



OREGON BOARD OF ACCOUNTANCY
Qualifications Committee
Minutes July 22, 2015

Committee Members Present

Alan Steiger, CPA-Retired (Chair)
Casey Camors, CPA
Christina Tate, CPA
Patrick Brown, CPA
Chuck Landers, CPA (Vice-Chair)
Rachelle Quinn, CPA (Arrived 9:03 a.m.)
Amber White, CPA
Bryce Wilberger, CPA

Staff Present

Martin Pittioni, Executive Director
Kristen Adamson, Licensing Specialist
Joel Parks, Licensing Specialist

Excused Absence

Alia Adams, CPA
David Peterson, CPA
Michael Schmidt, CPA
Roger Graham, (Board Liaison)

Guests Present

Connor Bates
Dale Grose
Stephen Lippold
Victoria Walker
Jack Daniels
Trevor Dierickx
John Long (Trevor Dierickx Supervisor)

1. CALL TO ORDER

The Qualifications Committee (QC) convened for a regularly scheduled conference call meeting on July 22, 2015. Alan Steiger, CPA-Retired, Committee Chair, called the meeting to order at 9:00 a.m. and announced that the meeting was being recorded. Roll Call.

2. APPROVE MINUTES

A. May 5, 2015

There were no modifications made to the minutes.

COMMITTEE ACTION: Mr. Wilberger moved to approve the May 5, 2015 minutes as submitted.

MOTION PASSED: 8 ayes

4. PENDING APPLICATIONS

A. Current Applications

2. Dale Grose (Landers)

Mr. Grose passed the Uniform CPA examination in February of 2015. Experience was gained at the following employer:

Monaco RV/Navistar 23 Months All Competencies

Mr. Landers wanted to address the direct supervision issue. Mr. Grose reported directly to Jenny Evans and Terry Wicker. Mr. Wicker was in charge of more complicated issues. Mr. Wicker and Ms. Evans both agreed with all the writings in the narrative. Mr. Wicker worked daily with Mr. Grose. Mr. Landers was comfortable with the supervision of Mr. Grose. Originally, the narrative was unclear if it was written by the applicant or the supervisor. Mr. Landers talked to Mr. Grose and Mr. Wicker and confirmed that the narrative was co-authored

by Mr. Grose and Mr. Wicker. Mr. Landers felt that competencies B, C, D, E, F and G were too summarized. He has the necessary experience to meet the competencies but the application did not present that.

COMMITTEE RECOMMENDATION: Deferral

Mr. Landers moved to defer Dale Grose pending additional information on competencies B, C, D, E, F and G.

MOTION PASSED. 8 Ayes

1. Connor Bates (White)

Mr. Bates passed the Uniform CPA examination in December of 2014. Experience was gained at the following employer:

Resource Recycling Technologies	13 Months	All Competencies
---------------------------------	-----------	------------------

Ms. White was unclear about the reporting structure to his supervisor Jeff Stokes. Mr. Bates clarified in his supplemental documents that he did report directly to Mr. Stokes. Ms. White was confused on Mr. Bates' explanation of the company's Mission. Ms. White requested additional information on what Mr. Bates' company does. Mr. Connors expanded on the Cost Capitalizations Spreadsheet that is used to judge the performance of the company.

COMMITTEE RECOMMENDATION: Approval

Ms. White moved to find that there is sufficient evidence to make a preliminary finding that Connor Bates has demonstrated the competencies necessary for initial licensing per OAR 801-010-0065.

Ms. Quinn had a question about Competency C. There were only spreadsheets but no written or verbal documentation. Mr. Bates said he would make spreadsheets and compose emails but did not make any memorandums. Mr. Steiger noticed most experience came from one area, mostly Cost Capitalizations. Mr. Bates said he did basic journal entry and negotiate rates with vendors but mostly Cost Accounting. Mr. Steiger did not see the breadth of experience he would like to see in a CPA applicant.

MOTION FAILED: 3 Ayes 5 Nays (Landers, Steiger, Tate, Wilberger and Quinn)

COMMITTEE RECOMMENDATION: Deferral

Ms. White moved to defer Connor Bates pending additional information from where he is currently employed doing Tax. **(Phone disconnected)**

(Phone conference reconnected) Roll Call

Ms. White questioned whether she differ or deny Mr. Bates because she felt he currently did not have any experience he could add. Ms. White felt competencies A and D were sufficient. Ms. Quinn had concerns with Competency D because it was a very narrow example. Ms. White questioned if applicants should list more than one example. Mr. Landers said that the application only asks for one example in parts of the application. Mr. Brown said the application asks for multiple examples. Ms. Quinn feels that if one example is thorough, you do not need additional examples.

COMMITTEE RECOMMENDATION: Denial

Ms. White moved to find that there is insufficient evidence to make a preliminary finding that Connor Bates has met the minimum qualifications for initial licensing per OAR 801.010.0065.

MOTION PASSED: 8 Ayes

3. Stephen Lippold (Camors)

Mr. Lippold passed the Uniform CPA examination in April of 2015. Experience was gained at the following employer:

Conifer Canyon Resources 31 Months All Competencies

Ms. Camors initially had concerns about competencies A, D and E. Mr. Lippold provided supplemental information that explained the years he worked in Competency A were the years he worked under his supervisor Rex Hansen. Mr. Lippold provided additional information on how he works with transaction streams for Competency D. Mr. Lippold also provided supplemental evidence of how he met Competency E, Risk Assessment.

COMMITTEE RECOMMENDATION: Approval

Ms. Camors moved to find that there is sufficient evidence to make a preliminary finding that Stephen Lippold has demonstrated the competencies necessary for initial licensing per OAR 801-010-0065.

MOTION PASSED. 8 Ayes

4. Victoria Walker (Schmidt)

Ms. Walker passed the Uniform CPA examination in December of 2014. Experience was gained at the following employer:

Cambia Health Solutions 36 Months All Competencies

Mr. Steiger read Mr. Schmidt's recommendation that he felt that the responses Ms. Walker provided for the competencies were relevant and sufficient to meet each competency.

COMMITTEE RECOMMENDATION: Approval

Mr. Schmidt moved to find that there is sufficient evidence to make a preliminary finding that Victoria Walker has demonstrated the competencies necessary for initial licensing per OAR 801-010-0065.

MOTION PASSED. 7 Ayes 1 Abstain (Brown)

B. Deferred Applications

1. Jack Daniels (White)

Mr. Daniels passed the Uniform CPA examination in February of 2015. Experience was gained at the following employer:

WiMAX Forum 16 Months All Competencies

Ms. White said that Mr. Daniels' application was deferred at the last meeting based on the fact that the committee needed more examples for competencies B through G. Mr. Daniels refined his first narrative. Ms. White had Mr. Daniels refine his examples to only include the time that Jill Ward was his direct supervisor. Ms. White still had concerns about competencies D and E and needed clarification.

COMMITTEE RECOMMENDATION: Approval

Ms. White moved to find that there is sufficient evidence to make a preliminary finding that Jack Daniels has demonstrated the competencies necessary for initial licensing per OAR 801-010-0065.

Ms. White struggled with the fact that all the examples are being pulled from one specific time period that Mr. Daniels worked at WiMAX. The examples provided from this time period does not show much depth of knowledge, it is very specific to payroll. Mr. Steiger said that even with the supplemental information, he did not feel Mr. Daniels had the breadth of experience needed for a CPA position. Ms. Quinn struggled with Mr.

Daniels meeting the Risk Assessment requirement. Mr. Steiger did not feel that Mr. Daniels had the necessary breadth of experience across all the competencies. Ms. White said that Mr. Daniels' supervisor, Ms. Ward, said that the work Mr. Daniels performs does not take a lot of analysis. Ms. White asked if we can only look at the time period when she was the direct supervisor and not when she was an independent contractor. Mr. Daniels reports to Ms. Ward on a monthly basis. They meet on a weekly basis during the fourth quarter. Ms. White originally excluded examples that came after she became an independent contractor. Mr. Wilberger said that the definition of direct supervision excludes independent contractors or consultants from being a direct supervisor. Mr. Steiger agreed with Mr. Wilberger.

MOTION FAILED: 0 Ayes 7 Nays (Brown, Camors, Quinn, Steiger, Tate, Wilberger, White) 1 Abstain (Landers)

Mr. Steiger does not feel that the program Mr. Daniels is in is large enough to provide the necessary examples to show that he has the breadth of experience necessary to become a CPA. Mr. Steiger said that being a non-profit organization, Mr. Daniels' company is limited in the scope of activities they perform. Mr. Wilberger feels there are parts of each competency that are being met but the competencies are not being met completely. Mr. Wilberger feels that Mr. Daniels may have the experience to encompass the rest of the competencies but they are not coming out in the narrative. Ms. White feels the functions that Mr. Daniels performs do not require much analysis or critical thinking. Ms. Camors feels the functions are more transaction based rather than risk analysis based.

COMMITTEE RECOMMENDATION: Deferral

Ms. White moved to defer the application of Jack Daniels pending additional information for competencies B through F.

MOTION PASSED: 7 Ayes 1 Abstain (Landers)

2. Trevor Dierickx (Wilberger)

Mr. Dierickx passed the Uniform CPA examination in September of 2014. Experience was gained at the following employers:

Hollywood Entertainment	17 Months	All Competencies
Precision Castparts	4 Months	All Competencies

Mr. Wilberger said that Mr. Dierickx's application was deferred for competencies B, D, E and F. Mr. Dierickx's supplemental information gave much more detail related to the requested competencies. Mr. Wilberger had questions about Risk Assessment. Mr. Dierickx provided additional information about how he looked at the company as a whole and assessed the risk of financial statements. Mr. Dierickx then put forward a plan of how they would assess these risks and how they would test for these risks.

COMMITTEE RECOMMENDATION: Approval

Mr. Wilberger moved to find that there is sufficient evidence to make a preliminary finding that Trevor Dierickx has demonstrated the competencies necessary for initial licensing per OAR 801-010-0065.

MOTION PASSED. 7 Ayes 1 Abstain (Camors)

3. Thomas Nordgren (Brown)

Mr. Nordgren passed the Uniform CPA examination in November of 2010. Experience was gained at the following employer:

Sumner College	47 Months	All Competencies
----------------	-----------	------------------

Mr. Brown said that Mr. Nordgren's application was deferred because there was a lack of experience. Mr. Nordgren had good examples but wasn't as comprehensive as Mr. Brown would like.

COMMITTEE RECOMMENDATION: Approval

Mr. Brown moved to find that there is sufficient evidence to make a preliminary finding that Thomas Nordgren has demonstrated the competencies necessary for initial licensing per OAR 801-010-0065.

Mr. Nordgren explained that he is the Controller for Sumner College. Mr. Steiger thought Competencies B, E and F were not thorough enough. The examples in E do not demonstrate critical thinking that is needed to be a CPA. The examples for Competency F were more transactional. Mr. Brown feels Mr. Nordgren has met Competency B because he is involved in critical discussions with his supervisor, Barry Glasser, of how the school operates. This requires a very in depth understanding of the school on many different levels. Competency E, Risk Assessment is the one Mr. Brown struggled with the most but feels he listed the examples he had and that they met the requirements. Mr. Brown said that Competency F was fairly well supported because Mr. Nordgren is very involved with the budget process.

Motion Passed. 6 Ayes 2 Abstain (White, Camors)

A. Current Applications

4. Lane Shipley (Brown)

Mr. Shipley passed the Uniform CPA examination in November of 2010. Experience was gained at the following employer:

Now CFO	12 Months	All Competencies
---------	-----------	------------------

Mr. Brown was a little concerned about the fact that the experience was exactly 12 months and not any longer. Mr. Brown discovered that a person in Mr. Shipley’s position must have a high level of financial experience and must understand the Regulatory environment very well. Mr. Brown feels the applicant has the experience needed to meet each competency but the narrative comes up short in providing evidence to show he has met the competencies.

COMMITTEE RECOMMENDATION: Deferral

Mr. Brown moved to defer the application of Lane Shipley pending sufficient evidence that the requirements for Competencies C, E and F have been obtained.

Ms. Quinn had a question about how Mr. Shipley reported to his supervisor. Mr. Brown said that Mr. Shipley has oversight but it is somewhat removed. It is not the traditional employee / supervisor relationship but the manager / supervisor was very hands on. Mr. Wilberger said the supervision is set up like the IRS’s supervision of their agents. The agents work independently and their supervisors are there to aid them if they need it. Mr. Steiger said there was a lot of “we and our” language. There was a question of what Mr. Shipley completed himself. Mr. Brown said Competency C is incomplete because in the example, Mr. Shipley said he is still waiting for a response from the CFO.

MOTION PASSED: 7 Ayes 1 Abstain (Quinn)

B. Deferred Applications

3. Jack Dukeminier (Quinn)

Ms. Quinn said Mr. Dukeminier was deferred because of his lack of documentation on supervision. There were also concerns about the “we and are” language, as well as competencies B, D and F.

COMMITTEE RECOMMENDATION: APPROVAL

Ms. Quinn moved to find that there is sufficient evidence to make a preliminary finding that Jack Dukeminier has demonstrated the competencies necessary for initial licensing per OAR 801-010-0065.

Ms. Quinn said that Mr. Dukeminier did not have experience with internal controls in relation to Competency B. Ms. Quinn asked the Committee how important internal controls and financial streams are in relation to being licensed. Mr. Wilberger said he feels that Mr. Dukeminier has met the competency but has trouble explaining how in his application. Mr. Dukeminier says in his narrative that as a forensic accountant, "I am not concerned with **how or why** fraudulent activity occurs but I am concerned with **what** fraudulent activity occurred." Ms. Camors said that a forensic accountant should be worried with **how and why** fraudulent activity occurred, not just with **what** occurred. Mr. Wilberger said Competency D was not well enough supported to go to the Board. Mr. Steiger said he would be more comfortable if Mr. Dukeminier could revise Competency D. Ms. White asked if Mr. Dukeminier could give a specific example for Competency D. Ms. Quinn said the original example showed how he found there were not internal controls in place. Mr. Landers asked why the example for Competency D was deferred. Ms. Quinn said the example is Competency D was not specifically about internal controls.

MOTION FAILED: 0 Ayes 8 Nays (Brown, Camors, Landers, Quinn, Steiger, Tate, Wilberger, White)

COMMITTEE RECOMMENDATION: DEFERRAL

Ms. Quinn moved to defer the application of Jack Dukeminier pending additional documentation for Competency D.

MOTION PASSED: 8 Ayes

4. Echo Lin (Peterson)

Mr. Steiger said that Ms. Lin did not submit her supplemental information in on time for this meeting. Her application will be deferred to the September 23, 2015 meeting.

3. Report of Board Action

Mr. Pittioni said the Board accepted all the recommendations by the Committee. Mr. Pittioni thanked Mr. Graham for recruiting all the new members and thanked the new members. The Board is not concerned as much with the 12 months of experience as much as it is concerned with whether or not the applicant has the necessary experience to be licensed. Mr. Pittioni said our fees are being increased in January. Mr. Pittioni brought up a Candidate who was licensed as a PA but never passed the Attest section of the exam. More than 8 years later, this Candidate came back and passed the Attest exam and requested that the board grant her a CPA license now that she had passed all four exams. The Board decided not to grant the CPA license to this Candidate because she was outside of the 18 month window for passing all of the exams to be licensed as a CPA. Mr. Steiger asked the members of the Board if they had any recommendations for the application, to send them to him. Mr. Steiger asked the staff to update the application by changing the wording to say "example(s)" instead of "examples" in case applicants only wish to list one example in their narrative.

5. Old Business

A. DOR MOU

Mr. Landers said the DOR was an updated memorandum that encompasses the Board's recommendations to the DOR. One of the recommendations from the Committee for the memorandum was that direct supervision needed to be very meaningful with timely check-ins. Mr. Landers said that he discussed with DOR that even though the applicants go through this program, it does not mean they are guaranteed to be licensed by the Board.

MOTION PASSED: 8 Ayes

6. New Business

A. GovSpace

Mr. Parks informed the committee that agenda storage on GovSpace should be up and running for the September meeting. Mr. Parks said that if anyone on the committee has questions about GovSpace, those questions should be directed to Mr. Parks.

Ms. White asked if new members of the committee could get new member training. Mr. Steiger answered that new members can attend one meeting with no applications and can discuss what went on in the meeting with the Chair and staff members.

Mr. Wilberger or Mr. Brown asked if we wanted to have a meeting in Salem. Ms. Adamson said last year the in person meeting was in November. Mr. Steiger asked the committee if the September meeting should be in person. The committee agreed to meet in person here in Salem on September 23, 2015 at 10:00 am.

7. Adjourned

Mr. Steiger adjourned the meeting at 11:37 a.m.