

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

601 Poydras Street, Suite 1770  
New Orleans, Louisiana 70130

**November 8 - 9, 2017**

The regular meeting of the State Board of Certified Public Accountants of Louisiana was called to order by Chair Mrs. Hutchinson on Wednesday, November 8, 2017 and Thursday, November 9, 2017 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 a formal administrative hearing, consider executive session matters, and to transact any other business that required the Board's attention.

The following Members were present:

Lynn V. Hutchinson, CPA	-	Chair
Sue S. Alizadeh, CPA	-	Treasurer
Michael D. Bergeron, CPA	-	Member
Desireé Honoré Thomas, CPA	-	Member
Letti Lowe-Ardoin, CPA	-	Member
Nicholas J. Langley, CPA	-	Member

The following member was absent:

Grady R. Hazel, CPA	-	Secretary
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Also present were:

Staff:	Darla M. Saux, CPA	-	Executive Director
	Lisa A. Benefield	-	Deputy Director
	Andrew J. Joyner	-	Compliance Investigator
Guests:	Ronald A. Gitz, II, CPA	-	CEO/Executive Director, LCPA
	Stacey Lockwood	-	Director of Professional Oversight, LCPA

The regular meeting was called to order by Chair Mrs. Hutchinson at 2:00 p.m. on Wednesday, November 8, 2017, upon motion by Mr. Bergeron, seconded by Mrs. Lowe-Ardoin and unanimously adopted.

The meeting was reconvened at 9:08 a.m. on Thursday, November 9, 2017 upon motion by Mr. Bergeron, seconded by Mrs. Honoré Thomas, and unanimously adopted.

## **I. CHAIR'S REPORT**

### **A. Legal Counsel**

The Legal Services Contract for Shows, Cali & Walsh, LLP was re-processed because of the untimely death of Mr. Shows. It was approved by the Office of State Procurement on 9/19/2017 and is a three-year contract that expires on 6/30/2020.

### **B. Personnel**

1. Julie Steenhoek started September 11, 2017 in the newly created part-time IT Specialist position.
2. Ramzey Bunley started October 23, 2017 in the CPE Coordinator (Admin Coordinator 4) position.
3. The newly created part-time Communications Officer position was posted and over 100 applications have been received, but not yet completely reviewed.
4. The vacant position of IT Office Specialist 2 was re-evaluated by State Civil Service (SCS) and then posted by SCS as Admin Coordinator 3. 60 applications were received 11/01/17 but have yet to be reviewed.
5. Andrea Pickney, a temporary employee with Weststaff, started on November 6, 2017 to help Board Staff during the renewal season (November – February) with answering the phones, retrieving and sorting mail, and filing.

### **C. Performance Planning for Fiscal Year 2017 - 2018**

All Board classified employees received Performance Planning (performance expectations) for fiscal year 2017 – 2018 by September 30, 2017 in accordance with Civil Service rules.

### **D. Reminder - One Hour of Governmental Ethics Requirement for Public Servants**

All Board Members and staff are required to complete one hour of education and training on the Louisiana Code of Governmental Ethics for 2017. This is an annual requirement. All Board Members and staff must complete the course prior to December 31, 2017.

### **E. Reminder - One Hour of Sexual Harassment Training Requirement for Public Servants**

All Board Members and staff must complete a minimum of one hour of education and training on sexual harassment no later than December 31, 2017. The course is available through the Department of Civil Service.

## II. APPROVAL OF MINUTES

The regular and executive session minutes for the August 2017 Board Meeting were previously sent to Board members for review.

By motion of Mr. Langley, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board approved the August 2017 regular and executive session minutes as revised.

## III. TREASURER'S REPORT

- A. Financial statements for the quarter ended June 30, 2017 approved at the August 2017 Board meeting required modification of GASB 68 entries and were presented for the Board's subsequent approval.

By motion of Mr. Bergeron, seconded by Mr. Langley and unanimously adopted, the Board approved acceptance of the revised June 30, 2017 financial statements as presented.

- B. The Annual Financial Report (AFR) for the 2016-17 fiscal year was completed and filed online with the Office of Statewide Reporting (OSRAP) and emailed to the Legislative Auditor (LLA) by August 31, 2017, as required by State policy. It was revised due to required modification of GASB 68 entries by OSRAP and refiled online with OSRAP and re-emailed to LLA on 09/05/17.

- C. Financial statements for the quarter ended September 30, 2017 were presented for the Board's review.

By motion of Mrs. Alizadeh, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board approved acceptance of the September 30, 2017 financial statements as presented.

- D. Audited Financials

Board members were sent an email on 10/25/17 advising that the Louisiana Legislative Auditor's office would publish the Board's audited financial statements for the year ended June 30, 2017 on October 30, 2017. The summary published by LLA was provided for Board review.

## IV. DEATHS AND RESIGNATIONS

- A. Deaths (2)

Name	Certificate No.	Year Issued	Status
Daniel H. Clavier, Jr.	9446	1974	License Expired 12/31/11
Donald W. Kelley	5366	1969	IA

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

**B. Resignations (2: 2 Active; 0 Inactive)**

<b>Name</b>	<b>Certificate No.</b>	<b>Year Issued</b>	<b>Status</b>
Mary Warren Hendershot	B19180	1989	Expired/Retired
Christopher L. Schellman	26270	2009	Expired/Retired

**V. CERTIFICATE & INACTIVE STATUS REINSTATEMENTS****A. Reinstatement of Certificates / Inactive Status That Expired March 2017  
(Same Year Reinstatements)**

The Executive Director informed the Board that the following CPAs and CPA Inactive Status Registrants with expirations on March 1, 2017, reinstated their CPA Certificates or CPA Inactive Status registrations. **(5 Total: 4 Active; 1 Inactive Status):**

<b>Name</b>	<b>Credential Number</b>	<b>Certification Status</b>
Becky Burt Davidson	25749	Active
Thomas Edward Kranz	17726	Active
Dwayne P. Landry	22351	Active
Samantha Murrah-Morris	S28073	Active
Teena Martin Ward	22925	Inactive

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

**Q3 2017 – 529 sections; 429 candidates (1.23 section per candidate):**

	<b>AUD</b>		<b>BEC</b>		<b>FAR</b>		<b>REG</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
<u>Louisiana:</u>								
Passed sect's	63	47.7%	56	54.4%	80	49.7%	64	48.1%
Failed sect's	<u>69</u>		<u>47</u>		<u>81</u>		<u>69</u>	
	132		103		161		133	
<i>National pass rate</i>		52.2%		54.4%		47.9%		49.3%

**Q2 2017 – 296 sections; 272 candidates (1.09 section per candidate):**

	AUD		BEC		FAR		REG	
	No.	_____%	No.	_____%	No.	_____%	No.	_____%
<u>Louisiana:</u>								
Passed sect's	36	50.0%	42	56.0%	27	42.9%	42	48.8%
Failed sect's	<u>36</u>		<u>33</u>		<u>36</u>		<u>42</u>	
	72		75		63		86	
<i>National pass rate</i>		52.0%		55.1%		43.8%		48.2%

**Q1 2017 – 672 sections; 524 candidates (1.28 section per candidate):**

	AUD		BEC		FAR		REG	
	No.	_____%	No.	_____%	No.	_____%	No.	_____%
<u>Louisiana:</u>								
Passed sect's	66	47.8%	97	42.2%	63	44.1%	69	42.9%
Failed sect's	<u>72</u>		<u>133</u>		<u>80</u>		<u>92</u>	
	138		230		143		161	
<i>National pass rate</i>		43.5%		50.4%		43.1%		46.0%

**Q4 2016 – 636 sections; 482 candidates (1.32 section per candidate):**

	AUD		BEC		FAR		REG	
	No.	_____%	No.	_____%	No.	_____%	No.	_____%
<u>Louisiana:</u>								
Passed sect's	78	47.6%	91	49.5%	56	40.3%	75	50.3%
Failed sect's	<u>86</u>		<u>93</u>		<u>83</u>		<u>74</u>	
	164		184		139		149	
<i>National pass rate</i>		44.4%		52.9%		43.2%		45.9%

**Q3 2016 – 667 sections; 506 candidates (1.32 section per candidate):**

	AUD		BEC		FAR		REG	
	No.	_____%	No.	_____%	No.	_____%	No.	_____%
<u>Louisiana:</u>								
Passed sect's	68	40.2%	85	49.4%	75	41.7%	75	51.4%
Failed sect's	<u>101</u>		<u>87</u>		<u>105</u>		<u>71</u>	
	169		172		180		146	
<i>National pass rate</i>		45.3%		57.6%		48.1%		50.1%

**Q2 2016 – 553 sections; 446 candidates (1.24 section per candidate):**

	AUD		BEC		FAR		REG	
	No.	_____%	No.	_____%	No.	_____%	No.	_____%
<u>Louisiana:</u>								
Passed sect's	61	46.2%	62	43.7%	54	41.9%	63	42.0%
Failed sect's	<u>71</u>		<u>80</u>		<u>75</u>		<u>87</u>	
	132		142		129		150	
<i>National pass rate</i>		48.7%		56.3%		45.6%		49.9%

**B. Candidates Passing Examination Sections – Q3 2017 (57)**

<b>Name</b>	<b>Name</b>
Mario George Abader	Erin Kilpatrick
Eleni Alleman	Jordan LaBorde
Ella Virginia Baldwin	Jennifer Lasseigne
Trevor Bellard	Bradley LeJeune
Michael Bergeron	William Long
Benjamin Bertucci	Shauna Lovorn Marriage
Robert Borel	Karen McCourt
George Bradford	Benjamin McDonald
Sara Busbee	John Metzler
Priscila DeMaris	Ashley Nerin
Tara Dennis	Christopher Payne
Braxton Duffourc	Jason Pennington
Amanda Dupont	Thomas Pfiffner
Brittany Dwyer	Blake Phillips
Elizabeth Eschete	Joseph Pitman
Payton Fruge	Meagan Prochaska
Joshua Gates	Mary Pursell
Bennett Gautreaux	Peter Rafferty
Vanessa Gerardi	Kenneth Rider
Jonathon Guillory	Mark Rodriguez
Jeffrey Hamilton	Kristina Sage
Layne Hayes	Brennan Segrest
Jennifer Henry	Holly Sexton
Jennifer Henton	John Shaw
Rebecca Hillman	Rebecca Vandevoorde
Robert Johns	Megan Watson
Jena Johns	Emily Williamson
Nitish Khanal	Stacey Zimmer
Emily Kilpatrick	

**C. Request for Refund of fees or NTS extension based on hardship**

Ms. Katie Rickerfor requested the Board authorize a refund of her exam fees (or an extension of her NTS) for two exam modules (BEC and AUD) based on a personal domestic hardship.

The request and supporting documents were provided for the Board's review.

Upon motion by Mr. Bergeron, seconded by Mrs. Alizadeh, the Board approved a refund of both exam fees as requested by Katie Rickerfor.

**D. Request for Pre-approval of Community College Credits**

Ms. Michelle Greene submitted a request for pre-approval of community college credits she would like to take at Delgado Community College.

Ms. Greene earned a bachelor's degree in 1998 with 126 semester hours. Ms. Greene plans to take three of the required courses, Cost Accounting, Individual Taxation and Business Law at UNO.

She wishes to take the following: MGMT 201 Principles of Management, MANG 131 Human Resource Management, BUSL 235 Employment Law, ACCT 218 Payroll and BUSG 151 Personal Investments at Delgado because it is more affordable and they offer an online format.

Ms. Greene's request was provided for the Board's review.

Upon motion by Mr. Bergeron, seconded by Mrs. Lowe-Ardoin, the Board approved the five courses from Delgado Community College totaling 15 semester hours to be used toward the 150-semester hour requirement. The Board clarified that the courses cannot be used to satisfy the 24 hours of Accounting and/or Business courses required by the Board.

**E. Request for Approval of Exception to Transfer of Grades' Residency Requirement**

Katherine HJ Kim (aka Hee Jung Kim) requested an exception to the Transfer of Grades Rule (emphasis added):

*Board Rule §505 (F)(5)(a)*

*5. Transfer of Grades. Grades shall be accepted from other states when a candidate for transfer of grades has met all the requirements of Louisiana candidates except that he sat for the examination as a candidate for another state.*

*(a.) Applicant must have completed the education requirements of §503 prior to sitting for the examination. An exception to this rule will be allowed for a bona fide resident of another state who took the exam in his state of residency which did not have the 150 hour requirement. Such applicants may complete their education requirements after sitting for the exam.*

Ms. Kim was a resident of South Korea at the time she sat for and passed the CPA Exam as a candidate for the state of Maine in 2012. She had her BBA but had not yet attained 150 semester hours (or the equivalent). Maine does not have a residency requirement to sit for the exam.

She moved to the USA in 2013 and attended college at California University of Management & Sciences (CALUMS) from 2013-9/2015 where she attained her MBA and earned additional credits. She became an Army Reservist in 6/2015 and works for the USDA in New Orleans.

As she was not a resident of Maine at the time she sat for the exam and had not attained the 150 semester hours, she was advised that she would not meet the application requirements for Transfer of Grades to Louisiana. She would need to become initially licensed in another state and then could apply for reciprocity in Louisiana.

She requested an exception to the Transfer of Grades provision and asked the Board to allow her to obtain her original license in Louisiana because she lives, works, and has gained her experience here. She does not wish to become licensed elsewhere.

She submitted numerous documents regarding her experience and character, and would like the Board to consider allowing her to apply for initial licensure as a Louisiana CPA. She feels she would be able to provide CPA services to the Korean Community in New Orleans.

Ms. Kim's request and supporting documentation were provided for the Board's review.

Upon motion by Mrs. Honoré Thomas, seconded by Mr. Langley, the Board approved the requested exception to Louisiana's Transfer of Grades residency requirement to allow Ms. Kim to apply for initial CPA licensure in Louisiana.

**F. Request for Exam Credit Extension due to Weather-Related Testing Center Closures**

Mr. Alejandro Mendez requested the Board's consideration in extending one of his exam credits due to weather-related closures out of his control.

Mr. Mendez passed BEC, AUD and REG. His BEC credit expired August 29, 2017. He had scheduled to sit for FAR on August 29, 2017. The Prometric testing center was closed on that day due to the threat of Hurricane Harvey.

Mr. Mendez rescheduled the FAR exam for October 7, 2017 and the Prometric testing center was again closed, due to the threat of Hurricane Nate.

Mr. Mendez rescheduled again and was finally able to sit for FAR on October 28, 2017 without incident. He will receive his exam results December 19<sup>th</sup>. He is requesting an extension of his BEC credit, which expired August 29, 2017, to October 28, 2017.

Information was provided for the Board's review.



Upon motion by Mr. Bergeron, seconded by Mrs. Lowe-Ardoin, the Board unanimously approved the requested extension of Mr. Mendez' BEC credit to October 28, 2017 due to weather-related closures out of his control.

**G. Exam Credit Extensions due to Q2 2017 Score Release Delays**

Because of the change in the CPA exam effective 04/01/17 and the need to determine the validity of the scores, AICPA published a timeline indicating that scores on exams taken between April 1 – May 31<sup>st</sup> (Quarter 2 testing window) would not be released until August 17 (AUD, FAR, & REG) and August 21 (BEC). Scores on exams taken between July 1 – September 10 were targeted to be released September 22, and scores on exams taken between October 1 – December 10 are targeted to be released December 22.

Board Staff reviewed all requests for credit extensions, per instruction at the April 2017 Board Meeting, and anyone with harm (loss of exam credit) due to the delay in score release to August 17/21 was extended until 12/31/2017.

The following persons have requested and been granted an extension due to the Q2 2017 score release delay:

- Brennan Segrest (approved FAR credit to 12/31/2017)
- Rebecca Tyra (approved BEC credit to 12/31/2017)
- Jennifer Lasseigne (approved BEC credit to 12/31/2017)

The office has also received 4 additional requests for extensions of credits that have mostly not yet expired. Those candidates are requesting extensions because of the loss of an opportunity to test in Q2 or Q3. Those individuals have been advised to continue testing and submit their request to the Board if they are not successful in passing when an exam credit expires.

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

**A. Ratification of Original Actives Issued by the Executive Director**

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 Mr. Langley, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board ratified the issuance of the following CPA Certificates (Items A. 1 & 2):

**1. Current CPA Applicants (Passed Exam After June 1999) (52)**

<b>Name</b>	<b>Certificate Number</b>	<b>License Issue Date</b>
Harold P. LeBlanc , III	28421	9/23/2017
Ashley Nicole Purvis	28422	9/23/2017
Ralph William Kenning , III	28425	9/23/2017
Rebecca Lynn Guarino	28426	9/23/2017

Tyler Joseph Fremin	28427	9/26/2017
Matthew André Breaux	28428	9/26/2017
Alex-Sandra Marie Orso	28430	9/26/2017
Brennan M. Daniels	28431	9/28/2017
Adriana K. Vladikova	28432	9/26/2017
Semmes Raphael White	28433	9/26/2017
Prashanta Raj Pant	28434	9/26/2017
Christopher Michael Frught	28436	9/29/2017
Daniel Loa	28437	10/6/2017
Nicole Michelle Exnicios	28439	10/6/2017
Laurie Jackson Fitzgerald	28440	10/6/2017
Lauren Ducote	28441	10/6/2017
Christopher Norris Deshotel	28442	10/6/2017
Elizabeth Ashley Etzkin	28444	10/6/2017
Justin T. Huynh	28445	10/6/2017
Tad R. Nope	28447	10/6/2017
Bryan Tanner Rand	28448	10/6/2017
Tess Isabelle Rizzuto	28449	10/6/2017
Andrew Lloyd Alombro	28450	10/11/2017
Sherri L. Morgan	28451	10/11/2017
Jennifer Touchet Henton	28453	10/16/2017
Jason Renley Pennington	28454	10/17/2017
Trevor Paul Bellard	28455	10/17/2017
Megan Thibaut Watson	28456	10/17/2017
Benjamin Aaron Bertucci	28457	10/17/2017
Robert Anthony Johns	28458	10/17/2017
Ella Virginia Baldwin	28459	10/17/2017
Meagan Alyssa Dekemel	28460	10/22/2017
Sara Elizabeth Busbee	28461	10/21/2017
Karen Hamilton McCourt	28462	10/21/2017
Meagan Elizabeth Prochaska	28464	10/21/2017
Jeffrey W. Hamilton	28465	10/22/2017
Braxton Joseph Duffourc	28466	10/22/2017
Blake Weems Phillips	28467	10/22/2017
Emily Anne Kilpatrick	28468	10/21/2017
Payton Elizabeth Fruge	28469	10/21/2017
Jordan Clark LaBorde	28470	10/21/2017
Priscila Belle DeMaris	28471	10/22/2017
Stacey Lynn Zimmer	28472	10/22/2017
Rebecca Elizabeth Hillman	28473	10/22/2017
Joseph Hiett Pitman	28474	10/22/2017
Tara Leigh Dennis	28475	10/22/2017
J. Michael Shaw	28476	10/22/2017
Bennett P. Gautreaux	28477	10/22/2017
Joshua James Gates	28478	10/22/2017
Bridged N. Wanyonyi	28479	10/21/2017
George McKinnon Bradford	28480	10/22/2017
Natalia Hernandez	28481	10/22/2017

**2. Reissuance of Certificates as Active (Licensed) (0)****(Previous CPA Examination - Passed Exam Before June 1999)**

Name	Certificate No.	Re-issue to Active Date
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There have been no Reissuance of Certificates as Active since the last Board meeting.

**B. Reinstatements of Prior Active Certificates (Licenses) (9)  
Prior Year Reinstatement**

The following CPAs were initially licensed, later elected not to renew their licenses, and recently submitted applications to reinstate to active status. 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. Alizadeh, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board ratified the re-issuance of the following CPA Certificates (License Reinstatements) (Item B):

Name	Certificate No.	Active Certification Reinstatement Date
Bobby Ray Wimberly	19168	08/29/2017
Donald Gregory Jones	20932	09/09/2017
Landon Allen Jordan	26480	09/09/2017
Tonya Theriot Mouton	23382	09/09/2017
Cynthia Skaggs Scurria	16294	09/09/2017
Brian Michael Corales	24736	10/07/2017
Elizabeth Forbin	27530	10/07/2017
Steven Mark Grishman	17105	10/07/2017
Bennett Harrod	25814	10/16/2017

**C. Reinstatements of Prior Active Certificates (Licenses) to Inactive (0)  
Prior Year Reinstatement**

The following CPAs were initially licensed, later elected not to renew their licenses, and recently submitted applications to reinstate to Inactive status. The Executive Director evaluated the applications and reinstated the CPA Certificates, subject to ratification by the Board.

Name	Certificate No.	Inactive Certification Reinstatement Date
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There have been no Reinstatements of Prior Active Certificates to Inactive since the last Board meeting.

**D. Reinstatements of Prior *Inactive* (Certificates) (0)  
Prior Year Reinstatement**

The following CPAs have never been actively licensed, elected not to renew their Inactive certificate, and recently submitted applications to reinstate to inactive status. The Executive Director evaluated the applications and reinstated the Inactive Certificates, subject to ratification by the Board.

Name	Certificate No.	Inactive Certification Reinstatement Date
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There have been no Reinstatements of Prior Inactive Certificates to Inactive since the last Board meeting.

**E. Approval of Reciprocal Certificates Issued (9)**

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 Mrs. Honoré Thomas, seconded by Mrs. Alizadeh and unanimously adopted, the Board ratified the issuance of the following Reciprocal Certificates:

Name	Certificate No.	Issue Date	Original State
Deanna Dawn Perry	S28420	8/29/2017	TX
Sneha Shrestha	S28423	9/23/2017	IL
Amy Michelle Parker	S28424	9/23/2017	CO
Sarah Laramie	S28438	10/6/2017	CA
Molly C. Middlekauff	S28443	10/6/2017	TX
Walker Edward Manning	S28446	10/6/2017	TN
Robert Dwayne Shannon	B24821	10/7/2017	TX
Brian L. Nemeroff	S28452	10/12/2017	FL
Sean Cedar	B26302	10/12/2017	FL

Robert Dwayne Shannon reinstated his prior active license through reciprocity in Texas.

Sean Cedar reinstated through his prior active Louisiana License through reciprocity in Florida.

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

The following individual submitted a Transfer of Grades application for Louisiana Certificate. The Executive Director evaluated the application and the applicant's experience and issued a CPA Certificate, subject to ratification by the Board.

Upon motion by Mr. Langley, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board ratified the issuance of the following CPA Certificate:

<b>Name</b>	<b>Certificate No.</b>	<b>Issue Date</b>
Ashley Nicole Purvis	28422	09/23/2017

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

### **A. Reinstatements of CPA Firm Permit that Expired March 1, 2017 (1) (Same Year Reinstatement)**

The Executive Director informed the Board the following Firm with an expiration on March 1, 2017, reinstated their Firm Permit registration.

<b>Firm Name</b>	<b>Firm Location</b>	<b>Firm Permit No.</b>	<b>Issue Date</b>
Mitchell & Titus, LLP	NY	4553	01/01/2017

### **B. New CPA Firm Permit Applications (12)**

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. Alizadeh and unanimously adopted (Mr. Bergeron was not present during the vote), the Board ratified the issuance of the following CPA Firm Permits:

<b>Firm Name</b>	<b>Firm Location</b>	<b>Firm Permit No.</b>	<b>Issue Date</b>
Richard CPAS, LLC	LA	5402	08/29/2017
Marianne E Machado LLC	LA	5403	08/30/2017
Joshua C. Manuel, CPA, LLC	LA	5404	08/31/2017
Rodrigue CPA LLC	LA	5405	09/08/2017
Succentrix Business Advisors, Bill Stansbury, CPA LLC	LA	5406	09/12/2017
Holden Ledet CPA LLC	LA	5407	10/06/2017
Lenora Krielow, CPA	LA	5408	10/06/2017
Mary Beth Shoptaugh, CPA, LLC	LA	5409	10/06/2017
Zachary Tucker, CPA	LA	5410	10/06/2017
David Li-Sik CPA, LLC	LA	5411	10/16/2017
H. Johnson, CPA LLC	LA	5412	10/13/2017

### **C. Reinstatement of Firm Permit Expired In Prior Years (1)**

Upon motion by Mrs. Lowe-Ardoin, seconded by Mrs. Alizadeh and unanimously adopted (Mr. Bergeron was not present during the vote), the Board ratified the reinstatement of the following firm permit:

<b>Firm Name</b>	<b>Firm Location</b>	<b>Firm Permit No.</b>	<b>Issue Date</b>
A. Trent Schelin	LA	4117	09/01/2017

**D. CPA Firms – Change in Name or Legal Entity (2)**

<b>Firm Name</b>	<b>Firm Permit No.</b>	<b>Change</b>	<b>Issue Date</b>
Singleton, Kellner, Bolding, Avant & Associates, LLC	4937	formerly Singleton, Kellner, Bolding, Avant & Albarado, LLC	09/18/2017
Sandra J. Bavido, CPA, CIA	4130	formerly Sandra J. Wegmann, CPA, CIA	10/03/2017

**E. CPA Firms Retired or Canceled (1)**

<b>Firm Name</b>	<b>Firm Permit No.</b>	<b>Issue Date</b>
Schellman & Company, LLC	4285	2003

**F. Firm Permit Name Request**

The Board's current rules regarding firm names reads, in part, as follows:

“A firm name not consisting of the names of one or more present or former partners, members, or shareholders may not be used by a CPA firm unless such name has been approved by the board as not being false or misleading.” LAC, Title 46, §1707(D)(4)

“A false, fraudulent, misleading, deceptive, or unfair statement or claim includes but is not limited to a statement or claim which: (c) contains any testimonial or laudatory statement, or other statement or implication that the licensee's professional services are of exceptional quality.” LAC, Title 46, §1707(F)(1)(c)

**1. Southern Accounting and Tax Solutions, LLC**

Ms. Kimberly Calongne Tara requested consideration and approval of her proposed firm name: Southern Accounting and Tax Solutions, LLC. In her letter to the Board, she explained how the name Kimberly Calongne Tara, CPA could be conceived as too advanced or too expensive for her client's simple tax or accounting needs. This is counter to her desire to be perceived as an approachable option for those seeking help with topics ranging from taxes to accounting or starting a business. Her request was provided for the Board's review.

Upon motion by Mrs. Lowe-Ardoin, seconded by Mrs. Honoré Thomas, the Board unanimously denied (Mr. Bergeron was not present for the vote) approval of the firm name Southern Accounting and Tax Solutions, LLC.

## G. Peer Review Items

### 1. Peer Review Oversight Committee (PROC) Reports

Individual reports submitted by PROC Members were provided for the Board's review.

### 2. Peer Review Results – Prior Years vs Current Year to Date (Accumulated from Louisiana Society Peer Review program)

#### Peer Review Oversight Committee Report (reported below by calendar year of presentation at Board Meeting)

	2017 to present	2016	2015	2014	2013
<b>Engagement Reviews</b>	<b>68</b>	<b>101</b>	<b>91</b>	<b>84</b>	<b>45</b>
Pass	42	81	64	55	37
Pass w/def.	6	8	15	16	0
Fail	20	12	12	13	8
<b>System Reviews</b>	<b>42</b>	<b>79</b>	<b>100</b>	<b>65</b>	<b>40</b>
Pass	37	69	89	56	39
Pass w/def.	3	6	8	1	1
Fail	2	4	3	8	0
<b>Grand Total</b>	<b>110</b>	<b>180</b>	<b>191</b>	<b>149</b>	<b>85</b>

Approved by Technical Reviewer					
<b>Engagement Reviews - Pass</b>	<b>31</b>	<b>15</b>	<b>15</b>		

No. PROC meetings during calendar year	<b>8</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>5</b>
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### 3. Report on Selected Staff Activity Stemming from Peer Reviews

	Since 8/29/2017 (previous Board Meeting)	Calendar Year Jan. 2017	Calendar Year Jan. 2016	Calendar Year Jan. 2015	Calendar Year Jan. 2014	Calendar Year Jan. 2013
# Practice Restrictions *	1	3	0	5	8	30
# Extensions	4	9	8	5	6	12
# Year End Changes	0	3	2	5	5	5
# First Fail Letters	2	17	12	18	28	24

\* Prior to 2014 Exemption from Peer Review Practice Restriction agreements were offered to firms which had no engagement to review during that PR cycle, but later may re-enroll into Peer Review.

## IX. RECURRING MATTERS AND DEFERRED ITEMS

### A. Society of Louisiana CPAs (LCPA)

Ronald Gitz, LCPA CEO/Executive Director, reported on the following items:

1. Legislative items
2. Other items of interest

### B. Board Rules (LAC 46:XIX)

The Executive Director reported that the Board's final amended Rules were published in the *Louisiana Register* on October 20, 2017 and have been uploaded to the Board's website. This caps nearly 4 years of comprehensive rule and statute changes by the Board, which had not been done in over 15 years. Additional smaller revisions are anticipated in the coming years for evolving CPE changes nationally, peer review and professional standard changes, and other items that naturally occur.

### C. Communications Update

#### 1. Campus Visits

The Executive Director reported that in late September, joint visits by the Executive Director and LCPA's Membership Coordinator, Shannon Kelly, were made to Centenary College in Shreveport and the University of Louisiana in Monroe (ULM). Presentations were made to 3 groups of students, including ULM's Beta Alpha Psi organization.

Ms. Kelly has suggested future live webcasts with universities which may reach more students.



## **2. Email communications (CPE reminder)**

The Executive Director reported that a mass email reminding CPAs of the minimum required CPE hours for 2017 was sent out on October 10, 2017. The email was sent to 7,151 recipients and there were 4,311 (61%) “opens.”

In response, the Board’s office received 31 emails that included 2 thank-you notes, 13 general questions, 13 reported data entry errors regarding their reported CPEs, and 3 requests to amend the 2016 reported hours.

Another email communication is planned to be sent out by December 1<sup>st</sup> reminding CPAs of the rules.

## **D. Providing Services to Businesses in the Marijuana Industry – Follow-up**

At its July 2016 Board meeting, the Board discussed CPAs providing services to businesses in the marijuana industry and expressed that its current position would be that Louisiana CPAs should consult with legal counsel on providing services to businesses in the marijuana industry.

Inquiries continue on occasion including a recent inquiry to the Board chair.

General consensus from some other state boards appears to be that CPAs may provide services to businesses so long as the business is operating legally in the state where the services are being performed. Further, the CPA should perform some due diligence to be sure services are not being performed for any illegal activity.

The Board reviewed the following:

- Massachusetts’ Board position statement issued in January 2017
- The Attorney General recent letter responding to 4 state governors who had asked to participate in any changes to regulatory and enforcement systems under the Trump Administration.
- Colorado and Washington state CPA societies update of an issue brief with AICPA (January 2016)
- Memo from Allen, Pinnix & Nichols, P.A. (NASBA attorneys) regarding the impact of the marijuana legalization laws on CPAs and CPA boards – previously presented at NASBA’s Legal Counsel Conference

Louisiana CPAs want to perform tax services, as well as audit services. Likely some firms are already doing so without asking the Board. The Board did not change its current position on this issue.

**X. CPE ITEMS**

**A. Professional Ethics Requirement for 2018**

The Board's Ethics committee met via teleconference on 09/11/17 and after discussion, recommended that the 2018 Louisiana Professional Ethics course be developed for 3 CPE hours. It also authorized the Executive Director to send out invites to all known interested vendors to develop a course.

19 vendors were emailed a board questionnaire and invitation to submit a 1-2 page summary of the 2018 Louisiana Professional Ethics course with a requested submission date of 10/12/17. A total of 11 vendors responded with 8 unique courses proposed for 2018.

The Board's Ethics committee met via teleconference on 10/23/17 to review each vendor's summary outline (provided for the Board's review) and recommended the following vendors be asked to submit their proposed course by 12/31/17:

LCPA	
Surgent McCoy CPE, LLC	
Thomson Reuters	
SmartPros	} Developed by DeltaCPE
CPETHink	
MasterCPE	
Beacon Hill Financial Educators	} Developed by Dave Freed/Beacon Hill Financial Educators
CPA SelfStudy	

The Ethics committee intends to review the 5 different courses as those course submissions are received with anticipated communications to start with vendors no later than January 31, 2018.

Final courses will be approved and should be available to Louisiana CPAs no later than March 1, 2018.

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Alizadeh, and unanimously adopted, the Board authorized the Ethics committee to continue with the selection process, including the adoption of a 3-hour Ethics requirement for 2018.

**B. Proposed Board Policy: CPE Extension to Complete Required CPE**

For the past several CPE reporting periods the Board has adopted a standard policy for requests for CPE extensions, whereby the licensees would sign a Consent Order and pay a fine for an extension to complete their CPE requirements and continue to maintain their license in good standing. The Consent Orders were standardized relative to the length of extension requested, and the Investigating Officer had authority to grant waivers of fines for extenuating circumstances.

In the past, extensions to complete CPE would be granted for one month without a fine, but an extension agreement was required.

Last year, extension requests to complete CPE with a completion date after January 31 but by March 31 were generally granted with a set fine and a Consent Order.

An updated proposed CPE extension policy was provided for the Board's review and approval.

Upon motion by Mr. Langley, seconded by Mrs. Lowe-Ardoin, and unanimously adopted, the Board adopted the proposed CPE extension policy. Additionally, Board Chair, Mrs. Hutchinson appointed the Board's Compliance Investigator, Andrew Joyner, as the Investigating Officer for the 2017 CPE Extension requests.

### **C. Request for Board approval on CPE Credit for Published Articles**

Under Board Rule 1309(D), credit for writing published articles and books requires the Board's approval of hours in order to be claimed as CPE. The maximum credit allowed for preparation of articles and books cannot exceed 10 hours of CPE earned in a calendar year. Credit, if any, will only be allowed after the article or book is published.

1. Richert L. Self (License No. 22646) submitted a request for approval of CPE credit for publication of an article: "The Port of Long Beach: A Model for Capital Planning." published by the *American Association of Port Authorities PPM*, April 2016.

Upon motion by Mr. Langley, seconded by Mrs. Honoré Thomas, the Board approved the request for 10 hours of CPE for Mr. Self's published article in the *American Association of Port Authorities PPM*, for the 2016 reporting year.

2. Philip Harmelink, CPA (License No. 14090) submitted a request for approval of CPE credit for publication of an article: "IRS E-Filing and Mitigating Tax Identity theft Risks" written by William M. Van Denburgh and Philip J. Harmelink published by *Taxes, The Tax Magazine*, December 2016, pp. 31-40

Upon motion by Mrs. Alizadeh, seconded by Mr. Langley, the Board approved the request for 10 hours of CPE for Mr. Harmelink's article in *Taxes, The Tax Magazine*, for the 2016 reporting year.

3. Dylan Williams, CPA (License No. 26178) submitted a request for approval of CPE credit for publication of an article: "Ticking and Tying at the Buzzer; An Analysis of the NCAA Agreed-Upon Procedures for Reporting Financial Data" published by *The Journal of Issues in Intercollegiate Athletics*, 2016, 9, 185-207.

Upon motion by Mr. Bergeron, seconded by Mrs. Honoré Thomas, the Board approved the request for 10 hours of CPE for Mr. Williams' article in *The Journal of Issues in Intercollegiate Athletics*, for the 2016 reporting year.

4. Rebecca B. Martin, CPA (License No. 25928) submitted a request for approval of CPE credit for publication of an article: “Filling the demand for Municipal Government Accountants: The Benefits of a Governmental and Non-Profit Course.” Written by Rebecca B. Martin and Tammy R. Waymire, published by *The Journal of Accounting and Education*, Volume 40, May 19, 2017.

Upon motion by Mr. Bergeron, seconded by Mrs. Lowe-Ardoin the Board approved the request for 10 hours of CPE for Ms. Martin’s published article in *The Journal of Accounting and Education*, for the 2017 reporting period.

**D. Audit of 2013-15 CPE Reported**

Compliance Investigator Andrew Joyner conducted an audit of CPE reporting forms for the 2013 – 2015 reporting period. A total of 28 CPAs failed the audit and have been contacted for additional information.

Of the 28 failing audits, 11 are anticipated to be resolved to Pass w/ Deficiencies. The 17 remaining failing audits are not anticipated to be resolved: (4) missing ethics, (3) .5 hours, (3) 2-5 hours, (2) 7.5-8 hours, (1) 15 hours, (4) 30+ hours.

For the 2010-12 CPE audit, the Board recommended a \$50/hour fine via consent order for deficient hours. The Board recommended the same for the 2013-15 audit and, as before, the Executive Director was appointed as the Investigating Officer.

**E. Audit of 2016 CPE Reported**

The Board’s former Enforcement Administrative Assistant, Ivana Butler, conducted an audit of CPE reporting forms for the 2016 reporting period. Findings have not yet been reviewed.

**XI. NEW MATTERS**

**A. Board compensation**

The Louisiana Revised Statutes, as well as the final Board rules, adopted 10/20/17, allow for board compensation of \$250 for board officers and \$200 for other members to compensate members for time expended serving and discharging their duties:

**R.S. 37:74 State Board of Certified Public Accountants of Louisiana; powers and duties**

F. The members of the board shall receive monthly compensation in an amount to be fixed by the board for the time expended by such members in the discharge of their official duties. The compensation of the board officers shall not exceed the sum of two hundred fifty dollars per month per officer. The compensation of other members of the board shall not exceed the sum of two hundred dollars per month per member. Such expenses shall be

paid out of the treasury of the board. No expenses incurred by the board shall be charged to or against the funds of this state.

**§311. Monthly Compensation**

A. The officers of the board shall receive compensation of \$250 per month and other members shall receive \$200 per month. This compensation shall be for time expended by such members in conducting and/or monitoring examinations, attending board meetings and hearings, issuing of certificates and firm permits, conducting investigations, and discharging other duties and powers of the board.

Upon motion by Mr. Bergeron, seconded by Mrs. Alizadeh, and unanimously adopted as authorized, the Board approved setting the Board compensation to \$250 for Board officers and \$200 for Board members effective January 1, 2018.

**B. CPA-Retired Status**

The Louisiana Revised Statutes, as well as the final Board rules adopted 10/20/17, allow the Board to establish the CPA-Retired status and assess an application fee:

**37:74.1 Fees**

The board is authorized to adopt rules in accordance with the Administrative Procedure Act to impose and collect fees which shall not exceed the following:

- (7) Registration and renewal fee for CPA-Retired status                   \$ 50.00

**§319. Assessment of Application, Annual and Other Fees**

A. Certification, firm permit application, renewal, and other fees shall be assessed by the board in amounts not to exceed the following.

<b>Application Fees</b>	
Retired status application	\$50
<b>Annual Fees</b>	
Registration CPA retired status	\$50

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Langley, and unanimously approved, the Board adopted the creation of the CPA-Retired status and an application fee of \$50 to be assessed for applicants of the newly created CPA-Retired Status effective immediately. The annual renewal fee will be determined at a later date.

**C. MicroPact Global (CAVU enforcement software) renewal**

The Annual Software Maintenance Agreement to be effective 12/01/17 was provided for the Board's review.

The annual agreement fee was \$32,000 last year (thru 11/30/17) and was expected to increase to \$36,050 this year. When asked if a discount would be available if a contract for multiple years was signed, the response was no but the full contract rate was reduced to \$33,330 for the new year, \$34,665 for the 12/01/18 – 11/30/19 year, and \$36,050 (no discount) for the 12/01/2019 – 11/30/20 year.

## **XII. INFORMATION ITEMS AND ANNOUNCEMENTS**

### **A. 2018 Renewals**

Renewal notice letters, containing each registrant's user ID and password for online renewal, were mailed to licensed CPAs, inactive status registrants, and Firm Permit holders on October 31, 2017.

7,511 Active Certificate Holders (licensees)  
2,974 Inactive Status Registrants (unlicensed)  
2,114 Firm Permits  
12,599 TOTAL

### **B. Office Carpet, Paint & Furniture**

Carpet replacement and paint for the Board's office has been completed. New flooring is expected to be installed in the copy room. Furniture, estimated to cost \$25-35,000, is near ready to be ordered.

## **XIII. REPORTS ON CONFERENCES / MEETINGS**

### **A. NASBA 110<sup>th</sup> Annual Meeting**

October 29- November 1, 2017  
New York, NY

Mrs. Hutchinson, Mr. Bergeron, Mrs. Alizadeh, Mr. Langley, and Ms. Saux attended.  
(Former Board Member and past NASBA chair, Mark Harris, also attended.)

## **XIV. FUTURE MEETING / CONFERENCE DATES**

### **A. 2018 NASBA Executive Director and Legal Counsel Conferences**

March 13-15, 2018  
Sandestin, FL

Ms. Saux, Ms. Benefield, and Mr. Joyner plan to attend.

**XV. UPCOMING BOARD OFFICE HOLIDAYS**

November 10, 2017	Veterans Day (observed)
November 23, 2017	Thanksgiving
November 24, 2017	Acadian Day (observed)
December 25, 2017	Christmas Day*
January 1, 2018	New Year's Day*
January 15, 2018	Martin Luther King, Jr. Day

\*Note: The sitting Governor has at times declared additional holidays for Christmas and New Year's. No information had been received to indicate whether these additional holidays will be declared this year.

**XVI. NEXT BOARD MEETINGS**

**A. Future Board Meetings**

The Board had previously reserved Thursday, January 18, 2018 through Friday, January 19, 2018 for the January 2018 Board meeting. If an administrative hearing is necessary, a date will be determined.

The Board had previously reserved Wednesday, April 25, 2018 through Friday, April 27, 2018 for the April 2018 Board meeting. If an administrative hearing is necessary, a date will be determined.

**B. July 2018 Board Meeting**

The Board reserved Wednesday, July 25, 2018 through Friday, July 27, 2018 for the July 2018 Board Meeting.

**XVII. EXECUTIVE SESSION MATTERS**

In order to conduct an Administrative Hearing, report on the status of compliance with Board Decisions, Consent Orders and the status of investigations, and to address other executive session matters, an executive session was convened and called to order by Chair Mrs. Hutchinson on November 8, 2017 upon motion(s) made, as follows:

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Alizadeh and unanimously adopted, the Board went into executive session on November 8, 2017 at 2:02pm. Upon motion by Mr. Langley, seconded by Mr. Bergeron and unanimously adopted, the executive session adjourned at 9:08 a.m. on November 9, 2017.

**XVIII. DISPOSITION OF MATTERS DISCUSSED IN EXECUTIVE SESSION**

**A. Formal Administrative Hearing  
File No. 2016-33**

The Board considered testimonial and documentary evidence presented, and, after deliberation, upon motion by Mrs. Honoré Thomas, seconded by Mr. Langley, by a vote of 5 - 0, the Board rendered a Decision in the matter. Board Chair Mrs. Hutchinson, Investigating Officer on this matter, took no part in the Hearing or deliberation of this matter. Mrs. Honoré Thomas was designated as the Presiding Officer over the Hearing.

**B. Consideration of Consent Order  
Julie G. Berry, CPA – File No. 2017-1**

Upon motion by Mrs. Lowe-Ardoin, seconded by Mrs. Alizadeh, the Board, by a vote of 4 - 0 approved the Consent Order in this matter. Mr. Langley abstained from voting and Mr. Bergeron was not present for the vote.

**C. Consideration of Consent Order  
Paul E. Gardner – File No. 2017-25**

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Alizadeh, the Board, by a vote of 4 - 0 approved the Consent Order in this matter. Mr. Langley abstained from voting and Mr. Bergeron was not present for the vote.

**D. Consideration of Consent Order  
Kimberly Kelly, CPA – File No. 2013-28**

Upon motion by Mrs. Alizadeh, seconded by Mr. Bergeron, the Board, by a vote of 5 - 0 approved the Consent Order in this matter. Mrs. Lowe-Ardoin abstained from voting.

**E. Request for Approval to submit Debt to Office of Debt Recovery  
Charles Webb, CPA – File No. 2012-29**

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Langley, the Board, by a vote of 5 - 0 approved submitting the debt in this matter to the Office of Debt Recovery. Mr. Bergeron abstained from voting.

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

File No. 2016-19  
File No. 2016-49  
File No. 2016-123  
File No. 2016-166  
File No. 2017-4  
File No. 2017-24

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Lowe-Ardoin, the Board found no cause for *further* action and officially closed the above files.



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

File No. 2014-8  
File No. 2014-28  
File No. 2016-85  
File No. 2016-147  
File No. 2017-8  
File No. 2017-9  
File No. 2017-28  
File No. 2017-31

Upon motion by Mrs. Lowe-Ardoin, seconded by Mrs. Honoré Thomas, the Board found no cause for action and officially closed the above files.

**H. Acceptance of Reports**

Upon motion by Mr. Langley, 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.

**XIX. ADJOURNMENT**

**Thursday November 9, 2017:**

There being no further business to discuss, upon motion by Mrs. Alizadeh, seconded by Mr. Langley, and unanimously adopted, the meeting adjourned at 2:56 p.m.

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Lynn V. Hutchinson, CPA  
Chair

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Sue S. Alizadeh, CPA  
Treasurer

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Grady R. Hazel, CPA  
Secretary

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Desireé Honoré Thomas, CPA  
Member

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Letti Lowe-Ardoin, CPA  
Member

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Michael D. Bergeron, CPA  
Member

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Nicholas J. Langley, CPA  
Member