OKLAHOMA ACCOUNTANCY BOARD

MINUTES OF MEETING AND HEARINGS

October 21, 2005

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, October 21, 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:

J.H. "Jay" Engelbach, CPA, Chairman
Tom Volturo, Representing the Public, Vice Chairman
Janice L. Gray, CPA, Secretary
James A. Nickles, CPA, Member
Carlos Johnson, CPA, Member
E.B. St. John, PA, Member
Vicky Petete, CPA, Member

Also in attendance at the meeting: Staff: Edith Steele, Executive Director, Kelly Brown, Deputy Director; Jim Shepherd, Donita Graves, Barbara Walker, Colin Autin and Holley Whitman; David Kinney, Assistant Attorney General; Guests: Patty Hurley representing the Oklahoma Society of CPAs (OSCPA); Peggy Johnson, CPA, and Dean Taylor representing the Oklahoma Society of Accountants (OSA). Nick Gales, CPA, Brian Ervin with Capitol Network News, Cindy Wood, Candidate, Jana Hazelbaker, court reporter, and John Crittenden, Assistant Attorney General were also present for relevant segments of the meeting.

Agenda Item #1a -- Call To Order: At 8:32 a.m. Chairman Engelbach called the meeting to order.

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

Agenda Item #1c – Announcement of Legal Meeting Notice: Executive Director Steele confirmed 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 building and 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 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 4 items for the OAB's consideration. (1) Approve the minutes of the September 23, 2005 Board Meeting; (2) Ratify list of surplus property and equipment transferred by the Executive Director to Department of Central Services, State Surplus; (3) Ratify verified experience of successful candidates for certification; (Appendix 1) and (4) Ratify actions taken by the Executive Director on applications and registrations filed since the previous meeting. (Appendix 1)

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

Agenda Item #5a – Report on the Verification of the Administrative Posting of Scores to the Board's Records: Member St. John reported the same testing procedures used to verify examination scores in prior reporting periods were used to verify the scores for Window 3/2005 and no errors were found. He added that he reviewed the scores of the 18 successful candidates and no errors were found.

Agenda Item #5b – Consideration and Vote to Certify the Scores: The OAB considered the official score report of the CBT examination issued by the NASBA CPA Examination Review Board for Window 3/2005.

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

The following 18 candidates successfully passed the Certified Public Accountant Examination:

Name

Beau Grant Barnes
Jerome Travis Cerny
Deann Fennell
Michael Lee Ferguson
Rita Louise Ferrer
Matthew James Gibson
Kenneth Grasing
Michelle M. Hoffman
Carolyn Elizabeth Johnson
Sohee Kang Kinder
Kevin Bates Launchbaugh
Celia Joy Lightsey
Yelena Y. Martyanova
Amy Jo Moll
Michael Brent Roberson
Eric Jason Scism
Christine Meredith Soucek
Leeann Carol Sprinkle

Agenda Item #5c – Authorization to Notify All Candidates of the Official Examination Scores and to Notify Candidates Who Have Completed the Examination to Make Application for Certification:

> Nickles moved to authorize the staff to notify all the candidates of the official examination scores and to notify the candidates who have completed the examination to make application for certification; Gray second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.

Member Nickles suggested on a going forward basis Items 5b and 5c be combined into a single agenda item.

Agenda Item #6 – Discuss and Act on Certification Applicants whose Experience is Verified by Individuals who must be Approved by the Board:
Member St. John stated the Experience Verification Committee had reviewed the qualifications of the non-CPA verifier as submitted to the OAB.

> St. John moved to accept the experience hours as shown; Gray second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.

Agenda Item #7 – Act on Administrative Action Deferred from September 23, 2005 Board Meeting: Vice Chairman Volturo addressed this action which had been deferred from the previous meeting for the purposes of obtaining clarification.

> Volturo moved to close File No. 1164; St. John second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.

Agenda Item #8 – Discuss and Act on Request from Jodie A. Douglass, CPA, Inc. for a Waiver of Oklahoma Administrative Code 10:15-33-4(a): Executive Director Steele explained the rule requiring a registrant to enroll in a peer review program if the registrant had performed any audits after July 31, 2004; unless the registrant had notified the OAB before June 30, 2005 that he/she did not intend to perform any further audits or reviews. Based on circumstances addressed in a letter sent to the OAB, the registrant did not know on June 30, 2005 whether she would be performing any audits or reviews.

> Nickles moved to waive the peer review requirement for this registrant; St. John second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.

Agenda Item #9 – Discuss and Act on Oklahoma's Responses to the AICPA and NASBA Regarding Proposed Revisions to the Uniform Accountancy Act: Member Johnson suggested the Chairman appoint an Ad Hoc Committee to respond on behalf of the OAB subsequent to the AICPA Council meeting and the NASBA meeting.

Chairman Engelbach advised OAB members to submit their comments to the Ad Hoc Committee.

> Johnson moved the Chairman appoint a committee to respond for the OAB to the UAA Joint Task Force as to the OAB's comments regarding the proposed revisions; Gray second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.

Chairman Engelbach appointed an Ad Hoc Committee composed of himself, Member Johnson and Secretary Gray.

Agenda Item #10 – Report from the Peer Review Oversight Committee and Peer Review Committee: Secretary Gray reported on the meeting between the Peer Review Oversight Committee and the Peer Review Committee held on September 27, 2005. Nick Gales, Chairman of the Peer Review Committee presented an oral report to the OAB on the meeting of the Peer Review Committee held on October 14, 2005.

Case No. 1629 – Show Cause Hearing in the Matter of the Application to Reinstate Active Candidate Status to Cynthia Janell Wood: This matter came on for hearing at 9:17 a.m. The members of the Oklahoma Accountancy Board present were seated on the hearing panel. Assistant Attorney General John Crittenden represented the OAB.

Respondent was present but not represented by counsel. Assistant Attorney General Kinney represented the State. No witnesses were called by the State.

The purpose of this hearing was to determine whether the Respondent's candidacy should be reinstated. The Respondent's candidacy was inactivated on May 31, 2005 for failure to sit for the computer-based examination within an eighteen-month period. Respondent testified on her own behalf.

> Johnson moved to go into Executive Session; Nickles second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.
>
> Johnson moved to come out of Executive Session; Gray second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.
>
> Nickles moved based on the evidence presented in Case No. 1629 regarding Cynthia Janell Wood that she be reinstated as an active candidate effective May 31, 2005; St. John second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.
>
> Nickles moved to adjourn the hearing; Gray second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.

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. 1629.

Case No. 1630 – Show Cause Hearing in the Matter of the Application to Reinstate Active Candidate Status to Rhonda Lynn Crary: This matter came on for hearing at 10:07 a.m. The members of the Oklahoma Accountancy Board present were seated on the hearing panel. Assistant Attorney General John Crittenden represented the OAB.

Respondent was not present nor represented by counsel. Assistant Attorney General Kinney represented the State. No witnesses were called by the State.

The purpose of this hearing was to determine whether the Respondent's candidacy should be reinstated. The Respondent's candidacy was inactivated on May 31, 2005 for failure to sit for the computer-based examination within an eighteen-month period.

> Nickles moved based on the evidence presented in Case No. 1630 regarding Rhonda Lynn Crary she be reinstated as an active candidate effective May 31, 2005; St. John second. Affirmative votes: Petete, Engelbach, Volturo, Gray, Nickles, and St. John. Abstained: Johnson.
>
> Nickles moved to adjourn the hearing; St. John second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.

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. 1630.

Case No. 1616 – Hearing in the Matter of Andy Sienkoon Ting, CPA Certificate No. 14626-R: This matter came on for hearing at 10:16 a.m. The members of the Oklahoma Accountancy Board present were seated on the hearing panel. Assistant Attorney General John Crittenden represented the OAB.

Respondent was not present nor represented by counsel. Assistant Attorney General Kinney represented the State. No witnesses were called by the State.

The purpose of the hearing was to determine whether (1) Respondent violated Sections 15.14A(C), 15.14B(6) and 15.35(B) of the Oklahoma Accountancy Act and OAC 10:15-29-4(a), OAC 10:15-29-4(b) and OAC 10:15-39-9(1) by failing to complete 40 hours of CPE prior to submitting his Permit Application; (2) Respondent violated Section 15:14B(6) of the Oklahoma Accountancy Act and OAC 10:15-29-9(a), OAC 10:15-39-9(1) and OAC 10:15-39-9(4) by falsely attesting on his Permit Application that he had in his possession sufficient documentation to prove his attendance at all courses reported; (3) Respondent violated Sections 15.35(A) and 15:14B(6) of the Oklahoma Accountancy Act and OAC 10:15-29-6(b) and OAC 10:15-39-9(1) by failing to obtain, retain and provide evidence to substantiate completion of all the CPE courses reported

in his Permit Application; and (4) Respondent violated Sections 15.14B(1) and 15.14B(6) of the Oklahoma Accountancy Act and OAC 10:15-29-9(a), OAC 10:15-39-9(1) and OAC 10:15-39-9(4) by obtaining a permit to practice public accounting on the basis of falsely reported CPE information.

Assistant Attorney General Kinney presented the following recommendations from the Administrative Law Judge: (1) Respondent be placed on probation for a period of five years. If Respondent successfully complies with the CPE requirements for the first 3 years of probation, the last 2 years of the probation be lifted; (2) Respondent be required to complete the AICPA's Professional Ethics Exam with a minimum score of 90% within 90 days before June 30, 2006; (3) Respondent be required to complete 80 hours of CPE each year of the probation period with CPE being pre-approved by the OAB's CPE Coordinator; (4) Respondent be assessed administrative costs in the amount of $2,190; and (5) Respondent be assessed a fine to be set by the OAB.

> Gray moved to go into Executive Session; Volturo second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.
>
> Gray moved to come out of Executive Session; Nickles second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.
>
> Johnson moved based on clear and convincing evidence, the OAB adopt the recommendations of the Administrative Law Judge as submitted and the Respondent be assessed costs in the amount of $2,190 and a fine to be assessed of $1,000 per count which would total $4,000; St. John second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.

Member Gray recommended the Special Prosecutor advise the Respondent in the final order that 40 hours of the Respondent's CPE must be completed before December 31, 2005 for him to be in compliance for renewing the permit in 2006. Member Nickles added the Respondent be notified that the triennial reporting period does not apply to him in this matter.

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

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. 1616.

Agenda Item #11: Report from FARB Conference held October 14-16, 2005: Assistant Attorney General Kinney presented a report on the FARB Conference he attended.

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

- Auditors have completed the fieldwork on the OAB's audit.

- The Executive Director and Examination Coordinator to visit examination sites in McAlester and Woodward.

Member Johnson urged inclusion in the rules the OAB's ability to approve examination sites. He recommended a formal letter be sent to David Ginsberg of Prometric addressing the OAB's concerns. Chairman Engelbach added the letter must express the OAB does not want a site to be used until the OAB has approved the site. He requested a copy of the letter be sent to the AICPA and NASBA. Member Petete stated the OAB should be notified on a monthly or quarterly basis of Prometric's ratings of the examination sites in Oklahoma.

Supplemental Agenda Item #1: Report from NASBA Education Committee Meeting October 2 - 3 Regarding the UAA Exposure Draft on Proposed Rule Amendments: Secretary Gray reported that a letter will be sent by the committee to all of those entities which made comments indicating the exposure draft will not go forward in its present form. She added there is substantial support for the requirement of a college course in Ethics but presentation, content, and hours of such a course are among the issues to be decided.

Supplemental Agenda Item #2: Ratify Amendment to FY 06 OAB Committee List: Chairman Engelbach commented the Outreach Programs Committee had been amended to recommend any changes that might be needed in the Recognition Ceremony.

Agenda Item #13a: Chairman's Report: Chairman Engelbach addressed the following issue:

- An interim study of SB 879 is being conducted by the Senate and is being monitored by the OAB's Legislative Committee.

Agenda Item #13b -- Next Meeting Date Announced: The next OAB Meeting is scheduled for 8:30 a.m., November 18, 2005, in Conference Room 20 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 11:20 a.m. Chairman Engelbach called for a motion to adjourn the meeting.

> Nickles moved to adjourn; Gray second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles, and St. John.

4717.

_____
J.H. Engelbach, Chairman

ATTEST:

_____
Janice L. Gray, Secretary

APPENDIX 1

DECEASED REGISTRANTS:

CPAs:

Roberta Biles Hargis, Certificate No. 7599, issued July 26, 1984
James Nuell Oakes, Sr., Certificate No. 1191, issued July 29, 1957

PA:

Carl Edward Weaver, License No. 39, June 18, 1968

Applications Approved: The OAB took official notice of the following experience verification applications which have been approved by the Executive Director:

Tracy Elizabeth Feinstein
Daniel John Gillispie
Sarah Renee Stafford

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):

16065	Christy Dawn Cluck
16091	Jessica Nicole Denney
16092	Samantha A. Mills
16096	Kimberly Ann Blackmer

APPLICATIONS FOR RECIPROCAL CERTIFICATES:

16116-R	Jeannette Rachel Absher
16117-R	Paula Ann Cochran
16118-R	Mark E. Dolan Jr.
16119-R	Elizabeth Prudot Gregg
16120-R	Robin Lee Killingsworth

APPLICATIONS FOR PRACTICE PRIVILEGES IN ACCORDANCE WITH SUBSTANTIAL EQUIVALENCY (Based on State SE Recognition):

Oluwatoyin A. Akisanmi (Texas)
Scott L. Berte (Alabama)
Scott Roger Bub (Texas)
Gregory F. Conaway (Texas)
Wayne A. Fortier (North Carolina)
Elizabeth J. Hadler (Texas)

APPLICATIONS FOR PRACTICE PRIVILEGES IN ACCORDANCE WITH SUBSTANTIAL EQUIVALENCY (Based on State SE Recognition) (Continued):

David W. Hickey (Texas)
Sharon Louise Kane (Connecticut)
John Kenneth Kleckner (Texas)
William T. Leonard (Texas)
Todd Austin McKinnon (Utah)
Christopher George Olsen (Texas)
Jessica Osborne (Texas)
Paula Marie Wehby (Texas)
Mark B. Wheelis (Texas)
James L. Wilhelm (Texas)
Ross Bowie Woodley (Texas)
Michael Woodruff (Texas)

APPLICATIONS FOR REINSTATEMENT OF CPA CERTIFICATES:

11285	William C. Bess, Jr.
11337	Daniel Conner Howard
14377	Victor C. Kubli
14652	Angela A. Claiborn
14764	Landon C. Walker
15101	Bonner James Gonzalez
15412	Tyler S. Harris

INITIAL REGISTRATIONS OF CPA PROFESSIONAL CORPORATIONS:

Amy L. Taylor, Certified Public Accountant, PC
Scott L. Campbell, CPA, PC
S.M. Charboneau, CPA, P.C.

INITIAL REGISTRATIONS OF CPA PROFESSIONAL LIMITED LIABILITY COMPANIES:

Jack R. Chronister, CPA, PLLC
Trevillion and Associates, P.L.L.C.
Turner & Associates, PLC