

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

BOARD OF PUBLIC ACCOUNTANCY

MINUTES OF MEETING
October 22-23, 2009

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 University of Alaska Fairbanks, Wood Center, Meeting Room E/F, Fairbanks, Alaska on October 22-23, 2009.

Thursday, October 22, 2009

Agenda Item 1 – Call to Order/Roll Call

The meeting was called to order by Carla Bassler, Chair, at 9:04 a.m. Those present, constituting a quorum of the Board were:

Carla Bassler, Chair, CPA – Anchorage
Elaine Williamson, CPA – Fairbanks
Max Mertz, CPA – Juneau
Kathleen (Reid) Thompson, CPA – Fairbanks
Bruce Gabrys, CPA – Eagle River

Public members Rebecca Jensen and John Floyd were unable to attend.

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

Debora Stovern, Licensing Examiner – Juneau

Visitors present included:

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

Agenda Item 2 – Review Agenda

The Board reviewed the agenda for the meeting. The agenda was amended to accommodate UAF accounting students and faculty planning to attend the afternoon portion of the meeting. The Board determined to consider agenda item 9, Division updates, at 11:00 a.m.; they added an agenda item to visit the Prometric exam site at 11:30 a.m.; and will consider agenda items 6 – 8, Legislative Projects, Regulations Projects, and ASCPA Report, at 1:00 p.m.

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

RESOLVED to approve the agenda, as amended.

Agenda Item 3 – Review Meeting Minutes

The Board reviewed the minutes of the August 13-14, 2009 meeting and noted minor edits/corrections.

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

RESOLVED to approve the minutes of the August 13-14, 2009 meeting, as amended.

Agenda Item 4 – Board Business

Ethics Reporting

There were no ethics conflicts to report.

Review Goals and Objectives

The Board had previously determined to update their goals and Ms. Thompson had volunteered to compile a proposal for Board review. She provided a copy of the current version, along with an updated version, and a comparison of the two. The Board determined to adopt version 2 with some changes, as follows:

Goal 1. Monitor legislation, evaluate and review statutory/regulatory changes needed to:

- a. Monitor and support new legislation presented to the 2010 legislative session regarding
 1. implementing the mobility provisions of the Uniform Accountancy Act (UAA);
 2. firm ownership from 100% CPA ownership to majority CPA ownership; and
 3. a full-time executive administrator position specific to the State Board of Accountancy – this position is supported by the Alaska Society of CPAs (ASCPA) and the State Division of Professional Licensing.
- b. Monitor other statutory/regulatory changes that may need to be reviewed.

Goal 2. Review and evaluate National Association of State Boards of Accountancy (NASBA) services.

- a. Continue to monitor NASBA CPA Exam Services (CPAES).

- b. Evaluate additional NASBA services or other providers of services available to the Board.
- c. Determine whether there are other potential service providers.

Goal 3. Ensure Alaska CPA candidates have positive examination opportunities.

- a. Monitor testing experiences through the use of the post-testing survey for all candidates testing at the Anchorage and Fairbanks sites.
- b. Follow-up on concerns indicated in the surveys.
- c. Pursue establishment of Juneau test site with NASBA assistance.
- d. Monitor the development of the renegotiation of the tri-party agreement between the American Institute of Certified Public Accountants (AICPA), NASBA, and Prometric.
- e. Keep the ASCPA and the public abreast of new developments.

Goal 4. Evaluate and address changes in the professional environment to continue to fulfill our mission to protect public interests.

- a. Review new rules proposed by the Public Company Accounting Oversight Board (PCAOB), NASBA, and the AICPA, for impact on Alaska CPAs and make changes to Alaska statutes and regulations as needed.
- b. Continue to review and implement sections of the UAA through a coordinated effort with the ASCPA.
- c. Represent Alaska CPA concerns at regional, annual, and special meetings and support NASBA committee participation.
 - 1. Promote attendance by staff and new Board members at regional, special and annual meetings to provide understanding of current regulatory issues being dealt with at a national level and a state-by-state level.
 - 2. Promote attendance of continuing Board members at regional and annual meetings to provide input and to obtain information at both national and state levels regarding matters impacting Alaska CPAs.
- d. Evaluate and review with AICPA and other state boards, use of peer review for enforcement purposes and transparency.

Goal 5. Annually review and update the Board's Goals and Objectives and working Policies and Procedures ("blue book").

Goal 6. Work with the Division regarding

- a. Board fee structure;
- b. budget and analysis for executive administrator position;
- c. Board and staff travel and participation on NASBA meetings; and
- d. ongoing maintenance of the Board web site.

Goal 7. Pursue public awareness of enforcement activities.

- a. Timely update of investigative information and statistics on the Board web site.
- b. Interact with the investigative unit regarding consistency and monitoring of cases.
- c. Continue participation with the NASBA Enforcement Practices Committee.

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

RESOLVED to approve the updated version of the Goals and Objectives, as amended.

The Board directed Ms. Stovern to have this final version published on their web site.

Agenda Item 5 – Investigative Report

Investigator Dawn Bundick joined the meeting by teleconference to review the Investigator's Report she had provided to the Board. She noted there are five open investigations, with no investigations closed since the last meeting.

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

RESOLVED to enter into executive session in accordance with AS 44.62.310(c)(2) and (3), and Alaska Constitutional Rights to Privacy Provisions for the purpose of discussing investigative matters.

The Board entered executive session at 10:10 a.m.
The Board went back on the record at 10:38 a.m.

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

RESOLVED to revoke the individual CPA license and the firm permit, under case 600-06-005, in accordance with AS 08.04.450, due to a felony conviction.

The Board determined to schedule a supplementary Investigative Report during the Friday meeting at 11:00 a.m.

Agenda Item 9 – Division Updates

Budget Report

The Board reviewed the report on Board expenditures prepared by Catherine Mason, the Division Administrative Manager. There were no questions for Ms. Mason.

Exam Surveys

The Board reviewed responses to the exam survey sent out by Ms. Stovern to candidates who sat for the exam during the second quarter of 2009. She noted that there were actually three

responses to the survey, but due to an internet difficulty only one was accessible. The Board requested that the list of candidates accompany the survey responses.

License Renewals

Ms. Stovern reported that she had been working with the Division's IT section to implement on-line renewals and that it should be available for use during the beginning of November. Licensees will also have the option to download a renewal form for mailing, or to request a paper renewal form be mailed to them. The renewal notices will be sent when the on-line renewal becomes available.

Review Updates to Board Policies ("Blue Book")

At their previous meeting, the Board reviewed their Policies and Procedures (commonly referred to as the "Blue Book") and made the several changes/updates. The new/updated policies were included in the agenda packet for further review; they were also signed by the Board Chair.

The Board determined to re-format the "blue book" for ease of use by including only the current policies (not the eliminated and superseded versions) and to add a table of contents which would reference the eliminated and superseded versions. Ms. Stovern will print the booklet for use by Board members at their meetings.

Added Agenda Item – Visit Prometric Exam Site

The Board had previously determined to do a field visit to the Fairbanks testing site during its October meeting. Ms. Williamson had contacted Prometric in Fairbanks to ask about the fingerprinting and make arrangements for a visit and was informed that they would be testing during the scheduled meeting. However, they had since invited the Board to visit between testing schedules. The Board took a 15-minute break and walked to the testing facility, located in the building next door to the meeting room. The Board and staff were treated to a tour of the facility and were informed that the fingerprinting issue had been resolved.

Recess for lunch

The Board recessed for lunch at 11:55 a.m.

The Board resumed the meeting at 1:00 p.m. All attending members were present. Visitors present included: Melody Schneider (representing the ASCPA), Bernadette Kopyy (representing the Alaska Society of Independent Accountants), Mark Herrmann (representing the UAF School of Management), Amy Cooper (faculty advisor to the UAF accounting club), as well as a number of students from the GAAP (Great Alaskan Accounting People) and SWEET (Students Who Enjoy Economic Thinking) clubs.

Agenda Item 6 – Legislative Projects

The ASCPA has been working on proposed legislation regarding mobility and firm registration, and an executive administrator position for the Board. Lisa Rogers, representing the ASCPA Legislative Committee, was unable to attend the meeting. However, Mr. Mertz reported that the two bills will be pre-filed in November as personal legislation sponsored by Senator Paskvan. The Senator's chief-of-staff, Jake Hamburg, is the primary contact for the bills and will be attending the ASCPA Thursday lunch meeting, as well as meeting with ASCPA and Board members on Friday.

It was noted that the Board scheduled an upcoming meeting for January 25-26, 2010 in Juneau so that members may be available to discuss their support of the legislative projects with legislators.

Agenda Item 7 – Regulations Projects

Peer Review/transparency issues

Ms. Thompson had previously provided a report to the Board and noted that some states prohibit disciplinary use of peer reviews (as does Alaska), some circumvent the problem by having the reports submitted to investigators so they are not in public files, and some are allowed to use them. For the Board to do anything differently would require a statute change, therefore the Board will continue to monitor how the issue is handled in other states.

The Board had also previously discussed the peer review requirements under AS 08.04.426, noting section (e) which requires the oversight body to 1) periodically report to the board on the effectiveness of the program and 2) provide the board with a list of the applicants who have participated. The California Society of CPAs administers the AICPA Peer Review Program under contract with the ASCPA. The Board was concerned whether the "oversight body" was properly defined in 12 AAC 04.600 - .690. They also determined that they need to either write a policy or regulations regarding their use of both the list and the effectiveness report, as well as how often to request those items. Mr. Mertz volunteered to further research this issue for report or recommendation at the next meeting.

Accounting principles

The Board had previously discussed the International Financial Reporting Standards (IFRS), and determined that 12 AAC 04.033 is outdated. Ms. Williamson has been researching the new "framework" and "codification" in order to make a recommendation for changes. She distributed some information about Generally Accepted Accounting Principles (GAAP) and some sample language from other states. However, she is expecting to receive still more information relevant to her research. The Board noted that the more general language (like that of the California section 2) would be more appropriate for Alaska.

Ms. Williamson will draft a proposed version and provide it to Ms. Stovern for distribution to the Board, then will incorporate Board input into a final version for consideration at the next meeting.

Updating edition cites

The Board had previously noted numerous cites of specific publication editions in their regulations, which are now outdated. Ms. Stovern reported that the Regulation Specialist recommended that the Board plan to do a periodic regulations project to update the publication cites. Ms. Williamson volunteered to compile a list of all cites and their references to facilitate the project.

Agenda Item 8 – Alaska Society of Certified Public Accountants (ASCPA) Report

Melody Schneider, representing the ASCPA as the Board liaison, reported on issues of interest:

- She will have information included in their newsletter regarding online license renewal and the legislative projects.
- Society update and Fairbanks meeting – Board chair Carla Bassler will attend the lunch meeting to provide an update of Board activities. All Board members and staff are invited to the meeting as guests of the ASCPA.
- Peer Review program – the ASCPA is not currently planning to take any action on this issues, which would require a statute change to remove the transparency prohibition. It was noted that ASCPA membership had concerns with how reviews would be used, whether corrective or punitive.

Agenda Item 10 – Public Comment

Visitors present included:

- Melody Schneider, representing the ASCPA
- Bernadette Koppy, representing the Alaska Society of Independent Accountants
- Mark Herrmann, Dean of the UAF School of Management
- Amy Cooper, faculty advisor to the UAF accounting club
- students from the GAAP (Great Alaskan Accounting People) club
- students from the SWEET (Students Who Enjoy Economic Thinking) club

Mark Herrman thanked to the Board for coordinating their October meeting with the UAF accounting week event. He reported that the UAF accounting program includes 6 faculty and approximately 50-60 students, with 12-19 graduates each year, and that the program holds both business and accounting AACSB accreditation. He introduced the GAAP club, noting that their club meeting had been scheduled as an observation of the Board meeting. He reported that the GAAP club had received an academic achievement award for the past two years, and that they enjoy generous support by local accounting firms.

Valaire Sanford, GAAP club President, introduced the club officers and their faculty advisor, Amy Cooper. She reported that their accounting week event included on-campus recruitments, interview prep, and information on studying for the CPA exam.

The Board and students discussed the following issues:

- The 150 credit requirement for licensure – it was noted that to earn that many credits, students will graduate in 5-6 years instead of 4, or students will accumulate them by transferring between schools or programs or by changing major.
- Student perception of the Board and their role.

Agenda Item 11 – Application Review

Exam applicant

The Board reviewed a request from exam candidate Maria Zarate for an exception to the exam time limit under 12 AAC 04.200(i), which allows the Board to “extend the period of credit for examination sections passed upon a showing, to the board's satisfaction, that the credit was lost due to circumstances beyond the applicant's control.” It was noted that the applicant had experienced a medical hardship, but that the problems began after one of her exam scores had already expired, and that she had continued to sit for the exam numerous times during her medical issues, sometimes passing and sometimes failing. In addition, NASBA exam services reported that a disability provision had never been requested during her exam process.

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

RESOLVED to deny the request for an extension to the expired exam scores for exam candidate Maria Zarate.

Reinstatement

The Board reviewed the application for reinstatement for Stephen F. Brazier.

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

RESOLVED to approve the application for reinstatement to active status for Stephen F. Brazier.

Licensure by Reciprocity

The Board reviewed applications for Alaska licensure by reciprocity for Corrine M. Fiedler and Mark A. Taylor.

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

RESOLVED to approve the applications for licensure by reciprocity for Corrine M. Fiedler and Mark A. Taylor.

Licensure by Examination

The Board reviewed the following applications for Alaska licensure by examination: Robert P. Ahlquist, Anton E. Anureev, Joseph V. Bergene, Jeremy C. Brockman, Mystelle M. Butterfield, Amy M. Dobson, Evgeniya Khakimova, Takahiro Kodani, Jaime K. Pinsonneault, Nataliya Ponomareva, and Rosney J. Risz.

They noted that the application by Evgeniya Khakimova included work experience verified by a supervisor that was apparently not licensed during the entire period of work experience. They noted that the application for Takahiro Kodani included a credentials evaluation noting that all 24 accounting classes had been earned in one semester.

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

RESOLVED to table the application for licensure by examination for Evgeniya Khakimova, pending verification that the documented work experience was earned under the supervision of a licensed CPA, in accordance with 12 AAC 04.181.

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

RESOLVED to approve the applications for licensure by examination for Robert P. Ahlquist, Anton E. Anureev, Joseph V. Bergene, Jeremy C. Brockman, Mystelle M. Butterfield, Amy M. Dobson, Jaime K. Pinsonneault, Nataliya Ponomareva, and Rosney J. Risz.

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

RESOLVED to approve the application for licensure by examination for Takahiro Kodani, pending verification of his accounting classes on the WES evaluation.

Firm Permits

The Board reviewed the following applications for a Firm Permit: Yukon Accounting & Consulting Inc. and Verley & Associates. They noted that Yukon Accounting & Consulting Inc. had previously been denied due to partial ownership by an individual not licensed as a CPA; they had reorganized their company structure and submitted a new application. They

noted that Verley & Associates was still waiting for their corporate registration to be finalized.

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

RESOLVED to approve the firm permit application for Yukon Accounting & Consulting Inc.

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

RESOLVED to approve the firm permit application for Verley & Associates, pending verification of their corporate registration in the State of Alaska.

Out-of-State Permits

The Board reviewed the following applications for an Alaska Out-of-State Permit: Armstrong Backus & Co LLP, Cordell Neher & Co PLLC, and Crowe Horwath LLP.

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

RESOLVED to approve the out-of-state permit applications for Armstrong Backus & Co LLP, Cordell Neher & Co PLLC, and Crowe Horwath LLP.

The Board noted that Crowe Horwath was the company used as an example during a NASBA presentation on fictitious firm names, although fictitious names are not prohibited under Alaska statutes.

Agenda Item 12 – Meetings on UAA/UAF Campuses

The Board had previously determined that they would like to schedule some future meetings on University of Alaska campuses to provide better access to the Alaska academic community. The current meeting was arranged for the Fairbanks campus by Ms. Williamson and Ms. Thompson and included participation by accounting faculty and staff (see agenda item 10, Public Comment).

Mr. Gabrys had volunteered to coordinate with UAA for either a 2010 meeting on their campus. He was able to make arrangements to hold the meeting in their Rasmussen Hall on April 22-23. He will coordinate with Ms. Stovern to confirm that scheduling and make parking arrangements.

Agenda Item 13 – Recognition of Other Jurisdiction Licensing

The Board had previously discussed a Mutual Recognition Agreement (MRA) regarding the equivalency of a Canadian Chartered Accountant (CA). An additional MRA with New Zealand was included in the agenda packet for further review.

Mr. Mertz had volunteered to contact the Department of Law for a legal opinion on the issue. He learned from Assistant Attorney General Gayle Horetski that the Board does not have the authority to enter into the MRA, or to accept experience under a CA, or to consider the Canadian examination as equivalent. In accordance with AS 08.04.130 and AS 08.04.195, experience or examination equivalency may only be recognized from a jurisdiction defined as a “state” under AS 08.04.680, which does not include either Canada or New Zealand.

The meeting was adjourned at 3:43 p.m., until Friday, October 23, 2009.

Friday, October 23, 2009

Agenda Item 14 – Call to Order/Roll Call

The meeting was called to order by Max Mertz, acting Chair, at 8:32 a.m. Those present, constituting a quorum of the Board were:

Elaine Williamson, CPA – Fairbanks
Kathleen (Reid) Thompson, CPA – Fairbanks
Bruce Gabrys, CPA – Eagle River

Board member Carla Bassler (CPA – Anchorage) joined the meeting at 8:35 a.m., but had to leave due to illness. Public members Rebecca Jensen and John Floyd were unable to attend.

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

Debora Stovern, Licensing Examiner – Juneau

Visitors present included:

Melody Schneider, representing the Alaska Society of CPAs (ASCPA)
Bernadette Koppy, Alaska Society of Independent Accountants (ASIA)

Agenda Item 15 – Review Agenda

The Board added a Supplemental Investigative Report at 11:00 a.m. to the previously approved the agenda.

Agenda Item 16 – NASBA Updates

Mobility, CPAES, ALD, Firm Names

NASBA information regarding Mobility, CPAES, ALD, and firm names was included in the agenda packet for further review by Board members. Ms. Stovern reported that she had contacted NASBA staff Ken Denny for further information regarding the Accountancy Licensee Database (ALD) program. She learned that Alaska information is downloaded to ALD through an automated updating system. She reported that she has access to ALD and has been experimenting with the search functions. Only half of the licensing jurisdictions are currently participating, so it is not as valuable as it potentially will be once all jurisdiction information is included. The Board directed Ms. Stovern to do an ALD search on all licensing applications, and to report any discrepancies with the system to NASBA. Ms. Stovern will also continue to work on access for Ms. Bassler.

Report on NASB Forum on International Accountancy

Ms. Williamson attended the September 10-11 forum in San Francisco, CA, which includes roundtable discussion regarding international mobility, legal challenges, and the International Financial Reporting Standards (IFRS). She reported that there is debate as to whether the IFRS should be adopted or whether they should be converged with the US General Accepted Accounting Principles (GAAP). She passed out an overview publication regarding the issues.

Upcoming Conferences/Meetings

The NASBA annual meeting is scheduled for November 1-4 in Phoenix, AZ. Ms. Thompson, Mr. Mertz, and Ms. Bassler will be attending the meeting.

The NASBA Executive Directors conference is scheduled for March 21-24, 2010 and the Legal Counsel conference is scheduled for March 21-23, 2010, both in Nashville. The Board determined to send Ms. Stovern to the Executive Directors conference and Investigator Dawn Bundick to the Legal Counsel conference.

The Board reviewed the agenda for the Federation of Associations of Regulatory Boards (FARB) annual seminar scheduled for January 29-31, 2010 in Las Vegas, NV. Ms. Stovern reported that the Chiropractic Board has determined that attendance at the upcoming conference would be beneficial to the Board, particularly since they were not able to attend the Council on Licensure, Enforcement and Regulation (CLEAR) Conference; they are willing to share the cost of her attendance with the CPA Board. The Board determined to send Ms. Stovern to the FARB seminar, and to share the cost with the Chiropractic Board, but only if it does not affect approval of her attendance at the NASBA Executive Directors conference.

The Board had previously discussed having staff attend an ethics seminar to gain understanding of current ethical issues. Ms. Stovern reported that the ASCPA is presenting a seminar “Professional Conduct & Ethics for Alaska CPAs” scheduled for November 10, 2009 in Anchorage and November 11, 2009 in Juneau. She noted that both she and Ms. Bundick would be willing to attend if the Board decided that it would be beneficial. The

Board determined to send Ms. Bundick to the Anchorage seminar and Ms. Stovern to the Juneau seminar.

The NASBA regional meeting is scheduled for June 23-25, 2010 in Seattle, WA. The Board determined that the close location and resulting low cost would facilitate attendance by all Board members, as well as attendance by the Licensing Examiner at the concurrent Executive Directors conference. They directed Ms. Stovern to draft a proposal for the Division to consider; the Board will review the response at their next meeting and make a determination at that time.

Agenda Item 17 – NASBA Services Presentation

The Board had previously considered services offered by NASBA to state licensing boards and directed Ms. Stovern to request NASBA to provide several different proposals for services in Alaska. NASBA Staff Sandra Davidson and Robb Gentry joined the meeting by teleconference to discuss their proposal which included the following three options:

1. Licensing service for new individual applications up to the point of Board approval.
2. Full licensing service for new individual applications.
3. Renewal servicing.
4. Wall certificate program

The Board determined that they are not interested in renewal servicing since they expect implementation of the Division's online renewal will be successful.

They discussed the licensing services and noted that they are interested in keeping as much personal contact with applicants as is practical. Although they are interested in the option of having NASBA recordkeeping services, they are most interested in the licensing services for new applications up to the point of Board approval. They directed Ms. Stovern to pursue a fully developed proposal under option 1, to include new applications for individual CPAs, as well as new applications for resident firms and out-of-state permits.

Agenda Item 18 – International Servicing CPA Exam

International servicing of CPA exam

Board members attending the NASBA regional meeting in June were concerned about a movement toward offering the exam at additional foreign sites. There is apparently controversy over the rationale for making changes, the fiscal impact on currently-available sites, and concern over security.

NASBA staff Ken Bishop joined the meeting and passed out a publication regarding this issue. He noted that the initial focus had been on the potential administration of the exam at international locations for candidate convenience. However, that focus has changed to a promoting the US CPA licensing as an international standard and promoting the exam and license to a larger international market.

He reported that candidates wishing to participate in the international administration of the exam would be required to commit to additional conditions, including: completing the licensure process after passing the exam, renewing the license and complying with continuing education requirements. Candidates who do not complete the licensure processes will have their exam scores archived.

Mr. Bishop also reported that they are creating policies and procedures to ensure security at potential sites, and that they will be doing limited testing before launching the program on a larger scale.

Agenda Item 19 – New Business

ALD and ALL Resources

NASBA online resources include the Accountancy Licensee Database (ALD) and the Accountancy Licensing Library (ALL). The Board discussed the ALD during agenda item 16, NASBA Updates. Ms. Stovern reported that the login information for ALD is the same for ALL, so both resources are available to the Board. The ALL contains CPA licensing information for each state, including licensing options, requirements, procedures, and regulatory changes.

Ethic CPE Requirement

Beginning with the December 2007 renewal, licensees are required to complete at least four hours of continuing education covering ethics and statutes and regulations, in accordance with Professional Regulations 12 AAC 04.300 (c). For the upcoming renewal, the second cycle under this requirement, the Board discussed concern that the available ethics courses may not be relevant or valuable to licensees, particularly regarding statutes and regulations content. Ms. Schneider volunteered to ask for input from the ASCPA membership for report to the Board.

Agenda Item 20 – Correspondence

The Board reviewed the following items of correspondence:

1. **California Board of Accountancy – Request for response to their licensing legislation regarding equivalency.** The Board had previously determined that there was not enough information provided to draft a response. Mr. Bishop noted that the information in the letter was obsolete and that the State of California had amended and passed the bill which will effectively sunset the 120-hour pathway to licensure.
2. **Grace Verley – Inquiry regarding supervised experience.** The Board noted that the experience must be earned under the supervision of a licensed CPA, whether it is a “partner” relationship or and “employer” relationship. Ms. Stovern will respond.

3. AICPA – Update regarding Uniform CPA Exam. No response necessary.
4. AICPA – Response to IRS regarding proposed tax preparer registration. No response necessary.
5. NASBA – Response to IRS regarding proposed tax preparer registration. No response necessary.
6. NASBA – Press release regarding Costello honor and Sadler honor. No response necessary.
7. NASBA – August and September 2009 newsletters. No response necessary.
8. NASBA – Ethics Matters newsletter. No response necessary.
9. Colorado Board – Letter to AICPA regarding Uniform CPA exam and IFRS. No response necessary.

Added Agenda Item – Supplementary Investigative Report

Investigator Dawn Bundick joined the meeting by teleconference to follow-up the Investigator's Report she had provided to the Board.

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

RESOLVED to enter into executive session in accordance with AS 44.62.310(c)(2) and (3), and Alaska Constitutional Rights to Privacy Provisions for the purpose of discussing investigative matters.

The Board entered executive session at 11:28 a.m.
The Board went back on the record at 11:38 a.m.

At their August meeting the Board had taken action to suspend the individual CPA license for five years, under case 600-08-001, due to violation of a Memorandum of Agreement. They noted that the suspension had not yet been completed, but directed Ms. Bundick to finalize the action as soon as possible.

Ms. Stovern recommended that the Board schedule a review of the license action procedures and will ask Division staff to make a presentation at the next Board meeting. She also volunteered to follow up with the Division to clarify the procedures regarding staff, investigative, and Board roles in the process. Mr. Gabrys volunteered to draft a Board policy regarding license actions taken by the Board.

The Board recessed for lunch at 11:45 a.m.

The Board resumed the meeting at 1:02 p.m. All attending members were present. Visitors present included: Melody Schneider (representing the ASCPA), and Bernadette Kopyy (representing the Alaska Society of Independent Accountants).

Agenda Item 26 - Administrative Business

Confirm Meeting Schedule

The board confirmed the schedule for upcoming meetings: January 25-26 in Juneau and April 22-23 in Anchorage (UAA). The August and October 2010 meetings will be scheduled during the January meeting.

Review Task List

Ms. Stovern will distribute to Board members a copy of the task list that was compiled during the meeting.

Wall Certificates

Ms. Williamson signed wall certificates for the following licensees: Shane A. Baird, Sonja L. Benner, Maria Chukova, Sofya Fetisova, Vladimir Fomchenko, Jun Gu, Mark W. Hamm, Diane L. Hutchison, Ekaterina D. Mikolenko, Christopher B. Morgan, Nyalambi D. Mulwanda, Erkan Nesil, Brent Renfrew, Andrey Safronov, Joseph F. Steiner, Andrey Zakharchuk, and Jie Zhang. Ms. Stovern will coordinate with Ms. Bassler to obtain her signature on the wall certificates before mailing them to licensees.

Sign Minutes

The Chair signed the minutes from the August 13-14, 2009 meeting.

Sign TAs and collect receipts

Board members signed Travel Authorization forms and will submit receipts.

There being no further business,

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

RESOLVED to adjourn the meeting of the Alaska Board of Public Accountancy.

The meeting adjourned at 2:23 p.m.

Respectfully Submitted:

Debora Stovern
Licensing Examiner

Approved:

Carla Bassler, Chair
Board of Public Accountancy

Date: _____