

## OKLAHOMA ACCOUNTANCY BOARD

### MINUTES OF REGULAR MEETING

September 20, 2013

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, September 20, 2013, at Northeastern State University (NSU), University Center Ballroom Lounge, 612 Grand Ave., Tahlequah, OK 74464. A recording of the meeting is on file in the OAB office. Members present at Call to Order:

Vicky Petete, CPA, Chair  
Barbara Ley, CPA, Secretary  
Jay Engelbach, CPA, Member  
Jody Manning, Member  
Karen Cunningham, Member

Board staff present at the meeting: Randy Ross, Executive Director; Colin Autin, Deputy Director; Rebekah Flanagan, Administrative Assistant and Heather Smith, Administrative Assistant. Assistant Attorney General John Crittenden was also present.

**Agenda Item #1a – Call To Order:** At approximately 8:34 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 Vice Chair Sanner was absent. His absence was excused. Chair Petete also noted that Member Greenwell was not currently present.

**Agenda Item #2 – Announcement of Visitors:** The following visitors were present for the appropriate time: Larry Smith, Eastern Chapter President, representing the Oklahoma Society of Certified Public Accountants (OSCPA); Steve Turner, NSU President; Brian Jackson, NSU Assistant Professor of Accounting; John Yeutter, NSU Associate Professor of Accounting and Deborah Lee, NSU Accounting Instructor. Various NSU accounting students were present as well.

Note: Member Greenwell arrived at approximately 8:36 a.m.

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

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**Agenda Item #4 – Consent Agenda:** The Consent Agenda contained five items for the OAB's consideration; (1) Approve the Minutes of the August 16, 2013, Regular Meeting of the OAB; (2) Take official notice of the preliminary OAB financial statements for FY 2014, for the month ended August 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; (5) Approve the verification of the administrative posting to the OAB's records and certification of scores for Window 3/2013 Examination, July and August 2013.

Motion by Cunningham to approve the Consent Agenda.  
Second by Manning.

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

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

#### **ADMINISTRATIVE CONSENT ORDERS:**

##### **Case No. 1935 – Michael Henderson - Nonregistrant Michael L. Henderson, CPA, Revoked CPA Firm**

This case was opened as a result of a referral by the Oklahoma Insurance Department alleging Respondents performed substandard work on the audit of an Oklahoma bail bondsman. The Board's investigator confirmed that substandard work was performed and that Firm Respondent failed to undergo required peer review. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondents whereby Respondents are assessed fines of \$5,000 for substandard work, \$2,500 for failure to undergo peer review, and costs and attorney fees in the amount of \$4,431.07, which must be paid in equal monthly installments of \$300 by the 16<sup>th</sup> day of each month until paid in full. Should Firm Respondent apply for reinstatement, Respondent will be required to demonstrate at a hearing that Respondent satisfies the requirements for reinstatement. In addition, all fines, costs and attorney fees must be paid in full before applying for reinstatement. If Firm Respondent is reinstated, it will be placed on probation for two years and is required to have pre-issuance reviews of all audits, including work papers, during the probationary period, as long as there are satisfactory results. In addition, should Firm Respondent be reinstated, Individual Respondent must complete sixteen hours of CPE in the area of audits if the firm wishes to perform audits. 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: N/A (Registrant is an out of state CPA and not registered in OK)  
Peer Review Status: Not in compliance.

### **Case No. 1956 – Steven O. Godwin, CPA, PC, 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 approximately a year 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 \$479.50, 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. 1996 – Cara D. Locke, CPA**

This case was opened as a result of a referral by the Licensing Coordinator that Respondent practiced without a permit for approximately one month. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed a fine of \$500, plus costs and attorney fees in the amount of \$341.11, which must be paid within 30 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 50 hours for 2010 (includes 0 hours ethics); 33 hours for 2011 (includes 4 hours ethics) and 44 hours for 2012 (includes 8 hours ethics).  
Peer Review Status: N/A.

### **Case No. 1997 – Bruce Keith Compton, CPA**

This case was opened as a result of a referral by the Licensing Coordinator that Respondent practiced without a permit for approximately one month. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the

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Respondent whereby Respondent is assessed a fine of \$500, plus costs and attorney fees in the amount of \$201.11, which must be paid within 30 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 63 hours for 2010 (includes 4 hours ethics); 62 hours for 2011 (includes 4 hours ethics) and 27 hours for 2012 (includes 4 hours ethics).

Peer Review Status: Registrant is in compliance.

**Case No. 1999 – Williams & Company, CPA's Inc., CPA Firm**

This case is a result of a referral by the Licensing Coordinator. For approximately six months, Respondent firm held out as a CPA firm and practiced public accounting while revoked. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed a fine of \$1,000 plus costs and attorney fees in the amount of \$292.11, which must be paid in two monthly installments of \$646.06 and \$646.05. 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: Registrant is in compliance.

Motion by Engelbach that the Board accept the Administrative Consent Orders for the following Case Nos.: 1935, 1956, 1996, 1997 and 1999. Second by Cunningham.

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

**Agenda Item #6 – Discussion and possible action on report from the Outreach Committee:**

- **Oklahoma Accountancy Board PowerPoint presentation 'Becoming a CPA; Before and After'**

Chair Petete delayed the presentation until the NSU students arrived.

**Agenda Item #7 – Discussion and possible action on report from the Rules Promulgation and Legislative Committee:** Member Engelbach addressed this issue. He stated that the OAB staff has been instructed to go forth with the proposed rule changes and hold a public hearing.

After legal review by Assistant Attorney General John Crittenden, the OAB determined there should be a fee associated with firm reinstatements.

It was noted that there was one additional change in the proposed rules regarding language for attest engagements. **(APPENDIX II)**

**Agenda Item #8 – Discussion and possible action on proposed Fiscal Year 2015 Budget Request Program:** Member Manning addressed this issue and presented the Budget Work Program.

There was brief discussion among the Board.

Motion by Manning that the Board approve the Fiscal Year 2015 Budget Work Program. Second by Engelbach.

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

**Agenda Item #9 – Discussion and possible action to approve the proposed professional services contract for Scott Forbes, PI, LLC [FY 2014 Investigator]:** The Board briefly discussed Mr. Forbes' experience and expertise as a private investigator.

Motion by Cunningham that the Board approve the professional services contract for Scott Forbes, PI, LLC. Second by Greenwell.

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

Note: Chair Petete called for a break at approximately 8:59 a.m. and reconvened at 9:02 a.m.

**Agenda Item #6 – Discussion and possible action on report from the Outreach Committee: [Revisited]**

- **Oklahoma Accountancy Board PowerPoint presentation '*Becoming a CPA; Before and After*'**

Chair Petete, Secretary Ley and Executive Director Ross presented the '*Becoming a CPA; Before and After*' presentation to the NSU students present.

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Note: Chair Petete called for a break at approximately 9:57 a.m. and reconvened at 10:05 a.m.

**Agenda Item #10 – Discussion and possible action on National Association of State Boards of Accountancy Regional Director’s Focus Questions:**

The board reviewed the NASBA focus questions.

Motion by Greenwell that the Board approve the draft responses to the NASBA Regional Director’s Focus Questions. Second by Ley.

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

**Agenda Item #11 – Discussion and possible action for the selection of the OAB voting representative and alternate at the NASBA annual meeting:**

Motion by Ley that the Board appoint Chair Petete as the voting representative and Vice Chair Sanner as the alternate voting representative for the NASBA annual meeting. Second by Cunningham.

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

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

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

**Updates**

- Staff is working on having the ability to stream the Board meetings on the internet. A new camera had to be purchased but we anticipate having the ability to stream the October Board meeting.
- Work on rules and statute updates continue.
- I am pleased to report that our number of individual revocations over the past four months has dropped to under 1% each month. For the month of August the revoked percentage was .005. The Staff has been working hard on customer service courtesy.
- Staff met with OMES IT and as expected the loss of Brett Johnson (the main AMANDA programmer) will slow some of the enhancements we have been working on.

- I spoke to the students in the OU Accounting Master's Program and will be speaking at the Eastern Oklahoma OSCP chapter later in the month.
- I want to thank John Yeutter, CPA, and head of the accounting department at NSU for his assistance in making this a successful off site Board meeting.

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

- Calvert Law Firm; Legal services for July 2013 - \$3,522.64
- ECapital; Subscription fees for FY14 - \$2,800.00
- BEP One; September 2013 rent - \$4,392.00
- Calvert Law Firm; Legal services for June 2013 - \$4,679.92
- Attorney General; Legal services for September 2013 - \$2,840.97

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

N/A

**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, October 18, 2013, at the Oklahoma Accountancy Board, 201 NW 63<sup>rd</sup> Street; Suite 210, Oklahoma City, OK 73116.

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

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

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

The meeting was adjourned at approximately 10:16 a.m.

\_\_\_\_\_  
Vicky Petete, Chair

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Barbara Ley, Secretary

\_\_\_\_\_  
Date

## APPENDIX I

### Actions Approved by the Executive Director as of September 20, 2013

#### **APPLICATIONS FOR CERTIFICATION (Successful Candidates):**

Roy H. Banes Jr  
Anna Elizabeth Davis  
John Patrick Gavin  
Ryan Christopher Heath  
Janelle Hutchinson  
David Andrew Kitchens  
Xiaobei Mo  
Brianna Leigh Parrish  
Brooke Rochelle Sims  
Stacy K. Stanford  
Miranda Vance Goolsbay  
Timothy Paul Wilson

#### **APPLICATIONS FOR RECIPROCAL CPA CERTIFICATES:**

Jacob Glen Davis (Oregon)  
Kristen Kathleen Derryberry (Texas)  
Brett Allen Johnson (North Dakota)  
Julie Ann Watson (Florida)

#### **APPLICATIONS FOR REINSTATEMENT OF CPA CERTIFICATES:**

|                 |       |
|-----------------|-------|
| Bernard Bunning | 11908 |
| Tami Van Meter  | 10288 |

#### **INITIAL FIRM REGISTRATIONS OF PROFESSIONAL CORPORATIONS:**

Bergan, Paulsen & Company, P.C. (Iowa)  
Jon T Lee & Company CPAs, PC (Montana)  
Woods Accounting Services, PC

#### **INITIAL FIRM REGISTRATIONS OF PROFESSIONAL LIMITED LIABILITY PARTNERSHIPS:**

SSAE 16 Professionals, LLP (California)

#### **INITIAL FIRM REGISTRATIONS OF PROFESSIONAL LIMITED LIABILITY COMPANIES:**

Goss CPA, PLLC  
Mary Pang, CPA PLLC



The Waggoner Company, PLLC

**REINSTATEMENT OF CPA PROFESSIONAL CORPORATIONS:**

Guinn, Smith & Co., Inc. (Texas)

**CERTIFICATES SURRENDERED BY REGISTRANTS:**

**CPAs:**

**No Longer Practicing in Oklahoma:**

|                    |       |                          |
|--------------------|-------|--------------------------|
| Logan Abrams       | 16384 | Issued October 19, 2007  |
| Patricia Biscopink | 9098  | Issued January 29, 1987  |
| Necia Dexter       | 15223 | Issued October 26, 2001  |
| Verne Hargrave     | 15808 | Issued December 12, 2003 |
| B. Kay Kelly       | 12529 | Issued January 21, 1994  |
| Samuel Sloan       | 8992  | Issued July 31, 1986     |
| Michele Smith      | 16431 | Issued January 9, 2008   |
| Peter Wellman      | 8393  | Issued July 26, 1985     |

**No Longer Residing in Oklahoma:**

|              |       |                      |
|--------------|-------|----------------------|
| Lacey Fulton | 17273 | Issued June 22, 2012 |
|--------------|-------|----------------------|

**Retired:**

|                 |      |                         |
|-----------------|------|-------------------------|
| Montie Brantley | 3058 | Issued January 28, 1974 |
| John Hess       | 1982 | Issued August 5, 1967   |
| R. Gail Quinlan | 5359 | Issued July 25, 1980    |

**DECEASED REGISTRANTS:**

**CPAs:**

|                |       |                         |
|----------------|-------|-------------------------|
| Norman Biswell | 9384  | Issued July 23, 1987    |
| Richard Duffy  | 2835  | Issued January 26, 1973 |
| Taylor Prince  | 16846 | Issued May 21, 2010     |
| Ronald Stevens | 13061 | Issued April 28, 1995   |
| John Walker    | 2174  | Issued February 1, 1969 |

**INACTIVE FIRMS:**

**CPA Limited Liability Companies:**

Doyle & Woods, Certified Public Accountants, PLLC  
Goss CPA and Business Services, LLC

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**INDIVIDUALS AUTOMATICALLY REVOKED AS A RESULT OF NON-COMPLIANCE WITH 68 O.S. § 238.1 AND 59 O.S. § 15.14:**

**CPAs:**

| <b>Cert No.</b> | <b>Name</b>            | <b>Revocation Date</b> |
|-----------------|------------------------|------------------------|
| 10226           | CURTIS D. KARBER       | Jul 01, 2013           |
| 8925            | JOHN MARQUETTE         | Jul 01, 2013           |
| 14411           | PAUL ANDREW SEITSINGER | Jul 01, 2013           |
| 15771           | MATTHEW RYAN THOMSON** | Jul 01, 2013           |
| 15415           | JOHN ERNEST HENRY      | Jul 01, 2013           |
| 7766            | DIANE D. LAFLEUR       | Jul 01, 2013           |
| 3897            | EUGENE BATCHELDER      | Jul 01, 2013           |
| 2501            | OWEN COTTON            | Jul 01, 2013           |
| 15248           | AMANDA DAWN BEASLEY    | Jul 01, 2013           |
| 13978           | ROBERT WOOD            | Jul 01, 2013           |
| 13449           | TOMMY AUGER            | Jul 01, 2013           |
| 12431           | JANET MCKAY LEE**      | Jul 01, 2013           |
| 11699           | ROSEMARY A. SCHOEMAKER | Jul 01, 2013           |
|                 |                        |                        |
| 8424            | TOMMY CORDER           | Aug 01, 2013           |
| 1574            | PAUL DELMAS TORRES     | Aug 01, 2013           |
| 14259           | VIRGIL W. 'BILL' STONE | Aug 01, 2013           |
| 13066           | KENNETH LYNN ADKISON   | Aug 01, 2013           |
| 5971            | JEFF RAY HOLT          | Aug 01, 2013           |
|                 |                        |                        |
| 12331           | KEVYN N. RAKOWSKI      | Sep 01, 2013           |
| 13184           | JAMES ROTH             | Sep 01, 2013           |
| 12054           | JEANNE L. HARRIS       | Sep 01, 2013           |
| 13029           | MARY L. WHITWORTH      | Sep 01, 2013           |

**Note:** Asterisk (\*) indicates registrant is on current Activity List for reinstatement.  
Asterisk (\*\*) indicates registrant has been reinstated.

**FIRMS AUTOMATICALLY REVOKED ON JULY 1, 2013, PURSUANT TO SECTION 15:15.E:**

**CPA Corporations:**

|  |
|--|
| <b>ADMINISTRATION SERVICE CORPORATION**</b>                        |
| <b>ASC CERTIFIED PUBLIC ACCOUNTANTS, P.L.L.C.**</b>                |
| <b>CAROL A. OLIVER, CPA, PC</b>                                    |
| <b>WELCH SANDERS &amp; ASSOCIATES LLP**</b>                        |
| <b>STANFIELD &amp; BRIM, P.C.**</b>                                |
| <b>BLOCH AND COMPANY, P.C.**</b>                                   |
| <b>DARYL C. SOWARD**</b>   |
| <b>NATHAN WILLSEY, CPA, PLLC</b>                                   |
| <b>S. CHRISTOPHER LOPP, CPA PLLC**</b>                             |
| <b>BRIAN RAHLF, PLLC</b>   |
| <b>MOUNTJOY CHILTON MEDLEY LLP</b>                                 |
| <b>VAIL &amp; KNAUTH, LLP**</b>                                    |
| <b>HENDRICKS, GRAVES AND ASSOCIATES LLP (D)</b>                    |
| <b>SANDRA R. HENDERSON, P.C.</b>                                   |
| <b>AARON TAX &amp; ACCOUNTING PLLC</b>                             |
| <b>CHRISTOPHER A TURNER P.L.L.C.</b>                               |
| <b>CPA TAX COUNSELORS P.L.L.C.</b>                                 |
| <b>ROBERT L. SHERER, CPA, P.C.**</b>                               |
| <b>ANGELA R. SANDERSON, CPA, P.C.**</b>                            |
| <b>PORTER KEADLE MOORE, LLP**</b>                                  |
| <b>DAUBY O'CONNOR &amp; ZALESKI, A LIMITED LIABILITY COMPANY**</b> |
| <b>JACK ANDERSON, CPA, PC</b>                                      |
| <b>EVEREST ADVISORS, P.C.</b>                                      |
| <b>CUMMINS &amp; ASSOCIATES, P.C.**</b>                            |
| <b>BARRY C. COATS, CPA, PLLC</b>                                   |
| <b>GUINN, SMITH &amp; CO., INC.*</b>                               |
| <b>LAM VINSON &amp; COMPANY, P.C.</b>                              |
| <b>CHRISTOPHER M CALDWELL, CPA, PLLC</b>                           |
| <b>Gary A. Black CPA</b>   |
| <b>MEREDITH MEACHAM WILSON, CPA, PLLC**</b>                        |

**Note:** Asterisk (\*) indicates firm is on current Activity List for reinstatement.  
Asterisk (\*\*) indicates firm has been reinstated.  
(D) Firm is no longer active in Oklahoma.

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**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:**

**10:15-43-1** Adopts the Board policy that attest engagements include audits *and* agreed upon procedures. Clarifies what engagements are subject to 10:15-43-1.

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