

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

BOARD OF PUBLIC ACCOUNTANCY

MINUTES OF MEETING

November 8-9, 2023

By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled meeting of the Board of Public Accountancy was held November 8-9, 2023.

Wednesday, November 8, 2023

Call to Order/Roll Call

The meeting was called to order by Don Vieira, at 9:13 a.m. Those present, constituting a quorum of the Board were:

Don Vieira, CPA
Mark Diehl, CPA
Rachel Hanks, CPA
Lance Johnson, Public Member
Beth Stuart, CPA
Steven Jordan, CPA

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

Cori Hondolero, Executive Administrator
Jennifer Summers, Senior Investigator (agenda item #6)
Marilyn Zimmerman, Paralegal 2 (agenda item #6)
Melissa Dumas, Administrative Operations Manager I (agenda item #10)

Visitors present included:

Elizabeth Wolfe, NASBA – National Association of State Boards of Accountancy
Shelby Nelson, NASBA – National Association of State Boards of Accountancy
Jasjiv Singh

Agenda Item 1 – Review Agenda

The Board reviewed the agenda and requested that things be compressed as much as possible.

Upon a motion duly made by Ms. Stuart, seconded by Mr. Jordan, and approved unanimously, it was:

RESOLVED to approve the agenda as written and to compress it as much as possible.

Agenda Item 2 – Ethics Report

It was determined that there was nothing to report.

Agenda Item 3 – Review Meeting Minutes

The Board reviewed the minutes of the last meeting.

Upon a motion duly made by Ms. Stuart, seconded by Mr. Jordan, and approved unanimously, it was:

RESOLVED to approve the minutes of the August 24-25, 2023 meeting as written.

Ms. Stuart asked if the Board could request some data from NASBA regarding expired exam credits. Ms. Stuart will email Ms. Hondolero a list of the information to request.

**Agenda Item 4 - Alaska Society of Certified
Public Accountants (ASCPA)**

Ms. Burson had provided a listing of current Society activities; Ms. Hondolero provided the list to the Board.

1. Bi-weekly Tax Round Table Meetings virtual – next meeting is Tuesday, November 14th at noon.
2. AICPA Fall Council and Leadership Conference was October 23rd – 25th, 2023 in Pasadena, CA. Primary focus of meetings centered on pipeline and human capital concerns. The NPAG (National Pipeline Advisory Group) provided updates.
3. Advocacy –
 - Beneficial Ownership Information (BOI) – The AKCPA is in communication with Alaska Senators/Representative and their staffs regarding delaying Beneficial Ownership Information (BOI) reporting requirements. Small businesses will be required to submit to the Financial Crimes Enforcement Network (FinCEN) beginning in 2024. This reporting requirement is expected to heavily impact small CPA practitioners in our state and their small business clients. Small businesses are not universally aware of the rule. In January, many will be unprepared to meet their reporting obligation and face significant consequences including civil and criminal penalties should they fail to report.
H.R. 4035, the Protecting Small Business Information Act of 2023
S. 2623, the Protecting Small Business Information Act of 2023

The AKCPA also signed on to a Beneficial Ownership Information (BOI) comment letter (October 30th, 2023).

AKCPA offering a 2-hour webcast CPE on November 28th – Guide to the Corporate Transparency Act

- STEM Legislation – Continues to request support from Alaska Senators/Representative for the H.R. 3541, *Accounting STEM Pursuit Act of 2023*, and S. 1705, *STEM Education in Accounting Act*.

4. CPA Exam Credit Extension – The AKCPA received calls from 9 candidates inquiring about the CPA Exam Credit Extension program that the AICPA and NASBA support to reinstate lapsed exam credits for exam sections passed during 2020 – 2023.

5. Live CPE / Federal Tax Update with TaxSpeaker’s Bill Leonard:
December 13th at The Bear Tooth Theater in Anchorage (also live webcasted)
December 14th at The Westmark Hotel & Conference Center in Fairbanks

6. Scholarships – Applications are being accepted through November 20th for the Paul Hagelbarger Memorial Scholarship Fund. The primary objective of the Fund is to provide financial support to promote accounting education for the practice of public accounting in the State of Alaska. The awarding of scholarships is based on the scholastic achievement, the student's intent to pursue a career in public accounting in Alaska and financial need. The scholarships are open to all junior, senior, and graduate students who major in accounting and attend a four-year institution in the State of Alaska. Although the size of the scholarships can vary, the minimum award has been set at \$2,000.

7. 2024 Annual Meeting is Wednesday, May 29th – Friday, May 31st at the Land’s End Resort in Homer.

8. Next Board Meeting is Wednesday, November 29th at noon.

Mr. Vieira read a letter that was sent to NASBA from the Nevada accountancy Board. A copy of the letter will also be emailed to Board members. Mr. Vieira indicated that the Alaska Board might also want to send a similar letter; a draft will be started and then sent to the other Board members to request feedback.

Agenda Item 5 – Public Comment

There was no one present that made a request to address the Board.

Agenda Item 6 – Investigative Report

Senior Investigator Summers joined the meeting and provided a summary of the investigative report in the packet.

The current report covered the period August 9, 2023 to October 25, 2023.

- 21 open cases
- 4 closed cases

Ms. Stuart made a motion to request that investigations provide a report to the Chair on a monthly basis regarding the status of the open cases from 2021 or earlier. The motion was seconded by Mr. Johnson.

Discussion on the motion:

The board noted that they are concerned with the timelines for open investigations. Investigator Summers indicated that items stay in the complaint stage until they go to a reviewing Board member.

Ms. Stuart asked if the Chair could be briefed monthly on the status of the older open cases. Mr. Diehl asked what data would be requested and Mr. Vieira asked what action could be taken with the monthly report. Investigator Summers stated that investigations is limited on what they can provide the Board.

Mr. Vieira indicated that that the concern is the length of time that cases are open. How is the current process protecting the public? There is also a concern for the CPAs under review and the length of time cases are taking to resolve. Mr. Jordan added that there needs to be accountability and visibility on progress. Investigator Summers stated that nothing more can really be provided.

Mr. Vieira noted that renewal season is starting, and more cases are likely to be sent to investigations in early 2024. How does the Board help resolve the time lag? The Board would like to be acting on cases within months, not years and asked if there was any hope of caseloads shrinking. Investigator Summers indicated that that she hears the concerns and management is attempting to address them. Ms. Summers also indicated that the three status options for cases are: intake, complaint, and investigation.

Ms. Stuart clarified the request is for a small population of the oldest cases and will allow the chair to know if the problem is lack of response from the reviewing Board member etc. It was noted that the public member can't review cases and it creates an ex parte issue since they eventually may need to vote on the cases. Need clarity on what the holdup is for cases that are lingering.

The Board called for voting on the motion that had been made.

The motion was approved unanimously.

Upon a motion duly made by Mr. Jordan, seconded by Mr. Johnson, and approved unanimously, it was:

RESOLVED to enter into executive session for the purpose of reviewing investigative matters.

The Board entered executive session at 10:09 a.m.
The Board went back on the record at 10:18 a.m.

Upon a motion duly made by Mr. Jordan seconded by Mr. Johnson, and approved unanimously, it was:

RESOLVED to accept the ICF for case #2021-001040.

Upon a motion duly made by Mr. Jordan seconded by Mr. Johnson, and approved unanimously, it was:

RESOLVED to accept the consent agreement as written for case #2023-000189.

The Board thanked the investigator for the report that was presented.

Agenda Item 7 – CPA Exam

The Board reviewed the exam survey and performance data in the meeting packet. Ms. Hondolero indicated that Ms. Hartman (NASBA) does monthly calls with Prometric and there have been no recent issues at AK test sites.

Agenda Item 8 – NASBA Updates

Meetings

Annual Meeting – Stuart/Hondolero attended.

Ms. Stuart stated that CPA pipeline was a major topic. Comment made to NASBA regarding how they roll out initiatives that require State Board action. The credit relief initiative (CRI) also discussed; about 23 jurisdictions participating. 30 months to pass all sections of the exam; most jurisdictions making the change. Washington State will move to 36 months and not entertain any requests for score extensions. ELE program to earn the additional 30 semester credits; currently under RFP to get more universities who are willing to offer credit at a lower cost.

Exposure draft regarding peer review sent out recently.

Discussion about attracting students and working with State Societies. Mr. Diehl stated that the push to promote the profession is different than regulation of the profession and promoting the profession is not the Boards role.

Western Regional – Request that Mr. Diehl and Ms. Hondolero attend. Ms. Hanks will be an alternate.

Committees

Mr. Johnson – Continuing Professional Education (CPE) Committee – no meetings/no updates since last meeting.

Ms. Hanks – Communications Committee – no committee meeting yet.

Upon a motion duly made by Mr. Jordan, seconded by Mr. Johnson, and approved unanimously, it was:

RESOLVED to enter into executive session for the purpose of reviewing applications.

The Board entered executive session at 10:59 a.m.

The Board went back on the record at 11:19 a.m.

Agenda Item 9 – Correspondence

The Board reviewed the correspondence in the meeting packet and noted that none of the items required response.

Note that the AICPA peer review committee has been very active. Direction peer review is heading; statute/regulations changes may be needed and try to get ahead of it.

Upon a motion duly made by Mr. Jordan, seconded by Mr. Johnson, and approved unanimously, it was:

RESOLVED to enter into executive session for the purpose of reviewing applications.

The Board entered executive session at 11:42 a.m.

The Board went back on the record at 12:00 p.m.

Agenda Item 10 – Board Business

ED Report

Board vacancy – One seat vacant (public member).

Division staffing – Ms. Hondolero is assisting with other programs; time worked on other programs is charged accordingly.

Minutes – samples were provided of the action/abbreviated minutes format. The Board indicated that they would like to stay with the more detailed minutes format.

Mandatory CPE Audits – Ms. Hanks will be the reviewing Board member (RBM) for all mandatory audits and will work directly with the Ms. Zimmerman (paralegal) and Ms. Hondolero.

Revenue/Expenditure Report – FY23 final report was included in the packet. Ms. Dumas, Administrative Operations Manager joined the meeting to provide an overview to the Board. It was also noted that there are statistics provided on the Division website.

Agenda Item 13 – Application Review

The Board continued application review and noted that there were still files that required discussion.

Upon a motion duly made by Mr. Jordan, seconded by Ms. Hanks, and approved unanimously by the members present, it was:

RESOLVED to enter into executive session for the purpose of reviewing applications.

The Board entered executive session at 12:29 p.m.
The Board went back on the record at 1:38 p.m.

The Board took the following action on the applications that had been reviewed.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve Moslem Alkhatib's request for extension of FAR score credit to 6/30/25.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to deny the requests for Exam Score extension from Shagun Biyani and Nooh Esbai (12 AAC 04.200(i)).

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve Majd Hamarsheh's request for extension of AUD and REG score credit to 6/30/25.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve Tamer Salim Elias Hanania's request for extension of REG score credit to 6/30/25.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve Saloni Kunwar's request for extension of BEC score credit to 6/30/25.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve Devesh Mohindroo's request for extension of BEC score credit to 6/30/25.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to deny the requests for Exam Score extension from Antoine Razmik Patanian and Venkat Ponasanapalli (12 AAC 04.200(i)).

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve Prajakta Surve's request for extension of FAR score credit to 6/30/25.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve Pritika Bedi, Mandy Bonefeld, Norised Deltoff, Anna Harris, Natasa Hooper, Mitchell Jaben, Celine Taleon, Edward The, Elisabeth Tomsha and Tyler VanAusdal for licensure by exam.

Upon a motion duly made by Mr. Johnson seconded by Mr. Jordan, and approved unanimously by the members present, it was:

RESOLVED to approve Joye Sumner for licensure by reciprocity.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve the reinstatements of Furukawa Kazuhito and Marie Kraft.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve the firm licenses of Mastodon, LLC and Plante & Moran, LLC.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to approve the mandatory CPE audit for Nargiz Ahmadova.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to table the mandatory CPE audit for David Murdock. Unclear if the ethics requirement has been met and additional information on the Somerset courses is needed.

Upon a motion duly made by Mr. Johnson seconded by Mr. Diehl, and approved unanimously by the members present, it was:

RESOLVED to table the mandatory CPE audit for Aziz Tursunov. Additional information on the Riveron Consulting and Professional Scholastics courses needed; need confirmation all courses completed as reported.

The Board reviewed dates for future meetings and set the following:

- February 9, 2024 (changed to a one-day meeting)
- April 25-26, 2024 – In-person meeting – Anchorage
- August 15-16, 2024

The meeting was recessed at 1:57 p.m., until Thursday, November 9, 2023.

Thursday, November 9, 2023

Call to Order/Roll Call

The meeting was called to order by Don Vieira, at 9:00 a.m. Those present, constituting a quorum of the Board were:

Don Vieira, CPA
Mark Diehl, CPA
Lance Johnson, Public Member

Beth Stuart, CPA
Rachel Hanks, CPA
Steven Jordan, CPA

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

Cori Hondolero, Executive Administrator
Alison Osborne, Regulations Specialist II

Visitors present included:

Elizabeth Wolfe, NASBA – National Association of State Boards of Accountancy
Shelby Nelson, NASBA – National Association of State Boards of Accountancy
Elisabeth Tomsha (applicant)

Agenda Item 11 – Review Agenda

No changes were noted.

Agenda Item 12 – Statute/Regulation Projects

Ms. Osborne was present to review the draft regulations.

The Board went through the most recent draft section by section to work on the frequently asked questions and opening questionnaire with Ms. Osborne. The focus is on the subject areas being changed/updated. It was noted that this will be the last review before the project is sent to law for approval to public notice the project.

- 12 AAC 04.004 – date change
- 12 AAC 04.038 – clarifying attest functions
- 12 AAC 04.140 – does not need FAQ form
- 12 AAC 04.151 – new section – clarification for when a license is required. Protects the public by requiring a physical presence in Alaska
- 12 AAC 04.155 – does not need FAQ form
- 12 AAC 04.161 – adding background checks
- 12 AAC 04.165 – repealed and readopted to conform with other licensure requirements for a background check. Verification of licensure added
- 12 AAC 04.175 – repealed and readopted. Pull in with other regulation FAQ
- 12 AAC 04.180 – does not need FAQ form
- 12 AAC 04.185 – opened up requirements; allowing some flexibility, made it more general. “Quality” to “Peer Review” – updated throughout.
- 12 AAC 04.195 – does not need FAQ form
- 12 ACC 04.200 – updated following UAA – to be substantially equivalent to other jurisdictions and an update to the extension request section. This should help manage the

extension requests being received. With the update to 30 months, there should be minimal requests.

12 AAC 04.250 – repealed – moved some of the content.

*it was noted that law might be able to remove some of the repealed sections.

12 AAC 04.245 – updated definition of firm. Clarify things and make it easier to read.

12 AAC 04.251 – Incorporated various references into one section. Board retains the ability to ask for information

12 AAC 04.255 – Include sole proprietors; clean up for the updated definition of firm

12 AAC 04.280 – repeal/readopt

12 AAC 04.285 – one word changed

12 AAC 04.300 - repeal/readopt – limitation on micro learning and updated references

12 AAC 04.340 – Clean up of language

12 AAC 04.400 – does not need FAQ form

12 AAC 04.410 – repealed, but some of the content was moved

12 AAC 04.430 – inactive clarifications

12 AAC 04.440 – kept in basic language needed

12 AAC 04.500 – one word changed

12 AAC 04.520 – language update and references added

12 AAC 04.530 – repealed and readopted

12 AAC 04.600 – repealed and readopted for consistency/conformity. No special reporting requirements

12 AAC 04.610 – repealed

12 AAC 04.620 – updated to simplify language

12 AAC 04.630 – repealed – definition should go in general definitions section

12 AAC 04.690 – repealed, but Ms. Osborne might confirm with law that this section can stay repealed

12 AAC 04.990 – out of state permit repealed and amend reasonable cause or excusable neglect.

Ms. Stuart asked about 12 AAC 04.251(b)(2). Ms. Osborne indicated that it should not be there; she noted that she would update the draft.

Ms. Stuart asked what version goes out. Ms. Osborne stated that a general notice is sent to all licensees and interested parties. People interested in the project would need to go online to access a full copy of the regulation changes and they will need to submit any comments in writing for Board review at a future meeting.

The Board thanked Ms. Osborne for all her work on the project.

Ms. Stuart noted that she would not be attending the February meeting.

Agenda Item 14 – Administrative Business

Confirm Upcoming Meeting Dates/Locations

- February 9, 2024

- April 25-26, 2024 – in-person Anchorage
- August 15-16, 2024

Task Lists

Cori Hondolero

- Send request to NASBA for list of exam candidates impacted by credit relief

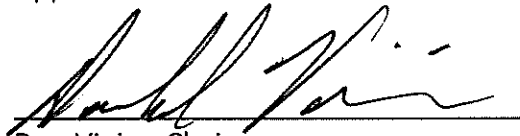
There being no further business, the meeting adjourned at 10:27 a.m.

Respectfully Submitted:



Cori Hondolero
Executive Administrator

Approved:



Don Vieira, Chair
Alaska Board of Public Accountancy

Date: 2/9/24