

OREGON BOARD OF ACCOUNTANCY
February 14, 2005 Minutes
3218 Pringle Road SE #110
Salem OR 97302
503-378-4181

*The Board of Accountancy protects the public by regulating
the practice and performance of all services
provided by licensed accountants.*

Working Lunch

Board Members Present

Stuart Morris, PA, *Chair*
Lynn Klimowicz, CPA, *Vice-Chair (phone)*
Kent Bailey, CPA *Secretary-Treasurer*
Jens Andersen, CPA *(phone)*
James Gaffney, CPA
Anastasia Meisner, *Public Member (phone)*

Staff Members

Carol Rives, *Administrator*
Noela Kitterman, *Investigator*
Joyce Everts, *Committee Coordinator*
Heather Shepherd, *Committee Coordinator*

Excused

Ray Johnson, CPA

Guests Attending

Christine Chute, *Asst. Attorney General*
James Aldrich, PA, *OAIA Representative*
Cheryl Langley, *OSCPA Representative (phone)*
Rob Moody, CPA, *OSCPA Representative (phone)*
Doug Henne, CPA, *OSCPA Representative (phone)*
John Barker, *Attorney for Moss Adams*

1. CALL TO ORDER

The meeting was called to order at 9:03 a.m.

A. Appoint Process Observer

Kent Bailey was appointed process observer.

B. Introduction of Guests

Guests were introduced and welcomed to the meeting.

2. APPROVAL OF MINUTES

A. December 13, 2004, Board Meeting

BOARD ACTION: Moved by Klimowicz and carried to approve the minutes as amended (Attachment A). The amended page of the minutes is attached and made a part of these records. The amendment provides clarification that the Board scheduled a special meeting on January 21, 2005 to remove the Moss Adams case from the Complaints Committee for Board consideration. James Gaffney abstained from all discussions regarding Moss Adams.

Vote: 5 ayes, 1 abstain (Gaffney), 1 excused (Johnson)

B. January 21, 2005, Board Meeting

BOARD ACTION: Moved by Klimowicz and carried to approve the minutes.

Vote: 5 ayes, 1 abstain (Gaffney), 1 excused (Johnson)

3. REPORT OF CHAIR

A. NASBA Vice Chair Nominations

NASBA invited all Boards to submit nominations for NASBA Vice Chair. The Board reviewed the resumes of candidates nominated by other states and reached no consensus. Recognizing that those nominated were all excellent choices, the Board declined to support one candidate over another.

B. Action from Executive Session (see Legal Section 12)

4. REPORT OF VICE CHAIR

A. Spring Work Session, Roseburg

The Board requested that the following topics be included on the agenda: the requirement for a CPA to report unethical behavior by another CPA, how can the Board strengthen the volunteer system that is currently in place, and an update on legislation. The Board requested the first item, how to treat firms that are subject to PCAOB program, be removed from the list of discussion topics.

5. REPORT OF SECRETARY-TREASURER

A. Financial Reports

Klimowicz reviewed the 2004 November and December financial reports and compared the figures with last years report.

6. REPORT OF ADMINISTRATOR

A. House Bill 2382 (information only)

The Bill requires annual audit or review of accounts and fiscal affairs of municipal corporations. The Bill sets conditions for conduct of audit or review. The effect of this bill is to raise the level at which an audit be required. There is a dollar amount limit, thus a cost savings to small entities, wherein they will be required to have a review rather than an audit.

B. House Bill 2166 (information only)

The Bill deletes provisions allowing municipal corporations to request Secretary of State to develop or revise and install accounting systems.

C. House Bill 2195 A

Allows Oregon Board of Accountancy to issue cease and desist orders regarding violations of accountancy laws. Specifies notice requirements. Authorizes injunctions and civil penalties.

Eliminates requirement that certified public accountant or public accountant be retired before Board grants inactive status.

Allows Peer Review Oversight Committee to review any peer review report.

D. Isler & Co. LLC Request

The letter from Isler & Co. requested the Board's opinion on two issues. The Board determined that additional information is needed from Isler & Co. The Board will extend an invitation to Isler & Co. to attend the May, 2005 work session and to provide additional information that the Board may consider.

E. Write off Uncollectible Debt

BOARD ACTION: Moved by Gaffney and carried to write off the uncollectible debts.
Vote: 6 ayes, 1 excused (Johnson)

F. NASBA Regional Director's Focus Questions

The Board reviewed Rives' answers to the focus questions and made no additions or corrections. The Focus question answers will be submitted to NASBA.

7. REPORT OF OAIA

Aldrich reported that OAIA had a Board meeting on February 12, 2005. The OAIA Board would like a list of the individuals who have passed the 3 parts of the CPA exam that would qualify to become a PA. Mrs. Rives said the information is available. The OAIA is planning the annual convention in June.

8. REPORT OF OSCPA

Henne reported the OSCPA is busy with legislative efforts. Anything with a revenue impact will be controversial during this session.

9. CONTINUING PROFESSIONAL EDUCATION

A. Report of CPE Committee

1. Acceptance of Minutes
 - a. No meeting held

B. Consent Agenda

1. Recommendations

2. Municipal Auditor Applications

a. Steven K. Weber

COMMITTEE RECOMMENDATION: Accept; the applicant completed the requirements for the municipal audit roster, as required by OAR 801-020-0690.

b. Robert G. Moody, Jr.

COMMITTEE RECOMMENDATION: Accept; the applicant completed the requirements for the municipal audit roster, as required by OAR 801-020-0690.

c. Barbara J. Haas

COMMITTEE RECOMMENDATION: Accept; the applicant completed the requirements for the municipal audit roster, as required by OAR 801-020-0690.

BOARD ACTION: Moved by Morris and carried to accept the Municipal Auditor applications.
Vote: 6 ayes, 1 excused (Johnson)

C. Items Removed from Consent Agenda

1. None

10. PEER REVIEW OVERSIGHT

- A. Report of Peer Review Oversight Committee**
 - 1. Acceptance of Minutes**
 - a. February 1, 2005**

BOARD ACTION: Moved by Andersen and carried to accept the minutes of February 1, 2005.
Vote: 6 ayes, 1 excused (Johnson)

- B. Consent Agenda**
 - 1. None

11. COMPLAINTS COMMITTEE

- A. Report of Complaints Committee**
 - 1. Acceptance of Minutes**
 - a. January 7, 2005**

BOARD ACTION: Klimowicz moved and it was carried to approve the minutes with amendments. The amended page of the minutes is attached and made a part of these records (Attachment B).

Vote: 6 ayes, 1 excused (Johnson)

- B. Consent Agenda**

BOARD ACTION: Klimowicz moved and it was carried to accept the consent agenda with the exception of items removed. Lance Brant was also removed from the consent agenda.

Vote: 6 ayes, 1 excused (Johnson)

1. Complaint Investigations

- *a. Mark Brown, CPA 02-06-045
- b. Daniel Kosmatka, CPA 02-09-059
- *c. Kari Kearns Mitchell, CPA 02-11-072
- d. Lance Brant, CPA 04-09-078
- *e. Seydel Lewis Poe Moeller & Gunderson LLC 04-09-082
- *f. Stacey Elmore 04-10-086
- *g. Lance Marshall, CPA 04-10-088
- *h. Telfer, Brant and Gaines, LLC 04-10-088

****Items 11.B.1.a., 11.B.1.c., 11.B.1.e. and 11.B.1.f., 11.B.1.g., 11.B.1.h. moved to 11.C. for discussion***

C. Items Removed from Consent Agenda

11.B.1.a. Mark Brown, CPA 02-06-045

ALLEGED VIOLATIONS:

- ORS 673.170(2)(b) - Dishonesty, fraud or gross negligence in the practice of public accountancy
- ORS 673.170(2)(c)(A) - Incompetency in the practice of public accountancy
- OAR 801-030-0010(1) - Competence
- OAR 801-030-0020(1) - Professional Misconduct

This is a supplemental report to the Investigation Report prepared by Department of Justice (DOJ). Mark Brown, CPA (Brown) was involved in an offering of unregistered securities. Brown introduced and promoted the investments to eight of his clients. Oregon Department of Consumer and Business Services (DCBS) filed a civil suit against Mark Brown and others for violations of the Oregon Securities law.

INVESTIGATOR RECOMMENDATION:

ORS 673.170(2)(b) - Dishonesty, fraud or gross negligence in the practice of public accountancy	REVOCAATION
ORS 673.170(2)(c)(A) – Incompetency in the practice of public Accountancy	REVOCAATION
OAR 801-030-0010(1) Competence \$5,000 for each client to whom Brown recommended the purchase of Rencher Investments (8 at \$5,000)	\$40,000
OAR 801-030-0020(1) - Professional Misconduct \$5,000 for each client to whom Brown recommended the purchase of Rencher Investments for conduct that demonstrates a lack of honesty, fairness and respect for the rights of others and for the laws of the state (8 at \$5,000)	<u>\$40,000</u>
Total Civil Penalties	\$80,000

COMMITTEE DISCUSSION: Mark Brown and his attorney, Joel Wilson were present at the meeting. The Committee questioned Brown about his involvement in making recommendations to the investors. Brown may have received commissions before July 2001 when he referred clients to Rencher. Brown owns “Mark Brown CPA PC” and “Brown Business Consulting”. The committee needs more information regarding the consulting business. It was moved and denied to revoke Brown’s license.

COMMITTEE RECOMMENDATION: Have the investigator gather additional information about “Brown Business Consulting” and if commissions were received by Brown prior to 2001. Request more information from investors about the investment process, locate the Department of Justice tapes and determine why Brown received \$295,000. Get appendices that are not attached to the affidavit. Defer until next committee meeting scheduled for April 22, 2005.

Board Discussion: The Board concurred to defer until the next committee meeting scheduled April 22, 2005.

11.B.1.c. Kari Kearns Mitchell, CPA 02-11-072

ALLEGED VIOLATIONS

- OAR 801-030-0015(2)(b) Requested records
- OAR 801-030-0020(1) Professional misconduct

Kari Kearns (Mitchell) and Michael and Gretchen Hall (Hall) started a business during 2000. When the business failed, Mitchell was selected to represent the shareholders as the liquidating agent. Hall claimed that Mitchell failed to provide them with Company records and that Mitchell spread rumors that hurt Hall's reputation. Mitchell phoned in at 9:38 am.

INVESTIGATOR RECOMMENDATION(S):

- | | |
|--|----------------------|
| 801-030-0015(2)(b) Requested records | Close – No violation |
| 801-030-0020(1) Professional misconduct: | Close – No violation |

COMMITTEE DISCUSSION: Mitchell practiced as an LTC under Kari Kearns Accounting PC from September, 1996 through July 2003. Mitchell used firm name "Kari Kearns CPA PC" without registering the firm with the Board after she was issued a CPA permit on August 20, 2001. On October 21, 2003, Mitchell registered her firm as Kari Mitchell Accounting PC.

COMMITTEE RECOMMENDATION: Moved and carried to assess a \$500 civil penalty for each of three (3) years of using an unregistered firm for a total of \$1,500 and assess eight (8) hours of continuing education in Sub S Corporation Taxation.

Board Discussion: The Board determined that there is no violation of Professional Misconduct, however there is a violation of OAR 801-030-0010, Competence and Technical Standards, and a violation of ORS 673.160, Registration of Business Organizations.

BOARD ACTION: Klimowicz moved and it was carried to accept the Committee recommendation and assess a \$500 civil penalty for each of three (3) years of using an unregistered firm for a total of \$1,500 and assess eight (8) hours of continuing education in Sub S Corporation Taxation.

Vote: 6 ayes, 1 excused (Johnson)

11.B.1.h. Lance Brant, CPA 04-09-078

ALLEGED VIOLATIONS

- OAR 801-030-0020 (1) Professional Misconduct
- OAR 801-030-0020(4) Public Communications and advertising

On March 31, 2004, Lance K. Brant (Brant) and Devon A. Gaines (Gaines) resigned as employees of Jones & Roth PC (Firm). Brant and Gaines agreed to continue as employees of Firm for approximately 30 days. Firm discovered a proposal for audit dated April 6, 2004 prepared for a Firm client by Brant & Gaines LLC. Brant and Gaines date of termination from Firm was April 7, 2004.

INVESTIGATOR RECOMMENDATION:

- | | |
|--|----------------------|
| 801-030-0020 (1) Professional misconduct | Close – No violation |
|--|----------------------|

801-030-0020 (4) Public communications and advertising
Civil penalty for Capstone biography which stated that Brant
was an "office manager" with Firm \$5,000

COMMITTEE DISCUSSION: Brant described himself as Jones & Roth office manager in a webpage portfolio. The committee suggested that an office manager could be viewed as a clerical person. Violations of employer agreements are outside the scope of the complaints committee.

COMMITTEE RECOMMENDATION: Moved and carried to recommend no violations.

BOARD ACTION: Klimowicz moved and it was carried to accept the Committee recommendation of no violations.

Vote: 5 ayes, 1 abstained (Andersen), 1 excused (Johnson)

11.B.1.e. Seydel Lewis Poe Moeller & Gunderson LLC

ALLEGED VIOLATIONS

OAR 801-030-0010 Competence and Technical Standards

OAR 801-030-0020(1) Professional misconduct

J. Robert Wall contracted with the Board of Accountancy to review, analyze and evaluate the audits performed for Union Baker Educational Service District for the fiscal years ended June 30, 2002 and June 30, 2003 by the accounting firm of Seydel Lewis Poe Moeller & Gunderson LLC. Wall and Michael R. Poe joined the meeting by phone conference at 10:00 a.m. and Wall summarized his report. The report addressed and evaluated five (5) areas: was the audit program designed to determine compliance with appropriate legal standards and to detect fraud in accordance with the appropriate professional standards; were audit tests properly designed and conducted; why was fraud not reported by auditors; were appropriate tests conducted to determine compliance with Minimum Standards, including Oregon Purchasing Law, and; were the appropriate audit procedures performed according to "ADM Formula Audit Suggested Audit Procedures" issued July 7, 1998 by the Office of the Secretary of State.

COMMITTEE DISCUSSION: The committee concurred that the scope of the investigation should be broadened. Brown and Henarie agreed to develop additional questions for Wall to consider that will expand his report. The information will be presented at the April 2005 Committee Meeting.

COMMITTEE RECOMMENDATION: Brown and Henarie will develop follow up questions for Wall.

Board Discussion: The Board concurred with the Committee recommendation.

Note: Kent Bailey abstained from the discussion as Guyer Lindley Bailey & Martin CPAs PC was hired as consultant on the case.

11.B.1.f Stacey Elmore 04-10-086

ALLEGED VIOLATIONS

ORS 673.320(3) Permit or registration required

ORS 673.325 Statement allowed without permit or authorization

Martin H. Levine, CPA submitted documentation that shows Stacey Elmore (Elmore) issued reports on financial statements that are worded differently than an acceptable report as stated in ORS 673.325. Levine also submitted copies of Elmore's

telephone book advertisements and questioned whether these advertisements are acceptable for a non-licensee.

INVESTIGATOR RECOMMENDATION(S):

ORS 673.320(3) Permit or registration required Close – No violation

ORS 673.325 Statement allowed without permit or authorization

Civil penalty for issuing misleading reports on financial statements

5 at \$5,000 each

\$25,000

COMMITTEE DISCUSSION: The committee concurred that Elmore did not use ORS 673.325 safe harbor language. Oregon does not accept NSA safe harbor language. The report issued by Elmore is not acceptable report language for use by non-license holders.

COMMITTEE RECOMMENDATION: Moved and carried to accept the investigator recommendations.

Board Discussion: There is no national organization that recommends the language used.

BOARD ACTION: Klimowicz moved and it was carried to accept the Committee recommendation and assess a civil penalty in the amount of \$25,000.

Vote: 6 ayes, 1 excused (Johnson)

11. B.1.g Lance Marshall 04-10-088

ALLEGED VIOLATIONS

ORS 673.320(3) Permit or registration required

OAR 801-030-0020(7) Board communications and investigations

Marshall's CPA permit lapsed when he failed to renew by June 30, 2004. In October 2004, Lance Marshall (Marshall) used the title "Retired CPA" on the signature line of a flyer distributed to voters in Sublimity Fire District.

INVESTIGATOR RECOMMENDATION(S):

ORS 673.320(3) Permit or registration required

\$5,000 civil penalty for use of CPA designation on mailed flyers

\$ 5,000

OAR 801-030-0020(7) Board communications and investigations

\$1,000 civil penalty for failure to respond to a Board communication

\$ 1,000

Total Civil Penalties

\$ 6,000

COMMITTEE DISCUSSION: The Committee concurred that Marshall was holding out.

COMMITTEE RECOMMENDATION: Moved and carried to accept the investigator recommendations.

Board Discussion: The Board disagreed with Marshall's description of himself as a "Retired CPA" however; the \$5,000 civil penalty should not be imposed. Marshall violated the letter of the law and the Board could impose the civil penalty. Bailey suggested that a work session topic should be added to the May, 2005 agenda to discuss the differences between, active, inactive, lapsed and retired status.

BOARD ACTION: Gaffney moved and it was carried to assess a civil penalty in the amount of \$1,000 for failure to respond to a Board communication and no civil penalty for violation of using the CPA designation on mailed flyers. The cover letter will advise the licensee that the Board disagrees with Marshall's interpretation of "retired CPA" and will advise him that a civil penalty would usually be associated with holding out as a CPA.

Vote: 6 ayes, 1 excused (Johnson)

11.B.1.h. Telfer, Brant and Gaines, LLC 04-10-088

ALLEGED VIOLATIONS

OAR 801-030-0020 (1) Board communications and investigations

OAR 801-030-0020 (4) Public communications and advertising

Chris Telfer operated as a sole proprietor from 1984 through 1999, and then registered as Firm 1293 in March 2000. In August 2004, Lance Brant and Devon Gaines merged Brant & Gaines LLC with Chris Telfer to form Telfer Brant & Gaines.

Telfer Brant & Gaines' website described Firm 1293 as "established in 1984". A complaint was opened against Telfer Brant & Gaines for violation of OAR 801-030-0020(4), public communications and advertising.

In response to the complaint, Telfer Brant & Gaines changed the website description to more accurately reflect the development and history of the company.

INVESTIGATOR RECOMMENDATION:

OAR 801-030-0020(4) Public Communication and advertising

No recommendation made by Investigator

COMMITTEE DISCUSSION: Using the starting date of Chris Telfer's sole proprietor business as the "established date of Telfer Brant & Gaines" is a misrepresentation of fact. The earliest possible date that the firm should use is March 2000 which is the date Firm 1293 registered with the Board. The committee concurred that the website was misleading.

COMMITTEE RECOMMENDATION: Moved and carried to assess a civil penalty of \$500.

BOARD ACTION: Klimowicz moved and it was carried to accept Committee recommendation and assess a \$500 civil penalty for violation of public communications and advertising.

Vote: 5 ayes, 1 abstained (Andersen), 1 excused (Johnson)

12. LEGAL

A. Report of Legal Items

1. Proposed ALJ Orders

a. None

2. Proposed Consent Orders

a. Moss Adams

Board Discussion: John Barker, attorney joined the meeting and Gaffney was excused during the discussion. A proposed consent order was presented which deleted the engagement partner and senior engagement manager's names from the descriptive section and signature lines of the order. The names were replaced with only the

individual's positions. Moss Adams made this request to protect the engagement partner and senior manager from potential publicity. The Board discussed the responsibilities of both individuals.

BOARD ACTION: Moved by Andersen and carried to approve the original consent order including the names of the engagement partner and senior manager in the body of the consent order, but deleting the signature lines for both individuals.

Vote: 5 ayes, 1 abstain (Gaffney), 1 excused (Johnson)

b. Fred Carter

Board Discussion: A letter submitted by Carter agreed to a pre-issuance review on his next A133 audit. If a problem was found with that pre-issuance review, Carter would agree to a second pre-issuance review. The proposed consent order would also require that Carter complete 16 additional hours of continuing professional education and pay \$9,500 of the original \$13,000 civil penalty, with \$3,500 stayed based on Carter obtaining pre-issuance reviews of governmental and nonprofit audits for three years. The Board discussed the likelihood that other audits prepared by Carter could have significant problems.

BOARD ACTION: Moved by Gaffney and carried to reject Carter's proposal that pre-issuance reviews be limited to Carter's next A133 audit.

Vote: 6 ayes 1 excused (Johnson)

c. Robert Stacy

Board Discussion: A proposed consent order was presented in which Stacy agrees to pay a civil penalty of \$6,000, complete 24 additional hours of continuing professional education, and denies having committed any violation.

BOARD ACTION: Moved by Klimowicz and carried to accept the proposed consent order.

Vote: 6 ayes, 1 excused (Johnson)

B. Other

1. Susan Cain – Response Notice

Board Discussion: A letter submitted by Cain proposed a \$300 civil penalty and Cain explained that she misunderstood Board directions about use of the CPA designation. Cain is licensed in California but not in Oregon. Cain believes that many instructors in Oregon colleges and universities are unaware of statutes and rules that prohibit use of the CPA designation for those that are not currently licensed in Oregon.

BOARD ACTION: Moved by Gaffney and carried to accept the proposed consent order.

Vote: 6 ayes, 1 excused (Johnson)

13. QUALIFICATIONS COMMITTEE

A. Report of Qualifications Committee

1. Acceptance of Minutes

a. January 13, 2005

BOARD ACTION: Moved by Meisner and carried to approve minutes from January 13, 2005.

Vote: 6 ayes, 1 excused (Johnson).

B. Consent Agenda

BOARD ACTION: Moved by Meisner and carried to accept the consent agenda.

Vote: 6 ayes, 1 excused (Johnson)

1. Recommendations

a. Rie Anderson 04-11-011

Ms. Anderson gained her experience with the following employer:

Multnomah Co. Auditors Office 12.87 mos All competencies met

Ms. Anderson passed the CPA Exam in November 2002. Mr. Carey reported that Ms. Anderson's employer did a great job with the write up on the competencies and recommends approval.

COMMITTEE RECOMMENDATION: Approve

b. Elizabeth Kirkwood 04-12-012

Ms. Kirkwood gained her experience with the following employer:

Wal-Mart 33 mos All competencies met

Ms. Kirkwood passed the CPA Exam in May 1998. Mr. Emery reported that Ms. Kirkwood had excellent internal supervision and training. It was noted that Wal-Mart had participated in peer review although at the time it was not required for private industry internal audits. The committee believes the write up is very thorough and recommends approval.

COMMITTEE RECOMMENDATION: Approve.

c. Roger Williams 04-10-010

Mr. Williams gained his experience with the following employers:

HemCon Inc 8 mos All competencies met

FEI Co 23.5 mos. No on E and G

Mr. Williams passed the Uniform CPA Exam in November 2003. Mr. Selid was unable to attend the meeting, however, sent an email with recommendation to approve the application for Mr. Williams. Mr. Selid spoke with Mr. Williams' employer at FEI Company to discuss the "no" answers for competencies E and G. The employer did not have adequate experience in the two categories and therefore did not sign off for these competencies. The most recent employer signed off on all seven competencies.

COMMITTEE RECOMMENDATION: Approve.

2. Approval of Applications

a. CPA Certificates/Permits

50 Certificates

b. PA Licenses/Permits

None

c. Firm Registrations

24 registrations

d. Substantial Equivalency Authorizations

5 authorizations

Items moved to 13.C. for discussion

C. Items Removed from Consent Agenda

1. None

14. CODE OF PROFESSIONAL CONDUCT COMMITTEE

A. Approval of Minutes

1. No meeting held

B. CONSENT AGENDA

15. CPA EXAM

A. CPA Exam Candidate Survey

The Board reviewed a proposed candidate survey that will be sent out with grades. The purpose of the survey is to receive information about candidate concerns regarding the CBT exam.

B. Prometric Fee Increase

Prometric seat fees for the exam will be increased from \$17.50 to \$22.50. The increase is based on examination volume. The increase will affect all ATT's issued on or after January 1, 2006.

C. CBT Exam Concerns

The Board reviewed a letter from the State Educational Department in New York regarding implementation flaws, hardware/software issues, diagnostic reports and exam fee increase. The Board does not want to send comments at this time, however will be watching closely what other states do.

16. OLD BUSINESS

A. Jim Pike, CPA

Mr. Pike sent his annual request in December to operate a firm in Ontario, Oregon. The Board approved the request for the 2004 tax season. The Board requested additional information regarding the intent to offer refund anticipation loans and refund anticipation checks to clients during the 2004 tax season. Mr. Pike responded that he will not receive any kind of compensation from the RAL or RAC activity. This is between the taxpayer and the finance company.

B. E. Ronald Isakson

Mr. Isakson would like to register a firm in the State of Montana and requested that the Board approve termination of the five-year probation period provided in his consent agreement. Mr. Isakson has completed all terms of the consent agreement except the five years of probation in lieu of revocation. The Board rejected the request. Mr. Isakson is required to complete the five years as stated in the consent agreement.

17. NEW BUSINESS

A. Representative Butler would like to honor Catherine Pollino, State Auditor.

Ms. Chute advised that the Board does not have authority to issue honorary CPA designations without meeting statutory requirements. Mr. Morris suggested the Board give her a plaque. Ms. Rives suggested that the request be considered at the May 2005 work session.

18. PROCESS OBSERVER REPORT

Kent Bailey reported the Board loses the flow a little when conducting a phone conference. Mr. Gaffney requested a roll call vote be conducted at all times during phone conferences. Ms. Klimowicz requested that individuals identify themselves before speaking.

19. NEXT MEETING

Date: May 22, 2005 Work Session
May 23, 2005 Board Meeting
Location: Roseburg, OR
Time: 8:30 Work Session on May 22, 2005
8:00 Exec Session on May 23, 2005
9:00 Board Meeting on May 23, 2005

20. ADJOURNED

There being no further business, the meeting adjourned at 1:18 p.m.