

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

BOARD OF PUBLIC ACCOUNTANCY

**MINUTES OF TELECONFERENCE
October 29, 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 October 29, 2020.

Call to Order/Roll Call

The meeting was called to order by Leslie Schmitz, at 8:33 a.m. Those present, constituting a quorum of the Board were:

Leslie Schmitz, CPA
Don Vieira, CPA
Wesley Tegeler, CPA
Don Rulien, CPA
Karen Smith, Public member
Marja Beltrami, CPA

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

Cori Hondolero, Executive Administrator
Amber Whaley, Senior Investigator (agenda item #6)
Melissa Dumas, Admin Officer II (agenda item #9)
Marilyn Zimmerman, Paralegal (agenda item #11)

Agenda Item 1 – Review Agenda

No changes were made.

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 meetings.

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

RESOLVED to approve the minutes of the August 13-14, 2020 and August 28, 2020 teleconference meetings as written.

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

Ms. Hondolero noted that both Mr. Rodgers and Ms. Burson were unavailable to attend because they were participating in a CPE course. AKCPA had provided a report and requested that it be shared with the State Board:

1. COVID-19 Impacts – UPDATE – There will be no live / in-person events through 2021. This policy continues to impact events as follows:
 - a. CPE – 2020 CPE all webcasts and 2021 CPE calendar will be all webcasts.
 - b. AKCPA Virtual Board Meeting – November 11th at noon.
 - c. AICPA Virtual Fall Council Meeting & Leadership Conference – Was held on October 20th and 21st. Regional Council is scheduled for the third week of March 2021 and will be virtual.
 - d. Leadership Academy – Pivoting to virtual. Series of 3 webcasts through February with final conference TBD at the beginning of June. Applications for the next Leadership Academy will be available after the current class is finished.
 - e. 2021 Annual Meeting originally planned for Fairbanks will now be virtual. Tentatively scheduled for June 3rd, 2021.
2. 2020-2021 AKCPA Membership Renewals – Renewal fees were due by May 31st.
3. Paul Hagelbarger Scholarship Applications due November 20th. Applications available on the AKCPA website.
4. CPA Exam Scheduling / Member Concerns – Continued concern from Fairbanks members regarding CPA Exam scheduling limitations at the Prometric Center in Fairbanks. Crista Burson contacted the Prometric Test Center in Fairbanks and was told they tend to only have a month or two of scheduling open at a time, especially these days that are a constant state of flux. If a student is wanting to register for January, they won't see schedule availability until December. The Fairbanks Prometric site was initially listed as a closed location due to covid. Once it reopened it was not listed on the Prometric's website at all. Crista Burson contacted Prometric headquarters as well as the Fairbanks location and the website has been corrected. Several members have contacted the AKCPA regarding NASBA and the turnaround / statuses of examination applications. Crista Burson spoke with new NASBA CPAES coordinator for Alaska, Matthew Gibson, on October 23rd. He indicated that it is still about 6-8 weeks for Evaluations but that he is trying to get that down over the next couple of weeks. Any insight from the State Board would be welcome!

Agenda Item 5 – Public Comment

There was no one that made a request to address the Board in advance or during the teleconference.

Agenda Item 8 – NASBA Updates

Committees

Ms. Schmitz – CBT Administration Committee – recent teleconference on 10/15/20 – was not able to attend, but the focus of the teleconference was remote testing.

*Ms. Schmitz noted that she has been moved to the ethics committee

Mr. Rulien – Uniform Accountancy Act (UAA) Committee – not on committee anymore.

Ms. Beltrami – Legislative Support Committee – No recent meetings. The focus of the committee for the upcoming year will be making licensure by reciprocity easier across state lines.

Mr. Tegeler – Appointed to the Enforcement Resources Committee, but has not had a meeting yet.

Meetings

Annual Meeting – November 2-4, 2020 – virtual.

Ms. Schmitz/Mr. Rulien/Mr. Tegeler/Mr. Vieira/Ms. Hondolero attending.

ED Conference – Clearwater, FL – April 12-14, 2021.

Western Regional meeting – Colorado Springs, CO – June 8-10, 2021
Scholarships for first time attendance should be available.

Agenda Item 6 – Investigative Report

The Board had two matters that had been loaded to OnBoard for their review; late renewal matters resulting in imposition of civil fine agreements.

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

RESOLVED to accept the imposition of civil fine for cases #2020-000204 and #2020-000477.

*Ms. Schmitz abstained from voting on these matters

Agenda Item 7 – CPA Exam

The Board discussed the Fairbanks test site and noted that it was recently reopened. Candidates should now be able to see about 1-2 months ahead for scheduling. The Board also discussed the ongoing Covid-19 situation and the impacts on exam test takers; state and worldwide. Ms. Hondolero had sent NASBA an email to see if they would be open to the idea of screening exam score extension requests in addition to the NTS extension requests they are already screening. NASBA has more access to information on the exam candidates including where they are located, what the travel restrictions for their home country may be and other information including if/when they sat when the test was readily available, etc. NASBA indicated that they would be willing to assist with screening these requests if the Board wants them to. It was noted that there were six NTS extensions before the Board at this meeting and the score extensions could be presented to the Board in the same way.

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

RESOLVED to request assistance from NASBA to screen requests for extension of exam scores that expire up to 6/30/21. NASBA to forward their recommendations for approvals/denials for Board review.

*will follow the same process currently used for NTS extension requests.

Agenda Item 6 – Investigative Report

Senior investigator Amber Whaley joined the meeting.

The Board noted that they had already acted on the imposition of civil fine matters.

Investigator Whaley provided a brief summary of the investigative report in the packet:

- 12 open cases
- 5 closed cases

Mr. Tegeler asked about the cases that have been open a year or close to a year. Investigator Whaley stated that it depends on how responsive people are, but there is a 180-day goal for closure. Ms. Beltrami noted that covid mandates could have impacted the timeline for these cases.

The Board thanked investigator Whaley for the report.

Agenda Item 9 – Board Business

ED Report

The Board reviewed the report provided in the meeting packet. It was noted that lapsed license information for those with AK addresses was included in the packet for Board review and that tasks from prior meetings were also listed.

Revenue/Expenditure Report

Melissa Dumas, Admin Officer II joined the meeting.

The Board reviewed the FY20 final revenue/expenditure report. Mr. Rulien asked if a fee reduction was needed. Ms. Dumas stated that the Division will do a fee analysis and then come back and review it with the Board. The goal is to retain one years' worth of surplus/carry forward. Ms. Schmitz asked when the fee analysis would start. Ms. Dumas noted that the analysis would start in January 2021, so that any fee adjustments would be in place before the next renewal. It was noted that the Board can make recommendations, but the final decision is up to the Division.

Ms. Schmitz asked how investigative time is charged. Ms. Dumas stated that personnel charge directly to the program in 15-minute increments. It was noted that there was a recent CLEAR training that Ms. Hondolero attended and the Board wanted to know if that would have been a direct charge to the Board. Ms. Dumas stated that yes, this would have been charged to the program for both the cost of the training and the training time. Ms. Dumas covered indirect expenses; these are based on total licensee count with a position of costs being assigned to each program. There are Division, Department and Statewide indirect costs. Mr. Tegeler indicated that he liked to be able to see where the Board fits in (page 3 of the report); it's good to see which programs are in the positive/negative.

Ms. Schmitz asked about travel in 2021 and if the Division has any indication of what might happen. Ms. Dumas noted that a travel plan for FY21 had been submitted, but travel has not been submitted. All travel requests must still be requested/approved on a case by case basis. The Board noted that they had originally planned the February meeting to be in Juneau, but may change this if the legislature is not open to the public.

Agenda Item 10 – Correspondence

The Board reviewed the correspondence contained in the packet; there was one item that requested Board response.

The Board has received a letter from Jay Park regarding exam extensions. The Board noted that this person is not an AK exam candidate and no response was required.

There was Board discussion about why Alaska has a higher number of foreign candidates. It was noted that this is due to most other jurisdictions having a residency and/or SSN requirement. The Board will need to decide if they want to make any changes to the qualification criteria. The Board requested that Ms. Hondolero ask Ms. Dumas if different fees can be charged for foreign vs domestic and/or resident vs non-resident. Mr. Tegeler asked why other states would not allow non-residents. Ms.

Schmitz asked Ms. Hondolero to ask the regulations specialist about a couple older repealed regulations that appear to deal with this topic.

Agenda Item 11 – Application Review

Board members reviewed applications and took the following action:

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

RESOLVED to approve William Sanborn’s request for extension of AUD and BEC scores to 8/6/22 due to military deployment.

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

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

- **Shigenori Goto**
- **Wanzhi Ke**
- **Helong Bian**
- **Yor Bayani Resuento**
- **Reem Darwich**

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

RESOLVED to accept the recommendation from NASBA and deny the following NTS extension request:

- **Arun Prasanna AP**

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

RESOLVED to table the application of Robert Anderson for licensure by exam; applicant short 1.5 semester credit hours of accounting (12 AAC 04.185(b)(1)).

The Board reviewed the additional correspondence from the applicants and still did not accept course 503 – Management Control.

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

RESOLVED to table the application of Andrew Behrendt for licensure by exam; applicant short 4 semester credit hours of accounting (12 AAC 04.185(b)(1)).

The Board reviewed the list of courses submitted to meet the accounting concentration and accepted 20 hours (the list contained a request for 33 hours).

Marilyn Zimmerman, Paralegal joined the meeting.

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

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

The Board entered executive session at 1:33 p.m.
The Board went back on the record at 1:49 p.m.

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

RESOLVED to accept the CPE course Acting with Integrity for 1.5 hours of ethics for Daksha Mulay.

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

RESOLVED to approve Mohamad Abdallah, Abdullah Albaghli, Djamila Chettfour, Heather Crews, Irina Danilchenko, Jason Dawkins, Purna Desai, Nissa Fowler, Madison Hauck, Yongchao Huang, Nolan Huysmans, Indira Isgandarova, Michelle Kiese, John Kottarathimyalil, Josiah Lazarek, Andrew McCormack, Deepika Pabbati, Bret Raby, Andres Sanchez, Mathias Schaefer, Ludmilla Smatt, Gabriel Thompson and Julian Turner for licensure by exam.

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

RESOLVED to approve Alexander Doig and Samantha Ruppert for licensure by reciprocity.

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

RESOLVED to approve the reinstatement of Kimberley Klayum to inactive status.

Agenda Item 12 – Statute/Regulation Projects

Ms. Schmitz stated that she is in contact with past Chair Karen Brewer-Tarver and will get the response to draft bill questions to legislative legal.

Ms. Smith noted that she had done some research on the topic of professional references (information emailed to Board members). She indicated that there are potentially three options:

- Leave the process as is
- Check the references listed on the application
- Have a reference form that is required as part of the application

It was decided that the Board would review the requirements of some other programs that require fingerprinting/background checks and professional references and then decide how to proceed.

Ms. Beltrami had reviewed the reciprocity requirements and provided sample language that would allow reciprocity if the other jurisdiction had substantially adopted the Uniform Accountancy Act (UAA). Ms. Schmitz noted that UAA lists only a one-year experience requirement (AK has a 2 year requirement); what if the other jurisdiction has licensing requirements that are less than Alaska's? It was noted that it might be best to wait and see what work NASBA does on the reciprocity issue.

For the updates to the regulations regarding reference material dates, it was decided to pull the last update project. Ms. Hondolero and Ms. Schmitz will meet to review the regulations that need to be updated. There was also discussion regarding updating the regulations to require that the application be notarized. Ms. Schmitz will work on potential updates on education/accounting concentration.

Agenda Item 13 – Administrative Business

Confirm Upcoming Meeting Dates/Locations

- February 8-9, 2021 in Juneau (if active legislation)
- June 3-4, 2021 in Fairbanks (tentative – will discuss at February meeting)

Task Lists

Leslie Schmitz

- Respond to 2/24/20 letter from legal services. Work with Ms. Brewer-Tarver and Mr. Cox to answer questions and compare drafts
- Set up Zoom meeting with Chief Francois and Investigator Whaley
- 12 AAC 04.185 - Look at regulations regarding accounting concentration for possible changes for credit earned by testing (CLEP/DANTES, etc.)
- Review CPE regulations for possible changes

Cori Hondolero

- Meet with Ms. Schmitz to review regulations that need to be updated
- Pull some info from other programs that have background and professional reference requirements

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

RESOLVED to adjourn the meeting.

There being no further business, the meeting adjourned at 3:22 p.m.

Respectfully Submitted:



Cori Hondolero
Executive Administrator

Approved:



Leslie Schmitz, Chair
Alaska Board of Public Accountancy

Date: 2/8/21