OKLAHOMA ACCOUNTANCY BOARD

MINUTES OF MEETING

May 20, 2005

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, May 20, 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 Barbara Walker; David Kinney, Assistant Attorney General; Guests: Daryl Hill and Rusty Hale, CPA representing the Oklahoma Society of CPAs; Jim Nolen representing the Oklahoma Society of Accountants.

Agenda Item #1a -- Call To Order: At 8:34 a.m. Chairman Johnson called the meeting to order.

Agenda Item #1b -- Declaration of Quorum: Chairman Johnson declared a quorum.

Agenda Item #1c – Announcement of Legal Meeting Notice: Executive Director Steele confirmed that the 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 and outside the meeting room in compliance with the Open Meeting Act.

Agenda Item #1d – Announcement of Absences and Action, if Necessary, to Determine Whether Absence(s) Was Unavoidable Pursuant to Title 59, Section 15.3.B.5: All members were present.

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 not received any written requests or had been informed by any member of the public wishing to speak before the OAB.

Agenda Item #4 – Consent Agenda: The Consent Agenda contained 2 items for the OAB's consideration. (1) Approve the minutes of the April 22, 2005 Board Meeting; and (2) Ratify actions taken by the Executive Director on applications and registrations filed since the previous meeting. (Appendix 1)

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

Agenda Item #5 – Election of Board officers:

Petete moved to nominate Jay Engelbach as Chairman; St. John second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Gray moved to nominate Tom Volturo as Vice Chairman; St. John second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

St. John moved to nominate Janice Gray as Secretary; Volturo second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #6 -- Review and Ratify Verified Experience of Successful Candidates for Certification: As Chairman of the Experience Verification Committee, Secretary St. John verified that the Committee had approved the experience submitted by the four applicants.

St. John moved to accept the four listed in Agenda; Gray second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Name:

DUGAN, ERIC MICHAEL

KAHLE, JERRILYN ALLEY

SPREIER, COLIN JAMES

TUCKER, SCOTT WAYNE

Member Gray requested that since this procedure appears to be routine now that this should be listed on the Consent Agenda in the future. The other OAB members agreed.

Agenda Item #7a -- 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. 1614 and 1616 to the Administrative Law Judge; Volturo second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #8a – Discuss and Act on Appeal of Executive Director's Denial of Qualification Application of Scott Pierce: Executive Director Steele summarized that according to the breakdown of courses from his college transcripts he did not have the required number of accounting hours since introductory accounting courses are no longer allowed to qualify as part of the 30-hour accounting course requirement. She explained that his appeal was based on a request that Accounting Course No. 251 Financial Accounting completed at Clarion University be counted toward the 30-hour accounting course requirement. However, Clarion University has verified and documented that the course in question is an introductory level course. She affirmed that, even if this course were to be allowed, the applicant would remain three hours short of meeting the accounting hour requirement.

Ms. Steele read the applicant's concern about his qualifications being "grandfathered in" since he had previously sat for the CPA examination. She stated that letters had been sent to Mr. Pierce at the time his active status was in jeopardy and at the time the file was inactivated which explained that any future request to sit for the CPA examination will be treated as though he were a first-time applicant which would require reestablishing eligibility.

> Gray moved to deny Mr. Pierce's appeal based on the information provided that Course No. 251 is an Introductory Accounting course and would not qualify under the OAB's rules; Volturo second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #8b – Discuss and Act on Proposed CBT Contract with NASBA: Chairman Johnson deferred this item to the next meeting.

Agenda Item #9 – Report from the Review Procedures and Qualifications of Independent Auditors Filing Reports Committee on Recommendations of Action – Unresolved Issues Related to Compliance with the *Governmental Auditing Standards*: As Chairman of the Committee, Member Volturo reported on the firms which have issues regarding compliance. He added that nine firms had been forwarded to the OAB's Enforcement Committee for various reasons and twelve firms will be handled administratively.

Agenda Item #10 – Discuss and Act on Recommendations from the Board's Peer Review Committee on the Appointment of Individuals to the Peer Review Committee: Member Gray explained the review and selection process for qualified Committee members which will assist the OAB's Peer Review Coordinator in reviewing peer reviews. She announced that based on her review of qualified individuals she recommended Nick Gales, Ann Fields, and Susan Nicewander from the State Treasurer's Office for appointments to the committee. She stated that she had no recommendations as to which appointee should serve for one, two or for three years, but noted that members could be re-appointed for an additional term.

Gray moved to recommend Nick Gales, Ann Fields and Susan Nicewander be appointed to serve on the Peer Review Committee; Nickles second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #11 – Report on the Status of the OAB's Proposed Permanent Rules (Rules A and B) adopted at the March 18, 2005 Board Meeting: Executive Director Steele stated the rules had been approved by the Governor and the Legislature's time limit for action had expired.

Agenda Item #12 – Director's Report: Executive Director Steele addressed the following issues:

- Carlos Johnson's re-appointment to the OAB has been confirmed by the Senate.
- Delay in obtaining a safe deposit box but a bank has been located.
- Distribution of the 2004 CPE Audit Report.
- Two new examination sites have been added in Woodward and McAlester.
- Staff mailed 297 letters to those candidates who have not applied to sit since the paper and pencil examination and have received 103 applications to sit. 131 letters were mailed to candidates who had applied to sit for the examination but had not sat and were in jeopardy of being inactivated.
- Interviews for the position of Peer Review Coordinator have been conducted.
- Contracts and purchases authorized by the Executive Director between $2,500 to $10,000.

Agenda Item #13a – Chairman's Report: Chairman Johnson addressed the following issues:

- Presentation Ceremony held at the House of Representatives Chamber at the State Capitol was well received.
- Reminded OAB members to respond to NASBA focus questions.
- The Review Procedures and Qualifications of Independent Auditors Filing Reports Committee will continue since it is the OAB's charge to protect the public.

Agenda Item #13b -- Next Meeting Date Announced: The next OAB Meeting is scheduled for 8:30 a.m., June 29, 2005, in Conference Room 269 at the Lincoln Office Plaza in Oklahoma City.

Agenda Item #14 – New Business: No new business.

Agenda Item #15 – Adjournment: There being no further business to come before the OAB, at 9:32 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

CERTIFICATES CANCELLED BY REGISTRANT'S REQUEST:

CPAs:

Charles L. Davis, Certificate No. 9363-R, issued May 28, 1987
(Reason: Coming into Oklahoma under SE)
Sherrie E. Gold, Certificate No. 15370-R, issued April 26, 2002
(Reason: Notified OAB that she plans to come into Oklahoma under SE)
Michael Wennerman Weiss, Certificate No. 15917-R, issued December 5, 2003
(Reason: Coming into Oklahoma under SE)

DECEASED REGISTRANTS:

CPAs:

Wayne L. Garrison, Certificate No. 1646, issued February 2, 1963
Warren R. Hinze, Certificate No. 15650-R, issued April 18, 2003
Kathleen Coad Lohrey, Certificate No. 2518, issued July 30, 1971

DISSOLVED FIRMS:

CPA Corporations:

Brady, Martz & Associates, P.C.
Gary H. Jones, C.P.A., Inc.

CPA Limited Liability Companies:

Cherry & Cannon, CPA's, P.L.L.C.
Control Advisory Services, PLLC
Green Country Accounting, PLLC
Robert H. Butler, PLLC

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):

15979	Huma Sadiq Mahmood
16034	William Anthony Baker
16035	Matthew Stephen Hartman
16036	Lixia Hou
16037	Marlina Robins
16038	Deborah Diane Bynum
16039	Ava Ifeng Chiu

APPLICATIONS FOR CERTIFICATION (Successful Candidates) (Continued):

16041 Kimberly Ann Erickson
16043 Jacob Alberto Garcia
16049 Christina Suzanne Larkin
16051 Miranda Jo Plusnick
16052 Phuong Uyen Hoang Tran

APPLICATION FOR A CPA RECIPROCAL CERTIFICATE:

Marilyn Hannam Wellborn

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

Brad Saunders Baker (Missouri)
Charles L. Davis (Missouri)
Robert O. Floyd (Arkansas)
Frederick William Husk (Massachusetts)
Kurtis Scott Krentz (Missouri)
Mark Alan Lamb (Missouri)
Alan Jay Logal (Missouri)
John Edward McMahon (Minnesota)
Richard C. Prine (Missouri)
William F. Roderique (Missouri)
Dale Francis Schramm (Missouri)
Michael Wennerman Weiss (Missouri)

APPLICATION FOR REINSTATEMENT OF A CPA CERTIFICATE:

8377 Judith Anne Taylor

INITIAL REGISTRATION OF A CPA LIMITED LIABILITY PARTNERSHIP:

FWC Certified Public Accountants & Consultants, LLP

INITIAL REGISTRATIONS OF CPA PROFESSIONAL CORPORATIONS:

Hyde & Company, CPA'S, P.C.
Tony R. Boyd, CPA Inc., P.C.

INITIAL REGISTRATIONS OF CPA PROFESSIONAL LIMITED LIABILITY COMPANIES:

Associated Been Counters PLLC
Woodrum, Kemendo, Tate & Cuite, PLLC

4663.

REINSTATEMENT OF A CPA PROFESSIONAL LIMITED LIABILITY COMPANY:

SalmonBeach & Associates, PLLC