

**OKLAHOMA ACCOUNTANCY BOARD**  
**MINUTES OF MEETING AND HEARING**

June 25, 2004

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, June 25, 2004 in Suite 269, 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:

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  
Tom Dugger, CPA, Member  
Janice L. Gray, CPA, Member

In attendance at the meeting: Edith Steele, Executive Director and Kelly Brown, Deputy Director; Donita Graves, Jim Shepherd, and Paulina Coffman, Board staff members; Vicky Petete, CPA, Board Member Designate; David Kinney, Assistant Attorney General and Special Prosecutor for the Board; Gay Tudor Assistant Attorney General Chief of the General Counsel Section; Daryl Hill representing the Oklahoma Society of CPAs; Roger Berryman and Peggy Johnson representing the Oklahoma Society of Accountants. David Auer, suspended CPA; Jana Hazelbaker, court reporter; Gary Collins with the House of Representatives; and Amber Theinhart with GIT/Legislative Information Network were also present for relevant segments of the meeting.

**Call To Order:** At 8:38 a.m. Chairman Johnson called the meeting to order and declared a quorum present. At his request, Executive Director Steele read the names of the visitors present.

**Public Comment Period:** Chairman Johnson recognized Peggy Johnson, representing the Oklahoma Society of Accountants (OSA). She commented on the experience verification process and stated that the OSA is favorable to the guidelines the Board has implemented regarding non-registrant verifiers. She expressed concern about whether or not a registrant verifying an applicant's experience would be considered an attest function. She referenced a letter to the Editor in a recent issue of the Journal of Accountancy which cited the verification of the filing of a tax return to a lender as an example of a service that

4547.

could be interpreted as an attest function. She suggested an additional enclosure to the copy of the applicant's experience verification form advising the registrant verifier of his/her responsibility.

**Consent Agenda:** The Consent Agenda contained 2 items for the Board's consideration: (1) Approve the minutes of the May 14, 2004 Board Meeting and addendum to the minutes of the March 19, 2004 Board meeting; and (2) Ratify actions taken by the Executive Director on applications and registrations filed since the previous meeting.

There was discussion among the Board members regarding the formatting of the minutes in the future. Assistant Attorney General Kinney offered to conduct research with regard to the format other state agencies use for their minutes.

Gray moved to approve the Consent Agenda to include the minutes as submitted in today's agenda packet; Nickles second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

**Discuss and Act on Proposed Policy Related to Substantial Equivalence Privileges Granted to Registrants from Other State Boards of Accountancy:** Chairman Johnson recommended this item be tabled until more results are made available specifically with regard to the contiguous states. Secretary St. John commented on the disparity of firm and reciprocity registration requirements among the states regarding substantial equivalency. Chairman Johnson commented that he and Executive Director Steele had requested NASBA Regional Director Mark Harris to convene a meeting with other accountancy board chairs from contiguous and other selected states regarding this issue.

**Discuss and Act on Proposed Guidelines Policy and Forms Developed by the Experience Verification Committee:** Mr. Dugger addressed the revisions made from the previous Board meeting with regard to the proposed forms and policy as the Chairman of the Experience Verification Committee. Chairman Johnson stated that the Experience Verification Committee will continue through the next fiscal year. Secretary St. John commented that the Experience Verification Committee can make minor changes to the forms unless such changes affect the Board's policy.

Dugger moved as Chairman of the Experience Verification Committee to accept the policy and forms to be used for experience verification; Nickles second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

**POLICY FOR  
GENERAL GUIDELINES – NON REGISTRANT EXPERIENCE VERIFIERS**

Those whose qualifications would not have to be reviewed by the Board or the Experience Verification Committee (EVC):

- An employer with accounting oversight;
- Head or Professors of the Business or Accounting Departments;
- A recognized state official by virtue of their office; and
- Clients (for those applicants who have indicated they are self-employed).

A letter will be sent to the verifier if additional information is needed. Upon receipt of the response from the verifier, it will be presented to the EVC or the Board for review. At the committee's discretion the individual may be approved, denied or forwarded to the Board for additional review. If the EVC is no longer a standing committee the response will be forwarded to the full Board for review.

The EVC shall operate for a period of six months from the date of the policy adoption at which time the Board will determine whether to extend the committee or disband it. In either instance, the staff will present the list of recommended approvals to the Board at its monthly meetings.

At such time as the EVC is determined by the Board to be no longer necessary, staff will submit experience verifications to the Board for review for the following two reasons:

- 1) Applicant appeals staff's decision; or
- 2) Staff desires full Board review for unique situations

**Case No. 1583 – Show Cause Hearing in the Matter of the Application to Reinstate the CPA Certificate of David B. Auer:** This matter came on for hearing at 9:06 a.m. The members of the Oklahoma Accountancy Board present were seated on the hearing panel. Gay Tudor, Assistant Attorney General Chief of the General Counsel Section 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 certification should be reinstated. The Respondent's certificate had been suspended on October 17, 1997 for violating Section 15.14A of the Oklahoma Accountancy Act and OAC 10:15-1 to hold a permit but did not apply for a permit; or in the alternative failure to report to the Board a change of employment or professional status occurring between registrations such that would require a permit as required by Section 15.14(h) of the Act.

No witnesses were called by the State. Respondent testified on his own behalf.

4549.

Nickles moved to accept the reinstatement of David B. Auer based on the clear and convincing evidence presented; Gray second.

Mr. Dugger expressed concern about a series of letters sent to the Respondent from the Board's Special Prosecutor regarding the continuance of holding out after cease and desist letters were sent. Chairman Johnson asked Mr. Nickles to consider withdrawing his motion. Mr. Nickles withdrew his motion.

Nickles moved to go into Executive Session; Dugger second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

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

Assistant Attorney General Tudor noted for the record that no votes were taken during Executive Session.

Nickles moved to accept the reinstatement of David B. Auer's Reciprocal Certificate based on the clear and convincing evidence presented; Gray second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

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

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. 1583.

**Discuss and Act on Committee Appointments for FY 2005:** Chairman Johnson noted the changes with regard to the inclusion of the Board's newest member, Vicky Petete. He invited the Board members to make any comments on these appointments and encouraged suggestions from the Board members as to the formation of new committees. Vice Chairman Engelbach noted that Member Volturo will continue to be on the enforcement committee to review all investigative files since Member Dugger has completed his service to the Board. (Appendix 1)

**Report on the Review Procedures and Qualifications of Independent Auditors:** Mr. Volturo reported on the meeting he had with the State Auditor's Office, also attended by Board Member Gray and Chairman Johnson, with regard to sharing information and reports involving the qualifications of those performing governmental audits. He addressed the Yellow Book standards with regard to independence issues being stricter than the AICPA standards. He stated that it was the recommendation of the committee that the Board advise its registrants performing governmental audits of the additional independence requirements. He suggested that such a statement be posted on the Board's website. Executive Director Steele responded that references to the sections within the Yellow Book and the AICPA's rules will be included on the Board's website.

Chairman Johnson stated that Title 74 of the Oklahoma Statutes requires the Oklahoma Accountancy Board to take certain actions with regard to governmental audits. He reported on his meeting with the Department of Education regarding the matter. He added that he and Michael Crawford made presentations at a seminar attended by auditors of financial statements of school districts. He noted that he had been invited to speak at the Conference of Oklahoma School Superintendents regarding the independence standards in the Yellow Book and its effects on GASB 34. He commented that he had invited Michael Crawford to speak at the conference as well. Chairman Johnson urged that the qualifications review process be expanded to other agencies which have requirements that affect the Board's registrants.

Ms. Gray expressed concern with the verbiage of the requirement in Title 74 Section 212A.B and that the Board has not ensured that those individuals have complied with the Government Auditing Standards. Chairman Johnson assured her that as a result of the meetings with the State Auditor's Office and the State Department of Education, this requirement will be complied with by the Board in the future. He stated that the Board staff will be writing letters to all individuals and firms on the list of "Independent Auditors Registered to Perform Audits of Government Entities" in order to be in compliance with Title 74 Section 212A. He added that the committee is holding meetings with the State Auditor's Office and the State Department of Education to ensure that they will also be in compliance with this statute.

Mr. Volturo emphasized that CPE requirements in governmental accounting must be met by those on the list and the list needs to be updated accordingly. Ms. Gray added that peer review requirements must also be part of the compliance. Ms. Gray urged that the Oklahoma Accountancy Board require peer review reports be submitted by those performing governmental audits immediately.

Ms. Gray expressed concern about new firms meeting the requirements set forth in Title 74 Section 212A.B and that such requirements should be communicated to the Board's registrants. Chairman Johnson stated that the public is much

4551.

better served as a result of these communications between the Oklahoma Accountancy Board, the State Auditor's Office and the State Department of Education regarding these issues.

**Discuss and Act on Amendments to the Fair Labor Standards Act Policy:**

Mr. Volturo addressed the changes to the draft. Chairman Johnson commented that his changes to the draft were editorial in nature and not substantive. Mr. Nickles asked whose decision would it be whether the staff member could claim compensatory time or overtime. Executive Director Steele explained that it will be the staff member's decision to claim compensatory time or overtime and that it will be subject to approval by the Executive Director. She added that the staff member cannot change his/her decision once made and approved. Mr. Volturo noted that if the Executive and Deputy Directors work excess hours the Board must authorize the paid compensation or receive compensatory time. Chairman Johnson stated that this was in line with the private sector regarding management not being paid overtime or receiving compensatory time. (Appendix 2)

Volturo moved to approve the Fair Labor Standards Act (FLSA) Policy as amended; Nickles second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

**Administrative Actions Taken:** Vice Chairman Engelbach presented a written summary of investigative files and administrative actions taken, with recommendations for the disposition of each.

**Files to Close:**

**File No. 00-01-02 – CPA Individual**

This individual was arrested in April 2000 on moral turpitude charges. His case was heard in District Court in March 2003 at which time the case was dismissed. The State of Oklahoma appealed the decision. In March 2004, the Court of Appeal upheld the ruling so the Enforcement Committee recommends the file be closed.

**File No. 1005- CPA Individual**

A complaint was filed in 2002 alleging substandard work and withholding client records. At that time the Vice Chairman assigned an investigator to the file and the investigator reported "...no violations of professional standards have occurred for which would warrant an action of the Oklahoma Accountancy Board..."; the file was closed in August 2003. However, at the insistence of the complainant who further alleged conflict of interests and fraudulent tax return preparation, the file was reopened in October 2003. The investigator was asked

to look into the new allegations. The investigator reported "my original opinion submitted has not changed..." The Enforcement Committee recommends that the reopened file be closed with no further action.

**File No. 1111 – CPA Individual**

A registrant reported that she was practicing public accounting in Oklahoma under an unregistered firm name. The registrant was notified that the Oklahoma Accountancy Act requires firm registration and permit. After unsuccessful attempts by staff, the Assistant Attorney General was authorized to issue a Cease and Desist letter. The firm has now properly registered as a d/b/a, so the Enforcement Committee recommends that the file be closed.

**File No. 1112 – CPA Individual**

A registrant reported that she was practicing public accounting in Oklahoma under an unregistered firm name. The registrant was notified that the Oklahoma Accountancy Act requires firm registration and permit. After unsuccessful attempts by staff, the Assistant Attorney General was authorized to issue a Cease and Desist letter. The registrant changed her form of practice to a sole proprietorship, so the Enforcement Committee recommends that the file be closed.

**File No. 1118 – CPA Individual**

A registrant reported that he was practicing public accounting in Oklahoma under an unregistered firm name. The registrant was notified that the Oklahoma Accountancy Act requires firm registration and permit. After unsuccessful attempts by staff, the Assistant Attorney General was authorized to issue a Cease and Desist letter. The firm has now properly registered, so the Enforcement Committee recommends that the file be closed.

**File Nos. 1121-1 and 1121-2 – Unregistered firm and CPA Individual**

A registrant reported that he was entering Oklahoma to serve Oklahoma clients. The registrant and firm were notified that the Oklahoma Accountancy Act requires firm registration and permit. After unsuccessful attempts by staff, the Assistant Attorney General was authorized to issue Cease and Desist letters. The firm has now properly registered, so the Enforcement Committee recommends that the files be closed.

4553.

Engelbach moved to close File No. 00-01-02 and File No. 1005; Volturo second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles. Abstained from voting on File No. 1005: Johnson.

Engelbach moved to close File Nos. 1111, 1112, 1118, 1121-1 and 1121-2; Dugger second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

**Revisit Renewal of the FY 2005 Contract with the Attorney General's Office for One Full Time Assistant Attorney General to Assist the Board with Legal and Administrative Duties at a Contract Price \$92,429.55:** Executive Director Steele addressed the difference in the contract price from the previous fiscal year due to the passage of HB 2005 and a merit increase.

Engelbach moved to renew the contract with the Attorney General's Office for a full time Assistant Attorney General at a contract price of \$92,429.55; Dugger second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

**Report on NASBA Regional Meeting by Attendees:** Ms. Gray reported on the breakout sessions involving Peer Review and Education she attended. She addressed the issues discussed. She noted that Oklahoma's Peer Review rules are more stringent and are in line with other states' requirements. She explained the specificity issues addressed in the breakout session regarding the 150-hour educational requirement. Secretary St. John added that no conclusion had been made in the session he attended regarding this issue.

Vice Chairman Engelbach reported on the session he attended involving legal issues and Ethics requirements. He commented that there appeared to be no uniformity among the states with regard to ethics requirements. He added that the same was true for substantial equivalency issues.

Chairman Johnson commented that the general sessions regarding the grading of the CBT examination were informative. Executive Director Steele concurred and commented on NASBA's new program titled "Center for Public Trust" and its role to enhance the image of the CPA to the public. Chairman Johnson commented on the general session regarding the UAA and its rules regarding self reporting.

**Discuss NASBA Regional Directors' Focus Questions:** Executive Director Steele requested input from the Board members with regard to three of the

questions. It was the consensus of the Board to send her their feedback within the next two weeks.

**Discuss the Performance Evaluation of the Executive Director and Staff Salary Increases for Executive Director, Deputy Director, IT Director, Records Coordinator, Registration Coordinator, Examination Coordinator, CPE Coordinator, Administrative Assistant and Set the Salary Range for Peer Review Coordinator:**

Nickles moved to go into Executive Session; Dugger second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

Chairman Johnson requested that Board Member Designate Petete remain present during the Executive Session and Executive Director Steele remain present for the discussion of staff salaries only.

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

Assistant Attorney General Kinney noted for the record that no votes were taken during Executive Session. Mr. Dugger confirmed for the record that for the period in which the Assistant Attorney General was not present no votes were taken during Executive Session.

Gray moved that the salaries of the staff be adjusted as follows and that these salaries do not include the effect of House Bill 2005: Examination Coordinator \$35,500; CPE Coordinator \$32,900; IT Director \$30,000 [no change]; Records Coordinator \$27,500; Registration Coordinator \$32,900; Administrative Assistant \$24,720; Engelbach second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

**Discuss and Act on Performance Evaluation of Executive Director:** Vice Chairman Engelbach stated that the members of the Executive Director Evaluation Committee composed of himself, Secretary St. John and Mr. Nickles will discuss the performance evaluation with the Executive Director at a later date.

4555.

**Discuss and Act on Executive and Deputy Directors' Salaries:**

Engelbach moved that the salaries of the Executive Director be \$62,462 and the Deputy Director be \$46,000 and that these salaries do not include the effect of House Bill 2005; St. John second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

**Discuss and Act on Proposed FY2005 Budget Work Program:** Chairman Johnson stated that the draft is still being worked on. Mr. Nickles expressed concern about the budget being submitted to the Office of State Finance without approval from the Board. He asked whether the budget could be ratified at a later date. Chairman Johnson responded in the affirmative. Executive Director Steele concurred.

Volturo moved that due to the changes in salaries that the Chair of the Budget Committee and the Chairman of the Oklahoma Accountancy Board be allowed to finalize the budget and submit it to the Office of State Finance and ratify at the next meeting; Engelbach second. Affirmative votes: Gray, Volturo, Johnson, Engelbach, St. John, Dugger and Nickles.

**Director's Report:** Executive Director Steele noted that she had distributed copies of her report and that her report contained no items requiring discussion.

**Chairman's Report:** Chairman Johnson stated that his report will be deferred to the next Board Meeting.

**Next Meeting Date Announced:** The next Board Meeting is scheduled for 8:30 a.m., July 23, 2004 in Conference Room 269 at the Lincoln Office Plaza in Oklahoma City.

**Presentation to Tom Dugger for His Service to the Board:** Chairman Johnson stated that Member Dugger requested this item be deferred until the July or August Board Meeting. Chairman Johnson noted that Member Dugger has been nominated by the Oklahoma Accountancy Board for membership to the Board of Examiners.

**Certificate Cancelled by Registrant's Request: CPA:** Kathy Lynn Norwood, Certificate No. 15795-R, issued August 29, 2003; Reason for Cancellation: Availability of SE.

**Deceased Registrants: CPAs:** Francis X. D. Allaire, Certificate No. 1152, issued July 23, 1956; Elinor O'Brien Boer, Certificate No. 3598, issued January 27, 1976; Wesley A. Glanz, Certificate No. 2918-R, issued January 26, 1973; Brad W. Newell, Certificate No. 12568, issued January 21, 1994; Roy A. Ober, Certificate No. 3974, issued January 24, 1977. **PA:** Cecil R. Starkey, License No. 88, issued June 24, 1968.

**Dissolved Firms: CPA Limited Liability Partnerships:** Cheshier & Fuller, L.L.P. (Texas); Dennis & Company, CPA's, LLP. **CPA Corporations:** Elizabeth A. Williams, C.P.A., P.C.; Susan K. Walcher, CPA, P.C.

**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 CPA Reciprocal Certificates:

15937-R	Stephen Craig Cavnar
15938-R	Kelly Chase Lindner

Applications for Substantial Equivalency:

Dennis James Edwards (Kansas)  
 Jeffrey Adam Hackman (Georgia)  
 Brett Matthew Miller (Georgia)  
 Kathy Lynn Norwood (Texas)  
 Jason Merle Orme (Kansas)  
 Donald Eugene Rich Jr. (North Carolina)  
 Michael Scott Woodruff (Texas)

Application for Renewal of Substantial Equivalency:

Jonathan Philip Trupin (Illinois)

Applications for Reinstatement of CPA Certificates:

2283	Michael Donald Johnson
3618	Donald Cruce DeMoss
8585	Julie Lynn Krieger
9607-R	Thomas P. Gragg
14191	Kelly Haskit Foster
9356-R	David Bruce Auer

4557.

Initial Registration of a CPA Partnership:

Snodgrass, Dunlap & Company (Kansas)

Initial Registrations of CPA Limited Liability Partnerships:

CF & Co., L.L.P. (Texas)

Glaw, Londergan & O'Neal CPAs, L.L.P. (Texas)

Initial Registrations of CPA Professional Corporations:

Bergan, Paulsen & Company, P.C.

Dennis & Company, P.C.

Elizabeth A. Reed, C.P.A., P.C.

Melissa K. Mainord, CPA, PC

Initial Registrations of CPA Professional Limited Liability Companies:

Dennis Maley CPA, PLC

Kendall W. Carpenter, CPA, PLLC

Puckett & Associates, PLLC

**Adjournment:** There being no further business to come before the Board, at 2:14 p.m. Chairman Johnson called for a motion to adjourn.

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

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Carlos E. Johnson, Chairman

ATTEST:

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E. B. St. John, Secretary

## APPENDIX 1

### Committees:

- CPE:  
Assist the CPE Coordinator with non-routine CPE issues and guidance or decisions related to the annual CPE audit.  
  
E. B. St. John, Chair  
Jim Nickles, Member  
Vicky Petete, Member
  
- Rules Promulgation:  
Consider needs and draft of any proposed emergency rules based provisions in SB1488. Assess needs and develop a draft of the permanent rules to present to the full Board for promulgation in 2005.  
  
Carlos Johnson, Chair  
E.B. St John, Member  
Jay Engelbach, Member
  
- Legislative:  
Assist the Executive Director and develop proposed amendments to the Oklahoma Accountancy Act, if needed, to present to the full Board.  
  
Carlos Johnson, Chair  
Jay Engelbach, Member  
Jim Nickles, Member
  
- Audit:  
Review of the Board's Audit of Financial Statements before final report is issued to the full Board.  
  
Carlos Johnson, Chair  
Janice Gray, Member
  
- Policy and Procedures:  
Review of Board's current policies and procedures to determine if they need to be updated, amended or deleted.  
  
David Kinney, Assistant Attorney General

- Peer Review:  
Develop job description for Peer Review Coordinator, develop proposed amendments to the peer review rules if needed, and develop forms and procedures prior to effective date of peer review.

Janice Gray, Chair  
Tom Volturo, Member  
Jim Nickles, Member

- Enforcement:  
As provided in the Board's rules, the Vice Chairman is responsible for enforcement matters and one other Board member, who is not an officer, shall be a designated member.

Jay Engelbach, Chair  
Tom Volturo, Designated Member

- Budget:  
Oversight and approval of the annual Budget Request and Budget Work Program drafts to present to the full Board.

Janice Gray, Chair  
Carlos Johnson, Member  
Vicky Petete, Member

- Travel:  
Develop Board's travel policy.

Tom Volturo

- Executive Director Evaluation Committee:

Jay Engelbach, Chair  
Jim Nickles, Member  
E. B. St. John, Member

- Review Procedures and Qualifications of Independent Auditors Filing Reports

Tom Volturo, Chair  
Janice Gray, Member  
Carlos Johnson, Member

- Experience Verification

E. B. St. John, Chair  
Vicky Petete, Member

4561.

**Task Forces:**

- Conflict of Interest Statements:  
Review and recommend amendments, if needed, to the Board's conflict of interest policy.

Tom Volturo

**APPENDIX 2**

**OKLAHOMA ACCOUNTANCY BOARD (OAB)  
FAIR LABOR STANDARDS ACT PERSONNEL POLICY**

I.

It is the policy of the OAB to adopt and implement the Fair Labor Standards Act (FLSA), 29 U.S.C. 201 et seq., and the Oklahoma Personnel Act, O.S. Title 74 § 840-1.1 et seq. as it affects this policy including the Merit Rules as they apply to the OAB and relevant court decisions.

The OAB shall:

- c Cooperate with any and all other State agencies and appointing authorities in the States efforts to maintain compliance with the Fair Labor Standards Act.
- c Train appropriate personnel in the requirements and provisions of the FLSA Act and the Oklahoma Personnel Act.
- c Stay abreast of changes in the legal requirements of the FSLA Act and the Oklahoma Personnel Act.

Information on the FLSA, as provided by the Wage and Labor and Hour Division of the U.S. Department of Labor, and the Oklahoma Personnel Act and Merit Rules shall be on file within this agency.

This policy shall be subject to revision as needed in order to maintain compliance with the FLSA and Oklahoma Personnel Act regulations as they apply to the OAB.

## II.

Exemptions

The following are exempt position titles within this agency. Whether positions are exempt or non-exempt from the provisions of the FLSA is based on an analysis of the provisions of the FLSA Act and its regulations as it relates to the work performed. All other agency positions not listed are non-exempt.

<u>Position Title</u>	<u>Statement of Status</u>
Executive Director	Exempt
Deputy Director	Exempt

## III.

Recordkeeping

The OAB shall maintain an accurate timekeeping system to record hours employees are actually at work or are required to be on duty in compliance with FLSA, the Oklahoma Personnel Act and the policies of OAB.

Employees shall be required to inform supervisors of any time worked in excess of the work hours established and such time must first have been authorized by administration. Both the employee and supervisors must sign and date the record as an indication of their agreement as to the time worked.

## IV.

Establishment of the Workweek

The OAB has established the following as the normal workweek for all employees:

Saturday through Friday

Work Hours

Beginning Time: 8:30 AM Monday thru Friday  
 Ending Time: 5:00 PM Monday thru Friday  
 Lunch: 30 Minutes (employee completely relieved from duty)

4563.

V.

#### Non-Exempt Overtime Compensation

The OAB shall allow non-exempt employees compensation time according to the FLSA. Accrued compensatory time must be used before the employee may use annual leave unless the employee will otherwise lose the annual leave. Payments for overtime for non-exempt employees may be permitted as budgetary provisions allow, if requested by the employee.

VI.

#### Exempt Employees Overtime Compensation

The OAB shall not pay exempt employees compensation for overtime work performed. Exempt employees may be provided time off with the following stipulations:

The compensatory time off must be taken as authorized by the OAB.

- c Compensatory time may only be given on an hour-for-hour basis, one hour off for each hour of overtime worked.

VII.

#### Overtime

Any overtime work shall be properly compensated as required by this policy; however, any employee will be subject to disciplinary action for working overtime without proper authorization from the supervisors.

Upon the employee's termination, accrued compensatory time shall be paid for non-exempt employees.

Adopted by the Board - October 16, 1998  
Revised with guidance from John Copenhaver at the  
Office of Personnel Management, Compensation Division  
Revisions adopted by the Board: December 12, 2003  
Revisions adopted by the Board: June 25, 2004