

New Hampshire Board of Accountancy
Minutes from the April 27, 2009
Public Meeting
Held at the Office of the Board of Accountancy



Present: Jefferson Chickering, CPA, Chairman, Deborah Butler, CPA, Secretary, Richard O. Hanson, CPA, Wayne Geher, CPA, Sheila Christie, Public Member, and Andrea Goldberg, Public Member.

Absent: Owen Walton, Public Accountant

1. The public session of the Board convened at 8:45 am and temporarily adjourned at 11:00 am. The non-public session convened at 10:55 am and adjourned at 11:45. The public resumed at 12:25 and convened at 1:25.
2. The minutes from the March 23, 2009 meeting were adopted with minor grammatical changes.
3. **The following Newsletters were reviewed:**

A. NASBA March 2009

>The Board noted that NASBA's leaders recommended convergence with GAAP, not a complete adoption of International Financial Reporting Standards (IFRS) to the Securities and Exchanged Commission in a February 19, 2009 letter to that commission.

B. NASBA April 2009

>On page 4 it was reported that David G. Friehling, CPA, who owned a small accounting firm in New York had been charged with falsely certifying that he audited the financial statements of Bernard Madoff's business. He had allegedly misrepresented his services to the AICPA for 15 years by claiming he did not perform auditing. Neither Mr. Friehling or his firm is licensed or registered in New Hampshire.

C. North Carolina State Board Report No. 3-2009

>The Board noted that North Carolina has a state approved ethics course.

D. North Carolina State Board Report No. 4-2009

>Nothing noted.

E. South Dakota February 2009

> The Board noted the pass rate. Additionally it was noted that the exam candidates "Notice to Schedule" was valid for 12 months not the usually 6 months.

F. AICPA State Regulatory Update Spring 2009

>This report was reviewed, no comments.

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4. General Correspondence Reviewed

A. AICPA Ethically Speaking, Quarterly Publication Winter 2009

>Reviewed, no comment.

B. PCAOB Email to the Board

>This email contained information about emerging audit issues. Information can be found at <http://www.pcaobus.org/> under News & Events.

C. NASBA Summary for Exam Candidate Information

>New Hampshire is currently ranked 9th in the country for number of candidates tested per year.

D. NASBA's Letter to the Honorable Phyllis K. Fong, Chair for the Council of Inspectors General on Integrity and Efficiency

>This letter addressed the manner in which the federal governments referrals to the Boards are processed by the State Boards of Accountancy.

E. NASBA's Quarterly State Board Report on CPA Candidate Satisfaction.

>The Board reviewed this document, no comment.

5. Correspondence Requiring a Response

A. An individual requested a waiver for the 18 months due to military deployment. He was granted a full 12 months.

6. Old and New Business

A. Ethics Committee

No new information. The Board is holding any action pending feedback from the Professional Ethics Committee of the CPA Society.

B. House Bill 256 -Mobility Legislation

>HB 256 is scheduled for a hearing in the Senate Executive Department and Administration Committee on Tuesday, April 28, 2009.

C. House Resolution 5716 Licensing of Tax Preparers

>No new information.

D. Peer Review Oversight Committee

>No new information

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- E. CPE for Board Meetings**
>No discussion.
- F. International Standards (GAAP vs IFRS)**
>It was noted that NASBA is recommending convergence of the two standards.
- G. Board Budget for 2009 and Request for 2010-2011**
>The Executive Director updated the Board.
- H. Peer Assistance Program**
>No discussion
- I. CPE Audit**
>Those chosen have been notified and completed audits are being received and processed as expediently as possible.
- J. NASBA Committee Updates (UAA, Communications and CLEC)**
>Mr. Hanson is meeting with CLEC in Dallas, Texas on May 13th-15.
>Mr. Chickering reported no activity on the Communications Committee and there was no new information in regards to the UAA Committee.
- K. Exam Content**
>As discussed earlier in the year, the new Content and Skill Specification Outlines (CSOs/SSO) will be implemented sometime in 2009. The AICPA will announce the time so as to allow candidates ample time to become familiar with the new CSOs/SSOs.
- L. Meeting w/Representative of New England Peer Review**
> The Board has invited representatives of New England Peer Review (NEPR) to attend a Board meeting for an open discussion on the peer review process. The Executive Director will contact Marlene Gazda and NEPR to make final arrangements for this meeting.
- M. Society Update**
>The Society was not represented due to a conflict.
- N. Board Meetings at Colleges**
>A Representative of the Board will contact the following colleges to see if they would like the Board to come to the school to hold a public Board meeting.
>Southern New Hampshire University
>Franklin Pierce
>University of New Hampshire
>St. Anselms

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O. Highlights from the meeting with Ken Bishop and Craig Mills.

Ken Bishop of NASBA and Craig Mills, Vice President of the AICPA's Exam Committee addressed the Board regarding the Internationalization of the CPA exam and the following topics were discussed:

>The fact that other accounting designations around the world are claiming that they are the foremost or premier designation and that the CPA designation must take steps to stay in the forefront of that movement.

>Confirmed that the separate designation CPA/USA is no longer being discussed or considered.

*This Board was never in favor of that designation and would have opposed it.

> That educating the foreign populace regarding the CPA designation, what it entails, its requirements and maintenance standards is imperative in foreign countries.

>They explained the enhanced pass letter and the language it would contain. Ken also expressed that he would like to see all states using the same letter which would distinguish between passing the exam and the obtaining of a certificate to practice.

>The gentlemen outlined the plan to have candidates commit to obtaining the CPA Certificate within 3 years of passing the exam or risk their grades being revoked.

*The Board did not favor this extreme and was not convinced the 3 years was appropriate. This Board would prefer that the grades go inactive rather than expire or have them revoked.

The Board will be discussing the 3 year policy in future Board meetings.

>They informed the Board that the foreign candidates would be documented in the Accountancy Licensee Database (ALD) hosted by NASBA and that the ALD would be available to citizens and businesses all over the world.

>Discussed the security of the exam and the integrity of the CPA designation and how those two matters are intertwined.

>Both Mr. Bishop and Mr. Mills expressed their concerns that too many foreign candidates take the exam but do not follow up with actual certification and both felt that the goal of taking the exam should be to obtain certification. The fear that allowing candidates to sit for the exam, but not obtain certification, would decrease the value of the CPA designation here in the US and overseas. They believed that candidates should be encouraged or required to obtain the CPA designation in some state in the US. Mr. Bishop felt that in the US if a candidate passed the exam but did not get certified the profession polices itself; however, this is not true in foreign countries. It is easier for exam candidates to abuse the CPA designation without repercussions.

>The Board members expressed their concern that offering the exam overseas could result in increased workload on Board staff. The workload would be increased through the influx of CPA applications and asked NASBA how they could work with the Board to support staff.

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Minutes from the April 27, 2009
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>The Board was not asking for NASBA to take over or supplement the granting of the CPA certificates but somehow supporting the workload in other ways.

>The Board also expressed its concerns over limiting a candidate to obtaining a CPA certificate in three years and also had concerns regarding NASBA's proposal that if the candidate does not obtain the certificate in three years, their exam scores are revoked.

This matter will be on the agenda for further discussions.

7. The following applications for Certification as a Certified Public Accountant in New Hampshire were approved on April 27, 2009.

1	Robert John Kory Arthur	4869
2	Wu Cai	4870
3	Yaacoub B. Danho	4871
4	Detmar Fastenau	4872
5	Ara S. Fermanian	4873
6	Shannon L. Foley	4874
7	Lucas A. Hoogduin	4875
8	Mohamed S. Khalfan	4876
9	Stella Kim	4877
10	Kyle M. Kirschling	4878
11	Bassema M. Komati	4879
12	Tomohiro Koyama	4880
13	Alexander V. Lantsov	4881
14	Ehsan A. Makhdoum	4882
15	Jad Mallah	4883
16	Chad W. Mello	4884
17	Cicek Palaoglu	4885
18	Kelly J. Provost	4886
19	Candace P. Rolle	4887
20	Stefan M. Schmid	4888
21	Alexey Y. Sherstnev	4889
22	Andre L. Silva	4890
23	Pavel Y. Skalkin	4891
24	Anar Suankulova	4892
25	Cheryl Ann Williams	4893
26	Hopeton O.A. Williams	4894
27	Youn Bin Yim	4895
28	Hirokazu Saito	4896
29	Candace A. Martin	4897

New Hampshire Board of Accountancy
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8. Upon the motion of Wayne Geher and the second of Sheila Christie, the Board, by roll call vote, resolved to conduct a non-public session for the purpose of discussing complaints of alleged licensee misconduct. This non-public meeting is authorized by RSA 91-A: 3,II (c), RSA 91-A: 3,II (e), RSA 91-A: 5, IV Lodge v. Knowlton, 118 N.H. 574 (1978) and the Board's executive and deliberative privileges. Each member recorded his or her vote on the motion, which passed by a unanimous roll call vote which is as follows:

Vote: Jefferson Chickering, Yea
Andrea Goldberg, Yea
Wayne Geher, Yea
Deborah Butler, Yea
Sheila Christie, Yea
Richard O. Hanson, Yea

9. Upon the motion of Andrea Goldberg and the second of Richard Hanson, the Board, by roll call vote, resolved to withhold the minutes of the preceding non-public session from public disclosure pursuant to RSA 91-A:3, III on the grounds that public disclosure would be likely to effect adversely the reputation of a person other than a board member and to render the proposed action ineffective. Each member recorded his or her vote on the motion, which passed by a unanimous roll vote of all members present which is recorded as follows:

Vote: Jefferson Chickering, Yea
Andrea Goldberg, Yea
Wayne Geher, Yea
Sheila Christie, Yea
Deborah Butler, Yea
Richard O. Hanson, Yea

Deborah Butler, Secretary and Certified Public
Accountant