

Illinois Board of Examiners
Board Minutes, July 22, 2009
II. CPA Society, 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

Staff:

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

Guest:

Marty Green, ICPAS

1. Ms. Herting called the meeting to order at 10 am. Ms. Wilson moved to accept the May 18, 2009 minutes. The motion was seconded by Ms. Yunker. Motion carried to accept the minutes with changes

2. Report of the Chair (C. Herting)

Ms. Herting reported on the recent Board of Directors meeting. NASBA announced the awarding of the William Van Rensselaer Public Service Award to Martin Baldwin, the Distinguished Service Award to Ellis Duncum and the Lorraine P. Sachs Standard of Excellence Award to Bill Treacy.

Ms. Herting reported that NASBA is negotiating with the AICPA to extend the examination contract through the year 2024. The contract will include a 5 year review to ensure all parties are satisfied with performance. The agreement with Prometric will be a five year agreement.

Ms. Herting reported the BOE now has a NASBA majority and that psychometricians will no longer be able to vote. Only board members will now be allowed to vote.

Ms. Herting reported on the Mobility task force –there are only four states that do not have mobility. Ms. Herting indicated that some states are staying provincial even though they have mobility.

Ms. Herting reported that there was a long discussion at the Board of Director's meeting regarding the International Exam. The determination was that there are still a lot of issues yet to be resolved.

Ms. Herting reported the results of the Nominating Committee-

Chair will be Billy Atkins; Vice Chair will be Michael Daggett.
Ms. Herting also announced the Directors-at-large.
Directors-at-large will be Walter Davenport, Mark Harris and Carlos Johnson.

Ms. Herting spoke at the Board meeting on the bylaws and that changes are being proposed. Ms. Herting also related that the Enforcement Committee was working hard at getting enforcement across the country.

3. Executive Director's report (R Friedewald)

Mr. Friedewald reported that for the Q209, we had a total of 2496 candidates and 3511 sections taken. Mr. Friedewald reported that the number of candidates who passed all four parts within that window was 432.

Mr. Friedewald presented a sample wall certificate that NASBA can provide to state boards at a cost of \$25 per certificate. The certificates can be customized for individual states. Discussion ensued about whether the Board of Examiners will be issuing certificates after July, 2010 with the change to a single tier licensure in Illinois. The question has been assigned to the Administrative Committee.

Mr. Friedewald addressed the issue of foreign evaluations as it relates to our evaluations in house versus for profit foreign credential evaluators. He explained that our evaluations are consistent and that different for profit companies often differ in their evaluations of the same program. Mr. Friedewald advised the board that Debbie Knight, the Board's foreign credential evaluator was in attendance and would address further questions later in the meeting.

Mr. Friedewald reported on changes in operations at the Board Office. Mr. Friedewald advised that a review of job functions has been undertaken and that changes are being implemented to improve work flow in the office.

Mr. Friedewald shared an enforcement report acquired from the enforcement division of IDFPR.

4. Debbie Knight-IBOE foreign credentials evaluator.

Ms. Knight provided discussion relative to foreign evaluations and explained how standards are applied consistently for foreign evaluation. Ms. Knight covered the basic criteria for how evaluations are made and how she keeps up with general trends and changes in evaluation criteria. Ms. Knight addressed questions raised by board members.

5. Margaret Cartier-CPA exam – entry level vs two tier.

Ms. Cartier began a discussion about whether the current CPA examination was relevant for CPAs entering the workforce and performing audits. The question is whether the profession should be looking to a two tier examination approach. A general discussion followed with no formal recommendation.

12:15—The Board adjourned for lunch

12:55 – The Board reconvened

IBOA COMMITTEE AND TASK FORCE REPORTS

6. Administrative Committee (K Hull) –

Mr. Hull reported he had updated the rules following input from educators. Mr. Hull presented minor changes to the agreed upon educational requirements including requiring 24 SCH in accounting. Questions still remain regarding how to count internship hours. This topic was assigned to the Administrative Committee for clarification. Mr. Hull will make revisions to rules as discussed by the Board and then forward the document to the Administrative Committee for clarification of the internship issues. In addition to the internship issue, the Administrative Committee will work on integration, communication and ethics. Motion was made by Mr. Hull to authorize the Administrative Committee to finalize agreed upon changes to the rules. Motion was seconded by Ms. Wilson and approved by voice vote.

7. Candidacy Committee (P. Yunker)- Ms. Yunker reported on an appeal from Tatiana Wood who is an applicant from Riga International School of Economics and Business Administration (RISEBA) in Latvia. Ms. Wood’s school was approved two years after she began at RISEBA. Her application had been denied. The Candidacy Committee agreed to approve her application based on the fact that no accreditation was available at the time Ms. Wood began the program.. Motion was made by Ms. Cartier to accept the Committee recommendation, seconded by Ms. Wilson. Motion passed by unanimous voice vote.

8. Education Advisory Task Force (P Yunker) –Dr. Yunker distributed the agenda for the Education Advisory Task Force Meeting which is to be held on October 23rd, 2009 on the campus of Illinois State University in Bloomington. Following a brief discussion of the agenda, minor revisions were agreed upon.

9. Finance Committee (M Swick)- Ms. Swick presented the proposed budget for FY10. Following discussion, motion was made by Ms. Cartier to accept the budget and was seconded by Mr. York. Motion carried by unanimous voice vote.

Ms. Swick presented the May financial statement. Additionally, the board was advised that final settlement for the previous Executive Director had not been made pending clarification of vacation/sick leave.

10.. Infrastructure (M Swick)- No Report

11. Nominating (C. Wilson)- No report

12. State Liaison (P Cartier)- No report

13. Strategic Planning (G. Fish)

Dr. Fish reported on the Strategic Planning Committee's conference call on July 13th. Mr. Hull reviewed with the Board suggested changes to the plan as well as suggested changes to the Strengths, Weaknesses, Opportunities and Threats (SWOT). Dr. Fish and Mr. Hull also suggested the Board dedicate space on the website for attracting international candidates to Illinois.

NASBA/AICPA COMMITTEE REPORT

14. Audit (K. Hull)- No report

15. Bylaws (C Herting/M Swick)- No report

16. Education (P Yunker)- Dr. Yunker discussed the contents of an e-mail previously sent to board members regarding the NASBA document "International Administration of the CPA Exam which was distributed at the regional meeting. Among other things, Ms. Yunker is concerned about the proposed informed consent form for International Exam candidates. Dr. Yunker feels that all candidates, both foreign and domestic, should be held to the same testing requirements Dr. Yunker expressed other concerns about the NASBA document and wants to be sure the Board has the opportunity to respond to any exposure documents prior to implementation.

17. Internationalization of the CPA Exam (G. Fish)- Dr. Fish's comments were included with Dr. Yunker's discussion.

18. Model Board Committee (M. Cartier)- No report

19. Relations with Member Boards (C Herting)- No report

Unfinished Business- none

New Business-

- The Board was advised that Ms. Wilson and Ms. Swick will attend the NASBA Forum of International Accountancy Regulators conference in San Francisco in September. The registration fees were waived for both members.
- Ms. Herting advised she may attend the CPE conference in San Antonio in late September.
- All board members plan to attend the NASBA national conference in Phoenix in November.

- Mr. Friedewald will coordinate a conference call with Executive Committee to discuss the payout of Ms. Vician's final compensation once that information becomes available.
- The Administrative Committee will work on clarifying the wording to the Rules as it relates to internship hours. Changes will be e-mailed by Ms. Wilson for concurrence by the Board before the EATF meeting on October 23rd.

The next meeting date will be October 26th in Chicago from 10:00 am. until 3:00 pm.

Motion to adjourn was made by Dr. Yunker and seconded by Ms. Wilson. Motion passed by unanimous voice vote. The meeting was adjourned at 3:05 p.m.

Submitted by Russ Friedewald, Executive Director

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Second meeting- Election of Officers

The meeting was called to order by Ms. Herting at 3:05 PM

Election of Chair and Vice-Chair for 2009-2010 (Cheryl Wilson)

Ms. Wilson presented the nominations for Chair and Vice-Chair for FY 2010. Ms. Wilson made a motion to elect Myra Swick as Chair and Margaret Cartier as Vice-Chair for FY 2010. Ms. Wilson also moved to make a provision in the election that should Ms. Cartier not be re-appointed by the Governor, that Ken Hull assume the position of Vice-Chair. Motion seconded and carried by unanimous voice vote.

Meeting dates and Committee assignments (Myra Swick)

Ms Swick reviewed the meeting dates for the coming year. They will be:

October 26, 2009

January 21, 2010

April 22, 2010

June 17, 2010

July 29, 2010

Ms. Swick suggested the committee members review the roles of their respective committees for any changes and give them to Mr. Friedewald. An updated roster of board members was included in the board distribution packet.

Ms. Swick and Ms. Wilson acknowledged the service of Ms. Herting as outgoing Chair .

Motion was made by Dr. Fish and seconded by Mr. York to adjourn. Motion passed by acclamation. Meeting adjourned at 3:10 pm.

Submitted by Russ Friedewald, Executive Director

