



Oklahoma Accountancy Board

BULLETIN

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NOTICE TO ALL OAB REGISTRANTS

The OAB will mail a reporting reminder notice to all registrants at the end of May 2007. In the past we have mailed the registration, permit application, and CPE reporting forms. We will not be mailing the forms this year. PINs will be re-mailed, which will allow you to log on to the OAB's website and register your CPA certificate or PA license, required only for those with an odd-numbered CPA certificate or PA license. It will also allow you to apply for a permit, if needed; report your 2006 CPE hours; claim an exemption to the 2006 CPE requirement if you are eligible; and provide peer review information to the OAB, if applicable.

Filing online allows payment to be made by credit card or by electronic funds transfer. No fee is assessed for CPE reporting only. Be sure to print out your receipt. If you apply for a permit, your receipt will serve as your permit to practice. A permit card will not be mailed to you.

If you do not have access to the Internet in your home or office, most public libraries have Internet access available. If you do not wish to file online, you can download the Individual Registrant Reporting Form from the OAB website or call the OAB and ask to have the form mailed to you. For 2007, one form will serve all three functions (registration, permit, and CPE reporting).

The filing deadline is July 31, 2007. If your permit lapses because it is not renewed prior to its expiration, which has been extended by the OAB to midnight on July 31, you must provide evidence of successful completion of the AICPA Comprehensive Ethics Examination to renew your lapsed permit. (See related article.)

RULE CHANGES EFFECTIVE JULY 1, 2006

Rules promulgated by the OAB and approved by the Governor and Legislature became effective

July 1, 2006. The Board's Rules are available on the OAB website in the Oklahoma Administrative Code. Amendments to the rules most affecting OAB registrants are discussed below.

- The OAB office hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday for the convenience of our registrants and the public. [10:1-1-4.1]
- A "retired" status does not preclude volunteer services for which the retired or inactive registrant receives no direct or indirect compensation as long as the registrant does not sign any documents related to such services as a CPA or PA. [10:15-1-2]
- An "inactive" status does not preclude volunteer services for which the retired or inactive registrant receives no direct or indirect compensation as long as the registrant does not sign any documents related to such services as a CPA or PA. [10:15-1-2]
- A convenience fee will no longer be charged to individuals who make use of the Board's online portal system to file applications or renewals. [10:15-27-13]
- Section 10:15-30-5(a) requires a minimum of 20 hours of CPE, including 2 hours of ethics, each calendar year. A permit holder whose main employment is industry must earn a minimum of 8 hours of CPE each year in the areas of taxation, accounting, or assurance. At least 72 hours (60%) of the 120-hour requirement over the course of 3 years must be in subject areas related to the practice of public accounting. [10:15-30-5(g)]
- A registrant re-entering active status will have a pro-rated CPE requirement. The

amount of CPE required will be dependent upon how long the registrant was on inactive status. (See related article for specific details.) [10:15-30-9]

- Instructors of university or college courses can claim 15 CPE credits per college credit hour taught to the extent the preparation required for the course maintains or improves their professional competence. Repeat presentations can be claimed only if it can be demonstrated that the course content was substantially changed and the changes required significant additional study or research. [10:15-32-5(d)]
- Any firm that performs peer reviews for registrants within Oklahoma must be registered with the OAB and hold a valid permit to practice public accounting issued by the OAB. [10:15-33-3.1(a)]
- Any individual who performs peer reviews for registrants within Oklahoma must be registered and hold a valid permit issued by the OAB or make application for practice privileges under the Substantial Equivalency provisions in 10:15-22. [10:15-33-3.1(b)]
- The Rules of Professional Conduct have been expanded to include the obligation to observe, when applicable, governmental auditing standards and standards as set by the Public Company Auditing Oversight Board is added to the Rules of Professional Conduct. [10:15-39-1(b)]
- A new subchapter of the OAB rules establishes the procedures for registering to perform audits in accordance with government auditing standards. (See related article for specifics.) [10:15-43]

WADE BISWELL APPOINTED TO OAB

OAB board members and staff welcomed N. Wade Biswell, appointed to the Board by Governor Henry. Mr. Biswell's five year term began on July 1, 2006. His service on the Board has been busy as he serves on the OAB's CPE, technology, budget, and peer review oversight committees.

Mr. Biswell is a sole practitioner in Tulsa, Oklahoma and has been a CPA for 19 years. He has been in public accounting for almost nine years. He is also the President and Owner of Oklahoma Mortgage Origination Services which provides products and solutions utilized in real

estate lending. Prior to that, he was Accounting Manager for Central Plastics in Shawnee Ok, Director of Budgets, Forecasts, and Corporate Reporting for Coburn Optical Industries, Controller for Carapace Inc., Vice President of Finance for Hayes Axle, Senior Internal Consultant in the Internal Audit Department for White Consolidated Industries, Controller for Triad Eye Medical and Cataract Institute, and an Accountant at Woodrum, Kemendo, and Cuite, PC.

Mr. Biswell received his Bachelor of Science degree from Oklahoma State University. He received his Master of Business Administration degree from The University of Tulsa.

Mr. Biswell serves on the OSCP A Banking Committee and is a member of the Tulsa Chapter of the OSCP A and the AICPA.

Mr. Biswell serves as an Executive Director for NatureWorks, Inc in Tulsa Oklahoma, is an active Registered Adult Leader for Troop 8 of the Boy Scouts in Tulsa (where he leads and coordinates their fund raising activities), started and now serves on the Tulsa Leaders Metro Division Fund Raising Team for Indian Nations Council of Boy Scouts, and is a past Area Chairman, Zone Chairman, and State Board Member for Ducks Unlimited. He also coaches youth basketball and baseball teams. In his spare time he enjoys fly fishing and works as a statistician and spotter for various universities and high schools during live sports radio broadcasts. He is a member of South Tulsa Baptist Church.

Mr. Biswell has been married to his wife Kristy for twenty years. Kristy is employed by Sneed Lang, PC., in Tulsa. They have one child, Conner, who is a freshman at Jenks High School. Conner is currently a Life Scout and should receive his Eagle Scout rank in the next few months. Conner is currently discussing going to medical school after High School.

ROLLING THREE-CALENDAR-YEAR PERIOD FOR CPE

At its June 2006 board meeting, the OAB voted to make the 3-year CPE period a rolling 3-year period based upon the calendar year. For any registrant certified in 2006 or earlier, the first 3-year period began January 1, 2006 and will end December 31, 2008. At the end of calendar year 2008, hours earned in 2006 will drop off. The next 3-year period will be calendar year 2007 through calendar year 2009.

In any 3-calendar-year period, active registrants must be able to show completion of 120 hours of acceptable CPE, with a minimum of 20 hours earned in any year. Two hours of professional ethics must be earned each year.

**MANDATORY CPE FOR ALL OAB
CERTIFICATE AND LICENSE HOLDERS
– REMINDER –**

CPE is now required of all registrants of the OAB. The only exceptions are for registrants who are on active military service, retired and not working or practicing public accounting, or inactive. Inactive registrants are those who claim an exemption to the CPE requirement because they either do not work or they work but do not perform services associated with accounting work for their employers, the public, or anyone other than themselves or non-compensated services for immediate family members.

Individuals who perform accounting services during part of a calendar year and then move to an inactive status must meet at least the minimum requirement of 20 hours of CPE, including 2 hours of ethics, for that year. A retired or an inactive status does not preclude volunteer services so long as the registrant receives no direct or indirect compensation for the services and as long as the registrant does not sign any documents as a CPA or PA.

Frequently Asked Questions (FAQs) are available on the OAB website to help you determine whether you meet the requirements for an exception to the CPE requirement. Click on "CPE," then on "CPE Reporting Requirements and Exceptions." These FAQs also explain the requirements for returning to active status. It is important to understand these requirements before you decide whether to claim an exemption to the CPE reporting requirements if you are eligible to do so.

**CPAS EXEMPTED FROM ANNUAL
PRIVACY NOTICE**

On October 13, 2006, President Bush signed into law the Financial Services Regulatory Relief Act of 2006. The bill contains a provision that exempts CPAs from the Gramm-Leach-Bliley Act's requirement that they send clients an annual privacy notice. The exemption became effective upon the President's signature.

The exemption was authorized because CPAs are certified or licensed by state boards of accountancy and are already subject to state laws and regulations that prohibit disclosure of

nonpublic personal information without the expressed consent of the client.

**AUDITS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING
STANDARDS**

For many years, registrants have been required, pursuant to Title 74, Section 212A(B) of the Oklahoma Statutes, to register with the Oklahoma Accountancy Board prior to entering into a contract to perform an audit of a governmental entity. The OAB has recently added a new subchapter to the rules to formalize the registration process. The new rules can be found in Chapter 15, Subchapter 43 of the Oklahoma Administrative Code, which is available on the OAB website. The rules provide procedures for such things as registration evaluation, notification, and denial; Board review of denied registrations; and the renewal of registrations, which must be completed annually on or before December 31.

Copies of *Government Auditing Standards: 2004 Revision (Yellow Book)* may be obtained from Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20401. The stock number is 020-000-00284-1. Contact the Superintendent of Documents for the current price of the publication or visit www.gao.gov.

The registration form for firms that perform audits of governmental entities is available for download on the OAB website under "Forms," "Auditor Registration Form." Before submitting the form, the firm should consider whether it has policies and procedures to do the following:

- Monitor the fulfillment of the CPE requirements set forth in the *Yellow Book* for all personnel who work on audits conducted according to GAGAS;
- Monitor the composition of engagement teams performing audits according to GAGAS to ensure that the staff member qualifications of the *Yellow Book* are met; and
- Ensure that there are not impairments of independence by personnel and the firm with respect to audits conducted according to GAGAS.

The firm must have an appropriate system of quality control to provide assurance that it has established, and is following, adequate audit policies and procedures and has adopted, and is following, applicable auditing standards.

Before entering into audit contracts, firms must complete the registration form and file it with the

OAB and provide a copy of the firm's most recent peer review report or the date of the firm's initial peer review period. The firm should follow up to ensure it has received written confirmation that it has been approved by the OAB before entering into audit contracts. The application must be renewed on an annual basis.

Questions about the registration process may be directed to Colin Autin at (405) 522-2443.

NOTICE TO CPA FIRMS

Certified or licensed personnel employed by CPA firms are required to hold permits to practice public accounting if they do any work on client records, whether or not they sign any documents. The firm should ask for a copy of the individual's permit at the time of hire or perform an individual verification on the OAB's website to ascertain whether the individual holds a valid permit.

If the individual does not hold a valid permit, the firm may request a 60-day transition period from the OAB which, if approved, would allow the individual to practice for 60 days while earning the CPE and completing the comprehensive ethics exam required to obtain the permit if not already completed. Please refer to Oklahoma Administrative Code (Code) 10:15-25-5 for information about applying for the 60-day transition period.

CPE REQUIREMENTS FOR INDUSTRY PERMIT HOLDERS

Permit holders whose main area of employment is in industry must complete at least 72 hours of qualifying CPE within a 3-calendar-year CPE period in subjects related to the practice of public accounting. A minimum of 8 hours of the 20 required must be completed each year in the specific areas of taxation, accounting, or assurance. These individuals should be mindful that the 3-year CPE period is a rolling 3-year period (see related article) and should plan their CPE accordingly so that in any 3-year period at least 72 of the required 120 hours of CPE will be in subjects related to the practice of public accounting. [Code 10:15-30-5(g)]

ETHICS EXAMINATION REQUIRED TO RENEW LAPSED PERMIT

Effective January 1, 2006, Section 10:15-30-3 of the Oklahoma Administrative Code requires that anyone applying for an initial permit or to renew a lapsed permit must show evidence of successful completion of the AICPA Comprehensive Ethics Examination or its

equivalent as determined by the OAB. This is true whether the permit has been lapsed for one day or ten years.

The ethics examination requirement is different from the annual requirement of 2 hours of professional ethics CPE all active registrants must complete. The exam is the culmination of a self-study course entitled "Professional Ethics: The AICPA's Comprehensive Course." The course may be ordered from the AICPA through their www.cpa2biz.com website or by calling (888) 777-7077. It may also be available from your state's professional society.

The Board has determined that successful completion of the ethics examination means a score of 90% or above. The CPE credit awarded for the course may be applied to the 40 hours of CPE required to obtain the permit providing it was earned within the same compliance period as the remainder of the CPE reported to obtain the permit. All CPE completed to obtain an initial permit or to renew a lapsed permit must have been earned within either the previous calendar year or in the 365-day period immediately preceding the date of permit application.

An equivalent ethics examination course must be at least 8 hours in length to be considered. Sufficient course materials would need to be submitted to the OAB and sufficient time allowed for the Board to determine whether the course is equivalent in content to the AICPA's Comprehensive Ethics Examination course.

REMINDER TO ALL REGISTRANTS

The Oklahoma Accountancy Act requires that all changes of professional status, employment, or mailing address must be reported to the OAB within 30 calendar days of such changes becoming effective.

CANDIDATES' CORNER

If severe weather or local emergency requires a test center to be closed, every attempt will be made to contact you. However, if you have any reason to believe that your test center may be closed, you should contact that test center directly. If the test center is open, it is your responsibility to keep the appointment. If the center is closed, you will be given the opportunity to reschedule without penalty. If you are unable to contact the test center at which your examination is scheduled, check on the Web site at www.prometric.com/cpa, call Candidate Services Call Center at 800-580-9648, Monday through Friday, from 8:00 am to

8:00 pm Eastern Time, or email
cpahelp@thomson.com.

Fee Increase Effective August 15, 2006

Oklahoma-Based Prometric Sites:

McAlester, OK 2626 S. 14th St., Ste. C-10
 918-420-5683

Oklahoma City, OK 2224 NW 50th Ste. 196
 405-843-8378

Tulsa, OK 3015 E. Skelly Dr., Ste. 254
 918-747-9333

Woodward, OK 1915 Oklahoma Ave. Ste. 2
 580-254-0187

Maintaining Active Candidate Status

To maintain active candidate status you must apply and sit for at least one section of the exam within an eighteen month period. See the chart below for the inactivation schedule.

<u>Last Sat Date:</u>	<u>Must Sit By:</u>
October 2005	April 2007
November 2005	May 2007
January 2006	July 2007
February 2006	August 2007
April 2006	October 2007
May 2006	November 2007
July 2006	January 2008
August 2006	February 2008

Section(s) Applied for	App. Fee ^a	Other Costs ^b	Total
Audit	50.00	187.00	237.00
Fare	50.00	175.44	225.44
REG	50.00	152.33	202.33
BEC	50.00	140.78	190.78
Audit & Fare	50.00	362.44	412.44
Audit & REG	50.00	339.33	389.33
Audit & BEC	50.00	327.78	377.78
Fare & REG	50.00	327.77	377.77
Fare & BEC	50.00	316.22	366.22
REG & BEC	50.00	293.11	343.11
Audit, Fare, & REG	50.00	514.77	564.77
Audit, Fare, & BEC	50.00	503.22	553.22
Audit, REG, & BEC	50.00	480.11	530.11
Fare, REG, & BEC	50.00	468.55	518.55
ALL Sections	50.00	655.55	705.55

^a Application Fee: Fee paid by the Candidate to the Board **with each application** regardless of the number of sections applied to sit for.

^b Other Costs: Cost paid by the Candidate to NASBA (NASBA pays AICPA and Prometric). These costs are not directly controlled by the OAB.

Other Costs Breakdown:

	<u>AUD</u>	<u>FAR</u>	<u>REG</u>	<u>BEC</u>
<u>AICPA</u> Develop & Scoring:	\$ 65.00	\$ 65.00	\$ 65.00	\$ 65.00
<u>Prometric</u> Computer Delivery:	\$104.00	\$ 92.44	\$ 69.33	\$ 57.78
Digital Photograph:	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
<u>NASBA</u> Database & Reporting	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Totals	\$187.00	\$175.44	\$152.33	\$140.78

Candidate Tips:

- Read the Candidate Bulletin which is available on the NASBA website, www.nasba.org.
- Know your personal/work schedule before applying. Payment coupons or NTS expiration dates cannot be extended.
- If you apply for one or more sections on one application, you must pay for all sections applied for with one payment coupon. Payment plans are not available.
- Report ANY computer problems to the Prometric staff without delay.
- Make sure that the name on your NTS is exactly the same as it is on your primary ID. Any discrepancies must be resolved immediately.
- Payment coupons are valid for 90 days.
- Once payment coupon has been paid, your NTS is valid for 180 days.
- You will need your Board issued Candidate number and PIN to view the unofficial score on our website once it is posted. To receive a duplicate PIN, you will need to submit a signed request by fax or mail. A duplicate PIN will then be mailed to the address we have on record.

Successful Candidates In 2006

Congratulations to all successful candidates in 2006.

Julie Dawn Aggus
 Derek Raymond Allison
 Justin Robert Anderson
 Michael John Baird
 Jana Kay Barnes
 Kimberly Sue Beaucourt
 Sue Ann Bement
 Joseph Martin Birley
 Andrew Tyler Brown
 Laura Ann Buxton
 Benjamin Ryan Cammack
 Matthew Edwin Clarkson
 Barbara Jo Coe
 John Thomas Cunningham
 Timothy K. Cunningham
 Laura Michelle Dehart
 William Keenon Deleon
 Kyle Landon Dover
 Latoya Duncan
 Chelsea Marie Dunlap
 Lee Dwayne Durbin
 Laurie Adawn Ehmen
 Kimberly Suzanne Faught

Graham A. Gerner
 Brent Leroy Hendrick
 Virginia B. Holtzman
 Cynthia Ann Howell
 Tara Reza Howell
 Brad Aron Johnson
 Kelly Ann Johnson
 Justin Ward Jorns
 Joseph Dirk Kramer
 Brock Matthew Lakely
 Marianne Renee Landoll
 James Douglas Ledbetter
 Kelly Deann Luelf
 Denis McCarthy
 James Robert McCoy
 Josh Joel Garth McHenry
 Joseph Duncan McKellar
 Rachelle Claire Miller
 James Michael Milligan
 Jonathan Michael Mitchell
 Kari Lynn Moeller
 John Herschel Morgan, Jr.
 Ronnie Keith Morris, Jr.
 Darko Naumoski
 Aaron Kyle Roark
 Richard Allen Rose
 Christy Dawn Schellenberg
 David Michael Schuermann
 Kenneth Adam Schwerd
 Tabitha Krista Sherrill
 Matthew Carl Smith
 Sarah Elizabeth Smith
 Andrew Eugene Speakes
 Rebecca Elizabeth Spence
 Megan Elizabeth Stone
 Brad Alan Tisdale
 Beverly Dianne Travis
 Li-Uei Tsai
 Darryl W. Turnbull
 Viktoriya Tyshchenko
 Joe Alson Walker, Jr.
 Zachary Michael Walters
 Samantha Weyrauch
 Robyn Leigh Will
 Stacie Rane Willis
 Coby Ray Wilson
 Rachael Anne Yarbrough
 Patricia Lynn Zeiler
 Angela Christine Zeleik
 Qihua Zhang

OAB STAFF ADOPTS FAMILY FOR CHRISTMAS

For the second year in a row the OAB staff adopted a family through the Salvation Army Adopt-A-Family program. The program matches volunteers with families who are experiencing circumstances that would not allow them to provide a Christmas for their families. We were to include at least one clothing item, one toy and

a Christmas dinner. With the generosity of the OAB staff we were able to raise approximately \$300.00 to purchase gifts for the family. The family we were matched with was a mother with three children. In addition to the toys and stocking stuffers for the children, we were able to get each child a new coat complete with gloves and hat along with too many other goodies to list. We also provided a turkey dinner with all the trimmings and a gift for the mother.

This year was the first year that we were able to meet the mother of the family when we played Santa and delivered all the goodies to their home. She was overwhelmed with the generosity of our staff and with all the hard work we put into helping her family have a great Christmas.

DUPLICATE CPA CERTIFICATE OR PA LICENSE NEEDED DUE TO FADED SIGNATURES?

Are the signatures on your CPA Certificate or PA License issued by the OAB faded beyond recognition?

If the answer is yes, you can request a duplicate certificate or license from the OAB at no charge. Simply return the original certificate or license issued by the OAB with your request to the OAB office. The certificate or license may be folded for mailing.

Please Note: The certificates and licenses issued by the OAB are now computer generated and are smaller. The masthead has been modernized as well. The duplicate certificate or license will bear a notation at the bottom, "Duplicate of Certificate (License) No. _____ dated _____," and will bear the signatures of the current members of the Board.

ENFORCEMENT ACTIONS

(Copies of the individual Orders in these cases are available in the Board office upon request.)

RESPONDENT: Andy Sienkoon Ting, CPA, Tulsa, OK
DATE OF BOARD ACTION: 10/21/05

In a hearing before the Board, Mr. Ting was found to have violated both the Oklahoma Accountancy Act (ACT) and the Oklahoma Administrative Code (Code) by claiming CPE hours he could not substantiate when he applied for his permit to practice in June 2003 and again in June 2004. The Board placed Mr. Ting on probation for five years. Ting was assessed a fine of \$4,000 and ordered to pay administrative costs of \$2,190. In addition, Ting was ordered

to provide evidence of successful completion of the AICPA Comprehensive Ethics Examination with a score of 90%. He was also ordered to complete 80 hours of pre-approved CPE per calendar year during his probation period.

RESPONDENT: John Kerry Fodge, CPA, Dallas, TX
DATE OF BOARD ACTION: 12/16/05

In a Consent Order (CO) between the OAB and John Fodge, the parties agreed that Fodge had violated the Act and the Code when he was charged with 2 counts of obtaining money under false pretenses and 3 counts of embezzlement by employee in Oklahoma County District Court on May 12, 2003 and pleading guilty to a misdemeanor count of embezzlement on July 16, 2004 in which he received a 2-year deferred sentence. The remaining counts were dismissed under the Plea of Guilty. Fodge's CPA certificate was suspended for 3 years. He was assessed administrative costs of \$500 and a fine of \$1,000. He was ordered to provide evidence of successful completion (90% or above) of the AICPA Comprehensive Ethics Examination. Fodge was also required to complete 40 hours of pre-approved CPE per year during his 3-year suspension.

RESPONDENT: Harry Mosser Shaw, Jr., PA, Oklahoma City, OK
DATE OF BOARD ACTION: 1/20/06

In a CO between the OAB and Harry Shaw, it was stipulated that Shaw had violated the Act and the Code by entering a blind plea of guilty to 2 counts of indecent or lewd acts with a child under the age of sixteen in the case of *The State of Oklahoma vs. Harry Mosser Shaw, Jr.* Shaw's PA license was revoked, and he was ordered to surrender his wall document to the OAB. He is prohibited from filing for reinstatement while he is being held in a correctional facility.

RESPONDENT: Kevin Scott Sparks, CPA, Burkburnett, TX
DATE OF BOARD ACTION: 3/24/06

In a CO agreed to by Sparks and approved by the Board, Sparks was found to have violated both the Act and the Code by preparing and issuing an audited personal financial statement to the Insurance Commissioner of Oklahoma in September 2001 and September 2003 while he did not hold a valid permit to practice public accounting. He also violated the Code by signing an Agreed Consent Order with the Texas State Board of Public Accountancy, thereby showing that he had violated the rules and regulations of another state regulatory

agency. Sparks was placed on probation for two years and prohibited from performing audits for clients that would be filed with the Oklahoma Insurance Commissioner during his probation period. He was assessed a fine of \$1,000 and administrative costs of \$1,269.65 and ordered to provide evidence of successful completion of the AICPA Comprehensive Ethics Examination.

RESPONDENT: Gayle P. Miles-Scott, CPA, Oklahoma City, OK
DATE OF BOARD ACTION: 3/24/06

In an Administrative Consent Order (ACO), the OAB and Gayle Miles-Scott stipulated that Miles-Scott violated the Act and the Code in that there were certain deficiencies in the respondent's report on the financial statements for her client as to compliance with applicable professional standards. The deficiencies included the following: failure to obtain a sufficient understanding with the entity regarding the services to be performed; failure to withdraw from the engagement when the entity refused to resolve questionable transactions identified by the registrant; and departures from professional standards in the respondent's accountant's report and compiled statements. Miles-Scott was assessed administrative costs of \$1,400 and required to complete 24 hours of pre-approved CPE in the areas of report writing and SARS. She was also required to have pre-issuance reviews on her next six compilations performed during the 365 days following the date of the ACO and to provide certain information to the OAB in association with the pre-issuance reviews.

RESPONDENT: Brenda Christine Price, CPA, Clinton, OK
DATE OF BOARD ACTION: 3/24/06

Brenda Price reported to the OAB that she had been charged with DUI and possession of a controlled dangerous substance in Custer County District Court and had received a 3-year deferred sentence with supervised probation and had completed an inpatient treatment for substance dependence. In an ACO agreed to by Price and approved by the Board, Price was placed on probation for two years. During her probation she must annually affirmatively report to the OAB whether she has been charged with or convicted of a crime of any sort. She must successfully complete all terms of her criminal probation. She must also provide evidence of successful completion of the AICPA Comprehensive Ethics Examination with a score of 90% or above.

RESPONDENT: Guillory Bookkeeping & Tax Service, Inc. and Robert L. Guillory, Non-Registrants, Tulsa, OK
DATE OF BOARD ACTION: 4/25/06

On February 21, 2005, an Independent Auditors Report on Financial Statements and Internal Controls for Period Ended September 30, 2004 was issued on company letterhead by Robert L. Guillory and Guillory Bookkeeping & Tax Service, Inc. (Company). Respondents violated the Act and the Code by issuing the report while not being registered with the OAB or holding valid individual and firm permits to practice public accounting. In a CO agreed to by Guillory and Company and approved by the OAB, the Board assessed a fine of \$2,500 and administrative costs of \$500.

RESPONDENTS: Locke & Associates, P.C.; Andrew K. Locke, CPA; and Richard D. Locke, CPA, Tulsa, OK
DATE OF BOARD ACTION: 4/25/06

The OAB and the respondents entered into three ACOs in which respondents stipulated that they had violated the Act and the Code by performing an audit that did not meet the Generally Accepted Auditing Standards. Locke & Associates, P.C., was assessed administrative costs of \$1,707. P.C. was required to have an engagement review of its compilation practice with 6 months and to have pre-issuance reviews on its next 5 compilations performed during the 365 days following the date of the ACO and to provide certain information to the OAB in association with the pre-issuance reviews. Andrew and Richard Locke were each required to complete 24 hours of pre-approved CPE in work paper preparation and report writing above the annual CPE requirement.

RESPONDENT: Carlson & Cottrell Enterprises, Non-registrant, Shawnee, OK
DATE OF BOARD ACTION: 6/23/06

In a hearing before the Board, Carlson & Cottrell Enterprises (C & C) was found to have violated the Act and the Code. C & C, which is not a registered firm with the OAB and which does not hold a firm permit to practice public accounting, held out various employees who do not hold permits to practice public accounting as accountants or an "In-Charge Accountant" and indicated that certain employees were key persons or contributed significantly on their audit team or in the compliance auditing of numerous governmental entities. C & C also advertised for an accountant and for associates for positions with its financial and compliance audit team and made reference to GAGAS and OMB Circular A-133, which are audit standards, not accounting

principles. The respondent was ordered to immediately cease and desist from any further or future violations of the Act and Rules of the Board and was fined \$1,500 per count for a total of \$6,000.

RESPONDENT: Daniel N. Rehanek, Suspended CPA, Tulsa, OK
DATE OF BOARD ACTION: 07/21/06

Daniel Rehanek violated the Act by holding out on his resume as a CPA while suspended by the OAB for non-compliance with the Oklahoma Tax Commission (OTC). In a CO signed by the respondent and approved by the OAB, Rehanek's suspension was continued. Should he become compliant with the OTC and wish to reinstate his CPA certificate, he will be required to appear and show cause why his CPA certificate should be reinstated.

RESPONDENT: Thomas Walt Jablonski, CPA, Tulsa, OK
DATE OF BOARD ACTION: 8/18/06

In an ACO agreed upon by the OAB and Thomas Jablonski, it was agreed that Jablonski had violated the Act and the Code by holding out as Mr. Tax, Certified Public Accountant. The respondent had not registered the trade name "Mr. Tax" and "Mr. Tax" is not registered by the OAB as a firm. Jablonski was ordered to cease and desist holding out as "Mr. Tax" until properly registered as a trade name (d/b/a) and was assessed a fine of \$500.

RESPONDENT: Linda Rosson, Non-Registrant, Stratford, OK
DATE OF BOARD ACTION: 8/18/06

Linda Rosson is not and has never been a registrant of the OAB and does not hold a permit to practice public accounting issued by the OAB. However, she signed an *Annual Statement of Financial Condition* and a letter to a client as a public accountant, a violation of the Act and the Code. In an ACO agreed upon by Rosson and the OAB, Rosson was assessed a fine of \$2,500 and administrative costs of \$500.

RESPONDENT: Gary M. Davis, CPA, Tulsa, OK
DATE OF BOARD ACTION: 10/20/06

In an agreed upon ACO, it was stipulated that Gary Davis was in violation of the Act and the Code. Davis submitted an adverse peer review report for the year ended August 31, 2005 which reflected that he departed from professional standards. Davis shall cease and desist from providing audit and attest services. However, should he desire to perform such services in the future, the services will be subject to pre-

issuance reviews for one year and to continuing education as prescribed by the sponsoring organization. Davis was assessed a fine of \$2,500 plus administrative costs of \$242.50.

RESPONDENT: James L. Gresham, Revoked Registrant, Tulsa, OK
DATE OF BOARD ACTION: 10/20/06

James Gresham violated the Act and the Code by entering a plea of guilty in the felony case of *The State of Oklahoma vs. James Lamar Gresham*, filed in the District Court of Tulsa County on September 10, 2003 while a registrant of the OAB. Gresham embezzled \$59,198.01 and converted the money to his own use. Gresham's CPA certificate had been revoked for failure to register on August 31, 2005. In a CO signed by the respondent and approved by the OAB, Gresham's CPA certificate was revoked for cause and he was ordered to surrender his CPA certificate to the OAB. He was assessed a fine of \$2,500 and administrative costs of \$1,539.35. If reinstatement is ever requested, all fines and requirements of restitution of the State criminal case must be fulfilled and all costs and fines assessed by the OAB must be paid.

RESPONDENT: Raymond Harris Gardner, Jr., CPA, Tulsa, OK
DATE OF BOARD ACTION: 10/20/06

Raymond Gardner's CPA certificate was suspended for five years on January 19, 2001. On June 16, 2006, the OAB received evidence that Gardner had violated the Act and the Code by holding himself out as a CPA on his letterhead and in *The User-Friendly Phone Book Yellow Pages, Tulsa Area, 2005-2006*, and *The SBC Yellow Pages, Greater Tulsa Region, 2005*, without holding a current certificate and valid permit to practice public accounting issued by the OAB. In an agreed upon CO, Gardner's suspension was extended an additional 2 years, and he was ordered to complete 64 hours of pre-approved CPE in calendar years 2007 and 2008.

RESPONDENT: Elmer E. Hoffman, Jr., CPA, d/b/a/ Hoffman Accounting & Consulting, CPA, Muskogee, OK
DATE OF BOARD ACTION: 11/14/06

In a CO signed by Elmer Hoffman, Jr. and agreed to by the OAB, it was stipulated that Mr. Hoffman violated the Act and the Code by not responding to a certified letter sent by the OAB requesting information regarding audits of governmental entities and by not submitting a peer review with his CPE Reporting/Application for Permit to Practice Public Accounting form filed with the OAB on 6/30/05. Hoffman

submitted a modified peer review for the year ended 12/31/00 which required a successive review to be performed by 12/31/03. On 1/22/06 he submitted an adverse peer review for the year ended 12/31/03. The Consent Order requires that Hoffman cease providing audit and attest services. If he desires to perform such services in the future, he must notify the OAB and be subject to pre-issuance reviews for one year and CPE as prescribed by the sponsoring organization.

Revoked Firms: Pursuant to Section 15.15E of the Oklahoma Accountancy Act, the following firms were automatically revoked on July 1, 2006 for failure to renew the registration and pay the appropriate fee (* denotes firm has been reinstated; ** denotes reinstatement pending):

CPA Corp: Clarke & Clarke, Inc.**; Taylor and Company, PC; Diehl, Banwart, Bolton, Jarred & Bledsoe; Earl J. Cheek, CPA P.C.*; Elmer and Associates, Inc.*; Patrick G. Walters, C.P.A., Inc.; Hall & Company, P.C.; Michael Mares - CPA P.C.*; Sandra R. Henderson, P.C.*; James L. Ridley CPA, P.C.; White & Co. CPA's-P.C.; Michele L. Brenner & Company PC*; The Hulsey Group, PC; Morse & Co., P.C.

CPA LLC: Trevillion and Associates, P.L.L.C.; Boelte & Associates, P.L.C.; Castleberry & Sturtz CPAS, PLLC

CPA LLP: Glaw, Londergan & O'Neal CPAS, L.L.P.; UHY LLP*; WIPFLI LLP*

Revoked Individuals: Pursuant to Section 15.14.E.2 of the Oklahoma Accountancy Act, the CPA certificates or PA licenses of the following individuals were automatically revoked on August 31, 2006 for failure to renew the registration and pay the appropriate fee (* denotes registrant has been reinstated; ** denotes reinstatement is pending):

In Oklahoma

Ada: Dempsey O. Basler, Jr. – *Albany:* Rod Donica – *Altus:* Charles David Suggs - *Bartlesville:* Deborah Lynn Yarsa – *Bixby:* William Dennis Wing – *Broken Arrow:* Gerald Michael Culhane; Michael Allen Parker*; Thomas Gordon Suess - *Collinsville:* William Earl Barrett – *Durant:* George Breeden, Jr. – *Edmond:* David Lee Arms; Joseph George Eisele; Steven Andrew Ewing; Jamie Hadden Gable*; Jennifer E. Garner; Staci M. Nash; Stacy Edward Scheffler**; Tamara K. Stephens; Jeanne Elizabeth Stracke; Jama Elaine West; L. Randall Wilson; W.E. Wince, Jr. – *Heavener:* Janet L. Long – *Jenks:* Kitt Carroll; Sherry J. Harris – *Lindsey:* Kris S. Cummins* - *McLoud:* Roger Paul Johnson – *Midwest City:* Jerry A.

Reed – Muldrow: Connie Cowell Gibson – *Norman:* John Walter Mantooth; Nancy Neil McElyea; Lisa Diane Toal Porter; Jana Kay Wallace* - *Oklahoma City:* David William Bardwell; O. Riley Black, Jr.; David E. Burja; Bob G. Burns; Ron D. Harris; James G. Jordan, Jr.; John P. Morgan; William M. Neilson; Danny Owen; Rebecca E. Small; David Ray Svejkovsky – *Owasso:* Gregory Allen Kirk; Teresa Lynn Utley - *Ponca City:* Cleda A. Oertle – *Poteau:* Mark Alan Caldwell – *Sand Springs:* David Lee Segraves – *Shawnee:* Kevin Lyn Hanna; Kimberly A. Wares - *Stillwater:* Earl Leon Wood – *Tulsa:* Roxie Lea Apicerno; Sharon C. Blaho; Robert G. Cass*; Mitchell A. Coplon; Timothy Gerald Crawford; J. Brian Frere**; Keith Michael Johnson; Martin Kehlmann; Russel Everet Kierig; Katherine G. Kuntz; Brenda J. Michie Laizure; Richard L. Liester; Geral D. McGehee; John R. McMillin; Jay S. Mitchell; Jason Lee Palmer; Roderick A. Pickney*; Mahlon Karl Pitt; Pamela Joan Short; Jeanne Marie Smith; Reginald E. West; Joseph Kurt Williams; Henry Clifford Winburn, Jr. – *Vinita:* Mesheila D. (Beck) Flaming; Wilbur Eugene Williams

Out of State

AK: Paige B. De Albuquerque – *AL:* Jessica Sue Casey; Jean McKenzie Hurst – *AR:* Roxanne E. Benincosa*; P. Andrew Carpenter*; Patricia K. Phillips; William Woodrow White – *AZ:* R. Richard Leppla, II - *CA:* Kyle K. Bartleson; Kimberly Dawn Gant; Dennis P. Gillespie; Henry Lee McCluskey; David Franklin Peterson; Douglas Howard Turner; Derik Michael Wyckoff - *CO:* Norma Jean Flaming; Lisa Winner Robinson; James Phillip Smith – *CT:* Salin Miller Low – *FL:* Edward Cassatly, Jr.; Walter Lee Davenport, Jr.; James Brian Karter; Steven Rodesney; Benjamin F. Stout – *GA:* John Christian Holleman**; Rachel Elizabeth Tullos; Mark Andrew Wirt – *IL:* Teresa Jean Lafferty; Bradley Alan Rode; Andrea Marie Ross; Lisa Renee' Sullivan; Konrad Ray Vanderburg; Winifred Mary Whelan – *IN:* Kirk Dennis Mann*; Robert Edward Rhee – *KS:* Edwin O. Boothe, Jr.; Douglas Eugene Hensley; Joseph Peter Morsman; Andrew Curtis Peck – *KY:* John William McCarty; Debra L.K. Procter – *LA:* Gary Wayne Livengood; Lisa Ann Livengood, Brenda K. Lopiccio – *MD:* Fonda Hull Giacoia – *MI:* Joseph R. Reddick; Joel Milan Shields – *MO:* John B. Brentlinger; Susan Luke Doolin; Jimmie D. Frisbie; Carol Ann Trissell - *MT:* Sandra Annette Hunter – *NC:* Mark H. Lang; Mark D. Morris; Stanley Petain Porter - *ND:* Craig Robert Erickstad – *NE:* George Bryan Skidmore - *NJ:* Robert Clare Biggs; Mark Cary Stehr – *NM:* John William Horton; Homer Charles McLaughlin – *NY:* Conrad W. Skantz, Jr. – *OH:* John Earl Towsley - *OR:* Mary Edith Ditto;

Robert Stanley Van Dusen – SC: Thomas Clark Phillip, Jr.** - TN: Kendall P. Thompson – TX: Kevin W. Archer; Brenda L. Baird; Tracy Beardmore**; Andrew Call Bell; Maura Lee Berney; Scott Michael Berter; Louise Parker Bingham; Vernon R. Brown; Patricia Kelley Caldwell; Gary L. Conner; Penny L. Considine; Jeffry J. Cotner*; Christopher K. Dooley; Erin Marie Eckles; Clifton T. Edwards; Helen Dawn Ellison; Paul Leonard Ezell; Deanna Gwen Fay; Phillip Buckley Garrison; Kevin Leroy Greene; Alesa D. Hampton; Beth Alison Heath; John L. Heiny; James R. Hickman; James B. Huff; Kayren Oliver Hughes; Mark Alan Jackson; Charles William John*; Ulysses Grant Keener, III; Anne Boyce Keller; Anita Ruth Koval; Robert Arthur Livingston; John Edward Lowe; Ronald Joe Maberry; Freda Ruth Mansfield*; William Ray Mansfield**; Susan Sperry Maple; Kyle Eugene Markel; Douglas Wayne Morgan; William R. Morris; Michelle Victoria Mott*; Anthony William Pack; Mary Lynette Pebernat*; Jeanne L. Reynolds, Dave L. Ridley; Jason M. Robertson; Kathy A. Scovic; William Walter Short; Jerrell Felix Sims; James E. Sledge; Darlene Adel Smith; Pamela A. Smith; Kevin Reed Snyder; Gregory William Steiner; Vaudeana C. Thoma; Diana R. Turpin; Carl Jay Van Marel; Steven Ray Wise; Russell Eugene Withrow; James A. Youngblood** – VA: Kurt A. Alter – WA: Teresa Zinnecker Jackson; Karen S. Zuther - *Washington, D.C.*: Jay T. Ward – WI: Jeffrey Thomas French - WV: Usha C. Varma – WY: Diane R. Turpin

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ON THE HORIZON

04/20 – OAB meeting
 04/21 – Recognition Ceremony - State Capitol
 05/18 – OAB meeting
 05/28 – OAB office closed – Memorial Day
 06/01-07-31 – Registration, Permit Renewal, CPE Reporting
 06/29 – OAB meeting
 07/04 – OAB office closed – Independence Day
 07/20 – OAB meeting

The *Bulletin* is an authorized publication of the Oklahoma Accountancy Board designed for general distribution among its registrants and other interested parties. Thirteen thousand copies have been printed at no cost to the taxpayers of the State. Twenty-five copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

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