

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

601 Poydras Street, Suite 1770
New Orleans, Louisiana 70130

July 15, 2019

The regular meeting of the State Board of Certified Public Accountants of Louisiana was called to order by Chair Mrs. Hutchinson on Monday, July 15, 2019 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 Uniform CPA Examination, review information concerning reinstatement of Certificates, consider applications for certification, consider Firm Permit applications and related issues, 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
Grady R. Hazel, CPA	-	Treasurer
Sue S. Alizadeh, CPA	-	Member
Michael D. Bergeron, CPA	-	Member
Letti Lowe-Ardoin, CPA	-	Member
Desireé Honoré Thomas, CPA ¹	-	Member

The following Member was absent:

Nicholas J. Langley, CPA	-	Secretary
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Also present were:

Staff:	Darla M. Saux, CPA	-	Executive Director
	Lisa A. Benefield	-	Deputy Director
	John Morgan	-	Compliance Investigator
Guests:	Ronald A. Gitz, II, CPA	-	CEO/Executive Director, LCPA
	Stacey Lockwood	-	Director of Professional Oversight, LCPA
	Daniel J. Dustin, CPA	-	Vice President, State Board Relations NASBA
	C. Jack Emmons, CPA	-	Southwest Regional Director (NM) NASBA

The meeting was called to order by Chair Mrs. Hutchinson at 9:03 a.m. on Monday, July 15, 2019, upon motion by Mr. Bergeron, seconded by Mrs. Lowe-Ardoin and unanimously adopted.

¹ Mrs. Thomas arrived at 10:10 a.m.

I. CHAIR'S REPORT

A. Personnel

The vacant Accounting Technician position was expected to be filled by Jennifer Austin on May 6, 2019, but she did not show. As a result, the position was reposted with Civil Service and interviews were held on July 3-9, 2019.

B. Market Pay Adjustments effective July 15, 2019

All classified employees who were actively employed six months prior to July 15, 2019 will receive a market adjustment effective July 15, 2019 ranging from 2-4% depending on the quadrant of their current pay for their position.

C. Performance Evaluations for Fiscal Year 2018 - 2019

Performance evaluations, due August 31, 2019, for all classified employees that were employed with the Board at June 30, 2019 will be completed by August 31, 2019.

D. Performance Planning for Fiscal Year 2019 - 2020

All Board classified employees will receive Performance Planning (performance expectations) for fiscal year 2019 - 2020 no later than September 30, 2019, in accordance with Civil Service rules.

E. 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 2019. This is an annual requirement. All Board Members and staff must complete the course prior to December 31, 2019 and the completion certificate should be provided to Lisa Benefield.

F. 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, 2019. The course is available through the Department of Civil Service.

Additionally Act 270 of the 2018 Legislative Session requires one (1) additional hour of training for supervisors and/or those who are designated to accept complaints of sexual harassment in an agency. Upon completion, the completion certificate should be provided to Lisa Benefield.

II. APPROVAL OF MINUTES

The regular and executive session minutes for the April 2019 Board Meeting were previously sent to Board members for review.

By motion of Mr. Bergeron, seconded by Mrs. Alizadeh and unanimously adopted, the Board, by a vote of 5-0, approved the April 2019 regular and executive session minutes as drafted. Mrs. Honoré Thomas was absent.

III. TREASURER'S REPORT

A. Financial statements for the period ended June 30, 2019 were not yet available as actuary information from OSRAP for several accrual entries was not received.

Final financial information will be filed with the state by the due date (August 30, 2019) and auditors are expected to be in soon after.

B. The Board has been notified that the State Treasury's contract with Bank of America for credit card processing will expire December 31, 2019. The Treasury office will be changing to U.S. Bank and plans to go live by November 30th, which could present challenges for our agency due to the timing of our renewals. Our agency has requested early implementation, preferably before October 31st, to avoid potential disruptions in our renewal process.

C. 10 PCs were ordered for the office totaling \$8,378.20 from Dell under the state's contract on 07/11/19 with an expected delivery in mid-August. Additionally, 24" monitors were separately purchased for the office in June and installed.

By motion of Mr. Bergeron, seconded by Mrs. Lowe-Ardoin and unanimously adopted, by a vote of 5-0, the Board approved the Treasurer's report. Mrs. Honoré Thomas was absent.

IV. DEATHS AND RESIGNATIONS

A. Deaths (5: 2 Active; 3 Inactive)

Name	Certificate No.	Year Issued	Status
Michael David Johnston	16882	1984	Active
Brent Randall Salter	15945	1982	Active
Victoria Rainer Canan	15313	1982	Inactive
Paul David Beason	25256	2009	Inactive
Timothy Neil Rinkle	27958	2015	Inactive

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

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

Name	Certificate No.	Year Issued	Status
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There were no resignations since the prior Board Meeting.

V. CERTIFICATE & INACTIVE STATUS REINSTATEMENTS

A. Reinstatement of Certificates / Inactive Status That Expired March 2019 (Same Year Reinstatements)

The Executive Director informed the Board the following CPAs and CPA Inactive or Retired Registrants with expirations on March 1, 2019, reinstated their CPA Certificates or CPA Inactive or Retired Status registrations since the last board meeting. **(15 Total: 3 Active; 11 Inactive Status, 1 Retired)**

Name	Credential Number	Certification Status
Michael Dean Harper	21839	Active
Tiffany Lynn Roberts	27694	Active
Mark Stephen Worthen	24041	Active
Robert L. Belk	18114	Inactive
Brenda Kingston Christiansen	16790	Inactive
Amanda Hope Downey	24738	Inactive
David Jerome Francis	17277	Inactive
Russell Wickliffe Lambert , III	21608	Inactive
Lori A. Neupert	20357	Inactive
Eugene Milton Parrish	5228	Inactive
Jose' Antonio Penabaz	15905	Inactive
Earl Cyril Reynolds	14865	Inactive
Louis Gravois Schott	21937	Inactive
Gwendolyn Cuneo Theriot	18646	Inactive
Samuel B. Patterson	24763	Retired

VI. CPA EXAMINATION

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

Q2 2019 – Exam passage statistics for Q2 2019 were not received in time to present to the Board at this meeting.

Q1 2019 – 336 sections; 304 candidates (1.11 section per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
Louisiana:								
Passed	41	44.1%	39	59.1%	41	40.6%	40	52.6%
Failed	<u>32</u>		<u>27</u>		<u>60</u>		<u>36</u>	
	73		66		101		76	
<i>National pass rate</i>		48.6%		58.0%		44.4%		50.2%

Q4 2018 – 518 sections; 424 candidates (1.22 section per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
Louisiana:								
Passed	66	52.0%	54	56.8%	46	39.0%	94	52.8%
Failed	<u>61</u>		<u>41</u>		<u>72</u>		<u>84</u>	
	127		95		118		178	
<i>National pass rate</i>		48.5%		60.1%		44.6%		50.1%

Q3 2018 – 467 sections; 370 candidates (1.26 section per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
Louisiana:								
Passed	53	45.7%	51	60.7%	63	45.3%	72	56.3%
Failed	<u>63</u>		<u>33</u>		<u>76</u>		<u>56</u>	
	116		84		139		128	
<i>National pass rate</i>		51.1%		60.2%		49.1%		56.6%

Q2 2018 – 363 sections; 313 candidates (1.16 section per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
Louisiana:								
Passed	44	45.8%	34	41.5%	42	50.6%	49	48.0%
Failed	<u>52</u>		<u>48</u>		<u>41</u>		<u>53</u>	
	96		82		83		102	
<i>National pass rate</i>		54.7%		60%		49.2%		55.8%

Q1 2018 – 362 sections; 322 candidates (1.12 section per candidate):

	AUD		BEC		FAR		REG	
	No.	%	No.	%	No.	%	No.	%
Louisiana:								
Passed	52	50.6%	45	59.2%	35	37.9%	50	56.8%
Failed	51		31		60		38	
	<u>103</u>		<u>76</u>		<u>95</u>		<u>88</u>	
National pass rate		49.7%		56.9%		41.9%		50.3%

B. Candidates Passing Examination Sections – Q2 2019 (April/May/June 10th) (49)

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

<u>Name</u>	<u>Name</u>
Christopher Antunez McCoy	Garrett Hipp
Christopher Bellone	Terrence Holiday
Lexie Bonvillain	Spencer Johnson
Emily Bourgeois	Jennifer Landeta
Beau Brady	Robert Martin
Christopher Breaux	Benjamin McDonald
Jason Breaux	Carrie O'Quinn
Jourdan Broach	Gabrielle Pitre
Danae Broussard	Hunter Robicheaux
Emily Browder	Sarah Robicheaux
Tyler Burchfield	Wallace Rogers
Darrian Carr	Mandi Simoneaux
Ethan Collins	Darlene Smith
Katelyn Cortez	David Solsky
Harrison Cutrera	Trisha Sonnier
Hannah Dardar	Marcie St. Germaine
Aubrey Davis	Christopher Stephens
Lacey Domingue	Zachary Tassin
Heather Drake	Michaelyn Thames
Megan Erwin	Margaret Truslow
Derek Godeaux	Rebecca Tyra
Emily Halphen	Michael Weydert
Taylor Harlan	Cherita Williams
Jamie Harmon	Xinlei Zhang
Nathan Hillman	

***BOLD** = Each section passed on first sitting.*

C. Request for Acceptance of Community College Courses toward Required Accounting Hours

Mr. Jeremy Alden submitted a request to the Board for pre-approval of community college credits to be taken at Houston Community College to fulfill the 9 semester hours of accounting electives required to sit for the CPA Exam.

He was a Texas resident who recently relocated to Shreveport and would like to sit for the CPA exam as a Louisiana candidate. The courses would be completed online with exams being proctored at Bossier Parish Community College. He would like to take the following courses to meet the 9 semester hours of required accounting electives:

- ACNT 1347 - Federal Income Taxation of Corporations and Partnerships (3 hours)
- ACNT 2333 - Advanced Accounting (3 hours)
- ACNT 2330 - Governmental and Not-for-Profit Accounting (3 hours)

The Texas State Board of Accountancy determined that Texas community colleges that meet their standards may be awarded the Board designation - Qualifying Education Credit for CPA Examination. To date, the following four community colleges hold this designation: Austin Community College, Houston Community College, Lone Star College and Mountain View Community College.

His request and documentation were provided for the Board's review.

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Bergeron the Board approved, by a vote of 5-0, acceptance of the completion of ACNT 1347, ACNT 2333 and ACNT 2330 totaling 9 semester hours, as requested by Mr. Alden for pre-approval to be used toward the 9 semester hours of accounting electives required to sit for the CPA Exam. Mrs. Honoré Thomas was absent.

D. Request for Approval of Community College Credits to Meet 150 Hour Requirement

Ms. Paula Connolly submitted a request to the Board for pre-approval of community college credits at Baton Rouge Community College. She graduated from Northwestern State University of Louisiana on December 14, 2018 with a bachelor's degree in Accounting, earning 138 semester hours. She is requesting Board approval of 12 semester hours to be taken at Baton Rouge Community College toward the 150-semester hour requirement for licensing.

Her request and documentation were provided for the Board's review.

Upon motion by Mr. Bergeron, seconded by Mrs. Lowe-Ardoin the Board, by a vote of 5-0, approved acceptance of the completion of four specific courses, including ACCT 2623 Advanced Federal Taxation, MANG 2413 Introduction to Entrepreneurship, ACCT 2353 Accounting Information Systems and ACCT 2513 Payroll Accounting at Baton Rouge Community College totaling 12 semester hours, as requested by Ms. Connolly, for pre-

approval to be used toward the 150-semester hour requirement. Mrs. Honoré Thomas was absent.

E. Request for Acceptance of Hours earned at Unaccredited University – Accepted by Accredited University towards Bachelor’s Degree

In December 2012 Mr. Daniel Sant was credited with 88 hours while earning an Associate of Science in Computer Drafting and Design at ITT Technical Institute, which was not accredited by one of the six regional associations of colleges and schools. (ITT Technical Institute was accredited by the Accrediting Council for Independent Colleges and Schools.)

Mr. Sant since attended Western Governors University (WGU) (which is accredited by one of the six regional associations defined in Board rule §501) and earned both a Bachelor of Science in Accounting and a Master of Science in Accounting. 33 hours earned at ITT Technical Institute were accepted as transfer credit by WGU and used towards the Bachelor of Science.

Mr. Sant has applied to sit for the CPA exam as a Louisiana candidate. The Board considered whether Mr. Sant has met the eligibility requirements to sit as a Louisiana candidate because some of the hours credited towards his undergraduate degree were earned at a non-accredited school.

The request and documentation were provided for the Board’s review.

Upon motion by Mr. Bergeron, seconded by Mr. Hazel, the Board, by a vote of 4-1, approved acceptance of 33 semester hours earned by Mr. Sant at ITT Technical Institute and accepted as transfer credit by Western Governors University to be used toward the 150-semester hour requirement and eligibility to sit for the CPA exam as a Louisiana candidate. Mrs. Alizadeh was opposed. Mrs. Honoré Thomas was absent.

VII. APPROVAL OF CERTIFICATES (Issued / Reissued)

A. Ratification of Original Actives Issued by the Executive Director

The following individuals passed the Uniform 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. Hazel and unanimously adopted, the Board ratified the issuance of the following CPA Certificates (Items A. 1 & 2): Mrs. Honoré Thomas was absent.

1. Current CPA Applicants (Passed Exam After June 1999) (44)

Name	Certificate Number	License Issue Date
William Stewart Beavers	28826	4/23/2019
James Clayton Vorhoff	28827	4/23/2019
Ryan Ali Mustapha	28828	5/03/2019
Oran Bray Cain	28829	5/03/2019
Jeffrey Bryant Hammack	28830	5/03/2019
Darrell Joseph Domingue, Jr.	28831	5/03/2019
Yinglai Xie	28832	5/03/2019
Taylor Tims Camp	28834	5/13/2019
Elizabeth Nicole Zimmer	28835	5/13/2019
Stephanie Beth LaBorde	28836	5/13/2019
Megan E. Lynch	28837	5/13/2019
Brittney Nicole Broussard	28838	5/13/2019
Svetlana Inculet	28839	5/13/2019
Matthew Joseph Lay	28840	5/13/2019
Austin Christopher Falk	28841	5/13/2019
Derek Anthony Jett	28842	5/13/2019
Zachary Aaron France	28843	5/13/2019
Charles Andrew Olivier	28844	5/13/2019
Deborah Dutsch Wickham	28845	5/13/2019
Nischal Adhikari	28846	5/13/2019
Ryan Y. Berger	28847	5/28/2019
James Austin Hogue	28848	5/28/2019
James Harold Queyrouze, III	28849	5/28/2019
Leonard Bradshaw Southerland, IV	28850	5/28/2019
Lauren Orgeron	28851	5/28/2019
Mandi Rose Killian	28852	5/28/2019
Cherish D. van Mullem	28853	5/28/2019
Amy Lynn Rea	28854	5/30/2019
Emily Veuleman Bourgeois	28855	5/30/2019
Gabrielle Ashton Pitre	28856	5/30/2019
Michael I. Weydert	28859	6/04/2019
Kayla Ashley Cochran	28860	6/04/2019
Francis Paul Csaki	28861	6/15/2019
Long Bao Ninh	28862	6/15/2019
Mia Catalanotto Celino	28863	6/15/2019
Trisha Ann Sonnier	28864	6/15/2019
Taylor Brooke Harlan	28865	6/15/2019
Jourdan Kaye Broach	28866	6/15/2019
Norwood Noel Hingle, IV	28867	6/15/2019

Emily Claire Halphen	28868	6/15/2019
Darlene Nicole Smith	28869	6/15/2019
Robert Lee Martin, IV	28870	6/15/2019
Danae Himel Broussard	28872	6/15/2019
Megan Marie Lato	28873	6/15/2019

**2. Reissuance of Certificates as Active (Licensed) (1)
(Previous CPA Examination - Passed Exam Before June 1999)**

Name	Certificate No.	Re-issue to Active Date
Brenda Whiddon Green	23463	05/30/2019

**B. Reinstatements of Prior Active Certificates (Licenses) (3)
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 Mr. Bergeron, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board ratified the re-issuance of the following CPA Certificates (License Reinstatements) (Item B): Mrs. Honoré Thomas was absent.

Name	Certificate No.	Active Certification Reinstatement Date
Dan M. Cliffe	15474	5/03/2019
Kim Duchaine Boutte	19711	6/04/2019
Steven K. Croft	25748	6/04/2019

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

The following CPA was initially licensed, later elected not to renew his license, and recently submitted an application to reinstate to Inactive status. The Executive Director evaluated the application and reinstated the CPA Certificate, subject to ratification by the Board.

Name	Certificate No.	Inactive Certification Reinstatement Date
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There were no reinstatements since the prior Board Meeting.

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

The following CPA has never been actively licensed, elected not to renew his Inactive certificate, and recently submitted an application to reinstate to inactive status. The Executive Director evaluated the application and reinstated the Inactive Certificate, subject to ratification by the Board.

Name	Certificate No.	Inactive Certification Reinstatement Date
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There were no reinstatements since the prior Board Meeting.

E. Approval of Reciprocal Certificates Issued (3)

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. Hazel, seconded by Mr. Bergeron and unanimously adopted, the Board ratified the issuance of the following Reciprocal Certificates: (Mrs. Honoré Thomas was absent.)

Name	Certificate No.	Issue Date	Original State
Reagan Stovall	S28833	5/03/2019	MS
Elissa C. McIntyre	S28857	5/30/2019	TN
Philippe J. LeBlanc	S28858	5/30/2019	CA

F. Approval by the Executive Director of Transfer of Grades for Original Louisiana Certificates (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. Hazel, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board ratified the issuance of the following CPA Certificate: (Mrs. Honoré Thomas was absent.)

Name	Certificate No.	Issue Date
Kyle Scott Skene	28871	6/15/2019

VIII. CPA FIRM PERMITS AND FIRM RELATED ISSUES**A. Reinstatements of CPA Firm Permits that Expired March 1, 2019 (4)
(Same Year Reinstatements)**

The Executive Director informed the Board the following Firms with expirations on March 1, 2019, reinstated their Firm Permits since the last Board Meeting.

Firm Name	Firm Permit No.	Reinstatement Date
Bonnie S. Jackson, CPA, LLC	2638	04/30/2019
Charles Peter Stiebing III, CPA	1670	05/02/2019
Judy E. Moncrief, CPA	4616	06/27/2019
John Walter Dean, CPA	1073	06/28/2019

B. New CPA Firm Permit Applications (4)

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 Mr. Hazel, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the Board ratified the issuance of the following CPA Firm Permits: (Mrs. Honoré Thomas was absent.)

Firm Name	Firm Location	Firm Permit No.	Issue Date
Scott Bowers CPA LLC	LA	5500	5/30/2019
Brooke E. Jones, CPA	LA	5501	5/30/2019
South Pass Consulting LLC	LA	5502	6/15/2019
Muslow+Agnew Group, LLC	LA	5503	6/21/2019

C. Reinstatement of Firm Permits Expired In Prior Years (0)

Firm Name	Firm Location	Firm Permit No.	Issue Date
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There were no reinstatements since the last Board Meeting.

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

Firm Name	Firm Permit No.	Change	Issue Date
Catalanatto & Barnes, CPAs, LLC	4112	formerly Brenda S. Catalanatto, CPA, LLC	6/03/2019
E. Scott Thomas, CPA, APAC	4774	formerly E. Scott Thomas, CPA	6/24/2019

E. CPA Firms Retired or Canceled (1)

Firm Name	Firm Permit No.	Issue Date
AP Thomas Consulting, L.L.C.	4764	2009

IX. 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 Peer Review Meeting)					
	2019	2018	2017	2016	2015
Engagement Reviews	43	66	62	100	83
Pass	26	39	37	79	57
Pass w/def.	8	9	9	5	15
Fail	9	18	16	16	11
System Reviews	54	62	52	59	103
Pass	46	46	45	51	90
Pass w/def.	5	10	6	4	10
Fail	3	6	1	4	3
Grand Total	97	128	114	159	186

Approved by Technical Reviewer					
Engagement Reviews - Pass	23	33	39	15	

No. PROC meetings during calendar year	4	11	11	9	9
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3. Report on Selected Staff Activity Stemming from Peer Reviews

	Since 4/23/2019 (previous Board Meeting)	Calendar Year Jan. 2019	Calendar Year Jan. 2018	Calendar Year Jan. 2017	Calendar Year Jan. 2016	Calendar Year Jan. 2015
# Practice Restrictions	0	0	1	3	0	5
# Extensions	2	3	9	16	8	5
# Year End Changes	1	2	3	4	2	5
# First Fail Letters	19	21	30	18	12	18

X. 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. Legislative Update

The 2019 Legislative Session ended June 6, 2019 and all but one bill affecting our agency failed to pass.

Ms. Saux discussed.

XI. CPE ITEMS

A. Reinstatement of Certificate due to CPE Non-Compliance (4)

The following CPAs were changed to Inactive due to CPE non-compliance and have since reinstated their Certificate and submitted a completed CPE reporting form for 2018.

Name	Credential Number	Credential Status
Kirth Matthew Paciera	14996	Active
Angela Walker Pearson	22627	Active
Dac Van Ung	21965	Active
Christene Zagone	S25378	Active

B. Request for Approval of CPE for Certification Exam

Daniel Loa, CPA (License No. 28437) has submitted a request for approval of CPE for 2019 in advance for completion of the Chartered Global Management Accountant (CGMA) exam sponsored by the Association of International Certified Public Accountants (AICPA) and Chartered Institute of Management Accountants (CIMA).

Mr. Loa’s request was provided for the Board’s review. Based on the information provided, the CPE credit for this exam could be as much as 5 x 3 hours or 15 CPE hours.

Upon motion by Mr. Bergeron, seconded by Mr. Hazel the Board approved the request of 15 hours of CPE for Mr. Loa for the successful completion of the Chartered Global Management Accountant exam and the Board made a blanket approval to anyone going forward who successfully completes this exam.

C. Request to Waive 2018 CPE due to Medical/Personal Issues

Mr. Louis Lee, CPA, Certificate No. 24103, submitted a request to the Board at the April 2019 meeting to consider waiving his 20 hours of CPE for the 2018 Reporting period due to personal and health issues and health-related issues of his daughter.

At the April 2019 meeting the Board deferred the matter and requested additional information be obtained.

Mr. Lee’s original request & medical documentation and his supplemental documentation were provided for the Board’s review.

Upon motion by Mr. Hazel, seconded by Mrs. Honoré Thomas the Board approved Mr. Lee’s request to waive his 2018 CPE requirement of twenty (20) hours.

D. Audit of 2018 CPE Reported

CPE Coordinator, Ramzey Bunley, conducted an audit of CPE Report Forms for the 2018 reporting period. A total of 86 CPE Forms were selected for audit. 85 licensees submitted supporting documentation as requested. One licensee requested to be changed to Inactive.

All 85 files received were reviewed by Ms. Bunley and submitted to the Executive Director for final review.

The breakdown of the audit results was as follows (pending final review):

- 40 – 47% Pass - No deficiencies or problems found
- 31 – 36% Pass with Deficiency - Some deficiencies but sufficient hours
- 14 – 16% Fail - Insufficient hours due, in part, to invalid documentation
- 1 – <1% Other – Change to Inactive
- 86

Category	Pass	Pass with Deficiency	Fail	Other	Totals
Randomly Selected	31	19	0	0	50
Possible Ethics Deficiency	4	6	9	1*	20
2017 CPE Extension	4	4	2	0	10
By Recommendation	1	2	3	0	6
Totals	40	31	14	1	86

*licensee did not comply with the audit and ultimately decided to change to Inactive

E. Professional Ethics Update

Invitations were sent to 15 vendors for proposed Professional Ethics courses for 2020 on June 3 with a due date of July 1st for outlines and sponsor information. The Board received 11 submissions for 8 proposed courses; one course would be offered by 3 vendors while another would be offered by 2. Information was uploaded for committee members on Smartsheet.

The Committee will meet to review the information for determination of which submissions should be accepted. Vendors would then be notified and asked to submit the entire course for committee review by October 15th if possible.

F. NASBA CPE Tracking Service (cpeauditservice) - update

The Executive Director reached out to NASBA on April 24th following the last board meeting to get responses to board questions regarding electronically transferring credits from established systems (national firms, state societies, etc.) and concerns about the confidentiality of CPE data. However, NASBA has experienced issues since April with the CPE Tracking software which has delayed launching the initial 8 boards, as well as any states that have agreed to transition to the tracking system. We do not have a target date to go live.

Selected slides presented by NASBA at its Western regional meeting in Salt Lake City were provided for the Board.

Ms. Saux discussed.

XII. NEW MATTERS**A. Public Hearing Comments**

In compliance with Act No. 454 of the 2018 Regular Session of the Louisiana Legislature, the Board scheduled a public hearing on July 15, 2019 at 9 a.m. for the purpose of receiving comments from any interested person regarding any rule of the agency which the person believes is contrary to law, outdated, unnecessary, overly complex, or burdensome. A required notice of the public hearing was published in the May 20, 2019 edition of the *Louisiana Register*.

There were no written comments received for the Board's consideration. Additionally, no one attended the public hearing to provide oral comments. Therefore, there were no comments from the public about its rules that the Board needed to consider.

B. Rulemaking – Consideration and Adoption of Rule Change to Allow Continuous Testing

In October 2018 the Board was informed that NASBA was considering eliminating testing windows for the Uniform CPA Exam with a tentative implementation date of January 1, 2020. The Board indicated it would favor the change.

After input from state boards of accountancy and UAA model language approved by NASBA's board of directors, NASBA set a target date of July 1, 2020 for nationwide implementation.

Louisiana's rules generally follow the UAA model language in this area. Only Board Rule §505.F.1.b would require revision to incorporate the UAA model language.

The current rule with the proposed changes was provided for the Board's review.

Any proposed rule changes will need to be submitted to the Occupational Licensing Review Committee (OLRC) for acceptance before a Notice of Intent of proposed changes can be published in the *Louisiana Register*. The next OLRC meeting is not yet known, but the Executive Director will present the proposed change in Baton Rouge when it is reviewed.

Upon motion by Mr. Hazel, seconded by Mr. Bergeron, the Board approved the rule language to eliminate testing windows as proposed.

C. CPA Evolution initiative

The profession is changing, the pace of technology can be overwhelming, and the next generation of CPAs must be prepared with the necessary skills to meet and serve the public.

To address those challenges, NASBA presented five "Guiding Principles" of the joint AICPA/NASBA CPA Evolution initiative at its regional meetings and is requesting feedback by August 9th from Boards on these principles before considering possible changes to licensure and the exam.

For each guiding principle below, responses to the following questions are requested:

- 1) Is the principle directionally correct?
- 2) Would the principle help put the profession in a continued position of strength and relevance while protecting the public interest?
- 3) Do you have any specific thoughts or concerns?

#1 • The CPA profession must adapt quickly due to the technological disruptions in areas such as data analytics, robotics, artificial intelligence and more. As such, the competencies, services and attitudes of CPAs need to continually evolve in order to protect the public interest.

#2 • The CPA profession and state boards of accountancy recognize that technological and analytical expertise are essential to performing assurance work, as well as the other services that are currently, or will be in the future, core to professional accounting.

#3 • The CPA profession and state boards of accountancy acknowledge that sustaining the profession and continued public protection require rethinking initial licensure requirements.

#4 • The profession, and therefore entry into the profession, must be redesigned to attract individuals with technological and analytical expertise. This includes non-CPA professionals whose technology and analytics skills are critical to the performance of assurance and other core services, as well as non-accounting major students. All must demonstrate minimum required competencies necessary to perform professional accounting services as a CPA.

#5 • The changes must be rapid, transformational and substantive without negatively impacting candidates currently in the pipeline.

The Board discussed each of the above principles so that written feedback to NASBA could be drafted.

D. NASBA Presentation by Daniel J. Dustin, CPA - Vice President, State Board Relations and C. Jack Emmons, CPA – Southwest Regional Director

Mr. Dustin's goal is to visit each State Board of Accountancy at least once every three years to provide an update and listen to any issues or concerns that the board may have and to determine if NASBA can provide any assistance. (His last visit with our Board was in August 2017.)

Mr. Emmons has been the Southwest Regional Director, which includes Louisiana, for two years and wanted to visit with our Board for similar reasons.

A handout was provided for the Board's review.

E. Changes to State Travel for New Fiscal Year

The State made some revisions to its Travel Regulations, which the Board is required to follow unless specifically exempted. The 2019-2020 Pocket Guide was included in each board member's binder for reference.

Notably, the mileage reimbursement was changed from \$0.54 to \$0.58 per mile for use of personal vehicle for in-state travel by board members. Staff remains restricted to 99 miles round trip for use of personal vehicles.

Reimbursement of tips for valet parking and baggage handling has been increased to \$5 per check-in/out.

The Board's request for meal allowance reimbursement was made as authorized by the Board at its April 2019 meeting. At this time, we do not know what the approved meal reimbursement will be. However, there appears to have been a change effective July 1, 2019 in the Travel Regulations (S1506.B) which may allow Board Members to be reimbursed actual meal expenses *that are not extravagant* with itemized receipts while in travel status (minimum of 12 hours).

The Executive Director will seek to clarify this further with the State Travel Department. It was recommended that the Board continue with its desired policy of using a meal allowance reimbursement of actual expenses up to the amount specified in the Louisiana Administration Code section (LAC 52:I.1703) used by the Board of Ethics for meal reimbursements excluding alcohol and related tax and tip as the maximum "reasonable" amount.

F. Election of Officers and Appointment of Investigating Officers

1. Election of Officers

Chair Mrs. Hutchinson announced that an election of Board Officers was in order. The current Board Secretary was Mr. Langley and the Treasurer was Mr. Hazel.

Upon motion of Mr. Bergeron and seconded by Mrs. Lowe-Ardoin, the Board elected Mrs. Honoré Thomas to serve as Board Secretary and Mr. Langley to serve as Board Treasurer.

2. Appointment of Investigating Officers

Chair Mrs. Hutchinson appointed the following Board Members as Investigating Officers for August 1, 2019 – July 31, 2020: Mr. Hazel and Mrs. Lowe-Ardoin. Additionally, Mrs. Hutchinson appointed Mrs. Thomas as the Investigating Officer for the 2018 CPE Audit cases.

XIII. INFORMATION ITEMS AND ANNOUNCEMENTS**A. CPA, CPA Inactive, CPA Retired, and CPA Firm Registrants as of June 30, 2019**

	2019	2018		2017	2016	2015
	<u>Registered</u>	<u>Registered</u>	<u>Change</u>	<u>Registered</u>	<u>Registered</u>	<u>Registered</u>
Active	7,471	7,438	+ 33	7,441	7,361	7,419
Inactive	2,754	2,830	- 76	2,968	3,005	3,018
Retired	168	111	+ 57	--	--	--
Firms	1,980	2,057	- 77	2,100	2,147	2,192
TOTAL REGISTERED	12,373	12,436	- 63	12,509	12,513	12,629

XIV. REPORTS ON CONFERENCES / MEETINGS**A. NASBA Eastern Regional Meeting**

June 11-13, 2019
Washington, DC

B. NASBA Western Regional Meeting (Includes Louisiana)

June 18-20, 2019
Salt Lake City, UT

Mrs. Hutchinson and Ms. Saux attended.

Topics discussed included:

- **Staff Augmentation Arrangements Interpretation** - NASBA has encouraged State Boards to adopt the AICPA Code of Professional Conduct with the goal of having consistent uniform standards in all jurisdictions. However, this change to the Code may not be acceptable to State Boards because it is not considered to be in the public interest.
- **Anti-Regulation Battle** - NASBA/AICPA has engaged with other professions (engineers, architects) to create ARPL (Alliance for Responsible Professional Licensing) to unify a proactive message, promote a balanced approach to professional licensing, and educate policy makers and the public on importance of standards to protect public and enhance public trust.
- **120/150 Task Force** – Charged with looking at board concerns (lack of specificity of courses, barriers to entry, requirements to sit) and recommended no change to 150 requirement, need to better articulate benefits of education, and boards should look at course content rather than coursework.

- **Experience** – Under consideration to create a task force by joint AICPA/NASBA UAA Committee to look at whether to require the licensee at a firm offering or rendering attest services who is responsible for supervising an attest engagement or signing the accountant’s report to have within the preceding five years additional experience in audit or examination services.

XV. FUTURE MEETING / CONFERENCE DATES

A. NASBA 2019 National Registry (of CPE Sponsors) Summit

September 24-25, 2019
Indianapolis, IN

B. NASBA 112th Annual Meeting

October 27-30, 2019
Boston, MA

Lynn Hutchinson and Darla Saux plan to attend. Michael Bergeron and Desireé Honoré Thomas are considering attending.

XVI. UPCOMING BOARD OFFICE HOLIDAYS

September 2, 2019	Labor Day
November 11, 2019	Veterans Day (observed)

XVII. NEXT BOARD MEETINGS

A. Future Board Meetings

Thursday, November 14, 2019 through Friday November 15, 2019 was previously reserved for the November Board Meeting. If an administrative hearing is necessary, it will occur on Friday, November 15th.

Wednesday, January 15, 2020 through Friday, January 17, 2020 had been previously reserved for the January 2020 Board meeting. If an administrative hearing is necessary, a date will be selected.

B. April 2020 Board Meeting – suggested dates

Wednesday, April 22, 2020 through Friday, April 24, 2020 was reserved for the April 2020 Board Meeting. If an administrative hearing is necessary, a date will be selected.

XVIII. EXECUTIVE SESSION MATTERS

In order to 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 Chair Mrs. Hutchinson on July 15, 2019 upon motion(s) made, as follows:

Upon motion by Mr. Hazel, seconded by Mrs. Thomas, the Board went into executive session at 3:30 p.m.

Upon motion by Mrs. Lowe-Ardoin, seconded by Mrs. Alizadeh, the executive session adjourned at 4:15 p.m.

XIX. DISPOSITION OF MATTERS DISCUSSED IN EXECUTIVE SESSION

The Board will consider the matters reported on and discussed in Executive Session, and will consider motions and vote on those matters where applicable.

**A. Consideration of Consent Order
David Adam Hebert – File No. 2017-67**

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

**B. Consideration of Consent Order
Peter Charles Borrello, CPA – File No. 2018-103**

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

**C. Consideration of Consent Order
Barney Jude Breaux – File No. 2019-76**

Upon motion by Mr. Bergeron, seconded by Mrs. Lowe-Ardoin, the Board, by a vote of 6-0, approved the Consent Order in this matter. Mr. Langley was absent and would have abstained from voting.

**D. Consideration of Consent Order
Chris Bradley, CPA – File No. 2019-52**

Upon motion by Mr. Hazel, seconded by Mr. Bergeron, the Board, by a vote of 6-0, approved the Consent Order in this matter. Mr. Langley was absent and would have abstained from voting.

**E. Consideration of Consent Order
Rhonda Lee Meyer, CPA – File No. 2019-53**

Upon motion by Mrs. Lowe-Ardoin, seconded by Mr. Hazel, the Board, by a vote of 6-0, approved the Consent Order in this matter. Mr. Langley was absent and would have abstained from voting.

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

- File No. 2013-33
- File No. 2018-69
- File No. 2014-32
- File No. 2019-3
- File No. 2019-5
- File No. 2019-6
- File No. 2019-7
- File No. 2019-8
- File No. 2019-9
- File No. 2019-10
- File No. 2019-12
- File No. 2019-13
- File No. 2019-14
- File No. 2019-15
- File No. 2019-16
- File No. 2019-17
- File No. 2019-18
- File No. 2019-20
- File No. 2019-21
- File No. 2019-22
- File No. 2019-23
- File No. 2019-24
- File No. 2019-25
- File No. 2019-26
- File No. 2019-27
- File No. 2019-30
- File No. 2019-31
- File No. 2019-32
- File No. 2019-33
- File No. 2019-34
- File No. 2019-35
- File No. 2019-36
- File No. 2019-39
- File No. 2019-41
- File No. 2019-42
- File No. 2019-44
- File No. 2019-45
- File No. 2019-46
- File No. 2019-47

File No. 2019-48
File No. 2019-49
File No. 2019-50
File No. 2019-51
File No. 2019-58
File No. 2019-59
File No. 2019-60
File No. 2019-61
File No. 2019-62
File No. 2019-63
File No. 2019-64
File No. 2019-65
File No. 2019-66
File No. 2019-67
File No. 2019-68
File No. 2019-69
File No. 2019-70
File No. 2019-74

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. Mr. Langley was absent.

G. File Recommended To Be Closed With No Cause for Action

File No. 2019-57

Upon motion by Mr. Hazel, seconded by Mrs. Lowe-Ardoin, the Board found no cause for action and officially closed the above file. Mr. Langley was absent.

H. Acceptance of Reports

The Board, upon motion by Mr. Bergeron, seconded by Mrs. Alizadeh, unanimously accepted the reports made by each respective Investigating Officer on the status of their files and other reports on the status of matters provided by the Board staff.

XX. ADJOURNMENT

Monday, July 15, 2019:

There being no further business to discuss, upon motion by Mr. Hazel, seconded by Mrs. Lowe-Ardoin and unanimously adopted, the meeting adjourned at 4:20 p.m.