

**CALIFORNIA BOARD OF ACCOUNTANCY**

2000 EVERGREEN STREET, SUITE 250
SACRAMENTO, CA 95815-3832
TELEPHONE: (916) 263-3680
FACSIMILE: (916) 263-3675
WEB ADDRESS: <http://www.dca.ca.gov/cba>



AGENDA

COMMITTEE ON PROFESSIONAL CONDUCT

May 8, 2008
9:30 a.m. – 1:00 p.m.

Marriott Courtyard Sacramento Cal Expo
1782 Tribute Road
Sacramento, CA 95815
Telephone: (916) 929-7900

(Board members who are not members of this
Committee may be attending the meeting.)

- I. Minutes of the March 20, 2008, CPC Meeting **(Manuel Ramirez, Chair)**
(Action).
- II. Consideration of Draft Peer Review Report to the Legislature **(Rich)**
(Action).
- III. Discussion of Staffing Needs and Costs Analysis Related to Peer Review
(Bowers/Newington) (Action).
- IV. Consideration of Revised Statutory Language Related to Peer Review
(Franzella) (Action).
- V. Consideration of Proposed Regulatory Language Related to Peer Review
(Franzella) (Action).
- VI. Comments from Members of the Public.
- VII. Agenda Items for Next Meeting.

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**AGENDA****LEGISLATIVE COMMITTEE**

May 8, 2008
2:00 p.m. – 3:00 p.m.

Marriott Courtyard Sacramento Cal Expo
1782 Tribute Road
Sacramento, CA 95815
Telephone: (916) 929-7900

(Board members who are not members of this
Committee may be attending the meeting.)

- I. Minutes of the March 20, 2008, Legislative Committee Meeting
(Lorraine Hariton, Chair) (Action).
- II. Update on Legislation **(Action).**
 - A. AB 865 (Davis) – State Agencies: Live Customer Service Agents.
 - B. AB 1185 (Hayashi and Ma) – Accountants: Peer Review Program.
 - C. AB 1925 (Eng) – Franchise Tax Board: Professional or Occupational Licenses.
 - D. AB 2118 (Villines) – State Agencies: Administrative Regulations.
 - E. AB 2223 (Horton) – Department of Consumer Affairs.
 - F. AB 2473 (Niello and Ma) – Accountancy: Licensure.
 - G. SB 721 (Ashburn and Perata) – State Agencies: Succession Plans.
 - H. SB 797 (Ridley-Thomas) – Professions and Vocations.
 - I. SB 963 (Ridley-Thomas) – Regulatory Boards: Operations.

III. Positions on Legislation (**Action**).

A. AB 1869 (Anderson) – State Boards and Commissions:
Reorganization.

B. SB 1689 (Lowenthal and Negrete McLeod) – Local Agencies:
Redevelopment.

IV. Comments from Members of the Public.

V. Agenda Items for Next Meeting.

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**DEPARTMENT OF CONSUMER AFFAIRS
CALIFORNIA BOARD OF ACCOUNTANCY****BOARD MEETING
AGENDA**

**May 9, 2008
9:00 a.m. to 12:15 p.m.**

Marriott Courtyard Sacramento Cal Expo
1782 Tribute Road
Sacramento, CA 95815
Telephone: (916) 929-7900
Facsimile: (916) 576-6621

- I. Call to Order (**Donald Driftmier**).
- II. Board Minutes.
 - A. Draft Board Minutes of the March 21, 2008, Board Meeting*.
- III. Report of the President (**Donald Driftmier**).
 - A. Update on CE Forum (**Carol Sigmann**).
- IV. Report of the Vice-President (**Robert Petersen**).
 - A. Qualifications Committee (QC) Appointments (**Action**).
- V. Report of the Secretary-Treasurer (**Rudy Bermúdez**).
 - A. FY 07/08 Third Quarter Financial Report.
- VI. Report of the Executive Officer (**Carol Sigmann**).
 - A. Update on Board Staffing.
 - B. Report on Licensing and Exam (**Patti Bowers**).

VII. Report of the Enforcement Chief (**Greg Newington**).

A. Report on Status of Enforcement Matters:

1. Activity and Status Reports.
2. Major Case Summary.
3. Report on Citations and Fines.
4. Reportable Conditions Data.

VIII. Regulations.

A. Update on Regulations (**Written Report Only**).

IX. Committee and Task Force Reports.

A. Administrative Committee (AC) (**Greg Newington**).

1. Minutes of the November 1, 2007, AC Meeting*.
2. Report on the May 1, 2008, AC Meeting.

B. CPA Qualifications Committee (QC) (**Tracy Garone, Chair**).

1. Minutes of the October 24, 2007, QC Meeting*.
2. Minutes of the January 9, 2008, QC Meeting*.
3. Report on the April 23, 2008, QC Meeting.

C. Committee on Professional Conduct (CPC) (**Manuel Ramirez, Chair**).

1. Minutes of the March 20, 2008, CPC Meeting*.
2. Report on the May 8, 2008, CPC Meeting.
3. Consideration of Draft Peer Review Report to the Legislature (**Rich (Action)**).
4. Discussion of Staffing Needs and Costs Analysis Related to Peer Review (**Bowers/Newington (Action)**).
5. Consideration of Revised Statutory Language Related to Peer Review (**Franzella (Action)**).

6. Consideration of Proposed Regulatory Language Related to Peer Review **(Franzella) (Action)**.

D. Legislative Committee **(Lorraine Hariton, Chair)**.

1. Minutes of the March 20, 2008, Legislative Committee Meeting*.
2. Report on the May 8, 2008, Legislative Committee Meeting.
3. Update on Legislation **(Action)**.
 - a. AB 865 (Davis) – State Agencies: Live Customer Service Agents.
 - b. AB 1185 (Hayashi and Ma) – Accountants: Peer Review Program.
 - c. AB 1925 (Eng) – Franchise Tax Board: Professional or Occupational Licenses.
 - d. AB 2118 (Villines) – State Agencies: Administrative Regulations.
 - e. AB 2223 (Horton) – Department of Consumer Affairs.
 - f. AB 2473 (Niello and Ma) – Accountancy: Licensure.
 - g. SB 721 (Ashburn and Perata) – State Agencies: Succession Plans.
 - h. SB 797 (Ridley-Thomas) – Professions and Vocations.
 - i. SB 963 (Ridley-Thomas) – Regulatory Boards: Operations.
4. Positions on Legislation **(Action)**.
 - a. AB 1869 (Anderson) – State Boards and Commissions: Reorganization.
 - b. SB 1689 (Lowenthal and Negrete McLeod) – Local Agencies: Redevelopment.

E. Enforcement Program Oversight Committee (EPOC) **(Robert Petersen, Chair)**.

No Report.

X. Appeals – Personal / Written.

- A. Personal Appeal – None.

- XI. Recommendations of CPA Qualifications Committee.
 - A. Personal / Written Appeals – None.

- XII. Petitions, Stipulations, and Proposed Decisions [Closed Session Government Code Section 11126(c)(3)] *Petition Hearings are Public Before the Board with a Subsequent Closed Session **(Action)**.
 - A. Shirly Downey – Stipulated Settlement.
 - B. Anthony Azavedo – Stipulated Settlement.
 - C. Kenneth Mark Greene – Proposed Decision.
 - D. William P. Borchard – Stipulated Settlement.
 - E. Pamela Fitzpatrick and Fitzpatrick Professional Accountancy, LLP – Stipulated Settlement.

- XIII. Other Business.
 - A. American Institute of Certified Public Accountants (AICPA).
 - 1. Update on AICPA State Board Committee **(Donald Driftmier)**.
 - B. National Association of State Boards of Accountancy (NASBA).
 - 1. Update on NASBA Committees.
 - a. CBT Administration Committee **(Carol Sigmann)**.
 - b. Compliance Assurance Committee **(Robert Petersen)**.
 - c. Communications Committee **(Lorraine Hariton)**.
 - 2. Request by NASBA for Nominations for 2008 AICPA Board of Examiners and Related Committees **(Action)**.
 - 3. Nomination for NASBA Pacific Regional Director **(Action)**.
 - C. Consent Agenda (Attached) **(Action)**.
 - D. Board Member Comments.
 - E. Comments from CalCPA Representative.
 - F. Comments from SCA Representative.

G. Public Comments.

H. Agenda Items for Future Board Meetings.

XIV. Adjournment.

- ❖ The agenda items noted with an asterisk (*) are on a separate “Consent Agenda” (attached). These items will be taken up on the full agenda as Item XIII.C. “Consent Agenda,” and all items will be approved with one vote. If a Board member wishes to remove an item(s) from the Consent Agenda for discussion, he/she must notify the Board President prior to action on the Consent Agenda.

Please note: The order and timing of scheduled business are subject to change.

AGENDA ITEM XIII.C.
CALIFORNIA BOARD OF ACCOUNTANCY
BOARD MEETING
May 9, 2008
CONSENT AGENDA

<u>AGENDA ITEM</u>	<u>SUBJECT</u>
II.A.	Draft Board Minutes of the March 21, 2008, Board Meeting.
IX.A.1.	Minutes of the November 1, 2007, AC Meeting.
IX.B.1.	Minutes of the October 24, 2007, QC Meeting.
IX.B.2.	Minutes of the January 9, 2008, QC Meeting.
IX.C.1.	Minutes of the March 20, 2008, CPC Meeting.
IX.D.1.	Minutes of the March 20, 2008, Legislative Committee Meeting.

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**TIME SCHEDULE
 BOARD MEETING**

FRIDAY, MAY 9, 2008

FRIDAY

9:00 – 9:05	I.	Call to Order (Donald Driftmier).
9:05 – 9:35	XII.A. – C.	Petitions, Stipulations and Proposed Decisions [Closed Session – Government Code Section 11126(c)(3)] *Petition Hearings are Public Before the Board with a Subsequent Closed Session.
TIME CERTAIN		
9:35 – 9:50	III.	Report of the President (Donald Driftmier).
9:50 – 9:55	V.	Report of the Secretary-Treasurer (Rudy Bermudez).
9:55 – 10:05	VI.	Report of the Executive Officer (Carol Sigmann).
10:05 – 10:10	VII.	Report of the Enforcement Chief (Greg Newington).
10:10 – 10:15	IX.A.	Administrative Committee (Greg Newington)
10:15 – 10:20	IX.B.	CPA Qualifications Committee (Tracy Garone)
10:20 – 11:10	IX.C.	Committee on Professional Conduct (Manuel Ramirez).
11:10 – 11:25	IX.D.	Legislative Committee (Lorraine Hariton).
11:25 – 11:30	XIII.A.1.	Update on AICPA State Board Committee (Donald Driftmier).
11:30 – 11:45	XIII.B.	National Association of State Boards of Accountancy (NASBA) (Carol Sigmann, Robert Petersen, Lorraine Hariton).
11:45 – 11:50	XIII.C.	Consent Agenda (Donald Driftmier).
11:50 – 11:55	XIII.D.	Board Member Comments.
11:55 – 12:00	XIII.E.	California Society of Certified Public Accountants (CalCPA).
12:00 – 12:05	XIII.F.	Society of California Accountants (SCA).
12:05 – 12:10	XIII.G.	Public Comments.
12:10 – 12:15	XIII.H.	Agenda Items for Future Board Meetings.

Please Note: The order and time of scheduled business is subject to change.
 Contact: Paula Bruning, Executive Office Technician @ (916) 561-1712.