OKLAHOMA ACCOUNTANCY BOARD

MINUTES OF MEETING AND HEARING

December 16, 2005

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, December 16, 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; Donita Graves, Barbara Walker, Colin Autin and Holley Whitman; David Kinney, Assistant Attorney General; Guests: Daryl Hill and Rusty Hale, CPA representing the Oklahoma Society of Certified Public Accountants (OSCPA); Jim Nolen representing the Oklahoma Society of Accountants (OSA). Craig Ginsavley with Capitol Network News and Assistant Attorney General John Crittenden were also present for relevant segments of the meeting.

Agenda Item #1a -- Call To Order: At 8:03 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: He noted that Member St. John would arrive late. All other 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 5 items for the OAB's consideration. (1) Approve the minutes of the November 18, 2005 Board Meeting; (2) Ratify the Audit Committee's approval to file the OAB's FY2005 Audit of Financial Statement with appropriate state agencies; (3) Ratify the verification of the administrative posting of scores to the Board's records for Window 4/2005 Examination (October – November 2005); (4) Ratify verified experience of successful candidates for certification; (Appendix 1) and (5) Ratify actions taken by the Executive Director on applications and registrations filed since the previous meeting. (Appendix 1)

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

Member Johnson suggested a change to minutes with regard to the motion on the Supplemental Agenda item. Member Nickles and Vice Chairman Volturo agreed with the change.

Agenda Item #5a – Discuss and Act on Whether Oklahoma Wishes to Submit Nomination(s) for NASBA's Board of Examiners or Related Subcommittees: Chairman Engelbach deferred this item to the February meeting in order for current Board members to consider serving in addition to asking the past Board members if they are interested in being nominated to serve on the Board of Examiners or related subcommittees.

Agenda Item #5b – Discuss the New York Initiative Concerning Alternative Examination Strategic Plans: Member Nickles addressed the major issues expressed by New York and California regarding the computer based examination. He recommended the OAB write a letter in support of New York and California's position on alternative examination venues. Member Johnson commented that NASBA and the AICPA are already looking into these issues.

Member St. John arrived at the meeting at 8:17 a.m.

Member Johnson suggested the Executive Director request copies of the letters from other states regarding this issue and distribute them to the OAB. Secretary Gray added Texas and Louisiana's position should be considered. Action on this item has been deferred to a future meeting to allow for the Executive Director to receive responses from the other states for members to review.

Agenda Item #5c – Discuss and Act on Draft of Regional Directors' Focus Questions: Executive Director Steele noted that the focus questions are due on January 6, 2006.

> Volturo moved to accept the draft of the Focus Questions and be forwarded to the Regional Director; Gray second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles and St. John.

Agenda Item #6 – Discuss and Act on Memorandum from Assistant Attorney General Kinney on Oath of Office for Certificate and License Holders: Assistant Attorney General Kinney recommended the OAB write a provision within its statute under Section 15.9 to require an oath of office. However, Member Johnson noted that a provision could be added to the OAB's rules and Assistant Attorney General Kinney agreed. Member Nickles expressed concern that requiring an oath would result in the addition of one more count to enforcement cases for violation of the oath. Vice Chairman Volturo asked if attendance at the presentation ceremony will be required if an oath must be taken. Member Johnson explained that Texas does not require attendance at its ceremony but the oath is sent to those who do not attend and the oath must be notarized and returned to its Board. Vice Chairman Volturo urged that input be sought from future registrants and other interested parties who will be affected by this requirement. Member Johnson recommended to the Chairman that the Outreach Committee look into this matter further.

> Johnson moved to table this item to a subsequent OAB meeting; Petete second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray and St. John. Abstained: Nickles. Motion passed.

Agenda Item #7 – Discuss and Act on Request from DeAnn Fennell to Allow Ethical Considerations in Organizations Completed at the University of Oklahoma Graduate School to Meet the Requirements of Section 15.9.E: Secretary Gray recommended the Executive Director determine whether the Texas Board has approved this college ethics course as meeting their ethics requirement for candidates prior to sitting for the examination. Chairman Engelbach noted he will put this item on the agenda for the January meeting.

> Nickles moved to table this item until such information can be determined; Gray second. Affirmative votes: Johnson, Petete, Engelbach, Volturo, Gray, Nickles and St. John.

Case No. 1588 – Hearing in the Matter of John Kerry Fodge, Registrant: This matter came on for hearing at 9:11 a.m. The members of the Oklahoma Accountancy Board present were seated on the hearing panel. Vice Chairman Volturo recused himself from the hearing procedures and vote.

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

Assistant Attorney General Kinney presented an Administrative Consent Order signed by the Respondent and the Respondent's attorney under the following terms: (1) Respondent accepted he was in violation of Sections 15.14B (2), (4), & (6) of the Oklahoma Accountancy Act and OAC Section 10:15-39-9(1), (2), (3), (4) & (5) by engaging in the activities under Count 1 – 6 of the indictment and pleading guilty to a misdemeanor of embezzlement by employee; (2) Respondent's CPA Certificate be suspended for a period of three years; (3) Respondent assessed administrative costs in

the amount of $500; (4) Respondent assessed a fine in the amount of $1000; (5) Respondent be required to complete the AICPA Ethics Examination with a minimum score of 90% before December 31, 2006; and (6) Respondent be required to complete 40 hours of pre-approved CPE per year during the period of suspension.

> Nickles moved to accept the Administrative Consent Order as presented by the Special Prosecutor in the Matter of Case No. 1588; Johnson second. Affirmative votes: Johnson, Petete, Engelbach, Gray, Nickles and St. John. Recused: Volturo. Motion passed.
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> Johnson moved to adjourn the hearing; Gray second. Affirmative votes: Johnson, Petete, Engelbach, Gray, Nickles and St. John. Recused: Volturo. Motion passed.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1588.

Case No. 1631 – Show Cause Hearing in the Matter of the Application to Issue a CPA Certificate to Lisa Renae Reece: Chairman Engelbach announced the Respondent had requested a continuance until the January meeting.

Agenda Item #8 -- Director's Report: Executive Director Steele addressed the following issues:

- Response from Prometric to the OAB letter expressing concerns with the Oklahoma examination sites.
- Information sheet provided by Prometric which reflects that Oklahoma examination sites have been rated high by the candidates.
- Brochure to be mailed to all active CPAs and PAs in addition to a letter advising them of the new CPE requirements effective January 1, 2006.

Agenda Item #4 – Consent Agenda (Revisited): Member Johnson proposed changes to the statistical report on the CBT examination for purposes of clarification. He recommended making the statistical report available to educators.

Agenda Item #9 – Chairman's Report: Chairman Engelbach extended his appreciation to Secretary Gray for taking his place at the Presentation Ceremony on December 10th. He noted the OAB members would be attending a Christmas luncheon with the OAB staff this afternoon and no business would be conducted.

Agenda Item #9b -- Next Meeting Date Announced: The next OAB Meeting is scheduled for 8:30 a.m., January 20, 2006, in Conference Room 20 at the Lincoln Office Plaza in Oklahoma City.

Agenda Item #10 – New Business: No new business.

Agenda Item #11 – Adjournment: There being no further business to come before the OAB, at 10:03 a.m. Chairman Engelbach called for a motion to adjourn the meeting.

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

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J.H. Engelbach, Chairman

ATTEST:

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Janice L. Gray, Secretary

APPENDIX 1

DECEASED REGISTRANT:

PA:

William Lasater Yadon, License No. 196, issued July 22, 1968

Grades Certified: The OAB took official notice of the administrative posting of scores to the OAB's records for the Window 4/2005 Examination which were certified by the Executive Director:

The following 7 candidates successfully passed the Certified Public Accountant Examination:

Name

Rebecca May Cone
Amanda L. Daniels
James Bryan Fissel
Robert Allen Lemaster
Amie Marie Lorson
Aaron Andrew Strong
Amy Michelle Webster

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

Jerome Travis Cerny
Matthew James Gibson
LouAnn Porter

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):

16070	Jennifer M. Hall
16075	Todd Michael Murray
16080	Cara Liani Welborn
16102	Jacob Elvis Elder
16103	Beau Grant Barnes
16105	Rita Louise Ferrer
16108	Carolyn Elizabeth Johnson
16110	Eric Jason Scism
16121	Edwin Alan Casteel
16122	Jason Derek Garber
16126	Elena Martyanova

APPLICATIONS FOR RECIPROCAL CPA CERTIFICATES:

Shawn Wayne Clagg
Larry Lee Johnston, Jr.
J. Alan Post
Brent Douglas Smith

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

Daniel Andrews (Arkansas)
Daniel Victor Dooley (New York)
Daniel Gardiner (Iowa)
Dennis Matthew Gardiner (Iowa)
Richard Malcolm Gibbs (Louisiana)
Steven Joel Haaser (Arkansas)
Catherine L. Harper (Kansas)
Jacob David Harper (Arkansas)
Paige Alyson Hudson (North Carolina)
David Joseph Kaplan (New York)
Anthony B. Kramer (Kansas)
Charles Theodore Orihel (Texas)
Jason Lee Rader (Missouri)
Timothy James Reierson (Illinois)
Shawna Reye Rogers (Kansas)
Neha Yogesh Shah (Texas)
Kristi Leann Wilkins (Kansas)

DENIED APPLICATION FOR SUBSTANTIAL EQUIVALENCY (Based on Individual SE Recognition) DUE TO FAILURE TO PROVIDE REQUIRED DOCUMENTATION:

Walter C. Copeland (Florida)

APPLICATIONS FOR REINSTATEMENT OF CPA CERTIFICATES:

7059	Carol L. Vaclavicek
8057	Julie Carr Shorrosh
9662	Marc Howard Chastain
13459	Chris Earl Bockelman
14365	Monica R. Heiliger

INITIAL REGISTRATION OF A CPA LIMITED LIABILITY PARTNERSHIP:

Dunbar, Breitweiser & Company, LLP (Illinois)

INITIAL REGISTRATION OF A CPA PROFESSIONAL LIMITED LIABILITY COMPANY:

Sooner Income Tax, PLLC

4735.

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