

**MINUTES**  
**STATE BOARD OF**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**OF LOUISIANA**

601 Poydras Street, Suite 1770  
New Orleans, Louisiana 70130

**July 20, 2011 – July 22, 2011**

The regular meeting of the State Board of Certified Public Accountants of Louisiana was called to order by Chairman Mr. Tham on Wednesday, July 20, 2011 and Thursday, July 21, 2011, in the offices of the Board at 601 Poydras Street, Suite 1770, New Orleans, Louisiana, 70130.

The purposes of the meeting were to review information and statistics concerning the CPA Examination, review information concerning reinstatement of Certificates, consider applications for certification, deliberate on a formal administrative proceeding, consider other executive session matters, and to transact any other business that required the Board's attention.

The following Members were present:

Michael A. Tham, CPA	-	Chairman
Lynn V. Hutchinson, CPA	-	Secretary
Michael D. Bergeron, CPA	-	Treasurer
Susan C. Cochran, CPA	-	Member
Mark P. Harris, CPA	-	Member
Michael B. Bruno, CPA	-	Member
Desireé Honoré Thomas, CPA	-	Member

Also present were:

Staff:	Michael A. Henderson, CPA	-	Executive Director
	Clinton J. Cognevich	-	Director of Administration
Guests:	Grady Hazel, CPA	-	LCPA Executive Director

The meeting was called to order by Chairman Mr. Tham at 9:17 a.m. on Wednesday, July 20, 2011, upon motion by Mrs. Cochran, seconded by Mr. Bruno and unanimously adopted.

The meeting was called to order by Chairman Mr. Tham at 10:38 a.m. on Thursday, July 21, 2011, upon motion by Mrs. Hutchinson, seconded by Mr. Bruno and unanimously adopted.

**I. CHAIRMAN'S REPORT**

**A. In Memory of Mildred M. McGaha, CPA  
August 8, 1927 – May 6, 2011**

Chairman Mr. Tham reported that Mildred M. McGaha, CPA, Executive Director of the Board from November 1, 1978 through October 31, 1996, passed away on May 6, 2011.

Upon motion by Mr. Tham, with a unanimous second, the Board adopted the following resolution posthumously honoring Mrs. McGaha:

“At its meeting of July 20, 2011, the State Board of Certified Public Accountants of Louisiana adopted the following **RESOLUTION**:

**WHEREAS**, this Board has recently experienced the saddening loss of Mildred M. McGaha, CPA; and,

**WHEREAS**, Mildred served admirably as the Executive Director of the State Board of Certified Public Accountants of Louisiana for eighteen years, from November 1, 1978 through October 31, 1996; and

**WHEREAS**, Mildred overwhelmingly contributed to the success of the Board’s stated mission to protect the public, and contributed to the guidance and destiny of the profession of public accounting by her devoted service to this Board; and

**WHEREAS**, Mildred consistently demonstrated integrity, resourcefulness and sound judgment in the performance of her various responsibilities and duties as Executive Director; and

**THEREFORE BE IT RESOLVED**, that the State Board of Certified Public Accountants of Louisiana posthumously acknowledges and expresses its profound gratitude for a job very well done by Mildred M. McGaha, CPA throughout her service as Executive Director; and be it

**RESOLVED** further, that a copy of this resolution be presented to her Beloved Husband Edward L. McGaha in testimony thereof.”

The Board stood and observed a moment of silence in Mrs. McGaha’s honor.

**B. Board Employees**

1. Roxie L. Brion resigned her position as Compliance Investigator 2 with the Board effective June 2, 2011.
2. Lisa Benefield was offered and accepted a position as Compliance Investigator 2 (AS-614) and will begin employment August 1, 2011.

3. On July 19, 2011 Chris Verges, Compliance Investigator 1, submitted a notice of resignation effective close of business of July 31, 2011. Mr. Verges accepted a position with the Louisiana Contractors Board as a Compliance Investigator 3.

**C. Purchase of Refrigerator**

A refrigerator was purchased for the Board office kitchen on June 29, 2011 at a cost of \$423.99. Mr. Henderson reported that the old refrigerator purchased in 1984 had discontinued working.

**II. APPROVAL OF MINUTES**

The regular and executive session minutes for the April 2011 Board Meeting were previously sent to Board members for review.

By motion of Mrs. Honoré Thomas, seconded by Mr. Bruno and unanimously adopted, the Board approved the April 2011 regular and executive session minutes as drafted.

**III. DEATHS AND RESIGNATIONS**

**A. Deaths (5)**

<b>Name</b>	<b>Cert. No.</b>	<b>Year Issued</b>	<b>Cert. Status</b>
Gus Freibaum, Jr.	1736	1961	A
Wally J. Krumm	20721	1991	A
Mildred M. McGaha	4159	1967	IA
James W. Thokey	879	1948	IA
Herman Williamson, Jr.	1194	1953	IA

A moment of silence was observed in memory of the above.

**B. Resignations (1):**

The Executive Director informed the Board that the following Certified Public Accountant requested that his CPA Certificate be voluntarily retired. Accordingly, his Certificate was placed in retired status.

<b>Name</b>	<b>Cert. No.</b>	<b>Year Issued</b>	<b>Cert. Status</b>
Kurt D. Needles	B24288	2000	A

**IV. CERTIFICATE AND INACTIVE STATUS EXPIRATIONS AND REINSTATEMENTS**

**A. Reinstatements of Certificates / Inactive Status that Expired March 1, 2011**

The Executive Director informed the Board that the following CPAs and Inactive Status registrants, with expirations on March 1, 2011, reinstated their CPA Certificates or Inactive Status registrations. **(11 Total: 4 Active and 7 Inactive Status):**

<b>Name</b>	<b>Certificate Number</b>	<b>A / IA</b>
Marcel Gerard Lemoine	21175	A
George W. Payne, Jr.	B23134	A
Ava Sue Yellott	21710	A
David Maxcell Yellott	25713	A
Peter Charles Borrello	16922	IA
Christine Jacobson Delmar	21571	IA
Brenda Whiddon Green	23463	IA
Denise Lafitte Morvant	20298	IA
Cherie Lopez Quinn	22883	IA
David George Richardson	13889	IA
Mark Allan Stephens	16307	IA

**B. Reinstatements of Inactive Status from Prior Years (0)**

The Executive Director reported that there were no reinstatements of Inactive Status from prior years since the April 2011 Board Meeting.

**V. TREASURER'S REPORT**

- A.** Financial statements for the period ended June 30, 2011 were presented for the Board's review.
- B.** The Annual Financial Report (AFR), for the 2010-2011 fiscal year, is to be completed by Board staff with 2010-2011 Board Treasurer Mr. Bergeron's approval, and is to be filed with the Office of Statewide Reporting and the Legislative Auditor by August 31, 2011.
- C.** The Board's two-year financial and compliance audit by the Office of the Legislative Auditor will need to be completed by the end of August. The audit will cover the last two fiscal years. The auditors will be commencing field work next week, and are expected to send Board members the standard correspondence and inquiries in connection with the audit. Mr. Bergeron will also attend the audit entrance and exit conferences with Mr. Henderson.

By motion of Mr. Bergeron, seconded by Mrs. Cochran and unanimously adopted, the Board approved the Treasurer's report.

**VI. CPA EXAMINATION**

**A. CBT Results Compared - Previous Windows and National Rates  
Performance – All candidates – By section**

**Apr-May 2011 – 503 sections; 387 candidates (1.30 sections per candidate):**

	<b>AUD</b>		<b>BEC</b>		<b>FAR</b>		<b>REG</b>	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	69	54.76%	42	35.59%	46	35.66%	61	46.92%
Failed sect's	<u>57</u>		<u>76</u>		<u>83</u>		<u>69</u>	
	<u>126</u>		<u>118</u>		<u>129</u>		<u>130</u>	
<i>National pass rate</i>		47.95%		46.48%		44.27%		45.01%

**Jan-Feb 2011 – 401 sections; 331 candidates (1.21 sections per candidate):**

	<b>AUD</b>		<b>BEC</b>		<b>FAR</b>		<b>REG</b>	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	41	41.41%	31	34.07%	39	39.80%	47	41.59%
Failed sect's	<u>58</u>		<u>60</u>		<u>59</u>		<u>66</u>	
	<u>99</u>		<u>91</u>		<u>98</u>		<u>113</u>	
<i>National pass rate</i>		43.88%		42.32%		42.43%		41.28%

**Oct-Nov 2010 – 874 sections; 574 candidates (1.52 sections per candidate):**

	<b>AUD</b>		<b>BEC</b>		<b>FAR</b>		<b>REG</b>	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	94	45.85%	117	44.83%	105	46.67%	88	48.09%
Failed sect's	<u>111</u>		<u>144</u>		<u>120</u>		<u>95</u>	
	<u>205</u>		<u>261</u>		<u>225</u>		<u>183</u>	
<i>National pass rate</i>		44.89%		44.27%		45.02%		47.29%

**Jul-Aug 2010 – 758 sections; 531 candidates (1.43 sections per candidate):**

	<b>AUD</b>		<b>BEC</b>		<b>FAR</b>		<b>REG</b>	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	96	49.23%	87	46.52%	121	52.38%	79	54.48%
Failed sect's	<u>99</u>		<u>100</u>		<u>110</u>		<u>66</u>	
	<u>195</u>		<u>187</u>		<u>231</u>		<u>145</u>	
<i>National pass rate</i>		49.40%		50.79%		52.71%		54.03%

**Apr-May 2010 – 478 sections; 356 candidates (1.34 sections per candidate):**

	<b>AUD</b>		<b>BEC</b>		<b>FAR</b>		<b>REG</b>	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	58	53.70%	69	44.23%	53	48.62%	41	39.05%
Failed sect's	<u>50</u>		<u>87</u>		<u>56</u>		<u>64</u>	
	<u>108</u>		<u>156</u>		<u>109</u>		<u>105</u>	
<i>National pass rate</i>		50.77%		48.88%		48.39%		52.07%

**B. Candidates Passing Examination Sections – April / May 2011 (54)**

The Executive Director informed the Board that the following candidates passed the CPA examination. CPA Examination Services (CPAES) sent to these candidates a final grade letter (“passing” letter) with a CPA Certificate application enclosed, notifying them that they completed the examination and are eligible to apply for a Certificate if they have met the experience requirements.

<b>Name</b>	<b>Name</b>
Russell K. Allsup	James N. Blossman
Christopher P. Brehm	Alisha D. Brignac
Kelly N. Buckley	John P. Butler, III
Brandon K. Cahanin	Jessica O. Cahill
James K. Chassee	Erin L. Chaumont
Christine M. Constanza	Ryan L. Earles
Barret M. Ellender	Maegan S. Finley
Trae P. Fitzgerald	Natalya N. Flint
Katie L. Fontenot	Ellen R. Gauthreaux
Anna B. Gleason	Ryan B. Harris
Scott D. Hayes	Christopher D. Henderson
Courtney A. Hilton	Ashleigh L. Hobbs
Kyle D. Jacob	Justin K. Kavalir
Leopold X. Keiser	Candace J. Leblanc
Gary M. Lessell	William J. Lowry
Amy E. Mabou	Kyle T. Marino
Charles M. Melder, Jr.	Brennan M. Millet
Jason C. Montegut	Jeremy C. Montgomery
Jacob C. Normand	Irma M. Nuar
James D. Pendarvis	Amanda R. Reagan
Clinton C. Richardson	Jerrett P. Richter
Jed B. Rimmer	Rachel E. Scott
Jennifer M. Smith	Hannah Y. Spohrer
Danielle G. Stuart	Brett B. Summerville
Katherine A. Thomas	Roger D. Traylor
Tasha M. Trosclair	Carol L. Vargas
Kathleen R. Wilder	Achilles D. Williams

**C. Request for Waiver of 150 Hour Requirement**

Requests for waiver of the 150 hour requirement are considered by the Board pursuant to LRS §37:75(C)(3), which provides that an applicant who has attained a baccalaureate degree prior to January 1, 1992 from a Louisiana university shall not be subject to the 150 hour requirement in certain situations.

The Board considered information provided by the candidate. Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Cochran and unanimously adopted, the Board approved the candidate's request for a waiver of the 3 additional hours that would otherwise be needed to meet the 150 hour requirement.

**D. Request for Acceptance of Military Credits**

The Board considered information provided by the candidate. Upon motion by Mrs. Cochran, seconded by Mrs. Hutchinson and unanimously adopted, the Board approved the candidate's 49 hours of military credits.

**E. Request for Extension of FAR and AUD Credit**

The Board considered a request by an exam candidate for the extension of credit for the FAR and AUD sections of the CPA exam, due to extenuating circumstances.

After reviewing the information provided by the candidate, upon motion by Mr. Bergeron, seconded by Mrs. Hutchinson and unanimously adopted, the Board approved an extension to the October / November 2011 seating window.

**F. Request for Acceptance of Math Courses toward the 150 Hour Requirement**

The Board considered a request by an exam candidate for the Board to accept two Math courses toward the 150 hour requirement. The courses were disallowed by CPA Examination Services.

After reviewing the information provided, upon motion by Mrs. Hutchinson, seconded by Mr. Bergeron and unanimously adopted, the Board determined that the candidate would be allowed to sit for the CPA examination, but must complete the 3 hour courses within 12 months, before he obtains his CPA official examination grades.

**G. Request for Ruling on Residency Requirement**

An exam candidate submitted a request that she be deemed to have satisfied the residency requirements to sit for the CPA examination based upon her circumstances.

Upon motion by Mr. Bergeron, seconded by Mrs. Cochran and unanimously adopted, the Board approved the candidate's request.

**H. Prometric Test Center Site Visits**

Executive Director Mr. Henderson reported that Prometric Test Center site visits will be scheduled for Board Members who have expressed interest in visiting the CPA examination sites. The NASBA Examination Review Board staff requested that the Board conduct two site visits by September 30, 2011 in Metairie and Alexandria. Mr. Bruno and Mrs. Honoré Thomas have agreed to visit Metairie and Alexandria centers, respectively, and to assist Mr. Henderson in completing the respective checklists.

**VII. APPROVAL OF CERTIFICATES (Issued / Reissued)**

**A. Ratification of Original Active Certificates Issued by the Executive Director**

The Executive Director informed the Board that the following individuals passed the CPA examination and submitted applications for CPA Certificates. The Executive Director evaluated the applications and the applicants' experience and issued CPA Certificates, subject to ratification by the Board.

Upon motion by Mrs. Honoré Thomas, seconded by Mr. Harris and unanimously adopted, the Board ratified the issuance of the following CPA Certificates (Items A1 & 2):

**1. Current CPA Examination (Passed Exam After June 1999) (43)**

<b>Name</b>	<b>Certificate Number</b>	<b>Issue Date</b>
Bryan Pundt	26689	May 3, 2011
Saleem Hirani	26690	May 11, 2011
Irina Gennadyevna Balashova	26691	May 17, 2011
Katherine Marie Ebey	26692	May 17, 2011
Harrison Michael Arcure	26694	June 15, 2011
Jesse Fox Clower	26695	June 15, 2011
Fant William Ball, IV	26696	June 15, 2011
Jenna Edwards Frederic	26697	June 15, 2011
Dorothy Elizabeth Hammett	26698	June 15, 2011
Bryan Keith Joubert	26699	June 15, 2011
Shaun Lee Prestridge	26700	June 15, 2011
Billy J. Rich, III	26701	June 15, 2011
Elizabeth Stentz Ryan	26702	June 15, 2011
Cortni Leigh Smeltzer	26703	June 15, 2011
Angela Menard Smith	26704	June 16, 2011
Meghann Elizabeth Holland	26708	June 16, 2011
Brittany Fayth Cambas	26712	July 12, 2011
Ashley Lynn Carpenter	26713	July 12, 2011

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<b>Name</b>	<b>Certificate Number</b>	<b>Issue Date</b>
Blair Nicole Daily	26714	July 12, 2011
Rhonda A. deJesus	26715	July 12, 2011
Kasey Stunz Henry	26716	July 12, 2011
Ashley Tyne LaPrairie	26717	July 12, 2011
Gretchen Noel Lozes	26718	July 12, 2011
Christiane Caroline Massion	26719	July 12, 2011
Diane Mobley	26720	July 12, 2011
Sarah Nelson Pearson	26721	July 12, 2011
Lindsey K. Sire	26722	July 12, 2011
Crista Marie Stokes	26723	July 12, 2011
Lucas Odell Clary	26724	July 14, 2011
Laure Marie Bordelon	26725	July 14, 2011
John Patrick Butler, III	26726	July 14, 2011
Scott Darsey Hayes	26727	July 14, 2011
Ashleigh Labit Hobbs	26728	July 14, 2011
Anna Elizabeth Hutto	26729	July 14, 2011
Kyle Drake Jacob	26730	July 14, 2011
Sherrie Liner	26731	July 14, 2011
William Jeffrey Lowry	26732	July 14, 2011
Jason Christopher Montegut	26733	July 14, 2011
James Drew Pendaruis	26734	July 14, 2011
Jed B. Rimmer	26735	July 14, 2011
Brett Baudot Summerville	26736	July 14, 2011
Russell Keith Allsup	26738	July 15, 2011
Sara L. Joseph	26739	July 15, 2011

**2. Re-issuance of Certificates as Active (Licensed) (2)  
(Previous CPA Examination - Passed Exam Before June 1999)**

<b>Name</b>	<b>Certificate Number</b>	<b>Re-issue as Active Date</b>
Jamie Givens Rogers	21558	July 14, 2011
Angela Michelle Gill	19326	July 14, 2011

**B. Reinstatements of Prior Active Certificates (Licenses) by Executive Director (5)**

The Executive Director informed the Board that the following CPAs who were initially licensed, and later elected not to renew their licenses, submitted applications to reinstate to active status (Reinstatement of License). The Executive Director evaluated the applications and the applicants' experience and re-issued CPA Certificates to Practice (License Reinstatements), subject to ratification by the Board.

Upon motion by Mr. Bergeron, seconded by Mrs. Cochran and unanimously adopted, the Board ratified the re-issuance of the following CPA Certificates (Item B):

<b>Name</b>	<b>Number</b>	<b>Active Certificate Reinstatement Date</b>
Andrea Serino-Perkins	25206	May 24, 2011
Elizabeth Lorch Esquerre	17608	June 15, 2011
Theda Kittrell	21387	June 16, 2011
Arthur Trent Schelin	18364	June 16, 2011
Stephen Christopher Norton	23998	July 14, 2011

**C. Approval of Reciprocal Certificates Issued by the Executive Director (9)**

The Executive Director informed the Board that the following individuals submitted applications for Louisiana Reciprocal Certificates. The Executive Director evaluated the applications and approved the Reciprocal Certificates, subject to ratification by the Board.

Upon motion by Mr. Bergeron, seconded by Mr. Bruno and unanimously adopted, the Board ratified the issuance of the following Reciprocal Certificates (Item C):

<b>Name</b>	<b>Certificate Number</b>	<b>Issue Date</b>	<b>Original State</b>
Saleem Hirani	S26690	May 11, 2011	IL
Karim Elkholy	S26693	June 6, 2011	NJ
Myra Nicole Paiz	S26705	June 15, 2011	GA
Paul Steven Shaffer	S26706	June 15, 2011	IL
Jeffrey Craig Englert	S26709	June 16, 2011	TX
John Ryan Kelly	S26710	July 12, 2011	TN
Kelli Ann Walton	S26711	July 12, 2011	AL
Marcia Green Jerding	S26737	July 14, 2011	TN
Jessica Margaret Cartledge	S26740	July 15, 2011	VA

**D. Approval by the Executive Director of Transfer of Grades for Original Louisiana Certificate (1)**

The Executive Director informed the Board that the following individual submitted an application for a transfer of CPA examination grades to Louisiana for an original Louisiana CPA Certificate. The Executive Director evaluated and approved the application, as to the individual having met the residency, examination, educational, and experience requirements, and issued the Certificate, subject to ratification by the Board.

Upon motion by Mr. Harris, seconded by Mrs. Cochran and unanimously adopted, the Board ratified the issuance of the following Certificates (Item D):

<b>Name</b>	<b>Certificate Number</b>	<b>Issue Date</b>
Brian Robert Banks	26707	June 16, 2011

**E. Application for Initial Certificate for Board Consideration  
Christopher D. Henderson**

The Board considered the experience documentation submitted by Mr. Henderson. Upon motion by Mrs. Hutchinson, seconded by Mr. Bruno and unanimously adopted, the Board determined that Mr. Henderson had met the experience requirements and approved his application for reinstatement.

CHRISTOPHER D. HENDERSON  
CERTIFICATE NO. 26741

**F. Application for Initial Certificate for Board Consideration  
Michael E. Soileau**

The Board considered the experience documentation submitted by Mr. Soileau. Upon motion by Mrs. Hutchinson, seconded by Mr. Bergeron and unanimously adopted, the Board determined that Mr. Soileau had met the experience requirements and approved his application for reinstatement.

MICHAEL E. SOILEAU  
CERTIFICATE NO. 26742

**G. Application for Initial Certificate for Board Consideration  
Jennifer Lynn Spurgeon**

The Board considered the experience documentation submitted by Ms. Spurgeon. Upon motion by Mr. Harris, seconded by Mr. Bergeron and unanimously adopted, the Board determined that Ms. Spurgeon had met the experience requirements and approved her application for reinstatement.

JENNIFER LYNN SPURGEON  
CERTIFICATE NO. 26743

**H. Application for Initial Certificate for Board Consideration  
Jaime L. Usey**

The Board considered the experience documentation submitted by Mrs. Usey. Upon motion by Mr. Bergeron, seconded by Mrs. Hutchinson and unanimously adopted, the Board determined that Mrs. Usey had met the experience requirements and approved her application for reinstatement.

JAIME L. USEY  
CERTIFICATE NO. 26744

**I. Application for Initial Certificate for Board Consideration  
Kathleen R. Wilder**

The Board considered the experience documentation submitted by Mrs. Wilder. Upon motion by Mrs. Cochran, seconded by Mr. Bergeron and unanimously adopted, the Board deferred action on this application, pending receipt of additional information on the applicant’s responsibilities and on licensee supervision. Mr. Henderson will obtain the additional information.

**VIII. CPA FIRM PERMITS AND FIRM RELATED ISSUES**

**A. Reinstatements of CPA Firm Permits that Expired March 1, 2011**

Mr. Henderson reported that there were no CPA Firms, with expirations on March 1, 2011, that reinstated the CPA Firm Permits since the April 2011 Board Meeting.

**B. CPA Firm Permit Applications**

The Executive Director informed the Board that the following Firms submitted applications for CPA Firm Permits. The Executive Director reviewed the applications and determined that the Firms satisfied all requirements. The Executive Director issued the Firm Permits, subject to Board ratification.

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Cochran and unanimously adopted, the Board ratified the issuance of the following CPA Firm Permits (Items B 1, 2 and 3):

**1. New Firm Permits (18)**

<b>Firm Name</b>	<b>Firm Permit Number</b>	<b>Issue Date</b>
Lisa Landaiche, CPA, LLC	4915	April 27, 2011
Kimpa Hayes Boyd, CPA, LLC	4916	April 27, 2011
Linda Hite Lulue, CPA	4917	April 27, 2011
Ted Soileau, CPA, LLC	4918	May 6, 2011
Tracy W. Golden, P.C.	4919	May 10, 2011
CV Bailey Consulting, LLC	4920	May 10, 2011
Johnson Lambert & CO, LLP	4921	May 10, 2011
Cross, Fernandez & Riley, LLP	4922	May 16, 2011
Payne & Smith, LLC	4923	June 1, 2011
Ayana A. Bishop, CPA, LLC	4924	June 15, 2011
Gary V. Hamilton, CPA	4925	June 15, 2011
Heath Crager, CPA, LLC	4926	June 15, 2011
Andrea D. Serino, CPA, LLC	4927	June 27, 2011
Heather N. Thompson, CPA, LLC	4928	July 12, 2011

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<b>Firm Name</b>	<b>Firm Permit Number</b>	<b>Issue Date</b>
Halphen-McKay, PLLC	4929	July 12, 2011
Gill Parson & Associates, LLC	4930	July 12, 2011
Mark Ford, CPA, LLC	4931	July 12, 2011
Benjamin Pettie, CPA	4932	July 12, 2011

**2. Reissuance of Firm Permits (Due to Change in Legal Entity) (0)**

The Executive Director informed the Board that there were no Reissuance of Firm Permits due to change in legal entity since the April 2011 Board Meeting.

**3. Reinstatement of Firm Permits Expired In Prior Years (3)**

<b>Firm Name</b>	<b>Firm Permit Number</b>	<b>Reinstatement Date</b>
Barrett Consulting, APC	4706	May 10, 2011
John V. Callegari, Jr., CPA	2066	July 8, 2011
Valecia A. Royer, CPA, APC	4047	July 11, 2011

**C. Request on Offering Services as CPA**

The Board considered a request by Anna K. Wong, CPA as to whether she would be allowed to offer services through her CPA Firm under an existing management consulting practice. Mrs. Wong is also an attorney and a business consultant, and represented to Board staff that she does not plan on performing attest services. She plans to share office space with a financial advisor. She submitted a sample of letterhead to illustrate how she would like to offer services.

LCPA Executive director Mr. Hazel informed the Board that Ms. Wong had indicated in discussions with him that she may refrain from using the CPA title and therefore no determination by the Board may be required.

**IX. RECURRING MATTERS AND DEFERRED ITEMS**

**A. NASBA Items**

**1. Nominating Committee**

At the NASBA Eastern Regional Conference, Mr. Tham was selected as the Southwest Representative of the Nominating Committee.

**2. UAA Exposure Draft on CPA Firm Names**

As approved by the Board at the April 2011 Board Meeting, Mr. Henderson's comments on the UAA Exposure Draft on CPA Firm Names were forwarded to

the UAA Committee. Mr. Henderson discussed with the Board a call he recently received from Carlos Johnson of the Committee concerning the Exposure Draft.

**3. Other NASBA Items**

Mr. Harris, who is serving this year as NASBA Vice Chair, reported on other NASBA topics or items of interest.

**B. Peer Review Oversight Committee (PROC) - Quarterly Report**

The Board reviewed a report by PROC Member Mr. Updegraff on the AICPA Peer Review Program administered by the Society of Louisiana CPAs: The Peer Review Committee held a telephone conference call on May 10, 2011, in which there were 17 reviews comprised of 6 system reviews and 11 engagement reviews. Three (3) engagement reviews and one (1) system review was classified as a Fail.

**C. Peer Review Items**

**1. Report on Peer Review Items**

The Board reviewed the following report:

<u>Item</u>	<u>Since April 2011 Board Meeting</u>	<u>Total</u>
Agreement to Restrict Practice	5	34
Agreement to Restrict Practice to SSARS 8	0	2
Peer Review Extensions	0	6
Provisional Permits	0	5
Year End Changes	6	10
First Fail Letters	4	29

**2. Legislative Auditor Letter to Firms with a *Fail* PR Report**

The Board reviewed samples of letters sent by the Legislative Auditors Office to firms concerning Peer Review *Fail* reports, and considered comments on the letters by LCPA Executive Director Mr. Hazel.

**D. Society of Louisiana CPAs (LCPA) - Report on Matters of Interest**

Grady R. Hazel, CPA, Executive Director of the LCPA, discussed matters of interest to the Board and the profession. Included was a discussion on the report by the *Blue Ribbon Committee* established to recommend how new standards for private companies should be established to set more reasonable standards and whether the Financial Accounting Standards Board (FASB) should be restructured and continue to set the standards. The *Blue Ribbon Committee* report recommended that a new standard setting body be established; however, it included a minority report of NASBA supporting separate standards but to be promulgated by FASB. (continued on next page)

A motion was made by Mr. Bergeron, seconded by Mrs. Hutchinson, to support the majority recommendation of the Blue Ribbon Committee. Mr. Bergeron subsequently withdrew the motion.

A substitute motion was made by Mr. Harris, seconded by Mr. Bruno, to send a letter to the Financial Accounting Foundation (FAF) expressing concern that the process seems to be broken and needs to be repaired; that past attempts in changing the standard setting process have not been effective; and, that we believe that a substantial change in the structure of the standard setter is needed. The motion was adopted by a vote of 5-2. Mr. Harris, Mrs. Cochran, Mr. Bruno and Mr. Tham voted affirmatively. Mr. Bergeron and Mrs. Hutchinson voted “No” as they supported a letter explicitly calling for a separate Board under FAF. Mr. Henderson will draft a letter for Board members to consider.

## **X. NEW MATTERS**

### **A. Request for CPE for the Series 27 Examination - Rule 1309(F) Credit for Exams**

Rita M. Reed, CPA submitted a request that the Board grant CPE credit for the Series 27 Examination administered by the Financial Industry Regulation Authority.

After reviewing the information concerning the examination, upon motion by Mrs. Honoré Thomas, seconded by Mr. Bruno and unanimously adopted, the Board approved the Series 27 examination as acceptable CPE, subject to further review for duplicity.

### **B. Notary Public Examination - Rule 1309(F) Credit for Exams**

Mr. Henderson reported that LCPA Executive Director Grady Hazel had a recent inquiry as to whether the Notary Public examination would qualify for CPE.

Upon motion by Mr. Bruno, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board approved CPE for the exam under Rule 1309(F).

### **C. CAVU Items**

#### **1. CAVU Users Conference**

Mr. Henderson reported that a CAVU Users Conference was held June 2-3, 2011 in Baton Rouge, Louisiana. Mr. Henderson, Mr. Cognevich, Ms. Bush, and Ms. Jackson attended.

#### **2. CAVU Participation with NASBA “ALD”**

Mr. Henderson reported that he and Mr. Cognevich have been working with CAVU representatives in identifying, defining, and mapping items in the Board’s elicense database software that will be regularly extracted through an automated export process from the Board’s database to upload to the NASBA Accountancy Licensee Database (ALD). Mr. Henderson also discussed the estimated cost.

**3. CAVU Software Upgrade**

Mr. Henderson reported that the Board's CAVU System could be updated to the more recent version of the CAVU system, that is, from the older "asp" platform version to its new ".Net" version. The .Net "online modules" are available now. The .Net intranet functions (internal processes and functions) are to be released within the next year.

**D. Request for Use of Client Testimonials in Advertising**

David Hymel, Jr., CPA submitted a request as to whether certain client testimonials are allowable under Board Rules and the Board's Statement of Position on Advertising and Public Communications.

After reviewing Mr. Hymel's request and the applicable portion of the Board's Statement of Position, the Board determined that the use of the client statements proposed by Mr. Hymel is acceptable.

**E. Election of Officers and Appointment of Investigating Officers**

**1. Election of Officers**

Chairman Mr. Tham announced that an election of Board Officers for the year beginning August 1, 2011 is in order. Currently, Board Member Mrs. Hutchinson serves as Secretary and Board Member Mr. Bergeron serves as Treasurer.

Upon nomination by Mrs. Cochran, seconded by Mr. Bergeron, Board Member Mr. Harris was elected to serve as Secretary of the Board. Upon nomination by Mrs. Cochran, seconded by Mr. Bergeron, Board Member Mrs. Hutchinson was elected to serve as Treasurer of the Board.

**2. Appointment of Investigating Officers**

Chairman Mr. Tham appointed the following Board Members as Investigating Officers for August 1, 2011 – July 31, 2012:

Mr. Bergeron and Mr. Harris.

Mr. Tham will also serve as Investigating Officer on minor cases if necessary.

**3. Resolution for Retiring Officers**

Upon a motion by Mrs. Cochran, seconded by Mrs. Honoré Thomas, the Board unanimously approved a resolution expressing its thanks to the retiring officers for their dedicated service to the State Board:



**RESOLUTION**

**THEREFORE, BE IT RESOLVED** that the State Board of CPAs of Louisiana expresses its thanks to the retiring officers for their dedicated service to the State Board for the year ended July 31, 2011.

**F. Proposal to Post Board Information on Facebook, Twitter and Through E-mail**

Board Members Mrs. Honoré Thomas and Mr. Bergeron proposed considering whether Board information should be provided on Facebook, Twitter and through E-mail. Mrs. Honoré Thomas and Mr. Bergeron will study the feasibility of the proposal, how it might be accomplished, and report to the Board.

**XI. INFORMATION ITEMS AND ANNOUNCEMENTS**

**A. CPA, CPA Inactive, and CPA Firm Permit Tabulations as of June 30, 2011**

**1. CPA Registrants**

6,918	Active Certificate holders (licensees)
<u>3,308</u>	Inactive Status registrants (unlicensed)
<b><u>10,226</u></b>	<b>Total</b>

This is a net increase of 142 from June 30, 2010, as follows:

Increase of:	249	Active Certificate holders (licensees)
Decrease of:	107	Inactive Status registrants (unlicensed)

**2. CPA Firm Permits**

June 30, 2011:	2,191
June 30, 2010:	2,180

This is a net increase of 11 Firms.

**B. State Travel Policies and Procedures – Fiscal Year 2011-2012**

**1. State Contracted Travel Agency**

The Board was informed that “Short’s Travel Management” remains the state contracted travel agency for the current fiscal year.

**2. 2011–2012 Louisiana Pocket Guide to Travel Regulations**

A copy of the 2011-2012 Pocket Guide to Travel Regulations was provided to all Board Members.

**3. Vehicle Mileage Rate**

The Board was informed that the mileage reimbursement rate for the 2011 – 2012 fiscal year is currently set at .51 per mile. This rate can be claimed on reimbursements effective July 1, 2011.

**XII. REPORTS ON CONFERENCES / MEETINGS**

**A. NASBA Eastern Regional Meeting (not Louisiana –out of NASBA region)**

June 22 – June 24, 2011 - Point Clear, Alabama

Mr. Harris, Mr. Tham, Mrs. Honoré Thomas, Mr. Bergeron, and Mr. Henderson attended.

**B. NASBA Western Regional Meeting (Louisiana, in SW Region, participates)**

June 8 – June 10, 2011 - Omaha, Nebraska

Mr. Harris attended.

**XIII. FUTURE MEETING / CONFERENCE DATES**

**A. NASBA Fourth Annual International Forum**

July 25 – July 26, 2011 - Vancouver, British Columbia

**B. NASBA Peer Review Oversight Committee Summit**

August 16, 2011 - Charleston, South Carolina

Mr. Bruno, Mr. George Lewis (PROC) and Mr. Henderson plan to attend.

**C. CLEAR Conference**

September 5 - 7, 2011 - Pittsburgh, Pennsylvania

**D. NASBA 104<sup>th</sup> Annual Meeting**

October 23 – October 26, 2011 - Nashville, Tennessee

Mr. Tham, Mrs. Cochran, Mr. Harris, Mrs. Honoré Thomas, Mr. Bergeron, and Mrs. Hutchinson currently plan to attend.

**E. NASBA Eastern Regional Meeting - 2012 (not Louisiana –out of NASBA region)**

June 13 – June 15, 2012 - Philadelphia, Pennsylvania

**F. NASBA Western Regional Meeting - 2012 (Louisiana, in SW Region, participates)**

June 27– June 29, 2012 - Anchorage, Alaska

**XIV. UPCOMING BOARD OFFICE HOLIDAYS**

September 5, 2011 Labor Day

**XV. NEXT BOARD MEETING**

Wednesday – Friday  
November 2 – 4, 2011

**XVI. EXECUTIVE SESSION MATTERS**

In order to deliberate on a formal administrative Hearing, report on the status of compliance with Board Decisions and Consent Orders and status of investigations; and, to address other executive session matters, an executive session was convened and called to order by Chairman Mr. Tham on Wednesday, July 20, 2011 and Thursday, July 21, 2011, upon motion(s) made, as follows:

Upon motion by Mrs. Harris, seconded by Mrs. Honoré Thomas, the Board went into executive session on July 20, 2011 at 9:18 a.m. Upon motion by Mrs. Hutchinson, seconded by Mr. Bruno, the executive session adjourned at 10:38 a.m.

Upon motion by Mr. Bruno, seconded by Mr. Bergeron, the Board went into executive session on July 21, 2011 at 10:20 a.m. Upon motion by Mr. Bruno, seconded by Mr. Bergeron, the executive session adjourned at 11:41 a.m.

**A. Board Deliberation  
John Wiley Davis, CPA - File No. 2009-19**

The Board continued its consideration of documentary and testimonial evidence presented at the Administrative Hearing held in this matter on February 1- 4, 2011.

**B. Consideration of whether to Close File - Respondent Complied with Provisions of Board Decision and Consent Judgment Entered into in Court  
Charles Edward Reese - File No. 2010-12**

Upon motion by Mr. Bruno, seconded by Mrs. Cochran and unanimously adopted, the Board found no cause for further action and officially closed this file.

**C. Consideration of Consent Order  
Wayne Triche, CPA - File No. 2006-06**

Upon motion by Mrs. Cochran, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board approved the Consent Order to resolve this matter.

**D. Consideration of Consent Order  
Chasity N. Hooks, CPA - File No. 2011-5**

Upon motion by Mrs. Cochran, seconded by Mr. Harris and unanimously adopted, the Board approved the Consent Order to resolve this matter.

**E. Consideration of Consent Order  
Dale F. Oser, CPA - File No. 2011-13**

Upon motion by Mrs. Hutchinson, seconded by Mr. Bruno and unanimously adopted, the Board approved the Consent Order to resolve this matter.

**F. Files Recommended to be Closed with No Cause for Action**

1. File No. 2008-04
2. File No. 2010-16
3. File No. 2010-40
4. File No. 2010-41
5. File No. 2011-17

Upon motion by Mr. Bruno, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board found no cause for action and officially closed the above files.

**G. Files Recommended to be Closed with No Cause for *Further* Action**

1. File No. 2009-4
2. File No. 2010-36
3. File No. 2011-2

Upon motion by Mr. Harris, seconded by Mrs. Cochran and unanimously adopted, the Board found no cause for further action and officially closed the above files.

**H. Files Recommended to be Closed with the Stipulation that the Respondent's File be Noted that this Matter must be Addressed should the Respondent Request Reinstatement of the CPA Certificate**

1. File No. 2010-5

Upon motion by Mrs. Honoré Thomas, seconded by Mr. Bergeron and unanimously adopted, the Board closed the above File with the stipulation that the Respondent's File be noted that this matter must be addressed should the Respondent request reinstatement of her CPA Certificate.

**I. File Recommended to be Closed with No Cause for Action with a Cautionary Statement to the Respondent concerning the Obligation to Provide Client Records in a Timely Manner**

1. File No. 2009-1

Upon motion by Mrs. Hutchinson, seconded by Mr. Bruno and unanimously adopted, the Board closed the above File with no cause for action with a cautionary statement to the Respondent concerning the obligation to provide client records in a timely manner.

**J. Acceptance of Reports**

Upon motion by Mr. Bruno, seconded by Mr. Bergeron and unanimously adopted, the Board accepted the reports made by each respective Investigating Officer on the status of their investigative files and other reports on status of matters provided by Board staff.

**K. Consideration of Arrest Information – CPA Exam Candidate**

Upon motion by Mrs. Cochran, seconded by Mrs. Hutchinson and unanimously adopted, the Board determined that the exam candidate will be permitted to sit for the CPA Examination.

**XVII. BOARD DECISION**

**John Wiley Davis, CPA - File No. 2009-19  
Wednesday, July 20, 2011 – 1:30 p.m.**

After consideration of the testimonial and documentary evidence presented at the Administrative hearing held February 1–4, 2011, the Board rendered a Decision in this matter by a vote of 6 - 0. Board Member Mr. Bergeron, Investigating Officer on this matter, took no part in the Hearing or consideration of this matter.

**XVIII. ADJOURNMENT**

**Wednesday, July 20, 2011:**

There being no further business to discuss, upon motion by Mrs. Cochran, seconded by Mr. Bruno, and unanimously adopted, the meeting adjourned at 5:00 p.m. on Wednesday, July 20, 2011.

**Thursday, July 21, 2011:**

There being no further business to discuss, upon motion by Mr. Bruno, seconded by Mr. Bergeron and unanimously adopted, the meeting adjourned at 11:51 a.m. on Thursday, July 21, 2011.