



OREGON BOARD OF ACCOUNTANCY

CPE Committee

Minutes – April 22, 2014

Telephone Conference Call

Committee Members Present

Michael Dunlap, CPA
Sally Jaeggli, CPA
Rob Moody, CPA (*Chair*)
Linda Weber, CPA
Al Crackenberg, PA (*Board Liaison*)

Excused Absence

Rina Byrne, CPA (*Vice-Chair*)
Belinda Watters, CPA

Staff Present

Kimberly Fast, *Licensing Program Manager*
Kristen Adamson, *Licensing Specialist*
Marika Garvey, *Licensing Specialist*

Guests

Kara Lewis, OSCPA

1. CALL TO ORDER

Committee Chair, Moody, called the telephone conference meeting to order at 1:35 p.m.

2. APPROVAL OF MINUTES

A. January 29, 2014

B. February 6, 2014

There were no corrections made to the minutes. Chair Moody asked to ensure that it was clearly reflected in the minutes that he was not involved in the approval recommendation for Robin Briggs, since she is an employee of his.

MOTION PASSED. 4 Ayes

3. ANNUAL REPORT

The Annual Report was approved to be sent to the Board. Chair Moody noted that the report reflected the fact that the committee is now primarily occupied with the approval of municipal auditors, and the committee's title is now something of a misnomer since it has little interaction with CPE outside of the municipal auditor applications.

4. REPORT OF BOARD ACTION

Mr. Crackenberg reported that there was no additional action outside of the recommendations submitted by the committee, which were accepted by the Board at the February 10, 2014 meeting.

5. MUNICIPAL AUDITOR PROGRAM

A. New Applications

1. Caroline Wright

Ms. Wright submitted coursework in all categories necessary to meet the requirements for a municipal auditor, however, she was the instructor for some of the coursework.

Chair Moody reiterated his stance that while Ms. Wright was the instructor on a few of her course submissions, in his opinion, the issue at hand is that the committee is

verifying that people have the basic competency to become a municipal auditor, and if someone is able to teach a class, they are logically more competent to perform the work. Ms. Weber agreed with Chair Moody's point on competency as a class instructor, but she was concerned that the OARs are very specific in their course requirements, asking for lower level coursework only. She noted that there is no comparable allowance for acquiring hours as an instructor in the municipal auditor section of the OARs the way that there is for general CPE.

Ms. Jaeggli pointed out that this person has been practicing accountancy for a long time, likely doing municipal audits in her home state, and may have acquired basic-level municipal auditor CPE earlier in their career, but is now being asked to do recent, low-level CPE. Ms. Weber agreed with this point as well, but was still concerned that the OARs don't give the committee latitude in interpreting this specific rule. Ms. Fast volunteered to bring this issue to the Board's Laws and Rules Task Force. Chair Moody agreed that this rule could benefit from further review, taking this kind of situation into account. Ms. Weber also brought up Ms. Wright's virtual conferences, where she was listed as one author in a group, making it unclear whether she was an author or presenter, and how many hours could be awarded in either case. Mr. Dunlap and Ms. Weber agreed that while they agreed with Chair Moody that the applicant is most likely competent, they were unable to justify recommending approval in light of the OARs specificity on the issue.

COMMITTEE RECOMMENDATION: DEFERRAL

Ms. Weber moved to defer until Ms. Wright has met the CPE requirements as stated in the OARs.

MOTION PASSED. 3 Ayes, 1 Nay (Moody)

2. Nancy Jones

Like the previous applicant, Ms. Jones also submitted some courses where she was listed as an instructor, but had submitted an additional 21 hours of CPE following her application, so there were no concerns with her application based on the more recent submission.

COMMITTEE RECOMMENDATION: APPROVAL

Ms. Weber moved to find that there is sufficient evidence to make a preliminary finding that the applicant has met the minimum CPE requirements for admission to the municipal audit roster per OAR 801-020-0690.

MOTION PASSED. 4 Ayes

3. Brad Smith

One issue the committee noted with Mr. Smith's CPE submission was that the Oregon Region Government Audit Training course could have been split between the categories differently, Jaeggli felt that there was additional Single Audit training as well. It was determined that each category was met.

COMMITTEE RECOMMENDATION: APPROVAL

Mr. Dunlap moved to find that there is sufficient evidence to make a preliminary finding that the applicant has met the minimum CPE requirements for admission to the municipal audit roster per OAR 801-020-0690.

MOTION PASSED. 4 Ayes.

B. Deferred Applications

1. Scott Schaefer

Mr. Schaefer's application was initially deferred at the January 29, 2014 meeting. Excerpt from CPE Committee of January 29, 2014:

Ms. Jaeggli and Ms. Watters had concerns with GAFR requirement was too focused on accounting principles and not financial reporting. The course information appeared to be only an overview of the reporting component. Aside from the GAFR deficiency, Mr. Schaefer's application was satisfactory.

COMMITTEE RECOMMENDATION: DEFERRAL

Ms. Byrne moved to defer the application until there is proof that the applicant has obtained four hours in the GAFR category.

In the interim, Mr. Schaefer submitted an additional course, "GASB 34: Basic Financial Statements for State and Local Governments". The committee concurred that the financial reporting issue from the initial CPE submission was resolved.

COMMITTEE RECOMMENDATION: APPROVAL

Ms. Jaeggli moved to find that there is sufficient evidence to make a preliminary finding that the applicant has met the minimum CPE requirements for admission to the municipal audit roster per OAR 801-020-0690.

MOTION PASSED. 4 Ayes.

2. Dianne Spires

Ms. Spires' application was initially deferred at the February 6, 2014 meeting. Excerpt from CPE Committee of February 6, 2014:

Ms. Byrne felt that the course listed in the reporting column was audit related. Moody agreed that it looked like all the other elements were covered except for GAFR.

COMMITTEE RECOMMENDATION: DEFERRAL

Ms. Byrne moved to defer until staff could contact Ms. Spires regarding the reporting requirement, the motion carried.

In the interim, Ms. Spires submitted two additional courses, "Basic Governmental Accounting Concepts Including Fund Accounting" and "Basics of Governmental Financial Statements and Reporting Entities". The committee concurred that the GAFR CPE requirement was met.

COMMITTEE RECOMMENDATION: APPROVAL

Ms. Weber moved to find that there is sufficient evidence to make a preliminary finding that the applicant has met the minimum CPE requirements for admission to the municipal audit roster per OAR 801-020-0690.

MOTION PASSED. 4 Ayes.

3. Yvonne Roberts

Ms. Roberts' application was initially deferred at the January 29, 2014 meeting. Excerpt from the CPE Committee of January 29, 2014:

The committee agreed that while there was coverage of current GASB's in the (firm) in-house trainings on Ms. Roberts' application, it did not cover basic reporting, and had the appearance of an update course rather than basic or intermediate. There was also some concern that there was no mention of the Yellow Book.

Committee recommendation: DEFERRAL

Ms. Byrne moved to defer the application until there is proof that the applicant has obtained basic knowledge in the GAGAS and GAFR categories.

In the interim, Ms. Roberts submitted an additional course, "Foundations in Governmental Accounting". The committee concurred that the Yellow Book was sufficiently covered in the latest course submission, and the GASB CPE requirement was met.

COMMITTEE RECOMMENDATION: APPROVAL

Mr. Dunlap moved to find that there is sufficient evidence to make a preliminary finding that the applicant has met the minimum CPE requirements for admission to the municipal audit roster per OAR 801-020-0690.

MOTION PASSED. 4 Ayes.

4. NEW BUSINESS

There was no new business to report.

5. ADJOURN

The meeting was adjourned by Moody at 2:23 p.m.