

New Hampshire Board of Accountancy
Minutes from the September 21, 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, Owen Walton, Public Accountant, and Wayne Geher, CPA, Sheila Christie, Public Member,

Absent: Andrea Goldberg, Public Member.

1. The public session of the Board convened at 8:44 am and adjourned at 10:45 am. The non-public session convened at 11:00 am and adjourned at 12:30 pm.
2. The minutes from the August 17, 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. **The following Newsletters were reviewed:**

A. NASBA State Board Report August 2009

The following articles were addressed:

>**Regional Meetings Spur ALD:** The Board noted that many states are joining NASBA's Accountancy Licensee Database (ALD) and that the New Hampshire Board will be participating in the ALD as expediently as possible.

>**Costello Addresses IFAC G20 Conference:** The International Federation of Accountants' (IFAC) held a G20 Accountancy Summit on July 23-24 in London. NASBA president David Costello addressed the Summit and stressed the need for independent standards setting, as well as consistent oversight of practicing professionals. The IFAC's Summit made 8 recommendations to the G20 nations which ranged from encouraging all governments to adopt and implement common global standards to the development of new tools and metrics to achieve global sustainability.

>**NASBA Board Approves NZICA MRA:** NASBA has signed a mutual recognition agreement with the New Zealand Institute of Chartered Accountants on July 17, 2009. It was noted that NASBA is in an on going effort to have the individual state Boards recognized in the international accounting professional and regulatory communities as regulatory agencies and not part of any professional association of accountants. Mr. Bishop reported that the International Delivery of the Uniform CPA Examination had moved into its next phase of development. He explained that the candidates would have to agree to become licensed by a US jurisdiction within three years after passing the exam.

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>Discussion on three year limit to obtain certification by foreign

candidates: The NH Board is concerned about this plan, as it establishes two sets of requirements for certification, one for domestic candidates and one for foreign candidates. The NH Board questions what will be the consequence if the candidate is unable to obtain certification? How will the consequence be enforced? This Board felt this type of restriction might be an indefensible requirement if only attributed to foreign candidates. The NH Board will draft a letter to NASBA expressing its concerns regarding this plan.

>Financial Protection Agency Bill Introduced: Congressman Barney Frank has introduced a bill to establish "The Consumer Financial Protection Agency". This agency will be independent and will regulate the provision of consumer financial products and services. This bill was introduced on July 8, 2009 as HB 3126. The bill was referred to the House Energy and Commerce Committee and the House Financial Services Committee, with the full house expected to take it up in September with the debate moving to the Senate later in the year.

>IRS Forums On Preparer Standards: The IRS is holding public forums to obtain input on the development of tax preparer performance standards. The Board would like a representative of the IRS to come to a Board meeting to discuss this matter as well as the sharing of information on disciplinary cases.

>Candidate Performance on the Uniform CPA Examination :The 2009 NASBA's Edition of Candidate Performance will be sent to Boards at the end of September. It was noted that the background information was obtained from only 4,206 of the 85,362 candidates who took the exam in 2008 but NASBA did comment that they were trying to explore ways to improve the rate of return of completed questionnaires. The Board would like to review the Candidate Performance report when it arrives.

B. North Carolina State Board Report No. 8-2009

>The Board noted that North Carolina has re-written its rules to allow for mobility and has increased its disciplinary actions. This Board will use North Carolinas rules, where appropriate ,in re-writing ours to reflect our adoption of mobility.

C. Ethics Matters Summer 2009

>Board reviewed no discussion.

D. NEPR News September 2009

>The Board reviewed this publication and found it extremely useful.

E. CPA Connection-NH CPA Society Summer 2009

>The Board noted that the Society afforded the NH Board's Executive Director considerable space in their summer 2009 issue and thanks the society for the opportunity to reach out to their membership.

5. General Correspondence Reviewed

A. AICPA News Release

>This is a news release regarding "The Revised Peer Review Standards and Guidance". The National Peer Review Committee will now administer the AICPA Peer Review Program for those peer reviews previously performed under the auspices of the Center for Public Company Audit Firms Peer Review Program.

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B. NASBA Email Dated August 17, 2009

>This Board had received an email from a New Hampshire CPA regarding the Association of Chartered Accountants in Canada and its efforts to obtain a reciprocal agreement with the State Boards of Accountancy without either side taking the IQEX exam. The Boards Executive Director sent the inquiry from the NH CPA to Ken Bishop of NASBA. Mr. Bishop commented that most US States and Jurisdictions have promulgated rules that allow the licensing of CA's who have successfully passed the IQEX examination. He stated that he was not aware of any state that has considered allowing reciprocal practice privileges to CA's who have not obtained a CPA license through the IQEX process.

C. NASBA August 30, 2009 Letter

> This document was a letter from President David Costello to Douglas Shulman, Commissioner of the IRS. In this letter Mr. Costello outlines NASBA's role and the Board of Accountancy's role, the history of each and the requirements to take and pass the CPA Exam.

D. IRS Newswire

>Issue Number IR-2009-074, IR-2009-075, IR-2009-079 and IR-2009-080. The Board reviewed these news releases but did not hold a discussion.

E. Memorandum of Understanding

>The Board has entered into an agreement with the Administrative Prosecution Unit (APU) of the Attorney Generals Office. This agreement will allow the Board to use the APU for its prosecution needs.

6. Correspondence Requiring a Response

A. Question on Peer Review

> A CPA licensed in New Hampshire but living in another state who stated she did not perform any services for any NH clients wanted to know if a peer review was required. The Board reviewed her list of services and concluded that a peer review would be required.

7. Old and New Business

A. Ethics Committee (Members-Richard O. Hanson, Board of Accountancy Louise O. Romeo, Board of Accountancy and Harold Williams, CPA Society).

>The Board was presented with Draft #4. The Board reviewed and approved the final draft, but reserved the right to amend as necessary. This document contains the content that vendors must present in an ethics course for NH CPA's. Mr. Williams will present this document to the Ethics Committee of the Society for their final approval.

>The Board discussed obtaining feedback from some CPE vendors on how this should be presented and any issues they see with presenting it.

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B. Mobility Legislation Rule-writing

>The Board is moving forward with re-writing the rules to reflect the changes made to the current statute and the amendments adopted July 1, 2009.

>Ms. Gazda reported that the Society will be presenting their comments on the rules to the Board. The Board looks forward to working with the society during the rule-making changes.

>It was noted that the make-up of the 150 is the main consideration of this rule-writing project. The Board must determine what will constitute 30 hours of accounting and what will constitute 30 hours of business. The Society has contacted an individual to obtain his comments on how this should be determined. Mr. Hanson suggested that the Board reach out to professors at local universities to obtain their comments on the 150 hours and what courses or what subject matter should be included. It is being considered that an advisory council made up of Professors review this matter and submit their formal report to assist the Board in implementing the 150.

C. House Resolution 5716 Licensing of Tax Preparers

>The Board asked the Society to comment and Ms. Gazda reiterated again as she has before that the AICPA and the Society is not in favor of this legislation.

D. Peer Review Oversight Committee

>No new information.

E. CPE for Board Meetings

>No Discussion.

F. International Standards (GAAP vs IFRS)

>No new information.

G. State and Board Budget for 2009

>Ms. Romeo updated the Board on the status of the furloughs vs layoffs and the Boards contingency plan if layoffs proceed. IF the State Employees vote to accept the current proposal all state employees will take 18 days as furlough days between the signing of the agreement and June 30, 2011. If the agreement is not ratified by the state employees the Governor will require layoffs. This office will be severely impacted if forced to lay off one full time staff member, which is a 1/3rd of the Boards staff. The staff will update the Board as the matter unfolds.

H. Peer Assistance Program

>No new information.

I. CPE Audit

>All audits are completed and no settlement agreements had to be issued. This is a positive result of the past audits.

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

>No new reports from Mr. Chickering or Mr. Hanson. Louise Romeo did announce that NASBA has requested that she be a member of the Executive Directors Committee and speak at the spring Executive Directors Conference.

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K. Exam Content

>No new information.

L. Society Update

>Ms. Gazda asked the Board members to confirm their attendance at the CPA Swearing In Ceremony on October 29, 2009. All members present at this meeting confirmed attendance. The Executive Director will check with Ms. Goldberg.

M. Memorandum of Understanding With the NH Society of CPA's.

>This document drafted by both parties was formally signed at the September 9, 2009 CPA Society Board meeting by Steven Lawor and Jefferson Chickering. Ms. Gazda asked the Board if it would be permissible to make the document public, the Board thought it would be appropriate to share the memorandum with the profession.

N. Board Meetings at Colleges

>Southern New Hampshire University is confirmed for October 19, 2009.
>UNH is scheduled but the Executive Director is waiting for final confirmation for November 23, 2009.
> The Executive Director is scheduled to attend a meeting with students and faculty at Plymouth State University on October 8, 2009 at 6:00 pm. She asked Ms. Gazda if she wished to attend also. Ms. Gazda will check her schedule.

O. Multi-State Compact

>No discussion

8. The following applications for Certification as a Certified Public Accountant in New Hampshire were approved on September 21, 2009.

1	Firas J. Abou Merhi	4998
2	Fuad Odeh O. Awad	4999
3	Brock S. Barton	5000
4	Elena D. Belyaeva	5001
5	Ok Soon Chang	5002
6	Hoi Yan Jennifer Cheung	5003
7	Karen A. Cole	5004
8	Rashid Daurov	5005
9	Todd A. Donatello	5006
10	Karine Frangulyan	5007
11	Elena N. Gaevaya	5008
12	Joshua J. Gagne	5009
13	Mark W. Gillet	5010
14	Jubain S. Joshi	5011
15	Marcus Kasebier	5012
16	Damir Khusainov	5013
17	Chi Yan Lai	5014
18	Brendan LeBlanc	5015
19	Matthias Lilienfein	5016
20	Judith E. Lindner	5017
21	Alexander S. Lines	5018

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8. Applications approved continued:

22	Matthias Lohmann	5019
23	Jingze Lu	5020
24	Laetitia J. Moyse	5021
25	Andrey Pak	5022
26	Philipp A. Rabe	5023
27	Wissam H. Safwan	5024
28	Maria Luisa Sam	5025
29	Naoyuki Sekine	5026
30	Christina L. Stathos	5027
31	Matthew A. Stolpe	5028
32	Jakob Störmer	5029
33	Dawn M. Sweet	5030
34	Ednica T. Williams	5031
35	Yun Xiao	5032
36	Sijia Xu	5033
37	Ming Ming Yang	5034
38	Maroun E. Zgheib	5035

9. Upon the motion of Sheila Christie and the second of Richard O. 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
Deborah Butler, Yea
Richard O. Hanson, Yea
Owen Walton, Yea
Sheila Christie, Yea
Wayne Geher, Yea

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- 10.** Upon the motion of Deborah Butler 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
Deborah Butler, Yea
Richard O. Hanson, Yea
Owen Walton, Yea
Wayne Geher, Yea
Sheila Christie, Yea

Deborah Butler, Secretary and Certified Public Accountant