

**State of Alaska  
Department of Commerce, Community and  
Economic Development  
Division of Corporations, Business and Professional Licensing**

**BOARD OF PUBLIC ACCOUNTANCY**

**MINUTES OF TELECONFERENCE**

**February 11, 2020**

By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Board of Public Accountancy was held February 11, 2020.

**Call to Order/Roll Call**

The meeting was called to order by Karen Brewer-Tarver, at 1:03 p.m. Those present, constituting a quorum of the Board were:

Leslie Schmitz, CPA  
Karen Brewer-Tarver, CPA  
Wesley Tegeler, CPA  
Don Rulien, CPA  
Marja Beltrami, CPA  
Karen Smith, Public member

Present from the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing, were:

Cori Hondolero, Executive Administrator

Visitors present included:

Crista Burson, representing the Alaska Society of CPAs  
James Cox, representing the American Institute of CPAs (AICPA)  
Kathleen Thompson, representing the Alaska Society of CPAs

**Agenda Item 1 – Review Agenda**

The Board reviewed the agenda and no changes were made.

**Agenda Item 2 – Legislative Project Update**

The Board had called the teleconference to discuss the draft bill and questions that were posed by legal. The Board had received the draft during the Board

meeting the previous week and did not have enough time during the meeting to review it in detail. After the meeting Board members reviewed and sent comments to Ms. Hondolero and Ms. Brewer-Tarver compiled everything into an excel sheet and added comments to a PDF for review and discussion.

The bill was broken out into 44 sections:

- Sections 1-4 consistent with Board proposed changes
- Section 5 AS 08.04.240(a) – discussion on if this should apply to CPA firms with CPA in the name or all CPA firms engaged in the practice of public accounting.

**Upon a motion duly made by Mr. Rulien seconded by Ms. Schmitz, and approved by a majority of the Board, it was:**

**RESOLVED to leave AS 08.04.240(a) as drafted in the bill.**

- Section 6 consistent with Board proposed changes
- Section 7 – ok as draft in bill
- Section 8 – ok as drafted in bill
- Section 9 – consistent with Board proposed changes
- Section 10 – the Board checked with Mr. Cox; ok as drafted in bill
- Section 11 – legal asked a question on this section; the answer is no. The Board decided to strike “who is physically present in the state” and “in residence” from this section
- Section 12 – ok as drafted in bill
- Sections 13-15 – consistent with Board proposed changes
- Section 16 – ok as drafted in bill
- Section 17 – ok as drafted in bill
- Section 18 – There was discussion on this section. It was noted that the regulations will dictate how a PROC would be formed and how it would function. Ms. Thompson noted that the way the draft is written it appears the board can have access to peer review documents; this may be an issue for the Society legislative committee. The Board indicated they would request that original language be used and to strike section (4)
- Section 19 – ok as drafted in bill; it appears they put everything in 4 vs 5 sections
- Section 20 – ok as drafted in bill
- Section 21 – ok as drafted in bill
- Section 22 – It was noted that “violation of professional standards” was removed. The Board wants to understand why it was removed or to add language in to be more specific
- Sections 23-25 – consistent with Board proposed changes
- Section 26 – there was discussion about the edits and the editors understanding of ownership & report; the Board decided that the edits do not change context. Ok as drafted in the bill

- Sections 27-34 – consisted with Board proposed changes
- Section 35 – ok as drafted in bill
- Section 36 – consistent with Board proposed changes
- Section 37 – this section needs to be put back the way it was in the draft that was originally forwarded
- Sections 38-42 – consistent with Board proposed changes
- Section 43 – this section needs to be the wording the Board originally requested. Can't just say SARS; covers multiple things. This is a service, not an action
- Section 44 – consistent with Board proposed changes
- Review of definitions section; it was noted that definitions (8) and (10) were not removed and they should be taken out of the bill

Ms. Thompson asked the Board to revisit AS 08.04.240(a). She noted the Society Legislative committee might see this as substantially different from the version that they originally reviewed. Ms. Brewer-Tarver noted that the focus would be the practice of public accounting and that triggering the need for the firm permit. This will pull in CPAs doing business under another name; while it may be unclear on the draft, the Board has had extensive discussion in the past.

Ms. Schmitz asked who might be pulled in now that wasn't before. Ms. Thompson noted that there may be sole proprietors upset that they will now need to get a firm permit; some may do attest and some may not. Ms. Burson stated that we can continue to educate licensees/the public. Mr. Cox noted that there will always be an education period and learning curve and that the outreach through the Society has been great.

Ms. Brewer-Tarver stated that she would work with Ms. Schmitz and Ms. Hondolero on drafting a reply to legal with answers to their questions and edits to the draft. The Board thanked Mr. Cox, Ms. Thompson and Ms. Burson for participating before they departed from the teleconference.

### **Agenda Item 3 – Application Review**

The Board had access to applications being considered via OnBoard. Ms. Brewer-Tarver had another appointment and departed from the teleconference.

**Upon a motion duly made by Ms. Smith seconded by Mr. Rulien, and approved unanimously, it was:**

**RESOLVED to approve Sterling Gillon for licensure by exam.**

**Upon a motion duly made by Ms. Smith seconded by Mr. Rulien, and approved unanimously, it was:**

**RESOLVED to approve Ross Grekoff to sit for the CPA exam.**

There was an exam application with a 'yes' answer that required Board review. Additional information had been requested from the applicant.

**Upon a motion duly made by Ms. Smith, seconded by Mr. Rulien, and approved unanimously, it was:**

**RESOLVED to enter into executive session for the purpose of discussing an application before the Board.**

The Board entered executive session at 3:18 pm  
The Board went back on the record at 3:33 pm

**Upon a motion duly made by Mr. Rulien seconded by Ms. Beltrami, and approved unanimously, it was:**

**RESOLVED to approve Justin Gonka to sit for the CPA exam.**


The Board requested that the applicant be notified that approval to sit for the exam does not constitute licensure approval; approval for licensure would be up to the Board at the time he applies.

**Upon a motion duly made by Mr. Rulien seconded by Ms. Smith, and approved unanimously, it was:**

**RESOLVED to adjourn the teleconference.**

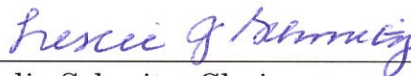
There being no further business, the meeting adjourned at 3:42 p.m.

Respectfully Submitted:



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Cori Hondolero  
Executive Administrator

Approved:



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Leslie Schmitz, Chair

Alaska Board of Public Accountancy

Date: 5/7/2020