OKLAHOMA ACCOUNTANCY BOARD

MINUTES OF MEETING AND HEARING

June 29, 2005

The Oklahoma Accountancy Board (OAB) convened in regular session on Wednesday, June 29, 2005 in Suite 20, 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: Kelly Brown, Deputy Director; Jim Shepherd, Donita Graves and Barbara Walker; David Kinney, Assistant Attorney General; Guests: Daryl Hill representing the Oklahoma Society of CPAs (OSCPA); Dean Taylor representing the Oklahoma Society of Accountants (OSA). John Crittenden, Assistant Attorney General and Stacey Overton, Respondent, were also present for relevant segments of the meeting.

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: Deputy Director Brown 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.

Assistant Attorney General Kinney noted for the record that the meeting had been originally scheduled to be held in Suite 269 but that location had problems related to the air conditioning. Therefore it was decided that the meeting be moved to Suite 20. Legal notice was posted at Suite 269 and a representative of the OAB staff is present at that suite to assist members of the public to Suite 20. Kinney noted that the meeting was convened five minutes late to accommodate for any individuals arriving at the original location of the meeting.

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. Chairman Johnson recognized Executive Director Steele's absence due to medical reasons.

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

Agenda Item #3 – Public Comment Period: Deputy Director Brown 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 3 items for the OAB's consideration. (1) Approve the minutes of the May 20, 2005 Board Meeting; and (2) Ratify verified experience of successful candidates for certification; and (3) Ratify actions taken by the Executive Director on applications and registrations filed since the previous meeting. (Appendix 1)

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

Agenda Item #5 -- 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 dismiss Case Nos. 1564, 1551, 1559, 1565 and 1590; Gray second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.
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> Engelbach moved to close File Nos. 1080-15, 1080-18, 1080-19, 1093, 1095, 1106, 1114, 1138, 1139, 1147, 1148, 1153, 1156, 1158, 1161, 1162, 1179, and 1180; Nickles second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

With regard to File No. 1158, Member Gray asked why the firm was prohibited from performing only audit and review services and not other public accounting services since it was an unregistered firm. Assistant Attorney General Kinney explained that the new Peer Review rules specifically addressed audit and review services only but that all public accounting services are included in the matter of this file. In response to Member Gray's request, he agreed to include all public accounting services in the future.

> Engelbach moved to assign to the Administrative Law Judge Case Nos. 1617, 1618, 1619, 1620, 1621, 1622, 1623, and 1624; Gray second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #6a – Report on the Verification of the Administrative Posting of Scores to the Board's Records: Member Volturo reported that the same testing procedures used to verify grades of exams in prior reporting periods were used to verify the grades for Window 2/2005 and that no errors were found. Chairman Johnson noted

that none of the OAB members had seen the score list until this meeting with the exception of Member Volturo who had reviewed the scores and he confirmed that there are some scores from this window that are still pending because they are in the process of being reviewed by the AICPA.

At the direction of Member Gray, Deputy Director Brown affirmed that four individuals passed the examination in two windows.

Chairman Johnson directed the staff to include at the next meeting a comparative statistical report of all the windows since the CBT Examination was launched to chart progress from each window to include: how many sections were attempted in each window; the pass rate in each window; the number of sections attempted; and the pass rate of the total number of individuals who took the exam. Member Gray suggested adding a statistical report comparing the paper and pencil to the CBT examination related to the number of candidates sitting for each section and successful passing of each section.

Agenda Item #6b – Consideration and Vote to Certify the Scores: The OAB considered the official grade report of the CBT examination issued by the NASBA CPA Examination Review Board for Window 2/2005.

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

The following 30 candidates successfully passed the Certified Public Accountant Examination:

Name	Name
BARNES, NATALIE HEIM	HANNA, JOSEPH LESLIE JR.
BINGMAN, MICHAEL NOLAN	HARRINGTON, JOSEPH
BLACKMER, KIMBERLY ANN	HARROZ, NICHOLAS III
BUFFINGTON, AMY DAWN	HODGES-ECKHOFF, KRISTA L.
CASTEEL, EDWIN ALAN	HURST, KIMBERLY DON
CLUCK, CHRISTY DAWN	MURRAY, TODD MICHAEL
DAY, RAYNA MARIE	NANCE, TRAVIS JAMES
DECAMP, RONALD EUGENE	NULL, DAVID SHAWN
DENNEY, JESSICA NICOLE	PORTER, LOU ANN
FEINSTEIN, TRACY ELIZABETH	SHERRER, JOHN BENNETT
FULLER, SARAH	SITZMAN, KIMBERLY LEEANN
GARBER, JASON DEREK	SNAVELY, JASON FLYNN
GILLISPIE, DANIEL JOHN	STAFFORD, SARAH RENEE
GOBER, JOSHUA LEE	TERRANOVA, PETER A.
HALL, JENNIFER MARIE	WELBORN, CARA LIANI

Agenda Item #6c – Authorization to Notify All Candidates of the Official Examination Scores and to Notify Candidates Who Have Completed the Examination to Make Application for Certification:

> Volturo moved to authorize the staff to notify all candidates of the official examination scores and notify all candidates who have completed the examination to apply for certification provided the experience requirement has been met; Petete second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #7 – Discuss and Act on Request for an Extension of Examination Credits by Dennis Sights: Secretary St. John asked if the OAB had the authority to grant extensions. Chairman Johnson responded that the OAB has granted such requests in the past under extenuating circumstances.

> Nickles moved to allow Mr. Sights an extension for one additional attempt but the extension is not to extend beyond December 31, 2005, subject to a certified copy of the death certificate of his father; Volturo second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Case No. 1615 – Show Cause Hearing in the Matter of the Application to Reinstate the CPA Certificate of Stacey Robert Overton: This matter came on for hearing at 9:40 a.m. The members of the Oklahoma Accountancy Board present were seated on the hearing panel. Assistant Attorney General John Crittenden represented the Board. Respondent was present but was not represented by counsel.

The purpose of the hearing was to determine whether the Respondent's certification should be reinstated. The Respondent's certificate was suspended on September 27, 2002 as a result of a Consent Order issued in Case No. 1522.

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

> St. John moved to reinstate the certificate of Stacey Robert Overton as recommended by the Special Prosecutor; Nickles second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.
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> Gray moved to adjourn the hearing; Nickles second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1615.

Agenda Item #8 – Discuss and Act on Proposed CBT contract with NASBA: After discussion, Chairman Johnson noted that all OAB members' concerns will be addressed and resolved before presenting the contract to NASBA. Assistant Attorney General Kinney offered to review the three-party CBT contract between NASBA, AICPA and Prometric, draft a memo regarding his analysis and submit it to the Executive Director for distribution to the OAB members.

> Nickles moved to approve the CBT contract subject to the approval of the outgoing and incoming Chairs, in consultation with the Executive Director and the Assistant Attorney General Kinney; St. John second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #9 – Discuss and Act on Budget Committee Report Regarding the FY06 Budge Work Program: Member Gray stated that the Budget Committee has not received the budget to review and requested that the Board consider approving the committee to review and approve it for submission to OSF. Member Volturo recommended that in the future the budget process be completed earlier so that it will be available for Board action at the OAB's June meetings.

> Gray moved that the OAB give the Budget Committee authority to approve the budget submitted to the Office of State Finance based on the Committee's approval and that the budget will be available to the OAB at its next meeting; Volturo second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles and Gray.

Agenda Item #10 – Report on the NASBA Western Regional Meeting by Attendees: Member Petete reported on the presentation by a psychometrician about the CBT examination scoring process. She suggested that the OAB send representation to a NASBA meeting, which will also be attended by Prometric, in Washington D.C. on September 14, 2005.

Member Gray and Secretary St. John reported on the discussions on peer review issues and requirements of other state boards. Member Gray also discussed the changes in the Uniform Accountancy Act educational requirements. She urged the OAB review these and respond with a letter of comment to the exposure draft. Chairman Johnson encouraged the OSCPA and OSA to submit responses to NASBA with regard to this issue.

Chairman Johnson also reported on the number of states who reported a large percentage of non-compliance as a result of CPE audits. He suggested increasing the number of permit applications in the OAB's annual CPE audit.

Agenda Item #11 – Director's Report: Deputy Director Brown advised the Board that the Executive Director's report was included in the agenda. The report addressed the following issues:

- That the OAB's staffing is now at the full 9-FTE limit with the addition of the Peer Review Coordinator and advised the OAB of the recently hired Administrative Assistant.
- Contracts and Purchases authorized by the Executive Director between $2,500 and $10,000 since the May Board meeting:

Network Engineering Consultants	$6,040.00
(As reported by the IT Director at the April meeting)	
Server Cabinet	$7,323.26
(As recommended by Coalfire Report)	

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

- The importance of OAB members attending NASBA meetings.

- His presentation and demonstration of the OAB's website to the Alaska Accountancy Board and the Alaska Society of Certified Public Accountants.

Agenda Item #12b -- Next Meeting Date Announced: The next OAB Meeting is scheduled for 8:30 a.m., July 22, 2005, in Conference Room 269 at the Lincoln Office Plaza in Oklahoma City.

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

Agenda Item #14 – Adjournment: There being no further business to come before the OAB, at 10:52 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:

No longer practicing public accounting:

Neal Richard Goodwin, Certificate 12420-R, issued December 9, 1993

No longer practicing in Oklahoma:

Joseph B. Barnes, Certificate No. 15517-R, issued November 22, 2002
Amanda N. Evans, Certificate No. 15403, issued August 5, 2002
William Miranda, Certificate No. 15794-R, issued August 29, 2003
Elena G. Nunez, Certificate No. 14148-R, issued April 24,1998
Adam F. Small, Certificate No. 15501-R, issued August 23, 2002

Coming into Oklahoma under SE:

Gary A. Davidson, Certificate No. 15367-R, issued April 26, 2002
George A. Karahal, Certificate No. 11711-R, issued March 25, 1992

DISSOLVED FIRMS:

CPA Partnerships:

Goodwin and Briggs
McKelvey & Robison, CPA'S

CPA Corporations:

Christopher K. Fisher CPA, P.C.
Darrin Crawford & Associates, P.C.
Guest & Company, P.C.
Hyde & Chisum CPA's, P.C.
Hunter and Atkins, Inc.
J. Brian Laib, C.P.A., P.C.
MSI Barnes & Associates, P.A. (Florida)
Oscar A. Desrosiers, CPA, Inc.
Paul Brown & Associates, P.C.
R.G. Wilson, C.P.A., Inc.
Todd Clouse, PC

CPA Limited Liability Companies:

Advanced Tax Solutions, P.L.L.C.
Dixon Odom PLLC
Thomas & Anderson, PLC

Applications for Certification Approved by the Experience Verification Committee:

Garrett Shawn Morelock
Tayla Erin Thompson

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):

16042 Kevin Michael Fiske
16044 Vickie Linn Hanvey
16045 Carrie Ann Hardison
16046 Kyra Lyn Hatfield
16048 Wesley Scott Knight
16058 Scott Wayne Tucker

APPLICATIONS FOR RECIPROCAL CERTIFICATES:

Kirsten Bergen
David E. Chandler
Mindy Mae Kerber

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

Jeffery C. Baker (Iowa)
Geoffrey Beatty (Texas)
Shannon L. Buchanan (Kansas)
Elnora A. Coffin (Texas)
Gary A. Davidson (Texas)
Charl Philippus De Villiers (Texas)
Daryl D. Eagon (Kansas)
Andrew Paul Fleming (Texas)
Donald Steven Haugen (North Dakota)
George A. Karahal (Texas)
Cory Eugene Miser (Arkansas)
Thomas Patrick O'Connell (Missouri)
Susan Victoria Perrin (Kansas)
Marsha Carey Poole (Texas)

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

William Van Rhame (Texas)
Johnny Fred Robinson (Texas)
Kent Alan Robinson (Texas)
Kenneth Paul Smith (Texas)
Gerald D. Whitson (Kansas)
Susan Keele Wood (Texas)

APPLICATION FOR REINSTATEMENT OF A CPA CERTIFICATE:

15426 Tracie R. Kutmas

INITIAL REGISTRATIONS OF CPA PROFESSIONAL CORPORATIONS:

Archambo & Mueggenborg, PC
Bell & Company, P.A. (Arkansas)
Jack Anderson, CPA, PC
Paul G. Brown, P.C.
Przybysz & Associates Certified Public Accountants, P.C., Inc.
R L Cloud CPA, PC

INITIAL REGISTRATION OF A CPA PROFESSIONAL LIMITED LIABILITY COMPANY:

Steven J. Anderson CPA PLC

4673.

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