

**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 7-8, 2024**

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 7-8, 2024.

**Thursday, November 7, 2024**

**Call to Order/Roll Call**

The meeting was called to order by Rachel Hanks, at 9:12 a.m. Those present, constituting a quorum of the Board were:

Mark Diehl, CPA  
Rachel Hanks, CPA  
Beth Stuart, CPA  
Steven Jordan, CPA  
Donovan Neal, CPA

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

Cori Hondolero, Executive Administrator  
Kendra Wardlaw, Investigator III (agenda item #9)  
Roger Rouse, Investigator III (agenda item #9)  
Jennifer Summers, Senior Investigator (agenda item #9)  
Jasmin Bautista, Investigator III (agenda item #9)  
Amy Kennedy, Paralegal 2 (agenda item #9)  
Alison Osborne, Regulations Specialist II (agenda item #11)

Visitors present included:

Crista Burson, Alaska Society of CPAs (AKCPA)  
Kent Absec, National Association of State Boards of Accountancy (NASBA)  
Matt Curley

**Agenda Item 1 – Review Agenda**

**Upon a motion duly made by Ms. Stuart, seconded by Mr. Diehl, and approved unanimously by the members present, 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 meeting.

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

**RESOLVED to approve the minutes of the August 16, 2024 and September 18, 2024 meetings as written.**

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

Ms. Burson was present and provided a listing of current Society activities:

1. Bi-weekly Tax Round Table Meetings virtual – next meeting is Tuesday, November 12th at noon.

2. AICPA Fall Council and Leadership Conference was October 21st – 24th, 2024 in Atlanta, GA. Primary focus of meetings continued to center on pipeline and human capital concerns. Including extensive discussions related to:

- CPA Competency-Based Experience Pathway Exposure Draft – comments requested by December 6th, 2024
- Proposed Uniform Accountancy Act (UAA) Changes – comments requested by December 30th, 2024

This was the final meeting for AICPA CEO, Barry Melancon. Mark Koziel was announced as his replacement. Mark worked at the AICPA for 14 years before becoming the President & CEO of Allinial Global, the world's 2nd largest accounting association.

3. CPE – In-Person / Federal Tax Updates with Greg White, CPA & George Koutelieris, CPA, December 10th at The Bear Tooth Theater in Anchorage (also live webcasted) and December 9th at Pike's Waterfront Lodge in Fairbanks. Many virtual offerings through January.

4. CPA Exam Scheduling in Fairbanks – Initially told there would be no dates available in December "because of finals". After contacting the AICPA one day opened for scheduling on December 5th. At least two candidates required to make trip to Anchorage to test.

5. 2025 Leadership Academy – Applications are still being accepted for the 6th AKCPA Leadership Academy are being accepted until December 31st. Applications available on the AKCPA website or contact Crista Burson for more information.

6. Scholarships – Applications are still being accepted through November 20th for Paul Hagelbarger Memorial Scholarship Fund. 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. Applications available on the AKCPA website or contact Crista Burson for more information.

7. 2025 Annual Meeting is Wednesday, May 28th – Friday, May 30th at the Windsong Lodge in Seward.

8. Alaska Society of CPAs Board of Directors meets on November 13th.

The Board members asked Ms. Burson if the State Society was in support of the white papers that had been sent out by NASBA. Ms. Burson indicated that the Society Board had not met yet but was not likely to be in favor of the proposals.

#### **Agenda Item 5 – Public Comment**

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

#### **Agenda Item 6 – Correspondence**

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

Ms. Hanks gave an overview of the Board Chair training that she had recently attended. The Division had provided a binder of information including a sample prioritization matrix that might assist Boards with tracking ongoing projects.

#### **Agenda Item 7 – CPA Exam**

Copies of recent exam surveys were included in the meeting packet. As noted during the Society update, there were some recent concerns regarding testing at the Fairbanks site. NASBA/AICPA were involved and noted that everyone with an open NTS in Fairbanks/North Pole had scheduled.

A copy of the estimated 2025 score release dates and some Q2 2024 data was included in the packet.

#### **Agenda Item 8 – NASBA Updates**

##### **Kent Absec, Vice President, State Board Relations (NASBA)**

Mr. Absec joined the meeting to provide an overview of some of the current topics/issues.

The exposure drafts are out for comment and the committees want any and all feedback from State Boards. The Professional Licensure Task Force was put together a year ago to work on the alternate pathways issue. The goal was for the alternate pathway to be cost effective, to have rigor, to protect the public and be scalable for firms of all sizes. The National Pipeline Advisory Group (NPAG) was also involved and the groups merged.

The competency-based framework has seven professional competencies and three technical competencies. Some states already have competencies, so this should be adaptable. The three E's (education, exam, experience) continue to stand on their own. The CPA evaluator in the new proposed pathway must be a CPA to evaluate; all sworn to public protection.

Mr. Absec encouraged the Board to review the preamble at the start of the Uniform Accountancy Act (UAA) document; sections 5, 6, 7, & 23 would be amended if the new pathway is adopted.

Under section 23 – those currently licensed would be considered substantially equivalent. If a State adopts a non-UAA pathway, they would not be considered substantially equivalent, and mobility would be broken. The ALD/CPA verify system would identify the licensure pathway for each licensee. The ALD feed from States would need to be updated to account for this information.

Automatic mobility was discussed – CPA is a CPA (regardless of pathway); 4 states currently have this. There was a question on how this would work if states became non-substantially equivalent.

Ms. Stuart asked why there was not a proposal to require two years of general supervised experience versus the new proposal to have one year of general experience and one year of competency-based experience. Mr. Absec stated that committee felt that there needed to be more rigor if the candidate had less than 150 semester hours; they would need two years' experience and one of those years would need to be competency based.

Ms. Hanks noted that this might impact smaller areas where it is harder to find a supervising CPA. Mr. Absec stated that the CPA evaluator would not need to be the direct supervisor; they could be outside the firm/organization. Mr. Jordan noted all of these proposed changes could create an administrative burden on States.

The Board thanked Mr. Absec for taking the time to join the meeting.

#### Exposure Drafts

CPA competency-based experience pathway – comments due by 12/6/24.

UAA exposure draft - comments due by 12/30/24.

#### Meetings

Executive Directors Conference – Ms. Hondolero will submit a request to attend.

Western Regional meeting – Ms. Stuart and Ms. Hondolero designated to attend. Will also see about obtaining a scholarship for Mr. Neal to attend the meeting and new Board member training.

Annual Meeting – Chicago, IL – October 26-29, 2025

#### Committees

Ms. Hanks & Mr. Diehl – Communications Committee – meets the 2<sup>nd</sup> Wednesday of each month by Zoom.

#### New Member Introductions

The Board took a few minutes for introductions with the new member Donovan Neal.

### **Agenda Item 9 – Investigative Report**

Investigator Rouse, Investigator Wardlaw, Investigator Bautista, Senior Investigator Summers and paralegal Amy Kennedy joined the meeting.

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

**RESOLVED to enter into executive session for the purpose of reviewing investigative matters and for annual investigations training.**

The Board entered executive session at 10:45 a.m.

The Board went back on the record at 12:16 p.m.

Investigator Rouse provided a summary of the investigative report in the packet.

The current report covered the period August 3, 2024 to October 24, 2024.

- 55 open cases
- 27 closed cases

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

### **Agenda Item 10 – Board Business**

#### FY24 Revenue/Expenditure Report

Melissa Dumas, Administrative Operations Manager was present to present the final FY24 report to the Board. Ms. Dumas noted that Division reports are available on the Division website: <https://www.commerce.alaska.gov/web/cbpl/DivisionReports.aspx>

#### ED Report

Board vacancy – two seats vacant (public members).

Division staffing – Ms. Hondolero is assisting with other programs; time worked on other programs is charged accordingly. The Division is down to one paralegal, so there may be delays in processing. New investigator Roger Rouse was hired to staff the CPA program.

Question from Board regarding jurisdiction jumping for exam candidates. This is tracked by NASBA in their Gateway system and there are barriers built into the system that generate errors if the candidate tries to have open NTS in multiple jurisdictions. When scores are transferred, the full history is provided. Candidates are encouraged to finish testing with the State they started with.

NASBA CPE audit services – The cost for this service is \$68 per individual. This cost includes NASBA notifying licensees or audit and reviewing the documentation they submit. Reports can be provided to the State Board.

Question to NASBA regarding changes to licensure requirements that may impact current license holders, when they may not meet the updated requirements. NASBA indicated that some jurisdictions will grandfather licensees in, or the Board will try to notify licensees who may be impacted in advance, so they are determine if they can obtain licensure in another jurisdiction.

#### **Agenda Item 9 – Investigative Report**

The Board returned to the investigative items that were before them for consideration.

**A motion duly made by Mr. Jordan seconded by Mr. Diehl: Approve request for reconsideration of the default revocation for case #2023-001203.**

**Motion failed** (see voting below).

	YES	NO
Beth Stuart		X
Mark Diehl		X
Steven Jordan		X
Donovan Neal		X
Rachel Hanks		X

**Upon a motion duly made by Mr. Jordan seconded by Mr. Diehl, and approved by a quorum of the Board, it was:**

**RESOLVED to accept the ICF for case #2024-000243.**

**\*Ms. Hanks abstained from voting on this case.**

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

**RESOLVED to accept the ICF for case #2024-000163.**

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

**RESOLVED to accept the Consent Agreement for case #2024-000256.**

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

**RESOLVED to accept the Consent Agreement for case #2024-000257.**

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

**RESOLVED to accept the Consent Agreement for case #2024-000489 with removal of the \$250.00 fine.**

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

**RESOLVED to accept the Consent Agreement for case #2024-000551.**

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

**RESOLVED to accept the Consent Agreement for case #2024-000497.**

The Board discussed the matrix that is still in process and wanted to see if late fees can be implemented on day one of being late versus not being required until the license has been lapsed for 60 days.

There was discussion about tiered fees depending on how long the license has been lapsed.

Individuals – holding out as a CPA while lapsed:

- 1-89 days = \$100 (if late fees can be implemented before 60 days)
- 90-179 days = \$250
- 180-360 days = \$500
- Over 360 days = \$750

Firms:

- 1-89 days = \$250

- 90-179 days = \$500
- 180-360 days = \$750
- Over a year = \$1500

The Board discussed requiring licensees to submit their complete list of CPE at renewal.

Ms. Hanks stated that she would have an updated matrix for the Board to review at the December meeting.

### **Agenda Item 11 – Statutes/Regulations**

Alison Osborne, Regulations Specialist II joined the meeting to discuss the current project with the Board.

Ms. Burson stated that the AKCPA legislative committee just met and noted the following from the draft that had been reviewed:

- 12 AAC 04.151(a) – extra a included in this section
- 12 AAC 04.165 – reciprocity section – unsure that process is streamlined

Ms. Burson also let the Board know that if they were going to move forward with legislation, Representative Schrage may be someone that they should contact.

The Board discussed the “3 E’s” (education/experience/exam) and noted that education and experience need to be separate.

AS 08.04.120 – remove the reference to 150 semester hours. There was discussion about if the reference to two years’ experience should also be removed from statute.

The Board also briefly discussed automatic mobility and the possible edits to AS 08.04.420.

The meeting was recessed at 4:26 p.m., until Friday, November 8, 2024.

### **Friday, November 8, 2024**

#### **Call to Order/Roll Call**

The meeting was called to order by Rachel Hanks, at 9:08 a.m. Those present, constituting a quorum of the Board were:

Mark Diehl, CPA  
Beth Stuart, CPA  
Rachel Hanks, CPA  
Steven Jordan, CPA  
Donovan Neal, 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:

Crista Burson, Alaska Society of CPAs (AKCPA)  
Naya Esbai

**Agenda Item 12 – Review Agenda**

No changes were noted.

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

**RESOLVED to approve the agenda as written.**

**Agenda Item 13 – Application Review**

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

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

The Board entered executive session at 9:24 a.m.  
The Board went back on the record at 9:36 a.m.

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

**RESOLVED to approve AUD score reinstatement for Nooh Esbai; consider  
exam passed.**

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

**RESOLVED to approve Haley Carney for licensure by exam.**

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

**RESOLVED to approve the firm permits of Armanino LLP and Mellor and Associates, PLLC.**

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

**RESOLVED to approve the reinstatements of Al Amira Hoda Chehab, Matthew Thiel and Lyazzat Turlybekoba.**

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

**RESOLVED to approve the random CPE audit of Marcus Chappel.**

**Agenda Item 14 – Statutes/Regulations**

Alison Osborne, Regulations Specialist II joined the meeting.

A copy of the current draft regulation changes requested by the Board was included in the packet. The project is currently at Department of Law awaiting initial review.

The Board discussed adding actions by professional groups/societies needing to be reported to State Board. Possibly adding this to the regulations; require reporting of civil proceedings and/or disbarment from a professional society or organization. The Board also discussed adding a 12-hour cap on the amount of CPE hours that can be earned in a day.

AS 08.04.120 – the Board discussed removing the 2-year requirement from statute.

Ms. Stuart stated the accountant’s coalition would fund a lobbyist if needed for assistance with legislation; they would work for AK Society.

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

**RESOLVED to approve the summary of recommended statute changes dated 11/8/24.**

AS 08.04.120 – remove the 150-credit hour requirement

AS 08.04.240 – remove section (k)

AS 08.04.420 – amend sections (a) and (c) to allow for firm mobility (practice privilege) and move guardrails around practice privilege to the regulations

AS 08.04.422 – include firm under practice privilege, firms subject to disciplinary authority of Board

AS 08.04.426 – change “quality review” to “peer review”

The Board reviewed the white papers in the meeting packet. The competency-based experience pathway comments were due December 6, 2024, so the Board worked through the questions as a group and submitted them online using the response form provided by NASBA/AICPA.

The comments for updates to the Uniform Accountancy Act (UAA) had a due date of December 30, 2024, so the Board will review and discuss at the December Board meeting and submit comments before the deadline.

The Board reviewed the letter/memo outlining topics being updated via proposed regulation changes prepared by Mr. Jordan and determined that it will stay a Board internal document.

**Agenda Item 15 – Administrative Business**

**Confirm Upcoming Meeting Dates/Locations**

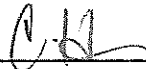
- December 17, 2024 Zoom
- February 6-7, 2025
- April 25, 2025
- August 22, 2025
- November 14, 2025

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

**RESOLVED to adjourn the meeting.**

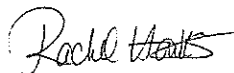
There being no further business, the meeting adjourned at 1:01 p.m.

Respectfully Submitted:



Cori Hondolero  
Executive Administrator

Approved:



Rachel Hanks, Chair  
Alaska Board of Public Accountancy

Date: 2/7/25