

New Hampshire Board of Accountancy
Minutes from the May 12, 2008
Public Meeting
Held at 78 Regional Drive, Concord, NH 03301



Present: Jefferson Chickering, CPA, Chairman, Professor Richard Hanson, CPA, Secretary, Deb Butler, CPA, Wayne Geher, CPA, and Owen Walton, Public Accountant.

Absent: Andrea Goldberg, Public Member, and Sheila Christie, Public Member

1. The public session convened at 8:45 am and adjourned at 10:15 am. The non-public session convened at 10:20 am and adjourned at 11:18 am.
2. The minutes from the April 28, 2008 meeting were approved with minor changes.
3. The New Hampshire CPA Society was represented by Marlene Gazda, CEO, and Harold Williams, CPA who came late to the meeting.
4. The Executive Director noted that the Society had requested a minor clarification to the April meeting minutes regarding mobility. The amendment will be made.
5. **The following Newsletters were reviewed:**

A. NASBA State Board Report, April 2008

>Mr. Hanson noted that the State Board of Indiana is reviewing their CPE rules which currently limit self study to 50 percent of the total CPE due. Mr. Hanson questioned whether any of the Board members thought that this was a practice that should be initiated in New Hampshire. After a discussion about the quality of CPE and how to determine that quality, the Board determined that it is not their intention to limit self study CPE.

> Ms. Butler noted that the article on Page 3 regarding "Mobility" insinuated that currently clients cannot use CPA's from other states. The statement that follows: "This is an act (Mobility) that allows the consumers of accounting services to continue to use the CPA's they know and trust for engagements outside of their state"...This statement could lead a reasonable person to believe that currently they cannot continue to use a CPA if they are not in the same state. The CPA only needs to be certified in that state.

>Another major issue raised within this article came from a quote from Noel Allen legal counsel for NASBA, which stated as follows: "the license needs to be held where the CPA has his principal place of business, someplace where he has a physical presence." The Board's majority of new licensees are from out of the country, and the Board is concerned as to how this type of requirement will apply and affect the Boards ability to license individuals from other countries. Mr. Hanson concluded that it appears that "Mobility" will save the big four accounting firms, millions of dollars in registration fees and application fees.

>Mr. Chickering noted that HUD has made the Independent Public Accountant Roster public.

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B. State Board Report of North Carolina, No. 4-2008

>It was noted that a CPA was sentenced to a prison term which was determined by the Court to represent her prison time already served, and was placed on supervised release for two years and was assessed a \$100.00 criminal monetary penalty. The prison term did not appear to be in line with a penalty of \$100.00.

C. State Board of New Mexico

1. Items noted:

- a. New Mexico mails the firm permits on April 15, 2008 and requires that they be filed by May 31, 2008.
- b. Education requirements were changed on February 28, 2008 from 150 for examination to 120 for examination and 150 for certification.
- c. A CPA was fined for not attending the CPA swearing in ceremony, as it is mandatory in New Mexico.

6. General Correspondence From:

A. NASBA Memorandum of Meetings

1. Items noted:

- a. Minutes of the January 18, 2008 Board of Directors
 - i. Page 4, number 8. Ken Bishop of NASBA pointed out that the Treasury department's ACAP had received a recommendation that if Section 23's adoption does not take place within three years, federal legislation should be developed to override state licensing.
 - ii. The focus question responses were reviewed.

7. General Correspondence Requiring a Response

A. Request for an Extension on a CPA Exam Candidates Notice to Schedule

>On May 6, 2008, a CPA exam candidate requested that the Board extend the Notice to Schedule (NTS). The NTS was issued in September of 2007 and expired in February 2008. The individual did not apply for a VISA until November 2007. The VISA was approved but not until May 2008. This was within the candidates control to obtain the VISA before applying for the examination. Also the candidate did not notify the Board until 3 months after the NTS had expired. The request was denied.

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8. Old and New Business

A. Ethical Standards and CPE

>No new information

B. Peer Review Oversight Committee

>The Executive Director will contact the state Boards that use New England Peer Review and Massachusetts Society of Public Accountants and have already have an Oversight Committee to see if the NH Board can obtain a report on the entities mentioned. Chairman Chickering appointed Wayne Geher, Board member as chairman of the NH Boards Oversight Committee.

C. Mobility

The Board discussed this subject and is looking forward to Ken Bishop's visit next month.

D. SB 347

Has passed both the Senate and the House committees.

E. SB 440

Has passed both the Senate and the House.

F. Peer Reviewers

>This was discussed and the Board feels that there are different levels to be discussed. Some peer reviews are performed by mail some are in person. The level for attest is different then compilations, the determination of whether or not to require licensing of peer reviewers from other states who perform peer reviews in this state is still under consideration.

G. Administrative Rules

>Ac 401.07 and Ac 403 are on the consent calendar for May 16, 2008.

H. Indemnification & Limitation of Liability Provisions in Client Engagement Letters.

>Mr. Hanson asked the society representative if the society had anything current on this matter and Ms Gazda reported that there was nothing currently being discussed; however, if the Board wished the Society to review this matter they could so in writing.

I. Discussion Paper on 120 vs 150 and Public Protection

>The Board discussed this matter as well as Mobility and have created a list of questions to ask Mr. Bishop when he comes in June.

J. Maryland Senators Propose to Register Tax Preparers

> No new information

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- K. H.R. 5716, To Amend the Internal Revenue Code of 1986 to provide taxpayer protection and assistance.**
> April 8, 2008 Referred to House Financial Services

9. Schedule of Upcoming Board Meetings

~~June 16, 2008~~ Changed to June 23, 2008
July 21, 2008
August 18, 2008
September 22, 2008
October 20, 2008
November 17, 2008
December 15, 2008

10. Discussions Held By Board Members

A. Board Visibility

>The schools will be contacted to see if board meetings may be held at various area schools that offer accounting degrees.

11. The following applications were approved for certification by the Board at the May 12, 2008 meeting:

Aslan Soltanovitch Kataev	4536
Douglas Elva Thompson	4537
Veronica Quitlong Flores	4538
Shinichi Kondo	4539
Chandrashekhar Narayan Kulkarni	4540
Mary Kay Lee	4541
Clinton Edward Pyle	4542
Jennifer Gail Sanctuary	4543
Katharina Schlueter	4544
Eunice Pandora Sands	4545
Tai Takeuchi	4546
Christina Tretter	4547
Timur Zhumazhan	4548

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- 12.** Upon the motion of Owen Walton and the second of Richard Hanson, 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, Professor Hanson, Yea, Wayne Geher, Yea, Owen Walton, Yea, and Deb Butler, Yea.

- 13.** Upon the motion of Jefferson Chickering and the second of Owen Walton 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, Professor Richard O. Hanson, Yea, Wayne Geher, Yea, Owen Walton, Yea, and Deb Butler, Yea.

Professor Richard O. Hanson, Secretary and
Certified Public Accountant