

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

601 Poydras Street, Suite 1770
New Orleans, Louisiana 70130

July 27 – 28, 2015

The regular meeting of the State Board of Certified Public Accountants of Louisiana was called to order by Chairman Mr. Tham on Monday, July 27, 2015 and Tuesday, July 28, 2015 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 required 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
Mark P. Harris, CPA	-	Member
Lynn V. Hutchinson, 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
	Linda Babin	-	State Government Relations Director

The meeting was called to order by Chairman Mr. Tham at 9:10 a.m. on Monday, July 27, 2015, upon motion by Mr. Harris, seconded by Mrs. Lowe-Ardoin and unanimously adopted.

The meeting was called to order by Chairman Mr. Tham at 9:10 a.m. on Tuesday, July 28, 2015, upon motion by Mr. Bruno, seconded by Mrs. Hutchinson and unanimously adopted.

I. CHAIRMAN'S REPORT

A. Personnel

1. The Administrative Assistant 2 position was previously posted with the State Civil Service. Interviews were held, an offer was made, and Ms. Sara Bynum of California accepted an official offer from the State Board of CPAs. She started July 1, 2015; however, due to a family emergency she was placed on extended leave without pay. Because of the uncertainty of Ms. Bynum's situation, Ms. Bynum will remain in a hired status; however, Mrs. England asked Civil Service to re-post the position with the intention of re-assessing Ms. Bynum's situation after new applications are received and evaluated.
2. The position for Administrative Coordinator 4 was posted twice. Interviews were held twice and an offer was made to Ms. Ashley Bolden. Ms. Bolden left home after Katrina and has worked in Texas city government since then. We are happy to see her return home and welcome her to the Board staff. She started July 1, 2015.
3. For a short period, the Board engaged a Weststaff employee to assist with clerical and administrative duties while the Administrative Assistant 2 and Administrative Coordinator positions were vacant.
4. Performance Evaluations and Performance Adjustments for Fiscal-Year 2014-2015

In accordance with Civil Service Rules and Regulations and in preparation for the 2015-16 personnel review period, the Executive Director and Deputy Director will review all Staff performance plans from 2014-15 and complete performance evaluations.

To assist in the evaluation and planning process, all Board Staff are asked to complete trainings on the personnel evaluation system via the online LEO system and complete a self-evaluation by August 1, 2015. Performance Evaluations are due by August 31, 2015. Those employees that receive favorable evaluations will receive a 4% performance adjustment effective October 1, 2015 unless capped by Civil Service's pay range.

5. Performance Planning for Fiscal-Year 2015-2016

In accordance with Civil Service Rules and Regulations, all Board classified employees will work in coordination with the Deputy Director and Executive Director to complete a Performance Plan (performance expectations) for fiscal year 2015 – 2016. Plans are due to civil service no later than September 30, 2015.

B. Reminder – Required Courses for Public Servants

Board Members and Board staff were all reminded to complete a one-hour sexual harassment course and a one-hour ethics course by December 31, 2015.

II. APPROVAL OF MINUTES

The regular and executive session minutes for the April 2015 Board Meeting were previously sent to Board members for review.

By motion of Mrs. Honoré Thomas, seconded by Mr. Bergeron and unanimously adopted, the Board approved the April 2015 regular and executive session minutes as revised.

III. TREASURER'S REPORT

- A. Ms. Saux informed the Board that the statements for the quarter and fiscal year ending June 30, 2015 were not yet available. Actuarial information for both the GASB 45 OPEB calculations and the new GASB 68 calculations were not available prior to the Board meeting.
- B. The Annual Financial Report (AFR) for the 2014-15 fiscal-year is to be completed and filed with the Office of Statewide Reporting and the Legislative Auditor by August 31, 2015.
- C. Previously the Board approved two single-year audits at its last meeting to accommodate the GASB 68 requirement for the current fiscal year ended June 30, 2015. The Board received two engagement letters, and auditors are expected to start field work the first week of August 2015. Board members will be asked to provide information and input.

IV. DEATHS AND RESIGNATIONS

A. Deaths (4 deaths: 3 Active; 1 Inactive)

Name	Certificate No.	Year Issued	Certification Status
George Francis Delaune	13575	1979	Active
Harry Quitman Gahagan, Jr.	8356	1973	Inactive
Kenneth Andrew Reeves	4732	1968	Active
Lawrence Irvin White	8400	1973	Active

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

B. Resignations (0 resignations)

The Executive Director informed the Board there were no individual resignations during the period from the last Board meeting to the current Board meeting.

V. CERTIFICATE & INACTIVE STATUS REINSTATEMENTS**A. Reinstatement of Certificates / Inactive Status That Expired March 2015 (Same Year Reinstatements)**

The Executive Director informed the Board that the following CPAs and CPA Inactive Status Registrants with expirations on March 1, 2015, reinstated their CPA Certificates or CPA Inactive Status registrations. **(29 Total: 15 Active; 14 Inactive Status):**

Name	Credential Number	Certification Status
Megan Burleigh Castille	26192	Active
Kimberlee Sundquist Gelbke	23029	Active
John Patrick Gifford	23648	Active
Lauren Beth Habbaz	26473	Active
Terry Simon Hightower	24985	Active
Amanda White Hodgins	26622	Active
James Ingard Johannesen Jr.	26289	Active
Marla Sue McDaniel	22280	Active
Angela Walker Pearson	22627	Active
Douglas Dan Penner	27198	Active
Jorge A. Perez	26683	Active
Gary Paul Radelat	8370	Active
Amanda Rae Reagan	26766	Active
Jaime Littlejohn Usey	26744	Active
Cheryl Flitter Yennie	17209	Active
Justin John Baudoin	26248	Inactive
Lina M. Dedeaux	18175	Inactive
Allison Lindsey Durant	22539	Inactive
Terry Martinez Fonseca	13584	Inactive
Jean-Guy Goyette	23917	Inactive
Nicole Evette Kimes	25243	Inactive
Linda Cochran Poché	23577	Inactive
David Egerton Richards	12905	Inactive
Raoul William Robert	8526	Inactive
Deborah K. Salmon	26417	Inactive
E. Michael Schofield	19860	Inactive
Deborah Marie Smith	16302	Inactive
Benjamin George Tombaugh	23881	Inactive
Dana Anne Zukierski	25450	Inactive

VI. CPA EXAMINATION**A. CBT Results Compared - Previous Windows and National Rates Performance – All candidates – By section****April-May 2015 – 462 sections; 384 candidates (1.20 section per candidate):**

	AUD		BEC		FAR		REG	
	No.	_____%	No.	_____%	No.	_____%	No.	_____%
<u>Louisiana:</u>								
Passed sect's	59	50.4%	55	48.3%	46	38.3%	49	44.1%
Failed sect's	<u>58</u>		<u>59</u>		<u>74</u>		<u>62</u>	
	117		114		120		111	
<i>National pass rate</i>		49.2%		57.6%		48.9%		50.9%

Jan-Feb 2015 – 468 sections; 401 candidates (1.17 section per candidate):

	AUD		BEC		FAR		REG	
	No.	_____%	No.	_____%	No.	_____%	No.	_____%
<u>Louisiana:</u>								
Passed sect's	77	38.8%	56	51.3%	76	40.6%	53	51.4%
Failed sect's	<u>39</u>		<u>59</u>		<u>52</u>		<u>55</u>	
	116		115		128		108	
<i>National pass rate</i>		44.6%		53.4%		44.1%		47.9%

Oct-Nov 2014 – 631 sections; 504 candidates (1.25 section per candidate):

	AUD		BEC		FAR		REG	
	No.	_____%	No.	_____%	No.	_____%	No.	_____%
<u>Louisiana:</u>								
Passed sect's	152	40.08%	153	54.03%	169	47.90%	157	53.50%
Failed sect's	<u>62</u>		<u>83</u>		<u>81</u>		<u>84</u>	
	214		236		250		241	
<i>National pass rate</i>		42.1%		52.0%		46.0%		44.4%

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>	
	191		159		213		152	
<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>	
	129		111		115		131	
<i>National pass rate</i>		49.0%		58.2%		47.7%		51.7%

B. Candidates Passing Examination Sections - April/May 2015 (38)

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

Name

Samuel Akinrinde
 Justin Anderson
 Caleb Atwell
 Cynthia Bankston
 Julie Beasley
 Christy Bergman
 Darrin Bouchon
 Kasey Brand
 Dustin Brown
 Brook Carrier
 Stuart Casey
 Benjamin Chaplain
 Fabian Cheramie
 James DeLaune
 Kylie Duet
 Ashley Hendrix

Name

Brooke Joffrion
 Jill Kennedy
 Bryan Kernan
 Laurel Keys
 Holly Kleinpeter
 Kasandra Larsen
 Rachel Laux
 Brian Lozes
 Gina Mancuso
 Caitlin Mohs
 Heather Montelaro
 Tai Nguyen
 Hillary Ozenne
 Haley Pulliam
 Merrill Ricketts
 Ashley Rodriguez

Juliana Hernandez
Sara Hogan
Casey Hyer

Matthew Springer
Jared Taylor
Ngozi Ugwuegbu

C. CPA Application / Examination Fees

Ms. Saux presented to the Board a renewal agreement between NASBA and the Board which provides for NASBA to continue administering the CPA examination and applications beginning July 1, 2015 and ending June 30, 2016. No other provisions were modified.

Pursuant to correspondence received in January and shared at the last board meeting, Prometric’s hourly fee is increasing from \$19.52 to \$19.85 as a result of a COLA adjustment effective January 1, 2016 and Prometric’s security fee per exam is increasing from \$5.95 to \$6.05 also effective January 1, 2016.

Because of Louisiana’s differing length of Notice to Schedule (9 months while most jurisdictions allow 6 months), rates for Louisiana exam candidates will increase August 15, 2015.

Upon motion by Mr. Bruno, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board ratified extending the terms of the agreement providing for NASBA to continue administering the CPA examination and applications.

VII. APPROVAL OF CERTIFICATES

A. Ratification of Original Actives Issued by the Executive Director

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

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Bergeron 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) (62)

Name	Certificate No.	Date Licensed/Certified
August Raymond Gallo	27769	4/24/2015
Carlette Carrie Cantu	27770	4/24/2015
Cassie Nichole Gidman	27771	4/24/2015
Ferri Prasetyo Ang	27772	4/24/2015
Patricia Lynn Merritt	27773	4/24/2015
Corcherrie Dale Allen	27775	4/24/2015
Latasha Lynnette Richardson	27776	4/24/2015

Dominick Joseph Maiaro	27777	4/24/2015
Bryan Steven Ford	27778	4/24/2015
Julie Beth Fridge	27779	4/24/2015
Gregory James Terrebonne	27780	4/24/2015
Kerry Genese Grant	27781	4/24/2015
Bonnie Lampton Phillips	27782	4/24/2015
James Santy Sanith	27783	4/24/2015
Khanh Van Huynh	27784	4/23/2015
Geoffrey Michael Cover	27785	4/23/2015
Clyde Maycio Hunter	27786	4/23/2015
Alexandra Bouvier Fawer	27788	4/23/2015
Pamela Whitney Woodson	27789	4/24/2015
Ellis Michael Gill	27790	5/04/2015
Sean Alexander McDonald	27791	4/22/2015
Mark John Breaux	27792	4/22/2015
Randall West Nichols	27794	5/12/2015
Benjamin James Baudoin	27796	5/13/2015
Jessica Jeanne Boudreaux	27797	5/13/2015
Samantha Lynn Brooks	27798	5/13/2015
Erin Dawson Erwin	27799	5/13/2015
Sarah Elizabeth Kizer	27800	5/13/2015
Larissa Graves Lieser	27801	5/13/2015
Yulia Murel	27802	5/13/2015
Steven Cody Guttierrez	27803	5/13/2015
Ashleigh Raegan Hollier	27804	5/13/2015
Michael Vanos Becker	27805	5/13/2015
Sadie Alyse Fontenot	27806	5/12/2015
Karine Makaryan	27807	5/13/2015
Tracy Tyler Baham	27808	5/13/2015
Kellie Williams Case	27809	5/12/2015
Paige Ashton Bernard	27810	5/12/2015
Bart John Ferrell	27811	5/13/2015
Dustin Paul Thompson	27812	5/13/2015
Jennifer Fazzio Carpenter	27813	5/13/2015
Michael J. Ganier	27815	5/13/2015
Jace Michael Callais	27816	5/13/2015
Daniel C. Levert	27817	5/13/2015
Christopher Michael Schulz	27818	5/13/2015
Devon Paul Lambert	27820	5/18/2015
Cody Joseph Henderson	27821	5/13/2015
Jeromy Thomas Bourque	27822	5/19/2015
Nicole Stablier Cronkhite	27823	5/20/2015
Amanda Fitzhugh Donohue	27824	5/20/2015
Jared Benjamin Watkins	27825	5/20/2015
Ingrid A. Glodd	27829	6/04/2015
Francisco J. Gadea	27830	6/02/2015
Tyler James Phillips	27832	7/08/2015
Ashley Downhour Hendrix	27833	7/08/2015

Justin Ceraud Anderson	27834	7/08/2015
Tai A. Nguyen	27835	7/08/2015
Brian Charles Lozes	27836	7/08/2015
James Preston DeLaune	27837	7/17/2015
Blake Kenning	27838	7/17/2015
Julie Shellee Beasley	27839	7/17/2015
Gordon Blane Clark, III	27840	7/17/2015

2. Reissuance of Certificate as Active (Licensed) (1)

The Executive Director informed the Board that the following individual took the exam prior to 1999, but was never licensed because she did not provide verification of experience. They have submitted verification of their experience with an application for the reissuance of their license to an active status. The Executive Director evaluated the applications and the applicants' experience and reissued their certificates as Active CPA Certificates to Practice subject to ratification by the Board.

Name	Certificate No.	History
Arlean Wehle	20808	1981 Passed Exam 07/24/1991 Issued IA Certificate 5/12/2015 Issued Active Certificate

B. Reinstatements of Prior Active Certificates (Licenses) (12) Prior Year Reinstatements

The Executive Director informed the Board that the following CPAs were initially licensed and later elected not to renew their licenses, and recently submitted applications to reinstate to active status. The Executive Director evaluated the applications, the applicants' experience and continuing education as applicable and reinstated CPA Certificates to Practice (License Reinstatements), subject to ratification by the Board.

Upon motion by Mr. Bergeron, seconded by Mrs. Honoré Thomas, and unanimously adopted, the Board ratified the reinstatement of the following CPA Certificates (License Reinstatements) (Item B):

Name	Certificate No.	Active Certification Reinstatement Date
Jennifer Maria Bradley	23932	06/11/2015
Ann M. Curl	25152	06/15/2015
Thomas DeFrancesch	15489	06/25/2015
Frederic Eastman Drew, III	18493	04/15/2015
Marie Martel Fahy	24079	04/15/2015
Anita Faye Michelsen	18560	06/02/2015
Rhonda Kaye Moore	24543	06/15/2015
Pamela Maloney Mouton	22600	06/05/2015

John Winfred O'Bryan	4729	04/15/2015
Anthony J. St. Angelo, Jr.	22652	06/01/2015
Kim O'Connor Ramsey	19117	07/01/2015
Maurice Montais Wesley	25923	05/01/2015

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

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

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

Name	Certificate No.	Issue Date	Original State
Joseph Gerard Connor	27774	04/24/2015	Tennessee
Christine Robin Hyde	27787	04/23/2015	Mississippi
Miriam N. Worth	27793	04/24/2015	Georgia
Charles Treadway Gardner	27814	05/12/2015	Virginia
Philip H. Mullins	27819	05/18/2015	Georgia
John R. Lauck	27826	05/20/2015	Virginia
Alexandra C. Marquette	27827	05/20/2015	New York
David Smithson Stewart	27828	05/20/2015	Mississippi
Kevin Michael Wilson	27831	06/04/2015	Alabama

D. Applications for a Transfer of Grades

The Executive Director informed the Board that since the previous Board meeting there were no applications for a transfer of grades from individuals who have taken the Certified Public Accountants Exam in another state and have not yet been licensed.

VIII. CPA FIRM PERMITS AND FIRM RELATED ISSUES

A. New CPA Firm Permit Applications (17)

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

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

Firm Name	Firm Location	Firm Permit No.	Issue Date
Maciasz Accounting Services, LLC	Louisiana	5229	4/24/2015

Aronson LLC	Maryland	5230	4/24/2015
CHW, LLP	California	5237	4/24/2015
BDO Puerto Rico, P.S.C.	Puerto Rico	5231	4/30/2015
Egghart, LLC	Nevada	5251	5/01/2015
G. Gordon Meyer, CPA	Louisiana	5233	5/14/2015
Michael D. Fontenelle, CPA, LLC	Louisiana	5234	5/14/2015
Kevin F. Ziegler CPA LLC	Louisiana	5232	5/14/2015
Candace Reynolds Oby, CPA, LLC	Louisiana	5235	5/14/2015
Ashley Micelli, CPA	Louisiana	5236	5/14/2015
Windham Brannon, P.C.	Georgia	5245	06/3/2015
Whiteside & Simms, CPA, LLC	Louisiana	5244	06/3/2015
D. Brooks and Associates CPA's, P.A.	Florida	5248	06/4/2015
David A. Dominique, L.L.C.	Louisiana	5246	06/4/2015
Sutton Frost Cary LLP	Texas	5247	06/4/2015
JPMS COX, PLLC	Arkansas	5249	06/9/2015
Keiter, Stephens, Hurst, Gary, & Shreaves, P.C.	Virginia	5250	06/9/2015

B. Firm Permit Reinstatements, Change of Entity and Name Changes

The Executive Director informed the Board that the following Firms submitted applications for reinstatement of their CPA Firm Permits or submitted applications for review of changes in the firms' entity or name. Ms. Saux reviewed the applications and determined that the Firms satisfied all Board requirements based on the Board Rules. The Executive Director issued the Firm Permits, subject to Board ratification.

Upon motion by Mr. Bruno, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board ratified the issuance of the following CPA Firm Permits (Items B 1 and 2):

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

Firm Name	Firm Location	Firm Permit No.	Issue Date
Mary Jean Emerson, CPA	Louisiana	1338	05/14/15
Shelley P. Wells, CPA, LLC	Louisiana	4679	05/18/15

2. CPA Firms – Change in Name or Legal Entity (1)

Original Firm Name	New Firm Name	Firm Permit No.	Issue Date
Fremaux & Mitchell, LLC	Eugene Fremaux, CPA Change (LLC – multi member LA to Sole Practitioner – unincorporated)	2964	05/04/2015

C. CPA Firms Retired or Canceled (3)

Firm Name	Firm Permit No.	Issue Date	Reason
Ruth S. Hartstein, CPA	204	Prior to LAA	Retired/Cancelled
Kenneth A. Reeves, CPA, APC	699	Prior to LAA	Owner Deceased
Lawrence I. White, LLC	4619	2007	Owner Deceased

D. Firm Permit Application – Name

The Board considered a firm permit application (in confidence) for someone leaving a local firm and starting his own firm. The application is in a firm name that includes “Forensics” in its name and at this time, there were no other CPA firm names that include the word “Forensic” (or its plural) currently permitted in Louisiana. Staff could only locate one other firm to previously have “Forensics” in the name. That firm permit expired in 2008 and there were notes that the name may have been questioned.

The CPA would be called upon as an expert witness and rely on the CPA credential; otherwise, it is not expected that traditional public accounting work be performed. There would be other CPAs contracted to work with his firm, but he anticipates being the sole owner and possibly the only employee.

After review of the submitted application and credentials, upon motion by Mrs. Honoré Thomas, seconded by Mr. Bergeron and unanimously adopted, the Board approved the firm name subject to compliance with all other board requirements for firm permit applications.

The Board further stipulated that any firm application with a firm name that includes “Forensic” (or its plural) in its name will need to be presented to the Board for approval on a case-by-case basis.

E. Peer Review Items

1. Peer Review Oversight Committee (PROC) Reports

The Board reviewed the April 2015 first quarter report and individual reports submitted by PROC Members.

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

	2013	2014	2015 to present
Engagement Reviews	45	84	54
Pass	37	55	40
Pass w/def	0	16	7
Fail	8	13	7
System Reviews	40	65	64
Pass	39	56	57
Pass w/def	1	1	5
Fail	0	8	2
Grand Total	85	149	118

Data reported by the Board meeting scheduled in that Calendar year

6 Peer Review committee meetings held in 2014;

4 Peer Review committee meetings held in 2013

3. Report on Selected Staff Activity Stemming from Peer Reviews

	Since 04/2015 (previous Board Meeting)	2015	2014	2013	2012
Practice Restrictions*	3	4	8	30	31
Extensions	1	1	6	12	7
Provisional Permits	0	0	0	0	7
Year End Changes	3	4	5	5	12
First Fail Letters	1	7	28	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.

IX. RECURRING MATTERS AND DEFERRED ITEMS

A. NASBA Items

1. In anticipation of the exposure draft being released in September 2015, the Board discussed possible updates on practice analysis. There will be a 90-day comment

period. Changes likely will include expanding BEC & REG exam modules to 4 hours (which would include corresponding price changes), and a shift to analysis rather than remember/understand/apply (resulting in less MCQs and more TBSs).

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

The Board advised that this matter can be removed from the Board’s agenda while remaining on the Executive Director’s internal agenda.

C. Society of Louisiana CPAs (LCPA)

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

1. Legislative Items

- 2015 Legislative session, revenue & tax increases
- LED legislation

2. Other items of Interest

- AICPA peer review and practice monitoring in the future – more consistency through “regionalization”
- Board appointments due to change in leadership

X. CPE ITEMS

A. Request for Board approval on CPE Credit for 2 published articles (TAB 5)

The Board reviewed and considered a request from licensed CPA Dylan Williams (No. 26178) for 10 hours of CPE credit each for publication of 2 articles:

- “The Taxing Postseason: the Potential Impact of Unrelated Business Income” published in 2013 in the *Journal of Legal Aspects of Sport*
- “The History of Tax Code Alterations as a Financing Mechanism for Sport Venue Construction” published in 2013 in *Sport History Review*

Under Rule 1309(D), published articles and books require the Board’s approval of hours in order to be claimed as CPE. The limit for publications is 25% of the total three-year CPE requirement, which would be 30 hours in this case.

After discussion and upon motion by Mr. Harris, seconded by Mrs. Hutchinson and unanimously adopted, the Board approved 10 hours for each of the two published articles (to total 20 hours) for Mr. Williams for the reporting period 2013-2015.

B. Proposed Board Rule Changes for CPE

The Executive Director informed the Board that the Notice of Intent for CPE rule changes was published in the June 2015 *Louisiana Register*. Notice of the changes was also put on the Board’s website and the LCPA’s website.

One written “Public Comment” was received regarding the Board’s view that CPE credits are allowed for repetitive presentations of teaching college courses at the junior, senior or graduate level. The request was that CPE eligibility for teaching college courses at the higher levels to be specifically added to the rules. The comment was not on any proposed rule changes, but rather a request to amend or add a rule not currently being changed. The Board discussed the public commenter’s request and determined it would not introduce additional proposed rule changes at this time. However, better and more frequent communication of the Board’s view on this matter would be attempted.

After discussion upon motion by Mrs. Lowe-Ardoin and seconded by Mr. Bergeron and unanimously adopted, the Board approved moving forward with final promulgation and adoption of the current proposed rule changes upon publication in the September 20th *Louisiana Register*.

C. Pro-bono work credited as CPE

As part of Board rule updates, the Board continued the discussion of allowing, on a trial basis, up to 4 hours annually of CPE credit for pro-bono work completed for a non-profit, education, government, or civic organization. Credit would be earned in accordance with Board rules and reporting requirements as developed by the Board.

To clarify, the Board discussed the following as an informal list of what work would qualify as potential CPE and what would not:

<u>Potentially qualified as CPE</u>	<u>Would not likely qualify as CPE</u>
Serve as advisor or treasurer on non-profit board	Working at fundraiser
Tax work pro-bono for non-profit	Counting church money
Tax hot-line panel member or phone bank	

The Board also considered that there may be a concern with many elected or publicly appointed officials receiving CPE credits for pro-bono work, which may be considered as compensation or a gift, and therefore an ethics conflict. The Board will submit a request for an advisory opinion from the State Ethics Board on this issue.

D. 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.

The Executive Director informed the Board that staff has and will continue to research options like the LCPA's CPE software and NASBA's CPE Tracking system. However, for the 2013-15 reporting period, there will be no electronic reporting option for CPAs to use in part because of anticipated re-configuration that would be required due to the new proposed rules for the following year.

The Board expressed that CPE electronic reporting needs to be a priority so CPAs can more easily track and report their hours.

XI. NEW MATTERS

A. Enforcement Cloud

Mrs. Benefield, Compliance Investigator, informed the Board that Board staff had started a trial session of using Smartsheet. All data is currently being entered and it is expected the system will be in full use by the November 2015 Board meeting.

B. Professional Service Contracts, Legal Services for Fiscal Year Ended June 2015

The professional service contracts for Adams & Reese, LLP, The Derbes Law Firm LLC, and Shows, Cali & Walsh, LLP for the fiscal year July 1, 2015 through June 30, 2016, were all previously presented during the April 2015 Board meeting; however, upon submitting the contracts to the State for final approval, the Board was notified the format of contracts had changed. A new sample contract was provided and all contracts have been updated and were presented to the Board for review and approval.

Upon motion by Mr. Harris, seconded by Mr. Bruno and unanimously adopted, the Board approved the updated professional service contracts for the fiscal year July 1, 2015 through June 30, 2016 in their respective amounts for Adams & Reese, LLP; The Derbes Law Firm LLC; and Shows, Cali & Walsh, LLP.

Following Board approval the following resolutions were read into the minutes.

1. The Adams & Reese, LLP

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, 2015 through June 30, 2016, at the following rates of pay, and not to exceed a maximum of \$15,000 for that period.

\$225.00 per hour for the performance of such services by attorneys with 10 or more years of professional experience;

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

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

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

\$60.00 per hour for the performance of such services by non-attorney paralegals;

\$40 per hour for the performance of such services by law clerk personnel.

2. The Derbes Law Firm, LLC

**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 Derbes Law Firm, LLC, be executed for the fiscal year July 1, 2015 through June 30, 2016, at the following rates of pay, and not to exceed a maximum of \$50,000 for that period.

\$225.00 per hour for the performance of such services by attorneys with 10 or more years of professional experience;

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

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

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

\$60.00 per hour for the performance of such services by non-attorney paralegals;

\$40 per hour for the performance of such services by law clerk personnel.

3. Shows, Cali, Berthelot, & Walsh, LLP

**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, 2015 through June 30, 2016, at the following rates of pay, and not to exceed a maximum of \$10,000 for that period.

\$225.00 per hour for the performance of such services by attorneys with 10 or more years of professional experience;

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

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

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

\$60.00 per hour for the performance of such services by non-attorney paralegals;

\$40.00 per hour for the performance of such services by law clerk personnel.

C. Board Staff Parking

Ms. Saux informed that the Board is currently paying \$202.50 per month for each parking space in the Pan American Building for all staff. (\$187.50 + city + city special parking tax)

Accounting records reflect the following monthly parking rates paid:

2007	\$165.00
2008 – Feb 2014	\$175.00
March 2014 – Dec 2014	\$190.00
Jan 2015 – current	\$202.50

The 2015 IRS Publication 15B defines qualified parking up to \$250 per month as a nontaxable fringe benefit.

Board minutes from November 2004 reflect that board members previously approved a maximum of \$175 monthly that the Board would incur per employee who parks at work. Since March 2014, that cap had been unknowingly exceeded and the board was asked to consider increasing the cap retroactively.

After discussion and upon motion by Mrs. Hutchinson, seconded by Mr. Bergeron and unanimously adopted, the Board approved increasing the parking cap from \$175 monthly to the monthly limit defined annually by the IRS as qualified parking so as to be considered a nontaxable fringe benefit for its employees (up to \$250 per month for both 2014 and 2015.)

D. Purchase needed – Folding machine

Ms. Saux informed the Board a notice of cancellation was received for the maintenance plan of its folding machine at the end of December 2014, and a refund of the payment made for the period July – Dec 2014 shortly thereafter.

The folding machine is critical during the renewal process when over 12,000 confirmation letters are printed, folded and mailed to CPAs who have renewed for the following year.

Quotes for several machines were provided to the Board on a rental versus purchase basis along with corresponding maintenance costs for each. After discussion and upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Bruno and by a vote of 6-1, the Board approved buying a new folding machine (Pitney Bowes Model DF800 for \$3,522) with the expectation that Board staff move away from paper confirmations over the next three (3) years.

E. Recognizing Colorado for Substantial Equivalency

To date the board has recognized 51 jurisdictions as being substantially equivalent in its licensing requirements. The remaining jurisdictions that have not been recognized by the Board are Colorado, California, and the Virgin Islands.

The Executive Director informed the Board that communication from NASBA was received recommending Colorado be considered substantially equivalent as of July 1, 2015.

Upon motion by Mrs. Hutchinson, seconded by Mr. Bergeron and unanimously adopted, the Board approved acceptance of CPAs from Colorado as substantially equivalent.

F. Future Substantial Equivalency States

Ms. Saux also informed the Board that California has passed into law legislation which requires the only available path to licensure to meet the 3E pathway for applicants will be effective December 31, 2015. Until then, individuals who have passed the exam on or before December 31, 2013 can apply for licensing under the prior pathways.

The Virgin Islands has passed legislation which requires the sole available path to licensure to meet the 3E pathway for applicants will be effective May 16, 2020.

G. Use of the AICPA’s email domain “@cpa.com” – follow-up

It has been brought up at previous meetings that the AICPA made available to its members an email domain “@cpa.com”. By using the “@cpa.com” domain, the AICPA is potentially allowing former CPAs to continue to appear to the public as though that person is still actively licensed.

It was noted that in order to obtain the email domain, the individual must be a current active AICPA member to sign up and the CPA must renew annually, including an acknowledgement that the service is restricted to only licensed CPAs and it is the AICPA’s responsibility to monitor and enforce this requirement.

Ms. Saux informed the Board that after requesting a list of individuals using the domain, AICPA staff have advised that it will not share with boards of accountancy the list of members who are currently signed up for that email domain, citing legal and privacy concerns. AICPA staff did share that our request has been considered by many and in the future full disclosure could be provided to us.

H. Annual Renewal Fees

The Executive Director discussed with the Board the 2016 renewal forms and fees.

By motion of Mrs. Hutchinson, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board approved the 2016 Annual Renewal fees of:

Inactive Status:	\$ 50	
Active License:	\$100	
Firms:	\$ 15	for every owner who is not a Louisiana licensee (with a maximum of \$2,500 before delinquency fees)

I. CPE Informational Bulletin

The Executive Director informed the Board that in previous years a courtesy bulletin was sent to all licensed CPAs in preparation for the 3-year CPE reporting period (2013 – 2015). Board staff has been reviewing previous versions of the “CPE Informational Bulletin”. The previous versions of the “CPE Informational Bulletin” and an updated version of the bulletin were presented for the Board’s review. The Bulletin is scheduled to be sent out in late September to include the anticipated new CPE rules changes.

J. Review of Current Statutes and Board Rules

Mr. Harris, Mrs. Hutchinson and Ms. Saux met in Baton Rouge on July 13, 2015 to discuss revisions to the current statutes. The Board discussed the following possible updates:

1. Defining “attest”,
2. CPA Retired status,
3. Northern Mariana Islands,
4. Define Preparation of Financial Statements,
5. Adjusting fees to simplify and match use of resources,
6. Adjusting the 150 hour requirement to sit for the CPA Exam,
7. Adding an age requirement to becoming a licensed CPA, and
8. General language updates to reflect modern times (i.e. Chairman vs Chair).

K. Election of Officers and Appointment of Investigating Officers

1. Election of Officers

Chairman Mr. Tham announced that an election of Board Officers for the year beginning August 1, 2015 is in order. Currently Board Member Mrs. Lowe-Ardoin serves as Secretary and Board Member Mrs. Honoré Thomas serves as Treasurer.

Upon nomination by Mr. Harris, seconded by Mr. Bruno, Board Member Mr. Bergeron was elected to serve as Secretary of the Board. Upon nomination by Mr. Harris, seconded by Mrs. Honoré Thomas, Board Member Mrs. Lowe-Ardoin was elected to serve as Treasurer of the Board.

Upon motion by Mr. Harris, seconded by Mr. Bruno, Mr. Bergeron and Mrs. Lowe-Ardoin were elected to their offices by acclamation.

2. Appointment of Investigating Officers

Chairman Mr. Tham appointed the following Board members as Investigating Officers for August 1, 2015 through July 31, 2016:

Mrs. Hutchinson and Mr. Harris.

3. Resolution for Retiring Officers

Upon motion by Mr. Bruno, seconded by Mr. Harris, the Board unanimously approved a resolution expressing its thanks to the retiring officers for their dedicated service to the State Board.

RESOLUTION

THEREFORE, BE IT RESOLVED that the State Board of CPAs of Louisiana expresses its thanks to the retiring officers for their dedicated service to the State Board for the year ended July 31, 2015.

XII. INFORMATION ITEMS AND ANNOUNCEMENTS**A. CPA, CPA Inactive, and CPA Firm Registrants as of June 30**

	2015	2014		2013		2012	
	<u>Registered</u>	<u>Registered</u>	<u>Difference</u>	<u>Registered</u>	<u>Difference</u>	<u>Registered</u>	<u>Difference</u>
Active	7419	7288	131	7063	225	7119	-56
Inactive	3018	3111	- 93	3256	-145	3235	21
Firms	2192	2189	3	2195	-6	2210	-15
TOTAL REGISTERED	12629	12588	41	12514	74	12564	-50

B. Travel**1. State Contracted Travel Agency**

The Executive Director informed the Board that Shorts Travel Management remains the state contracted travel agency for the new fiscal year and all air travel by the Board must be booked through them.

2. State Contracted Hotel Portal

Ms. Saux further discussed with the Board that the State has a contract for hotel services with HotelPlanner; use is mandatory, even for out-of-state conferences. Exemptions to bypass HotelPlanner may be granted for individual lodging on a case by case basis by the agency department head with proper justification (e.g. the designated out-of-state conference hotel does not offer the same rate and/or conference amenities through the portal.)

3. State Issued Travel Cards

Ms. Saux informed the Board that the agency has a single CBA account which must be used on high cost expenditures like airfare, lodging, vehicle rentals, and registration. Currently, the Board uses it for airfare and board member lodging for regularly scheduled Board meetings. Meals, baggage fees, and other incidentals cannot be charged to the CBA account, so agency travelers will continue to incur those charges on their own for reimbursement. Board members are not allowed to have individual state issued credit cards, nor is the program administrator (Ms. Saux), for business expenses that cannot be charged to the CBA account.

The state's travel department has also implemented a requirement that monthly reports be generated and reviewed by each agency/government division through Bank of America, and mandatory verification of that review is a monthly requirement online by the program administrator (Ms. Saux).

4. 2015–2016 Louisiana Pocket Guide to Travel Regulations

The 2015-2016 Pocket Guide to Travel Regulations was made available for all Board members.

5. Board Travel Policy Summary

The Executive Director has drafted and submitted for review by the Board an updated travel policy summary. Items to note are the following: mileage reimbursement rate for the 2015 – 2016 fiscal year remains \$.51 per mile and receipts are required for all transactions, including meals (to document that alcoholic beverages were not included).

Upon motion by Mr. Bergeron, seconded by Mr. Bruno, and unanimously adopted, the Board determined that meal expenses with related tax and tip (excluding alcoholic beverages and related tax and tip) will be fully reimbursed for Board business guests when dining with a Board member.

XIII. REPORTS ON CONFERENCES / MEETINGS

- A. NASBA Western Regional Meeting (Louisiana is a part of the Western Region)**
June 17-19, 2015 - Coronado, CA
Mr. Tham, Mrs. Hutchinson, Mr. Bergeron, and Ms. Saux attended
- B. NASBA Eastern Regional Meeting**
June 24-26, 2015 – Baltimore, MD
Mr. Tham attended (as part of NASBA’s Nominating Committee member)
- C. PROC Summit**
July 10, 2015 – Nashville, TN
Ms. Saux attended

XIV. FUTURE MEETING / CONFERENCE DATES

- A. AICPA Peer Review Conference**
August 3-4, 2015 – New Orleans, LA
Ms. Wainright to attend.
- B. NASBA 108th Annual Meeting**
October 25-28, 2015 – Dana Point, CA
Mr. Harris and Mrs. Hutchinson will attend.

XV. UPCOMING BOARD OFFICE HOLIDAYS

September 7, 2015	Labor Day
November 11, 2015	Veteran's Day
November 26, 2015	Thanksgiving Day

XVI. NEXT BOARD MEETINGS

Future Board meetings are scheduled for the following days:

Monday, November 9, 2015 through Wednesday, November 11, 2015,
Monday, January 25, 2015 through Wednesday, January 27, 2015, and
Monday, April 25, 2015 through Wednesday, April 27, 2015.

XVII. EXECUTIVE SESSION MATTERS

In order to conduct administrative hearings, 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 Tuesday, July 28, 2015 upon motion(s) made, as follows:

Upon motion by Mr. Harris, seconded by Mr. Bruno, the Board went into executive session on July 28, 2015 at 2:45pm. Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Harris, the executive session adjourned at 4:16pm.

**A. Consideration of Consent Order
File No. 2015-03**

Upon motion by Mr. Bruno, seconded by Mrs. Lowe-Ardoin, the Board, by a vote of six (6) to zero (0) approved the Consent Order on this matter. The Investigating Officer abstained from voting.

**B. Consideration of Consent Order
File No. 2014-19**

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Bergeron, the Board, by a vote of six (6) to zero (0) approved the Consent Order on this matter. The Investigating Officer abstained from voting.

**C. Consideration of Consent Order
File No. 2015-08**

Upon motion by Mr. Harris, seconded by Mrs. Lowe-Ardoin, the Board, by a vote of six (6) to zero (0) approved the Consent Order on this matter. The Investigating Officer abstained from voting.

**D. Consideration of Consent Order
File No. 2015-09**

Upon motion by Mr. Harris, seconded by Mrs. Honoré Thomas, the Board, by a vote of six (6) to zero (0) approved the Consent Order on this matter. The Investigating Officer abstained from voting.

**E. Consideration of Consent Order
File No. 2015-16**

Upon motion by Mrs. Hutchinson, seconded by Mr. Harris, the Board, by a vote of six (6) to zero (0) approved the Consent Order on this matter. The Investigating Officer abstained from voting.

**F. Consideration of Consent Order
File No. 2015-18**

Upon motion by Mr. Harris, seconded by Mr. Bergeron, the Board, by a vote of six (6) to zero (0) approved the Consent Order on this matter. The Investigating Officer abstained from voting.

**G. Consideration of Consent Order
File No. 2013-18**

Upon motion by Mr. Bruno, seconded by Mr. Harris, the Board, by a vote of six (6) to zero (0) approved the Consent Order on this matter. The Investigating Officer abstained from voting.

**H. Consideration of Consent Order
File No. 2015-11**

Upon motion by Mr. Harris, seconded by Mrs. Lowe-Ardoin, the Board, by a vote of seven (7) to zero (0) approved the Consent Order on this matter. The Investigating Officer did not have a vote.

**I. Consideration of Consent Order
File No. 2015-15**

Upon motion by Mr. Harris, seconded by Mrs. Honoré Thomas, the Board, by a vote of seven (7) to zero (0) approved the Consent Order on this matter. The Investigating Officer did not have a vote.

**J. Consideration of Consent Order
File No. 2015-24**

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Harris, the Board, by a vote of seven (7) to zero (0) approved the Consent Order on this matter. The Investigating Officer did not have a vote.

**K. Consideration of Consent Order
File No. 2015-26**

Upon motion by Mrs. Honoré Thomas, seconded by Mrs. Lowe-Ardoin, the Board, by a vote of seven (7) to zero (0) approved the Consent Order on this matter. The Investigating Officer did not have a vote.

**L. Request for Reinstatement of Certificate without Restrictions and/or Modifications of Consent Order
File No. 2006-21 and 2006-23**

The Board considered a request from the respondent to reinstate his license. After discussion upon motion by Mrs. Honoré Thomas, seconded by Mr. Bruno, the Board deferred action on this matter pending receipt of additional information. The Investigating Officer refrained from voting on the matter.

M. Files Recommended for Closing with No Cause for Further Action

1. File No. 2009-08
2. File No. 2014-12
3. File No. 2014-17
4. File No. 2014-22
5. File No. 2014-33
6. File No. 2015-07
7. File No. 2015-12
8. File No. 2015-14
9. File No. 2015-22
10. File No. 2015-25

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

N. Files Recommended to be closed with No Cause for Action

1. File No. 2012-16
2. File No. 2012-35
3. File No. 2013-13
4. File No. 2013-27
5. File No. 2014-09
6. File No. 2014-18
7. File No. 2015-21
8. File No. 2015-27

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

**O. Write off of Board Fine and Costs
Files No. 2011-19 and 2012-21**

Upon motion by Mr. Harris, seconded by Ms. Honore' Thomas and unanimously adopted, the Board approved a bad debt expense of \$25,838.10 for the uncollected balance of board fines and associated costs from this respondent effective June 30, 2015.

P. Acceptance of Reports

Upon motion by Mr. Harris, seconded by Mrs. Honoré Thomas and unanimously adopted, the Board 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.

XVIV. ADJOURNMENT

Monday, July 27, 2015:

There being no further business to discuss, upon motion by Mrs. Lowe-Ardoin, seconded by and Mrs. Hutchinson and unanimously adopted, the meeting adjourned at 5:00pm on Monday, July 27, 2015.

Tuesday, July 28, 2015:

There being no further business to discuss, upon motion by Mrs. Hutchinson, seconded by Mr. Harris, and unanimously adopted, the meeting adjourned at 4:38pm on Tuesday, July 28, 2015.

Michael A. Tham, CPA
Chairman

Letti Lowe-Ardoin, CPA
Secretary

Desireé Honoré Thomas, CPA
Treasurer

Lynn Hutchinson, CPA
Member

Michael B. Bruno, CPA
Member

Michael D. Bergeron, CPA
Member

Mark P. Harris, CPA
Member