

OKLAHOMA ACCOUNTANCY BOARD**MINUTES OF REGULAR MEETING**

August 16, 2013

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, August 16, 2013, at the OAB Board Room, 201 N.W. 63rd Street, Suite 210, Oklahoma City, OK 73116. A recording of the meeting is on file in the OAB office. Members present at Call to Order:

Vicky Petete, CPA, Chair
Mike Sanner, CPA, Vice Chair
Jay Engelbach, CPA, Member
David Greenwell, CPA, Member
Jody Manning, Member
Karen Cunningham, Member

Board staff present at the meeting: Randy Ross, Executive Director; Colin Autin, Deputy Director; LaLisa Semrad, Enforcement Coordinator; Sharon Wells, Examination Coordinator; and Rebekah Flanagan, Administrative Assistant. Assistant Attorney General John Crittenden was also present.

Agenda Item #1a – Call To Order: At approximately 8:35 a.m. Chair Petete called the meeting to order.

Agenda Item #1b – Declaration of Quorum: Chair Petete declared a quorum.

Agenda Item #1c – Announcement of Legal Meeting Notice: Executive Director Ross confirmed the notice of the meeting was filed with the Secretary of State and the agenda for the meeting was properly posted in compliance with the Open Meeting Act.

Agenda Item #1d – Announcement of Absences and Action, if Necessary, to Determine Whether Absence(s) Were Unavoidable Pursuant to Title 59, Section 15.3(B)(5): Chair Petete noted that Secretary Ley was not currently present.

Agenda Item #2 – Announcement of Visitors: The following visitors were present for the appropriate time: Nancy Hyde, representing the Oklahoma Society of Certified Public Accountants (OSCPA); Kellie Wright, representing the Oklahoma Society of Accountants (OSA); Randy Calvert from the Calvert Law Firm; Oklahoma Attorney General Intern Matthew Lafon and the Court Reporter.

Agenda Item #3 – Public Comment Period: Executive Director Ross advised the Board that he had not received any requests for public comment.

Agenda Item #4 – Consent Agenda: The Consent Agenda contained four items for the OAB's consideration; (1) Approve the Minutes of the June 21, 2013, Regular Meeting of the OAB; (2) Take official notice of the preliminary OAB financial statements for

1715.

FY 2013 and FY 2014, for the months ended June 30, 2013, and July 31, 2013; (3) Take official notice of the experience verification applications which have been approved by the Executive Director; (4) Approve the actions taken by the Executive Director on applications and registrations filed since the previous meeting.

Motion by Sanner to approve the Consent Agenda. Second by Engelbach.

Affirmative Votes: Cunningham, Engelbach, Greenwell, Sanner, Petete and Manning. Absent: Secretary Ley.

Note: Secretary Ley arrived at approximately 8:38 a.m.

Agenda Item #5 – Discussion and possible action on Administrative Actions and recommendations and report from the Enforcement Committee:

ADMINISTRATIVE CONSENT ORDERS:

Case No. 1985 – Lori Beaty (formerly Lori Tyner), Revoked CPA

Respondent self-reported pleading guilty to “theft in excess of \$1,000 by a gaming employee on Indian lands.” An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent’s certificate is revoked for “cause”, and Respondent is assessed costs and attorney fees in the amount of \$207.11, which must be paid within thirty days from the effective date of this Order. Should Respondent apply for reinstatement, Respondent will be required to demonstrate at a hearing that Respondent satisfies the requirements for reinstatement, and has completed Professional Ethics: AICPA’s Comprehensive Course with a score of 90% or better, and taken within ninety (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. 1988 – Chris A. Caldwell, CPA

This case was opened as a result of a referral by the Licensing Coordinator that Respondent practiced under an unregistered firm for approximately two months. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed a fine of \$1,000 and costs and attorney fees in the amount of \$326.61, which must be paid within thirty days from the effective date of this 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.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 40 hours for 2010 (includes 4 hours ethics); 40 hours for 2011 (includes 0 hours ethics); and 40 hours for 2012 (includes 2 hours ethics).

Peer Review Status: N/A

Case No. 1989 – Gloria Ann Cherry, CPA

This case was opened as a result of a referral by the Licensing Coordinator that Respondent practiced under an unregistered firm for approximately six months. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed a fine of \$1,000 and costs and attorney fees in the amount of \$326.61, which must be paid within thirty days from the effective date of this 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.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 67 hours for 2010 (includes 2 hours ethics); 52 hours for 2011 (includes 4 hours ethics); and 40 hours for 2012 (includes 4 hours ethics).

Peer Review Status: N/A

Case No. 1990 – A. Sue Morrison, CPA

This case was opened as a result of a referral by the Licensing Coordinator that Respondent practiced under an unregistered firm for approximately two months. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed a fine of \$1,000 and costs and attorney fees in the amount of \$422.11, which must be paid within thirty days from the effective date of this 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.

1717.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 39 hours for 2010 (includes 5 hours ethics); 60.5 hours for 2011 (includes 5 hours ethics); and 51 hours for 2012 (includes 4 hours ethics).

Peer Review Status: N/A

Case No. 1991 – Elisabeth Elaine Dionisio, CPA

This case was opened as a result of a referral by the Licensing Coordinator that Respondent practiced under an unregistered firm for approximately eight months. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed a fine of \$1,000 and costs and attorney fees in the amount of \$416.11, which must be paid within thirty days from the effective date of this 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.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant was certified in 2010, and reported 30 hours for 2011 (includes 8 hours ethics); and 37 hours for 2012 (includes 0 hours ethics).

Peer Review Status: N/A

Case No. 1993 – William Jerry Garner, CPA
WJG & Associates, PLLC, CPA Firm

This case was opened as a result of a referral by the FDIC alleging Respondents performed substandard work on a bank directors' examination. The Board's investigator confirmed that substandard work was performed. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondents whereby Respondents are assessed a fine of \$5,000 and costs and attorney fees in the amount of \$3,086.31, which must be paid within thirty days from the effective date of this Order. Should Respondents perform future bank directors' examinations, Respondents must submit pre-issuance reviews on the next two engagements. In addition, individual Respondent must complete an additional sixteen hours of CPE on agreed upon procedures within ninety days. These hours will not count towards the Respondent's 120 hour requirement. Any failure by the Respondents 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.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 70 hours for 2010 (includes 2 hours ethics); 40 hours for 2011 (includes 2 hours ethics); and 40 hours for 2012 (includes 0 hours ethics).

Peer Review Status: In compliance.

Case No. 1995 – RobisonGary & Associates PLLC, CPA Firm

This case was opened as a result of a referral by the Licensing Coordinator that Respondent held out and practiced as a CPA firm for six months before filing its initial registration form with the Board. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed a fine of \$1,000 and costs and attorney fees in the amount of \$283.61, which must be paid within thirty days from the effective date of this 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.

OAB Records Summary

Peer Review Status: N/A

Case No. 1998 – Robin K. Jolly, CPA

This case was opened as a result of a referral by the Licensing Coordinator that Respondent practiced under an unregistered firm for approximately four months. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed a fine of \$1,000 and costs and attorney fees in the amount of \$236.11, which must be paid within thirty days from the effective date of this 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.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 40 hours for 2010 (includes 2 hours ethics); 43 hours for 2011 (includes 0 hours ethics); and 40 hours for 2012 (includes 2 hours ethics).

Peer Review Status: N/A

1719.

Motion by Sanner that the Board accept the Administrative Consent Orders for the following Case Nos.: 1985, 1988, 1989, 1990, 1991, 1993, 1995, and 1998. Second by Engelbach.

Affirmative Votes: Greenwell, Ley, Petete, Sanner, Cunningham, Manning and Engelbach.

FILES TO CLOSE:

File 1830 – Revoked CPA

This file was opened after the Enforcement Committee received evidence that a revoked CPA continued to hold out by using the CPA designation on the preparer information of a tax return. The individual claimed that the tax return software service transferred the preparer information from the year before, and once the CPA designation was discovered, the company removed it. The invoice from the company did show the designation removed and the individual did register as a tax preparer with the IRS, and not as a CPA. Therefore, the Enforcement Committee recommends that the file be closed.

File 1869 – CPA Firm

A complaint was filed alleging the registrant firm performed a substandard audit. The Board's investigator did not find substandard work; therefore, the Enforcement Committee recommends that the file be closed.

OAB Records Summary

Peer Review Status: In compliance.

File 1945 – Revoked CPA

A complaint was filed alleging the revoked registrant failed to return client records. Staff is unable to locate this individual, and the registrant was revoked as of June 1st; therefore, the Enforcement Committee recommends that the file be closed with a note made to the individual's record to require a show cause hearing to reinstate.

File 1957 – CPA

This file was opened as a result of a referral from the Licensing Coordinator that the registrant reported practicing under an unregistered firm. The registrant claims this firm was not active and presented tax records to show that the registrant was practicing under another registered firm. Therefore, the Enforcement Committee recommends the file be closed.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 40 hours for 2009 (includes 2 hours ethics); 40 hours for 2010 (includes 2 hours ethics); and 40 hours for 2011 (includes 2 hours ethics).

Peer Review Status: N/A

File 1962 – CPA Firm

A file was opened due to a self-reported settlement to a class action lawsuit which alleged the registrant firm performed substandard work on the audit of a publicly held company. The firm settled without admitting any wrongdoing. An investigator with SEC experience was hired by the Board to review the audit. The investigator did not find substandard work; therefore, the Enforcement Committee recommends that the file be closed.

OAB Records Summary

Peer Review Status: In compliance.

File 1979 – CPA Firm

This file was opened as a result of a referral from the Licensing Coordinator that the registrant firm was ten weeks late in filing its annual registration with the Board. The sole owner and firm manager claims that the firm was inactive during this time due to the manager taking an extended leave of absence due to a death in the family. Since we have no evidence of the firm practicing public accounting during this time, the Enforcement Committee recommends that the file be closed.

OAB Records Summary

Peer Review Status: N/A

File 2012 – CPA

This file was opened as a result of a referral from the Licensing Coordinator that the registrant wrongly claimed the CPE exemption for 2011 while working in an accounting-related position in industry. The registrant submitted certificates of completion for CPE courses taken during that year to show compliance with the CPE requirements; therefore, the Enforcement Committee recommends that the file be closed.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant claimed the CPE exemption rightfully for 2009 and 2010; Registrant submitted certificates for over 40 hours of CPE taken during in 2011 and will continue to report CPE in future years.

Peer Review Status: N/A.

1721.

File 2015 – CPA

This file was opened as a result of a referral from the Licensing Coordinator that the registrant was practicing under an unregistered firm for approximately one year. The registrant claims very little work was done under the firm name as the registrant was caring for a child who had been diagnosed with leukemia at the time. The registrant has submitted medical records to corroborate this story and has properly registered the firm; therefore, the Enforcement Committee recommends the file be closed.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 41 hours for 2009 (includes 0 hours ethics); 28 hours for 2010 (includes 2 hours ethics); and 53 hours for 2011 (includes 4 hours ethics).

Peer Review Status: N/A

File 2026 – CPA

A complaint was filed alleging substandard work by the registrant on the handling of the complainant's investment account through complainant's employer. The Enforcement Committee did not find sufficient evidence in the submitted documentation to suggest a violation; therefore, the Enforcement Committee recommends the file be closed.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 48 hours for 2009 (includes 8 hours ethics); 48 hours for 2010 (includes 8 hours ethics); and 40 hours for 2011 (includes 2 hours ethics).

Peer Review Status: N/A

File 2027 – CPA

The registrant self-reported a three-year suspension to practice before the SEC as a result of an audit of a publicly traded company. The registrant served as the lead audit partner on the engagement when the SEC filed a complaint against executives of the company for fraudulent activity. The SEC claimed the audit team failed to obtain sufficient evidential matter with respects to certain parts of the audit. The amounts in question were relatively small and the PCAOB did not comment or criticize the audit in its review; therefore, the Enforcement Committee recommends the file be closed with a private reprimand to the registrant.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 109 hours for 2009 (includes 5 hours ethics); 74.5 hours for 2010 (includes 0 hours ethics); and 100 hours for 2011 (includes 5.5 hours ethics).

Peer Review Status: N/A (audit was performed through the firm)

File 2029 – CPA

This file was opened as a result of a referral by the Licensing Coordinator that the registrant worked for a public accounting firm for five weeks without a permit. The registrant has submitted medical documentation that the registrant was being treated for a stroke during this period; therefore, the Enforcement Committee recommends that the file be closed.

OAB Records Summary

CPE Status: Registrant was granted a CPE extension for 2012 due to medical issues. Registrant reported 40 hours for 2010 (includes 2 hours ethics); 40 hours for 2011 (includes 2 hours ethics); and 32 hours for 2012 (includes 2 hours ethics).

Peer Review Status: N/A

File 2031 – CPA Firm

This file was opened as a result of a referral by the PROC that the registrant firm did not follow government auditing standards in its audit of a government entity. The Enforcement Committee reviewed the peer review report and the response by the firm, and feels that the follow-up requirements were appropriate; therefore, it recommends that the file be closed.

OAB Records Summary

Peer Review Status: In compliance.

File 2033 – CPA

This file was opened as a result of a referral from the Licensing Coordinator that the registrant wrongly claimed the CPE exemption for years 2009 to 2011 while performing accounting work in another state. The registrant submitted certificates of completion for CPE courses taken during those years to show compliance with the CPE requirements; therefore, the Enforcement Committee recommends that the file be closed.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 41 hours for 2009 (includes 0 hours ethics); 45 hours for 2010 (includes 0 hours ethics); and 41 hours for 2011 (includes 4 hours ethics).

Peer Review Status: N/A

File 2035 – CPA

This file was opened as a result of a referral from the Licensing Coordinator that the registrant reported practicing under an unregistered firm for approximately one month. The registrant claims the entity was set up with the Secretary of State, but that no client services were performed under the firm during this time period. There is no evidence

1723.

that the registrant was working under the firm and the registrant did list a properly registered firm as the registrant's employer; therefore, the Enforcement Committee recommends the file be closed.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant reported 52 hours for 2009 (includes 10 hours ethics); 40 hours for 2010 (includes 2 hours ethics); and 57 hours for 2011 (includes 2 hours ethics).

Peer Review Status: N/A

File 2038 – CPA

This file was opened as a result of a referral from the CPE Coordinator that the registrant failed the CPE audit by being fourteen hours short for the 2009-2011 three-year CPE requirement. The registrant reported that an extension had been granted for year 2012, and was able to demonstrate that the extra fourteen hours were completed that next year; therefore, the Enforcement Committee recommends the file be closed.

OAB Records Summary

CPE Status: Registrant is now in compliance. Registrant reported 36 hours for 2009 (includes 2 hours ethics); 24 hours for 2010 (includes 4 hours ethics); and 60 (adjusted) hours for 2011 (includes 7 hours ethics).

Peer Review Status: N/A

File 2039 – Non-Registrant

This file was opened as a result of a referral from the Licensing Coordinator that the Board had received a fake certificate made out to a non-registrant. It was subsequently determined that this case had previously been adjudicated in the legal system; therefore, the Enforcement Committee recommends the file be closed.

File 2042 – CPA

This file was opened as a result of a referral from the Licensing Coordinator that the registrant reported practicing under an unregistered firm for approximately one month. The registrant claims the entity was set up with the Secretary of State, but that no client services were performed under the firm during this time period. There is no evidence that the registrant was working under the firm and the registrant listed himself as working in industry on his recent registration; therefore, the Enforcement Committee recommends the file be closed.

OAB Records Summary

CPE Status: Registrant is in compliance. Registrant claimed the CPE exemption for 2010; reported 114 hours for 2011 (includes 13.5 hours ethics); and 87 hours for 2012 (includes 5 hours ethics).

Peer Review Status: N/A

File 2045 – CPA

This file was opened as a result of a referral by the Licensing Coordinator that the registrant worked for a public accounting firm for three weeks without a permit. The registrant submitted medical documentation that the registrant was hospitalized during this period; therefore, the Enforcement Committee recommends that the file be closed.

OAB Records Summary

CPE Status: Registrant reported 22 hours for 2010 (includes 2 hours ethics); 52 hours for 2011 (includes 4 hours ethics); and 46 hours for 2012 (includes 2 hours ethics).

Peer Review Status: N/A

Motion by Sanner to close the following Files: 1830, 1869, 1945, 1957, 1979, 2012, 2015, 2026, 2029, 2031, 2033, 2035, 2038, 2039, 2042 and 2045. Second by Cunningham.

Affirmative Votes: Greenwell, Ley, Petete, Sanner, Cunningham, Manning and Engelbach.

Motion by Engelbach to close the following Files: 1962 and 2027. Second by Cunningham.

Affirmative Votes: Greenwell, Ley, Petete, Cunningham, Manning and Engelbach. Note: Member Sanner recused himself and did not participate in the vote.

Agenda Item #6 – Discussion and possible action on report from the Technology Committee regarding the posting of enforcement actions to the Oklahoma Accountancy Board website: Member Ley briefly informed the Board that the OAB staff has been successful at posting the prior enforcement actions to the website, with the exception of a few, which are over a decade old.

Secretary Ley also informed the Board that complaints, along with supporting documentation, can now be submitted on the OAB website.

1725.

Agenda Item #7 – Discussion and possible action on report from the Peer Review Oversight Committee:

- **Presentation of final draft of 2012 Annual Peer Review Oversight Committee (PROC) report**

The Board briefly reviewed the PROC report and determined it was sufficient.

Motion by Ley that the Board accept the 2012 Annual PROC report. Second by Greenwell.

Affirmative Votes: Greenwell, Ley, Petete, Cunningham, Manning, Sanner and Engelbach.

- **Report on 2013 Peer Review Oversight Committee Summit**

Peer Review Coordinator Autin briefly informed the Board of his experiences while attending the PROC Summit.

Note: Chair Petete called for a break at approximately 9:06 a.m. and reconvened at 9:20 a.m.

Agenda Item #8 – Discussion and possible action on the release of a joint statement from NASBA and the AICPA on the Private Company Financial Reporting Framework: Brief discussion took place among the Board regarding the AICPA and NASBA framework. Chair Petete stated that the Board will continue to monitor this issue as it goes forward.

Agenda Item #9 – Discussion and possible action on report from the Rules Promulgation and Legislative Committee: The Rules Promulgation and Legislative Committee presented a list of desired changes to the Oklahoma Administrative Code. The Board recommended going forward with the proposed changes. **(APPENDIX II)**

Hearings Docket

Hearings began at approximately 9:20 a.m.

Case No. 1986 - Hearing in the matter of Gregory Lee Haymon, CPA, Certificate No. 7956: This matter came for hearing at 9:22 a.m. The members of the Oklahoma Accountancy Board were present and seated on the hearing panel.

Assistant Attorney General Crittenden advised the Board. Special Prosecutor Calvert represented the State. Respondent was not present, but participated through conference call. Respondent was not represented by counsel.

The purpose of this hearing was to review the Formal Complaint filed on June 30, 2013, alleging the Respondent reported erroneous information on his Qualification Application on February 27, 1979. The OAB received a letter from the Assistant Director of the

University of Oklahoma, dated October 24, 2012, informing Executive Director Ross that the Respondent had not graduated from the University as Respondent had attested to on his Qualification Application and as was presented by the transcript submitted to the Board.

Following opening statements by the Special Prosecutor and by Respondent, Special Prosecutor Calvert presented the State's case. During the presentation of the State's case, Mr. Calvert moved individually for the admission of State's Exhibits 1-15.1. At the recommendation of Assistant Attorney General Crittenden, Chair Petete accepted the Exhibits into the record.

Mr. Calvert called the Respondent as the State's first witness. Mr. Calvert then questioned him on the allegations of misconduct for reporting erroneous information to the Board. He then called the State's second witness, Examination Coordinator Sharon Wells. The Respondent objected to this witness on the basis that he was not provided a witness list before the hearing. Assistant Attorney General Crittenden advised Chair Petete to overrule the Respondent's objection and allow the witness.

Ms. Wells explained the Qualification Application process over the 27 years she has worked for the Board. The Respondent called no witnesses.

Both the Special Prosecutor and Respondent gave closing statements.

Motion by Ley that the Board go into Executive Session.
Second by Engelbach.

Affirmative Votes: Petete, Sanner, Engelbach, Ley,
Cunningham, Greenwell and Manning.

Note: Member Cunningham excused herself from the meeting at approximately 10:45.

Note: Member Petete called for a break at approximately 11:00 a.m. and reconvened at 11:11 a.m.

Case No. 1987 - Hearing in the matter of Mark Pressley McCord, CPA, Certificate No. 5304: This matter came for hearing at 11:12 a.m. The members of the Oklahoma Accountancy Board were present and seated on the hearing panel.

Assistant Attorney General Crittenden advised the Board. Special Prosecutor Calvert represented the State. Respondent was not present and was not represented by counsel.

The purpose of this hearing was to review the Formal Complaint filed on June 20, 2013, alleging the Respondent was not eligible for the Continuing Professional Education (CPE) exemption he filed for years 2009, 2010 and 2011.

1727.

Special Prosecutor Calvert moved that State's Exhibits 1-5 be entered into the record. At the recommendation of Assistant Attorney General Crittenden, Chair Petete accepted the Exhibits into the record.

Special Prosecutor Calvert moved that State's Exhibits 6 and 6.1 be entered into record. At the recommendation of Assistant Attorney General Crittenden, Chair Petete accepted the Exhibits into the record.

Special Prosecutor Calvert presented the State's case. Upon showing the Board the Respondent's profile on the Ameriprise Financial website, Mr. Calvert requested the webpage be printed and entered into record as Exhibit 7. At the recommendation of Assistant Attorney General Crittenden, Chair Petete accepted the Exhibit into the record. Special Prosecutor Calvert then proceeded to show the Board the Respondent's linkedin profile page. Mr. Calvert requested the webpage be printed and entered into record as well as Exhibit 8. Chair Petete accepted the Exhibit into record.

Special Prosecutor Calvert gave a closing statement.

Motion by Sanner that the Board go into Executive Session.
Second by Ley.

Affirmative Votes: Petete, Sanner, Engelbach, Ley, Greenwell and Manning. Member Cunningham was not present and did not participate in the vote.

The Board entered into Executive Session at approximately 11:36 a.m. to discuss Case Nos. 1986 and 1987.

Motion by Engelbach that the Board come out of Executive Session. Second by Greenwell.

Affirmative Votes: Petete, Sanner, Engelbach, Ley, Greenwell and Manning. Member Cunningham was not present and did not participate in the vote.

No votes were taken during Executive Session. The Hearings reconvened at approximately 1:05 p.m.

Case No. 1986 - Hearing in the matter of Gregory Lee Haymon, CPA, Certificate No. 7956 [Revisited]:

Motion by Sanner that the Board revoke Mr. Haymon's Certificate and order him to pay the costs and fees of the case in the amount of \$1,064.00. Also, Mr. Haymon can apply for reinstatement if proof of a degree earned in 1978 is provided. Second by Greenwell.

Affirmative Votes: Petete, Sanner, Engelbach, Ley, Greenwell and Manning. Member Cunningham was not present and did not participate in the vote.

Case No. 1987 - Hearing in the matter of Mark Pressley McCord, CPA, Certificate No. 5304 [Revisited]:

Motion by Sanner that the Board order Mr. McCord to pay a fine of \$3,000.00 and costs of \$912.75, totaling \$3,912.75. Also, he is to be placed on probation until 120 hours of CPE has been completed for the years 2009, 2010 and 2011, to be obtained by August 31, 2014. Mr. McCord will receive credit for qualifying CPE taken thus far. He must also complete the AICPA Ethics Exam by October 31, 2013, with a score of 90% or better. Second by Ley.

Affirmative Votes: Petete, Sanner, Engelbach, Ley, Greenwell and Manning. Member Cunningham was not present and did not participate in the vote.

Member Ley requested that the Enforcement Committee look into additional charges regarding Mr. McCord due to his efforts to mislead the Board on his nature of work responsibilities.

Case No. 1983 - Hearing in the matter of Eldridge E. Gordon, Jr., CPA, Certificate No. 11544: This matter came for hearing at 1:15 p.m. The members of the Oklahoma Accountancy Board were present and seated on the hearing panel.

Assistant Attorney General Crittenden advised the Board. Special Prosecutor Calvert represented the State. Respondent was not present and was not represented by counsel.

Special Prosecutor Calvert moved for admission and approval of Exhibits 1-18, as well as the signed Consent Order. Chair Petete accepted the Exhibits into record.

The Special Prosecutor presented a Consent Order signed by the Respondent under the following terms: 1) Respondent violated Section 10:15-39-9 of the Board's Rules by attesting that he performed no government audits when he filed his 2012 individual reporting form, signed on February 14, 2012. For this violation Respondent is assessed a fine in the amount of \$2,500.00, which is due within thirty (30) days of the effective

date of this order; 2) Respondent violated Section 10:15-43-1 of the Board's rules by performing six audits for the City of Weleetka during months of June through August, 2011, while he was not registered on the government auditors list. These audits were for the years ending 6/30/2006, 6/30/2007, 6/30/2008, 6/30/2009, 6/30/2010 and 6/30/2011. For this violation Respondent is assessed a fine in the amount of \$6,000.00, which is due within thirty (30) days of the effective date of this Consent Order; 3) Respondent violated Section 15.30(B) of the Act, Section 10:15-33-3(a), and Section 10:15-33-4(a) and (b) of the Board's Rules and the Standards for Performing and Reporting on Peer Reviews (American Institute of Certified Public Accountants) by failing to enroll in a peer review within one (1) year from the performance of the above mentioned engagements. For this violation Respondent is assessed a fine in the amount of \$2,500.00, which is due within thirty (30) days of the effective date of this Order; 4) Respondent is assessed costs and attorney fees associated with this disciplinary matter in the amount of \$1,310.61, which is due within thirty (30) days of the effective date of this Consent Order; 5) Respondent's Certificate is revoked for cause for Respondent's violations of Sections 10:15-39-9, 10:15-43-1; 10:15-33-3(a), and 10:15-33-4(a) and (b) of the Board's Rules and Section 15.30(B) of the Act; 6) Respondent is required to immediately return his certificate to the Board, or provide to the Board an Affidavit of Lost Certificate; 7) Should Respondent apply for reinstatement, he will be required to appear before the Board and show cause as to why his certificate should be reinstated. In addition, no earlier than ninety (90) days prior to applying for reinstatement, Respondent must have completed Professional Ethics: AICPA's Comprehensive Course with a score of 90% or better. All fines, costs and attorney fees must be paid prior to applying for reinstatement; 8) Should Respondent Allow his certificate to remain revoked for five (5) years or more, he may not renew his certificate. Respondent may obtain a new certificate by complying with the requirements and procedures, including the examination requirements, for obtaining an original certificate; 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) Respondent and the Board acknowledge that the Board has stated for the record that all violations of this Consent Order, the Act, or 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; 12) 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, in the Board's Bulletin, online through the Board's website, and as otherwise deemed appropriate by the Board.

Motion by Engelbach that the Board approve the Consent Order. Second by Ley.

Affirmative Votes: Greenwell, Ley, Petete, Manning, Sanner and Engelbach. Member Cunningham was not present and did not participate in the vote.

Case No. 1992 - Hearing in the matter of John A. Alexander, CPA, Certificate No. 2816: This matter came for hearing at 1:27 p.m. The members of the Oklahoma Accountancy Board were present and seated on the hearing panel.

Assistant Attorney General Crittenden advised the Board. Special Prosecutor Calvert represented the State. Respondent was not present and was not represented by counsel.

The Special Prosecutor presented a Consent Order signed by the Respondent under the following terms: 1) Respondent violated Section 15.14(B)(2) and (6) of the Act and Sections 10:15-39-1 and 10:15-39-9(3) of the Board's Rules by failing to exercise due care and continue to deposit Ms. Vandersall's checks, and by withholding her records for payment. Respondent's actions amount to violations of professional misconduct. For such violation Respondent is assessed a fine in the amount of \$1,000.00, which is due within thirty (30) days of the effective date of this Consent Order; 2) Respondent is assessed costs and attorney fees associated with this disciplinary matter in the amount of \$935.53, which is due within thirty (30) days of the effective date of this Consent Order; 3) 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; 4) 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; 5) Respondent and the Board acknowledge that the Board has stated for the record that all violations of this Consent Order, the Act, or 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; 6) 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, in the Board's Bulletin, online through the Board's website, and as otherwise deemed appropriate by the Board.

1731.

Motion by Sanner that the Board approve the Consent Order. Second by Greenwell.

Affirmative Votes: Greenwell, Ley, Petete, Manning, Sanner and Engelbach. Member Cunningham was not present and did not participate in the vote.

At this time Chair Petete called for a motion to adjourn the Hearings.

Motion by Greenwell that the Board adjourn the Hearings. Second by Manning.

Affirmative Votes: Greenwell, Ley, Petete, Manning, Sanner and Engelbach. Member Cunningham was not present and did not participate in the vote

Agenda Item #10 – Discussion and possible action on request from John Robert Rogers II, CPA #17182, to waive his \$50.00 late registration fee: Executive Director Ross explained Mr. Rogers' situation and subsequent request to the Board. Brief discussion took place regarding the OAB staff and whether they followed procedure in sending the necessary reminder letter. It was determined that OAB staff did in fact follow procedure; therefore, Mr. Rogers' request for his late fee to be refunded was denied.

Motion by Greenwell that the Board deny Mr. Rogers' request for a refund of his late registration fee. Second by Ley.

Affirmative Votes: Greenwell, Ley, Petete, Manning and Engelbach. Note: Member Sanner recused himself and did not participate in the vote. Member Cunningham was not present and did not participate in the vote.

Agenda Item #11 – 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: [Item deferred to September Board meeting]

- a. Executive Director
- b. Deputy Director
- c. Licensing Coordinator
- d. Examination Coordinator
- e. CPE Coordinator
- f. Peer Review Coordinator
- g. Administrative Programs Officer
- h. Enforcement Coordinator
- i. Accountant II

- j. **Administrative Assistant II**
- k. **Administrative Assistant II**

Agenda Item #12 – New Business: No new business.

Agenda Item #13 – Executive Director’s Report: Executive Director Ross reported the following:

Updates

- The details for the September 20, 2013, meeting of the Oklahoma Accountancy Board on the campus of Northeastern State University are being completed. Reception Thursday night before the meeting in Muskogee is being hosted by the Eastern Oklahoma Chapter of the OSCP.
- A resolution to the Enforcement Actions posted to the website has been reached. At this time it appears that all orders from the old system are posted as well as current orders, and automatic revocations. We continue to work on older administrative revocation orders.
- Automation of the secure connection between NASBA and the OAB has been established (this has been the oldest item on the AMANDA issue log).
- Staff is working to create a live streaming webcast of OAB monthly meetings. This technology will also enable the OAB to conference via Skype. This project was quoted at no cost to the OAB.
- The release of the summer 2013 Bulletin utilizing NASBA services was successful with excellent feedback.
- Work on rules and statute updates continue.
- Authors for sunset review bill have been secured in both the Senate and House.

Expenditures made by the Executive Director between \$2,500 and \$5,000 since the preceding Board meeting:

- BEP One; July 2013 rent - \$4,392.00
- Attorney General; Legal Services for July 2013- \$2,840.97
- State Auditor and Inspector; Auditing Services June 2013- \$4,150.00
- BEP One; August 2013 rent - \$4,392.00
- Padgett Stratemann & Co; Investigative Services - \$4,010.00
- Attorney General; Legal Services for August 2013 - \$2,840.97
- Padgett Stratemann & Co; Investigative Services - \$2,510.00

1733.

Expenditures made by the Executive Director with approval of the Chair between \$5,000 and \$10,000 since the preceding Board meeting:

- Padgett Stratemann & Co; Investigative Services - \$7,542.00
- State Auditor and Inspector; Auditing Services for May 2013 - \$6,169.00
- NASBA; Annual membership dues - \$6,600.00
- Compsource Oklahoma; FY14 Workers' Compensation Insurance – \$7,336.00

Agenda Item #14 – Chair's Announcements:

Agenda Item #14b – Announce date and time of the next meeting: It was noted that the next meeting is scheduled to be held on Friday, September 20, 2013, on the campus of Northeastern State University, University Center Ballroom Lounge, 612 N. Grand Avenue, Tahlequah, OK 74464.

Agenda Item #15 – Adjourn: There being no further business to come before the Board, Chair Petete entertained a motion to adjourn.

Motion by Sanner to adjourn the meeting. Second by Greenwell.

Affirmative Votes: Greenwell, Ley, Petete, Manning and Engelbach. Member Cunningham was not present and did not participate in the vote.

The meeting was adjourned at approximately 1:57 p.m.

Vicky Petete, Chair Date

ATTEST:

Barbara Ley, Secretary Date

APPENDIX I**APPLICATIONS FOR TRANSFER OF EXAM CREDITS:**

Jenny Ng
Timothy Paul Wilson

APPLICATIONS FOR CERTIFICATION (Successful Candidates):

Lisa Coen Adamiak
Courtney Boswell
Kelsey Leigh Buck
Melissa Ann Cline
Christopher Scott Copeland
Jerry Cosby
A.C. Cox
Eric L. Danklefsen
Jessica Nicole Dvorak
Kristen Leigh Eagon
Yihan Feng
Jason Mical Ford
Katie Fuchs
Braden Glasgow
Rachel Marie Herrmann
Katie Jean Heroux
Bryce Anthony Hood
Matt A. Jay
Tonya L. Johnson
Tammy Noel Kalcik
Shannon King
Kassandra Ariel Knudsen
Jonathan Charles Krummel
Trevor John Lye
Kenneth J. McConnell
Mark R. Mogelnicki
Zachary Gideon Morrison
Nathan Robert Nelson
Katherine Theresa Osmus
Katie Marie Peper
Jackie Angela Phillips
Mindaugas Pukstas
Nicole Renia Randolph
Swapna Proddutur Reddy
Samuel Leon Remy
Kyle Schovanec
Ryan Bradford Shannon
Natalia Anatolievna Sheaffer
Bradley Gene Sparks

1735.

Garrett Russell Stover
Ngoc Hong Trinh
Brian Mark Wandel
Derek Paul Wiggins

APPLICATIONS FOR RECIPROCAL CPA CERTIFICATES:

Greg Thomas Beelman (Iowa)
Carl W Daugherty (Texas)
Jenni L. Dollahon (Texas)
Paul L. Smith (Kansas)
Cassandra R. Sporleder (Kansas)
Toni Dawn Staff (Colorado)
Jace Alan Yeats (Texas)

APPLICATIONS FOR REINSTATEMENT OF CPA CERTIFICATES:

Michael Calvert	7538
Robert Capps	4080
George Clark	15393
Janet Lee	12431
Matthew Thomson	15771
Vincent Wiemer	14276

INITIAL FIRM REGISTRATIONS OF PROFESSIONAL CORPORATIONS:

Rick E. Rainey, CPA, PC

INITIAL FIRM REGISTRATIONS OF PROFESSIONAL LIMITED LIABILITY COMPANIES:

Angie Brus, CPA, PLLC
Auditwerx, LLC (Florida)
B.A. Kerr Financial, PLLC
Dauby O'Connor & Zaleski, A Limited Liability Company (Indiana)
England Accounting Service, PLLC
Gloria Ann Cherry, CPA, P.L.L.C.
M Engle Consulting CPA, PLLC
McKinnon & Associates, LLC (Texas)
Walters & Owens, CPA's, PLLC
Yerkes & Michels, CPA, LLC (Kansas)

REINSTATEMENT OF SOLE PROPRIETORSHIPS UNDER SECTION 15:15:

Daryl C. Soward (Texas)

REINSTATEMENT OF CPA PROFESSIONAL LIMITED LIABILITY COMPANIES:

ASC Certified Public Accountants, P.L.L.C.
 Meredith Meacham Wilson, CPA, PLLC
 S. Christopher Lopp, CPA PLLC

REINSTATEMENT OF CPA LIMITED LIABILITY PARTNERSHIPS:

Porter Keadle Moore, LLP (Georgia)
 Vail & Knauth, LLP (Texas)
 Welch, Sanders & Associates, LLP (Texas)

REINSTATEMENT OF CPA PROFESSIONAL CORPORATIONS:

Administration Service Corporation
 Angela R. Sanderson, CPA, P.C.
 Bloch and Company, P.C.
 Cummins & Associates, P.C.
 Robert L. Sherer, CPA, P.C.
 Stanfield & Brim, P.C.

CERTIFICATES SURRENDERED BY REGISTRANTS:**CPAs:****No Longer Practicing in Oklahoma:**

Eric Altstadter	14451	Issued March 5, 1999
Joey Baker	16809	Issued February 26, 2010
Cynthia Garrett	8527	Issued January 23, 1986
Kyle Jackson	16942	Issued November 19, 2010
Tao Sai-Lever	16473	Issued June 27, 2008
Michael Shiflet	13189	Issued July 31, 1995
Ruth Roland	8412	Issued July 26, 1985

No Longer Residing in Oklahoma:

Barbara Martin	16258	Issued September 27, 2006
----------------	-------	---------------------------

Retired:

Jack Anderson	1593	Issued July 27, 1962
James Atkinson	8454	Issued January 23, 1986
Mary Evelyn Davis	674	Issued January 29, 1950
Paul Foster	10190	Issued January 26, 1989
Ashley Lamb	17077	Issued July 5, 2011
David Talley	4924	Issued July 27, 1979
Paula Tiefenthaler	12326	Issued July 30, 1993

1737.

George Weed	662	Issued January 29, 1950
Harold Williams	6367	Issued July 22, 1982
David Wilson	11429	Issued June 25, 1991
James Wooley	4227	Issued November 21, 1977

DECEASED REGISTRANTS:

CPAs:

Rex Allen	5650	Issued July 27, 1981
Jim Burris	8473	Issued January 23, 1986
Frank Dennis	1547	Issued February 3, 1962
Brook Hensley	14845	Issued July 31, 2000
Richard Spillers	7848	Issued December 13, 1984
Ted Williams	8712	Issued January 23, 1986

INACTIVE FIRMS:

Out-of-State Sole Proprietorships:

James C. Powell, Jr., CPA (Texas)

CPA Partnerships:

Keeney, Hembree & Company (Texas)

CPA Corporations:

Auditwerx, Inc. (Florida)
Earl J. Cheek, CPA, P.C.
Glenn Elliott & Associates, Inc.
Jamieson, Wise & Martin, APAC (Louisiana)
Kern & Company, P.C.
Reznick Group, P.C. (Maryland)

CPA Limited Liability Companies:

Arthur White & Associates, L.L.C. (Missouri)
Cochran Tax & Accounting Service, PLLC
Dossier Jackson Consulting, PLLC
Epic Litigation Support, PLLC
Kirkendall & Swindell CPAs, PLLC
Mary Jo McCaghren, CPA, PLLC
The CFO Resource, PLLC
Robyn L. Miller, C.P.A., P.L.L.C.

CPA Limited Liability Partnerships:

Brown & Davis, LLP (Texas)
 Hendricks, Graves and Associates, LLP (Texas)

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

Jackie A. Arend
 LeRoy H. Banes, Jr.
 Courtney Boswell
 Kelsey L. Buck
 Melissa A. Cline
 Christopher Copeland
 Kristen Eagon
 Jason M. Ford
 Katie L. Fuchs
 John P. Gavin
 Braden Glasgow
 Ryan C. Heath
 Rachel M. Herrmann
 Bryce Hood
 Brett R. Jensen
 Julie A. Jividen
 Tyler N. Jones
 Jonathan C. Krummel
 Stephanie M. Little
 Trevor J. Lye
 Kenneth J. McConnell
 Xiaobei Mo
 Mark R. Mogelnicki
 Nathan R. Nelson
 Katie M. Peper
 Swapna P. Reddy
 Samuel L. Remy
 Natalia A. Sheaffer
 Brooke Sims
 Bradley G. Sparks
 Stacy K. Stanford
 Garrett R. Stover
 Derek P. Wiggins
 Timothy P. Wilson

Non-CPA verifier

Jerry L. Cosby
 Aaron C. Cox
 Mi Zhou

APPENDIX II

Proposed Rule Changes Explanations:

- 10:1-1-4.1** Allows for flexibility to accommodate the profession and meet their needs by scheduling earlier or later office hours.
- 10:15-24-1** This addresses the issue of a CPA who has retired from accounting but wants to work as a greeter, bus driver etc. without having to return their certificate. However, if they have not retired from the profession, but do not want to maintain their license, they shall return the certificate.
- 10:15-27-9.1** This is obsolete language since the proration period has ended.
- 10:15-27-14** Obsolete language is being removed to reflect current peer review reporting after changes in the profession.
- 10:15-33-5** Obsolete language is being removed to reflect current peer review reporting after changes in the profession.
- 10:15-33-6** Obsolete language is being removed to reflect current peer review reporting after changes in the profession.
- 10:15-33-7** Eliminates obsolete language.
- 10:15-35-1** Clarifies that both individuals and firms make applications for reinstatement on forms prescribed by the Board.