

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

BOARD OF PUBLIC ACCOUNTANCY

**MINUTES OF MEETING
February 14-15, 2022**

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 February 14-15, 2022.

Monday, February 14, 2022

Call to Order/Roll Call

The meeting was called to order by Don Vieira, at 9:16 a.m. Those present, constituting a quorum of the Board were:

Leslie Schmitz, CPA
Don Vieira, CPA
Rachel Hanks, CPA
Lance Johnson, Public Member

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

Cori Hondolero, Executive Administrator
Dawn Bundick, Investigator III (agenda item #5)
Jun Maiquis, Regulations Specialist (agenda item #11)

Visitors present included:

Crista Burson, representing the Alaska Society of CPAs
John Rodgers, representing the Alaska Society of CPAs

Agenda Item 1 – Review Agenda

No changes were made.

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

RESOLVED to approve the agenda as written.

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 teleconference meeting.

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

RESOLVED to approve the minutes of the November 8-9, 2021 meeting as written.

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

Mr. Rodgers provided a summary of current AK Society activities:

- AKCPA Board of Directors Nominations begin this week.
- AKCPA 2022 Annual Meeting, May 25th – 27th at Land’s End Resort in Homer.
- Continued partnering with Pacific Northwest State Societies for special virtual CPE offerings – four Schedules K-2 & K-3 classes held last week and this week.
- AICPA Regional Council meetings to be held virtually March 23rd and 24th. Spring Council scheduled for May 16th – 18th in Austin, Texas.
- Billie DeVore died January 19th – longtime AKCPA member and CPA in Anchorage.
- Advocacy Updates –
 - HB 3006 which included a proposed sales tax on professional services is currently sitting in the House Ways & Means Committee and considered “not viable” as it was introduced during the last special session and did not pass both the House and Senate. While it can be reintroduced at any time it is not expected to occur during the current session. Sales tax on professional services is however expected to appear again. We are working to communicate with legislators why this should not be considered.
 - IRS Service Issues – communicated with Alaska U.S. Senators and Congressman regarding continued concerns including a request to provide immediate relief for taxpayers and tax practitioners by reducing the need to contact the IRS.

- Concerns over enQ, Inc. – a for profit IRS phone line jumping service (A.I. robots call all the IRS numbers; bot waits on hold. For a fee, it puts you in bot's position). IRS looking into this.
- HB 44 heading to the Governor's office.
- FinCEN – Corporate Transparency Act (CTA).
- Prometric Center closure in Montana – Prometric suspended their association with the Montana State University Testing Center and as such CPA candidates are not able to take CPA exam parts in Bozeman. Concern that this could occur in other places. Another example of why remote testing approval would be beneficial.
- CAQ – increasing diversity in the CPA profession. Ms. Burson will forward information to the Board.

Agenda Item 5 – Investigative Report

Investigator Bundick joined the meeting. Ms. Hondolero noted that there was a matter that had been placed in OnBoard for review/action.

Investigator Bundick provided a summary of the investigative report in the packet:

- 34 open cases
- 5 closed cases

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

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

The Board entered executive session at 10:00 a.m.

The Board went back on the record at 10:13 a.m.

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

RESOLVED to adopt the Imposition of Civil Fine for case #s 2020-000189, 2020-000228 and 2020-000362.

The Board thanked investigator Bundick for her report.

Agenda Item 6 – Public Comment

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

Agenda Item 7 – CPA Exam

Five surveys had been received; all were emailed to Board members in advance of the meeting. It was noted that one Fairbanks candidate had concerns about not being able to schedule in Fairbanks in the coming months. Ms. Hondolero had reached out to NASBA to inquire and was told that there had been a closure for upgrades, but that candidates should now be able to schedule.

The Board asked Ms. Hondolero to reach out to NASBA to see if Board members/staff can resume test site visits.

Agenda Item 8 – NASBA Updates

Meetings

40th Annual ED Conference – April 25-27, 2022

Clearwater, FL

The Board requested that Ms. Hondolero submit a scholarship request and proceed with the State travel approval process.

Western Regional Meeting – June 7-9, 2022

Colorado Springs, CO

The Board requested that Ms. Hondolero attend this meeting and set the following Board member priority list for attendance:

- Rachel Hanks
- Elizabeth Stuart (new member – request scholarship)
- Don Vieira

Committees

Ms. Hanks – Education Committee – January webinar. Discussed reviewing state laws and how to review transcripts. There have been accreditation changes; regional accreditation is not the standard anymore. Section 5-2 of the Uniform Accountancy Act (UAA) covers educational requirements.

Mr. Johnson – Continuing Professional Education (CPE) Committee – met two weeks ago; more of an introductory meeting. Discussed acceptance of nano learning credits; some states restrict the number of nano hours that can be earned. NASBA CE tracking system being used by some jurisdictions. Committee reviewing CE rules with AICPA. Will send information on the NASBA tracker tool to Ms. Hondolero, so she can send out to the Board for review.

Ms. Schmitz – Ethics Committee – met January 24th in a joint session with AICPA professional ethics executive committee (PEEC). There was a proposal out which changes language in the attest area; loans/clients and looking to see if you have a conflict. Comments were received and reviewed by the committees.

Agenda Item 9 – Correspondence

The Board reviewed the correspondence in the meeting packet and noted that there were no items that required response.

Agenda Item 10 – Board Business

ED Report

Board vacancy – Elizabeth Stuart appointed; term starts 3/1/22. One CPA seat still vacant.

Renewal – Online renewal closed 12/31/21. The Board asked Ms. Hondolero to possibly allow online renewal after December 31st in the future. It was noted that the Board would still require the late renewal questions for online renewal. Ms. Hondolero provided some comparative statistics for the Board and noted that there were a greater number of lapsed licenses after the most recent renewal. It was also noted that lapsed license and random audit letters would be going out soon.

FY22 – Goals & Objectives

Due to members being out, this item will be placed on the next agenda to discuss any progress and plans going forward. It was noted that with the passage of HB44, some of goal #1 has been achieved.

Late Renewal Discussion

Ms. Hondolero provided a historical summary of how late renewals have been handled in the past; paper renewals required starting January 1st and if the licensee indicates that they have practiced or held themselves out as a CPA while lapsed, the file is referred to investigations.

Mr. Johnson indicated it might be helpful to establish written guidelines for dealing with late renewals. Ms. Schmitz stated that CPAs are deadline driven. Things happen, but the deadlines are still the same. It was noted it might be better to work on the definition of practice of public accounting for late renewals. Mr. Vieira stated that he agreed; there is a difference between renewing a couple days late and holding out with no valid credential. Mr. Vieira indicated that he would review the definition of practicing without a license and the Board will discuss again at a future meeting.

The Board determined that Chair Vieira would be the Board member to review all late renewal/potential practice while lapsed cases, so that there is consistency in how the cases are treated. Ms. Hondolero indicated that she would let investigator Bundick know.

License by Reciprocity

Mr. Jordan had prepared a document for Board review. The Board determined that they would review the statutes/regulations for areas that could be updated.

Revenue/Expenditure Report

The Board reviewed the report for FY22 quarters one and two.

Agenda Item 11 – Statute/Regulation Projects

HB44 – has passed both the House and Senate and will be forward to the Governor’s office. Ms. Burson indicated that she had been communicating with Ms. Bergh regarding potential dates for a signing ceremony.

Current regulation project – Ms. Hondolero noted that a majority of the project adopted at the last meeting would become effective February 24, 2022. One section had been pulled and would now be considered a part two of the project; a reference to a section being repealed had been missed. A change to 12 AAC 04.380 is also required to conform with the repeal of 12 AAC 04.370.

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

RESOLVED to re-adopt the repeal of 04.370 and the amendment to 04.380 to remove the reference to 04.370.

SB21 – Ms. Hondolero had prepared draft regulations for Board review. Board members noted that military members/spouses are not supposed to copy their military ID cards. The Board requested that this language be removed from the draft. Jun Maiquis regulations specialist joined the meeting.

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

RESOLVED to send out the draft regulations for temporary military courtesy licensing out for public comment.

The draft regulation is listed below.

12 AAC 04.184. Temporary military courtesy licenses. (a) The board shall issue a temporary military courtesy license to an active duty military member or spouse of an active duty military member of the armed forces of the United States to practice as a certified public accountant or CPA firm who meets the

requirements of AS 08.01.063 and this section within 30 days after the board receives a completed application.

(b) An applicant for a temporary military courtesy license under this section must

(1) submit a completed notarized application on a form provided by the department;

(2) pay the applicable fees specified in 12 AAC 02.105;

(3) submit a copy of the applicant's ~~military identification or military dependent identification card and a copy of~~ current active duty military orders showing assignment to a duty station in this state;

(4) submit verification of the applicant's current license to practice public accountancy from a board of accountancy of a state or territory of the United States; the verification must include the applicant's status and complete information regarding any disciplinary action or investigation taken or pending relating to the applicant;

(5) not have been convicted of a felony or another crime that affects the applicant's ability to practice public accountancy competently and safely.

(c) A temporary military courtesy license to active duty military personnel or spouse of military personnel under this section will be issued for a period of 180 days and may be renewed for one additional period specified by the board, not to exceed 180 days.

(d) An applicant for a temporary military license may not have had a license to practice public accountancy revoked, suspended, or voluntarily surrendered in this state or another state or territory of the United States.

(e) The board may refuse to issue a temporary military courtesy license for the same reasons that it may deny, suspend, or revoke a license under AS 08.04.450, AS 08.04.470, and AS 08.04.480. (Eff. ____/____/____, Register ____)

Mr. Vieira asked all members to review their assigned files in advance and make note of any files that require discussion.

The meeting was recessed at 2:25 p.m., until Tuesday, February 15, 2022.

Tuesday, February 15, 2022

Call to Order/Roll Call

The meeting was called to order by Don Vieira, at 9:09 a.m. Those present, constituting a quorum of the Board were:

Leslie Schmitz, CPA
Don Vieira, CPA
Rachel Hanks, CPA
Lance Johnson, 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:

Ahmed Askar
Judith Moose

Agenda Item 12 – Review Agenda

No changes made to agenda.

Agenda Item 13 – Application Review

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

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

The Board entered executive session at 9:13 a.m.
The Board went back on the record at 9:57 a.m.

Board members reviewed applications and took the following action:

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

RESOLVED to accept the recommendation from NASBA to deny the requests for Exam Score extension (12 AAC 04.200(i)) for:

- Navita Gulati
- Mansour Alkhatabi
- Mohammad Qaywi
- Adel Albargouthy
- Talal Alajlani
- Simone Raiola
- Koki Iwamoto

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

RESOLVED to deny the request for extension of exam score for Masahiro Takada and Takayuki Masuda; 12 AAC 04.200(i), credit not lost due to circumstances beyond applicant's control.

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

RESOLVED to accept the recommendation from NASBA to approve the requests for Exam Score extension for:

- Shigeo Kuwayama
- Ramin Mammadli
- Ahmed Askar
- Angela Yeung
- Ali Beidas
- Jatin Aneja

- **Brixen Barredo**
- **Wei-Chieh Peng**
- **Mozammel Islam**
- **Shivani Pandey**

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

RESOLVED to accept the recommendation from NASBA to approve the NTS extension requests for:

- **Angela Yeung**
- **Brixen Barredo**
- **Wei-Chieh Peng**

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

RESOLVED to deny Manish Dharod's request for extension of REG & FAR scores (12 AAC 04.200(i)).

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

RESOLVED to approve Bobir Akbarov, Alexandra Orchard, Kathleen Villars and Mitchell Tacata for licensure reinstatement.

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

RESOLVED to approve Tyrone Casteel, Glenna Coffey, Anna Courtney, Chandler D'Agostino, Sonika Gupta, Paraskevi Kokkofiti, Timothy Lewis, Hailey Messick, Judith Moose, Joshua O'Leary, Hunter Romberg and Amy Wall for licensure by exam.

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

RESOLVED to approve Ann Marie Bellotti-Clark, Amy Fenerty, Monica Gardner, Stephanie Hughes, Kari Paulson and Leta Waggener for licensure by reciprocity.

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

RESOLVED to approve the firm permit applications of:

- Arneson CPA Group, LLC
- Muslow + Agnew Group, LLC

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

RESOLVED to approve the Out-of-State firm permit applications of:

- FGMK, LLC
- Lounev Advisory Services LLC
- RESJ, P.C.

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

RESOLVED to approve the mandatory CE audits for:

- Peter Barber
- Katrina Carney
- Michelle DellaCroce
- Joann Huff
- Andrew Meiners
- Edmund Pascual
- Christopher Sopp

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

RESOLVED to approve the random CE audits for:

- Mohammed Desin
- Seong Jun Jeong
- Yang Li

Agenda Item 14 – Administrative Business

The Board thanked Ms. Schmitz for her eight years of service.

Confirm Upcoming Meeting Dates/Locations

- May 19-20, 2022 – Anchorage
- August 25-26, 2022 – Anchorage
- November 7-8, 2022

Task Lists

Don Vieira

- Goal/Objective 5

- Look at definition of practice of public accounting, as it relates to late renewals
- Send email to Boards & Commissions regarding the vacant CPA seat

Steven Jordan

- Goal/Objective 2 and 3

Rachel Hanks

- Goal/Objective 2 and 3

Leslie Schmitz

- Goal/Objective 1 *this will need to be assigned to a different member

Lance Johnson

- Goal/Objective 6

Karen Smith

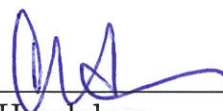
- Goal/Objective 7

Cori Hondolero

- Check to see if Prometric is allowing test site visits
- Let investigator know that Mr. Vieira will review all late renewal issues

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: 5/19/22