OKLAHOMA ACCOUNTANCY BOARD

MINUTES OF MEETING AND HEARINGS

August 1, 2003

The Oklahoma Accountancy Board convened in regular session on Friday, August 1, 2003 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
Tom Dugger, CPA, Member
James A. Nickles, CPA, Member
Janice L. Gray, CPA, Member

In attendance at the meeting: Edith Steele, Executive Director; David Kinney, Assistant Attorney General and Prosecutor for the Board; Barbara Walker, Paulina Coffman, Donita Graves, and Jim Shepherd, Board staff members. Daryl Hill represented the Oklahoma Society of CPAs. Dean Taylor represented the Oklahoma Society of Accountants; John Crittenden, Assistant Attorney General; George Floyd with the Office of State Finance; Gary Collins with the House of Representatives; Michael G. Bloese, CPA; Bethany Stanley from the Attorney General's office; Deb Chase and Michelle O'Reilly from Your Oklahoma 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. He noted that Member Volturo would be late due to a work-related activity.

Consent Agenda: The Consent Agenda contained 2 items for the Board's consideration: (1) Approve the minutes of the June 20, 2003 Board meeting; (2) Take official notice of the files acted on by the Executive Director since the previous meeting.

> Engelbach moved to approve the minutes as written; St. John second. Johnson proposed an amendment to the motion containing his proposed changes to the minutes; Engelbach and St. John accepted the Chairman's amendment. Affirmative votes: Dugger, St. John, Engelbach, and Johnson. Abstained: Nickles and Gray.

St. John moved to accept the Consent Agenda as amended; Dugger second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson and Gray.

Public Comment Period (Prior to the Convening of the Meeting, the Executive Director Must Be Informed of the Individual's Wish to Speak Before the Board and Subject to be Discussed): Executive Director Steele informed the Chairman that she had not been advised of anyone wishing to speak at this meeting. Mr. Nickles raised the question of the purpose for a three-minute limit. He expressed concern that prior notice may not always be appropriate in certain circumstances. Mr. Dugger commented that such a limit hinders the public's participation at the Board's meetings in addition to those whom the Board regulates. He also stated that part of the Chairman's role is to control the meeting and that if discussions were to get out of hand, the Chairman could decide whether to end the discussion at that time. Chairman Johnson referenced that such a practice is common among Boards with respect to Board members' time, especially for those members who must travel in order to attend the meetings.

Report on the Verification of the Administrative Posting of the May 2003 Grades to the Board's Records: Vice Chairman Engelbach reported that on July 30, 2003 he tested the posting of the grades and found no discrepancies.

NASBA CPA Exam Review Board: The Board noted the official report from the NASBA CPA Exam Review Board on the grading of the May 2003 examination.

Certification and Review of the Grades: The Board considered the official grade report from the May 2003 CPA and PA examination issued by the Advisory Grading Service of the American Institute of Certified Public Accountants. Certificates will be issued to 117 successful candidates from the Certified Public Accountant Examination and to 4 individuals based upon transferring four conditional credits on the examination from other states.

Dugger moved that based on Vice Chairman Engelbach's review and the staff's preparation of the grades, the grades be certified from May 2003 examination; Nickles second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson and Gray.

Dugger moved to ratify the successful candidate nominees for the OSCPA awards based on Vice Chairman Engelbach's review of the grades; Engelbach second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson and Gray.

Certificate No.	Name
15662	ACKERMAN, AARON LEE
15663	BAILEY, MICHAEL LEE
15664	BAKER, DIANE MARIE
15665	BARNES, JR. MICHAEL
15666	BARTEL, NATHANIEL
15667	BIANCHI, SHERRY A.
15668	BOND, TERRY L.
15669	BONINE, LOIS BEATRICE
15670	BOWIE, JAMES
15671	BREWER, MINDY LOUISE
15672	BRITTAIN, MARGARET ANN
15673	CARNEY, TAMMY DAWN
15674	CLEERE, CAROL JEAN
15675	CLIFFORD, GEORGE
15676	CLOUD, VERNA LISA
15677	COLLINS, CHRISTIE
15678	COLLINS, TINA LOUISE
15679	COOKE, POWELL WARREN
15680	CORADO, JIMMY ROBERT
15681	CROCKER, JOHN MICHAEL
15682	CRUIKSHANK, HEATH EARL
15683	CULBERTSON, DAVID ALAN
15684	CURFMAN, ROBERT DALE
15685	DANIEL, RANDALL EUGENE
15686	DEDMON, JASON DENE
15687	DEMPSTER, BRADLEY
15688	BURNS, AMANDA
15689	DODD, CHELA LYNN
15690	DOWNING, NEDRA LYNN
15691	DOWNING, RYAN KEITH
15692	DUDLESON, MICHAEL
15693	DUNCAN, JAMES D.
15694	EASTMAN, DEBORAH KAY
15695	ECKHARDT, MELISSA SUE
15696	EDDLEMAN, GLENN ALLEN
15697	EDWARDS, TIMOTHY CLARK
15698	ELLIS, MARK LEE
15699	FORTNER, ANTHONY EARL
15700	GARCIA-ESCRIBANO, AIMEE
15701	GARRETSON, GAYLON J.
15702	GRAHAM, KEVIN LEE
15703	HAMM III, JOEL OREN
15704	HANDS, JAENA RACHELLE
15705	HANEY, MONICA SUSAN
15706	HAWS, BRYAN ALLAN
15707	HENRY, JOHN DALE
15708	HENSLEY, DE'AMBRA DAWN
15709	HEWITT, DOTTIE JOYCE
15710	HILL, LORI ANN
15711	HUCKINS, JARRETTA MARIE
15712	HUMPHREY, PAUL DAVID
15713	HYDE, OSMAN JOHN
15714	JAMESON, CHRISTY DEANN
15715	JONES, SARAH ELIZABETH
15716	KAWAOKA, PAUL WILLIAM
15717	KELLEY, SHEILA RAIE
15718	KLEVEN, VENCHE LIV
15719	KRUEGER, KEVIN NEAL
15720	LAKELY, MISTY BROOKE
15721	LAVEZZO, NICHOLAS
15722	LEE, ALEXANDER KIT
15723	LEU, WAYNE
15724	LOPRESTO, ANTHONY
15725	LOWRY, SCOTT BRYANT
15726	LUNDAY, JAMES
15727	MATTHEY, OXANA
15728	MAYFIELD, RONALD GENE
15729	MCCONNELL, JERRI LEANNE
15730	MCGUIGAN, JOSEF BRUCE
15731	MEYER, MELANIE RENEE
15732	MILAN, TARA DEANE
15733	MILLER, KENTON DUANE
15734	MITCHELL, HEIDI WILLOW
15735	MONTGOMERY, MINDY KAY
15736	MOUSE, LORI MICHELLE
15737	OTTEN, JAMES HARVEY
15738	PARKS JR., DANNY
15739	PATTERSON, BRIDGET
15740	PECK, ANDREW CURTIS
15741	PERCIVAL, AMANDA GAYLE
15742	PERRY, CYNTHIA DARLENE
15743	PETERS, KEITH EDMOND
15744	PHILLIPS, KELLY BETH
15745	PRICE, LINDA LEE HAYES
15746	PRICE, TIFFANY NOELLE
15747	PRIEST, REBECCA LEE
15748	PULLEY, SARAH RACHEL
15749	RAMBO, DONNA L.
15750	RANALLO, JOSEPH PATRICK
15751	REECE, LISA RENAE
15752	RICHARDSON, WILLIAM ERIC
15753	RIEMAN, AMY ADENA

Certificate No.	Name	Certificate No.	Name
15754	RODDY, SHELLY LYNN	15769	TAYLOR, KRISTIN LAURA
15755	SATRE, JAMES KELLY	15770	THOMPSON, NANCY ELLEN
15756	SCHILLING, CARSON ERWIN	15771	THOMSON, MATTHEW RYAN
15757	SCHMIDT, GREGORY PAUL	15772	TREVILLON JR., JEFFERY
15758	SHALOY, ERICA ELLEN	15773	WATKINS, LESLEY DYAN
15759	SHELTON, JOY ELLEN	15774	WEAST, KEVIN DARREL
15760	SLOAN, TRAVIS RALPH	15775	WEBB, ERIN MICHELLE
15761	SMITH, LUANNE	15776	WELCH, MELANIE HELEN
15762	SMITH, STEPHEN ROBERT	15777	WHITEHEAD, RUSSELL DEAN
15763	SRINIVASAN, LAKSHMI	15778	WILLIAMS, JOSEPH KURT
15764	ST. CLAIR, JENNIFER LEE	15779	WILSON, AMY LEANN
15765	STALLARD, JOHN LEONARD	15780	WISEMAN, NIKKI JEAN
15766	ROSTAMO, TRACI JEAN	15781	WROBLEWSKI, LAYNE
15767	SWEET, STACY LYNN	15782	ZHENG, XIAOHONG
15768	TAYLOR, JACLYN L.		

Case No. 1513 – Hearing in the Matter of Joe Heard, CPA, Certificate No. 11927-R: Special Prosecutor Kinney announced that the hearing for this case had been postponed at the request of the Respondent and will be continued at the August 29, 2003 Board Meeting.

Case No. 1539 – Hearing in the Matter of Jerry D. Meadows, CPA, Certificate No. 6659: This matter came on for hearing at 9:07 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 not present nor represented by counsel. The purpose of the hearing was to determine whether (1) Respondent violated Section 15.14B(2), (3), and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9(1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about January 12, 1999 whereby the Respondent fraudulently caused BOK, Tulsa, Oklahoma to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $77,471.48 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(2) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about February 22, 1999 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to computer directions sent by the Respondent from Explorer Pipeline Company, $32,037.72, ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(3) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act and OAC 10:15-39-8 (a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the

activities of wire fraud on or about March 10, 1999 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $75,154.27 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(4) Respondent violated Section 15.14B (2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8 (a), OAC 10:15-39-9 (1), (2), (3), (4), and

(5) by engaging in the activities of wire fraud on or about April 14, 1999 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $54,294.78 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(5) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about June 15, 1999 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $84,034.25 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(6) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about August 17, 1999 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $97,990.99 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(7) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about September 15, 1999 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $300,000.00 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(8) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about November 19, 1999 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank

account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $250,000.00 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(9) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about February 1, 2000 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $500,000.00 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(10) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about March 3, 2000 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $750,000.00 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(11) Respondent violated Section 15.14B (2), (3), and (6) of the Oklahoma Accountancy Act and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about June 7, 2000 whereby the Respondent fraudulently caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $500,000.00 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(12) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about November 7, 2000 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $432,658.23 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(13) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about November 16, 2000 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline

$225,844.62 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(14) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about January 23, 2001 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $278,686.46 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(15) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about April 10, 2001 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $376,354.84 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(16) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about June 22, 2001 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $500,000.00 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(17) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about August 17, 2001 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $500,000.00 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(18) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about October 9, 2001 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $182,454.25 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(19) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about February 20, 2002 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $325,000.00 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(20) Respondent violated Section 15.14B(2) and (6) of the Oklahoma Accountancy Act, and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about March 13, 2002 whereby the Respondent caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $251,226.52 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(21) Respondent violated Section 15.14B (2), (3), and (6) of the Oklahoma Accountancy Act and OAC 10:15-39-8(a), OAC 10:15-39-9(1), (2), (3), (4), and (5) by engaging in the activities of wire fraud on or about April 25, 2002 whereby the Respondent fraudulently caused BOK, Tulsa, Oklahoma, to wire transfer from Explorer Pipeline Company's bank account, in interstate commerce, to the Federal Reserve Bank in Kansas City, Missouri, according to the computer directions sent by the Respondent from Explorer Pipeline $250,000.00 ultimately destined for credit to the Respondent's Arvest Bank account in Tulsa, Oklahoma;

(22) Respondent violated Section 15.14B (2), (3), and (6) of the Oklahoma Accountancy Act and OAC 10:15-39-8(a), OAC 10:15-39-9 (1), (2), (3), (4), and (5) as the result of committing wire fraud offenses in violation of 18 U.S.C. 1343, Respondent was charged pursuant to 18 U.S.C. 982(a)(2)(A) to forfeit to the United States any property, constituting or derived from, proceeds the person obtained directly or indirectly as a result of such wire fraud offenses. On November 14, 2002, Respondent entered a voluntary plea of guilty and was sentenced on February 13, 2003.

Chairman Johnson noted for the record that while he was a partner at KPMG, Explorer Pipeline Company was a client of the firm. He stated that he had no knowledge of whether Explorer Pipeline Company was a continuing client of the firm nor was he acquainted with the prosecution's witness, Michael G. Bloese, CPA and Senior Auditor for Explorer Pipeline Company.

Special Prosecutor David Kinney called the Board's Executive Director Edith Steele and Michael G. Bloese, CPA and Senior Auditor for Explorer Pipeline Company as witnesses for the State.

After Mr. Bloese's testimony, Chairman Johnson noted for the record that one of the entities in which he is affiliated owns BOK (Bank of Oklahoma) and Oppenheim but that he has no knowledge of this matter or how it affected the bank or the holding company.

Chairman Johnson reiterated that although KPMG did perform professional services for Explorer Pipeline, he was not aware of these services nor had he discussed this case with any representative from KPMG or individual contractor thereof. He affirmed that these circumstances do not affect his independent judgment on how he might vote in this case.

Board Member Tom Volturo arrived at the meeting at 9:37 a.m.

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

Chairman Johnson noted for the record that member Volturo would not be participating in the Executive Session or vote regarding this matter.

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

Assistant Attorney General Crittenden noted for the record that no official business decisions had been made during Executive Session. Chairman Johnson affirmed that Member Volturo was not a participant or an attendant at the Executive Session.

> St. John moved that the Board has found that by clear and convincing evidence, Jerry Meadows, holding Certificate No. 6659, has violated the Oklahoma Accountancy Act and rules of the Board in each offense as stated in Case No. 1539; Nickles second. Affirmative votes: Gray, Johnson, Engelbach, St. John, Dugger and Nickles. Abstained: Volturo.
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> St. John moved that Jerry D. Meadows' Certificate be revoked, and that the Board apply a fine of $10,000 per offense, totaling 180 offenses for a fine totaling $1.8 million dollars; if reinstatement is requested in the future, then before reinstatement, all fines and requirements and restitution of the Federal case and this Board's prosecution be completed; 40 hours of CPE per calendar year will be required as if he had remained a registrant during this period of time; Nickles second but offered the amendment to recover administrative costs to be determined at a future hearing; St. John accepted the amendment. Affirmative votes: Gray, Johnson, Engelbach, St. John, Dugger and Nickles. Abstained: Volturo.
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> Nickles moved to adjourn the hearing; Engelbach second. Affirmative votes: Gray, Johnson, Engelbach, St. John, Dugger and Nickles. Abstained: Volturo.

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. 1539.

Report on Status of the Board's Portal System and On-line Renewal/Application Processes: IT Director Jim Shepherd reported on the statistics accumulated for the period of June 7 – 30, 2003. Mr. Nickles asked whether there was an automatic confirmation process once an application and fees had been transmitted online. Mr. Shepherd replied that applicants receive a receipt online. Chairman Johnson raised the question of additional costs the Board might incur for the portal. Mr. Shepherd explained that the Substantial Equivalency form, the Reciprocal and Reinstatement applications in addition to initial applications for firms and individuals had yet to be implemented on the Board's portal system. Chairman Johnson directed him to provide at the next Board meeting a list of projects to be added to the portal system and the estimated cost and to include in a summary report the annual maintenance fees charged by NIC (the portal development vendor), the company which provided the server software, and the database programmer.

Chairman Johnson asked when the Substantial Equivalency Notification form would be available online. Mr. Shepherd replied that the database must be completed first and that it would take NIC approximately two weeks upon database completion for it to be put on the portal system. At the direction of the Chairman, Mr. Shepherd introduced George Floyd from the Information Services Division of the Office of State Finance and Project Director for the state's portal (YourOklahoma.com); Michelle O'Reilly, Project Manager with NIC assigned to the Oklahoma Accountancy Board; and Deb Chase, Marketing Director for NIC.

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

Case No. 1538 – CPA Individual

The registrant failed to substantiate that he had completed the required two hours of CPE in ethics. After numerous attempts by staff to resolve this issue with the registrant, it was decided by the Vice Chairman to hold a hearing. Subsequent to this decision, the registrant resolved the issue to the satisfaction of both the staff and the Vice Chairman, so the Vice Chairman recommends the case be dismissed.

File No. 1005 - CPA Individual

A complaint was filed against the registrant alleging substandard work and withholding client records. The Vice Chairman assigned an investigator to the file. The investigator reported that "…no violations of professional standards have occurred for which would warrant an action of the Oklahoma Accountancy Board…" The Vice Chairman recommends that the file be closed.

File No. 1006 – CPA Individual

Information was received by the Board that the registrant has been issued a "conditional" permit as a disciplinary action by another state board. The discipline was taken as a result of an action which would not have been a violation of the Oklahoma rules, so the Vice Chairman recommends that the file be closed.

File No. 1011 – CPA Individual

The complainant alleged that the CPA refused to furnish him with a K-1 as required. The Vice Chairman assigned an investigator to this file. The investigator reported that "Based on my review of the available information, it is my opinion, at this time, that no violations of professional standards have occurred for which would warrant an action of the Oklahoma Accountancy Board…" The Vice Chairman recommends that the file be closed.

File No. 1021 – CPA Individual

A complaint was filed by the estranged spouse of the registrant alleging falsified CPE reporting by the registrant, unethical behavior and fiduciary negligence. The Vice Chairman assigned an investigator to this file. The investigation did reveal that the registrant was late for a CPE seminar but the tardiness fell within the guidelines allowed by the sponsor. The other allegations were not founded so the Vice Chairman recommends the file be closed.

File No. 1038 – CPA Individual

A complaint was filed alleging fraudulent activities. The Vice Chairman assigned the file to the Assistant Attorney General. After his review and report, the Vice Chairman concurs with his recommendation that the file be closed.

File No. 1040 – CPA Individual

A complaint was filed alleging that the CPA had delivered financial statements to the wrong party and the complainant demanded that a copy be filed with the tribe's treasurer. As directed by the Vice Chairman, the Executive Director requested additional information from the complainant. No response was received to the Executive Director's correspondence, so the Vice Chairman recommends the file be closed.

File No. 1064 – CPA Individual

A complaint was filed alleging false audit statements. At the direction of the Vice Chairman, the Executive Director requested further information from the registrant. His response satisfied the Vice Chairman, so he recommends that the file be closed.

File No. 1065 – Non-Registrant

A complaint was filed that a non-registered firm was listed in the *Feist Oklahoma City Metro* directory and in an online listing of Southwestern Bell *Smartpages.com* under the category "Accountants—Certified Public" As directed by the Vice Chairman, a Cease and Desist letter was issued by the Assistant Attorney General. A response was received from the firm's attorney, which satisfied the Vice Chairman, so he recommends that the file be closed.

File No. 1067 – CPA Individual

A complaint was filed by a divorce attorney alleging that the CPA would not comply with a request for personal copies of Joint Tax Return filed on behalf of one of his clients. The registrant responded immediately to the complaint. The Vice Chairman was satisfied with his response so he recommends the file be closed.

File No. 1071 – Non-Registrant

Information was brought to the Board's attention that a CPA registrant appeared to be holding out under an unregistered firm name. As directed by the Vice Chairman, a Cease and Desist letter was issued by the Assistant Attorney General. The registrant's response satisfied the Vice Chairman, so he recommends the file be closed.

File No. 1072 – Non-Registrant

Information was brought to the Board's attention that a Texas CPA was holding out as a CPA in the State of Oklahoma. As directed by the Vice Chairman, a Cease and Desist letter was issued by the Assistant Attorney General. The non-registrant's response and proof that he had corrected any violation satisfied the Vice Chairman, so he recommends that the file be closed.

Files to be assigned to the Administrative Law Judge:

Subchapter 10:15-37-6(e) of the Oklahoma Administrative Code provides "Hearings will be conducted by one (1) of the following methods, ***as determined by the Board*** (emphasis added):…(3) By an attorney licensed to practice law in this state appointed by the Board to act as a hearing examiner or Administrative Law Judge"

The Vice Chairman recommends the following cases be heard before the Administrative Law Judge:

Case No. 1484
Case No. 1490
Case No. 1502
Case No. 1503
Case No. 1504
Case No. 1505
Case No. 1506
Case No. 1554-1
Case No. 1554-2
Case No. 1555
Case No. 1556
Case No. 1557
Case No. 1558
Case No. 1559

Case No. 1507
Case No. 1510
Case No. 1550
Case No. 1551
Case No. 1552
Case No. 1553
Case No. 1560
Case No. 1561
Case No. 1562
Case No. 1563
Case No. 1564

> Engelbach moved that these files be closed and that the cases provided in Agenda Item 5 be assigned to the Administrative Law Judge; Dugger second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson, Volturo, and Gray.

Act on Orders *Nunc Pro Tunc* in Case Nos. 1534 and 1535: Assistant Attorney General David Kinney reported that the Consent Orders in these cases contained minor scrivener's errors. Mr. Nickles asked whether the Respondents were in agreement with these proposed changes. Executive Director Steele explained that the Respondents will be contacted once these changes have been signed by the Chairman.

> Nickles moved to adopt the changes as presented by the Attorney General; Dugger second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson, Volturo, and Gray.

Consideration and Vote to Authorize FY 2004 Travel to Various Meetings Benefiting the Oklahoma Accountancy Board and the Public of Oklahoma for Board Members, Appropriate Staff Members and Appropriate Individuals on Contract Status Except for the Attendance at any June Meeting by any Outgoing Board Member Unless Specifically Approved by the Board: Chairman Johnson emphasized that this was only for the current fiscal year and that this was consistent with other state boards and state policy. He commented that the purpose for such a measure was that it would allow Board members to attend meetings which might benefit the public without having to obtain prior approval at a Board meeting. Mr. Volturo raised the question as to who would authorize the staff's travel. Chairman Johnson explained that the Executive Director, with the concurrence of the Chairman, decides the meetings staff members will attend. Chairman Johnson announced that Member Volturo will be reviewing all travel claims submitted by the Board's Chairman, Vice Chairman, Secretary and the Executive Director.

> St. John moved to adopt this item; Volturo second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson, Volturo, and Gray.

Consideration and Vote on Policy to Authorize Executive Director to Approve Claims, Including Payrolls, with Oversight by the Chairman of Invoices in Excess of $10,000: Chairman Johnson acknowledged that the Executive Director can initiate purchases up to $2,500. He explained that any claims or invoices which amount to

$10,000 or more will require the concurrence of the Chairman and the Executive Director. Mr. Dugger asked if such concurrence would be in written form. Executive Director Steele explained that the invoice would be faxed or e-mailed to the Chairman, the Chairman would indicate response on the document and it would be attached to the claim.

> Dugger moved the Board to permit the Executive Director to approve claims up to $10,000 including payrolls with the oversight of the Chairman or other Executive officer of the Board as designated from time to time by the Chairman for the efficient operation of the agency; Gray second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson, Volturo, and Gray.

Consideration and Vote to Approve or Take Other Action on New CPA Certificate Document Format: Executive Director Steele addressed the complaints received by the Board regarding the appearance of the CPA certificates. Referencing the sample of the proposed certificate presented at the meeting, she explained that the Board's staff were working on making the scanned traditional masthead sharper and clearer but that a graphic artist might need to be hired. Ms. Steele commented that quality parchment paper was no longer available. Chairman Johnson asked what the additional incremental cost would be for such changes. Ms. Steele replied that design of the masthead would probably cost less than or a little over $100 total.

> Nickles moved to approve the Executive Director to move forward with the design of the CPA Certificate in a format similar to what was presented; St. John second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson, Volturo, and Gray.

Consideration and Vote to Approve or Take Other Action on Substantial Equivalency Notification Form: Executive Director Steele explained the filing and approval procedures and stated that the notification filed must be renewed annually by applicants. Ms. Steele addressed the confusion applicants encounter related to the fees for SE. She explained that she had e-mailed the Executive Directors of all the State Boards for information on the fees they charge for SE. Secretary St. John asked if a list of those who were coming into the state under SE would be available on the Board's website. Ms. Steele replied in the affirmative.

Mr. Nickles expressed objection to not requiring those applying under SE to comply with the same CPE requirements as Oklahoma registrants. He added that SE applicants should also be required to make a statement as to whether or not they have been convicted of a felony since this is also required of all other registrants. Mr. Dugger expressed concern about those individuals applying under SE who have multiple licenses and that discipline may not be adjudicated through a state board subsequent to their last registration with that state.

Chairman Johnson noted that at NASBA's Southwest Regional Meeting, all states agreed to accept other states' CPE. Mr. Nickles raised the issue of states which do not require CPE. Mr. Dugger commented that every state requires different things related to SE, citing the examples of other states requiring a morals clause and/or licensee requirements for attest purposes. He urged that the Board should perform due diligence to those applying under SE out of respect to Oklahoma registrants. Mr. Nickles agreed that the Board had a right to know whether or not there has been enforcement activity on someone applying for SE who is competing with our own registrants and for protection of the public.

Debate continued as to the inclusion of a morals question(s), the language of such a question(s), and its location of placement on the form.

> Dugger moved to approve the Substantial Equivalency notification form as provided in the agenda packet with the addition after the paragraph that ends "valid and in good standing," with the following two sentences: "Since your last registration with the above state, have you been convicted or pled guilty of a felony? (Yes or No) At this time are there any felony charges or investigations pending? (Yes or No)"; Nickles second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson, Volturo, and Gray.

Announce Committee Appointments: Chairman Johnson announced the formation of committees and appointments for FY 2004. CPE Committee: Secretary St. John, Chair and Mr. Dugger, Member. Rules Promulgation Committee: Chairman Johnson, Chair; Secretary St. John and Mr. Volturo, Members; Legislative and Sunset Review Committee: Chairman Johnson, Chair and Vice Chairman Engelbach, Member. Audit Committee: Vice Chairman Engelbach, Chair and Ms. Gray, Member. Policy and Procedures Committee: David Kinney, Assistant Attorney General. Peer Review Committee: Ms. Gray, Chair and Mr. Volturo, Member. Enforcement Committee: Vice Chairman Engelbach, Chair, and designated members Mr. Volturo (on investigative files opened after July 1, 2003) and Mr. Dugger (on investigative files opened before July 1, 2003). Budget Committee: Ms. Gray, Chair and Chairman Johnson, Member. Travel Committee: Mr. Volturo. Executive Director Evaluation Committee: Vice Chairman Engelbach, Chair, Mr. Nickles and Secretary St. John, Members.

Mr. Dugger raised the question of the Chairman's authority to establish committees and appoint its members and whether these issues must go before the Board for approval. Mr. Nickles expressed the need for clarification of this issue and requested that it be provided at the Board's next meeting.

> Engelbach moved to approve committees as suggested by the Chairman; Volturo second. Affirmative votes: Nickles, Dugger, St. John, Engelbach, Johnson, Volturo, and Gray.

Next Meeting Date Announced: The next Board Meeting is scheduled for 8:30 a.m., August 29, 2003 in Conference Room 269 at the Lincoln Office Plaza in Oklahoma City. Chairman Johnson commented that he had invited David Costello, President of NASBA, to attend. He suggested having the September 26th meeting in Tulsa.

Certificates Cancelled by Registrant's Request: CPAs: Douglas L. Ball, Certificate No. 13610-R, issued November 22, 1996 (not serving clients in Oklahoma); Carl A. Clay, Certificate No. 1964-R, issued March 30, 1967 (not practicing public accounting); James R. Hauser, Certificate No. 15360-R, issued March 1, 2002 (not serving clients in Oklahoma); Stephen J. Pipkin, Certificate No. 13050-R, issued March 17, 1995 (not residing in Oklahoma); Tim D. Taraba, Certificate No. 14460-R, issued May 21, 1999 (not serving clients in Oklahoma)

Deceased Registrants: CPAs: Ted Lance Fisher, Certificate No. 1754, issued August 1, 1964; Harvey James Gatlin, Certificate No. 11788, issued July 28, 1992; Ronald A. Holt, Certificate No. 2210, issued July 25, 1969.

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:

15783-R	Michael E. Barrett
15784-R	Michael Clark Bradley, Jr.
15785-R	James R. Bradow
15786-R	Tommy Lee Campbell
15787-R	Douglas Eldon Hasley III
15788-R	Tammy Cherry Mohaupt
15789-R	Marc Marion Morozzo
15790-R	Brenda Kankey Nichols
15791-R	Paul Scott Ozanus

Applications for Substantial Equivalency:

Roy Mack Greenway (Missouri)
Jennifer Lynn Parker (Missouri)
Sarah B. Thompson (Illinois)
Jonathan Philip Trupin (Illinois)

Applications for Reinstatement of CPA Certificates:

8408	Martin W. Depenthal
8997	Larry Bruce Stephens
14138-R	Tamara J. White

Initial Registration of a CPA Partnership:

Joseph Eve & Company

Initial Registrations of CPA Professional Corporations:

Cummins & Associates, P.C.
Henry & Associates, P.C.

Initial Registration of a CPA Professional Limited Liability Company:

Fleming and Gandall, P.L.L.C., Certified Public Accountants

Adjournment: There being no further business to come before the Board, at 12:05 p.m. Chairman Johnson called for a motion to adjourn.

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

_____
Carlos E. Johnson, Chairman

ATTEST:

_____
E. B. St. John, Secretary

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