

IDAHO BOARD OF ACCOUNTANCY
Division of Occupational and Professional Licenses
P.O. Box 83720
Boise, ID 83720-0063

Board Meeting Minutes of 1/26/2022

BOARD MEMBERS PRESENT: James Bell – Chair
Cynthia Harmon
Larry Hunter
Kevin Oakey
Toni Hackwith
Michael Armstrong
Jason Peery

DIVISION STAFF: Anne Lawler, Bureau Chief – Occupations
Kent Absec, Licensing Program Manager
John Price, Investigative Unit Manager
Nicholas Krema, General Counsel
Andrea Rosholt, Legal Counsel
Skip Liddle, Investigative Unit Supervisor
Cesley Metcalfe, Board Support Supervisor
Christian Runnalls, Board Support Specialist
Bonnie Dodson, Board Support Specialist
Allegra Earl, Licensing Supervisor
Candace Villarreal, Licensing Specialist
Tami Helton, Financial Technician

OTHERS PRESENT: Misty Lawrence, Division of Financial Management
Laura Lantz, Idaho Society of CPAs

The meeting was called to order at 9:02 AM MST by James Bell.

INTRODUCTIONS

Mr. Absec introduced the following individuals to the board: himself as the Executive Officer for the Board; Candace Villarreal as a Licensing Specialist for the board; Christian Runnalls, Cesley Metcalfe, and Bonnie Dodson as the new Board Support Team; Anne Lawler as the Bureau Chief for the Occupational Licenses Bureau of the Division; Skip Liddle as the Investigative Unit Supervisor; and Nicholas Krema as General Counsel for the Board.

APPROVAL OF MINUTES

Mr. Hunter made a motion to approve the minutes of 7/29/2021 as amended and the minutes of 10/21/2021 as written. It was seconded by Mr. Oakey. Motion carried.

LAWS AND RULES

Mr. Absec presented a legislative update. He explained the history and process of Zero-Based Regulation (ZBR) review and informed the Board that it is scheduled for ZBR review this year. Additional negotiated rule making meetings will be held to ensure that the public has an opportunity to comment on the proposed rules.

DIRECTORS REPORT

Ms. Lawler informed the Board that the third organizational chart showing all employees is complete and posted to the Division's website. She also stated that the Division should be moving to its permanent building by July.

Mr. Absec provided information from a recent Executive Director call and the NASBA Board of Directors meeting regarding the Uniform Accountancy Act Committee's (UAA) definition of Principal Place of Business. He emphasized that the Board will be adhering to the UAA's definition of Principal Place of Business, which defines a licensee's principal place of business as the office location designated by the licensee for purposes of substantial equivalency and reciprocity.

Mr. Absec stated that there is a rising trend in Idaho and other jurisdictions where non-CPA entities are purchasing CPA businesses. The Board discussed the effect this type of ownership structure has on such a business to provide peer review services.

Ms. Lawler explained that a financial report was unavailable due to issues created by the consolidation of multiple financial systems within the Division. Ms. Lawler and Ms. Lawrence explained the Board's finances in relation to the new financial structure of the Division.

LEGAL COUNSEL REPORT

Ms. Rosholt stated she is working closely with Division staff on the ZBR review.

BOARD MEMBER TRAINING

Mr. Absec presented board member training that explained the expectations, duties, and responsibilities of Board members and Division staff.

PUBLIC COMMENT

Ms. Lantz thanked the board for its support and education of CPAs in Idaho.

BOARD BUSINESS

CONFERENCE ATTENDANCE REQUEST

The Board discussed upcoming conferences.

Mr. Peery made a motion to authorize Mr. Absec to attend the Executive Director Conference in April with legal counsel. It was seconded by Ms. Hackwith. Following discussion, Mr. Peery amended his motion to authorize Mr. Absec to attend the Executive Director Conference in April. It was seconded by Ms. Hackwith. Motion carried

Mr. Oakey made a motion to authorize Mr. Peery, Ms. Harmon, and Mr. Bell to attend the Western NASBA Conference in June. It was seconded by Mr. Armstrong. Following discussion, the motion carried. Mr. Hunter abstained from the vote.

CONFERENCE UPDATES AND REPORTS

Mr. Peery provided an update on topics discussed at the NASBA Board of Directors meeting. Discussion of CPA license requirements and continuing education will be added to the agenda for a future Board Meeting.

EXAM UPDATE

Mr. Absec gave the Exam Update. He stated that he is currently researching the cost of the NASBA contract and has contacted additional providers to submit bids.

LICENSURE

Mr. Absec gave an update on the number of licenses issued by the Board in 2021.

FIRM REGISTRATION AND PEER REVIEW

Mr. Absec stated that Idaho has seen a small decline in registered firms, which mirrors a national trend as firm mobility has increased. Mr. Absec also gave a summary of 2021 peer review results and information on the number of firms per quarter that are due for peer review in 2022. No action was taken.

CONTINUING PROFESSIONAL EDUCATION

Mr. Absec gave an update on the status of CPE reporting. He informed the board that all reports are due by the end of January.

NASBA UPDATE

Mr. Hunter stated that the Bylaws Committee met and will meet again before the next NASBA meeting to discuss possible bylaw changes. Ms. Harmon stated that the CBT Exam Administration Committee met to discuss its goals. Mr. Armstrong stated that the CPE Committee will meet soon, and that he will provide updates at the next Board meeting. Mr. Peery stated that the Education Committee hosted a webinar at the beginning of the year that discussed model curriculum. Ms. Hackwith stated that the Ethics Committee worked on a draft proposal that includes changes to the Code of Conduct, which will be published in the Journal of Accountancy. Mr. Absec stated that the Executive Director Committee met to discuss the upcoming NASBA Conference in April.

COMPLAINT MEMORANDUM

Mr. Price reviewed the complaint memorandum with the Board.

EXECUTIVE SESSION

Mr. Hunter made a motion that the Board go into executive session under Idaho Code § 74-206(1)(d) to consider records that are exempt from disclosure under the Idaho Public Records Law, Idaho Code § 74-106(9). The purpose of the executive session was to discuss documents relating to the fitness of a licensee to retain a license or registration. It was seconded by Mr. Armstrong. The vote was: Mr. Bell, aye; Ms. Harmon, aye; Mr. Hunter, aye; Mr. Oakey, aye; Ms. Hackwith, aye; Mr. Armstrong, aye; and Mr. Peery, aye. Motion carried.

Mr. Peery made a motion to come out of executive session. It was seconded by Ms. Harmon. Motion carried.

No action was taken after executive session

FUTURE MEETING DATES

February 24, 2022, at 1:00 PM MST
April 21, 2022, at 9:00 AM MDT

ADJOURNMENT

Mr. Hunter made a motion to adjourn the meeting at 1:16 PM MST. It was seconded by Mr. Armstrong. Motion carried.