

**MINUTES**  
**UTAH BOARD OF ACCOUNTANCY**

**March 7, 2007 - 1:00 P.M.**  
**Room 402**  
**Heber M. Wells Building**  
**160 E. 300 S. Salt Lake City, Utah**

**CONVENED:** 1:00 p.m.

**ADJOURNED:** 2:15 p.m.

**PRESENT:**

Clyde Ormond, Bureau Manager  
Jacky Adams, Board Secretary

Board Members:

Robert Bowen	Roy Maxwell
Ruth Potkins	Gordon Haycock
Michael Blackburn	

**ABSENT:**

**GUESTS:**

Larry Deppe, UACPA; Jerry VanOs, CPA  
Education Committee Chairperson; Terri Pianka,  
University of Utah Student; F David Stanley,  
Division Director.

**TOPICS FOR DISCUSSION: DECISIONS AND RECOMMENDATIONS:**

**ADMINISTRATIVE BUSINESS:**

Approve Board Minutes from the  
February 7, 2007 Meeting

Mr. Blackburn seconded by Mr. Haycock made  
a motion to approve the minutes from the  
February 7, 2006 Board meeting, with  
corrections, the motion carried unanimously.

**APPOINTMENTS SINCE THE FEBRUARY 7, 2007 BOARD MEETING**

1:45 p.m. - Foster, Phillip

Mr. Ormond reviewed Mr. Foster's application  
for licensure as a CPA (Certified Public  
Accountant), explaining that Mr. Foster is  
requesting licensure by endorsement. Mr. Foster  
submitted with his application copies of his tax  
returns for the years 2000 thru 2005 as proof of  
his professional experience. The Division  
wanted to obtain an opinion from the Board to  
ensure that the proper documentation had been  
submitted.

Mr. Bowen reviewed the documents stating that  
the wages seemed to be low. Mr. Haycock  
commented that there was not a minimum wage

requirement, Mr. Bowen agreed.

Mr. Ormond then commented that Mr. Foster had answered "Yes" to Qualifying Questionnaire question number 13 regarding if Mr. Foster had "ever had a license, certificate, permit, or registration to practice a regulated profession denied, conditioned, curtailed, limited, restricted, suspended, revoked, reprimanded, or disciplined in any way." Mr. Ormond then explained the issue involved a delinquency in child support payments.

Mr. Foster then joined the Board Meeting. Mr. Ormond questioned him regarding his "yes" answer. Mr. Foster explained that he had marked "yes" to the questions because his Drivers License, and Insurance Licenses' had been revoked, as the result of the child support problems. After a brief discussion it was determined that this was not an issue with this Board.

Mr. Deppe questioned if Mr. Foster met all requirements for licensure by endorsement. Adding that the statute requires proof of 300-hours of auditing. Mr. Ormond stated that Mr. Foster did have proof of professional experience. Mr. Foster then added that he had submitted a Time Budget form, from one of his clients, which proves his 300-hours of auditing experience.

Mr. Blackburn seconded by Ms. Potkins made a motion to approve Mr. Foster's CPA and CPA Firm applications, the motion carried unanimously.

Mr. Foster then questioned how many hours of CPE (Continuing Professional Education) he will need to submit by December 31, 2007. Mr. Ormond explained that he would need to submit a minimum of 30 hours, 10 hours per quarter.

1:48 p.m. Closed Meeting

Mr. Haycock seconded by Mr. Blackburn made a motion to go in to a closed meeting to discuss Mr. Sheffield's Psychological Evaluation, the motion carried unanimously.

1:52 p.m. Opened Meeting

Mr. Blackburn seconded by Mr. Haycock made a motion to reopen the meeting to the public, the

2:00 p.m. - Sheffield, Brian

motion carried unanimously.

The Board reviewed Mr. Sheffield's Psychological Evaluation, and application for renewal of CPA licensure, prior to Mr. Sheffield appearing for his scheduled appointment. Mr. Ormond reminded the Board that they had requested for Mr. Sheffield to undergo this evaluation at the November 1, 2005 Board Meeting. And that they had determined that based on the outcome of this review Mr. Sheffield may be placed on two-year probation. Mr. Ormond then commented that based on his interpretation of the evaluation Mr. Sheffield had undergone, the Board may want to allow Mr. Sheffield to renew his license with no restrictions.

Mr. Sheffield joined the meeting. Mr. Ormond explained to Mr. Sheffield that the Board had previously gone into a closed meeting to review his Psychological Evaluation.

Mr. Blackburn seconded by Ms. Potkins made a motion to renew Mr. Sheffield's license, with no restrictions, the motion carried unanimously.

**DISCUSSION ITEMS:**

Oklahoma Board –  
Proposed Rules Changes

Mr. Bowen reviewed the State of Oklahoma Proposed Rules changes. Commenting that some research would need to be conducted prior to the Board making a final decision on whether the changes were appropriate for this State.

Definition of 58-26a-302(2)(e)(i)(B)

58-26a-302(2)(e)(i)(B) states:

“The division may issue a license under this chapter to a person who holds a license as a certified public accountant issued by any other jurisdiction of the United States if the applicant for licensure by endorsement:

(e) (i)(B)(I) meets the requirements for licensure which were applicable in this state at the time of the issuance of the applicant's license by the jurisdiction from which the original licensure by satisfactorily passing the AICPA Uniform CPA Examination was issued; or

(II) had five years of professional experience after passing the AICPA Uniform CPA Examination upon which

the original license was based, within the ten years immediately preceding the application for licensure by endorsement.

Mr. Bowen explained that he knew of a California CPA who had obtained her license prior to meeting Utah's requirements for license. He further explained that the California CPA is willing to complete her education prior to obtaining her license within this State. Mr. VanOs had reviewed her transcripts and determined that she could not complete her education then receive licensure, without retaking the AICPA (American Institute of Certified Public Accountants) exams. Mr. Bowen then reminded the Board of the Attorney General decision where a person may obtain licensure if they met the licensure requirements in this State at the time that they became licensed in another State. Mr. Bowen then stated that the individual would need only to meet the education requirements now, and then she would be eligible for licensure. Mr. VanOs explained that he had reviewed the Statute and had discussed the issue with the CPA Education Advisory Committee; the Committee had determined that the student would need to retake the exams.

Mr. Bowen commented that students should be able to ask their professors or the CPA Education Committee transcript review questions. However, this practice also places the professor or the CPA Education Committee in a bad position. Professors and members of the CPA Education Committee should not be attempting to interpret the Statute. Mr. Ormond, Mr. VanOs and Mr. Deppe agreed. Mr. Deppe added that when he is asked legal questions he refers them to the Division or to the Board for clarification, and will only review a student's transcript.

Mr. Bowen suggested having the student review the Statute, and if they still have questions refer them to the Division, or this Board.

Mr. VanOs then updated the Board on SHC (Stevens –Henagar College), explaining that in order to allow SHC's students to sit for the CPA

exams there may need to be a Rules change. Mr. Bowen commented that the purpose of the CPA Education Committee is to determine that institutions are appropriately accredited. He then explained that the members of this Board are not the experts in transcript, curriculum, or accreditation review; they anticipate that the CPA Education Committee are the experts. Mr. Bowen added that the Board would refer all questions of this type to the CPA Education Committee, for their opinion.

Mr. VanOs commented that the CPA Education Committee is looking at other States to determine what accreditations they are accepting. The Board thought this was a good step in the correct direction. Mr. Ormond added that the CPA Education Committee has been very thorough in ensuring validity of accreditation before approving an institution.

#### CPA Education Committee Members

It had come to the attention of the Division that R156-26a-201 (1) requires for the CPA Education Advisory Committee to consist of one full-time faculty member from each college or university in Utah, which has an accredited program. Mr. Ormond informed the Board that, some additional members might need to be added, to this Committee.

Mr. Bowen questioned if the rule needed to be changed. If each institution was represented on this Committee, it could have a large number of members in the near future. Mr. Blackburn agreed stating that the Committee should consist of five to seven members. Mr. Haycock also agreed stating that if all of the institutions were represented the Technical Schools may outnumber the Traditional Schools, which was not the intention in the rule. Mr. Deppe added that the number of members needs to be controlled if all institutions were represented the Committee may become non-functional. Mr. Ormond then commented that at this time, only one school should be added, the University of Phoenix. Mr. Bowen commented that if the University of Phoenix is an appropriately accredited school they should be represented on the Committee.

Mr. Bowen then asked Mr. Ormond if the rule could be changed to read "full-time faculty from

each college or university, as determined by the board". Mr. Ormond stated that this could be done.

**CORRESPONDENCE:**  
NASBA – Candidate Concerns  
2006 Overview

Reviewed, with no further action taken.

Reminders for the next meeting

Mr. Bowen reminded Mr. Blackburn and Mr. Haycock that they had agreed at the last meeting to review all aspects to the UAA (Uniform Accountancy Act) Exposure Draft, and that they be prepared to discuss this issue at the next meeting.

**NEXT SCHEDULED MEETING:**  
April 4, 2007

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DATE APPROVED

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CHAIRPERSON, UTAH BOARD  
OF ACCOUNTANCY

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DATE APPROVED

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BUREAU MANAGER, DIVISION OF  
OCCUPATIONAL & PROFESSIONAL  
LICENSING