

January 25, 2011
Board Minutes
II. CPA Society, Conference Room A
550 W. Jackson, Chicago, IL

Present:

Board Members: Margaret Cartier, Gary Fish, Claireen Herting, Kenneth Hull, Myra Swick, Cheryl Wilson, Richard York, Penelope Yunker, Sharon Morrow, Dennis Bielke, Tom Winkler

Staff:

Russ Friedewald, Executive Director
Vicki Van Uithoven, Asst. Director
Robbin Burge, Asst. Director
Debbie Knight, International Evaluator

Guest: Marty Green, ICPAS

1. Mr. Hull called the meeting to order at 10:01 a.m.
Mr. Hull asked for approval of minutes from the October 19, 2010 meeting. Ms. Herting moved to accept the minutes and Mr. York seconded. Dr. Fish made a correction and the minutes with corrections were approved by voice vote.
2. Report of the Chair (K. Hull)
 - a. Mr. Hull reviewed with the Board a number of letters he had written.
 - 1) a letter to Joe Cote of NASBA congratulating him on his retirement.
 - 2) a letter to Maxine Sandretto, V.P. of the Office of Budget and Financial Services with the University of Illinois regarding our relationship with the university.
 - 3) a letter to Jeannie Folk in appreciation for her work with the Board.
 - 4) a letter of congratulations to Ken Bishop on being named CEO of NASBA.
 - 5) a letter to Carlos Johnson, chair of NASBA's State Bd. Relevance & Effectiveness Committee expressing our support of the Committee's position on semi independent status .
 - b. Mr. Hull met with ICPAS CEO Elaine Weiss as well as ICPAS Board Chair, Sarah Macouda regarding the society's support of the BOE moving forward. Mr. Hull spoke with Ms. Weiss regarding what our long range objectives are and what the ICPAS could do to support this. Ms. Weiss asked that the BOE send her information outlining what our objectives are and she will share that with her board.
 - c. Mr. Hull gave a review of our meetings with the university and our meetings with Hinshaw & Culbertson, our attorneys. We delivered our interagency agreement proposal to the university on Jan. 18 and we are awaiting receipt of the university's agreement.

3. Report by Executive Director (R. Friedewald)

- a. Mr. Friedewald presented scores from the 10Q4 exam window.
- b. Mr. Friedewald provided an update of the status of the request to the Procurement Board regarding our contract with Iron Data.
- c. Mr. Friedewald distributed a rough draft of the military personnel policy. Dr. Fish moved to send the rough draft to the Administrative Committee to continue work on the policy. Mr. Bielke seconded the motion and the motion carried by voice acclamation.
- d. Mr. Friedewald advised that Robbin Burge had submitted her resignation and the Board thanked Ms. Burge for her service.

4. Hearing—Mr. Robert Slobig- Hearing Officer

An Administrative Hearing was conducted with Mr. Robert Slobig, Esq. acting as hearing officer. The hearing was requested by Ms. Marion Harty, an examination applicant whose credentials were denied by the international evaluator based on her evaluation of the credentials presented by Ms. Harty in her initial application for evaluation.

EXECUTIVE SESSION

Following the Administrative Hearing, Mr. Hull convened the Board to Executive Session to deliberate the Board's determination of Ms. Hardy's appeal.

Following deliberation, Mr. Hull brought the Board out of Executive Session and the Board voted unanimously to approve Ms. Hardy's appeal with the understanding that she complete an additional 14 semester hours of acceptable education in order to meet the educational requirements to sit for the CPA examination.

IBOA COMMITTEE AND TASK FORCE REPORTS

5. Administrative Committee—(C. Wilson)

a. Jeannie Folk project—Ms. Wilson reported that Jeannie Folk had been working on the second phase of her assigned project which included integration of coursework. Ms. Wilson reported there was not enough time before the Board meeting to develop a template for integration. The Board discussed the possibility of contracting for the development of a template. Following discussion of possible options, Ms. Cartier moved to authorize Ms. Wilson to seek a contractor to develop a template for course integration at a cost not to exceed \$5,000. The motion was seconded by Ms. Swick and carried by unanimous voice vote.

Following a brief discussion regarding Ms. Folk's ethics project, Ms. Wilson asked Mr. Friedewald to contact AICPA and inquire as to whether the AICPA will be updating their current ethics course in the near future. It was agreed that there will be no changes to current ethics requirements for Illinois at this time.

b. Following a brief discussion, Ms. Wilson made a motion to authorize the Chair, on behalf of the Board, to sign variances requested by the Candidacy Committee. The motion was seconded by Mr. Bielke and carried by voice acclamation.

6. Candidacy Committee—(R. York)

a. Mr. York reported there were five appeals presented to the Candidacy Committee.

b. Mr. York led a discussion regarding a recent candidate caught cheating by Prometric. The Committee agreed with the Executive Director's recommendation to void the candidate's scores for that examination. It was agreed by the Board to implement a prohibition of testing privilege for 2-5 years as provided by Administrative Rule for future candidates caught cheating.

7. Education Advisory Task Force—(P. Yunker)

Dr. Yunker advised we would be moving the date of the Education Advisory Task Force Meeting to Monday, April 25, 2011.

8. Executive Committee—(K. Hull)

a. Mr. Hull discussed with the Board the current situation with the University of Illinois and possible strategies moving forward. The Board's current relationship with the university is separation on the university's terms, which includes total separation by December 31, 2011. Mr. Hull advised that one strategy we are pursuing is to convince the university to continue our relationship through 2014 or a combination of continuing with the university in a financial relationship, but hire our own employees. Mr. Hull also advised that another possible option would be to associate with another university.

9. Finance Committee—(G. Fish)

a. Dr. Fish presented the financial reports and thanked Ms. Van Uithoven for her timely preparation of the reports.

10. Nominating Committee (M. Swick)

- a. Ms. Swick reported the Nominating Committee will have at least 1 and perhaps 2 new nominations to promote to Governor Quinn.
- b. Ms. Swick advised that the Nominating Committee has decided not to nominate anyone for Vice Chair of NASBA.

11. State Liaison Committee—(M. Cartier)

No report

12. Strategic Planning Committee—(K. Hull)

No report

NASBA/AICPA COMMITTEE REPORTS

13. Audit Committee—(K. Hull)

No report

14. Bylaws Committee—(C. Herting/M. Swick)

No report

15. State Bd. Relevance & Effectiveness Committee—(C. Wilson)

Ms. Wilson reported to the Board that the State Board Relevance and Effectiveness Committee is scheduled to meet on February 9th to decide which states to take action in. Mr. Hull agreed with Ms. Wilson that we should be included with those states interested in seeking semi-independent status, but that Illinois is not currently ready to pursue semi-independence.

16. Nominating Committee—(M. Swick)

17. BOE & BEC—Internationalization of Exam—(G. Fish)

Unfinished Business

New Business

Adjournment

Ms. Cartier moved to adjourn. The meeting adjourned at 3:02 PM.

Next Board meeting—May 10, 2011 in Chicago

Submitted by Russ Friedewald, Executive Director