

New Hampshire Board of Accountancy
Minutes from the July 20, 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, Owen Walton, Public Accountant, Sheila Christie, Public Member, and Andrea Goldberg, Public Member.

Absent: None

1. The public session of the Board convened at 8:45 am and adjourned at 10:45 am. The non-public session convened at 11:00 am and adjourned at 11:50 am.
2. The minutes from the June 22, 2009 meeting were adopted with minor grammatical changes.
3. Marlene Gazda, CEO and Harold Williams, CPA, attended this meeting as representatives of the NH Society of CPAs.
4. Consideration of use of vendor. Ms. Butler wanted the Board to go on record regarding the calligraphy services her son is providing the Board. Alex Savard has a signed P28 with the Board and his services are below \$2,500 a year. Ms. Butler wanted to ensure that the Board was fully aware of the relationship and that the services he provided were fully approved by the Board and on the record. Ms. Butler recused herself and the Board, already aware of the situation, voted unanimously to continue to use Mr. Savard as long as he was able to provide said services per the agreement.
5. Ms. Butler announced that on August 11, 2009, at 9:00 am the NH Society of CPA's and Sulloway & Hollis would be co-sponsoring an event hosting the Department of Revenues Commissioner to discuss the new tax laws for New Hampshire.
6. **The following Newsletters were reviewed:**
 - A. **NASBA State Board Report- June 2009**

>Mr. Hanson commented that it appears that since the Obama Administration took over, the push for convergence of US accounting standards and international accounting standards by the Financial Accounting Standards Board (FASB) and the International Accounting Standards Board (IASB) has slowed down.

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Newsletters Continued.

>It was noted that NASBA has a state by state Mobility information page on its website. The Executive Director expressed an interest in NASBA developing a substantial equivalency (SE) site map. This would be a map of the US and what states have adopted SE and when each state became SE or when it will be adopted. Ms. Gazda reported that a lot of CPA Societies in other states still reflect New Hampshire as not being SE. She is working to correct that.

>It was also noted in the NASBA State Board Report that Oklahoma has taken steps to clarify accountant-client privilege and the circumstances under which it would and would not apply. The legislation says in part: "A client has a privilege to refuse to disclose, and to prevent any other person or entity from disclosing, the contents of confidential communications with an accountant when the other person or entity learned of the communications because the communications were made in the rendition of accounting services to the client. This privilege includes other confidential information obtained by the accountant from the client for the purpose of rendering accounting advice.

B. New Mexico State Board Report Summer 2009

>It was noted that CPA's are allowed 4 hours of credit each year for attendance at Board meetings.

>New Mexico reported that 60 individuals attended its CPA Swearing in Ceremony

C. South Dakota

>This Board acknowledges candidates passing all four parts on their first attempt; sitting uninterruptedly.

7. General Correspondence Reviewed

A. NASBA Announcement Dated June 24, 2009

>This document notifies the Boards of Accountancy of the June 19, 2009 Nominating Committees selection for nominees for Directors-at-Large and Regional Directors. The announcement also notified the Boards of the newly elected members to the 2009-2011 Nominating Committee.

B. NASBA's June 25, 2009 Response to the AICPA

>This correspondence contained a response from NASBA Chairman, Thomas J. Sadler, and NASBA's President David A. Costello to the AICPA's request for response on the "Proposed Statement on Standards for Accounting and Review Services" (SSARS).

C. AICPA News Release Dated July 9, 2009

>This document contains the AICPA announcement that the AICPA welcomes the issuance and use of International Financial Reporting Standards for private companies as issued by the International Accounting Standards Board in London. The AICPA governing Council voted to recognize the IASB as an international accounting standard setter, giving AICPA members the option of using and reporting on IFRS.

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D. IRS Issue Number: IR-2009-066

>The IRS announced on July 14, 2009 that a series of public forums at which individuals and representatives of diverse constituents groups will be able to provide input on the development of tax preparer performance standards. These public forums, a crucial part of the effort launched in June by IRS Commissioner Doug Shulman to help ensure tax preparers are qualified, ethical and provide a high level of service, will kick off on July 30 in Washington, D.C..

8. Correspondence Requiring a Response

A. New Hampshire Public Accounting Firm

> Two partners asked the Board if using a general name, like Green Mountain CPA's was in violation of the Board's statutes and rules. At this time the Board does not see a prohibition against using such a name in Ac 507.05.

B. Request for Waiver of 18 Months

>A candidate for the CPA Exam asked the Board for leniency in the examination standards and asked the Board to change her grade of 74 to a 75. The candidate offered no evidence of hardship or situation which would have been beyond the candidate's control. The Board voted not to change the grade from 74 to 75.

C. Extension of 18 Month Requirement

>A candidate for certification, first applied in June 2008 and was subsequently notified he did not have the 2 full years of experience needed for a bachelor's degree. The candidate chose to obtain a Masters degree in accordance with the Board statutes and therefore would have the appropriate experience. When the file was being prepared for the July 2009 meeting it was noted that New York had allowed an extra month to finish the exam. Therefore the candidate finished in 19 not 18 months. This was not brought to the candidate's attention in 2008 and the Board voted to accept the candidate's grades per the New York Board of Accountancy. The Board wished to go on record as voting in the following manner: Jefferson Chickering, Yea, Deborah Butler, Yea, Wayne Geher, Yea, Richard O. Hanson, Nay, Owen Walton, Yea, Andrea Goldberg, Yea and Sheila Christie, Yea.

D. Guidance on Experience for Certification

>A candidate for certification wrote the Board and gave the Board a detailed description of her job duties as an employee with Deloitte & Touche. This candidates experience was reviewed and approved as she was assisting with accounting and administration of internal and local clients, maintaining complete range of accounting records, preparation of various reconciliations, preparation of activity schedules for year end closing and related working papers for the preparation of financial statements, preparation of journal entries, and assisting with many other accounting functions. The candidate will be notified that this type of experience would be acceptable as long as all the other statutory and rule requirements were met.

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E. Guidance on Experience for Certification

>A candidate for certification wrote the Board and gave the Board a detailed job description regarding her employment in a big “4” accounting firm. The candidate performed duties such as: Internal audit in which she performed financial/operational risk assessment by evaluating potential errors and related controls, planned and executed detail control testing’s to evaluate clients various business processes, assisted clients with designing and implementing internal controls and procedures to mitigate financial and operational risks, audited third party’s financial records, performed detailed “Agreed Upon Procedures” on third party’s accounting records, etc. The Board after reviewing the complete detail of her job functions agreed to approve this type of experience as long as all other statutory and rule requirements were met.

9. Old and New Business

A. Ethics Committee

>The Society’s Ethics Committee had made recommended changes to the Draft of the proposed ethics course for NH and submitted those proposed changes to the NH Board’s Ethics Committee. The major issues for the CPA Societies Ethics Committee was to ensure that any required ethics course be based on the latest version of the AICPA Code of Professional Conduct. Mr. Williams thought that the NH Board’s Ethics Committee could incorporate all interested parties concerns. The Board briefly discussed whether or not there was a difference between CPA’s from NH, Vermont or a foreign country and how to appropriately guide them ethically in a NH proposed course. Mr. Hanson thought that if you have a certificate in the State of New Hampshire then you should know the NH Statutes and Administrative Rules that guide you as a CPA from New Hampshire.

B. House Bill 256 -Mobility Legislation

>House Bill 256 has been signed by the Governor and is effective July 1, 2009. The Board’s website reflects the statutory changes and new forms are available on the site..

C. House Resolution 5716 Licensing of Tax Preparers

>This bill is still in committee

D. Peer Review Oversight Committee

>The Executive Director has obtained a copy of the Mass. Society of CPA’s peer review performed by AICPA. The NH Board Peer Review Oversight Committee will meet and will review this document and report to the Board.

E. CPE for Board Meetings

>The Board will consider allowing CPE to be earned when licensees attend certain pre-structured Board meetings. The Board noted that there is guidance in the NASBA Statement on Standards for CPE issued jointly by NASBA and AICPA. This document will be reviewed for guidance.

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F. International Standards (GAAP vs IFRS)

>Ms. Gazda commented that she felt that the AICPA has slowed down on the push for the convergence of IFRS and GAAP.

G. State and Board Budget for 2009

>At the time of this meeting the State and the State Employees Union are in negotiations regarding the new state employee contract. At this time the state employees are working under an “evergreen agreement” as the state wide contract with the State employees expired on June 30, 2009. There has been talk of layoffs and or mandatory furloughs. Andrea Goldberg offered her insight on the matter and assisted the Executive Director in explaining the situation from a state employee position. The problem is that the longer these negotiations take then the shorter amount of time there will be to correct the shortfall and the harder state employees will be hit in a shorter time frame.

H. Peer Assistance Program

>No discussion.

I. CPE Audit

>The majority of the audits are completed with only a few remaining.

J. NASBA Committee Updates (UAA, Communications and CLEC)

>No update.

K. Exam Content

>No Comments

L. Society Update

>Ms. Gazda updated the Board on the CPA Swearing in Ceremony which will be held on October 29, 2009 at the Radisson Hotel. There will be a preliminary meet and greet between the CPA Society, the new CPA’s and the NH Board before the actual ceremony.

M. Memorandum of Understanding

Ms. Gazda had presented the draft of this document to her Board and they had only made a couple of minor changes and were in favor of this type of understanding between the two agencies. The Memorandum will be signed by both parties at the September Society Board meeting. The NH Board’s Executive Director and Chair are invited to come to sign the agreement and to share any comments with the Society at the September Society meeting.

N. Board Meetings at Colleges

>The Board is scheduled to meet at Southern New Hampshire University on October 19th which will hopefully include St. Anselm’s students and will attempt to arrange a meeting at UNH in November.

O. Multi-State Compact

> No updates.

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10. The following applications for Certification as a Certified Public Accountant in New Hampshire were approved on July 20, 2009.

Amine M. Ahmad El Hajj	4944
Jean-Philippe Arcand	4945
Creselle C. Cartwright	4946
Jing Gao	4947
Toufic C. Hakim	4948
Jamal A. Hasanov	4949
Lisa M. Hylton	4950
Omer Ipekci	4951
Mohamad T. Itani	4952
Mario A. Julio	4953
Francis Kachouh	4954
Jong Uk Kang	4955
Malik R. Khasankhanov	4956
Tameka S. King	4957
Jeffrey C. Kirpas	4958
Byung J. Lee	4959
Chun Wai Simon Lee	4960
Kibok Lee	4961
Ran Li	4962
Danielle V. Look Loy	4963
Jingsheng Lu	4964
James W. Madden	4965
Bilal A. Marrouche	4966
Ikumi Matsuo	4967
Sophia I. Milano	4968
Bridgette C. Mitchell	4969
Claire Francesca L. Morales	4970
Avelino A. Munoz	4971
Charbel E. Nakhle	4972
Elizabeth M. Njai	4973
Dawn F. Robinson	4974
Ibrahim A. Salame	4975
Steven C. Cianciotto	4976

- 11.** Upon the motion of Wayne Geher and the second of Andrea Goldberg, 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
Owen Walton, Yea

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- 12.** Upon the motion of Sheila Christie and the second of Jefferson Chickering, 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
Owen Walton, Yea

Deborah Butler, Secretary and Certified Public Accountant