

**Illinois Board of Examiners Meeting
Board Minutes-April 16, 2015-9:00 AM
550 W Jackson St., 9th Floor
Chicago, IL 60607**

Members Present: Howard Engle, Chair, CPA; Sheldon Holzman, Vice-Chair, CPA; Claireen Herting, CPA, JD; James G Kelley, CPA; Rhonda Kodjayan, CPA; Sara Mikuta, CPA; Simon Petravick, CPA and Thomas W Winkler, CPA, JD

Members Absent: Phyllis Walker

Guests: Mr. Michael Fritz, Regional Director, National Association of State Boards of Accountancy (NASBA)
Mr. Marty Green, VP Government Affairs, Illinois CPA Society (ICPAS)
Ms. Jennifer Schultz, CFO and VP Member Services/Operations ICPAS
Mr. Todd Shapiro, President and CEO, Illinois CPA Society (ICPAS)

Staff: Russ Friedewald, Executive Director
Tia Marie France, Assistant Director
Matthew Hoffman, Business Manager

Call to Order-First Meeting

Chairperson Engle called the meeting to order at 9:10 AM.

ACTION 1. Approval of January 14, 2015 Minutes

Vice-Chairperson Holzman motioned to accept the January 14, 2015 board meeting minutes with changes.. Ms. Mikuta seconded the motion. Motion passed on unanimous voice vote.

2. Report of the Chair-Mr. Howard Engle

Chairperson Engle introduced Mr. Fritz who discussed the Department of Labor (DOL), Peer Review Concept, Exposure Draft, AICPA's Professional Ethics Executive Committee (PEEC) and NASBA's Eastern Regional Meeting. Mr. Friedewald discussed the Illinois Board of Examiners' (ILBOE) relationship with NASBA and his responsibilities as Chair of the Executive Directors's Committee.

3. Report of the Executive Director-Russ Friedewald

- ACTION**
- a. Chairperson Engle and Mr. Friedewald discussed Illinois' 1Q15 statistical data in comparison to the national results with the Board and requested signatures of the members.
 - b. Mr. Friedewald updated the Board regarding the four companies that have submitted proposals for the external penetration testing. All were in favor of accepting the proposal submitted by Nettitude, Inc, chosen by Mr. Friedewald.
 - c. Mr. Friedewald explained to the Board that the new website's content has been uploaded to the shell. Ms. France discussed the specifics related to both the new and current sites.
 - d. Mr. Friedewald stated that an update for the Rules Rewrite is forthcoming.
 - e. Mr. Friedewald advised the board that applications received to date are ahead of forecast.

- f. Mr. Friedewald presented the inaugural Board Newsletter, which was approved with suggested modifications.
- g. Mr. Friedewald discussed the recent Executive Directors' Conference. He stated the conference was the most well attended conference ever. State society CEOs were invited to participate in two, one half day sessions and twenty two CEOs were present.
- h. Mr. Friedewald stated that in recognition of the Elijah Watt Sells Award winners, congratulatory letters were sent out to the recipients.
- i. Mr. Friedewald mentioned that a letter has been received for the open volunteer Board member position.

4. Report from the Assistant Director-Ms. Tia France

Ms. France updated the Board on the ILBOE's social media accounts and office procedures, including current projects and new implementations.

5. ICPAS Update-Mr. Todd Shapiro

Mr. Shapiro advised the board the society has launched the "Why You Should Become a CPA" campaign in order to help bring attention to the quality within the profession. Mr. Shapiro also discussed issues relating to the Department of Labor (DOL). Mr. Shapiro also discussed an emphasis on diversity being a major focus with the profession. Mr. Shapiro reminded the board that the Public Accounting Registration & Licensing Committee (PARLC) meeting is scheduled for June 30, 2015 in Chicago.

6. Legislative Update-Mr. Marty Green

Mr. Green discussed the reappointment of Mr. Jay Stewart, Division Director for the Division of Professional Regulation (IDFPR). There are no updates regarding the ILBOE board terms. Mr. Green also mentioned that all acting and pending appointments previously sent to the Governor's office were rescinded. The rescinded recommended appointments have been resubmitted.

7. Financial Update for Last Reported Month-Mr. Matt Hoffman

Mr. Hoffman presented and discussed the last reported month's financials. He also mentioned a small operating loss even though the ILBOE is ahead of the budget and FY14 actuals. Mr. Hoffman also stated that the completed first packet of audit information for the Auditor General semi-annual audit will be submitted to the auditors on the due date of April 17, 2015.

ILBOE COMMITTEE AND TASK FORCE REPORTS

8. Administrative Committee-Mr. Winkler

Mr. Winkler stated that both the rules regarding the administrative hearing process and ILBOE will be reviewed and rewrites circulated soon.

9. Candidacy Committee-Ms. Herting

No Report

10. Education Advisory Task Force-Mr. Petravick

No Report

11. Financial Committee-Mr. Holzman

Mr. Holzman stated that FY16 budget preparations should take place in the near future.

12. Nominating-Mr. Winkler

Mr. Winkler stated that the Committee will meet soon to recommend a nominee as Vice-Chair for fy 2016 as well as board appointment recommendations to the Governor.

13. State Liaison Committee

No Report

14. Strategic Planning-Mr. Holzman

No Report

NASBA/AICPA Committee Reports

15. Education Committee-Ms. Kodjayan

No Report

16. CBT Administration Committee-Ms. Walker

No Report

17. Communications Committee-Mr. Kelley

Mr. Kelley stated that the committee met last week. During that meeting, newsletters and the NASBA video that pinpoints the incentives for becoming a CPA were discussed.

18. Ethics & Strategic Issues Committee-Mr. Holzman

Mr. Holzman stated that the Exposure draft was discussed during the last meeting.

19. Global Strategies Committee-Mr. Engle

No Report

20. Nominating Committee-Ms. Herting

Ms. Herting stated that the next meeting is scheduled for later this month.

ADMINISTRATIVE HEARING

The board conducted an administrative hearing called for the purpose of determining whether scores should be voided for provisional candidate Adriana Zurbano based on her failing to provide final transcripts within 120 days of having sat for the first part of the CPA exam as required by Administrative Rule. Chairman Engle recused himself from participating in the hearing due to his affiliation with the same firm Ms. Zurbano is employed by.

Following the administrative hearing, Chairman Engle motioned to enter into executive session to discuss Ms. Zurbano's appeal. Motion was seconded by Mr. Holzman and approved by voice vote. Following discussion of the appeal, Mr. Engle motioned to close the executive session and return to open meeting. The motion was seconded and approved by voice vote.

ACTION Once in open session, members voted to approve the appeal of Ms. Zurbano and her scores will remain valid and Mr. Friedewald will notify her by certified mail within 15 business days. Chairman Engle did not vote.

Unfinished Business- None

New Business-None

Mr. Engle adjourned the meeting at 1:15 pm.