

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

601 Poydras Street, Suite 1770
New Orleans, Louisiana 70130

July 30 – August 1, 2014

The regular meeting of the State Board of Certified Public Accountants of Louisiana was called to order by Chairman Tham on Wednesday, July 30, 2014, Thursday, July 31, 2014, and Friday, August 1, 2014, in the offices of the Board at 601 Poydras Street, Suite 1770, New Orleans, Louisiana.

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, consider Firm Permit applications and related issues, conduct formal administrative hearings, consider executive session matters, and to transact any other business that requires the Board's attention.

The following Members were present:

Michael A. Tham, CPA	-	Chairman
Desireé Honoré Thomas, CPA	-	Secretary
Michael B. Bruno, CPA	-	Treasurer
Mark P. Harris, CPA	-	Member
Michael D. Bergeron, CPA ¹	-	Member
Lynn V. Hutchinson, CPA	-	Member
Letti Lowe-Ardoin, CPA	-	Member

Also present were:

Staff:	Darla M. Saux, CPA	-	Executive Director
	Erin St Pierre England	-	Deputy Director
	Lisa A. Benefield	-	Compliance Investigator
	Carolyn A. Wainright	-	Compliance Investigator
Guests:	Ronald A. Gitz, II, CPA	-	Executive Director, LCPA
	Stacey Lockwood	-	Director of Professional Oversight, LCPA
	Lisa Richardson	-	CPE and Member Services Director

The meeting was called to order by Chairman Tham at 9:10 a.m. on Wednesday, July 30, 2014, upon motion by Mrs. Honoré Thomas, seconded by Mr. Harris and unanimously adopted.

The meeting was called to order by Chairman Tham at 9:04 a.m. on Thursday, July 31, 2014, upon motion by Mrs. Hutchinson, seconded by Mr. Bruno and unanimously adopted.

¹ On July 31, 2014 arrived at 1:00pm

The meeting was called to order by Chairman Tham at 9:00 a.m. on Friday, August 1, 2014, upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Harris and unanimously adopted.

I. CHAIRMAN'S REPORT

A. One Hour of Governmental Ethics Requirement for Public Servants

All Board Members and Board Staff were reminded to complete the training for December 31, 2014. Currently we have Mr. Harris' 2014 certificate on file.

B. One Hour of Sexual Harassment Training Requirement for Public Servants

All Board Members and Board Staff were reminded to complete the training for 2014 and submit the certificates to Mrs. England who will place them in each Board and Staff Member's file. At the time of the meeting, there were no certificates on file.

C. Personnel

1. The Administrative Assistant 3 position is still open. Mrs. Saux and Mrs. England are re-examining to better define and will repost this position with Civil Service.
2. Westaff Temp Employees – Ms. Patricia Smith-Carter, from Westaff, has been hired on a temp to hire basis since early June to assist Compliance and Investigations with clerical and administrative work.
3. Mrs. England discussed Performance Planning for Fiscal Year 2014-15 – All Board classified employees will receive a Performance Plan (performance expectations) for fiscal year 2014 – 2015 no later than September 30, 2014, in accordance with Civil Service rules. In preparation for the personnel review and evaluation period, the Staff were asked to complete trainings on the personnel evaluation system via the online LEO system by July 9, 2014 and complete a self-evaluation by August 1, 2014. Performance Evaluations are due by August 31, 2014.

D. Technology Purchases/Upgrades

1. Mrs. Saux discussed new office workstations - The Board purchased nine Dell Optiplex Computers for staff which were installed the first week of May 2014. Cost for computers was \$7,876.10 plus installation costs of \$2,558.75.
2. Mrs. Saux discussed the purchase of a new server and software – The Board purchased a Dell PowerEdge R820 Server which was delivered July 24, 2014 at a cost of \$14,535.77. The required software cost \$10,813.39. This will replace the current three servers which were purchased in 2008.

II. APPROVAL OF MINUTES

The regular and executive session minutes for the April 2014 Board Meeting were previously sent to Board members for review. By motion of Mr. Bruno, seconded by Mrs. Honoré Thomas the Board approved the April 2014 regular and executive session minutes as drafted.

III. TREASURER'S REPORT

- A. Financial statements for the quarter ended June 30, 2014 were not presented because there was missing state information. GASB 45 OPEB Valuation Report as of July 1, 2013 to be used for fiscal year ending June 30, 2014 was not available on Louisiana’s Division of Administration website at the time of printing. This report is used to calculate the current fiscal year’s OPEB liability. Board Treasurer Mr. Bruno advised that the financial statements are incomplete and were not presented.
- B. The Annual Financial Report (AFR) for the 2013 - 2014 fiscal year is to be completed and filed with the Office of Statewide Reporting and the Legislative Auditor by August 30, 2014.
- C. Mrs. Saux discussed employer contribution rate increases for Employee Benefits

The budgeted increase for FY 2014-15 for employer contributions to retirement plans was 3% based on the past 2 years’ rate increases. The State’s retirement plan, LASERS, recently announced the increase in employer contributions for the state employee retirement plan for FY 2014-15 to 37.0% from 31.3% (5.7%). One employee is participating in the Teachers’ Retirement System and the increase in employer contributions for that plan for FY 2014-15 rose to 28.0% from 27.2% (0.8%).

Additionally, OGB announced a 5% rate increase in health insurance for both employee and employer contributions for the FY 2014-15. An estimated increase of 5% was budgeted for FY 2014-15 for health insurance.

IV. DEATHS AND RESIGNATIONS

A. Deaths (4)

Name	Certificate No.	Year Issued	Certificate Status
Richard Steven Light	17173	1987	Active
Vernon Colton Shaffer	01411	1957	Active
Dorothy G. Bourn	21318	1993	Inactive
Clinton J. Romig	01541	1959	Inactive

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

B. Resignations (2)

Name	Certificate No.	Year Issued	Certificate Status
James Christopher Thomas	18909	1987	Active
Michael L. Goldblatt	14150	1979	Inactive

V. CERTIFICATE AND INACTIVE STATUS REINSTATEMENTS

A. Reinstatements of Certificates Active and Inactive Status Expired March 1, 2014

The Board was informed that the following CPA and CPA Inactive Status Registrants with expirations on March 1, 2014 due to non-renewal, reinstated their CPA Certificate or CPA Inactive Status registrations since the April 2014 Board meeting. **(27 Total: 16 Active and 11 Inactive Status):**

Name	Certificate No.	Certificate Status
Thomas Jean Aldridge	17949	Active
Hyppolete Joseph Astugue	12875	Active
Katy Lynn Bertrand	23415	Active
Yolanda E. Brumfield	S27271	Active
Laurie Colvin Carriere	24692	Active
Megan Burleigh Castille	26192	Active
Christopher Joseph Fagot	19273	Active
Nancy J. Grant	B20621	Active
Rebecca Jean Houston	27260	Active
Daniel Robert Maranto	26477	Active
Jennifer Jenkins McKnight	21164	Active
Amanda Rae Reagan	26766	Active
Jed B. Rimmer	26735	Active
Daniel V. Dooley	11277	Active
Cynthia N. Buckel	25241	Active
Kimberlee Sundquist Gelbke	23029	Active
Ann Oglesby Ault	18866	Inactive
Shirley Broussard Binner	13831	Inactive
Julie F. Breitmeyer	8764	Inactive
Anna Sewell Brown	18462	Inactive
Mark Steven Dudeck	19506	Inactive
William D. Landry	B19693	Inactive
Lisa Lucille Leingang	17146	Inactive
Hilliard B. McClendon	2113	Inactive
Daniel Joseph Neil	17497	Inactive
E. Michael Schofield	19860	Inactive
Brooks Christopher White	23555	Inactive

B. Reinstatement of Certificates Active and Inactive Status Expired Prior Years

The Board was informed that the following CPAs who were initially licensed and later elected not to renew their licenses, submitted applications to reinstate their CPA certificate or CPA inactive status registrations. **(10 Total: 7 Active, 3 Inactive Status):**

Name	Certificate No.	Certificate Status
Cecil Scott Massey	19194	Active
Michael Anthony LeBlanc	18034	Active
Jan M. Lepp	24923	Active
Frank Walter McNabb	21628	Active
Don Meazell , Jr.	16567	Active
Mark Andrew Towery	24520	Active
Andrew J. Williams III	19406	Active
Forrest Allen Young	20579	Inactive
Dennis Paul Bent	20187	Inactive
Suzanne Marie Liuzza	22594	Inactive

The Executive Director evaluated the applications and the applicants’ experience and continuing education as applicable and re-issued CPA Certificates to Practice (License Reinstatements), subject to ratification by the Board.

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Harris, and unanimously adopted, the Board ratified the reinstatement of the above CPA Certificates (Item A & B).

VI. CPA EXAMINATION

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

Apr-May 2014 – 486 sections; 478 candidates (1.02 sections per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect’s	55	42.63%	56	50.45%	41	35.65%	64	48.85%
Failed sect’s	<u>74</u>		<u>55</u>		<u>74</u>		<u>67</u>	
	<u>129</u>		<u>111</u>		<u>115</u>		<u>131</u>	
<i>National pass rate</i>		49.0%		58.2%		47.7%		51.7%

Jan-Feb 2014 – 411 sections; 366 candidates (1.19 sections per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	54	46.55%	44	43.13%	42	37.50%	49	46.22%
Failed sect's	<u>62</u>		<u>58</u>		<u>70</u>		<u>57</u>	
	<u>116</u>		<u>102</u>		<u>112</u>		<u>106</u>	
<i>National pass rate</i>		47.4%		53.3%		44.1%		49.2%

Oct-Nov 2013 – 691 sections; 530 candidates (1.3 sections per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	70	43.75%	92	58.22%	67	38.95%	92	45.77%
Failed sect's	<u>90</u>		<u>66</u>		<u>105</u>		<u>109</u>	
	<u>160</u>		<u>158</u>		<u>172</u>		<u>201</u>	
<i>National pass rate</i>		42.9%		54.4%		45.3%		46.6%

Jul-Aug 2013 – 651 sections; 480 candidates (1.36 sections per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	75	49.67%	85	55.92%	86	46.74%	87	53.04%
Failed sect's	<u>76</u>		<u>67</u>		<u>98</u>		<u>77</u>	
	<u>151</u>		<u>152</u>		<u>184</u>		<u>164</u>	
<i>National pass rate</i>		46.56%		58.54%		51.23%		49.80%

April-May 2013 – 466 sections; 386 candidates (1.21 sections per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	67	45.27%	38	43.18%	45	37.50%	52	47.27%
Failed sect's	<u>81</u>		<u>50</u>		<u>75</u>		<u>58</u>	
	<u>148</u>		<u>88</u>		<u>120</u>		<u>110</u>	
<i>National pass rate</i>		48.08%		55.95%		49.09%		49.79%

Jan-Feb 2013 – 411 sections; 353 candidates (1.16 sections per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
<u>Louisiana:</u>								
Passed sect's	58	45.67%	51	52.04%	45	51.72%	49	49.49%
Failed sect's	<u>69</u>		<u>47</u>		<u>42</u>		<u>50</u>	
	<u>127</u>		<u>98</u>		<u>87</u>		<u>99</u>	
<i>National pass rate</i>		45.19%		53.47%		47.16%		47.57%

B. Candidates Passing Examination Sections – May / June 2014 (35)

The following candidates passed the CPA examination. CPA Examination Services (CPAES) sent a final grade letter to these candidates. The “passing” letter informs the candidates that they completed the examination and are eligible to apply for a Certificate if they have met the experience requirements.

Name

Yanick A. Anagho
 Christian Belteau
 Stephen K. Cox
 Judith Dettwiller
 Alnoor Dhanani
 Britt J. Dummond
 Clayton Erwin
 Michael R. Fabre
 Rhonda O. Fairburn
 David Favaloro
 Jacob S. Folse
 Kevin T. Forcht
 Iwona Frasunek-Lencze
 Kayla M. Gauthreaux
 Trent D. Holmes
 Brody A. Howes
 Nicholas L. Kidder
 Madeline C. LaFont

Name

Dustin J. LaLena
 Brant M. Linde
 Matthew J. Losavio
 Michael E. Morse, Jr
 Joseph B. Moss
 Alison Murphy
 Pamela G. Perkins
 Evan F. Prange
 Christine E. Pundt
 Lauren Robin
 Lindsey Rodriguez
 Katelyn H. Sarkies
 Kai Q. Seah
 Cameron Sigler
 Alaina M. Stokke
 Kevin Tran
 Claude M. Williams

C. Exam Related Requests

1. Candidate No. 1 – Request for Extension of Exam Credits

NASBA, on behalf of the candidate, submitted a request for an extension of the candidate’s exam credit for REG due to an error in the NASBA registration system making the candidate unable to register for FAR in time to test prior to losing the REG credit.

Upon motion by Mr. Bergeron, seconded by Mrs. Hutchinson and unanimously adopted, the Board approved an extension expiration date to August 31, 2014.

**2. Ratification of Board Determination on Exam Request
(Request for Military Credits to be accepted toward Semester Hours)**

The Board was asked to ratify its determination on this request. Mr. Timothy John Berard submitted a request for the Board's acceptance of 12 semester hours credited to him by LSU for active military service with the Army towards the 150 hour requirement. The Board determined that it would accept LSU's evaluation of Mr. Berard's military service credits of 12 semester hours.

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Bergeron and unanimously adopted, the Board ratified its determination on Mr. Timothy John Berard's request to accept 12 semester hours credited to him by LSU for active military service with the Army as credit to the 150 hour requirement.

3. Candidate No. 2 - Request for Extension of Exam Credits

The candidate submitted a request for an extension of his CPA testing schedule until January 31, 2015 due to a medical hardship. Candidate had surgery in September 2012 after applying for two parts of the exam. Candidate has since passed three parts. One credit has already expired.

- FAR credit received 11/19/2012 (expired 05/19/2014)
- AUD credit received 02/28/2013 (expires 08/28/2014)
- REG credit received 10/03/2013 (expires 04/03/2015)
- BEC is scheduled for August 27, 2014

Upon motion by Mr. Harris, seconded by Mr. Bruno and unanimously adopted, the Board approved an extended expiration date of exam credits to January 31, 2015.

D. CPA Application/Examination Fees

The Board reviewed an amendment to the agreement between NASBA and the Board seeking a fee increase in the administration fee for first time candidates and changing to a flat fee for re-examination candidates, and a renewal of the agreement extending the NASBA agreement to June 30, 2015.

E. Test Taking Patterns – Candidates who have taken the CPA Exam > 7 times

NASBA sends a quarterly report on any candidate who has unsuccessfully taken the CPA exam combined sections in excess of seven times. The Board reviewed the report sent May 20, 2014. The reports are generated for information only for each board to evaluate as it sees fit.

Mrs. Saux discussed what other states are doing. Virginia’s BOA has a stated policy to review an Exam applicant’s record for applicants that have taken combined sections of the Exam more than 40 times: Based on facts and circumstances, such applicants at the discretion of the Executive Director and prior to being approved to sit for additional sections of the Exam, will be required to come before an Informal Fact Finding Hearing of the Board to present evidence of their intent to pass the exam. The full Board determines if the applicant would be permitted to continue sitting for the Exam.

The Board instructed Mrs. Saux to discuss with other states such as Texas and Virginia about how they are handling the interview process for individuals who have taken the test multiple times. The Board also suggested any candidate who has taken the exam at least 25 times without successfully passing all four parts in an 18 month period should be contacted.

VII. APPROVAL OF CERTIFICATES (Issued / Reissued)

**A. Ratification of Original Active Certificates Issued by the Executive Director
Current CPA Examination (Passed Exam After June 1999) (39)**

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.

Name	Certificate No.	Issue Date
Eric Daniel Chi	27551	04/29/2014
Melissa Theresa Johnson	27552	04/29/2014
Naicheng Gu	27553	05/31/2014
Hollie Chapaneri Sevitts	27554	05/31/2014
Cathi A. Kendrick	27555	05/31/2014
Kaylee Angelle Champagne	27556	05/31/2014
Elizabeth Brighton Keller	27557	05/31/2014
Brandon Dean Raborn	27558	06/04/2014
Matthew Luke Berthelot	27559	06/04/2014
Felecia Dawn Yate Whitstine	27560	06/04/2014
Jamie Pousson LeJeune	27561	06/04/2014
Jason Keith Roth	27562	06/04/2014
Kalie Michlle Shuff	27563	06/04/2014
Michelle Ann Marino	27564	06/04/2014
Benjamin Cozad	27565	06/04/2014
Lisa Huynh	27566	06/04/2014
Jennifer Partain Hawkins	27567	06/04/2014
Maxim Radoslavov Tsolov	27568	06/04/2014
Amanda Lea Vanderbrook	27569	06/04/2014
Alana Lynette Jackson	27570	06/04/2014
Sarah Jessica Cavalier	27571	06/04/2014
Michael Andrew McGuire	27572	06/04/2014
Debra Gail Taylor	27576	06/04/2014
Melanie Priscilla Colletti	27578	07/14/2014
Judith Newton Dettwiller	27580	07/15/2014
Alaina Marie Stokke	27581	07/15/2014
Alnoor Karim Dhanani	27585	07/19/2014

Britt Jerome Drummond	27586	07/19/2014
Rhonda O. Fairburn	27587	07/19/2014
Shweta Jha	27588	07/19/2014
Joseph Blake Moss	27589	07/19/2014
Iuliia Parkulab	27590	07/19/2014
Michael Ryan Fabre	27591	07/19/2014
Clayton Price Erwin	27592	07/19/2014
Lauren Michelle Robin	27593	07/19/2014
Iwona Frasunek-Lenczewski	27594	07/19/2014
Lauren Kaye Askew	27595	07/19/2014
You Michael Wang	27596	07/19/2014
Pamela Green Perkins	27597	07/19/2014

Upon motion by Mr. Bergeron, seconded by Mr. Bruno and unanimously adopted, the Board ratified the issuance of the above CPA Certificates (Items A).

B. Candidate No. 1 – Consideration of felony conviction (Executive Session)

A CPA candidate responded affirmatively on the application to the question as to whether he had been charged with a felony. The information submitted by the candidate was considered by the Board in Executive Session.

C. Candidate No. 2 – Consideration of work verification from immediate relative

Candidate graduated from LSU in May 2003 and began taking the CPA Exam in August 2006. In August 2013, the candidate was granted an extension on his conditional credit for the BEC and REG sections due to a medical condition. Candidate passed the exam and is now applying to be a Licensed CPA in Louisiana. Candidate submitted application package, however, the work verification letter is from an immediate relative – his father. The candidate has been working for his father’s company since 2007.

Upon motion by Mr. Bergeron, seconded by Mr. Bruno and unanimously approved, the Board approved the application for candidate No. 2 to become a licensed CPA in Louisiana.

D. Approval of Transfer of Grades Issued by the Executive Director (1)

The following individuals submitted applications for Louisiana Transfer of Grades Certificate. The Executive Director evaluated the applications and approved the Transfer of Grades certificate, subject to ratification by the Board.

Name	Certificate No.	Issue Date	Original State
Scott Tucker Johnson	27583	07/19/2014	Kentucky

Upon motion by Mr. Bergeron, seconded by Mr. Harris and unanimously adopted, the Board ratified the issuance of the above Transfer of Grades Certificates (Item D).

E. Approval of Reciprocal Certificates Issued by the Executive Director (12)

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.

Name	Certificate No.	Issue Date	Original State
Randall Lee Sansom	27521	04/15/2014	Florida
Shelia D. Meyers	27522	04/13/2014	Iowa
Barbara Ellen Landry	27523	04/11/2014	Texas
Jennifer H. Engle	27524	04/11/2014	Georgia
Stephen Paul Messenger	27550	05/07/2014	North Carolina
Zakkiyya Y Shakir	27573	06/04/2014	Tennessee
Molly Marino Cvitanovic	27574	06/04/2014	Texas
Stephen Theodore Harris	27575	06/04/2014	Arizona
Meredith Patrick Pace	27577	06/04/2014	Virginia
Thomas Gregory Murphey	27579	07/15/2014	Mississippi
Stephen Adrian Williams	27582	07/19/2014	Indiana
Cornelius Block Harris	27584	07/19/2014	Alabama

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Hutchinson and unanimously adopted, the Board ratified the issuance of the above Reciprocal Certificates (Item E).

VIII. CPA FIRM PERMITS AND FIRM RELATED ISSUES

A. Reinstatements of CPA Firm Permits that Expired March 1, 2014 (2)

The Board was informed that the following CPA Firms, with expirations March 1, 2014, reinstated their CPA Firm Permits:

Firm Name	Firm Permit No.
Don Le, CPA, APAC	4854
Malone Bailey, LLP	4885

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

Firm Name	Firm Location	Firm Permit No.	Issue Date
Donna T. Oliver, CPA	Lafayette, LA	4148	05/15/2014
REDW LLC	Albuquerque, NM	3768	05/14/2014
Hooks & Associates, LLC	Lafayette, LA	4597	06/24/2014

C. CPA Firms Change in Legal Entity (0)

There were no CPA firm change of entity applications to approve.

D. CPA Firms Retired or Cancelled (0)

There were no CPA firm retirements or cancellation notices this quarter.

E. CPA Firm Permit Applications**1. New CPA Firm Permits (31)**

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.

Firm Name	City, ST	Firm No.	Issue Date
Warren J. Arcement, LLC	Baton Rouge, LA	5150	05/02/14
L.L. Bradford & Company, LLC	Las Vegas, NV	5151	05/18/14
Linda R. Gibson, CPA, LLC	Baton Rouge, LA	5152	05/20/14
Christopher J. Barr, CPA, LLC	Ruston, LA	5153	05/20/14
Robert W. Theriot, Sr., CPA	Slidell, LA	5154	05/20/14
Kathie M. Romero, CPA	New Iberia, LA	5155	05/20/14
Terry W. Frazier, CPA	Slidell, LA	5156	05/20/14
David T. Cole, CPA, LLC	Ruston, LA	5157	05/20/14
Kendal R. Turner, CPA Accounting and Consulting, LLC	Marrero, LA	5158	05/20/14
Jignesh C Desai CPA	Richmond, TX	5159	05/20/14
Ericksen, Krentel Financial Group, LLC	New Orleans, LA	5160	05/20/14
Isdaner & Company LLC	Bala Cynwyd, PA	5161	05/20/14
Amy Dell Tuminello, CPA, LLC	Denham Springs, LA	5162	05/20/14
Randall W. Fisher CPA PC	Hotchkiss, CO	5163	05/20/14
Valentine & Associates, CPAs, PLLC	Marble Falls, TX	5164	05/20/14
Sherrie Liner, CPA	Kenner, LA	5165	06/04/14
Howell CPA, PA	Ocean Springs, MS	5166	06/04/14
Parsons Holdings, LLC	Shreveport, LA	5167	06/04/14
Emily Massoth, CPA, LLC	New Orleans, LA	5168	06/04/14
Bradford Consulting	Zachary, LA	5169	06/04/14
Bailey Tax & Financial, LLC	Mandeville, LA	5170	06/27/14
Douglas, Sheets & Stremcha, CPAs, LLC	Baton Rouge, LA	5171	06/05/14
HCT Certified Public Accountants and Consultants, LLC	Hollywood, FL	5172	07/15/14

Baudean, LLC	Walker, LA	5173	07/15/14
Stauffer & Associates PLLC	Liberty Lake, WA	5174	07/15/14
Rollins Capital Strategies	Roswell, GA	5175	07/19/14
Postlethwaite & Netterville and Associates, LLC	Baton Rouge, LA	5176	07/19/14
Beasley Mitchell & Co LLP	Las Cruces, NM	5177	07/19/14
Whitfield and Company A Professional Corporation	Picayune, MS	5178	07/21/14
Leasa Tomlin	Baton Rouge, LA	5179	07/21/14
Tristan G. Yopp, CPA, LLC	Dallas, TX	5180	07/21/14

Upon motion by Mrs. Hutchinson, seconded by Mr. Harris and unanimously adopted, the Board ratified the issuance of the above CPA Firm Permits.

**2. Request for Firm Name –
B to the Double G Investments, LLC; BGG Investments, LLC**

Bobby Gill, Jr. submitted a firm permit application for the firm name “B to the Double G Investments, LLC.” Mr. Gill was notified by Board staff that Board Rules indicate the name of a firm must reflect the name under which the owner and licensee practices.

Mr. Gill believed the name represented a form of his initials and by slightly altering them in this manner made them more recognizable and unique and therefore less confusing if someone were to look him up.

Upon motion by Mr. Harris, seconded by Mrs. Hutchinson and after discussion, the Board voted 1 to 6 to no allow the request for the firm name B to the Double G Investments, LLC.

Further, Mr. Gill applied under the name “BGG Investments, LLC.” The Board discussed the merits of using “investments” in a firm name.

Upon motion by Mr. Bergeron, seconded by Mrs. Lowe-Ardoin and after discussion, the Board unanimously disapproved the request for the firm name BGG Investments, LLC.

**3. Request for Firm Name –
Sanders and Associates, PLLC**

Mrs. Terri L. Sanders applied for a firm permit for her company Sanders and Associates, PLLC. The Board Rules indicate if the name of a firm includes the designation “and Company” or “ and Associates” or “Group” or abbreviations thereof, there must be at least two licensees involved in the practice, who may be either partners, shareholders, members or employees of the firm. The Board noted this name is acceptable in the home state of Idaho, however, that does not mean it is acceptable under Louisiana rules.

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Hutchinson and after discussion the Board unanimously disapproved the request for the firm name Sanders and Associates, PLLC and requested Mrs. Sanders cease activity in Louisiana under that firm name.

**4. Request for Firm Name –
Bailey & Delali CPAs, LLC**

The Board discussed a Tennessee firm permit application for the firm name “Bailey & Delali CPAs, LLC.” Board Rules require that the name under which a licensee practices must indicate clearly whether the licensee is an individual practicing in his/her own name or named after a member of the firm.

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Hutchinson, the Board unanimously approved of the Firm application for Bailey & Delali CPAs, LLC.

F. Peer Review Items

1. Peer Review Oversight Committee (PROC) Reports

The Board reviewed reports submitted by PROC Members Mr. Updegraff, Mr. Parker, and Mr. Updegraff.

2. Report on Peer Review Items by Board Staff (From FSBA)

Item	Since April 2014 Board Meeting	Total Since 2009
Agreement to Restrict Practice and be exempt from Peer Review	1	98
Peer Review Extensions	0	37
Provisional Permits	0	17
Year End Changes	1	27
First Fail Letters	7	80

3. Follow up on ERISA Audit Filings

In June 2014, the Department of Labor through NASBA provided the State Board with a list of firms that may have done audits on Louisiana entities’ retirement plans. Ms. Wainright discussed the research and follow up that will continue.

IX. RECURRING MATTERS AND DEFERRED ITEMS

A. Delgado Community College - Acceptance of Courses for Educational Requirements for the CPA Exam

At the November 2012 Board Meeting the Board deferred action on this matter until a later Board Meeting. Executive Director Mrs. Saux and LCPA Executive Director Mr. Gitz were to discuss.

B. Report on NASBA Items

NASBA items of interest were discussed under other topics.

C. Society of Louisiana CPAs (LCPA)

Mr. Gitz discussed the following items:

- 2 bills became law which improved appeals process;
- The state budget's projected shortfall for 2015;
- Legislators who are term limited (4);
- LED – R&D credit rules – definition of independent; relationships between state boards and societies; definition of “Audit” and how the Board can help.

D. CAVU (Iron Data, LLC) e-License Software

Mrs. Saux discussed the continued progress on updating both hardware and software in the Board's office.

X. CPE ITEMS

A. Reporting of CPE Electronically

At the November 2012 Board Meeting, the Board directed that this matter be included on the Board's future meeting agendas in order that progress can be tracked to ensure electronic reporting in the future.

B. CPE Rules Committee - Revision of Board Rules Regarding CPE

The Committee met on June 25, 2014 via conference call and exchanged subsequent emails in reviewing information provided by the Executive Director from other state boards, as well as providing input on CPE needs and monitoring in the state.

Committee recommendations of Board Rule changes were provided for the Board's discussion. Board analyzed and compared recommendations with the AICPA & NASBA standards for CPE. The Board recommended additional revisions to be reviewed at the next Board meeting.

C. Audit of 2010-2012 CPE Reporting Forms

Ms. Wainright and Mrs. Saux discussed their reviews of the CPE reporting forms. Of the 173 CPAs audited, the following information is provided:

46.2% 80 Letters sent - Passed with no deficiencies
36.4% 63 Letters will be sent with notations (for future reporting)
82.6%

16.2% 28 Follow-up letters have been sent – failures cited:
Non-compliance with Board approved Ethics (8 individuals)
Incomplete verification forms (17 individuals)
Missing Certificate of Completion (15 individuals)
Missing College Transcript (1 individual)
Teacher/instructor (1 individual)
[13 individuals were cited with multiple non-compliance failures]

1.2% 2 Additional follow-up letters will be sent for Non-compliance with Board approved Ethics
17.4%

Of the 28 follow-up letters sent (which could become investigation cases), following are employment statistics:

10 are in industry
3 are in government
2 are staff employees (public accounting)
2 are unemployed
5 are sole owners
6 are other/misc.

XI. NEW MATTERS

A. Contract Resolutions

At the April 2014 Board meeting the following contracts were reviewed and approved:

1. Adams & Reese, LLP for the budgeted amount of \$15,000;
2. The Derbes Law Firm, LLC for the budgeted amount of \$50,000; and
3. Shows, Cali, Berthelot, & Walsh, LLP for the budgeted amount of \$10,000.

As per Louisiana Act 796 (enacted Spring 2014), all contracts for state boards or commissions seeking to employ an attorney must be accompanied by a resolution.

Upon a motion by Mr. Bergeron, seconded by Mrs. Hutchinson, the Board unanimously approved the resolutions for attorney contract resolutions below.

A RESOLUTION OF

THE STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANTS OF LOUISIANA

WHEREAS, the State Board of CPAs of Louisiana is in need of legal representation and that because of possible conflicts of interest in complaint cases where the Board would need a prosecuting attorney and an attorney to represent the Board's interest, more than one attorney is essential.

IT THEREFORE RESOLVES, that the Board's contract for legal services with the firm of Adams & Reese, LLP be executed for the fiscal year July 1, 2014 through June 30, 2015, at the following rates of pay, and not to exceed a maximum of \$15,000 for that period.

\$175.00 per hour for the performance of such services by attorneys with 10 or more years of professional experience;

\$150.00 per hour for the performance of such services by attorneys with five or more but less than 10 years of professional experience;

\$125.00 per hour for the performance of such services by attorneys with three or more but less than five years of professional experience;

\$100.00 per hour for the performance of such services by attorneys with less than three years of professional experience;

\$45.00 per hour for the performance of such services by non-attorney paralegals;

\$25 per hour for the performance of such services by law clerk personnel.

A RESOLUTION OF

THE STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANTS OF LOUISIANA

WHEREAS, the State Board of CPAs of Louisiana is in need of legal representation and that because of possible conflicts of interest in complaint cases where the Board would need a prosecuting attorney and an attorney to represent the Board's interest, more than on attorney is essential.

IT THEREFORE RESOLVES, that the Board's contract for legal services with the firm of Derbes Law Firm, LLC, be executed for the fiscal year July 1, 2014 through June 30, 2015, at the following rates of pay, and not to exceed a maximum of \$45,000 for that period.

\$175.00 per hour for the performance of such services by attorneys with 10 or more years of professional experience;

\$150.00 per hour for the performance of such services by attorneys with five or more but less than 10 years of professional experience;

\$125.00 per hour for the performance of such services by attorneys with three or more but less than five years of professional experience;

\$100.00 per hour for the performance of such services by attorneys with less than three years of professional experience;

\$45.00 per hour for the performance of such services by non-attorney paralegals;

\$25 per hour for the performance of such services by law clerk personnel.

A RESOLUTION OF

THE STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANTS OF LOUISIANA

WHEREAS, the State Board of CPAs of Louisiana is in need of legal representation and that because of possible conflicts of interest in complaint cases where the Board would need a prosecuting attorney and an attorney to represent the Board's interest, more than one attorney is essential.

IT THEREFORE RESOLVES, that the Board's contract for legal services with the firm of Shows, Cali & Walsh, LLP be executed for the fiscal year July 1, 2014 through June 30, 2015, at the following rates of pay, and not to exceed a maximum of \$10,000 for that period.

\$175.00 per hour for the performance of such services by attorneys with 10 or more years of professional experience;

\$150.00 per hour for the performance of such services by attorneys with five or more but less than 10 years of professional experience;

\$125.00 per hour for the performance of such services by attorneys with three or more but less than five years of professional experience;

\$100.00 per hour for the performance of such services by attorneys with less than three years of professional experience;

\$45.00 per hour for the performance of such services by non-attorney paralegals;

\$25 per hour for the performance of such services by law clerk personnel.

B. Substantial Equivalency – New Hampshire and Vermont

The Board’s office reviewed information from NASBA recommending that New Hampshire and Vermont be considered substantially equivalent. Previously the Board recognized 46 states, the District of Columbia, and 3 territories as being substantially equivalent in its licensing requirements.

The only states and territories in NASBA’s 55 jurisdictions which are still not considered to be a “pure” substantial equivalent are: California, Colorado, and the Virgin Islands.

Both California and Colorado have passed legislation which requires the sole path to licensure to meet the 3E pathway for applicants July 1, 2015, while the Virgin Islands has passed legislature which requires the sole path to licensure to meet the 3E pathway for applicants May 16, 2020.

Upon a motion by Mr. Bruno, seconded by Mrs. Honoré Thomas, the Board unanimously approved acceptance of CPAs from New Hampshire and Vermont as substantially equivalent.

C. Election of Officers and Appointment of Investigating Officers

1. Election of Officers

Chairman Tham announced that an election of Board officers for the year beginning August 1, 2014 is in order. Currently, Board Member Mrs. Honoré Thomas serves as Secretary and Board Member Mr. Bruno serves as Treasurer.

Upon a motion by Mr. Harris, seconded by Mr. Bergeron, the Board unanimously approved the election of Mrs. Ardoin to serve as Secretary of the Board and Mrs. Honoré Thomas to serve as Treasurer of the Board.

2. Appointment of Investigating Officers

Chairman Tham appointed the following Board Members as Investigating Officers for August 1, 2014 – July 31, 2015: Mr. Harris and Mr. Bruno.

3. Resolution for Outgoing Officers

Upon a motion by Mr. Harris, seconded by Mrs. Hutchinson, the Board unanimously approved a resolution expressing its thanks to the outgoing 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 outgoing officers for their dedicated service to the State Board for the year ended July 31, 2014.

C. Purchase of Conference Room Chairs

The Board discussed and reviewed information on the possible acquisition of new conference room chairs. The current blue fabric chairs were purchased in 1990 and need to be replaced for safety reasons.

D. Strategic Planning

Ed Barnicott with NASBA facilitated a strategic planning session with the Board members and selective staff with follow up to come at a later meeting. Previously Mr. Barnicott and Dan Dustin met with Board staff for preliminary evaluations of the Board’s processes.

XII. INFORMATION ITEMS AND ANNOUNCEMENTS

A. CPA, CPA Inactive, and CPA Firm Permit Tabulations as of June 30, 2014

1. CPA Registrants

	06/30/2014	06/30/2013	06/30/2012	06/30/2011
Active Certificate Holders (Licensees)	7288	7063	7119	6918
Inactive Status Registrants (Unlicensed)	3111	3256	3235	3308

This is a net increase of 80 from June 30, 2013, as follows:

Increase of:	225	Active Certificate holders (licensees)
Decrease of:	145	Inactive Status registrants (unlicensed)

2. CPA Firm Permits

June 30, 2014:	2,189
June 30, 2013:	2,195
June 30, 2012:	2,210
June 30, 2011:	2,191

This is a net decrease of 6 CPA Firms.

B. State Travel Policies and Procedures – Fiscal Year 2014 - 2015

1. State Contracted Travel Agency

Shorts Travel Management remains the state contracted travel agency for the current fiscal year. All air travel must be booked through Shorts Travel Management. The contact information is:

Shorts Travel Management
Toll Free Telephone No. 1-888-846-6810 Fax (319) 433-0847
E-mail: state@shortstravel.com
Web: www.shortstravel.com/la

2. Vehicle Mileage Rate

The mileage reimbursement rate for the 2014 - 2015 fiscal year for Board and Commission Members is set at .51 per mile.

3. 2014 – 2015 Louisiana Pocket Guide to Travel Regulations

A copy of the 2014 - 2015 Pocket Guide to Travel Regulations was provided to all Board Members. A complete Louisiana Travel Guide can be found at the Division of Administration website: <http://doa.louisiana.gov/doa>. Click on “State Agencies” and “Travel”.

4. Board Travel Policy

An updated and proposed Board travel policy was provided for discussion.

XIII. REPORTS ON CONFERENCES / MEETINGS

A. NASBA Western Regional Meeting - 2014 (Louisiana, in SW Region, participates)

June 11 - June 13, 2014 - St. Louis, Missouri
Attended: Chairman Tham, Mrs. Hutchinson, Mrs. Saux

XIV. FUTURE MEETINGS / CONFERENCE DATES

A. Council on Licensure Enforcement and Regulation (CLEAR)

September 8 – 10, 2014 – New Orleans, LA
National Certified Investigator Training - Basic Program – Carolyn Wainright to attend
National Certified Investigator Training – Advanced Program – Lisa Benefield to attend

B. NASBA 107th Annual Meeting

November 2 – November 5, 2014 - Washington, DC

Planning to attend: Mrs. Lowe-Ardoin, Chairman Tham, Mrs. Honoré Thomas, Mr. Bergeron, Mr. Harris, Mrs. Saux

XV. UPCOMING BOARD OFFICE HOLIDAYS

September 1, 2014 Labor Day

November 11, 2014 Veteran's Day

XVI. NEXT BOARD MEETINGS

A. October 2014 Board Meeting

Wednesday – Friday October 22-24, 2014

B. January 2015 Board Meeting

Monday – Wednesday January 26-28, 2015

XVII. DISPOSITION OF MATTERS DISCUSSED IN EXECUTIVE SESSION

In order to conduct an 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 Thursday, July 31, 2014 and on Friday, August 1, 2014 upon motion(s) made, as follows:

Upon motion by Mr. Bruno, seconded by Mrs. Hutchinson, the Board went into executive session on July 31, 2014 at 9:06 am. Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Harris, the executive session adjourned at 2:05 pm. Upon motion by Mr. Harris, seconded by Mrs. Lowe-Ardoin, the Board went into Executive Session on August 1, 2014 at 9:05 am. Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Harris, the executive session adjourned at 10:00 am.

**A. Consideration of Consent Order
File No. 2013-44**

Upon motion by Mr. Bruno, seconded by Mrs. Hutchinson, the Board, by a vote of 6 to 0 approved the Consent Order in this matter. The Investigative Officer did not vote on this matter.

B. Files Recommended To Be Closed With No Cause for *Further* Action

File No. 2011-34

File No. 2013-37

File No. 2013-43

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

C. Files Recommended To Be Closed With No Cause for Action

File No. 2012-17
File No. 2012-28
File No. 2013-12
File No. 2013-31
File No. 2013-39
File No. 2013-40
File No. 2013-41
File No. 2014-1
File No. 2014-3

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

D. Files Recommended To Be Closed With No Cause for *Further* Action

File No. 2011-19
File No. 2012-21

Upon motion by Mrs. Lowe-Ardoin, seconded by Mrs. Hutchinson and unanimously adopted, the Board found no cause for *further* action and officially closed the above files with the stipulation that the Derbes Law Firm will monitor collection efforts in the event the Respondent becomes employed again and/or inherits property.

E. CPA Candidate — Review of Felony Conviction

The Board reviewed the information provided by the candidate in Executive Session. Upon motion by Mr. Bergeron, seconded by Mr. Harris and unanimously adopted, the Board approved the candidate's CPA application.

F. CPA Firm – Request to Restore Attest Services

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Hutchinson, the Board, by a vote of 7 to 0 approved the reinstatement of the Firm's Attest Practice with pre-issuance requirements for the first 2 review, the first 2 audit, and the first 2 agreed upon procedure engagements as well as other stipulations.

G. Acceptance of Reports

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Harris the Board unanimously accepted the reports made by each respective Investigative Officer on the status of their investigative file and other reports on status of matters provided by Board staff.

XVIX. ADJOURNMENT

Wednesday, July 30, 2014:

There being no further business to discuss, upon motion by Mr. Harris, seconded by Mr. Bergeron, and unanimously adopted, the meeting adjourned at 5:15pm on Wednesday, July 30, 2014.

Thursday, July 31, 2014:

There being no further business to discuss, upon motion by Mrs. Honoré Thomas, seconded by Mrs. Ardoin, and unanimously adopted, the meeting adjourned at 5:20pm on Thursday, July 31, 2014.

Friday, August 1, 2014:

There being no further business to discuss, upon motion by Mr. Bruno, seconded by Mrs. Hutchinson and unanimously adopted, the meeting adjourned at 3:45 p.m. on Friday, August 1, 2014.