

OKLAHOMA ACCOUNTANCY BOARD**MINUTES OF REGULAR MEETING**

September 19, 2014

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, September 19, 2014, at Southeastern Oklahoma State University, John Massey School of Business, Russell Room 100, 1405 N 4th Ave., Durant, OK 74701. A recording of the meeting is on file in the OAB office. Members present at Call to Order:

Mike Sanner, CPA, Chair
Jay Engelbach, CPA, Vice Chair
Jody Manning, Secretary
David Greenwell, CPA, Member
Barbara Ley, CPA, Member
Karen Cunningham, Member

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

Note: Chair Sanner rearranged items throughout the meeting.

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

Agenda Item #1b – Declaration of Quorum: Chair Sanner 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): Member Delametter was absent. Chair Sanner excused his absence.

Agenda Item #2 – Announcement of Visitors: The following visitors were present for the appropriate time: Dr. Stevenson Smith, Chair of the Department of Accounting and Finance; Dr. Han-Sheng Chen, Assistant Professor of Finance; Ying Chou Lin, Assistant Professor of Finance; Dr. Larry Prather, Professor and Endowed Chair of Finance; Dr. Theresa Hrcir Professor of Accounting; Dr. Kalana Malimage, Assistant Professor of Accounting; Deborah Combs, Assistant Professor of Accounting; and various Southeastern Oklahoma State University students.

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 22, 2014, Regular Meeting of the OAB; (2) Take official notice of the preliminary OAB financial statements for FY 2015, for the month ended August 31, 2014; (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; and (5) Approve the verification of the administrative posting to the OAB’s records and certification of scores for Window 3/2014 Examination, July and August 2014.

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

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

Agenda Item #5 – Discussion and possible action on report from the Outreach Committee:

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

Several Board members presented the prepared PowerPoint to SOSU students.

Agenda Item #6 – Discussion and possible action on report from attendees of the AICPA Uniform Accountancy Act Conference, Chicago, IL; Additional discussion and action may be taken to align the Board’s definition of the term ‘attestation’ with that of the term defined in the Uniform Accountancy Act: Discussion took place among the Board and it was determined that the subject of the “attestation” definition and firm mobility will be reviewed, through the Legislative Committee, and presented at the next Board meeting.

Motion by Greenwell that the Board take the issue to the Legislative Committee and hear their recommendation, as an agenda item, at the next Board meeting . Second by Ley.

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

Note: Chair Sanner called for a break at approximately 9:55 AM and reconvened at 10:05 AM.

Agenda Item #7 – Discussion and possible action on Administrative Actions and recommendations and report from the Enforcement Committee :

ADMINISTRATIVE CONSENT ORDERS:**Case No. 2027 – Todd F. Hudgins, CPA:**

This case was opened as a result of a referral by the CPE Coordinator that Respondent was eleven and one-half (11.5) hours short of the 120-hour minimum for the three-year period 2010- 2012, and twenty-four and one-half (24.5) hours short of the 120-hour minimum for the three year period 2011-2013. 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 \$253.98, which must be paid within thirty days from the effective date of this Order. In addition, Respondent must complete twenty-four and one-half (24.5) hours of CPE to apply to the shortages within ninety 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.

OAB Records Summary

CPE Status: Registrant is not in compliance. Registrant reported 49 hours for 2010 (includes 8 hours ethics); 36 hours for 2011 (includes 8 hours ethics); 23.5 hours for 2012 (includes 1.5 hours ethics); and 36 hours for 2013 (includes 0 hours ethics).

Peer Review Status: N/A.

Case No. 2034 – G. Ann Lee, C.P.A., PC, Firm:

This case is a result of a referral by the Licensing Coordinator. For approximately three weeks, 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 \$236.48, 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. 2035 – Kristi D. Benton, CPA:

This case was opened as a result of a referral by the CPE Coordinator that Respondent was nine (9) hours short of the 120-hour minimum for the three-year period 2010-2012; twenty-four (24) hours short of the 120-hour minimum for the three year period 2011-2013; and eleven (11) hours short of meeting the twenty hour-per-year minimum for

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2013. 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 \$218.98, which must be paid within thirty days from the effective date of this Order. In addition, Respondent must complete twenty-four (24) hours of CPE to apply to the shortages within ninety 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.

OAB Records Summary

CPE Status: Registrant is not in compliance. Registrant reported 24 hours for 2010 (includes 4 hours ethics); 46 hours for 2011 (includes 4 hours ethics); 41 hours for 2012 (includes 4 hours ethics); and 9 hours for 2013 (includes 0 hours ethics).

Peer Review Status: N/A.

Motion by Engelbach that the Board approve the Administrative Consent Orders in Case No's 2027, 2034 and 2035. Second by Greenwell.

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

Agenda Item #8 – Discussion and possible action on report from the Audit and Budget Committee: Secretary Manning presented to the Board the proposed budget for fiscal year 2016.

Motion by Manning that the Board accept the proposed budget for FY 16 as presented and allow Executive Director Ross to submit it to the Governor's office. Second by Greenwell.

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

Agenda Item #9 – 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 Sanner as the voting representative and Member Greenwell as the alternate voting representative for the NASBA annual meeting. Second by Engelbach.

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

Agenda Item #10 – Discussion and possible action to amend the procedure for processing a reciprocal Certificate application submitted by an applicant from a two-tier state: Executive Director Ross informed the Board of the current OAB policy for processing reciprocal applications from one-tier and two-tier states, affecting a limited number of applicants. He presented changes the OAB staff would like to make to the current internal policy. Assistant Attorney General Crittenden agreed with the suggested change in policy.

Motion by Greenwell that the Board accepts the suggested change to internal policy. Second by Engelbach.

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

Agenda Item #11 - Discussion and possible action to provide feedback in response to the AICPA's 'Invitation to Comment (ITC) – Maintaining the Relevance of the Uniform CPA Examination': Member Ley informed the Board of the AICPA's inquiry for comments from all jurisdictions. Their concern is to make sure the Uniform CPA Examination remains relevant and would like input regarding this issue. The Board determined that a special committee will be formed and comments presented at the November Board meeting.

Agenda Item #12 – Executive Director's Report: Executive Director Ross reported the following:

Updates

- New rule books are being published and should be ready any day.
- We have hired a replacement after promoting Heather Grable (formerly Smith) to the CPE coordinator position. Melissa Schosser will report Monday.
- We are prepared to send the 2016 budget work program to OMES as required by October.
- There have been some technology issues with OMES IT that we are addressing.
- Chair Sanner and I attended an AICPA workshop on attest and firm mobility September 8th & 9th.
- I made presentations at OU for the masters of accounting program and at the Eastern Oklahoma Chapter of OSCP this month. I will be making additional presentations for the OSCP and AGA this coming month.
- Chloe Watson passed her last section of the CPA exam and we look forward to presenting her certificate to her.
- We continue to develop baselines for our 2016-2020 strategic plan.

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

- BEP One; Sep 2014 rent - \$4,392.00

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

- Compsource Oklahoma; Workers Compensation Premium for FY15 - \$6,555.00
- NASBA; Membership dues for FY15 - \$6,600.00

Agenda Item #13 – Chair’s Announcements: There were no announcements.

Agenda Item #13b – Announce date and time of the next meeting: It was noted that the next meeting is scheduled to be held on Friday, October 17, 2014, at the Oklahoma Accountancy Board, 201 NW 63rd Street; Suite 210, Oklahoma City, OK 73116.

Agenda Item #14 – Adjourn: There being no further business to come before the Board, Chair Sanner entertained a motion to adjourn.

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

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

The meeting was adjourned at approximately 10:42 AM.

Mike Sanner, Chair

Date

ATTEST:

Jody Manning, Secretary

Date

APPENDIX I

**Experience verification applications approved by the
Executive Director as of September 19, 2014**

Harrison J. Cohen
Lauren A. Cooper
Tyler C. Estes
Dara D. Martin
Kelson A. Peoples
Raelynn M. Perry
Heather L. Richie
Michelle Sieng
Johnathan E. Watson

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**Actions Approved by the Executive Director
As of September 19, 2014**

APPLICATIONS FOR CERTIFICATION (Successful Candidates):

Whitney Morris Buck
Tyler Clinton Estes
Jeffery Michael Hambrice
Clint Stephen Oare
Sarah M. Rector
Heather Lee Richie
Michelle Sieng
Nick Wilcox

APPLICATIONS FOR RECIPROCAL CPA CERTIFICATES:

James E Dunning, Jr. (Kansas)

APPLICATIONS FOR REINSTATEMENT OF CPA CERTIFICATES:

April Gallagher	16912
Kyle Jackson	16942
Bryan Lamey	12535

INITIAL FIRM REGISTRATIONS OF PROFESSIONAL CORPORATIONS:

Barnes Welsh & Perry PC
Pettus and Company, P.C.
Stotts, Archambo, Mueggenborg & Barclay, PC
WithumSmith+Brown, PC (New Jersey)

INITIAL FIRM REGISTRATIONS OF PROFESSIONAL LIMITED LIABILITY COMPANIES:

Bailey, Kaufman & Scheibelhut, PLLC (Tennessee)
G L Shores PLLC
MidSquare Financial, PLLC
Millennial Accounting PLLC*

*originally turned in application with firm name of Austin R Murray CPA PLLC but decided to amend name to Millennial Accounting PLLC before the Board Meeting

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

Lauren Labuda 16379 Issued August 24, 2007

Retired:

Kathryn Galindau 9210 Issued January 29, 1987
 Joseph Kirkbride 2285 Issued January 29, 1970
 Ronald Whittenberg 4160 Issued July 18, 1977

DECEASED REGISTRANTS:**CPAs:**

Julie Thompson 13668 Issued February 3, 1997

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

CertNo.	Name	Revocation Date
4346	Jack D. Taylor	Sept 01, 2014
11175	R. Andrew McGuire	Sept 01, 2014
12493	Noula Halvaci	Sept 01, 2014
12544	Craig D. Loseke	Sept 01, 2014
14916	Daniell Robert Patterson	Sept 01, 2014
16050	Daniel L. Montgomery	Sept 01, 2014

INACTIVE FIRMS:**CPA Corporations:**

Archambo & Mueggenborg, PC
 Stotts, Barclay, Pettus, Whipple, Littleton & Ruef, P.C.
 Wm. E. Barnes, PC

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