteered to serve in place of Ms. Gray since she will not be on the Board when the budget is reviewed in June.

Report on the May 2003 CPA/PA Examination and Discuss Possible Repercussions as a Result of the Tornado Evacuation: Executive Director Steele reported on the incidents encountered at the Oklahoma City site during the FARE section Thursday afternoon. She explained that the first incident involved a candidate who fell and sprained her ankle. The second incident involved the evacuation of the examination room for 35 minutes due to a tornado alert. She explained that one candidate had already written to her commenting that the Board staff overreacted. Ms. Steele noted that the police officers on duty at the examination, in addition to the staff at the Cox Convention Center, ordered her to evacuate the examination room. She explained that upon her announcement of the evacuation, she announced the time as

being 4:55 and when the candidates returned to the examination room, the examination was resumed promptly at 5:30 so the remaining candidates were allowed to continue until 6:35 p.m.

Chairman Honea asked if she anticipated requests for leniency on grades and conditional credit. Ms. Steele replied that there was one candidate with conditional credit whom the grade made on this section might affect. Mr. Engelbach asked if the police remained in the examination room. Ms. Steele replied in the affirmative and added that Board staff member Jim Shepherd also remained in the examination room.

Election of Board officers: In response to a request, Assistant Attorney General Kinney confirmed that a second was not required when there were nominations from the floor.

> Volturo moved to nominate Carlos Johnson as Chairman; Engelbach second.
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> Nickles moved to nominate Tom Dugger as Chairman.
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> Votes for Johnson: St. John, Engelbach, Volturo, and Johnson; Votes for Dugger: Nickles, Dugger and Honea. Johnson is elected Chairman by a vote of 4-3.
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> Nickles moved to nominate Tom Dugger as Vice Chairman.
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> Johnson moved to nominate Jay Engelbach as Vice Chairman.
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> Votes for Dugger: Nickles, Dugger, and Honea; Votes for Engelbach: St. John, Engelbach, Volturo, and Johnson. Engelbach is elected Vice-Chairman by a vote of 4-3.
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> Johnson moved to nominate E.B. St. John as Secretary; Engelbach second.
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> Dugger moved to accept Mr. St. John's nomination as Secretary by acclamation; Volturo second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

Discuss and Authorize Oklahoma's Voting Representative at the NASBA Regional Meeting: Chairman Honea invited volunteers from those who are attending.

> Dugger moved to authorize Johnson as incoming Chairman to be the Board's voting representative for the regional meeting; St. John second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

The Board adjourned at 12:55 p.m. due to an evacuation of the building for a tornado warning. The Board reconvened at 1:10 p.m.

Dugger moved to authorize Engelbach as the Board's alternate voting representative for the regional meeting; Johnson second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

Announce Availability of Policy Manual: Chairman announced that policy manuals were available to Board members upon request.

Discuss Executive Director Evaluation and Act on Formulation of a Committee: Chairman Honea addressed that one of the policies the Board established was the annual evaluation of the Executive Director. He suggested that such an evaluation be done no later than the anniversary month of when Ms. Steele was hired as the Executive Director, which would be the November Board Meeting. He invited volunteers to serve on the committee. He requested Ms. Steele's input to the committee since the State of Oklahoma's Office of Personnel Management does not have an established evaluation procedure for exempt personnel. Chairman Honea suggested Secretary Nickles, Mr. Engelbach and Mr. St. John be appointed to the committee. They agreed to serve.

Johnson moved to approve the formulation of a committee with members Nickles, Engelbach, and St. John; Volturo second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

New Business: Mr. St. John extended his compliments to the staff on the preparation of the Board's Bulletin and recommended that the Board publish its newsletter on a regular basis. Chairman Honea added his compliments but suggested that the Board might want to consider discontinuing its publication based on the same principles for which the Board was no longer publishing booklets of the Board's laws and rules.

Next Meeting Date Announced: The next Board Meeting is scheduled for 8:30 a.m. June 20 in Suite 284, 4545 N. Lincoln Boulevard, Oklahoma City.

May 2003 Examination Administered: On May 7, 2003, the Oklahoma Accountancy Board commenced the 161st examination of candidates for the CPA certificate and PA license in Oklahoma City and Tulsa. Official attendance lists reflecting the 924 candidates who sat for the CPA examination are on file in the Board office. Such lists include all candidates who were approved for this examination, even those who did not sit. In addition to its own candidates, the Board examined 13 candidates for other states.

Deceased Registrants: **CPAs:** Gaylon K. Gathright, Certificate No. 11540, issued January 30, 1992; John H. Hackler, Certificate No. 817, issued July 28, 1952; David Scott Hill, Certificate No. 1712, issued February 8, 1964; Michael Wayne Jones, Certificate No. 7628, issued July 26, 1984; Vernon L. Lang, Certificate No. 1649, issued February 2, 1963; Billie Franklin Stewart, Certificate No. 491, issued July 26, 1947; Aaron Eugene Walker, Certificate No. 6747, issued January 17, 1983.

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

Applications for Reciprocal Certificates:

15659-R Cynie Allen Williams
15660-R Kenneth Wayne Williams, II

Application for Reinstatement of a CPA Certificate:

11758 Lydia George Couch

Initial Registrations of CPA Professional Corporations:

Joe McAlister, C.P.A., P.C.
Roger B. Waters, CPA, P.C.
R.P. Varner Co., P.C.

Initial Registrations of CPA Professional Limited Liability Companies:

Control Advisory Services, PLLC
Crowe Chizek and Company LLC (out of state)

Adjournment: There being no further business to come before the Board, at 1:15 p.m. Chairman Honea called for a motion to adjourn.

Nickles moved to adjourn the meeting; Johnson second. Affirmative votes: St. John, Engelbach, Nickles, Dugger, Honea, Volturo, and Johnson.

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Archer M. Honea, Chairman

ATTEST:

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James A. Nickles, Secretary

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