

OKLAHOMA ACCOUNTANCY BOARD
MINUTES OF SPECIAL MEETING AND HEARINGS

February 5, 2010

The Oklahoma Accountancy Board (OAB) convened in special session on Friday, February 5, 2010, in Room 133 of the Langston University OKC Campus, 4205 N. Lincoln Blvd., Oklahoma City, Oklahoma. A recording of the meeting is on file in the OAB office. Members present at the meeting:

Carlos E. Johnson, CPA, Chair
Barbara Ley, CPA, Vice Chair
Janice L. Gray, CPA, Secretary
Vicky Petete, CPA, Member
Kim Shoemake, CPA, Member
E.B. St. John, PA, Member

Board staff present at the meeting: Edith Steele, Executive Director; Nicole Prieto Johns, Deputy Director; Colin Autin, Peer Review Coordinator (Mr. Autin joined the meeting at approximately 10:00 a.m. and left the meeting at approximately 12:30 p.m.); Linda Ruckman, Licensing Coordinator; Matthew Sinclair, Records Coordinator; and Barbara Walker, CPE Coordinator. Assistant Attorney General John Crittenden was also present. Randall Calvert, Special Prosecutor for the OAB, was present for relevant segments of the meeting.

Agenda Item #1a -- Call To Order: At approximately 8:38 a.m. Chair Johnson called the meeting to order.

Agenda Item #1b -- Declaration of Quorum: Chair Johnson declared a quorum and welcomed Kim Shoemake to the Board.

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 Lincoln Plaza Building 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: Chair Johnson noted that Member Volturo was absent due to work related activities and that his absence was excused.

Agenda Item #2 – Announcement of Visitors: Deputy Director Prieto Johns read the names of the visitors present. Guests in attendance: David DuBois, CPA, representing Client Audit Solutions; Daryl Hill and Jeff Frable, CPA, representing the Oklahoma Society of Certified Public Accountants (OSCPA); Dean Taylor and Jim Nolen, Representing the Oklahoma Society of Accountants (OSA).

Agenda Item #3 – Public Comment Period: Deputy Director Prieto Johns advised the OAB she had not received any written requests or been informed of any member of the public wishing to speak before the OAB.

Agenda Item #4 – Consent Agenda: The Consent Agenda contained seven items for the OAB's consideration; (1) Approve the minutes of the December 18, 2009, OAB Meeting; (2) Take official notice of the OAB's Statement of Receipts and Disbursements for the Month ended December 31, 2009; (3) Approve the verification of the administrative posting to the OAB's records and certification of scores for Window 4/2009 Examination (October-November 2009); (4) Ratify the Outreach Committee drafts for publication of the February 2010 Registrants' and Candidates' newsletters; (5) Ratify the CPE Committee's granting of an extension for Gena Peters to comply with the CPE requirements; (6) Take official notice of the experience verification applications which have been approved by the Executive Director / Deputy Director; and (7) Approve the actions taken by the Executive Director / Deputy Director on applications and registrations filed since the previous meeting. (Appendix 1)

It was discussed that future reports should more clearly identify the balance in the Agency Revolving Fund and the Balance in the Agency Special Account. It was also discussed that the final figure shown on the report should read "Available" Cash Balance, instead of "Actual" Cash Balance.

Motion by St. John to approve the Consent Agenda with the amendments to the Minutes as presented. Second by Gray.

Affirmative votes: St. John, Johnson, Gray, Ley, Petete, and Shoemake. Recused: Gray recused for vote on Experience Verification Applications for Matthew Jon Mann and Patrick Brian Roberts. Absent: Volturo.

Case No. 1732 – Hearing In the Matter of Stanley Jon Reimer, CPA, Certificate No. 6322 – Revoked: This matter came on for hearing at 9:08 a.m. All the members of the Oklahoma Accountancy Board present were seated on the hearing panel.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. No witnesses were called on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits A and B, including B1 through B12, and Chair Johnson accepted the Exhibits into the record.

The purpose of the hearing was to consider the Administrative Law Judge's recommendations that: 1) Although Respondent's certificate was revoked "administratively" pursuant to 15.14(E)(2) of the Act, Respondent's certificate should also be revoked for "cause" for Respondent's violation of Section 15.14B(3) of the Act, and Section 10:15-39-9(1), (2) and (3) of the Board's Rules; 2) Should Respondent

apply for reinstatement, Respondent will be required to demonstrate at a hearing that Respondent satisfies the requirements for reinstatement, and have completed Professional Ethics: AICPA's Comprehensive Course with a score of 90%, which was taken no earlier than ninety (90) days prior to applying for reinstatement. All costs and fines must be paid prior to applying for reinstatement; 3) Respondent should be assessed a fine of \$1,000 for each violation of Section 10:15-39-8(b) of the Board's Rules for a total fine of \$2,000; 4) Respondent should be assessed a fine in the amount of \$1,000 for violation of Section 15.35(C) of the Act and Section 10:15-30-5(a) and (b) of the Board's Rules; 5) Respondent should be assessed all costs of this disciplinary matter, including but not limited to attorney fees, investigation costs, hearing officer costs, renting of special facilities costs, and court reporter costs in an amount to be set by the Board; 6) Respondents should be required to pay all fines and costs within (30) days from the effective date of the final order; 7) These Findings of Fact, Conclusions of Law and Recommendations should be considered at the Board meeting on January 29, 2010, at 9:00 a.m. [January 29, 2010, Board meeting was cancelled due to inclement weather. A Special Meeting of the Board was held on February 5, 2010.]; 8) A copy of the Board Order should be on file in the Board's offices and should be made available to any person who inquires and requests access to the Board's records. Further, notice of these proceedings should be reported by press release and in the Board's Bulletin, and as otherwise deemed appropriate by the Board.

Motion by Gray to accept the Administrative Law Judge's Findings of Fact, Conclusions of Law, and Recommendations as the Board's order with the costs to be assessed in the total amount of \$3,558.55. Second by Petete.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, Gray, and Ley. Absent: Volturo.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1732.

Case No. 1746 – Hearing In the Matter of James Barton Kalsu, Certificate No. 12042 – Revoked: This matter came on for hearing at 9:25 a.m. All the members of the Oklahoma Accountancy Board present were seated on the hearing panel.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. No witnesses were called on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits 1 through 4, and Chair Johnson accepted the Exhibits into the record.

The Special Prosecutor presented a Consent Order signed by the Respondent under the following terms: 1) Respondent has violated Section 10:15-39-8(b) by failing to timely respond to the September 1, 2007 letter requesting a response. Respondent is assessed a fine in the amount of \$1,000 for this violation; 2) Respondent has violated Section 15.35(C) of the Oklahoma Accountancy Act and Section 10:15-30-5(a) and (b) of the Board's Rules by failing to complete continuing professional education, and failing to timely file the Individual Registrant Reporting Form for 2006 compliance period; 3) Respondent must be in complete compliance with the CPE required for the 2006 compliance period within 120 days from the effective date of this Consent Order; 4) Respondent is assessed all costs of this matter, including but not limited to attorney fees, investigation costs, hearing officer costs, renting of special facilities costs, and court reporter costs in the amount of \$1,505.71; 5) Respondent is required to pay fines and costs within six (6) months from the effective date of this Consent Order; 6) Any failure of Respondent to comply with any of the terms of this Consent Order shall result in an immediate hearing before the Board. In addition, a proven violation of this Consent Order, the Act, or the Board's Rules, authorizes the Board to take such other and further action as the Board may deem appropriate under the Law 7) Respondent agrees not to violate the Act or Board's Rules in the future; 8) A copy of this Consent Order shall be on file in the Board's offices and shall be made available to any person who inquires and requests access to the Board's records. Further, notice of these proceedings shall be reported by press release and in the Board's Bulletin, and as otherwise deemed appropriate by the Board.

Motion by Petete to approve the Consent Order as presented. Second by St. John.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, Gray, and Ley. Absent: Volturo.

Chair Johnson directed that the communication with Mr. Kalsu point out that he remains revoked and that should he wish to reinstate his certificate he will have to meet the requirements for reinstatement as set out in statutes and rules.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1746.

Case No. 1748 – Hearing In the Matter of Shelley Lewis, Certificate No. 14606 – Cancelled: This matter came on for hearing at 9:36 a.m. All the members of the Oklahoma Accountancy Board present were seated on the hearing panel.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. No witnesses were called on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits 1 through 7, and Chair Johnson accepted the Exhibits into the record.

The Special Prosecutor presented a Consent Order signed by the Respondent under the following terms: 1) Respondent has violated Section 15.35(C) of the Act and Section 10:15-30-5(a) and (b) of the Board's Rules by failing to complete continuing professional education, and failing to file the Individual Registrant Reporting Form for the 2006 compliance period; 2) Respondent has violated Section 10:15-39-8(b) of the Board's Rules by failing to timely respond to the Board's September 1, 2007 letter requesting Respondent file the Individual Registrant Reporting Form; 3) Respondent is assessed a fine in the amount of \$500 for the above violations; 4) Respondent is assessed costs in this matter in the amount of \$400.00; 5) Respondent must pay fine and costs within ninety (90) days of the effective date of this Order; 6) Any failure of Respondent to comply with any of the terms of this Consent Order shall result in an immediate hearing before the Board. In addition, a proven violation of this Consent Order, the Act, or the Board's Rules, authorizes the Board to take such other and further action as the Board may deem appropriate under the Law; 7) Respondent agrees not to violate the Act or Board's Rules in the future; 8) A copy of this Consent Order shall be on file in the Board's offices and shall be made available to any person who inquires and requests access to the Board's records. Further, notice of these proceedings shall be reported by press release and in the Board's Bulletin, and as otherwise deemed appropriate by the Board.

Motion by Gray to accept the Consent Order as presented in Case No. 1748 and that the record reflect that the basis for the Board's fine of \$500 for not communicating in a timely manner rather than a fine of \$1000 is that Respondent did respond, although the response was not timely. Second by Shoemake.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, Gray, and Ley. Absent: Volturo.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1748.

Case No. 1774 – Hearing In the Matter of Katherine L. Farrow, CPA, Certificate No. 12715 – Cancelled: This matter came on for hearing at 9:46 a.m. All the members of the Oklahoma Accountancy Board present were seated on the hearing panel.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. No witnesses were called on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits 1 through 8, and Chair Johnson accepted the Exhibits into the record.

The Special Prosecutor presented a Consent Order signed by the Respondent under the following terms: 1) Respondent has violated Section 15.14B(2) of the Act, and Section 10:15-39-9(7) of the Board's Rules by failing to file the Forms 1040 as indicated above and by violating the rules and/or regulations of the Internal Revenue Service, which resulted in Respondent's suspension to practice before it; 2) Respondent violated Section 10:15-39-9(4) of the Board's Rules by answering no to questions 2 and/or 3 on the Individual Registrant Reporting Form, when in fact there was disciplinary action and Respondent has been suspended by the Internal Revenue Service, neither of which had been disclosed to the Board; 3) Respondent failed to comply with the terms of the ACO in Case No. 1582 by not paying the costs as ordered and by not completing the additional CPE; 4) Respondent's certificate is revoked for Respondent's violation of Section 15.14B(2) of the Act, and Sections 10:15-39-9(7) and 10:15-39-9(4) of the Board's rules; 5) Should Respondent apply for reinstatement, Respondent will be required to demonstrate at a hearing that Respondent satisfies the requirements for reinstatement, and have completed Professional Ethics: AICPA's Comprehensive Course, with a score of 90%, which was taken no earlier than ninety (90) days prior to applying for reinstatement. All costs and fines of all disciplinary matters before the Board must be paid prior to applying for reinstatement; 6) Respondent is assessed costs and attorney fees associated with this disciplinary matter in the amount of \$1,434.00, which are due within six (6) months from the effective date of this Consent Order; 7) Any failure of Respondent to comply with any of the terms of this Consent Order shall result in an immediate hearing before the Board. In addition, a proven violation of this Consent Order, the Act, or the Board's Rules, authorizes the Board to take such other and further action as the Board may deem appropriate under the Law; 8) Respondent agrees not to violate the Act or Board's Rules in the future; 9) A copy of this Consent Order shall be on file in the Board's offices and shall be made available to any person who inquires and requests access to the Board's records. Further, notice of these proceedings shall be reported by press release and in the Board's Bulletin, and as otherwise deemed appropriate by the Board.

Motion by St. John to accept the Consent Order as presented. Second by Petete.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, Gray, and Ley. Absent: Volturo.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1774.

Case No. 1776 – Hearing In the Matter of Kristen Rains Hillis, Certificate No. 15487 – Revoked: This matter came on for hearing at 9:55 a.m. All the members of the Oklahoma Accountancy Board present were seated on the hearing panel.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. No witnesses were called on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits 1 through 4, and Chair Johnson accepted the Exhibits into the record.

The Special Prosecutor presented a Consent Order signed by the Respondent under the following terms: 1) Respondent has violated Section 10:15-30-6 of the Board's Rules by failing to timely furnish documentation of ethics taken for the 2006 CPE compliance period; 2) Respondent has violated Section 15.35(C) of the Act and Section 10:15-30-5(a) and (b) of the Board's Rules by failing to complete continuing professional education, and failing to file the Individual Registrant Reporting Form for the 2007 CPE compliance period; 3) Respondent's certificate which was revoked "administratively" pursuant to 15.14(E)(2) of the Act, is also revoked for "cause" for Respondent's violation of Section 15.35(C) of the Act, and Section 10:15-30-5(a) and (b) of the Board's Rules; 4) Respondent must immediately return her certificate to the Board or provide an Affidavit of Lost Certificate; 5) Should Respondent apply for reinstatement, Respondent will be required to demonstrate at a hearing that she satisfies the requirements for reinstatement, and have completed Professional Ethics: AICPA's Comprehensive Course, with a score of 90%, which was taken no earlier than ninety (90) days prior to applying for reinstatement. All costs and fines must be paid prior to applying for reinstatement; 6) Respondent has violated Section 10:15-39-8(b) of the Board's Rules by failing to respond to the Board's certified letter of March 6, 2009, requesting a response, and is assessed a fine in the amount of \$1,000 for this violation; 7) Respondent is assessed costs and attorney fees associated with this disciplinary proceeding in the amount of \$1,567.50; 8) Respondent is required to pay all fines and costs within six (6) months from the effective date of this Administrative Consent Order; 9) Any failure of Respondent to comply with any of the terms of this Consent Order shall result in an immediate hearing before the Board. In addition, a proven violation of this Consent Order, the Act, or the Board's Rules, authorizes the Board to take such other and further action as the Board may deem appropriate under the Law; 10) Respondent agrees not to violate the Act or Board's Rules in the future; 11) A copy of this Consent Order shall be on file in the Board's offices and shall be made available to any person who inquires and requests access to the Board's records. Further, notice of these proceedings shall be reported by press release and in the Board's Bulletin, and as otherwise deemed appropriate by the Board.

Motion by Gray to approve the Consent Order in Case No. 1776 as presented. Second by St. John.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, Gray, and Ley. Absent: Volturo.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1776.

Case No. 1772 – Hearing In the Matter of Conliff Jerry Blankinship, CPA, Certificate No. 5894: This matter came on for hearing at 10:07 a.m. All the members of the Oklahoma Accountancy Board present were seated on the hearing panel.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. Colin Autin was called as a witness on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits 1 through 8, and Chair Johnson accepted the Exhibits into the record.

The Special Prosecutor presented a Consent Order signed by the Respondent under the following terms: 1) Respondent has violated Section 15.14B of the Act, and Section 10:15-39-1(a) of the Board's Rules, by not complying with standards and/or the AICPA Code of Professional Conduct with regard to the Housing Authority of the City of Cushing working papers, fiscal year 2005; 2) Respondent has violated Section 15.14B of the Act, and Section 10:15-39-1(a) of the Board's Rules, by not complying with standards and/or the AICPA Code of Professional Conduct with regard to the Housing Authority of the City of Cushing financial statements, March 31, 2004 report; 3) Respondent has violated Section 15.14B of the Act, and Section 10:15-39-1(a) of the Board's Rules, by not complying with standards and/or the AICPA Code of Professional Conduct with regard to the Housing Authority of the City of Cushing financial statements, March 31, 2005 report; 4) Respondent agrees to limit the scope of practice in that he will no longer perform audits; 5) should Respondent decide to perform audits, then (a) he will notify the Board prior to any engagement; (b) Respondent will have preissuance reviews on all audit reports performed within two (2) years from said engagement, with all costs of the preissuance review the responsibility of Respondent; (c) Respondent shall complete sixty (60) of his required one hundred twenty (120) hours over the rolling three (3) calendar year period of continuing professional education in courses related to auditing; and (d) within one (1) year of the first audit engagement Respondent shall take an additional forty (40) hours of continuing professional education in courses related to auditing, which will not count towards the yearly CPE required of Respondent; 6) Respondent is assessed costs and attorney fees associated with this disciplinary matter in the amount of \$2,511.25, which is due within ninety (90) days from the effective date of this Consent Order; 7) Any failure of Respondent to comply with any of the terms of this Consent Order shall result in an immediate hearing before the Board. In addition, a proven violation of this Consent Order, the Act, or the Board's Rules, authorizes the Board to take such other and further action as the Board may deem appropriate under the Law; 8) Respondent agrees not to violate the Act or Board's Rules in the future; 9) Respondent and the Board acknowledge that the Board has stated for the record that all violations of the Act of the Board's Rules are viewed as very serious in nature. Any further violations by Respondent will be grounds for the Board to convene a hearing to determine Respondent's eligibility to retain any Certified Public Accountant's certificate, license and/or permit to practice public accounting which may, at that time, be held by the Respondent; 10) A copy of this Consent Order shall be on file in the Board's offices and shall be made available to any person who inquires and requests access to the Board's records. Further, notice of these proceedings shall be reported by press release and in the Board's Bulletin, and as otherwise deemed appropriate by the Board.

Motion by Gray to defer action on Case No. 1772 until additional information can be obtained. Second by Ley.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, Gray, and Ley. Absent: Volturo.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1772.

Case No. 1777 – Hearing In the Matter of David Orey Tate, CPA, Certificate No. 1919: This matter came on for hearing at 10:45 a.m. All the members of the Oklahoma Accountancy Board present were seated on the hearing panel.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. Colin Autin was called as a witness on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits 1 through 14, and Chair Johnson accepted the Exhibits into the record.

The Special Prosecutor presented a Consent Order signed by the Respondent under the following terms: 1) Respondent has violated Section 15.14B(6) of the Act, and Section 10:15-39-9(7) of the Board's Rules by violating the rules and/or regulations of the U.S. Department of Housing and Urban Development ("HUD"), which effectively resulted in Respondent's censure, suspension, cancellation and not being able to practice before it; 2) Respondent violated Section 15.14B(6) of the Act, and Section 10:15-39-9(4) of the Board's Rules by answering no on the three forms to the questions indicated above, when in fact there was a disciplinary action, and Respondent had been disciplined and effectively suspended by HUD, neither of which was previously disclosed to the Board; 3) Respondent is assessed a fine of \$1,000 for violation of Section 15.14B(6) of the Act, and Sections 10:15-39-9(4) and 10:15-39-9(7) of the Board's Rules as indicated above; 4) Respondent is placed on probation for two (2) years from the effective date of the Consent Order; 5) While on probation, Respondent will undergo preissuance reviews of the first six (6) audits performed each year; 6) Respondent is assessed costs associated with this disciplinary matter in the amount of \$3,907.57; 8) Any failure of Respondent to comply with any of the terms of this Consent Order shall result in an immediate hearing before the Board. In addition, a proven violation of this Consent Order, the Act, or the Board's Rules, authorizes the Board to take such other and further action as the Board may deem appropriate under the Law; 9) Respondent agrees not to violate the Act or Board's Rules in the future; 10) Respondent and the Board acknowledge that the Board has stated for the record that all violations of the Act of the Board's Rules are viewed as very serious in nature. Any further violations by Respondent will be grounds for the Board to convene a hearing to determine Respondent's eligibility to retain any Certified Public Accountant's certificate, license and/or permit to practice public accounting which may, at that time, be held by the Respondent; 11) A copy of this Consent Order shall be on file in the

Board's offices and shall be made available to any person who inquires and requests access to the Board's records. Further, notice of these proceedings shall be reported by press release and in the Board's Bulletin, and as otherwise deemed appropriate by the Board.

Motion by Gray to defer settlement on Case No. 1777 until new information is reviewed. Second by St. John.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, Gray, and Ley. Absent: Volturo.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1777.

Case No. 1779 – Hearing in the Matter of Paul Michael Douglas, Certificate No. 9426 – Revoked, and Michael Douglas, C.P.A., A Professional Corporation, Firm No. 12053 – Revoked: This matter came on for hearing at 11:05 a.m. All the members of the Oklahoma Accountancy Board present were seated on the panel, with the exception of Member Gray who was recused.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. Edith Steele, OAB Executive Director, testified on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits A, B, B1 through B15, and C, and Chair Johnson accepted the Exhibits into the record.

The purpose of the hearing was to consider the Administrative Law Judge's recommendations that: 1) Individual Respondent should be assessed a fine of \$2,500 for utilizing "CPA" on his building signage while Individual Respondent's certificate was revoked, which is in violation of Section 15.11(A), and 15.14A(A) of the Act, and Section 10:15-3-1 of the Board's Rules; 2) Firm Respondent should be assessed a fine of \$2,500 for utilizing "CPA" on its building signage while Firm Respondent's registration and permit were revoked, in violation of Section 15.11(B) and 15.14A(A) of the Act, and Section 10:15-3-1 of the Board's Rules; 3) Individual Respondent should be assessed a fine of \$1,000 for failing to respond to the February 6, 2009 letter, requesting a response, sent certified mail to last known address in violation of Section 10:15-39-8(b) of the Board's Rules; 4) Individual Respondent should be assessed a fine of \$10,000 for violation of Section 15.11, 15.14A(A) of the Act, and Section 10:15-3-1 of the Board's Rules as evidenced by the City of Maud, Oklahoma, General Purpose Financial Statements for the year end June 30, 2008 with independent Auditor's Report; 5) Respondents collectively should be assessed a fine of \$10,000 for violation of Section 15.11, 15.14A(A) of the Act, and Section 10:15-3-1 of the Board's Rules as evidenced by the City of Washington, Oklahoma, General Purpose Financial Statements for the year end June 30, 2009 with Independent Auditor's Report; 6) Respondents collectively should be assessed a fine of \$2,500 for violation of Section 15.11, 15.14A(A) of the Act,

and Section 10:15-3-1 of the Board's Rules as evidenced by the engagement letter to the City of Maud, Oklahoma to provide an audit for the period ended June 30, 2009, on letterhead utilizing "CPA"; 7) Respondents collectively should be assessed a fine of \$2,500 for violation of Section 15.11, 15.14A(A) of the Act, and Section 10:15-3-1 of the Board's Rules as evidenced by Respondents' business card which utilizes the designation "CPA"; 8) Individual Respondent should be assessed a fine of \$2,500 for violation of Section 15.11, 15.14A(A) of the Act, and Section 10:15-3-1 of the Board's Rules as evidenced by Individual Respondent's website utilizing "CPA" and setting forth the services he provides; 9) Firm Respondent should be assessed a fine of \$1,000 for each violation of Section 10:15-43-1 of the Board's Rules for not being on the list of registrants performing Governmental Audits in accordance with Government Auditing Standards for the two audits, for a total fine of \$2,000; 10) Individual Respondent should immediately return his certificate to the Board or provide an Affidavit of Lost Certificate; 11) Should Individual Respondent apply for reinstatement, Respondent will be required to demonstrate at a hearing that Respondent satisfies the requirement for reinstatement, and has completed Professional Ethics: AICPA's Comprehensive Course, with a score of 90%, which was taken no earlier than ninety (90) days prior to applying for reinstatement. All costs and fines must be paid prior to applying for reinstatement; 12) Respondents collectively should be assessed all costs of this disciplinary matter, including but not limited to attorney fees, investigation costs, hearing officer costs, renting of special facilities costs, and court reporter costs in an amount to be set by the Board; 13) Respondents should be required to pay all fines and costs within thirty (30) days from the effective date of the final order; 14) Respondents should be issued an order directing them to cease and desist from practicing public accounting, holding out as practicing public accounting, and/or using the CPA designation, and cease desist from violating the Act and/or Board's Rules in the future; 15) These Findings of Fact, Conclusions of Law and Recommendations should be considered at the Board meeting on January 29, 2010 [January 29, 2010, Board meeting was cancelled due to inclement weather. A Special Meeting of the Board was held on February 5, 2010.]; 16) A copy of the Board Order should be on file in the Board's offices and should be made available to any person who inquires and requests access to the Board's records. Further, notice of these proceedings should be reported by press release and in the Board's Bulletin, and as otherwise deemed appropriate by the Board.

Motion by Ley to accept the Findings of Fact, Conclusions of Law and recommendations of the Administrative Law Judge in Case No. 1779 and that the Board set the amount of costs as designated in Paragraph 12 of the Administrative Law Judge's recommendations at \$4,067.57. Second by Petete.

Affirmative Votes: St. John, Shoemake, Ley, Johnson, and Petete. Recused: Gray. Absent: Volturo.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1779.

Case No. 1793 – Hearing In the Matter of Goldin Peiser & Peiser, LLP, Firm No. 13152: This matter came on for hearing at 11:31 a.m. All the members of the Oklahoma Accountancy Board present were seated on the hearing panel.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. No witnesses were called on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits 1 through 3, and Chair Johnson accepted the Exhibits into the record.

The Special Prosecutor presented a Consent Order signed by the Respondent under the following terms: 1) By performing an audit in Oklahoma and/or of an Oklahoma client in 2007 when Respondent was not registered or held a permit to practice public accounting in Oklahoma, Respondent has violated Sections 15.14A(A) and 15.37 of the Act and Section 10:15-3-1 of the Board's Rules by performing an audit [pursuant to Section 15.1A(5) of the Act] or practicing public accounting [pursuant to Section 15.1A(31)(a) of the Act] without a valid permit; 2) Respondent is assessed a fine of \$2,500 for the above referenced violation; 3) Any audits which were issued during the time period Respondent did not hold a permit, must be reissued and the clients notified; 4) Respondent is assessed costs associated with this matter, including but not limited to attorney fees, investigation costs, hearing officer costs, renting of special facilities costs, and court reporter costs in the amount of \$815.09; 5) Respondent is required to pay all fines and costs within thirty (30) days from the effective date of this Consent Order. 6) Any failure of Respondent to comply with any of the terms of this Consent Order shall result in an immediate hearing before the Board. In addition, a proven violation of this Consent Order, the Act, or the Board's Rules, authorizes the Board to take such other and further action as the Board may deem appropriate under the Law; 7) Respondent agrees not to violate the Act or Board's Rules in the future; 8) Respondent and the Board acknowledge that the Board has stated for the record that all violations of the Act of the Board's Rules are viewed as very serious in nature. Any further violations by Respondent will be grounds for the Board to convene a hearing to determine Respondent's eligibility to retain any Certified Public Accountant's certificate, license and/or permit to practice public accounting which may, at that time, be held by the Respondent; 9) A copy of this Consent Order shall be on file in the Board's offices and shall be made available to any person who inquires and requests access to the Board's records. Further, notice of these proceedings shall be reported by press release and in the Board's Bulletin, and as otherwise deemed appropriate by the Board.

Motion by Gray to accept the proposed Consent order as presented. Second by Shoemake.

Affirmative Votes: St. John, Shoemake, Ley, Johnson, and Petete and Gray. Absent: Volturo.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1793.

Case No. 1792 – Hearing In the Matter of Joseph E. Carlson, Certificate No. 6825:

This matter came on for hearing at 11:35 a.m. All the members of the Oklahoma Accountancy Board present were seated on the hearing panel.

Assistant Attorney General John Crittenden advised the Board. Respondent was not present and was not represented by legal counsel.

Special Prosecutor Randall Calvert represented the State. Edith Steele, OAB Executive Director, and Colin Autin, OAB Peer Review Coordinator, testified on behalf of the State.

Special Prosecutor Calvert moved for the admission of Exhibits 1 through 16, and Chair Johnson accepted Exhibits 1-16 into the record.

Special Prosecutor Calvert presented the following Violations as set out in the Formal Complaint: Count 1 - Respondent violated Section 15.30(A) or (B) of the Act, and Sections 10:15-39-1(a) and (b), 10:15-33-4(a), and 10:15-39-9(1) of the Board's Rules by failing to timely participate in the peer review program, or Respondent violated Section 15.30(C) of the Act and Section 10:15-33-6(a) of the Board's Rules by failing to timely submit the required peer review documentation to the Board; and Count 2 -- Respondent has violated Section 10:15-39-1(a) and (b) of the Board's Rules by failing to observe applicable general standards with regard to Respondent's Report on Audit of Financial Statements, June 30, 2007, for the City of Altus, Oklahoma, as more fully set forth in the investigator's report.

Motion by Gray that in the Matter of Joseph E. Carlson, Certificate No. 6825-R, Case No. 1792, the Board finds as follows: That Respondent violated sections of the Oklahoma Accountancy Act and the Board's Rules as listed in Count 1 and Count 2 of the Formal Complaint; that Respondent be assessed a fine of \$2,500.00 for the violations as set out in Count 1; that Respondent be assessed a fine of \$10,000.00 for the violations as set out in Count 2; that Respondent be assessed costs relating to this matter in the amount of \$5,319.27; that Respondent be required to pay all fines and costs within thirty (30) days; that Respondent's certificate be revoked for cause; and should the Respondent apply for reinstatement, Respondent will be required to demonstrate at a hearing that the Respondent satisfies the requirements for reinstatement. Second by St. John.

Affirmative Votes: St. John, Shoemake, Gray, Ley, Johnson, and Petete. Absent: Volturo.

The proceedings and the individual votes of the members were conducted in open session. The evidence is contained in Docket File No. 1792.

Agenda Item #6 – Discussion and possible action on report from Legislative Committee: Member Gray addressed this item. She advised the Board that the statutory amendments requested by the OAB are in Senate Bill 2111 which is being carried by Senator Sean Burrage. She noted that one amendment will be requested with regard to verbiage that indicates a PA would receive a certificate because a PA only receives a license.

Member Gray also advised that House Bill 2286, the Sunset Bill, passed out of the Administrative Rules Committee with a vote of 8 to 0. It was discussed that the bill provides for the Sunset Review to be a four year process instead of a six year process.

Member Gray also reported on House Bill 3190 filed by the OSA which would change the makeup of the Board. She stated that the Legislative Committee believes the definition of Public Member is too constrictive, and the Legislative Committee would recommend that the Board not support the bill with the current verbiage.

Member Gray advised that HB 1393, which pertains to changing examination requirements to become a PA, was carried over from last year. She noted that the Board voted last year not to support this bill.

Motion by Gray that the Board not support HB 3190 in its current form. Second by Petete.

Affirmative Votes: St. John, Shoemake, Gray, Ley, Johnson, and Petete. Absent: Volturo.

Member Gray left the meeting at approximately 1:09 p.m. and did not return.

Agenda Item #5 – Presentation on the ability of a Board member to comment on proposed rules as a registrant or member of the public: Assistant Attorney General Crittenden addressed this item.

Mr. Crittenden stated that he has consulted the Administrative Procedures Act as well as the Official Rules on Rulemaking. It was Mr. Crittenden's opinion that a Board member can attend the public hearing on rules and make comments and they can submit written comments. Mr. Crittenden further stated that it was his opinion that the Board may discuss and debate the rules at the Board meeting prior to final adoption of rules and make changes to the rules even if there were no written comments from the public or no comments at the public hearing, as long as the discussion and debate and the changes to the rules fall within the Notice of Rulemaking Intent that was filed.

Agenda Item # 11 – Discussion and possible action on the denied firm application appeal, as provided in the Oklahoma Administrative Code 10:15-21-4, filed by Client Audit Solutions, P.C.: Deputy Director Prieto Johns addressed this item.

There was considerable discussion by Board members as to why the firm name is considered to be misleading.

Motion by St. John to confirm the original denial of the firm name Client Audit Solutions, PC; and, that upon appropriate documentation on file with the Secretary of State and proper registration with the Board, that the firm name of Client Audit Consulting Solutions, PC, be approved. Second by Shoemake.

Affirmative Votes: St. John, Shoemake, Ley, Johnson, and Petete. Absent: Gray and Volturo.

Agenda Item #7 – Discussion and possible action on Administrative Actions and recommendations by the FY 2010 Enforcement Committee: Member Ley addressed this item. Member Ley presented a written summary of investigative files and administrative actions taken, with recommendations for the disposition of each.

As a matter of record votes were taken and members of the Board, other than members of the current and prior Enforcement Committees, had no prior knowledge of the individuals involved in the cases.

Administrative Consent Orders:

Case No. 1786 – John R. Reaves, Jr., CPA

This case is a result of a referral from the CPE Coordinator. The Respondent failed to file the Individual Registrant Reporting Form in 2008 which documented the CPE earned in 2007 or document that the Respondent is exempt from the CPE requirement. Staff had attempted to notify the Respondent by certified mail but no response was received. Staff also attempted to contact via telephone whereby it was learned that the Respondent had a change in address and employment. A reporting form was subsequently filed which reported forty hours of CPE but did not include any hours earned in ethics as required by the OAB rules. An Administrative Consent Order has been offered by the Enforcement Committee and accepted by the Respondent which assesses fines for failing to complete ethics CPE and timely file the form; \$1,000 for failure to respond to OAB correspondence; \$1,000 for failure to notify the OAB of a change in address and costs in the amount of \$575. The Respondent has 120 days to be in complete compliance with the CPE required and pay fines and costs within 90 days from the effective date of this ACO. Any failure by the Respondent to comply with any of the terms of this Order shall result in an immediate hearing before the Board. In addition, a proven violation of the ACO, the Act or the Board's Rules authorizes the

Board to take such other and further action as the Board may deem appropriate under the Act. The Enforcement Committee recommends the Administrative Consent Order in this case be approved by the Board.

Case No. 1787 – Jeffery S. Scott, CPA

This case is a result of a referral from the CPE Coordinator. The Respondent failed to file the Individual Registrant Reporting Form in 2008 which documented the CPE earned in 2007 or document that the Respondent is exempt from the CPE requirement. Staff had attempted to notify the Respondent by certified mail but no response was received. A reporting form was subsequently filed which documented the Respondent was exempt from reporting CPE. An Administrative Consent Order has been offered by the Enforcement Committee and accepted by the Respondent which assesses fines of \$500 for failing to timely file the reporting form; \$1,000 for failure to respond and costs in the amount of \$508.21. The Respondent has 90 days from the effective date of this ACO to pay all fines and costs in this matter. Any failure by the Respondent to comply with any of the terms of this Order shall result in an immediate hearing before the Board. In addition, a proven violation of the ACO, the Act or the Board's Rules authorizes the Board to take such other and further action as the Board may deem appropriate under the Act. The Enforcement Committee recommends the Administrative Consent Order in this case be approved by the Board.

Case No. 1791 – Robert A. Rohleder, Former CPA

This case is a result of a referral from the CPE Coordinator. The Respondent failed to file the Individual Registrant Reporting Form in 2008 which documented the CPE earned in 2007 or document that the Respondent is exempt from the CPE requirement. Staff had attempted to notify the Respondent by certified mail but no response was received. To date, no reporting form has been filed and the Respondent's certificate was subsequently revoked for failure to renew the registration. An Administrative Consent Order has been offered by the Enforcement Committee and accepted by the Respondent which provides that the Respondent's certificate which was previously revoked "administratively" be revoked for cause, return of the CPA certificate, assessed a fine in the amount of \$1,000 for failure to timely respond and costs in the amount of \$355.00 which must be paid within 90 days of the effective date of the Order. Should the Respondent apply for reinstatement, Respondent will be required to demonstrate at a hearing that the Respondent satisfies the requirements for reinstatement, and will have completed Professional Ethics: AICPA's Comprehensive Course, with a score of 90% and taken within 90 days prior to applying for reinstatement. Any failure by the Respondent to comply with any of the terms of this Order shall result in an immediate hearing before the Board. In addition, a proven violation of the ACO, the Act or the Board's Rules authorizes the Board to take such other and further action as the Board may deem appropriate under the Act. The Enforcement Committee recommends the Administrative Consent Order in this case be approved by the Board.

Case No. 1794 – Karen Lea Walker, CPA

This case is a result of a referral from the CPE Coordinator. The Respondent failed to file the Individual Registrant Reporting Form in 2008 which documented the CPE earned in 2007 or document that the Respondent is exempt from the CPE requirement. Staff had attempted to notify the Respondent by certified mail, the certified was returned as unclaimed. A reporting form was subsequently filed which reported 27 hours of CPE but did not include any hours earned in ethics as required by the OAB rules. An Administrative Consent Order has been offered by the Enforcement Committee and accepted by the Respondent which assesses a fine of \$1,000 for failure to timely file the form and costs in the amount of \$382.50; all fines and costs must be paid with 90 days from the effective date of this Order and Respondent must be in complete compliance with the CPE required within 120 days. Any failure by the Respondent to comply with any of the terms of this Order shall result in an immediate hearing before the Board. In addition, a proven violation of the ACO, the Act or the Board's Rules authorizes the Board to take such other and further action as the Board may deem appropriate under the Act. The Enforcement Committee recommends the Administrative Consent Order in this case be approved by the Board.

Case No. 1796 – Edgar Perez, Reciprocal Applicant

Staff noted on an application for reciprocity that the applicant had been working for a public accounting firm in Oklahoma for one year and ten months without properly registering or obtaining a permit to practice public accounting. An Administrative Consent Order has been offered by the Enforcement Committee and accepted by the Respondent which assesses a fine of \$1,500 and costs in the amount of \$540.00 all of which must be paid within six months of the effective date of the Order. Any failure by the Respondent to comply with any of the terms of this Order shall result in an immediate hearing before the Board. In addition, a proven violation of the ACO, the Act or the Board's Rules authorizes the Board to take such other and further action as the Board may deem appropriate under the Act. The Enforcement Committee recommends the Administrative Consent Order in this case be approved by the Board.

Case No. 1799 – Erik Clark, Reciprocal Applicant

Staff noted on an application for reciprocity that the applicant had been working for a public accounting firm in Oklahoma for six months without properly registering or obtaining a permit to practice public accounting. An Administrative Consent Order has been offered by the Enforcement Committee and accepted by the Respondent which assesses a fine of \$500 and costs in the amount of \$175.00 all of which must be paid within 90 days of the effective date of the Order. Any failure by the Respondent to comply with any of the terms of this Order shall result in an immediate hearing before the Board. In addition, a proven violation of the ACO, the Act or the Board's Rules authorizes the Board to take such other and further action as the Board may deem appropriate under the Act. The Enforcement Committee recommends the Administrative Consent Order in this case be approved by the Board.

Case No. 1805 – Finley & Cook, PLLC, CPA Firm

Staff noted on an application for reciprocity that the applicant had been working for the Respondent in a public accounting firm in Oklahoma from November 2008 to June 2009 without properly registering or obtaining a permit to practice public accounting. An Administrative Consent Order has been offered by the Enforcement Committee and accepted by the Respondent which provides that the Respondent be fined \$500 and assessed costs in the amount of \$175.00 all of which must be paid within 90 days of the effective date of the Order. Any failure by the Respondent to comply with any of the terms of this Order shall result in an immediate hearing before the Board. In addition, a proven violation of the ACO, the Act or the Board's Rules authorizes the Board to take such other and further action as the Board may deem appropriate under the Act. The Enforcement Committee recommends the Administrative Consent Order in this case be approved by the Board.

Case No. 1807– Jeffrey John Burns, CPA

Staff noted on an application for reciprocity that the applicant had been working for the Respondent in a public accounting firm in Oklahoma from March 2007 to April 2007 and again from March 2008 to April 2008 without properly registering or obtaining a permit to practice public accounting. An Administrative Consent Order has been offered by the Enforcement Committee and accepted by the Respondent which provides that the Respondent be fined \$1,000 and assessed costs in the amount of \$595.00 all of which must be paid within 30 days of the effective date of the Order. Any failure by the Respondent to comply with any of the terms of this Order shall result in an immediate hearing before the Board. In addition, a proven violation of the ACO, the Act or the Board's Rules authorizes the Board to take such other and further action as the Board may deem appropriate under the Act. The Enforcement Committee recommends the Administrative Consent Order in this case be approved by the Board.

Motion by Ley to Approve the Administrative Consent Orders in Case Nos. 1786, 1787, 1791, 1794, 1796, 1799, 1805, and 1807. Second by St. John.

Affirmative Votes: Johnson, Ley, Petete, Shoemake, and St. John. Absent: Gray and Volturo.

Files to Close:

File No. 1150 – CPA

This file was opened upon notification that the registrant was involved in a lawsuit for slander and wrongful termination. There have been no formal complaints filed against the registrant. Since this is a civil lawsuit that does not involve accounting matters, the Enforcement Committee recommends the file be closed.

File No. 1305 – Former CPA

This file is a result of a referral from the Peer Review Coordinator because the registrant had failed to timely enroll in a peer review program. The registrant had actually retired in 1999 but later performed a review which resulted in enrollment in a peer review program. He did subsequently enroll but two months after the 12-month enrollment requirement. A peer review was performed. The Enforcement Committee, after review of the circumstances, recommended that the registrant attest that the registrant will no longer perform any services which would require a peer review. The OAB received the attestation and the registrant surrendered the CPA certificate so the Enforcement Committee recommends the surrender and attestation be accepted and the file be closed.

File No. 1440 – Non-Registrant

A complaint was filed that the non-registrant was performing audits and holding out as an “Oil and Gas Audit Company”. As instructed by the Enforcement Committee, an investigator was assigned to the file. The investigator concluded that the reports being prepared by the non-registrant were not audits. A Cease and Desist letter was issued by the special prosecutor for the non-registrant to discontinue the use of the term “audit”. The non-registrant responded that the term “audit” has been discontinued and assured the OAB that such other violations would not occur in the future. The response satisfied the Enforcement Committee so it recommends the file be closed.

File No. 1527 – CPA

This file is a result of a referral from the CPE Coordinator. The registrant filed the 2007 CPE form but failed to comply with the two-hour ethics requirement. The registrant lives in Texas and had met the four-hour within two years Texas requirement but the four hours did not fall within the compliance period for Oklahoma. The registrant has subsequently completed the requirement so the Enforcement Committee recommends the file be closed.

File No. 1549 – CPA

This file is a result of a referral from the CPE Coordinator. The registrant erroneously filed the 2007 CPE form claiming exemption when the registrant actually performed services for the employer which would require CPE. In a telephone call with Barbara Walker, the registrant was advised to submit a letter explaining the situation and to develop a plan to comply with CPE. After the matter was submitted to enforcement, the registrant submitted the letter and requested an extension, which was granted. The registrant has now completed all CPE required and has maintained compliance since that time so the Enforcement Committee recommends the file be closed.

File No. 1593 – Non-Registrant

A complaint was filed that the non-registrant made errors on a tax return prepared by the non-registrant and made allegations that the non-registrant did so as an employee of a registrant (see File 1607 below). As instructed by the Enforcement Committee an

investigator was assigned to determine the relationship of the two individuals involved. The investigator concluded that there did not appear to be any employee relationship with the registrant, thus the OAB does not have jurisdiction. The Enforcement Committee recommends the file be closed.

File No. 1595 – CPA

A complaint was filed alleging substandard work in the preparation of an income tax return. As instructed by the Enforcement Committee an investigator was assigned to determine the facts in the case. The investigator concluded that there were errors in summarizing data for the preparation of the return, however, once learning of the mistake, the registrant made all necessary corrections, including amended returns and followed through with the client at no additional charge. Additionally, it was noted that the client bears responsibility to examine the return for accuracy. The client admitted they did not do so or the error would have been noticed. The Enforcement Committee recommends that the file be closed after a letter is sent to the registrant reminding the registrant of the responsibility of due professional care and the database record is noted in case similar complaints are filed with the OAB in the future.

File No. 1607 – CPA

A complaint was filed that an employee of the registrant made errors on a tax return prepared for the client (see File 1593 above). As instructed by the Enforcement Committee the Executive Director corresponded with the registrant as to the relationship and an investigator was assigned to determine the facts. The investigator concluded that there was no employee relationship and, thus, no violations of the Act or Rules were made by the registrant so the Enforcement Committee recommends the file be closed.

File No. 1617 – CPA

The registrant self reported an arrest involving DUI. As instructed, the Executive Director corresponded with the registrant. The registrant has submitted documentation that the sentence was deferred, and since this appears to be the first offense, the Enforcement Committee recommends the file be closed.

File No. 1620 - Non-Registrant

A complaint was filed that the non-registrant was holding out in a Broken Arrow telephone directory under the category "Accountants". As instructed by the Enforcement Committee a Cease and Desist letter was sent via certified mail advising the non-registrant of the violation. The non-registrant sent a response that indicated the non-registrant was not aware of the listing (non-registrant's office is in Tulsa) and had not authorized the listing. The non-registrant complied with the requirements in the cease and desist letter so the Enforcement Committee recommends the file be closed.

File No. 1662 – CPA

This file is a result of a referral from the CPE Coordinator. The OAB records reflected that the registrant had failed to file the 2007 form reporting CPE or document that the registrant is exempt. Several letters were sent to notify the registrant of the requirement. The registrant then attempted to send the form but did so in July and erroneously used the current fiscal year reporting form. Staff returned the form believing that the registrant was attempting to register for the ensuing fiscal year and attempting to report outdated CPE. The registrant has subsequently resubmitted the correct form showing compliance with the CPE requirements so the Enforcement Committee recommends the file be closed.

File No. 1682 – Former CPA

This file is a result of a referral from the CPE Coordinator. The OAB records reflect that the registrant failed to submit the 2008 form which reported the CPE earned in 2007 or document that the registrant is exempt. Staff had been corresponding with the registrant but did not receive a response. After the special prosecutor sent a letter, the registrant responded that a letter had already been submitted to the OAB in March 2009 which requested that the certificate be cancelled. Staff had erroneously placed the letter in the individual file so the Enforcement Committee recommends the file be closed with apologies to the former registrant.

File No. 1697 – CPA

This file is a result of a referral from the CPE Coordinator. The OAB records reflected that the registrant had failed to file the form in 2008 to report CPE completed in 2007 or document that the registrant is exempt. Staff attempted several times to contact the registrant. The registrant subsequently made contact to report that the registrant was a victim of Hurricane Ike and was forced to move. The registrant has subsequently resubmitted the applicable form showing the registrant as retired and therefore exempt so the Enforcement Committee recommends the file be closed.

File No. 1706 – Deceased CPA

This file is a result of a referral from the CPE Coordinator. The registrant had requested an extension in 2008 to meet the minimum hours of CPE for calendar year 2007. The registrant was advised that as a result of being granted an extension, the CPE reported would be placed in the annual CPE audit. Staff notified the registrant of the audit but did not receive a response. The registrant has subsequently passed away so the Enforcement Committee recommends the file be closed.

File No. 1728 – Non-Registrant

A complaint was filed that the non-registrant was holding out in the Ponca City telephone directory under the category "Accountants—Public". As instructed by the Enforcement Committee a Cease and Desist letter was sent via certified mail advising the non-registrant of the violation. The non-registrant sent a response that indicated the

non-registrant understood the violation and complied with the requirements in the cease and desist letter so the Enforcement Committee recommends the file be closed.

File No. 1738 – Non-Registrant

A complaint was filed that the non-registrant was held out in the Ponca City telephone directory under the category “Accountants—Public”. As instructed by the Enforcement Committee a Cease and Desist letter was sent via certified mail advising the non-registrant of the violation. The non-registrant sent a response that indicated the non-registrant understood the violation and complied with the requirements in the cease and desist letter so the Enforcement Committee recommends the file be closed.

File No. 1739 – CPA

A complaint was filed that the registrant, as a court appointed guardian of an estate, was mishandling the estate funds and properties. A letter was sent to the registrant to respond to the allegations. The registrant’s response satisfied the Enforcement Committee so it recommends the file be closed.

Motion by Ley to close File Nos. 1150, 1305, 1440, 1527, 1549, 1593, 1595, 1607, 1617, 1620, 1662, 1682, 1697, 1706, 1728, 1738, and 1739. Second by St. John.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, and Ley. Absent: Gray and Volturo.

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 Chair recommends the following files be heard before the Administrative Law Judge unless settled prior to the hearing:

File 1748
File 1749

Motion by Ley that File 1748 and File 1749 be sent to the Administrative Law Judge for hearings unless settled prior to the hearing. Second by Petete.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, and Ley. Absent: Gray and Volturo.

Agenda Item #8 – Discussion and possible action on the recommendation by the Enforcement Committee to contract with the Fidelis Group, LLC, as investigators for the OAB at a rate of \$125 per hour: Member Ley addressed this item. She stated that there are times the OAB is low on investigators. Enforcement Committee is recommending that the Board contract with the Fidelis Group, LLC.

Motion by Ley that the Board contract with Fidelis Group, LLC, as investigators for the OAB at a rate of \$125 per hour.
Second by Petete.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, and Ley. Absent: Gray and Volturo.

Agenda Item #9 – Discussion and possible action on the denied reciprocal application appeal, as provided in the Oklahoma Administrative Code 10:15-21-4, filed by Lori Obata: Executive Director Steele addressed this item.

Ms. Steele advised the Board that she denied Ms. Obata's application for a reciprocal certificate from the State of Oklahoma, and Ms. Obata is appealing the denial.

Ms. Steele stated that Ms. Obata indicated in her application for a reciprocal certificate which was filed with the OAB on September 8, 2008, that she had been practicing public accounting in Oklahoma since January 2001. Ms. Steele further stated that Ms. Obata had apparently led some of her employers to believe she had a reciprocal certificate and/or permit to practice. Ms. Steele stated she denied Ms. Obata's application on the basis of failure to satisfy the requirement of good moral character.

Motion by St. John to uphold the denial of the reciprocal application and that the matter be referred to the Enforcement Committee. Second by Petete.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, and Ley. Absent: Gray and Volturo.

Agenda Item #10 – Discussion and possible action on the denied firm application appeal, as provided in the Oklahoma Administrative Code 10:15-21-4, filed by Ultimate HR-Ultimate Challenge, PLLC: Deputy Director Prieto Johns addressed this item. She stated that this pertains to an appeal of the Boards denial of the initial registration for Ultimate HR-Ultimate Challenge, PLLC. In the appeal letter Ms. Sullivan states that she feels the name is not misleading in that the firm combines professionals from both the accounting and human resource fields. She lists other firm names that have been approved by the Board and she feels the name Ultimate HR-Ultimate Challenge is not misleading to the public.

Motion by Shoemake to uphold the denial of the initial registration of the firm Ultimate HR-Ultimate Challenge PLLC. Second by Petete.

Affirmative Votes: St. John, Shoemake, Petete, Johnson, and Ley. Absent: Gray and Volturo.

Agenda Item #12 – Proposed Executive Session pursuant to Title 25 O.S. Supp. 2006, Section 307(B)(1) for discussion and possible action on employment, hiring, appointment, promotion, disciplining, resignation, changes to existing salaries, or setting salary ranges for the following individual positions: a) Executive Director, b) Deputy Director, c) Licensing Coordinator, d) Examination Coordinator, e) CPE Coordinator, f) Administrative Assistant II, g) Peer Review Coordinator, h) Records Coordinator, i) Accountant I, j) Information Systems Services Coordinator, and k) Legal counsel (in house): Chair Johnson stated that this item will be deferred since there are two Board members absent.

Agenda Item #13 – Executive Director’s Report: Executive Director Steele reported that currently there are 193 open, active investigative files. Of those files, 36 are currently assigned to investigators, and 71 are currently in some state of ACO or CO negotiations.

Ms. Steele stated that the Enforcement Committee and other Board members have expressed concern about the number of registrants and former registrants who have failed to comply with Board Orders. She stated that a plan will be developed to address these non-compliance issues. There are currently 13 active registrants who are not in compliance with a Board Order.

Executive Director Steele reported that she has approved one contract between the amount of \$2500 and \$10000 with the approval of the Board Chair. The contract was with Central Printing for printing and mailing of the newsletters in the amount of \$5,867.13.

Chair Johnson requested that Executive Director formalize her report, particularly with a summary of the enforcement cases and the status of compliance with Board Orders.

Agenda Item #14 – Deputy Director’s Report: Deputy Director Prieto Johns reported that the revisions to the Strategic Plan will be given to the Audit and Budget Committee for review in the next week or so. The Personnel Manual is still being reviewed by the Personnel Committee.

She reported that the OSF Request for Proposal (RFP) committee has selected five vendors to perform demonstrations.

Deputy Director Prieto Johns also reported that the OAB received a letter of notification that Prometric hourly fees will be decreasing as a result of increases in overall CPA examination volume.

Agenda Item #15a – Chair’s Report: Chair Johnson noted that the Board Relevance Committee of NASBA met in Oklahoma City on Monday, February 1. It was a successful meeting in terms of NASBA providing a template for an effective board. He also reported that a letter has been sent to the various boards regarding nominating individuals for Vice Chair Elect of NASBA. Chair Johnson stated that he has been contacted by two individuals who have announced their candidacy, Mark Harris who is a member of the Louisiana Board, and Galen Hanson who is a member of the Colorado Board. Both individuals are at large members of the NASBA Board and they each have their own set of qualifications.

Chair Johnson reported that after the February 26 Board meeting, The OAB will have a Recognition Ceremony to recognize Edith Steele's 40 years of service to the OAB.

He also reported that the Executive Directors NASBA meeting will be in March. He will be attending one day of the meeting and making a presentation on board relevance. NASBA will not be having a CPE Expo this year.

Agenda Item #15b – Announce date and location of the next meeting: Chair Johnson announced that the next meeting of the Oklahoma Accountancy Board will be held at 8:30 a.m. on Friday, February 26, 2010, at the Water Resources Board Room, 3800 N. Classen Blvd., 2nd Floor, Oklahoma City, OK 73118.

Agenda Item #17: There being no further business to come before the OAB, at 3:05 p.m. Chair Johnson adjourned the meeting.

Carlos E. Johnson, Chair

ATTEST:

Janice L. Gray, Secretary

APPENDIX 1**APPLICATIONS FOR CERTIFICATION (Successful Candidates):**

16691	Matthew Hunter Bell
16763	Jacob H. Tyler
16764	Sami Jo Green
16772	Joseph C. Throckmorton
16773	Shawna K. O'Neal
16776	Natali Ann Estes
16777	Alyssa Dyan Vowell
16779	Jessie Diane Wagner
16781	Jacob Matthew Hill
16784	Jonathan Sylvester Small II
16785	Matthew J. Mann
16787	Kevin Royston Garrett
16788	Derek William Pettifer
16790	Laura Swindell
16791	Chad Dustin True
16792	Lindsey Rae Smith
16794	Rainy Leforce Spring
16796	Katie Joyce Hickerson
16798	Megan Renee Kidd
16802	Brian Dwayne Knight
16803	Marc P. Boulanger

APPLICATIONS FOR RECIPROCAL CPA CERTIFICATES:

Dmitry Volfson (Iowa)
 Edgar A. Perez (Texas)
 Erik L. Clark (Texas)
 Steven L. Replogle

APPLICATIONS FOR REINSTATEMENT OF CPA CERTIFICATES:

1507	Donald Lewis Miller
10601	James Earle Hinton
11649	Blondel Cecilia Steward
14757	Michael Scott Thompson

INITIAL REGISTRATIONS OF CPA PROFESSIONAL CORPORATION:

Stephen J. Knoy, CPA, P.C.
 Steven L. Wilson & Associates, Certified Public Accountants, P.C.
 Lewis Meers, A Professional Corporation

INITIAL REGISTRATIONS OF CPA PROFESSIONAL LIMITED LIABILITY COMPANIES:

Coates & Schwabe, CPAs, PLLC
 Hartog, Kallenberger & Swarthout, PLLC
 Hudson & Co., CPAs, PLLC
 Sherri Blaik, PLLC

INITIAL REGISTRATIONS OF CPA LIMITED LIABILITY PARTNERSHIPS:

Hein & Associates, LLP (Colorado)
 Katz, Sapper & Miller, LLP (Indiana)

CERTIFICATES SURRENDERED BY REGISTRANTS:

Surrendering CPA Certificate Due To The New CPE Requirements:

Patricia Ruth Harris	Certificate No. 7630	Issued July 26, 1984
William B. Sanders	Certificate No. 9797	Issued January 28, 1988

Retired:

Jon W. B. Potts	Certificate No. 4902	Issued July 27, 1979
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Coming into Oklahoma to practice under Mobility:

Samuel R. Ludington	Certificate No. 11695-R	Issued January 30, 1992
Kenneth R. Bernstein	Certificate No. 15195-R	Issued Sept. 28, 2001
Andrew Richards	Certificate No. 15208-R	Issued Sept. 28, 2001

No Longer Residing in Oklahoma:

John R. Geiger	Certificate No. 10200	Issued January 26, 1989
Patricia Ann Blubaugh	Certificate No. 7213	Issued January 26, 1984

CERTIFICATES REVOKED FOR VIOLATION PURSUANT TO SECTION 15.24:

Michael D. Toner	Certificate No. 13018	Issued January 30, 1995
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DECEASED REGISTRANTS:

CPAs:

Herbert W. Johnson	Certificate No. 498	Issued July 26, 1947
Raymond F. Kolker	Certificate No. 3486	Issued July 28, 1975
Phillip Maurice Harris Jr.	Certificate No. 1258	Issued August 5, 1958
Daniel T. Ahrens	Certificate No. 2815	Issued January 26, 1973
Alvin T. Hunter	Certificate No. 1679	Issued August 2, 1963
John Arthur McCray	Certificate No. 2290	Issued January 29, 1970
Wade Allen Stubbs	Certificate No. 8369	Issued July 26, 1985

DISSOLVED FIRMS:

CPA Corporations:

Miller & Company, P.C.
Steven L. Wilson, CPA, P.C.
C. Victor Coates, C.P.A., P.C.

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

Name:

Megan Renee Kidd
Katie Joyce Hickerson
Rachel Elizabeth Kretchmar
Angela M. Baker
Rainy Leforce Spring
Curtis Aaron Dew
Lindsey Rae Smith
Brian Dwayne Knight
Jonathan Len Warren
Matthew Melvin Modeste
William Henry Fleming
Marc Patrick Boulanger
Denise Lynn Yzaguirre
Ameé Corinne Simmons
Rodney Lynn Vermillion, Jr.
Marie Elizabeth Cooke
Aimee Chantel Poyner
Shawna Robinson
Joseph Baker
Julie Mason
Hub Brewer Baggett IV
Natali Ann Estes
Kevin Royston Garrett
Roger Lee Graham
Jacob Matthew Hill
Matthew Jon Mann
Derek William Pettifer
Patrick Brian Roberts
Laura Lea Swindell
Lori Anne Taylor
Chad Dustin True
Alyssa Dyan Vowell
Jessie Diane Wagner