

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

**MINUTES OF MEETING
April 24-25, 2008**

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 Atwood Building, Suite 1270, West 7th Avenue; Anchorage, AK.

Thursday April 24, 2008

Call to Order/Roll Call

Ms. Bassler, Acting Chair, called the meeting to order at 9:05 a.m.

Those present, constituting a quorum of the Board:

Carla Bassler, Acting Chair, CPA – Anchorage
Max Mertz, CPA – Juneau – Joined meeting at 12:30 a.m.
Bruce Gabrys, CPA – Anchorage
Elaine Williamson, CPA – Fairbanks
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:

Brenda Donohue, Licensing Examiner – Juneau
Jo Anna Williamson, Investigator – Anchorage
Linette Lacy, Investigator - Anchorage

In attendance from the public was:

Melody Schneider, representing the Alaska Society of CPAs (ASCPA)
Brenda Nodine – representing the Alaska Society of Independent Accountants (ASIA)

Agenda Item 1 – Review/Amend Agenda

The Board adjusted the agenda on April 24th to allow for the late arrival of Max Mertz, Chair.

- Agenda item 5, Administrative and Other, was moved to 9:20 a.m.
- Agenda item 9, Continuing Education, was moved to 10:40 a.m., all other agenda items remained in the order presented to the Board.
- Agenda item 4, Correspondence, was moved to any available time after lunch
- Agenda item 3, Investigations, was moved to 2:20 p.m.
- Other agenda items were shifted to allow for the aforementioned changes.
- Agenda item 18, Executive Directors Conference, was tabled for the next meeting.

The Board approved the April 24-25, 2008 meeting agenda as amended.

Agenda Item 2 - Review Meeting Minutes

Mr. Gabry's noted that on page 11 of the January 10-11, 2008 minutes, where it is written 'April 31, 2008' it should read 'April 30, 2008'.

Ms. Bassler asked the Board to look at page three, item number four. She asked the Board if she remembers the intent of the last sentence regarding the phone call from the university professor. She stated it was her recollection that if a college professor teaches a course, they cannot use a course that has been habitually taught for continuing education. Mr. Gabry's clarified that there were three elements of this correspondence: the first being the professor's question if he could use his teaching experience to substitute for work experience if applying for licensure, the second being a hypothetical where the teaching experience is substituted for educational deficits, and the third being the use of teaching experience for continuing education. Mr. Gabry's noted stated that he did not remember there being a long discussion on the continuing education part of the conversation as there is a regulation covering discussion leaders and instructors. Ms. Donohue noted that Board regulation 12 AAC 04.380 states that the Board may award continuing education for the initial offered course unless there has been substantial changes between subsequent courses. Ms. Bassler noted that for clarity purposes she suggests creating additional paragraphs in order to separate the three parts Mr. Gabry's specified.

Ms. Williamson asked if there was any follow up with Hidero Kokubo, under agenda item four. Ms. Williamson also asked if there was follow up with a potential regulation project under agenda item seven regarding continuing education. Ms. Donohue noted that she did not see any follow up information listed in the Board packet. The Board agreed to ask Mr. Mertz when he arrived if there was follow up and Ms. Forrest if she followed up on this information at a later time during the meeting.

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

RESOLVED to adopt the January 10-11, 2008 meeting minutes as amended.

Agenda Item 5 – Administrative

Election of Officers

Ms. Jensen nominated Mr. Mertz for the chair position. Ms. Bassler stated that since Mr. Mertz was newly reappointed to his position on the Board it is appropriate to nominate him for chair although he is currently serving as Board Chair. Although not present at the meeting, Mr. Mertz had previously shown interest in continuing his position as Board Chair.

Upon a motion by Jensen, second by Gabry's, and approved unanimously, it was:

RESOLVED to elect Max Mertz, CPA, as Board of Public Accountancy Chair.

Mr. Gabry's nominated Carla Bassler for the Secretary/Treasurer position on the Board. He noted that Ms. Bassler is doing an excellent job as Acting Chair and has participated actively in the past making her a good candidate. Ms. Bassler thanked Mr. Gabry's for his comments and accepted the nomination.

Upon a motion by Gabry's, second by Jensen, and approved unanimously, it was:

RESOLVED to elect Carla Bassler, CPA, as Board of Public Accountancy Secretary/Treasurer.

Ethic Reporting

There were no ethics reported for the last quarter.

Ms. Bassler noted that she will need to talk to the investigators regarding a possible ethics issue that occurred during the last meeting as she is the investigative liaison and she voted on an applicant under investigation. She noted that she and Ms. Forrest had previously spoken about this and the Division is aware of the situation. Ms. Donohue stated that they will speak to Ms. JoAnna Williamson, Investigator, when that she arrives for the Investigative Report to make sure there was not a conflict of interest.

Ratify Mail Ballots

The Board had two mail votes between meetings: one to nominate Mr. Atkinson to an open NASBA position and another to send Ms. Bassler to attend the NASBA Conference on the State of the Examination in May.

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

RESOLVED to ratify the unanimous nomination by the Board of Public Accountancy of Billy M. Atkinson for the position of NASBA Vice-Chair for 2008-2009.

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

RESOLVED to ratify the unanimous approval by the Board of Public Accountancy to send Carla Bassler to the NASBA Conference on the State of the Examination on May 19, 2008 in Dallas, TX.

Agenda Item 9 – Continuing Education

The Board reviewed continuing education documents from 10:40-11:30 a.m. The following licensees continuing education audit were reviewed by the Board:

#	Licensee	#	Licensee	#	Licensee
124	James Dieringer	1204	Kim Garnero	1868	Teresa Kesey
151	Robert Daniels	1281	Jill Hume	1869	Peggy Ostrom
286	Gary Stromberg	1355	Katrina Carney	1881	Cathleen Hahn
336	Ted Leonard	1367	Carol Allen	1909	Richard Olt
374	Bonnie Godfred	1398	Barbara Kite	1924	Diane Palmer
411	William Coghill	1415	Dorotheine Eaddy	1940	Daniel Mitchell
452	David Owen	1439	Vickie Kemmerer	1950	Linda Mattoon
455	Theodore Sherwin	1460	Diane Burnham	1958	Nichole Trujillo
613	Pamela Joslin	1466	Joslyn P. Pocock	2033	Grace Verley
659	William Fleischli	1470	Myron Dosch	2047	Janice Coker
672	Linda Bowers	1519	Jane Prenesti	2074	Fekri Younes
684	Catherine Smith	1522	Kristy West	2076	John Friel

736	N.Fejes	1598	Marja Beltrami	2082	Jay Johnson
760	Paul Brandon	1661	Michelle Prebula	2102	Jyoji Komatsu
768	Michael Stemberger	1667	George Rieth	2108	Nina Razina
879	Teresa Bailey	1679	Clark Knopik	2128	Cathy Sorensen
898	William Polley	1698	Gregory French	2134	Matthew Taylor
920	Scott Milner	1704	Shannon Titzel	2137	Yoshihiro Ito
925	Randall Stevens	1763	Barry Moring	2139	S Jensen
1026	Stephen Vogler	1796	Jason Pierce	2152	Stacy Tosoni
1092	Raymond Jenkins	1819	Kevin Buelke	2159	John Fabiano
1125	John Reppel	1844	Margie Karl	2165	Carmen Jimenez
1151	Parker Nation	1846	Stanley Honeycutt	2170	Tara Wolfington

Lunch, off record 11:30 a.m.

Agenda Item 6 – Prometric Site Visit (Offsite)

Mr. Mertz joined the meeting at 12:30 p.m. at the Prometric testing location.

The Board visited the Prometric testing location at 3401 Minnesota Dr, Anchorage, AK at 12:30 p.m. to observe the facilities and learn about the Biometric Identity Management Service (BIMS). This visit culminated in a discussion on record later in the meeting.

Back on Record 1:24 p.m.

Agenda Item 9 – Continuing Education

Ms. Williamson expressed concern about how the Washington Society of CPA's is issuing certificates to licensees. She noted that the Society emails the certificate to the licensee and then has the licensee self certify that he or she has completed the course. Mr. Mertz stated that from past experience he knew that the email from the Washington Society of CPA's would not have been generated and sent to the licensee if they had not attended the course listed in the email. Ms. Donohue stated that if there is a problem in the future with the licensee's continuing education, if the licensee falsely certifies a document it is considered fraud and is punishable by the Board and under Alaska Law. The Board agreed that these types of emails are acceptable as a form of verification of attendance at a continuing education course.

Agenda Item 4 – Correspondence

The Board discussed the following items of correspondence:

NASBA Candidate Care Report for the 2007 Q4

The Board reviewed the Report. There was no discussion

Jason Giaimo and NASBA's Response to Mr. Giaimo

Ms. Bassler noted that she did not appreciate receiving the emails directly from Mr. Giaimo regarding his problems with NASBA. She also noted that some of the Board members may have responded directly to him and in her opinion that was inappropriate as the Board is supposed to be a united body. She felt the Mr. Giaimo was using a divide and conquer approach with the Board in order to

get Board members to agree with his cause. She noted concern that the Board does not have a procedure to handle cases such as this.

Mr. Mertz asked Ms. Donohue the correct way to handle cases such as this. Ms. Donohue stated that Board members should refer the individual to the licensing examiner and tell the individual that they cannot make comments on behalf of the Board due to the Alaska Open Meetings Act. Mr. Mertz asked if he was correct in referring complaints to both the licensing examiner and the investigator. Ms. Donohue stated that this was the correct procedure. Mr. Mertz also asked if it was appropriate to tell an individual with questions to put the questions in writing and present them at the next Board meeting without referring the individual directly to the licensing examiner. Ms. Donohue noted that this is also an appropriate response for a Board member to an inquiry from the public.

Mr. Gabrys asked for clarification on what authority the Alaska Board of Public Accountancy's may have over the CPA Examination, how the relationship between NASBA/AICPA/Prometric works, if all other jurisdictions require BIMS, and if there may or may not be another vendor for the CPA Exam. Mr. Mertz stated that there is a tri-party agreement in which Prometric delivers the exam that the AICPA creates and owns. NASBA is responsible for registering candidates for the exam and making sure that the CPA Exam meets the needs of all the jurisdictions it represents. Mr. Mertz noted the currently all 54 jurisdictions use the CPE Exam under the NASBA/AICPA/Prometric contract.

Mr. Gabrys asked if there was the possibility to have a provider other than Prometric administer the CPA Exam. Mr. Mertz recognized Melody Schneider of the Alaska Society of CPA's to speak on this issue. Ms. Schneider noted that when the exam went from pen and paper to computerized, the State of Alaska went from having three testing sites to one testing site. At that time the Alaska Board asked if it was possible to have a vendor other than Prometric administer the exam to which the response from AICPA and NASBA was 'no'. At that time it was determined that the University of Fairbanks had a standing relationship with Prometric and the Exam could be given in Fairbanks. Prior to NASBA and the AICPA approving the exam site there were several security measures that needed to be put in place before the Exam was administered there.

The Board determined that Mr. Gabrys would write to Mr. Ken Bishop at NASBA to ask for clarification on his questions regarding the Uniform CPA Exam. Mr. Gabrys noted that he did not see the value of discussing the merits of fingerprinting if the Board does not have the authority to change the fingerprinting requirement.

Ms. Bassler stated that she would like to understand the individual Board members' questions and concerns about fingerprinting prior to going to the May 19, 2008 NASBA State of the Exam Conference as BIMS is on the agenda. Mr. Mertz asked each Board member to list their concerns for the record. Mr. Mertz also noted that these are the personal concerns and questions of individual Board members and does not represent the opinion or concerns of the Board.

Ms. Bassler noted that she was concerned about security and having the fingerprint data being sent over the internet. Ms. Bassler also noted that she is concerned about candidate identity security. Mr. Gabrys stated that he did not understand the value of having a second form of identification that is not picture identification. Mr. Gabrys noted that people who intend to cheat the system will still do so and in his opinion the fingerprinting only seems to ensure that it is the same person showing up for all four parts and does not confirm the identity of the person. Ms. Jensen stated that her concerns are the same as Ms. Bassler's concerns: the information is not secure enough and may end up in the wrong hands. Ms. Williamson questioned whether breaches of security, where one candidate sat for

another candidate, were so frequent to warrant the fingerprinting requirement. Ms. Williamson requested the Board try to discover this answer. Mr. Mertz stated that he does not feel qualified to answer questions regarding the reasoning behind this requirement but also does not think that the entities involved would have made the decision lightly.

The Board discussed the questions it would pose to NASBA and Prometric. These questions include the security of the database, past breaches of security of the exam, the length of time fingerprints are kept on file, if fingerprints are being compared to a live database, what caused Prometric/AICPA/NASBA to implement this requirement, and if the new requirement is fulfilling its mission.

The Board determined that Mr. Gabrys would write to Mr. Ken Bishop at NASBA to ask for clarification on the questions he posed to the Board earlier, Ms. Bassler would take the Board's concerns down to the May conference, and that that Board would hear Mr. Giaimo's concerns during public comment. It was decided to continue the discussion at the August meeting.

Fumihiko Nakamura's request for a Bachelor's degree equivalency

The Board discussed Mr. Nakamura's request for 'equivalency' for a baccalaureate degree under AS 08.04.120 as he has a Masters degree but not a Bachelors. The credential evaluator (FACS) had previously determined that Mr. Nakamura does not have the equivalent to a Bachelors degree as his transcripts show that he only has 109 semester credit hours, 11 semester hours short of the nationally recognized 120 hours for a Bachelor's degree. Applicant is requesting Board to determine if he has the equivalent of a Bachelors degree.

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

RESOLVED to deny Fumihiko Nakamura's request for an 'equivalent' baccalaureate degree as his education does not meet the requirements of AS 08.04.120.

Discussion: Mr. Gabrys noted that had Mr. Nakamura exceeded the 150 hour requirement without having a baccalaureate degree, then Mr. Gabrys would be inclined to say that the candidate has the 'equivalent' of a baccalaureate degree.

Agenda Item 3 – Investigative Report

JoAnna Williamson and Linette Lacy, Investigators for the Division of Corporations, Business, and Professional Licensing joined the meeting.

The Board reviewed the investigative report.

Open Cases

601-08-001 Unlicensed Practice/Activity
650-08-001 Falsified Application
601-08-002 Unlicensed Practice/Activity
603-08-001 License Application Problem

Closed Cases

601-08-003 Unlicensed Practice/Activity. No action/no violation
601-08-004 Unlicensed Practice/Activity. No action/unfounded

Open Complaints

C650-08-001	License Application Problem
C650-08-002	License Application Problem
C650-08-003	License Application Problem
C601-08-001	Unlicensed Practice/Activity
C600-08-001	Violation of Licensing Regulations
C600-08-002	Unlicensed Practice/Activity
C655-08-001	Falsified Application
C601-08-002	Unlicensed Practice/Activity

Closed Complaints

C650-08-001	License Application Problem	
C650-08-002	License Application Problem	
C650-08-003	License Application Problem	
C601-08-001	Unlicensed Practice/Activity	Case Opened
C601-08-002	Unlicensed Practice/Activity	Case Opened

Litigation

601-07-002 Eileen Zaiser, license applicant, has requested a hearing in order to appeal the Board's decision to deny her a CPA license in Alaska.

603-08-001 Joseph Koford, license applicant, has requested a hearing in order to appeal the Board's decision to deny her a CPA license in Alaska.

Ms. Lacy asked the Board if it was interested disciplining Mr. George Elliott, a CPA who had been indicted for fraud in Fairbanks. The Board decided to enter into executive session to discuss Mr. Elliott.

Upon a motion by Williamson, seconded by Gabrys, 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 2:27 p.m. Back on record 2:55 p.m.

The Board discussed the closed investigation file that would potentially be posted on the website. Mr. Mertz noted that some of the subject descriptions were truncated and would like to see that fixed prior to posting this on the website.

Agenda Item 7 – Biometric Identity Management Service (BIMS)

The Board discussed the Frequently Asked Questions Bulletin sent from NASBA to all State Board's. Mr. Gabrys reasserted that in his opinion part of the reason biometric fingerprinting has been utilized is simply because the technology is there; candidates already have to provide two forms of ID, one of which is scanned into a database, get a digital picture taken, sign in and out in a log book, and provide identification when entering and leaving the testing area. The Board acknowledged that it has little input on the way the Exam is administered in the State of Alaska.

Agenda Item 8 – Prometric Center Survey

The Board reviewed the responses from CPA Exam test candidates. Mr. Mertz noted that the feedback has been mostly positive. Mr. Gabrys addressed the complaint that the building was not clearly marked. He noted that the street address is clearly marked on the building and did not feel that the Board needed to pursue this complaint. Mr. Gabrys also noted that two or three candidates complained about keyboard noise. Mr. Mertz stated that candidates are not allowed to bring in their own noise cancelling headphones but can use the noise blockers provided by NASBA. Mr. Mertz questioned whether headphones or earplugs are being provided to exam candidates.

Mr. Mertz stated that he was impressed with the changes made at Prometric from the last time the Board visited the Anchorage testing location.

Break, off record 3:10 p.m. Back on record 3:20 p.m.

Agenda Item 5 – Administrative and Other

Wall Certificates

Wall certificates were signed for the following licensees:

Mikhail Ulyanov	Miranda Wallstrum	Stazhan Temirgaliyev
Omar Taha	Faris Okasha	Christian Schmitt
Jason Vanderhoof	Glenn E. McBride	Bikky Shrestha
Kamran Ahmadov	Marina Satina	Ran Xu
Amanda Chadwick	Osman Elfaki	Tatiana Khoreva
Philip Fechtmeyer	Yousif El Houssein	Guowei Yin
Travis Verley	Ivan Butko	Catalina Leny Marquez
Mukhit Kossayev	Miyuki Nakamura	Cinnamon Williams
Amar Abd Elgadir	Evgeny Slutskiy	Elena Utkina
Michael Richards	Joshua McIntyre	Brian Kupilik
Tatiana Barilo	Daisuke Masuda	Alexandr Nazarkulov
Preston Crane	Thomas Dix	Cynthia Benford
Dmitry Drobyshev	Olga Goncharova	Fikry Younis
Latosha Dickinson	Jia Li	Askar Sluev

Agenda Item 9 – Continuing Education Audit

The Board reviewed licensee continuing education audit materials. The Board tabled the continuing education audit review to be continued on April 25, 2008.

The meeting adjourned for the day at 5:00 p.m.

Friday, April 25, 2008

Call to Order/Roll Call

Mr. Mertz, Chair, called the meeting to order at 8:50 a.m.

Those present, constituting a quorum of the Board:

Max Mertz, Chair, CPA – Juneau
Carla Bassler, CPA – Anchorage

Bruce Gabrys, CPA – Anchorage
Elaine Williamson, CPA – Fairbanks
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:

Brenda Donohue – Juneau

In attendance via teleconference was:

Veida Forrest, Licensing Examiner – Juneau
Chris Wyatt, Administrative Officer – Juneau

In attendance from the public was:

Melody Schneider – representing the Alaska Society of CPAs (ASCPA)
Brenda Nodine – representing the Alaska Society of Independent Accountants (ASIA)
Jason Giaimo – representing himself

Agenda Item 9 – Continuing Education

The Board resumed the review of licensee continuing education audit materials.

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

RESOLVED to approve the continuing education audit for James Dieringer, Robert Daniels, Gary Stromberg, Bonnie Godfred, William Coghill, Theodore Sherwin, Pamela Joslin, William Fleischli, Linda Bowers, Paul Brandon, Michael Stemberger, Teresa Bailey, William Polley, Scott Milner, Randall Stevens, Stephen Vogler, Raymond Jenkins, John Reppel, Jill Hume, Katrina Carney, Carol Allen, Barbara Kite, Dorotherine Eaddy, Vickie Kemmerer, Diane Burnham, Joslyn Pocock, Jane Prenesti, Marja Beltrami, Michelle Prebula, George Rieth, Clark Knopik, Shannon Titzel, Barry Moring, Jason Pierce, Margie Karl, Stanley Honeycutt, Teresa Kesity, Peggy Ostrom, Cathleen Hahn, Diane Palmer, Linda Mattoon, Nichole Trujillo, Grace Verley, Janice Coker, Fekri Younes, John Friel, Jay Johnson, Jyoji Komatsu, Nina Razina, Cathy Sorensen, Matthew Taylor, Yoshihiro Ito, S Jensen, Stacy Tosoni, John Fabiano, and Carmen Jimenez.

The Board reviewed the continuing education for Ted Leonard. Mr. Leonard listed on his application that he had taken the “Alaska Professional Ethics Course” through the ASCPA but did not provide a certificate.

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

RESOLVED to approve the continuing education for Ted Leonard pending the receipt of documentation in accordance with 12 AAC 02.960 for the following course:

Alaska Professional Ethics – ASCPA

Licensee must submit documentation within 30 days of notification.

The Board determined that Mr. Olt did not complete the Alaska specific ethics and statutes and regulations course requirement of 12 AAC 04.300(c). Mr. Olt submitted the AICPA’s “Professional

Ethics: The AICPA's Comprehensive Course", which the Board has previously determined does not cover AS 08.04 or 12 AAC 04.

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

RESOLVED to approve the continuing education for Richard Olt pending the receipt of proof completion of an Alaska specific ethics and regulations course in accordance with 12 AAC 04.300(c). Licensee must submit documentation within 90 days of notification. Any courses taken within those 90 days will not be allowed for the 2008-2009 licensing renewal.

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

RESOLVED to approve the continuing education for David Owen pending the receipt of documentation in accordance with 12 AAC 02.960 for the following course:

**AICPA's Federal Tax Update – 11/28/06 – ASCPA – 8 credits
Licensee must submit documentation within 30 days of notification.**

RESOLVED to approve the continuing education for Kristi West pending the receipt of documentation in accordance with 12 AAC 02.960 for the following course:

**CCH Internet Hands-On Training – 5/8/06 – CCH – 2 credits
Licensee must submit documentation within 30 days of notification.**

The Board discussed the continuing education course information provided by Gregory French, N. Fejes, and Daniel Mitchell. All three licensees provided documentation from KPMG that included information on courses taken through KPMG, however, the documentation did not include the name of the licensee who took the course. The Board determined that these licensees must submit further documentation.

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

RESOLVED to table Gregory French, N. Fejes, Daniel Mitchell as the licensees did not provide documentation in accordance with 2 AAC 02.960(e). The Board has requested to see documentation in accordance with 12 AAC 02.960(e)(1)-(5) for all courses listed in the KPMG CPE Profile previously provided to the Board for 2006 and 2007. Licensees must provide documentation within thirty days of notification.

The Board discussed the continuing education audit documents of Tara Wolfington. The Board determined that the course "Choosing the Right Entity," taken through PassOnline for 13 credits, could not be counted toward the continuing education requirements as it was taken on March 14, 2005, outside the 2006-2007 biennial licensing period.

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

RESOLVED to table the Tara Wolfington's continuing education audit until licensee provides thirteen additional hours of continuing education. Licensee must provide documentation within thirty days of notification.

The Board discussed the timing of the reinstatement of Parker Nation's license in May 2007 and the dates of the course listed on the transcripts provided for the continuing education audit. The Board

did not have Mr. Nation's license file on hand in order to determine if the course had been used for the reinstatement of his license.

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

RESOLVED to table the continuing education audit of Parker Nation as Board did not have enough information to determine if licensee provided documentation in accordance with 12 AAC 02.960.

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

**RESOLVED to table the continuing education audit of Kevin Buelke as licensee did not provide documentation in accordance with 12 AAC 02.960 for the following course:
Accounting & Related Systems for Government Contractors – 12/5-6/06 –
Unknown Provider, Unknown Credits
Licensee must provide documentation within thirty days of notification.**

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

**RESOLVED to table the continuing education audit of Myron Dosch as licensee did not provide documentation in accordance with 12 AAC 02.960 for the following courses:
Effectively Use Debt to Achieve Institutional Objectives – 4/11/06 – NACUBO – 2
credits
Governmental Accounting & Reporting: Putting it All Together – 6/9/06 – ASCPA –
8 credits
Sharp Witted Studies on Single Audit and Yellow Book Snafus – 8/10/06 – ASCPA
– 8 credits
Governmental & Nonprofit Annual Update – 8/11/06 – ASCPA – 8 credits
Dynamic Planning – 11/16/2006 – Professional Growth Systems – 8 credits
Governmental & Nonprofit Annual Update – 8/9/07 – ASCPA – 8 credits
Licensee must provide documentation within thirty days of notification.**

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

**RESOLVED to table Kim Garner as licensee did not provided documentation in accordance with 12 AAC 02.960 for 2006 proving completion of a minimum of 20 continuing education credits for 2006 as indicated on license renewal and licensee did not provided documentation in accordance with 12 AAC 02.960 for the following courses:
Alaska Credit Union League Meeting – 5/4-5/07 – ACUL – 9.5 credits
Contract Administration – 7/31/07 – DGS – 2.5 credits
Alaska's Executive Branch Ethics Act – 8/13-14/07 – DOA/Law – 2 credits
Licensee must provide documentation within thirty days of notification.**

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

RESOLVED to table the continuing education audit of Catherine Smith as licensee did not provided documentation in accordance with 12 AAC 02.960 for the following courses:

Economics & Investments – 5/1-2/07 – The Gateway Group – 9 credits
Clients with Fiduciary Responsibility – 11/09/07 – ASCPA – 1 credit
Federal Tax Update – 11/30/07 – ASCPA – 8 credits
Economics & Investment Strategies – 10/15-16/07 – The Gateway Group – 12.5 credits

Licensee must provide documentation within thirty days of notification.

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

RESOLVED to table the continuing education audit of Margie Karl as licensee did not provide documentation of courses taken through the AICPA in accordance with 12 AAC 02.960. Licensee must provide documentation within thirty days of notification.

Agenda Item 11 – Board Travel Plans

The Board expressed frustration at not having adequate representation at past NASBA Annual and Regional meetings due to lack of Division and Department support. Mr. Gabrys noted that the Board includes travel to these meetings in the Board budget.

The Board discussed the NASBA Annual and Regional Meetings. Mr. Mertz noted that he and Ms. Williamson are intending to attend the Annual Meeting in Boston, MA. Mr. Mertz verified that Ms. Jensen volunteered to attend the Regional Meeting in Newport Beach, CA. Ms. Bassler volunteered to attend the Regional Meeting only if there is another Board member attending the conference due to security issues she encountered at the previous conference she attended alone.

Mr. Mertz noted for the record that the 2007 Annual Report clearly stated the importance for the Board to attend the NASBA National and Regional meetings in order to represent the regulatory interests of Alaska, but also to better understand national issues that will affect the Alaska public.

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

RESOLVED to send Carla Bassler and Rebecca Jensen to the 2008 NASBA Western Regional Meeting in Newport Beach, CA on June 18-20, 2008 and to send Elaine Williamson and Max Mertz to the 2008 NASBA Annual Meeting in Boston, MA on October 26-29, 2008.

Ms. Donohue informed the Board that the Council on Licensure, Enforcement, and Regulation (CLEAR) is having a conference in Anchorage on September 22-27, 2008.

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

RESOLVED to send Veida Forrest, Licensing Examiner, Linette Lacy, Investigator, Carla Bassler, Board Member, and Bruce Gabrys, Board Member, to the CLEAR Conference being held in Anchorage, AK on September 22-27, 2008.

Agenda Item 12 – Goals and Objectives

The Board discussed how it has met the Fiscal Year 2008 Goals and Objectives. Mr. Mertz noted that the Board's first goal is completed and will continue to be ongoing to keep up with the Board's mission of public protection.

Mr. Mertz addressed the second Board Goal of monitoring CPAES. It was noted that the only real problem the Board faced with CPAES was the delay in processing CPA Exam applications during the transition, but this has been resolved. Ms. Williamson asked if it would be appropriate to add researching the other resources and services NASBA can provide to the Board. Mr. Mertz noted that Ms. Williamson's suggestion is appropriate and that the Board will discuss this when they formalize the Fiscal Year 2009 Goals and Objective.

The Board discussed Objective 3.c. Mr. Mertz noted that the Board is not actively pursuing an exam test site in Juneau; however, it may have more influence on getting a test site in Juneau while AICPA, NASBA, and Prometric are renegotiating their contract.

The Board discussed the Fiscal Year 2008 goals and objectives new goals and objectives for Fiscal Year 2009. The following are the Boards Fiscal Year 2009 Goals and Objectives, the italicized goals and objectives were added at the April 2008 Board Meeting.

1. [~~Complete adoption of revisions to Alaska regulations reflecting the recent changes in statutes~~
 - a. ~~Finalize drafting of regulations~~
 - b. ~~Adopt regulations~~]
 - Review and evaluate statutory/regulatory changes needed to implement the mobility provisions of the Uniform Accountancy Act (UAA).*
2. ~~Monitor NASBA CPAES~~ *Review and evaluate NASBA services*
 - a. ~~Determine if service is functioning as intended~~ *Continue to monitor NASBA CPAES services*
 - b. ~~Provide recommendations for changes if necessary~~ *Evaluation of additional NASBA services or other providers of services available to the Board.*
 - c. *Determine whether there are other potential service providers*
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
 - 1) Availability of test dates at existing testing sites
 - 2) Interface of test program between testing site computers and Prometric
 - 3) Proper functioning software and hardware
 - 4) Adequate physical testing environment
 - c. Pursue establishment of Juneau test site w/NASBA assistance
 - d. *Monitor the development of the renegotiation of the tri-party agreement between the AICPA, NASBA and Prometric.*
 - e. *Keep the Alaska Society of Certified Public Accountants (ASCPA) and the public abreast of new developments.*
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 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 and annual NASBA meetings and support NASBA committee participation
 - 1) Promote attendance of new Board members at regional, annual and other meetings to provide understanding of current regulatory issues being dealt with at a national level and state-by-state
 - 2) Promote attendance of continuing Board members at regional, annual and other meetings to provide input and obtain information at both national and state levels regarding matters impacting Alaska CPAs
5. *Participate in Alaska Society of CPA's Board structure taskforce.*
- a. *Evaluate whether changes should be made to Alaska Statutes to improve the efficacy of the Alaska State Board of Public Accountancy.*
 - b. *Evaluate and potentially act on the recommendations of the taskforce.*
6. *Foster communication and interaction with the Governor*

Mr. Mertz noted for the record that there is not a preordained recommendation of the taskforce, there may or may not be a recommendation of change to the structure of the Board.

Agenda Item 13 – Annual Report – Work Session

The Board discussed the Narrative Statement and made necessary changes to reflect the accomplishments of the Board in Fiscal Year 2008. The Board discussed the Sunset Performance Audit Recommendations and made changes to reflect how the Board met these recommendations in Fiscal Year 2008. The Board discussed the Budget and Travel Recommendations but did not make any significant changes.

Max Mertz volunteered to type the Narrative Statement and Budget and Travel Recommendations. Ms. Williamson volunteered to type the Goals and Objectives.

Break, off record 10:13 a.m., Back on record 10:30 a.m.

Agenda Item 14 – Regulations

The Board reviewed the proposed regulations presented to them from the Division of Corporations, Business & Professional Licensing. There were no written comments submitted during the public comment period. The Board made no changes to the proposed regulations.

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

RESOLVED to adopt the proposed regulations 12 AAC 04.165(d)(2), 12 AAC 04.175, 12 AAC 04.193, and 12 AAC 04.440(b)(3) as presented to the Board by the Division of Corporations, Business & Professional Licensing on April 25, 2008 consisting of two pages.

Agenda Item 15 – Applications/Worksheets – Work Session

The Board discussed and made changes and corrections to Board Applications and worksheets.

Agenda Item 16 – Public Comment

Ms. Schneider, representing the Alaska Society of CPA's (ASCPA), reported to the Board the happenings of the ASCPA. Ms. Schneider noted that the ASCPA elected new officers in April and would like to be kept on the interested parties list with the Board of Public Accountancy. Mr. Mertz asked Ms. Donohue if it would be appropriate to send more than just the agenda and Board minutes to the ASCPA. Ms. Donohue stated that she would look into this issue.

Mr. Jason Giaimo, representing himself, came before the Board to discuss Prometric's biometric fingerprinting policy. Mr. Giaimo provided information on the biometric fingerprinting to the Board. Mr. Giaimo explained that he personally objects to being fingerprinted and was barred by Prometric from sitting for sections of the CPA Exam in February of 2008 as he refused to be fingerprinting. Mr. Giaimo stated that it is his opinion that fingerprinting is bad for the profession. Mr. Giaimo read an email between himself and Viki Winfeldt, the Executive Director of the Nevada Board of Public Accountancy. Ms. Winfeldt asked why Mr. Giaimo opposed the fingerprinting. Mr. Giaimo stated that he has three main reasons for his position. The first is that he is generally opposed to the fingerprinting of law abiding citizens. The second reason is based on research in which he found that the fingerprint images and algorithms are stored by a foreign corporation, not the AICPA, Prometric, or NASBA, making that information vulnerable to hackers. The third reason is that he believes that if a person can enter the US with just a passport, requiring three forms of identification and fingerprints to sit for the CPA Exam is excessive.

Mr. Giaimo noted that he feels that NASBA has overstepped its mission by allowing the AICPA and Prometric to require the fingerprinting of all potential CPA's.

Mr. Mertz stated that the Board is not in a position to provide comments or a position on the biometric fingerprinting at this time as the Board is trying to get additional information from NASBA. Mr. Mertz stated that the Board is taking Mr. Giaimo's grievance seriously, and thanked Mr. Giaimo for addressing the Board in person.

Agenda Item 5 – Administrative and Other

Set Next Meeting Dates

The Board tentatively scheduled the next meeting dates for August 28-29, 2008 in Fairbanks and November 17-18, 2008 in Anchorage.

Expenditure Report

The Board discussed the expenditure report as provided by the Division.

Chris Wyatt, Administrative Officer, joined the meeting telephonically. Ms. Wyatt informed the Board that the Division had entered into a contract with the outside firm Maximus to review the Division's cost accounting structure as there have been several errors made in the past several months. Ms. Wyatt also requested that the Board provide the Division with a 'wish list' of the items the Board would like to see in an expenditure report. Mr. Mertz stated that it would be helpful to have an

explanation as to how the indirect allocation to individual Boards and Commissions is determined. Ms. Wyatt stated that Maximus would be looking into that during its review.

Mr. Mertz asked why there was an increase in the indirect contractual services. Ms. Wyatt stated that in a meeting with Maximus it was revealed that the contractual services obtained through the Division of Administrative Services (DAS) was commonly broken down incorrectly. Ms. Wyatt gave an example of a time when extensive IT work was done for the Business Licensing Section by the Division of Administrative Services. In this case, instead of charging Business Licensing directly for services rendered, DAS combined all charges into an administrative support category and spread them throughout all programs. Ms. Wyatt stated that this is a problem the Division is trying to fix prior to the end of the fiscal year.

Mr. Mertz stated that he would like to see a detailed list of the components of the direct and indirect costs of each of the categories listed on the expenditure report to the Board in writing from the Division prior to the next meeting. Ms. Wyatt stated that she will be able to get a narrative of the indirect costs within the near future after working with Maximus.

Mr. Gabrys asked how the Division determined that the Board would be charged 3.07% of the indirect costs. Ms. Wyatt stated that the percentage is determined by dividing the number of CPA licenses by the total number of licenses overseen by the Division. Ms. Wyatt noted that Maximus was also looking into whether or not this policy is the most efficient way to determine cost allocation.

Ms. Williamson asked if Ms. Wyatt would be able to get the Board additional information on direct costs as well as indirect costs. Ms. Wyatt replied that there is a listing of direct costs included with the expenditure report, but if the Board wanted a more specific report that included cases, legal, investigative, and personnel services, it would take additional time to compile. Mr. Mertz asked if employee benefits were included in the direct or indirect costs of personnel services. Ms. Wyatt stated that it is her understanding that employee benefits were included in the direct costs and that it is based on the timesheet information that is inputted into the State Accounting System.

Ms. Wyatt stated that she will send out a detailed report of the outcome of the meetings with Maximus. Will also start working on a detailed narrative of direct and indirect costs.

Ms. Wyatt left the meeting.

Mr. Gabrys stated that if the Board contracts out some of the examiner's workload, such as application review, to another entity, it will still see large indirect costs due to the way the Division is currently structured.

Sign TA's

The Board signed TA's for the April Meeting.

CPAES

Ms. Donohue informed the Board that there are no outstanding problems with CPAES since the last meeting.

Agenda Item 17 – P&P Ratification

The Board reviewed P&P #10 regarding continuing education credits to be awarded for CPA's who publish books or articles.

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

Discussion: Ms. Jensen proposed a friendly amendment to change the words, 'published for the first time' to 'originally published'. Mr. Gabrys and Ms. Bassler accepted this friendly amendment.

RESOLVED to adopt Policy and Procedure #10 Publications

Agenda Item 18 – NASBA Executive Director Meeting

Mr. Mertz informed the Board that Ms. Forrest would give her update at the August meeting. Mr. Mertz noted that in previous correspondence with Ms. Forrest she had expressed gratitude to the Board for sending her to the conference as it was content heavy and it provided better insight to the profession.

Lunch Break off record 12:05 p.m. Back on record 1:05 p.m.

Agenda Item 19 – HB 379 Update

Mr. Mertz acknowledged that Representative Hawker and his staff worked diligently to get HB 379 passed through the House and Senate. Mr. Mertz explained that the purpose of HB 379 was to allow the Board to license applicants without an accounting concentration if the applicant graduated with a Bachelors degree prior to January 1, 2008. Mr. Mertz stated that, if signed by the Governor, HB 379 will allow applicants who had been working toward licensure in Alaska under the old requirements to continue to pursue licensure in Alaska. Mr. Mertz noted that HB 379 went through in record time, as it was first read on February 19, 2008.

The Board discussed the regulations provided by the Division in order for the regulations to be in compliance with the statutes. The Board agreed that in proposed 12 AAC 04.181(a)(2) the words 'other than accounting' should be removed.

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

RESOLVED to adopt the proposed regulations, 12 AAC 04.181, to put out for public notice, including the changes made by the Board.

Agenda Item 10 – Application Review

Previously Tabled Applications

Robert Pangia – Licensure by Examination
Gregory Thomas – Licensure by Reciprocity

The Board discussed the previously tabled application for Robert Pangia. Mr. Pangia had provided the Board with an additional explanation of his work experience. The Board determined that Mr.

Pangia's internal audit experience did not meet the requirement to have public accounting experience or its equivalent for licensure.

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

RESOLVED to deny the application by examination for Robert Pangia as the applicant does not meet the experience requirement of AS 08.04.120(a)(2) or the attest function requirement 12 AAC 04.180 and 04.183.

The Board discussed the previously tabled application for Gregory Thomas. Mr. Thomas had submitted additional experience for the Board to review. The Board checked Ms. Forrest's experience calculations to see if Mr. Thomas has enough experience to qualify as a CPA in Alaska. The Board determined that Ms. Forrest's calculation was short by one month.

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

RESOLVED to approve the application for licensure by reciprocity for Gregory Thomas.

Reinstatement

Barbara Rolfe #1432 – Inactive
Anna M. Simmons #1985 – Active

The Board called Ms. Forrest for clarification and additional information regarding Barbara Rolfe's application for reinstatement to inactive status. Ms. Forrest stated that she had spoken with Ms. Hondolero and Ms. Gayle Horetski regarding this issue and that both had stated that a person with a lapsed license must first reinstate the license under 12 AAC 04.440 to become a holder of a license before changing over to inactive status under 12 AAC 04.430. Ms. Forrest stated that the term 'holder of a license' means that the person holds a current license, either active or inactive, and that license is not in lapsed status.

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

RESOLVED to table the application for reinstatement of Barbara Rolfe until the next meeting in order for the applicant to submit documentation in accordance with 12 AAC 04.440 for the following courses: AGFOA – Spring 2005 Conference on April 13-15, 2005; Harris Computer Systems – Governmental Accounting Software on October 3-5, 2007; and CBJ – Project Manager Training on December 12-18, 2007.

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

RESOLVED to approve the reinstatement of licensure to active status for Anna M. Simmons, # 1985.

Reactivation

Scott Matheson #2046

The Board reviewed the application for reactivation and the 120 hours of continuing education for Scott Matheson.

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

RESOLVED to approve license reactivation for Scott Matheson, #2046.

Licensure by Examination

The following are applicants for licensure by examination in Alaska:

Reviewed under 2007 Regulations

Gulanor Atobek
Ekatarina Baranova
Khalidoun Bata
Dongyu (Liu) Cai
Elena Kissleva
Diana Ksendzenko
Peng Li
Andrey Mankov
Galina Serednhyakova
Joerg Witting

Reviewed under 2008 Regulations

Kristi Allenbaugh
Jason Bell
Scott Dahlstrom
Stefani Dalrymple
James Gordon Doughty
Chad Estes
Sarah Huebschen
Michelle Lee Hutchinson
Samuel Jacob Kolipano
Dena Ramey
Vishal Shah
Dimitri Shein
Jill Eileen Woster

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

RESOLVED to approve the applications for licensure by examination under the 2007 regulations of Gulanor Atobek, Ekatarina Baranova, Khalidoun Bata, Dongyu (Liu) Cai, Elena Kissleva, Diana Ksendzenko, Peng Li, Andrey Mankov, Galina Serednhyakova, and Joerg Witting

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

RESOLVED to approve the applications for licensure by examination under the 2008 regulations of Kristi Allenbaugh, Jason Bell, Scott Dahlstrom, Stefani Dalrymple, James Gordon Doughty, Chad Estes, Sarah Huebschen, Michelle Lee Hutchinson, Samuel Jacob Kolipano, Dena Ramey, Vishal Shah, and Jill Eileen Woster

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

RESOLVED to approve the application for licensure by examination under the 2008 regulations of Dimitri Shein pending the receipt of appropriate license fees.

Practice Privilege Permits

The following are applicants for Practice Privilege Permits in Alaska:

AKT LLP – Partnership	Bowles & Associates, LLC – LLC
Fay Von Gemmingen, CPA, APC – Corporation	Christine E. Harrington CPA, LLC – LLC
Fowler and Hunsaker, CPAs – Corporation	Laughlin, Ogle & Rodgers, LLC – LLC

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

RESOLVED to grant the following Practice Privilege Permits:

- **AKT LLP**
- **Fay Von Gemmingen, CPA, APC**
- **Fowler and Hunsaker, CPAs**
- **Bowles & Associates, LLC**
- **Christine E. Harrington CPA, LLC**
- **Laughlin, Ogle & Rodgers, LLC**

Out-of-State Permits

The following are applicants for an Out-of-State Permit in Alaska:

Burton Cole
 Daren B. Tanner, PC
 David Stovall
 Joseph D’Introno
 Joy Block
 Mayer Hoffman McCann, PC
 Rebecca Shay
 Ziner & Murphy

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

RESOLVED to grant the following Out-of-State Permits:

- **Burton Cole**
- **Daren B. Tanner, PC**
- **David Stovall**
- **Joseph D’Introno**
- **Joy Block**
- **Mayer Hoffman McCann, PC**
- **Rebecca Shay**
- **Ziner & Murphy**

The following are Out-of-State Permits renewed by the Division since the last Board meeting on January 10-11, 2008:

Bogumil, Holzgang & Company PC #4	Dawn A. Schilling #109
Ernst & Young LLP #35	Thronson, Michael R #110
Warinner, Gesinger & Associates, LLC #39	Leaton, Phillip #112
Londeen, Kevin C. #45	Berntson Porter & Company, PLLC #113
Moss Adams, LLP #59	Davidson, Michael Lawrence #117

Dixon Hughes PLLC #79	Yingling, Robert G. Jr. #119
Creamer & Associates #98	Houston CPA Accounting and Tax Services #130

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

RESOLVED to ratify the following out of State permit renewals:

- **Bogumil, Holzgang & Company PC #4**
- **Ernst & Young LLP #35**
- **Warinner, Gesinger & Associates, LLC #39**
- **Londeen, Kevin C. #45**
- **Moss Adams, LLP #59**
- **Dixon Hughes PLLC #79**
- **Creamer & Associates #98**
- **Dawn A. Schilling #109**
- **Thronson, Michael R #110**
- **Leaton, Phillip #112**
- **Berntson Porter & Company, PLLC #113**
- **Davidson, Michael Lawrence #117**
- **Yingling, Robert G. Jr. #119**
- **Houston CPA Accounting and Tax Services #130**

Agenda Item 5 – Administrative

Mr. Mertz thanked the Board for electing him as Chair of the Board, but stated that he would like another person to take over the Chairmanship prior to the end of his term on the Board. The Board stated that this would be a good idea. Mr. Gabrys stated that Mr. Mertz has done an exceptional job as Chair. Ms. Bassler noted that it has proven beneficial to have a Juneau Board member in order to interact with legislators even if that person is representing the profession and not the Board.

Agenda Item 20 - Review Assigned Tasks

The Board called Ms. Forrest to discuss her tasks for the following meeting.

Veida Forrest

Get Board investigative report published on website, listed in descending chronological order, making sure that the descriptions are not truncated.

Active/Inactive Regulations

Max Mertz

- Type up Board Annual Report

Bruce Gabrys

- Write to Ken Bishop regarding BIMS asking for more information

Elaine Williamson

- Type up Goals and Objectives

Carla Bassler

- Follow up on BIMS at State of the Exam Conference in Dallas, TX
- Attend Western Regional Conference

Rebecca Jensen

- Attend Western Regional Conference

There being no further business, the meeting adjourned at 4:48 p.m.

Respectfully Submitted:

Veida Forrest
Licensing Examiner

Approved:

Max Mertz, Chairman
Board of Public Accountancy

Date: _____