



THE MINNESOTA BOARD OF ACCOUNTANCY

BOARD MEMORANDUM

September 15, 2014

TO: All Board Members
Christopher Kaisershot, Assistant Attorney General

FROM: Robert P. Saunders, CPA, Board Chair

SUBJECT: **SEPTEMBER 15, 2014, BOARD MEETING MINUTES**
9:15 AM
GOLDEN RULE BUILDING, Suite 295 (2nd floor)

The Board held its regularly scheduled monthly meeting on the above-mentioned date, time and location.

- 1) **CALL TO ORDER**
Attendance:
Robert Saunders, CPA, Board Chair
Kristine S. Eustice, Public Member
Sharon Jensen, CPA
Thomas Lydon, CPA
Kathleen Mooney, CPA
Mark Sellner, CPA
Gregory Steiner, CPA
Scott Van Binsbergen, Public Member
Michael M. Vekich, CPA

OTHERS:
Doreen Frost, Executive Director
Christopher Kaisershot, Assistant Attorney General
Bev Carey, Investigator
Andrea Barker, Assistant Executive Director, Board of AELSLAGID

GUESTS:
Charlie Peterson, Senior Management Consultant at Minnesota Management & Budget (MMB)
Betsy Adrian, Minnesota Society of Certified Public Accountants
Geno Fragnito, Minnesota Society of Certified Public Accountants
Eric Ewald, Minnesota Association of Public Accountants

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- 2) APPROVAL OF THE JULY 30, 2014 BOARD MEETING MINUTES
 - A) **MSP: to approve the July 30, 2014 meeting minutes.**

- 3) COMPLAINT COMMITTEE REPORT (Michael M. Vekich, Committee Chair)
 The Complaint Committee requests a closed session to deal with disciplinary matters.
 - A) **MSP: To close session to address enforcement actions under Minnesota Statutes 214 (2012).**
 - B) **MSP: To reopen the meeting.** The Board issued the following Orders:
 1. In the Matter of Tiana Lee Gerdes; Certificate No. 24551, the Board issued a Stipulation and Consent Order and Order to Reinstate.
 2. In the Matter of Kellie Darlaine Groom; Certificate No. 21469, the Board issued a Stipulation and Consent Order and Order to Reinstate.
 3. In the Matter of Nicholas Scott Krolak; Certificate No. 16545, the Board issued a Stipulation and Consent Order and Order to Reinstate.
 4. In the Matter of Katherine Jeanne Lindberg; Certificate No. 15523, the Board issued a Stipulation and Consent Order and Order to Reinstate.
 5. In the Matter of Brandon D. Andries; Certificate No. 22466, the Board issued a Stipulation and Consent Order and Order to Reinstate.
 6. In the Matter of Karen Hoisington Highness; Certificate No. 10609, the Board issued a Stipulation and Consent Order and Order to Reinstate.
 7. In the Matter of Russell K. Emerson; Unlicensed, the Board issued a Cease and Desist Order.

- 4) STRATEGIC PLANNING – Facilitated by Charlie Petersen, Senior Management Consultant at Minnesota Management & Budget (MMB). **(ATTACH. 4)**
 - A) July 30, 2014 DRAFT Meeting Notes – Discussed **(ATTACH. 4A)**
 - B) Board of Accountancy Mission and Values Statements – Reviewed and Discussed. **(ATTACH. 4B)**

- 5) EXECUTIVE COMMITTEE REPORT (Robert P. Saunders, Board Chair)
 - A) No report; Committee will meet immediately following the Board meeting.

- 6) EXECUTIVE DIRECTOR'S REPORT (Doreen Frost, Executive Director)
 - A) Budget and Revenue Reports – Discussed
 - B) E-Licensing Meeting regarding administration of CPA Exam– Discussed
 - C) Staffing Update - Open position for purchasing staff has been posted.
 - D) Executive Director and Board Chair will speak at a Minnesota Association of Public Accountants meeting on December 2, 2014.
 - E) Lease – It was previously reported that the Board of Accountancy and the Board of AELSLAGID would split costs for the space modifications related to security at 50/50. The costs will be split at 40% (Board of Accountancy) and 60% (Board of AELSLAGID), based upon our current lease terms.
 - F) Biennial Report – due to Governor Dayton on October 1, 2014
 - G) The Board's Agency profile is being updated.

- 7) EXAMINATION & CREDENTIALING COMMITTEE MEETING REPORT
(Kathleen K. Mooney, Committee Chair)
 - A) Approved the applications of 64 Minnesota candidates, eight transfer candidates, and ten reciprocal candidates
MP: To Approve and Adopt Committee recommendations.

- 8) CONTINUING PROFESSIONAL EDUCATION COMMITTEE REPORT
(Kristine S. Eustice, Committee Chair)
 - A) Approved three petitions for waiver and denied four petitions for waiver from Board of Accountancy Rules.
 - B) **MP: To Approve and Adopt Committee recommendations.**

- 9) LEGISLATIVE AND RULES COMMITTEE REPORT
(Michael M. Vekich, Committee Chair)
 - A) Sharon Jensen attended the AICPA workshop in Chicago, Illinois on September 8 & 9, 2014, regarding the new UAA attest definition and firm mobility.
 - B) Firm permit renewal/CPE reporting – Discussed; A meeting will be scheduled at the end of September 2014 for further discussion with the state societies.
 - C) Legislative Session – Proposed plan to amend the Statutes to conform to the new UAA attest services definition.
MP: To Approve and Adopt the Committee report and recommendations.

- 10) FIRM CREDENTIALING COMMITTEE REPORT
(Mark A. Sellner, Committee Chair)
 - A) Approved five Minnesota firm permits, three foreign firm permits and three firm name changes. One name change request was referred to staff.
 - B) Approved 32 quality review reports with a pass rating.
 - C) Three quality review reports with other ratings were accepted; two were referred to staff.
 - D) Four peer review extensions were granted.
 - E) Peer review documents for two firms were referred to staff.
 - F) Peer Review Exposure Draft will be discussed at the October 20, 2014 meeting.
MP: To Approve and Adopt Committee recommendations.

- 11) QUALITY REVIEW OVERSIGHT COMMITTEE REPORT
(Mark A. Sellner, Committee Chair)
 - A) No report.

- 12) UNFINISHED BUSINESS
 - A) None.

- 13) NEW BUSINESS
- A) New Licenses Report - **MSP: To Approve and Adopt the report.**
 - B) NASBA Annual Meeting, November 2-5, Washington, DC. Authorize attendance of Board members and Executive Director. – **MSP: To authorize travel expenses for up to four Board members and the Executive Director.**
 - C) NASBA Membership Dues Invoice - Discussed
 - D) 2015 BOA Meeting Calendar – **MSP: To approve.**
 - E) Report from Investigator – Update on change to enforcement procedures regarding revoked CPAs holding out on the PTIN directory.
 - F) Enhancing Audit Quality Initiative Discussion Paper – Discussed.
- 14) PUBLIC COMMENT
- A) None.
- 15) ADJOURNED: 11:45 a.m. Next meeting is Monday, October 20, 2014.



Sharon A. Jensen, CPA
Secretary/Treasurer