

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

601 Poydras Street, Suite 1770
New Orleans, Louisiana 70130

October 22-23, 2014

The regular meeting of the State Board of Certified Public Accountants of Louisiana was called to order by Chairman Tham on Wednesday, October 22, 2014 and Thursday, October 23, 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
Letti Lowe-Ardoin, CPA	-	Secretary
Desireé Honoré Thomas, CPA	-	Treasurer
Michael B. Bruno, CPA	-	Member
Michael D. Bergeron, CPA	-	Member
Lynn V. Hutchinson, CPA	-	Member
Mark P. Harris, 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

The meeting was called to order by Chairman Tham at 9:15 a.m. on Wednesday, October 22, 2014 upon motion by Mr. Harris, seconded by Mrs. Lowe-Ardoin and unanimously adopted.

The meeting was called to order by Chairman Tham at 9:10 a.m. on Thursday, October 23, 2014, upon motion by Mrs. Hutchinson, seconded by Mr. Bruno 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 and submit the certificates to Mrs. England who will place them in each Board and Staff member's 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 December 31, 2014 and submit the certificates to Mrs. England who will place them in each Board and Staff Member's file.

C. Personnel

1. Mrs. Saux and Mrs. England have examined the needs of the Board's office and determined there is a need for a qualifications and licensing Specialist - a person to respond to pre-CPA questions and also review license applications. This position would also perform many of the administrative assistant 3 duties (minutes, purchase orders, etc.) currently being performed by other staff. A re-worked job description has been submitted to Civil Service and will be posted within the next month.
2. Ms. Patricia Smith-Carter was hired as a Compliance Administrative Assistant (Civil Service title "Administrative Coordinator 4") effective Friday, October 10, 2014.
3. Mrs. England informed the Board that all Board classified employees that were employed with the Board as of June 30, 2014 received performance evaluations prior to August 31, 2014, in accordance with Civil Service rules. All staff employees received an overall rating of satisfactory and 4% performance adjustments (merit increases) that were effective October 1, 2014.
4. Mrs. England informed the Board that all Board classified employees prepared goals and met with the Deputy Director to discuss and established performance plans for FY 2014-15. Performance plans were submitted to Civil Service September 30, 2014, in accordance with Civil Service Rules.
5. Chairman Tham discussed the need for an updated Employee Policy Manual. Board Policy, in particular, should also reflect in the manual to allow that when the Executive Director, as an unclassified position, is required to work on state holidays (for conferences or other Board approved reasons), the holiday hours can be taken on an alternative day.

By motion of Mr. Bergeron, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board affirmed allowing working holiday hours to be taken on an alternative day.

D. Office of Group Benefits Changes

It is currently open enrollment for Employee Benefits. The deadline to register for benefits has been extended from October 31, 2014 to November 30, 2014.

E. Iberia Bank Resolution

Mrs. Saux discussed the need for updated contacts with Iberia Bank. Susan Cochran needed to be removed as an authorized signer which Chairman Tham authorized. Letitia Lowe-Ardoin needed to be added as an authorized signer by Board resolution. Also, Darla M. Saux needed authority to discuss and request administrative items with Iberia Bank.

“BE IT RESOLVED: Letitia Lowe-Ardoin is designated by the Board as an authorized signer of the Iberia PLUS Banking Business checking account. The Board Chairman and Secretary are hereby authorized to execute the necessary Iberia Bank forms to add Letitia Lowe-Ardoin as an authorized signer.

Further, the Board authorizes Iberia Bank to discuss with Darla M. Saux administrative issues with the Board’s checking account such as identifying authorized signers, requesting fee analysis details, and similar administrative functions. This would not authorize Darla M. Saux to designate authorized signers or approve or initiate transactions.”

By motion of Mr. Bergeron, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board approved the above resolution.

II. APPROVAL OF MINUTES

The regular and executive session minutes for the July 2014 Board Meeting were previously sent to Board members for review.

By motion of Mr. Bergeron, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board approved the July 2014 regular and executive session minutes as updated based on feedback.

III. TREASURER'S REPORT

- A. The Annual Financial Report (AFR) for the 2013-14 fiscal year was completed, and was filed with the Division of Administration Office of Statewide Reporting and the Legislative Auditor by August 29, 2014, as required by State policy.
- B. Financial statements for the fiscal year ended June 30, 2014 were presented for the Board's review.
- C. Financial Statements for the quarter ended September 30, 2014 were presented for the Board's review.

By motion of Mrs. Lowe-Ardoin, seconded by Mr. Bruno and unanimously adopted, the Board approved the Treasurer's Report.

IV. DEATHS

A. Deaths (2)

Name	Certificate No.	Year Issued	Certificate Status
Robert Joseph Chappellie	15216	1981	Active
Benny Lloyd Thraikill	4641	1968	Active

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

V. CERTIFICATE AND INACTIVE STATUS REINSTATEMENTS

A. Reinstatements of Certificates Active and Inactive Status Expired March 1, 2014 (6)

The following CPA and CPA Inactive Status Registrants, with expirations in this year due to non-renewal, reinstated their CPA Certificate or CPA Inactive Status registrations:

Name	Certificate No.	Certificate Status
Cecil Jean Cavanaugh	9445	Active
Jonathon Darwin Dobbs	S27059	Active
Louis M. Murphy, Jr	14994	Active
Courtyney A Hilton	26838	Active
Lyda Lynn Jordan	20185	Inactive
Kathleen Belu Mueller	21804	Inactive

B. Reinstatement of Certificates Active and Inactive Status Expired Prior Years (9)

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:

Name	Certificate No.	Certificate Status
Rudolph Blume, III	23191	Active
Melinda Blanchard Franioni	18448	Active

Dwayne P. Landry	22351	Active
Cecelia Anne Hoyt	16707	Active
Walter B Pearson	18056	Active
Thomas Glynn Blazier	14895	Inactive
Melonie L. Himel	24725	Inactive
Sheila Dempsey Norris	21804	Inactive
Wayne Allen Pfeister	23518	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 Mr. Bruno, seconded by Mrs. Honoré Thomas 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**

Jul-Aug 2014 – 715 sections; 529 candidates (1.35 section per candidate):

	AUD		BEC		FAR		REG	
	No.	_____%	No.	_____%	No.	_____%	No.	_____%
<u>Louisiana:</u>								
Passed sect's	103	53.92%	75	47.17%	96	45.08%	74	48.68%
Failed sect's	<u>88</u>		<u>84</u>		<u>117</u>		<u>78</u>	
	<u>191</u>		<u>159</u>		<u>213</u>		<u>152</u>	
<i>National pass rate</i>		47.4%		57.9%		51.1%		52.2%

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%

B. Candidates Passing Examination Sections – July / August 2014 (59)

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	Name
Jonathan Bach	Jennifer Bittinger
Jack Blanding	David Blazek
Lauren Blossman	Jennifer Boudreaux
Shayne Breaux	John Brugier
Frank Bueche	Quanta Cabral
Stephen Cosminski	Alexis Counce
Kevin Cox	Katie Debaillon
Amy Dees	Elizabeth Dominguez
Aric Dunaway	Alyssa Dupre
Lauren Exnicios	Chelsea Faulk
Joshua Fontenot	Laura Ford
Derek Foret	Milton Freiberg
Laura Frishhertz	Madalene Gladney
Robert Gowan	Devan Gray
Keith Hemel	Michael Hernandez
Aimee Jackson	Brian Jenkins
Lindsey Jones	John Kearns
Samantha Ladd	Zhanna Landis
Alyssa Lare	Shelby Law
Nicholas Lynch	Brian Mautner
Brian McCain	Faith McCoy
Sean McDonald	Lien Nguyen
Theresa Nguyen	My Le Nguyen
Randall Nichols	Tyler Phillips
Tiffany Roberts	John Rourke
Birney Rousselle	Catherine Simmons
Katherine Snyder	William Stansbury
Andrew Sullivan	Joshua Sullivan
Kevin Sutanto	Cindy Vo
Mallory Wells	

C. Exam Related Requests

1. Candidate No.1 – Request for Community College Credit Approval

The Board was asked to consider applying 6 community college credits which were earned after finishing her bachelor’s degree in order to complete the 150 hour requirement to sit for the CPA exam.

Upon motion by Mr. Bergeron, seconded by Mr. Bruno and unanimously adopted, the Board approved the additional 6 hours of credit taken at BPCC after earning the Bachelor's degree.

2. Candidate No. 2 – Ratification of Board Determination on Exam Request (Request for Waiver of Residency)

The Board was asked to ratify its determination on this request. Ms. Celmie Anderson submitted a request for the Board's consideration of her residency to sit for the CPA exam. Due to her husband's military transfer to Germany in 2011 and her subsequent medical issues, she was unable to apply to sit for the exam in the time required. The Board determined that it would allow her to sit for the CPA exam for Louisiana.

Upon motion by Mr. Bergeron, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board ratified its determination to waive the residency requirement for Ms. Celmie Anderson.

D. Follow up on Candidates who have taken the CPA Exam \geq 25 times

At the July Board meeting, the Board suggested Mrs. Saux discuss with other states how they are handling the interview process for individuals who have taken the test multiple times. At that time the Board also instructed that 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.

Mrs. Saux discussed four candidates she reached out to regarding the exam. Based on the feedback, the Board recommended Mrs. Saux continue to monitor their progress and encourage the candidates to reach out if the Board can do anything to help each successfully pass the exam.

E. Residents of India Now Able to Sit for US CPA Exam in Middle East

AICPA, NASBA and Prometric announced testing for the CPA exam in the Middle East will be open to qualified citizens and permanent residents of India beginning October 1, 2014. The US CPA Exam is administered internationally as a service to US citizens living abroad and foreign nationals, as well as in response to the escalating international demand for the US CPA license. In recent years, Indian candidates are among the largest groups of international candidates who have traveled to the US to take the CPA exam. CPA candidates can register through Prometric and conduct their exams at Prometric sites throughout the Middle East.

F. International Qualifications Examination – IQEX

Mrs. Saux reviewed the Candidate Bulletin for IQEX dated February 2014 and noticed Louisiana is shown as accepting applications for certification or licensure from IQEX candidates from Australia, Canada, Ireland, Mexico, and New Zealand. The bulletin also showed Louisiana is considering candidates from Hong Kong.

Following is information recently received from NASBA:

Country	Jurisdiction	MRA Expiration
Canada	Canadian Institute of Chartered Accountants	December 2015
Australia	Institute of Chartered Accountants in Australia	November 2016
Ireland	Chartered Accountants Ireland	May 25, 2015
Mexico	Instituto Mexicano de Contadores Publicos	December 2015
New Zealand	New Zealand Institute of Chartered Accountants	December 31, 2016
Hong Kong	Hong Kong Institute of Certified Public Accountants	October 24, 2016

Mrs. Saux requested the Board reaffirm its consideration of applications for license from IQEX candidates under the terms of the Mutual Recognition Agreements for the above 6 countries.

Upon motion by Mrs. Hutchinson, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board determined it would consider applications from the above 6 countries for reciprocity.

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) (37)

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
Nicholas Lee Kidder	CPA0027598	7/31/2014
John Patrick Blake	CPA0027599	7/31/2014
Umair Riaz Abbasi	CPA0027600	9/6/2014
Marc J Schexnayder	CPA0027601	9/8/2014
Christian Joseph Belteau	CPA0027602	9/6/2014
Kevin Hiep Loi Tran	CPA0027603	9/8/2014
Trent D Holmes	CPA0027604	9/6/2014
Ricky G Piper	CPA0027605	9/6/2014
Paul Michael Scott	CPA0027606	9/6/2014
Katelyn Huckaby Sarkies	CPA0027607	9/6/2014
Stephen Kevin Cox	CPA0027608	9/8/2014

Margaret Megan Baker	CPA0027609	9/8/2014
Brooke Elizabeth Vincent	CPA0027610	9/8/2014
David Christopher Kent	CPA0027611	9/8/2014
Mackenzie Schott	CPA0027612	9/8/2014
David A Favalaro	CPA0027613	9/8/2014
Mia Marie Dejan	CPA0027614	9/9/2014
Lauren Elizabeth Carrier	CPA0027616	9/12/2014
Kai Qing Diona Seah	CPA0027617	9/12/2014
Brody Aaron Howes	CPA0027618	9/12/2014
Evan Frederick Prange	CPA0027619	9/12/2014
Katie Rose Debaillon	CPA0027620	9/12/2014
Jared Michael Greco	CPA0027621	9/12/2014
Kayla Gauthreaux Ursin	CPA0027622	9/12/2014
Brian Samuel Jenkins	CPA0027623	9/12/2014
Lindsey Marie Rodriguez	CPA0027624	9/12/2014
Michael Edward Morse	CPA0027625	9/12/2014
Brian William Mautner	CPA0027626	9/12/2014
Shayne Michael Breaux	CPA0027627	9/12/2014
Alyssa Brooke McDaniel Dupre	CPA0027628	9/12/2014
Melissa Alyce Lebato	CPA0027629	9/24/2014
Stephen Wayne Cosminski	CPA0027630	9/24/2014
Sushant Jha	CPA0027633	9/12/2014
Madeline Clair Lafont	CPA0027634	10/10/2014
Kevin Sutanto	CPA0027635	10/10/2014
Kevin Anthony Cox	CPA0027636	10/10/2014
Ashley Dixon Falgout	CPA0027637	10/10/2014

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

B. Approval of Transfer of Grades Issued by the Executive Director

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
Sun Zhe	CPA0027631	10/10/2014	Maine
Ethan Popovich	CPA0027632	09/24/2014	Mississippi

Upon motion by Mrs. Hutchinson, seconded by Mr. Bruno and unanimously adopted, the Board ratified the issuance of the above Transfer of Grades Certificates (Item B).

C. Approval of Reciprocal Certificates Issued by the Executive Director (2)

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
Trenton Joseph Derouen	CPA0027615	09/08/2014	Texas
Mary Louise Hobson	CPA0027638	10/10/2014	Maryland

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

VIII. CPA FIRM PERMITS AND FIRM RELATED ISSUES

A. Reinstatements of CPA Firm Permits that Expired March 1, 2014 (3)

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

Firm Name	Firm Permit No.
Lecia E. Smith, CPA	1658
Paul Eugene Gardner, CPA	1366
Cecil J. Cavanaugh, MBA, CPA, APAC	3141

B. Reinstatement of Firm Permits Expired In Prior Years (2)

Firm Name	Firm Permit No.
Susan Champagne Blakely, CPA	3818
Walter B. Pearson, CPA	1577

C. CPA Firms Change in Legal Entity (2)

Firm Name	Firm Permit No.	Original Entity	New Entity
Sherri C. Oliver, CPA	3614	Unincorporated	Single Member LLC
Fremaux & Mitchell, LLC	2964	Unincorporated	Multi Member LLC

D. CPA Firm Permit Applications

1. New CPA Firm Permits (19)

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
Bailey & Delali, CPAs, LLC	Memphis, TN	5181	7/31/14
Terri L. Sanders, CPA	Boise, ID	5182	8/14/14
Wright Accounting & Consulting, LLC	Shreveport, LA	5183	8/20/14
Phillip A. Ragsdale CPA	West Monroe, LA	5185	9/6/14
	Denham Springs,		
Magdalene S Clark CPA LLC	LA	5184	9/6/14
KFMR Katz Ferraro McMurty PC	Pittsburgh, PA	5186	9/9/14
Alan D Hebert, CPA, LLC	Lafayette, LA	5187	9/9/14
Joshua Legg, CPA, LLC	Monroe, LA	5188	9/9/14
Sheffield & Sheffield, LLC	Natchitoches, LA	5190	9/12/14
Tammy Lynn Walker, CPA	Dubach, LA	5189	9/12/14
PP&D Accounting Services, Inc	Woodbridge, NJ	5192	9/23/14
EER Accounting Services, LLC	Baton Rouge, LA	5191	9/23/14
Jason F. Clausen, PC	St Clair Shores, MI	5195	10/10/14
Allen Lew, CPA	Metairie, LA	5194	10/10/14
Kyle George, CPA, LLC	Lafayette, LA	5196	10/10/14
Piltz Williams, LaRosa & Company, APC	Biloxi, MS	5193	10/10/14
Holt & Associates, PLLC	Laurel, MS	5197	10/10/14
The Fowler Group, LLC	Birmingham, AL	5198	10/10/14
Palazzo & Company, LLC	Biloxi, MS	5199	10/10/14

Upon motion by Mr. Bruno, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board ratified the issuance of the above CPA Firm Permits.

2. Request for Firm Permit – Summit CPA Group

Jody Allen Grunden, CPA of Fort Wayne, Indiana submitted a firm permit application for Summit CPA Group. Summit CPA Group has multiple CPAs practicing, and is currently licensed in Indiana, California, Illinois, Michigan, New Jersey, and Texas. The Board was asked to consider Summit CPA Group as the firm name.

A motion was made by Mr. Harris, seconded by Mrs. Hutchinson to grant the above firm a provisional license conditioned on review and passage of Rule changes. After discussion, and by a vote of 2 to 5, the motion was not approved.

A motion was made by Mr. Bergeron, seconded by Mrs. Hutchinson and following discussion, the Board approved the issuance by a vote of 4 to 3 of the above CPA Firm Permit as long as the firm adds LLC to the firm letterhead.

3. Request for Firm Permit – S&P CPAs PLLC

Amna Paryani, CPA of Richardson, Texas submitted a firm permit application for S&P CPAs PLLC. “S” stands for the previous owner’s name, Abdi Shiekh-ali, and “P” stands for Mrs. Paryani’s name. Mrs. Paryani acquired S&P CPAs PLLC in December 2013 and is the sole owner. S&P CPAs PLLC is a licensed firm in Texas, New Jersey, and Georgia. The Board was asked to consider S&P CPAs PLLC for a firm permit.

A motion was made by Mr. Bergeron, seconded by Mrs. Hutchinson and after discussion, the Board unanimously approved the issuance of the above CPA Firm Permit.

E. Peer Review Items

1. Peer Review Oversight Committee (PROC) Reports

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

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

	2014 to Present	2013
Engagement Reviews	84	45
Pass	55	37
Pass with Deficiencies	16	0
Fail	13	8
System Reviews	65	40
Pass	56	39
Pass with Deficiencies	1	1
Fail	8	0
TOTAL	149	85

3. Report on Selected Staff Activity Stemming from Peer Reviews

	Since 8/1/2014 (previous Board Meeting)	Calendar Year Jan. 2014 - present	Calendar Year Jan. 2013	Calendar Year Jan. 2012
Practice Restrictions *	2	6	30	31
Extensions	2	4	12	7
Provisional Permits	0	0	0	7
Year End Changes	1	4	5	12
First Fail Letters	7	21	24	15

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

4. 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 are both ongoing, and the Board discussed possible penalties for firms practicing in Louisiana that are not properly permitted.

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)

Ronald Gitz, CPA, LCPA Executive Director, discussed the following items:

- SSARS 21 will be effective October 23, 2015. The Board would like to discuss the implications of SSARS 21 during the next meeting;
- The AICPA put out for public comment a paper on Enhancing Audit Quality. The comment period ends November 7, 2014;

- LED – R&D credit rules – continuing progress on concerns; definition of independent; relationships between state boards and societies; definition of “Audit” and how the Board can help;
- Guidance issued by the Legislative Auditor with respect to peer review due dates;

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

Mrs. Saux discussed the continued progress on CAVU. As of the week of October 20, 2014 CAVU has been updated. The Board staff continue to work through any issues and encourages Louisiana CPAs to renew online as the previous compatibility issues have been fixed.

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. Revision of Board Rules Regarding CPE

Mrs. Saux and the Board discussed possible CPE Rule changes.

C. Audit of 2010-2012 CPE Reporting Forms

Final CPE Audit Results:

50.29%	87 CPE Audits – Passed with NO Deficiencies
<u>41.04%</u>	71 CPE Audits – Pass with Deficiencies
91.33%	
8.67%	15 CPE Audits – Failed (to be forwarded to IO)

Mr. Tham appointed Mrs. Saux as the Investigative Officer for those CPAs (2) that were deficient in meeting the Board’s requirements for Professional Ethics.

D. Request for Relief of CPE Due to Medical Hardship

CPA submitted a request for relief of CPE due to medical hardship. The CPA was licensed in 1967, is 79 years old, and is currently semi-retired professionally. Over the past several years, the CPA had several medical procedures which meant he was unable to attend scheduled CPE seminars and is confined to a wheelchair. The CPA is asking for an extension of time or a waiver to comply with requirements for the 2013-15 reporting period.

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Lowe-Ardoin, the Board voted 6 to 1 to deny the CPA’s request and suggested the CPA try more written self-study CPE and that he contact the Board in mid to late 2015 to update them on his status.

XI. NEW MATTERS

A. Experience Verification

1. Qualifications for Certificate

The Board reviewed the experience provision in the Accountancy Act which was previously changed from “supervised and verified” by a licensee to “verified” by a licensee. The Board Rules were not updated at the same time as the Act. The Board reviewed proposed revisions to those Rules.

Upon motion by Mr. Bergeron, seconded by Mrs. Hutchinson and by a vote of 7 to 0 the proposed Board Rules revisions regarding experience verification were approved.

2. Verification Form

The Board reviewed and approved with feedback the proposed form for experience verification.

B. Complaint Form

The Board reviewed a proposed form to standardize complaints. Suggestions were made for further Board review.

C. Enforcement Cloud

Mrs. Benefield discussed possible Cloud options that would enable both the Investigating Officers and the Board staff to access necessary documents when progressing through a case. The Board suggested researching: Smartsheet, Sharepoint, and JetPack Workflow.

D. Strategic Planning

Mrs. Saux updated the Board on the continued progress and communications with Mr. Ed Barnicott from NASBA regarding strategic planning and reviewing the Board’s processes.

XII. INFORMATION ITEMS AND ANNOUNCEMENTS

A. 2015 Renewals

Renewal notice letters, containing each registrant’s user ID and password for online renewal, will be mailed to licensed CPAs, inactive status registrants, and Firm Permit holders the first week of November 2014. Paper renewal forms are available on the Board’s website for those registrants who cannot renew online.

7,308 Active Certificate Holders (licensees)
3,107 Inactive Status Registrants (unlicensed)
2,198 Firm Permits
12,613 TOTAL

XIII. REPORTS ON CONFERENCES / MEETINGS

A. Council on Licensure Enforcement and Regulation (CLEAR)

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

Both earned their respective certifications.

B. NASBA U

October 1-3, 2014 – Nashville, TN – Erin St Pierre England attended

XIV. FUTURE MEETINGS / CONFERENCE DATES

A. NASBA 107th Annual Meeting

November 2 – November 5, 2014 - Washington, DC
Planning to attend: Mrs. Honoré Thomas, Mr. Harris, Mrs. Saux

B. NASBA 33rd Annual Conference for Executive Directors and Board Staff

March 24-26, 2015 - Tampa, FL
Planning to attend: Mrs. Saux

C. NASBA 20th Annual Conference for Board of Accountancy Legal Counsel

March 24-26, 2015 - Tampa, FL
Planning to attend: Mrs. Benefield

D. NASBA Western Regional Meeting (Louisiana is a part of the Western Region)

June 17-19, 2015 - Coronado, CA

E. NASBA Eastern Regional Meeting

June 24-26, 2015 – Baltimore, MD

F. NASBA 108th Annual Meeting

October 25-28, 2015 - Dana Point, CA

XV. UPCOMING BOARD OFFICE HOLIDAYS

November 4, 2014 Election Day (The First Tuesday after the First Monday in even number years)
November 11, 2014 Veteran’s Day

November 27, 2014	Thanksgiving Day*
December 25, 2014	Christmas Day*
January 1, 2015	New Year's Day*
January 19, 2015	Martin Luther King, Jr.'s Birthday
February 17, 2015	Mardi Gras

*Note: The Governor will usually declare the day after Thanksgiving "Acadian Day" as a state holiday, and at times declare additional holidays for Christmas and New Year's. No information has yet been received to indicate whether these additional holidays will be declared this year.

XVI. NEXT BOARD MEETINGS

A. January 2015 Board Meeting:

Monday, January 26 – 28, 2015

B. April 2015 Board Meeting:

Wednesday, April 22-24, 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, October 23, 2014 upon motion made, as follows:

Upon motion by Mr. Bruno, seconded by Mrs. Hutchinson, the Board went into executive session on October 23, 2014 at 9:13 am. Upon motion by Mr. Harris, seconded by Mr. Bruno, the executive session adjourned at 10:35 pm.

A. Consideration of Consent Order File No. 2012-14

Upon motion by Mrs. Hutchinson, seconded by Mr. Bruno, 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. Consideration of Consent Order File No. 2013-15

Upon motion by Mr. Bergeron, seconded by Mrs. Lowe-Ardoin, 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.

C. Consideration of Consent Order File No. 2013-26

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Bruno, 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.

**D. Consideration of Consent Order
File No. 2013-36**

Upon motion by Mr. Harris, seconded by Mrs. Honoré Thomas, 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.

**E. Consideration of Consent Order
File No. 2013-42**

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Bruno, after discussion the Board, by a vote of 4 to 2 approved the Consent Order as amended to remove Board costs and subject to approval by respondent in this matter. The Investigative Officer did not vote on this matter.

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

File No. 2009-19
File No. 2012-34
File No. 2013-44
File No. 2014-11

Upon motion by Mr. Bergeron, seconded by Mr. Bruno and unanimously adopted, 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. 2011-31
File No. 2011-32
File No. 2013-20
File No. 2013-38

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

H. Acceptance of Reports

Upon motion by Mr. Bruno, seconded by Mr. Bergeron 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.

XVIII. ADJOURNMENT

Wednesday, October 22, 2014:

There being no further business to discuss, upon motion by Mr. Harris, seconded by Mr. Bergeron and unanimously adopted, the meeting adjourned at 5:15 p.m. on Wednesday, October 22, 2014.

Thursday, October 23, 2014:

There being no further business to discuss, upon motion by Mr. Bruno, seconded by Mrs. Honoré Thomas and unanimously adopted, the meeting adjourned at noon on Thursday, October 23, 2014.