

**OKLAHOMA ACCOUNTANCY BOARD****MINUTES OF REGULAR MEETING**

February 20, 2015

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, February 20, 2015, at the Oklahoma Accountancy Board, 201 NW 63<sup>rd</sup> 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:

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

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

**Agenda Item #1a – Call To Order:** At approximately 8:30 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):** There were no absences.

**Agenda Item #2 – Announcement of Visitors:** The following visitors were present for the appropriate time: Daryl Hill and Nancy Hyde, representing the OSCPA; and Dean Taylor, representing the OSA.

**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 five items for the OAB's consideration; (1) Approve the Minutes of the December 19, 2014, Regular Meeting of the OAB; (2) Take official notice of the preliminary OAB financial statements for FY 2015, for the months ended December 31, 2014, and January 31, 2015; (3) Take official notice of the experience verification applications which have been approved by

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the Executive Director; and (4) Approve the actions taken by the Executive Director on applications and registrations filed since the previous meeting.

Motion by Manning that the Board approve the Consent Agenda. Second by Greenwell.

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

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

**ADMINISTRATIVE CONSENT ORDERS:**

**Case No. 2028 – Barbara Gayle Brooks, CPA**

This case was opened as a result of a referral by the CPE Coordinator that Respondent was 26 hours short of the 120-hour minimum for the three year period 2010-2012, and failed to report any CPE for calendar year 2011. Respondent has applied for disabled status with the Board, which has been approved as of calendar year 2013. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed costs and attorney fees in the amount of \$690.48, which must be paid within 30 days from the effective date of this Order. To return to active status in the future, Respondent must meet all CPE requirements and must have complied with the terms of this Order. In addition, a proven violation of this 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 40 hours for 2010 (includes 8 hours ethics); 0 hours for 2011; and 54 hours for 2012 (includes 4 hours ethics).

Peer Review Status: N/A.

**Case No. 2041 – Christopher Todd Matheny, CPA**

This case was opened as a result of a referral by the CPE Coordinator that Respondent was 42 hours short of the 120-hour minimum for the three year period 2010-2012. The Respondent has submitted certificates for 42 hours taken in 2013 to apply to the shortfall. 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 \$423.48, which must be paid within 30 days from the effective date of this Order. In addition, a proven violation of this 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 now in compliance (after adjustment). Registrant reported 30 hours for 2010 (includes 0 hours ethics); 48 hours for 2011 (includes 4 hours ethics); 42 hours for 2012 (includes 0 hours ethics); and 44 hours for 2013 (includes 4 hours ethics).

Peer Review Status: N/A.

### **Case No. 2042 – Jay Alan States, CPA**

While working for a state organization, Respondent used the organization's credit card to make approximately \$25,000 in personal purchases. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed a fine of \$7,500, plus costs and attorney fees in the amount of \$5,835.85, which must be paid at a rate of \$250 per month until paid in full. In addition, Respondent's certificate is revoked for "cause". 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. All fines, costs, and attorney fees must be paid 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 this 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 40 hours for 2011 (includes 2 hours ethics); 40 hours for 2012 (includes 2 hours ethics); and 28 hours for 2013 (includes 0 hours ethics).

Peer Review Status: N/A.

### **Case No. 2043 – Gerald Duane Parsons, CPA**

Respondent violated the Act and Board's Rules by auditing two governmental entities without being on the government auditors list, failing to timely enroll in peer review, and filing erroneous registration forms. An Administrative Consent Order was offered by the Enforcement Committee and accepted by the Respondent whereby Respondent is assessed fines of \$2,000 for failing to register on the auditors list, \$2,500 for failing to timely enroll in peer review, and \$2,500 for filing erroneous registration forms, plus costs and attorney fees in the amount of \$330.48. Fines, costs, and attorney fees shall be paid as follows: \$2,443.50 due within 30 days, \$2,443.49 due within 60 days, and the remaining \$2,443.49 due within 90 days of the effective date of this Order. In addition, a proven violation of this 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

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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 57 hours for 2011 (includes 2 hours ethics); 37 hours for 2012 (includes 4 hours ethics); and 32 hours for 2013 (includes 0 hours ethics).  
Peer Review Status: Not in compliance

**Case No. 2045 – Denise Dawn Olson, CPA**

This case was opened as a result of a referral by the CPE Coordinator that Respondent was 48 hours short of the 120-hour minimum for the three year period 2010-2012; 79 hours short of the 120-hour minimum for 2011-2013; and failed to report any CPE for calendar years 2011 and 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 \$549.96, which must be paid within 30 days from the effective date of this Order. Respondent must also complete 79 hours of CPE within 90 days to apply to the shortage. In addition, a proven violation of this 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 31 hours for 2010 (includes 0 hours ethics); 0 hours for 2011; 41 hours for 2012 (includes 2 hours ethics); and 0 hours for 2013.  
Peer Review Status: N/A.

Motion by Engelbach that the Board approve the ACOs for the following cases: 2028, 2041, 2042, 2043 and 2045.  
Second by Greenwell.

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

**FILES TO CLOSE:**

**File 2056 – CPA**

This file was opened after the registrant self-reported charges of embezzlement. The charges were eventually dismissed and the registrant's record expunged. The Enforcement Committee recommends that the file be closed.

### **OAB Records Summary**

CPE Status: Registrant is in compliance. Registrant reported 49 hours for 2011 (includes 0 hours ethics); 41 hours for 2012 (includes 2 hours ethics); and claimed the inactive exemption for 2013.

Peer Review Status: N/A.

### **File 2158 – CPA Firm**

This file was opened as a result of the firm failing to register timely and allowing the firm registration to automatically revoke on July 1, 2014. The firm then applied for reinstatement within two weeks of revocation. The managing member of the firm has agreed to a private reprimand on behalf of the firm and also agrees that the firm will not violate the Act or Board's Rules in the future. The Enforcement Committee recommends that the file be closed with a private reprimand.

### **OAB Records Summary**

Peer Review Status: N/A.

### **File 2167 – CPA**

This file was opened after the registrant failed to report the minimum 120 hours of CPE for the 2010-2012 and 2011-2013 compliance periods. The registrant submitted an inactive exemption application that was approved as of 1/1/2012; therefore, the Enforcement Committee recommends that the file be closed.

### **OAB Records Summary**

CPE Status: Registrant is in compliance. Registrant reported 36 hours for 2010 (includes ethics hours); claimed the inactive exemption for both 2012 and 2013.

Peer Review Status: N/A.

### **File 2170 – CPA**

This file was opened after the registrant failed to report the minimum 120 hours of CPE for the 2010-2012 compliance period. It was later discovered that the registrant had submitted certificates for the shortage during the 2010-2012 CPE review, and that the registrant's record was not updated. The registrant is now in compliance; therefore, the Enforcement Committee recommends that the file be closed.

### **OAB Records Summary**

CPE Status: Registrant is in compliance (after adjustment). Registrant reported 44.5 hours for 2010 (includes 4 hours ethics); 20 hours for 2011 (includes 2 hours ethics); 58 hours for 2012 (includes 2 hours ethics); and 43 hours for 2013 (includes 0 hours ethics).

Peer Review Status: N/A.

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**File 2174 – CPA**

This file was opened as a result of a complaint alleging the registrant failed to perform trustee duties adequately and that the registrant lied to the complainant about the value of trust assets. The Enforcement Committee did not find evidence of a violation of the Act or Board's Rules; therefore, it recommends that the file be closed.

**OAB Records Summary**

CPE Status: Registrant is retired.  
Peer Review Status: N/A.

Motion by Engelbach that the Board close the following files:  
2056, 2158, 2167, 2170 and 2174. Second by Greenwell.

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

**Agenda Item #6 – Discussion and possible action to support nominations for the 2015 – 2016 National Association of State Boards of Accountancy officer positions and committees:** Janice Gray, CPA, submitted a request to the Board for consideration as a candidate for Vice-Chair of NASBA for 2015-2016.

Motion by Ley that the Board support Janice Gray, CPA, in her endeavor to seek Vice-Chair of NASBA for 2015-2016, and that Executive Director Ross send a letter of nomination to NASBA's Nominating Committee. Second by Cunningham.

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

**Agenda Item #7 – Discussion and possible action on National Association of State Boards of Accountancy Regional Directors' Focus Questions:** Discussion took place among the Board and it was determined that the answers provided were sufficient, with the exception of a revision to question one.

Motion by Delametter that the Board approve the Focus Question answers with the requested revision and they be sent to NASBA. Second by Greenwell.

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

**Agenda Item #8 – Discussion and possible action on report from Legislative Committee:** Executive Director Ross explained the details of pending Legislation. Lengthy discussion took place among the Board.

- SB370 – legislation allowing a firm to be transferred to a trust upon a CPA's death
- HB1807 – legislation modifying the definition of attest

Motion by Greenwell that the Board support SB370 in its current language, but if the language changes the Board withdraws their support; also, Executive Director Ross to attend the Senate hearing as a representative of the Board. Second by Engelbach.

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

**Agenda Item #9 – Discussion and possible action on report from the Audit and Budget Committee:** Lengthy discussion took place among the Board regarding budgeting needs of the OAB.

**Agenda Item #10 – Discussion and possible action to grant NASBA permission to use stored OAB data:**

- Registrant data stored in the ALD in support of the Uniform CPA Examination Practice Analysis
- Candidate data stored in the National Candidate Database in support of the 2014-2015 Candidate Pipeline Survey

The Board expressed concerns regarding registrant's information possibly being used for solicitation purposes. Executive Director Ross will discuss the issue further with NASBA.

**Agenda Item #11 – Discussion and possible action on report from the Executive Director:**

### Updates

- Continue to work with Representative Gary Banz, our House sponsor on the attest legislation. Attended House committee hearing where this bill was given a do pass and sent to the full House.
- Visited with both OSCPA and OSA regarding the attest legislation.
- Met with Senator Halligan, former Board member Tom Dugger, senate staff, representatives of the OSCPA and OSA regarding SB370.

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- Met with Secretary of Finance Preston Doerflinger regarding budget and legislation.
- Met with Pro Tem Bingman's office to explain attestation request and get senate author for HB1807. Met with audit and budget committee regarding 2016 budget.
- Signed the service level agreement with OMES. We will now pay the bills that have accrued since July. You can expect a spike in expenditures when we pay them.
- Attended OSCP Board meeting.
- Made two presentations and attended a career fair for high school students to promote a career in accounting and becoming a CPA.
- Montana is attempting to go from a two tier state to a one tier (see attached material).
- There was a grading issue on the 3<sup>rd</sup> window of 2013 (see attached material).
- We want to recognize Jason Doss for ten years of service with the State of Oklahoma.
- Our scanning project continues as we have now imaged over 1,500 registrants files and continue to free up office space.
- Our internal efficiency projects continue. We have not created a new paper file since launching the imaging project which has saved us from creating over 500 new files in the exam department alone. We are imaging all correspondence and continue to become a paperless office.
- OAB staff has been in informal contact with web vendors on how to improve the OAB website and the user's experience with online services once we are no longer supported by OK.Gov.
- A major concern is that if we begin work on a website to include logic within the renewal process and other online services that future AMANDA updates may be adversely affected.

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

- BEP One: Jan 2015 rent - \$4,392.00
- BEP One: Feb 2015 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:**

- Calvert Law Firm: Legal services for Nov 2014 - \$5,583.64
- USPS: Postage - \$10,000.00



**Agenda Item #12 – Chair’s Announcements:** There were no announcements.

**Agenda Item #12b – Announce date and time of the next meeting:** It was noted that the next meeting is scheduled to be held on Friday, March 20, 2015, at the Oklahoma Accountancy Board, 201 NW 63<sup>rd</sup> Street; Suite 210, Oklahoma City, OK 73116.

**Agenda Item #13 – 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 Cunningham.

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

The meeting was adjourned at approximately 9:57 AM.

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Mike Sanner, Chair                      Date

ATTEST:

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Jody Manning, Secretary              Date

## APPENDIX I

### Actions Approved by the Executive Director As of February 20, 2015

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

Ge Bai  
Joshua Michael Bentley  
Kristen Leigh Canterbury  
Jordan Elizabeth Cole  
Benjamin Mathew Cook  
Edward Lamar Crall  
Sara Crawford  
Jeffrey Alan Delancy  
Robert Aaron Dixon  
Matthew David Eidson  
Gary G. Gray II  
Jennifer Watson Harrison  
David William James  
Natalie Kay Jarred  
Caroline Njeri Kingori  
Riny S Mathai  
April Elizabeth McKasson  
Michael Cameron Miller  
Cassie Ann Mongold  
Lacey L. Morgan  
Ian Jacob Morris  
Charlie Dawn Nieman  
Hillary E. Nolan  
Stephanie Orsburn  
Luann Thomas Rinowski  
Kacey L. Russell  
Lance H. Schilling  
Chloe V. Watson-Nettey  
Nicholas Patrick Wilkerson  
Jonathon Wyckoff

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

Grant M. Daffin (Minnesota)  
William Brian Darby (Tennessee)  
Kimberly Annette Davis (Indiana)  
Andrew William Fingland (Colorado)  
Kara Ann Goodloe (Texas)  
Cary S. Grenrock (California)  
Han Che Huang (California)  
Robin Elizabeth McQuown (Texas)

Denise S. Moody (Colorado)  
 Sarah Jane Pernu (Colorado)  
 Laurie A Rogers (New Jersey)  
 Michael Ray Sabin (Texas)  
 Valerie A. Barnett Speer (Texas)  
 Stephanie Lynn Stewart (Washington)  
 Vernon Walker (Texas)  
 Laura Kay Whiteman (Virginia)

**APPLICATIONS FOR REINSTATEMENT OF CPA CERTIFICATES:**

Mary Kushnir	7443
Ronald Robinson	3393
Deven Williams	14590

**INITIAL FIRM REGISTRATIONS OF SOLE PROPRIETORSHIPS UNDER SECTION 15.15:**

Huey G. Long, CPA (Texas)

**INITIAL FIRM REGISTRATIONS OF PROFESSIONAL CORPORATIONS:**

Baskin Hadley & Associates, P.C.  
 Fisher, Herbst & Kemble, P.C. (Texas)  
 Levine, Caulfield, Martin & Goldberg, P.C. (Massachusetts)  
 Schumacher & Associates, Inc. (Colorado)  
 Russell & Williams CPA's, PC

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

KCoe Isom, LLP (Kansas)  
 Smith Harrison LLP (Oregon)  
 Sutton Frost Cary LLP (Texas)

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

Abla & Jolly CPA, PLLC  
 Cirrus Payroll PLLC  
 Cox and Associates CPAs, LLC (Texas)  
 Legacy Accounting CPA PLLC  
 Sherri Ann Julian, PLLC  
 Tribal Consulting Resources, PLLC  
 Williams –Keepers LLC (Missouri)

**REINSTATEMENT OF CPA PROFESSIONAL CORPORATIONS:**

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Kaufman, Rossin & Co., A Professional Association (Florida)

**CERTIFICATES SURRENDERED BY REGISTRANTS:**

**CPAs:**

**No Longer Practicing in Oklahoma:**

Donna Denison	14760	Issued January 31, 2000
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**No Longer Residing in Oklahoma:**

Linda Fairbairn	10412	Issued July 27, 1989
Michael Moran	10016	Issued July 28, 1988
Stephen Patton	17306	Issued July 27, 2012
Milton Usry	4718	Issued January 29, 1979
Kimberly Watson	11039	Issued August 23, 1990

**Retired:**

Cathy Dawson	9142	Issued January 29, 1987
Norman Dean	9420	Issued July 23, 1987
Douglas Divelbiss	5253	Issued July 25, 1980
Jacquelin Long	2804	Issued November 2, 1972
Kenton Miller	12763	Issued August 1, 1994
Boyd Murphy	11375	Issued July 25, 1991
Joseph Pazoureck	3978	Issued January 24, 1977
Kathy Pazoureck	9165	Issued January 29, 1987
Richard Rector	10354	Issued June 22, 1989
Robert Richert	8037	Issued January 31, 1985
Louvena Scott	6705	Issued January 17, 1983
Ken Sparks	11643	Issued January 30, 1992
Richard Winzeler	1625	Issued July 27, 1962

**DECEASED REGISTRANTS:**

**CPAs:**

Mary Dreier	10407	Issued July 27, 1989
Ronald Heusel	1827	Issued July 31, 1965
William Molinsky	4121	Issued July 18, 1977
Michael Stapp	3398	Issued January 27, 1975

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

<b>CertNo.</b>	<b>Name</b>	<b>Revocation Date</b>
1339	Philip Truman Smith	Jan 1, 2015
5068	Jared Dwain Giddens	Jan 1, 2015
6639	Frederick Max Krautsch	Jan 1, 2015
7272	Shirley E. Green	Jan 1, 2015
16305	Jonathan M. Mitchell	Jan 1, 2015
819	James Albert Leming	Feb 1, 2015
10888	Joan Marie Carter	Feb 1, 2015

**INACTIVE FIRMS:**

**Sole Proprietorships Under Section 15:15:**

Cynthia A. Cox, CPA (Texas)

**PA Corporations:**

Eileen Baillie, P.A., Inc.

**CPA Corporations:**

Baskin Hadley & Stevens, P.C.

Casey J. Russell CPA Inc.

Martin J. Bell, C.P.A., Inc.

Ogden Incorporated A Professional Organization

**CPA Limited Liability Companies:**

GJK, PLLC

Huhn Henry & Company PLLC

Joe H Smith LLC (Oregon)

Langley & Littlefield, PLLC

**CPA Limited Liability Partnerships:**

Kennedy and Coe, L.L.C. (Kansas)

Legacy Accounting PTR

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**Experience verification applications approved by the  
Executive Director as of February 11, 2015**

John Matthew Blue  
Kristen L. Canterbury  
Jordan E. Cole  
Benjamin Cook  
Edward L. Crall  
Sara Crawford  
Jeffrey A. Delancy  
Robert A. Dixon  
Matthew Eidson  
Jennifer W. Harrison  
Stephen D. Haynes  
Stephen Higginbotham  
Corey P. Holland  
David W. James  
Caroline N. Kingori  
Riny S. Mathai  
April E. McKasson  
Michael S. Messer  
Lacey L. Morgan  
Stephanie Orsburn  
Luke J. Paulson  
Dawn R. Percer  
Elisabeth A. Randall  
Luann T. Rinowski  
Kacey L. Russell  
Lance H. Schilling  
Jared R. Thulin  
Laura Wheeler  
Nicholas Wilkerson  
Austin P. Willett