

**STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND
ECONOMIC DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
BOARD OF PUBLIC ACCOUNTANCY**

**MINUTES OF MEETING
August 8-9, 2007**

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 at the DOT Building, 2301 Peger Road in Fairbanks, AK.

Wednesday, August 8, 2007

Call to Order/Roll Call

Ms. Morse, Secretary called the meeting to order at 11:00 a.m.

Those present, constituting a quorum of the Board:

Max Mertz, Chair, CPA – Juneau – Joined meeting at 12:25 p.m.
Christy Morse, Secretary, CPA – Anchorage
Carla Bassler, CPA – Anchorage – Joined meeting at 11:06 a.m.
Bruce Gabrys, CPA – Anchorage
Elaine Williamson, CPA – Fairbanks
Catherine Wilson, Public Member – Tok
Rebecca Jensen, Public Member – Pedro Bay

In attendance from the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing, was:

Veida Forrest, Licensing Examiner – Juneau

In attendance via teleconference was:

Cori Hondolero, Licensing Supervisor – Juneau
Jun Maiquis, Regulations Specialist – Juneau

In attendance via teleconference from the Department of Law, Civil Division, Commerce and Fair Business Section:

Gayle Horetski, Attorney – Juneau
Jenna Conley, Attorney – Juneau

In attendance from the public was:

Leslie Schmitz, representing the Alaska Society of CPAs (ASCPA)
Melody Schneider, representing the Alaska Society of CPAs (ASCPA)
Michael Kelliher, representing the Alaska Society of CPAs (ASCPA)
Bernadette Koppy, representing the Alaska Society of Independent Accountants (ASIA)
Michael Lamb, representing the Alaska Government Finance Officers Association (AGFOA)

Agenda Item 1 – Review/Amend Agenda

The Board made the following changes/updates to the agenda:

Added: Item 15: Mobility Discussion

Agenda Item 12: moved to day one of the meeting.

Item 13: Ms. Forrest notified the Board that Ms. Jenny Strickler, from the Division of Corporations, Business & Professional Licensing would not be available, instead Kimberley Blevins and Randy Phillips from NASBA would be attending via teleconference.

Upon a motion by Bassler, seconded by Wilson and approved unanimously, it was:

RESOLVED to approve the August 8-9, 2007 meeting agenda as amended.

Agenda Item 2 - Review Meeting Minutes

The Board made the following changes to the April meeting minutes:

Under agenda item 11, page 9: In the discussion regarding travel, Ms. Williamson's name was added to the list of Board members to attend the NASBA Annual Meeting in October.

Under agenda item 11, page 16: In the task lists, it was noted that Ms. Morse had volunteered to write the updated Goals and Objectives, not Ms. Bassler as the minutes stated.

Upon a motion by Wilson, seconded by Bassler and approved unanimously, it was:

RESOLVED to adopt the April 26-27, 2007 meeting minutes as amended.

Agenda Item 3 – Ethic Reporting

There were no ethics violations reported.

Agenda Item 4 – NASBA 2007 Eastern/Western Regional Meeting

Mr. Mertz went to the Western Regional meeting and Ms. Wilson and Ms. Jensen went to the Eastern Regional meeting. Ms. Jensen noted that mobility was a major discussion during the meeting. Ms. Jensen told the Board that the National Association of State Boards of Accounting (NASBA) had stated that Alaska would be a target for statute and regulation changes in 2009. Ms. Wilson confirmed that NASBA would like for Alaska to come 'into line' with mobility as defined by NASBA. Mr. Gabrys stated that he does not believe physical presence is as big of an issue as in other states.

Mr. Gabrys asked what the phrase "No notice, no fees, no escape" meant as indicated in the report of the regional meeting Mr. Mertz provided the Board. Ms. Wilson stated that the phrase meant any accountant could enter another jurisdiction without giving notice or paying fees to that jurisdiction, but the state where the person is working still has jurisdiction over any activity done in that state.

Ms. Wilson and Ms. Jensen noted that the need for international standards is becoming more significant. Ms. Jensen also noted that eastern states are discussing increasing the need of public seats due to the lack of trust in public accounting firms which stems from the Enron scandal.

Ms. Wilson stated that NASBA is going to create a Legislative Support committee in order to help states who are thinking of going through legislative change.

Ms. Wilson and Ms. Jensen spoke to the benefits of going to the NASBA Regional meeting in becoming up to speed with the public accountancy profession.

The Board left the discussion of the NASBA regional meetings open for discussion upon Mr. Mertz's arrival to the meeting.

Agenda Item 12 – Prometric Testing

The Board discussed the overall decline in complaints from applicants taking the Uniform CPA Examination in Alaska Sites. The Board discussed the number of noise complaints but determined that it was not necessary to follow up on them unless the next survey had several noise complaints.

The Board asked Ms. Forrest when the survey was sent out and why it was sent out in the manner it was. Ms. Forrest stated that she relies on NASBA to inform her on who sat in Alaska test centers and that the notice comes in the form of a spreadsheet during the last month of the testing window. Once all scores are received she sends an email to the applicants who sat in Alaska. She noted that during the April/May/June testing window scores were sent out late as they were received late from NASBA. The Board would like the survey to be sent out prior to official exam score notices being sent out to examinees.

Break 11:40 p.m.; back on record at 12:25 p.m.

Agenda Item 8 – Annual Report and Goals & Objectives

The Board discussed the Annual Report and necessary changes. Date, grammatical, and word changes were made. Mr. Mertz added to the Budget Recommendations that the Board would like the Licensing Examiner to attend the Executive Directors meeting in order to understand the issues surrounding the public accountancy profession.

Agenda Item 5 – Correspondence

The Board discussed the following items of correspondence:

1 – Candidate Requests to extend 18 month testing period

Due to a computer software compatibility issue that occurred during the transition to the CPA Exam Service provided by NASBA, several candidates were unable to schedule their exam sections in a timely manner. Several candidates whose 18 month testing period was coming to a close were affected by this issue.

Chairman, Max Mertz, recused himself from voting on this issue as there was a conflict of interest.

Upon a motion by Morse, seconded by Gabrys and approved unanimously, it was:

RESOLVED to extend Preston Crane's, Sarah Huebschen's, Thomas Morse's, Nataliya Nelson's, and Makoto Yoshida's expiring credit beyond the 18 month period by one testing window under the authority of 12 AAC 04.200(i).

Ms. Williamson put forth the following friendly amendment:

The purpose of the extension is to compensate for the loss of a testing window due to the transition of processing applications to the CPA Examination Services provided by NASBA.

Ms. Morse and Mr. Gabrys accepted the friendly amendment, the motion as amended was approved unanimously.

2 – Marie Evan CE Request

The Board discussed Ms. Evan's request for continuing education credits for writing articles. Ms. Jensen suggested that the Board write guidelines to follow when evaluating publications for continuing education credit. The Board discussed the problems with quantifying continuing education credits due to the quality of writing. The Board determined to table the discussion until the October meeting and write a publications Board policy prior to approving her request.

3 – Leah Watling

The Board discussed Ms. Watling's circumstances and where to draw a line on sickness.

Upon a motion by Morse, seconded by Mertz and approved by show of hands, it was:

RESOLVED to request a doctor's note to verify Ms. Watlings circumstances prior to issuing a refund.

9 – PCAOB Letters

The Board reviewed the correspondence received from the PCAOB. Mr. Mertz noted that the Board does not use peer review reports for disciplinary purposes, however, other states, such as Washington, use these reports to investigate public accountants and firms.

No response required.

Agenda Item 15 – Mobility

Mr. Mertz noted that mobility was a prime issue at the NASBA Regional Meetings. He stated that mobility is not as big of an issue for Alaska as it is for boards on the east coast. Mr. Mertz volunteered to send an invitation to Mr. Ken Bishop of NASBA to attend the November meeting so the Board can get a better idea of NASBA's intentions for Alaska. Ms. Schneider of the ASPCA asked Mr. Mertz to ask Mr. Bishop to clarify the difference between reciprocity and mobility on the national level. Ms. Schmitz asked Mr. Mertz to ask Mr. Bishop to clarify what 'practice' means in an electronic age.

Mr. Gabrys asked if increased mobility serves the Alaskan public. Ms. Schneider noted that mobility does not just include physical presence in another state, but it would apply to people who do tax returns for an individual who has physical and monetary assets in another state.

Break at 1:20 p.m.; back on the record at 1:30 p.m.

Agenda Item 6 – Public Hearing

Present from the public were Melody Schneider, Leslie Schmitz, Michael Kelliher Bernadette Koppy, and Michael Lamb. Jun Maiquis, Cori Hondolero, Gayle Horetski, and Jenna Conley were present via teleconference.

Ms. Schmitz and Ms. Schneider were in attendance throughout the meeting and recognized by the Board to speak regarding different agenda items.

Mr. Mertz asked if there was any specific protocol that the Board needed to follow for public comment. Ms. Horetski noted that the period for written comment is over and that the Board cannot consider any written comments received after July 11, 2007, this current period is for oral comments only. She did note that handouts provided by individuals at the meeting for clarification purposes could be considered.

The Board recognized Mr. Michael Lamb who presented the concerns of the Alaska Government Finance Officers Association (AGFOA). Mr. Lamb gave his credentials to the Board. The AGFOA provides government accounting continuing education courses within the state. The AGFOA's primary concern is that continuing professional education courses provided by the AGFOA will no longer be approved under new proposed regulations. Mr. Lamb suggested the Board include clear and unambiguous language to include the AGFOA as a continuing education provider. Mr. Lamb proposed that the board include, in 04.360 (1) & (2) state accounting societies, *and other accounting and finance related associations*, or those organizations...

Ms. Bassler asked Mr. Lamb if the AGFOA's courses would fall under proposed regulation 12 AAC 04.360 (1) and (3). Mr. Lamb replied that the AGFOA board members are concerned that future interpretation of the regulations would preclude the AGFOA.

Mr. Mertz invited others from the public to present their concerns to the Board. Mr. Kelliher, a member of the CPA Regulations Task Force, introduced himself to the Board. Mr. Kelliher stated that during Task Force meetings, it was not the intent of the Task Force to preclude any specific providers of continuing education, but to prevent 'soft courses', courses which may or may not relate to the profession.

Leslie Schmitz and Melody Schneider, members of the CPA Regulation Task Force, commented on the regulation process and how the Task Force was able to encompass many different views from within the profession. Ms. Schmitz extended her support for the proposed regulations.

Bernadette Koppy, with the Alaska Society of Independent Accountant (ASIA), stated the society's support of the proposed regulations.

Mr. Mertz asked the CPA Regulations Task Force members if there were any other unrecognized issues that have not been previously addressed. Ms. Schmitz and Mr. Kelliher stated that the concerns listed in Mr. Paul Brandon's letter should be addressed by the Board.

Mr. Mertz asked if there was anymore public comment. No individuals came forward. With no further oral testimony, Mr. Mertz led the Board in addressing the written comment and making regulatory changes.

Agenda Item 7 – Regulations Discussion

The Board received written comments from Geoffrey Pokorny (license) #2132, Lisa Rogers #1277, Gary Rogers #939, John Farner #2183, Paul Brandon #760, Michael Kelliher #679, Michelle DellaCroce, Karen Rogers #1298, Mary Anderson #1830, Pat Davidson #1121, Dianne Woodruff #1591.

The Board noted that a few of the written comments discussed disagreement with the removal of the 500 hour attestation requirement and the lowering of required years of experience. The Board clarified that the 500 hour attestation requirement was not removed and this confusion was due to the way the regulations were sent out for public notice. The Board also noted that the new statutes require a person to have an accounting concentration, so there is no longer a need to provide alternative licensing provisions for applicants who do not have an accounting concentration.

The Board asked what the parameters of the public notice were in order to more efficiently discuss the written comments. Mr. Maiquis read the public notice for the record, "The proposed regulations deal with a wide range of subjects, including rules of professional conduct, fees and commissions, attest functions, license application and license renewal requirements, permits, out-of-state practice privileges and permits, license reciprocity with other states, substantial equivalency, continuing education, inactive and lapsed licenses, and definition of terms." Ms. Horetski stated that the Board can make changes to the regulations as long as the changes fall within the scope of the public comment.

The Board discussed Ms. Davidson's comment regarding the difference between private, public, and government accounting. Ms. Davidson's letter stated, "A system creating experience points (sic) tied to an applicants' employer, instead of the nature of services provided (sic), appears to be inconsistent with the enabling statute." Mr. Gabrys replied to this comment that the tasks performed at a public accounting office are different from those at private and government accounting offices, and tasks are defined by the type of office a person is employed, to which the Board agreed.

Ms. Davidson's letter also commented on the work experience documentation under 04.180(c). The Board discussed Ms. Davidson's comment and determined it was necessary to narrow proposed regulation 04.180(c) to only the documentation of attest experience. It was agreed to change 04.180(c) to read: *to document the required **attest** experience.*

The Board discussed Mr. Brandon's letter and addressed his comments regarding the provision of a transition period, the granting of a practice privilege, and confusion of terms in 04.038(b) and (c). The Board asked Ms. Horetski if it would be possible to add a transition clause for new applicants who either applied or graduated before a specified date. Ms. Horetski replied that the statute that takes effect on January 1, 2008 does not give the Board the authority to provide any transition periods regarding initial licensure.

Ms. Horetski and Mr. Maiquis commented that the wording in 04.280 is correct and that applicants should receive applications and forms from the department and that this section does not address the issuing of a practice privilege.

The Board discussed the lack of internal consistency in 04.038. The Board determined it was best to change the word *accountant* in 04.038 (b) to licensee. The new regulation 04.038(b) would read: An individual **licensee** who is...The supervising **licensee** shall obtain...

Ms. Rogers sent an email commented that the Uniform Accountancy Act has a new definition of 'Professional Engagement' which the Board may want to consider under the 04.990 definitions. The Board agreed to add to the definitions 04.990 **(14) Engagement means an agreement between a client and a licensee relative to the performance of professional services and the services performed under this agreement.**

Mr. Mertz addressed Ms. Rogers concern that the term accountant would include unlicensed individuals by stating that the definition given in 04.990(1) states that accountant is referring only to licensed individuals, practice privileges and permits.

The Board addressed the oral testimony of Mr. Lamb given during public comment. Mr. Gabrys asked if there was harm adding the wording provided by Mr. Lamb. Ms. Bassler, Ms. Morse, Mr. Morse, and Ms. Williamson all stated that the suggested addition would be too broad and generic.

Mr. Mertz stated that it was not the intent of the CPA Regulation Task Force to deny continuing education course provided by legitimate associations and societies, but to prevent 'soft' courses from being accepted. Mr. Mertz also stated that the Government Finance Officers Association (GFOA) was listed on the National Registry of CPE Sponsors on the NASBA website, and because the AGFOA is a chapter of the GFOA courses would be accepted under 04.360 (1) and (2). Mr. Mertz also noted that the AGFOA could possibly qualify under 04.360 (3) because that section allows for 'formal, organized, education programs that focus on [...] the subjects of accounting [...] or government practices.' The Board did not make changes to 04.360.

The Board verified with Mr. Maiquis that the references and dates in the draft regulation are correct. Mr. Maiquis stated that to the best of his knowledge the dates and references are correct.

Mr. Mertz thanked all parties involved in the regulation process including the Task Force members, Mr. Maiquis and Ms. Horetski.

The meeting adjourned for the day at 3:48 p.m.

Thursday August 9, 2007

Call to Order/Roll Call

Mr. Mertz, Chairman called the meeting to order at 8:30 a.m.

Those present, constituting a quorum of the Board:
Max Mertz, Chairman, CPA – Juneau

Christy Morse, CPA - Anchorage
Carla Bassler, CPA – Anchorage
Elaine Williamson, CPA – Fairbanks
Bruce Gabrys, CPA - Anchorage
Rebecca Jensen, Public Member – Pedro Bay
Catherine Wilson, Public Member – Tok

In attendance from the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing, was:

Veida Forrest, Licensing Examiner – Juneau

In attendance via teleconference:

Brian Howes, Senior Investigator – Anchorage

In attendance via teleconference from the National Association of State Boards of Accounting (NASBA), CPA Exam Services (CPAES):

Kimberly Blevins, Supervisor Credential Evaluation & CPAES Project Manager

Randy Phillips, Alaska Examination Coordinator

In attendance from the public was:

Leslie Schmitz, representing the Alaska Society of CPAs (ASCPA)

Melody Schneider, representing the Alaska Society of CPAs (ASCPA)

Bernadette Koppy, representing the Alaska Society of Independent Accountants (ASIA)

Agenda Item 7 – Regulations Discussion

Mr. Mertz stated that he had reviewed the references in 04.038 and found them to be accurate.

Upon a motion by Gabrys, seconded by Bassler and approved unanimously by roll call vote, it was:

RESOLVED to adopt the regulations as amended. The amendments include:

04.180(c) changed to read: To document the required attest experience...

04.038(b) change the word [accountant] to licensee so it reads: An individual licensee who is... The supervising licensee shall obtain...

Add: 04.990(14) Engagement means an agreement between a client and a licensee relative to the performance of professional services and the services performed under this agreement.

Agenda Item 9 – Application Review

Previously Tabled Candidates

Chyenne Schmidt
Maria Tagliavento
Beth Larson

The Board reviewed Ms. Schmidt and Ms. Tagliavento's applications. At the April 26-27, 2007 meeting Ms. Schmidt's application was tabled as it was determined she did not have enough years of

experience. Ms. Tagliavento's application was tabled at the January 31 – February 1, 2007 Board meeting to allow her time to gather proof of attending continuing education courses. Both applicants fulfilled the requirements as requested by the Board.

Upon a motion by Bassler, seconded by Morse and approved unanimously, it was:

RESOLVED to approve previously tabled applications for licensure by examination for Chyenne Schmidt and reinstatement of active licensure for Maria Tagliavento #1425.

The Board discussed the letter sent from Ms. Larson to the Board for reconsideration of her application for licensure by reciprocity without providing additional work experience. Mr. Gabry's noted that Alaska statute 08.04.190(a)(2) requires 'experience outside the state in the practice of public accounting or meets equivalent requirements established by the board by regulation' and that the regulations as written do not address applicants by reciprocity. It was noted that a precedent is made in regulations 12 AAC 04.181(b), for licensure of initial applicants, where experience points are equated to a year of experience: the number of points that can be earned is defined by the employer, either a public or private accountancy firm/company, government offices, or in the accounting offices of an independent company, and whether or not the applicant was supervised by a certified public accountant. In Ms. Larson's correspondence with the Division she states, "I do not have any 'public accounting'", but the work she has performed can fall under the definition of practice of public accounting in 12 AAC 04.990(7). Ms. Morse noted that the current definition also states that the person practicing public accountancy must be licensed by the Alaska Board of Public Accountancy. After much deliberation the Board determined that the statutes and regulations as written do not allow for experience gained in private or government accounting offices to count toward public accounting experience.

The Board discussed the benefits of tabling or denying Ms. Larson's application. Ms. Forrest stated that if the Board denies the application, it would give Ms. Larson the ability to pursue legal avenues to overturn the Board's decision, whereas tabling Ms. Larson's application it would give her the option to submit additional documentation or withdraw her application.

Upon a motion by Morse, seconded by Bassler and approved unanimously, it was:

RESOLVED to table Beth Larson's application for licensure by reciprocity until experience required by AS 08.04.195 is provided.

Reinstatement of Licensure

John Michel – lapsed, reinstate to active
Stanly Reiff – reinstate to active
Douglas Wellington – reinstate to active

Upon a motion by Bassler, seconded by Morse and approved unanimously, it was:

RESOLVED to approve reinstatement of active licensure for Stanley Reiff CPA #1731, and Douglas Wellington CPA #1640.

Upon a motion by Bassler, seconded by Gabrys, and approved unanimously, it was:

RESOLVED to table the reinstatement of active licensure for John Michel until the next regularly scheduled Board meeting.

Licensure by reciprocity

Scott Dockins
Gregory Marshall
Edward McCarthy
Kenneth Wood

Upon a motion by Bassler, seconded by Wilson and approved unanimously, it was:

RESOLVED to approve the applications for licensure by reciprocity for Scott Dockins, Gregory Marshall, and Kenneth Wood.

The Board discussed the application of Mr. Edward McCarthy. Ms. Williamson brought to the Boards attention that there is a discrepancy between the issue dates on Mr. McCarthy's application, the license verification provided by the State of Michigan, and the Michigan State Society of CPA's

Upon a motion by Bassler, seconded by Jensen and approved unanimously, it was:

RESOLVED to table the application of Edward McCarthy until additional experience information as required by AS 08.04.195(a)(2) is received and the application conflicts are resolved.

Licensure by examination

Melissa Beedle
Julia Clymer
Monica Joy French
Svetlana Golubeva
Farhad Guliyev
Jamil Guliyev
Svetlana Klink
Aleksandar Knezevic
Keiji Koide
Yuxing Li
Iaroslav Lounev

Ramz Erkinovich Muhamadiyev
Jeremy O'Neil
Ricardo Orduna
Ilya Sotnikov
Stasia Straley
Omar Taha
Satzhan Temirgaliyev
Mikhail Ulyanov
Troy Watling
Shaun Werle

Upon a motion by Bassler, seconded by Morse and approved unanimously, it was:

RESOLVED to approve the applications for licensure by examination of Melissa Beedle, Julia Clymer, Monica Joy French, Svetlana Golubeva, Farhad Guliyev, Jamil Guliyev, Svetlana Klink, Aleksandar Knezevic, Keiji Koide, Yuxing Li, Iaroslav Lounev, Ramz Erkinovich Muhamadiyev, Jeremy O'Neil, Ricardo Orduna, Ilya Sotnikov, Stasia Straley, Omar Taha, Satzhan Temirgaliyev, Mikhail Ulyanov, Troy Watling, Shaun Werle.

Upon a motion by Bassler, seconded by Morse and approved unanimously, it was:

RESOLVED to table the applications of Christian Schmidt and Catalina Leny Marquez until additional education information as required by 12 AAC 04.185(b)(2) is received.

Firm Registration

Price Accounting & consulting LLC
Shaffer & Co. CPA's, LLC

Upon a motion by Wilson, seconded by Bassler and approved unanimously, it was:

RESOLVED to approve the firm registrations for Price Accounting & consulting LLC and Shaffer & Co. CPA's, LLC.

General Permits

Upon a motion by Wilson, seconded by Bassler and approved unanimously, it was:

RESOLVED to grant the following out of State permits:

- Klancy Allen
- Julia Amanda Berry
- Lorna Bixler
- Lenard Boggio
- Robert Delmese
- Carrie Kennedy
- Lisa Sandborn
- Clay Sturgis

Upon a motion by Wilson, seconded by Morse and approved unanimously, it was:

RESOLVED to ratify the following out of State permit renewals:

- Capin Crouse LLP #31
- Warinner, Gesinger & Associates, LLC #39
- Lanza & Lanza #71
- Gary Rowland #76
- Dixon Hughes PLLC #79
- Anderson Zurmuehlen & CO PC #85
- Dingus, Zarecor & Associates PLLC # 90
- Sanders & Sanders CPAS PC #92
- Deloitte Tax LLP #93
- Terry Goddard, CPA #94
- Creamer & Associates, PC #98
- WipFli LLP #103
- Paul Ficca #104
- Berntson Porter & Company PLLC #113
- Wilson, Price, Barranco, Blankeship & Co #122

Agenda Item 13 – Investigative Report

Brian Howes, Senior Investigator for the Division of Corporations, Business and Professional Licensing joined the meeting telephonically.

Mr. Howes informed the Board that the Division does not currently have a permanent investigator at the present time, but that he and Rick Younkins would be available to work on cases regarding certified public accountants. Mr. Mertz asked Mr. Howes to contact Ms. Bassler if there are any future questions regarding potential MOA's and disciplinary questions. Mr. Mertz stated that the Board has only been proactive in disciplinary in the past couple of years.

Open Complaints

C60107001 – Unlicensed Practice under investigation

C60007001 – Application Problem. Closed, Application returned to Chief Strickler

OPEN INVESTIGATION

600-02-002, 600-02-005 & 605-02-001 Litigation initiated. On 08/01/07 Accusation and revised Memorandum of Agreement provided to AAG.

600-04-002 & 600-05-002 Accusation under review by Division and AAG.

600-05-005 Under Investigation.

600-06-005 Under Investigation.

BOARD ACTIONS

601-06-002 Proposed MOA prepared for Board consideration and action.

Upon a motion by Bassler, seconded by Morse and approved unanimously, it was:

RESOLVED to enter into executive session in accordance with Alaska Statute 44.62.310(c)(2) to discuss privileged disciplinary information.

Executive Session, off record 11:10 a.m. Back on record 11:42 a.m.

Upon a motion by Morse, seconded by Gabrys and approved unanimously, it was:

RESOLVED to amend the Memorandum of Agreement for Michel to remove the stayed portion of the \$5000 civil fine.

The Board asked Mr. Howes if it would be possible to publish Board actions against a licensee on the Board website. Mr. Howes stated that all closed cases are public information. The Board requested that all future disciplinary actions, and those who did not renew, be published on the website.

Ms. Wilson left the meeting at 11:55 a.m.

Lunch break off record 11:55 a.m. Back on record 1:30 p.m.

Agenda Item 11 – CPA Exam Service Update

Kimberly Blevins and Randy Phillips of NASBA joined the meeting telephonically.

Mr. Phillips told the Board that the computer software compatibility issues that had occurred during the transition are resolved and that applications are now being processed. Mr. Mertz asked how the candidate numbers were affecting the transition. Ms. Blevins responded that the candidate numbers the Alaska Board had assigned to candidates were numbers that had already been assigned to candidates currently in the CPA Exam Services system. Mr. Phillips noted that candidates are being sent notices to schedule and invoices for payment, and that the 1-800-CPA-EXAM service number for candidates to register for reexamination is now available.

Agenda Item 10 – Renewal Application

The Board discussed changes to be made to the renewal application to account for continuing education requirement changes. There were several suggestions to add a separate section for verification of an Alaska specific ethics course with a check box and an area to provide the course title, course provider, and date course was taken. Another suggestion was to ask all licensees to provide the certificate of completion.

The Board would also like to have a sheet, separate from the application, which provides an alert to licensees that there is a new continuing education requirement. The Board would like the sheet to be pink.

Mr. Mertz asked Ms. Forrest how the Division selects audit candidates. Ms. Forrest stated that the Licensing Supervisors, or Chief of Professional Licensing, runs the audit list prior to the renewal date using specific parameters create a randomized list. Mr. Mertz asked if he could be present when the audit list is run. Ms. Forrest replied that she would ask her supervisor, Cori Hondolero, if that is possible.

Ms. Schneider, of the ASCPA, asked if the Board audits peer review reports, or if the Board only reviews continuing education. Mr. Mertz replied that the Board only reviews continuing education requirements. Ms. Morse stated that the Board relies on the public to report to the Board issues with a licensee.

Mr. Mertz suggested that the Board consider looking at 12 AAC 04.600 to make sure it complies with the new statutes that will be effective on January 1, 2008 and determine if there will need to be a regulation change.

Agenda Item 14 – Administrative

Schedule next meeting

The Board set the next meeting for November 8-9, 2007 in Anchorage.

Sign Wall Certificates

Maxim Chuprunov

Osman Khalil Osman Elfaki

Olga Gorbarenko
Ralph J. Llewellyn
Amelia Jean Oliver

Rie Tabei
Alexander T. Vesper
Holger Wildgrube

Expenditure Report

The Board discussed the expenditure report and requested Ms. Forrest to look into the items that are included in the contractual expenses.

Task List(s)

Veida Forrest

- Create a CPE reminder and update the application, email to Board members for input.
- Request Chris Wyatt, Administrative Manager, to update the Board if the contractual service expenses change
- Schedule November meeting
- Give CPAES information to provide an extension to candidates listed in Agenda Item 5

Max Mertz

- Send invitation to Ken Bishop to attend November meeting

Rebecca Jensen

- Create a draft policy on publications and continuing education approval

Bruce Gabrys

- Create a draft policy on publications and continuing education approval

There being no further business, the meeting adjourned at 2:53 p.m.

Respectfully Submitted:

Veida Forrest
Licensing Examiner

Approved:

Max Mertz, Chairman
Board of Public Accountancy

Date: _____