

OREGON BOARD OF ACCOUNTANCY
Qualifications Committee
Minutes, January 9, 2013

Board of Accountancy
Conference Call

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

1. CALL TO ORDER

The Qualifications Committee convened for a regularly scheduled meeting on January 9, 2013. Susan Wolcott, CPA, Committee Chair, called the meeting to order at 9:05 a.m.

Present:

Committee Members

Patrick Brown, CPA
Michael Halbirt, CPA
Charles Landers, CPA
Alan Steiger, CPA
Denise Teixeira, CPA
Bryce Wilberger, CPA
Susan Wolcott, CPA

Board Liaison

Roger Graham, Public Member

Staff

Martin Pittioni, Executive Director
Heather Shepherd, Coordinator

2. REVIEW OF APPLICATIONS

A. Pending Applications

1. Anne Vindell [Hinkle] (Halbirt)

Excerpt from November 14, 2012

Ms. Hinkle joined the meeting by telephone during the presentation of her file.

Ms. Vindell passed the CPA Examination on May 31, 2011 as an Oregon candidate.

She gained her experience with the following employer:

<i>Calbag Metals</i>	<i>50.5* months</i>	<i>All Competencies</i>
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**Mr. Halbirt informed the committee that the supervisor licensee had a lapsed CPA license from July 1, 2006 to December 13, 2006.*

Committee Discussion: The supervisor licensee submitted her first renewal application on August 31, 2006 and requested an extension to provide the CPE information. The extension request was denied because the licensee had two years and two months to obtain required CE documentation prior to

submitting the renewal application. The license was lapsed from July 1, 2006 and December 13, 2006, 5 ½ months, until the licensee obtained the appropriate CPE hours necessary to qualify for reinstatement.

COMMITTEE ACTION: Moved by Halbirt and carried to accept Michelle Dorado as a supervisor licensee.

VOTE: 6 ayes, 1 nay (Wolcott), and 1 excused (Lantz)

Committee Discussion: Mr. Halbirt had a conversation with the supervisor licensee. The documentation provided does not provide sufficient evidence that the applicant has obtained Competency E – Risk Assessment and Verification skills and Competency G – Quality of communication expressing scope of work, findings, and conclusions. Ms. Vindell asked what additional information would be required for the committee to determine she has met Competency E & G. Mr. Halbirt recommended that Ms. Vindell and the supervisor licensee review the information under attest on the Certificate of Experience form for guidance or searching the internet. Mr. Halbirt will work with applicant further for required documentation.

COMMITTEE ACTION: Application deferred. The committee would like additional information on how competencies E & G were achieved.

VOTE: 7 ayes, 1 excused (Lantz)

Ms. Vindell joined the meeting by telephone during the presentation of her file.

Mr. Halbirt reviewed the committee action from the November 14, 2012 meeting.

Mr. Halbirt informed the committee that he had worked with the applicant directly to obtain the additional information to determine if the applicant had achieved competencies E & G. The additional information had not been provided to the Board office as part of the application file. Mr. Halbirt indicated that he had reviewed OAR 801-010-0065 and has come to the conclusion, albeit by a small margin, that the applicant has met the requirements for initial licensure.

Ms. Wolcott reminded the committee members if additional information is obtained based on interactions with a supervisor licensee, this information must be sent to the Board office to be included with the application file. Once the Board staff has the additional information, they will then send to all committee members. Once all committee members have reviewed the documentation, the committee can make an informed recommendation to the Board.

The committee members were not prepared to make a recommendation on this file without seeing the additional information Mr. Halbirt had obtained. Mr. Pittioni offered distribution of any electronic materials during the meeting if that is acceptable to the committee. Halbirt sent the additional information to Ms.

Shepherd by email. Board staff will send the additional information to the rest of the committee by email.

COMMITTEE CONSENSUS: Defer any further action until later during this teleconference once all members have the additional documentation.

2. Mike Davidson (Steiger)

Excerpt from November 14, 2012

Mr. Davidson passed the CPA Examination on November 21, 2011 as an Oregon candidate. He gained his experience with the following employer:

<i>Jones & Roth PC</i>	<i>29 months</i>	<i>Competencies A, B, C, F, and G</i>
<i>Bishop French</i>	<i>5.5 months</i>	<i>Competencies D and E</i>

Committee Discussion: Several committee members indicated that they would like to have copies of the experience forms submitted from the public accounting firm.

COMMITTEE ACTION: Application deferred

VOTE: 7 ayes, 1 excused (Lantz)

Mr. Davidson joined the meeting by telephone during the presentation of his file.

Mr. Steiger reviewed the committee action from the November 14, 2012 meeting. Mr. Steiger identified his concern with the *Employment record* which had been submitted by the applicant when he first applied for the initial license. The form indicates that the applicant was not supervised by a CPA/PA during his employment with Bishop French. Mr. Steiger contacted Ms. French regarding the applicant. Mr. Steiger asked Ms. French if she had directly supervised Mr. Davidson. Ms. French indicated that she had not been Mr. Davidson's direct supervisor. The direct supervisor had a break in active licensure which would not allow for him or her to sign off as a supervisor licensee. Ms. Bishop indicated that her supervision of Mr. Davidson was the same amount of supervision of that in a public accounting firm where a partner is signing off on the *Certificate of Experience* forms for applicants. Mr. Davidson informed the committee that the supervision Ms. French provided was the same type of supervision that he received from his supervisor licensee while employed in public accounting. The committee members also mentioned that there is no organization chart available for Bishop French.

COMMITTEE ACTION: Moved by Steiger and carried to find that there is insufficient evidence to make a preliminary finding that the applicant has met the minimum qualifications for initial licensing per OAR 801-010-0065.

VOTE: 7 ayes

3. Andrew Gettman (Teixeira)

Excerpt from November 14, 2012

Mr. Gettman joined the meeting by telephone during the presentation of his file.

Mr. Gettman passed the CPA Examination on January 23, 2012 as an Oregon candidate. He gained his experience with the following employer:

<i>Isler Medford LLC</i>	<i>249 hours</i>	<i>Tax season intern</i>
<i>Moss Adams</i>	<i>24.5 months</i>	<i>Competencies A, C, and G</i>
<i>Musician's Friend Inc</i>	<i>18 months</i>	<i>Competencies A, B, D, E, and F</i>

Committee Discussion: Ms. Teixeira notified the committee that she had not had an opportunity to review the application and supporting documents.

Several committee members indicated that they would like to have copies of the experience forms submitted from the public accounting firms.

COMMITTEE ACTION: Application deferred

VOTE: 7 ayes, 1 excused (Lantz)

Mr. Gettman joined the meeting by telephone during the presentation of his file.

Ms. Teixeira reviewed the committee action from the November 14, 2012 meeting. Ms. Teixeira informed the committee that the supervisor licensee from Musician's Friend moved her license to inactive status July 1, 2011. The actual qualifying time with Musician's Friend Inc is only 16 months.

The information submitted from the public accounting firms follows the standards procedures for individuals who receive experience under attest. Ms. Teixeira spent her time reviewing the sign off information from Musician's Friend Inc. The supporting documentation that was submitted supports the applicant achieving competencies B & C. Ms. Teixeira is concerned with competency E. Based on the information received, it appears that the only form of risk assessment was more of reconciliation only. Ms. Teixeira spoke with the supervisor licensee who confirmed that the work was reconciliations only.

COMMITTEE ACTION: Moved by Teixeira and carried to find that there is insufficient evidence to make a preliminary finding that the applicant has met the minimum qualifications for initial licensing per OAR 801-010-0065.

VOTE: 7 ayes

Mr. Gettman verified that the only competency that he would need to achieve was competency E

3. APPROVAL OF MINUTES

A. November 14, 2012

Mr. Steiger questioned if the last sentence in item 5.A.5. should read "*The committee is unsure that the experience with taxes in one company is broad enough experience to be eligible for initial licensing as an Oregon CPA.*" The committee also requested staff review the minutes to ensure the correct gender is referenced throughout the minutes.

COMMITTEE ACTION: Moved by Steiger and carried to accept the minutes with the corrections noted.

VOTE: 7 ayes

4. BOARD ACTION

A. December 17, 2012

Mr. Graham reported that the Board accepted the recommendations presented in the committee minutes from November 14, 2012 committee meeting. The Board appreciated the committee taking time to have a detailed discussion regarding the qualifications for a supervisor licensee whose license had lapsed for a period of time prior to the supervision of the applicant.

Mr. Graham informed the committee that the Board had accepted the updated language for motions on applications. The Board agreed that the committee can defer an application if the committee believes additional information may be received which would benefit the applicant.

Mr. Graham reported that he made a motion to the Board to allow CPE credit for committee members, including but not limited to those who are volunteering on the qualifications committee. The motion failed. The Board will be gathering data from other states and will include CPE credit as part of the inquiry. Some Board members feel that volunteering for Board service is just that, volunteering, and thus no CPE credit should be given.

5. OLD BUSINESS

A. Programs

1. Internal Revenue Service (IRS)

The IRS has previously had an approved mentor program with the Board. In 2010, the IRS submitted a revised program to the Board. The qualifications committee reviewed the revised program and had a variety of questions and concerns. The prior committee chair had contact with an IRS representative and relayed the concerns. The IRS indicated that they would address the concerns and submit a revised program to the Board for approval. To date, the Board has not received the revised program.

In November 2012, the IRS submitted the annual report which is required as part of having an approved mentor program.

The committee requested Board staff contact the IRS and relay the concerns from 2010 and that the IRS does not have a current approved program with the Board.

6. REVIEW OF APPLICATIONS

A. Current applications

1. Alan Anderson (Landers)

Mr. Anderson passed the CPA Examination on July 15, 2012 as an Oregon candidate. He gained his experience with the following employer:

IRS	30.5 months	All competencies
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Mr. Landers reviewed the application and supporting documents received on behalf of the applicant.

Committee Discussion: Mr. Landers informed the committee members that he had a conversation with the supervisor licensee. Mr. Landers noted the letter submitted by the supervisor licensee indicates that the supervision started in 2012. The Certificate of Experience indicates the supervision started in 2010. The supervision did start in 2010; the letter has an incorrect date. The supervisor licensee and the candidate have met face to face as well as email and phone communications.

COMMITTEE ACTION: Moved by Landers and carried to find that there is sufficient evidence to make a preliminary finding that the applicant has met the minimum qualifications for initial licensing per OAR 801-010-0065.

VOTE: 7 ayes

Mr. Graham asked for clarification on why this application from an individual who received his experience while employed with IRS is recommended for approval yet the application by Mr. Jensen in November did not garner sufficient votes for approval. Committee members discussed this briefly and responded that the issue in Mr. Jensen's case was the individual who signed off on the *Certificate of Experience* form, who was not the direct supervisor of Mr. Jensen.

2. Rebecca Howell (Brown)

Ms. Howell passed the CPA Examination on January 15, 2011 as an Oregon candidate. She gained her experience with the following employer:

CC+P Engineering Polymers Inc 92 months / All competencies

Mr. Brown reviewed the application and supporting documents received on behalf of the applicant.

Committee Discussion: Mr. Brown beliefs the write-up had missing information. It seemed like some of the competencies had unfinished thoughts. The information provided does not include sufficient evidence that the applicant has met competency B – Ability to assess the achievement of an entity's objectives, competency E – Skills in risk assessment and verification, and competency F – Skills in decision making, problem solving and critical analytical thinking.

COMMITTEE ACTION: Application deferred. The committee would like specific examples of how competencies B, E, and F were achieved.

VOTE: 7 ayes

3. Bradley Olson (Wilberger)

Mr. Olson passed the CPA Examination on July 31, 2012 as an Oregon candidate. He gained his experience with the following employer:

Lithia Motors 74 months All competencies

Mr. Wilberger reviewed the application and supporting documents received on behalf of the applicant.

COMMITTEE ACTION: Moved by Wilberger and carried to find that there is sufficient evidence to make a preliminary finding that the applicant has met the minimum qualifications for initial licensing per OAR 801-010-0065.

VOTE: 7 ayes

4. Valerie Wunderlich (Halbirt)

The information provided does not include sufficient evidence that the applicant has met the core competencies. Board staff sent a letter to the supervisor licensee requesting specific examples of how the competencies have been achieved by the applicant. To date, the additional information has not been received.

COMMITTEE ACTION: Application deferred pending the requested additional information.

VOTE: 7 ayes

B. Pending Applications

1. Clint Fairchild (Landers)

Excerpt from November 14, 2012

Mr. Fairchild passed the CPA Examination on August 1, 2011 as an Oregon candidate. He gained his experience with the following employer:

Jeld-Wen Inc	41 months	All competencies
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Mr. Landers reviewed the application and supporting documents received on behalf of the applicant.

Committee Discussion: The write-ups provided do not include sufficient evidence that the applicant has met the core competencies. Mr. Landers contacted the supervisor licensee and asked for further information on how the applicant achieved each competency. The supervisor licensee was unable to provide the additional specific details on how the applicant achieved each competency. The applicant has been involved in state and local taxes which require that he know the company and tax laws. The committee is unsure that the experience with taxes in one company is broad enough experience to be eligible for initial licensing as an Oregon CPA.

COMMITTEE ACTION: Application deferred. The committee would like specific examples of how competencies B-G were achieved and the organization chart for the company.

VOTE: 7 ayes, 1 excused (Lantz)

Mr. Landers has reviewed the additional information submitted on behalf of the applicant. The information does not include sufficient evidence that the applicant has met competency E.

COMMITTEE ACTION: Moved by Landers and carried to find that there is insufficient evidence to make a preliminary finding that the applicant has met the minimum qualifications for initial licensing per OAR 801-010-0065.

In discussing this matter further, the committee members noted that the entire committee did not receive the additional information based on the late submission from the supervisor licensee. All committee members would like to receive the additional information before making a recommendation to the Board. The committee would also like a company organization chart. Mr. Landers will contact the supervisor licensee for the company organization chart.

COMMITTEE ACTION: Withdrawal of the previous committee recommendation and Application deferred. The committee members would like to review all information submitted on behalf of the applicant.

VOTE: 7 ayes

Mr. Graham asked the committee for clarification as to when an application is deferred instead of denied. Ms. Wolcott explained that an application is deferred to allow the supervisor licensee a chance to provide additional information which would benefit the applicant. A denial typically occurs if the supervisor licensee is unable to provide sufficient evidence that the applicant has achieved all core competencies.

Ms. Teixeira asked all members to think of the reasons why application are deferred and try to determine if there is anything that the Board could do different to avoid the back and forth communications for applicants who obtain experience in industry or government settings.

2. Anne Vindell [Hinkle](Halbirt)

Ms. Vindell has rejoined the meeting by telephone for the continuance of committee consideration of her application.

Mr. Halbirt asked the committee members if they had an opportunity to review the additional information submitted by Ms. Vindell to support her application. Ms. Wolcott asked if any members had any comments. No committee members provided comments.

COMMITTEE ACTION: Moved by Halbirt and carried to find that there is sufficient evidence to make a preliminary finding that the applicant has met the minimum qualifications for initial licensing per OAR 801-010-0065.

VOTE: 6 ayes, 1 abstain (Wolcott)

Ms. Wolcott reminded the committee members if they obtain additional information from a supervisor licensee, they should request the information to be submitted in writing. The additional information needs to be sent to the Board office to be included in the application file. Pittioni explained the importance of committee members basing their recommendations on a clear record reflected in the file and reviewed by the committee, and the necessity of the Board having a full and complete evidentiary record in the application file that supports recommendations from the committee and ultimately the Board's decision in the application.

7. 2012 ANNUAL REPORT

The committee was presented with the 2012 Annual Report that was assembled by Board staff. If any committee members have revisions, please send them to Ms. Shepherd. This report will be presented to the Board of February 4 & 5, 2013.

8. CONFIRM NEXT MEETING

The next meeting is scheduled April 17, 2013 at 10:30 a.m. at the Board office in Salem, Oregon.

9. ADJOURNMENT

The committee meeting adjourned at 10:34 a.m.