

Board of Examiners
Board Minutes- April 24, 2012
Illinois CPA Society, Building Conference Room
550 W. Jackson, Chicago, IL

Board members present: Gary Fish, Kenneth Hull, Thomas Winkler, Richard York, Claireen Herting, Sharon Morrow, Myra Swick, Penelope Yunker and Cheryl Wilson

Absent: Margaret Cartier

Staff present: Russ Friedewald

Guests: Marty Green, ICPAS

Chairman Fish called the meeting to order at 10:00 AM

Action 1. Mr. Hull moved to accept the January 17,2012 minutes. Ms. Swick seconded the motion and the motion passed by unanimous voice acclamation.

2. Report of the Chair—G. Fish

a. Status of NIU proposal- Dr. Fish began the discussion regarding our status with Northern Illinois University and the revised agreement that is to be submitted to the university board of trustees for approval. Following a discussion regarding the revised agreement, the Board determined no substantial changes were made and that if the university provides a reasonable explanation for the changes, there should be no reason not to proceed.

b. WIU discussion – Dr. Fish asked Dr. Yunker to update the board on any possible approach with Western Illinois University (WIU). Dr. Yunker reported WIU had indicated they were interested in us. She asked WIU how soon a decision could be made to accept or reject our proposal. The Provost suggested a meeting be held on April 30th to discuss our proposal. Dr. Yunker agreed to set up the meeting and advise the Executive Committee of the time and location. Mr. Winkler made a motion that the Executive Committee be authorized to negotiate with Western Illinois University with terms substantially the same as those already agreed to with Northern Illinois University and proceed with either Northern Illinois University or Western Illinois University as the Executive Committee deems appropriate contingent on a legal opinion that the Board is under no current contractual obligation to Northern Illinois University. The motion was seconded by Dr. Yunker and passed by unanimous voice acclamation.

3. Report of the Executive Director- R. Friedewald

Action a. Mr. Friedewald presented the scores for the first quarter window for acceptance and signature. The scores were approved by unanimous voice acclamation.

b. Mr. Friedewald shared the reviews of the Educators Advisory Task Force (EATF) meeting with the board and reported they were generally very favorable. Expenses for the meeting totaled \$4,614. Members suggested that Dr. Fish reserve the room at the Alumni Center for the second Friday after April 15th of next year. Dr. Fish agreed to do so.

c. Mr. Friedewald presented the Auditor General report to the board. Following discussion of the findings, Dr. Fish requested Mr. Friedewald to prepare responses for distribution to Ms. Morrow, Mr. Hull and Ms. Swick for their review and edit. Ms. Swick will distribute to Ms. Wilson for additional review. Mr. Friedewald will contact the Auditor General's office to set up an exit conference prior to the submission of our official responses.

d. Mr. Friedewald reported the Iron Data project continues with a "go live" date in June.

4. ICPAS legislative review- Marty Green, V.P., Illinois CPA Society

Mr. Green reported the Society was conducting new board member orientation today. He also advised that Mr. Sheldon Holtzman had recently been appointed to the Public Accounting Registration Committee. He also reported the Governor had repaid the 3.2 million dollars that had been borrowed by the Governor earlier. Mr. Green reminded the board that the Registered Certified Public Accountant License will no longer be available after June 30. Among his other remarks, Mr. Green reported he had been working with the Department of Financial and Professional Regulation on several issues including continuing professional education and sunset bill language. Lastly, Mr. Green addressed the board regarding senate bill 3794 which establishes a five member board to assist the legislative audit commission, the Governor and the Auditor General in improving timeliness, transparency and the process of financial reporting for state agencies.

The ILBOE Committee and Task Force Reports

5. Administrative Committee- T. Winkler

No report

6. Candidacy Committee- P. Yunker

a. Report of Appeals- Dr. Yunker presented a report of candidate's appeals.

b. Approval of international candidates—Ms. Herting led a discussion about how international candidates are evaluated. The board has very firm policies on the review and evaluation of international credentials and Mr. Friedewald reminded the board that "for profit" evaluation companies are more liberal in their evaluations because they are working for the candidate. Mr. Friedewald advised the board he would poll other states for their evaluation criteria and would report back to the board. Ms. Swick requested that he also discuss the situation with our international evaluator in view of the fact that the requirements for sitting for the exam have changed (150 hours) since the policy was originally established.

7. Education Advisory Committee- C. Wilson

Comments were covered during Mr. Friedewald report

8. Finance Committee- T. Winkler

Mr. Winkler gave a report on the March Financials and reported our expenses to date are down primarily due to reduction in office expense.

9. Nominating Committee- K. Hull

Mr. Hull reported the Nominating Committee met to nominate board replacements to the governor and nominations for board vice chair. Mr. Hull reminded the board that Richard York, Myra Swick and Margaret Cartier are to be recommended for replacement. Mr. Hull reported that Rhonda Kodjayan will be nominated to replace Mr. York, Simon Petravick will be nominated to replace Ms. Cartier. The committee has yet to nominate a replacement for Ms. Swick. Mr. Hull reported he will contact other possible nominees and call a meeting of the committee to make a nomination to the Governor to replace Ms. Swick. Mr. Hull confirmed Phyllis Walker will again be the nominee for public member to complete the term vacated by Dennis Bielke. Mr. Hull asked for a motion to accept the nominations as presented and to present the nominations to the Governor for appointment. The motion was seconded and passed by voice acclamation.

Mr. Hull advised the board that nominations had been made for Chair and Vice Chair to be elected at the July meeting.

Mr. Hull accepted the names of Jim Kelly, Sara Makuta, Bill Flowers and Brian Whitlock as possible nominees for consideration by the Nominating Committee to replace Ms. Swick.

10. State Liaison Committee- S. Morrow

No report

11. Strategic Planning Committee- K. Hull

No report

NASBA/AICPA Committee Reports

12. Audit Committee- K. Hull

Mr. Hull reported the Chair of the audit committee this year is our regional board member, Kim Tredinnick. Mr. Hull also reported the committee met this week and they had an introductory meeting with the auditors. The auditors explained their plan for moving forward and the committee expressed their expectations.

13. Bylaws Committee- C.Herting

Ms. Herting reported the committee will be re-numbering the bylaws and that North Carolina is still interested in discussing terms of office.

14. St. Board Relevance & Effectiveness Committee- C. Wilson

Ms. Wilson advised the board the committee will be meeting soon in Dallas.

15. Nominating Committee- C. Herting

Ms. Herting reported Carlos Johnson from Oklahoma had been nominated as Vice Chair of NASBA.

16. BOE & BEC- Internationalization of Exam- G. Fish

Dr. Fish reported the AICPA had paid the examination development debt earlier than scheduled and the committees are continuing to meet regularly.

UNFINISHED BUSINESS- None

NEW BUSINESS

Dr. Fish requested the July 24th meeting location be left undetermined at this time, but directed Mr. Friedewald to schedule a room at the Illinois CPA Society as a contingency.

Dr. Fish adjourned the meeting at 2:55 PM