



DEPARTMENT OF CONSUMER AFFAIRS
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DEPARTMENT OF CONSUMER AFFAIRS
 CALIFORNIA BOARD OF ACCOUNTANCY (CBA)

**MINUTES OF THE
 JANUARY 27-28, 2011
 CBA MEETING**

Crowne Plaza Irvine
 17941 Von Karman Ave.
 Irvine, CA 92614
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Roll Call and Call to Order.

President Sally Anderson called the meeting to order at 1:05 p.m. on Thursday, January 27, 2011 at the Crowne Plaza Hotel in Irvine. The CBA members heard Agenda Items I. – II., XII.A. – D., and XIII.A. – E. The meeting adjourned at 5:01 p.m. CBA President Anderson reconvened the meeting to order at 9:04 a.m. on Friday, January 28, 2011. The CBA members convened into executive closed session at 2:52 p.m. to deliberate Agenda Items XI.A. – B. The CBA members then convened into closed session at 3:24 p.m. The meeting reconvened into open session at 3:50 p.m., and the meeting adjourned at 4:30 p.m.

CBA Members

January 27, 2011

Sally Anderson, President	1:05 p.m. to 5:01 p.m.
Marshal Oldman, Vice President	1:07 p.m. to 5:01 p.m.
Leslie LaManna, Secretary-Treasurer	1:05 p.m. to 5:01 p.m.
Diana Bell	1:05 p.m. to 5:01 p.m.
Rudy Bermudez	1:05 p.m. to 5:01 p.m.
Michelle Brough	1:06 p.m. to 5:01 p.m.
Donald Driftmier	Absent.
Herschel Elkins	1:05 p.m. to 5:01 p.m.
Louise Kirkbride	1:05 p.m. to 5:01 p.m.
K.T. Leung	1:04 p.m. to 5:01 p.m.
Manuel Ramirez	1:05 p.m. to 5:01 p.m.
Michael Savoy	1:05 p.m. to 5:01 p.m.
David Swartz	1:05 p.m. to 5:01 p.m.
Lenora Taylor	Absent.

CBA Members

January 28, 2011

Sally Anderson, President	9:04 a.m. to 4:30 p.m.
Marshal Oldman, Vice President	9:04 a.m. to 4:14 p.m.
Leslie LaManna, Secretary-Treasurer	9:04 a.m. to 4:30 p.m.
Diana Bell	9:04 a.m. to 3:45 p.m.
Rudy Bermudez	9:04 a.m. to 11:53 a.m.
Michelle Brough	9:04 a.m. to 4:30 p.m.
Donald Driftmier	9:04 a.m. to 4:30 p.m.
Herschel Elkins	9:04 a.m. to 4:30 p.m.
Louise Kirkbride	9:04 a.m. to 4:30 p.m.
K.T. Leung	9:06 a.m. to 4:30 p.m.
Manuel Ramirez	Absent.
Michael Savoy	9:04 a.m. to 4:30 p.m.
David Swartz	9:04 a.m. to 4:30 p.m.
Lenora Taylor	Absent.

Staff and Legal Counsel

Patti Bowers, Executive Officer
Dan Rich, Assistant Executive Officer
Rich Andres, Information Technology Staff
Antoinette Cincotta, Deputy Attorney General, Department of Justice
Veronica Daniel, Board Relations Analyst
Paul Fisher, Supervising Investigative CPA
Laura Freedman, Legal Counsel, Department of Consumer Affairs (DCA)
Lauren Hersh, Information and Planning Officer
Rafael Ixta, Chief, Enforcement Division
Nick Ng, Manager, Administration Division
Deanne Pearce, Chief, Licensing Division
Matthew Stanley, Legislation/Regulation Analyst

Committee Chairs and Members

Nancy Corrigan, Chair, Peer Review Oversight Committee (PROC)
Cheryl Gerhardt, Chair, Enforcement Advisory Committee (EAC)
Fausto Hinojosa, Chair, Qualifications Committee (QC)

Other Participants

Stacey Grooms, National Association of State Boards of Accountancy (NASBA)
David Helphrey, Center for Public Interest Law (CPIL)
Joyce Holbrook, Court Reporter
Ed Howard, CPIL
Jeffrey Kravitz, Counsel for Petitioner
Louis Miramontes, KPMG
Joe Petito, The Accountants Coalition

Gary Porter, Petitioner
Jonathan Ross, The Accountants Coalition
Eric Sawyer, Administrative Law Judge (ALJ)
Kathleen Schmidt, Petitioner
Hal Schultz, California Society of Certified Public Accountants (CalCPA)
James Sharpe, Petitioner
Jeannie Tindel, CalCPA

I. Roll Call and Call to Order.

CBA President Anderson called the meeting to order at 1:05 p.m. on Thursday, January 27, 2011.

Ms. Anderson introduced newly appointed CBA members K.T. Leung and Michael Savoy.

II. Educational Presentation on Accountancy Without Borders.

A. Comprehensive Mobility Timeline.

Mr. Rich provided an overview of the memorandum for this item **(see Attachment 1)**.

It was moved by Mr. Ramirez, seconded by Ms. Bell and unanimously carried by those present to admit the Mobility Timeline into the record.

B. Temporary and Incidental Practice.

Mr. Stanley provided an overview of the memorandum for this item **(see Attachment 2)**.

C. CBA's Practice Privilege Program.

1. Overview of the Practice Privilege Program.

Ms. Walker provided an overview of the memorandum for this item **(see Attachment 3)**.

2. Consideration of Options for Reinstating the Safe Harbor Period for Practice Privilege in CBA Regulation Section 30.

Mr. Stanley provided an overview of the memorandum for this item **(see Attachment 4)**.

Mr. Ramirez inquired if other states require a safe harbor period. Mr. Schultz stated the practice privilege program that was previously in the Uniform Accountancy Act suggested a 30-day period and it is his belief

that most if not all states adopted the 30-day provision. Mr. Schultz stated that at this point, 47 states have passed legislation to do away with practice privilege.

Mr. Ross suggested that the CBA expedite reinstatement of the safe harbor period through emergency regulation.

Mr. Howard stated that the CPIL does not oppose reinstatement of the safe harbor period. Mr. Howard concurred with Mr. Ross regarding the appropriateness of handling this matter via emergency regulation.

It was moved by Mr. Swartz, seconded by Ms. Brough and unanimously carried by those present to reinstate the five-day safe harbor period as long as the practice privilege program is in existence.

It was moved by Mr. Bermudez to make the safe harbor period permanent in regulation. The motion failed due to lack of a second.

Mr. Ramirez suggested that staff review existing regulations to ensure no future lapse in expiration dates. Ms. Bowers stated that this information is available and will be provided to the CBA.

D. Cross Border Practice Legislation.

1. Practice Privilege; SB 1543 (2004), SB 229 (2005), and AB 1868 (2006).
2. Mobility; AB 2473 (2008).
3. Elimination of Pathway 1; SB 819 (2009).

Mr. Stanley provided an overview of the memorandums for agenda items II.D.1. – 3. **(see Attachment 5).**

E. Mobility for California CPAs.

Mr. Howard provided an overview of the CPIL's opinion regarding mobility **(see Attachment 6).**

Mr. Ross stated that there are questions that remain unanswered as a result of the last debate of the legislature. Mr. Ross stated that the national firms are working with CPIL to try and identify information that is available from NASBA and others, and work on an approach to address the concerns that the CPIL has established.

Mr. Ramirez requested that staff gather data regarding other states'

enforcement levels. Mr. Bermudez suggested that the CBA send out a NASBA quick poll to other states to determine enforcement levels.

Ms. LaManna requested that staff research statistics regarding complaints received prior to the prescreening of out-of-state CPAs.

The CBA members discussed the potential loss of the prescreening process and the issues regarding enforcement if the practice privilege program was to be discontinued.

F. NASBA's Concept of Mobility and Other States' Practice.

Ms. Grooms stated a majority of the states have passed some form of mobility. Most states adopt the use of the NASBA substantial equivalency chart to determine each state's degree of substantial equivalency. Ms. Grooms stated that most states have adopted the practice of no notice, no fee, no escape (also referred to as NNN), and other states have adopted quid pro quo, which does not allow the ease of individuals to come into those states if there is no reciprocity.

Ms. Grooms stated that by accepting the use of a list of jurisdictions, you're acknowledging that the initial licensure requirements within that jurisdiction meets standards. Ms. Grooms further stated that this standard is in essence a form of prescreening.

Ms. Grooms acknowledged the CBA's concern regarding enforcement. Ms. Grooms stated that NASBA is aware of the concerns and will be addressing the investigative process at its upcoming conference in March 2011, in San Diego. Ms. Grooms further stated that NASBA has also established an enforcement committee, which may be able to assist the CBA regarding the inquiries on enforcement statistics for other states and best practices.

G. Who, What, Where, and When; Accountancy Licensee Database.

Ms. Grooms provided an overview of this item (**see Attachment 7**).

Mr. Bermudez inquired regarding what information is disclosed to consumers when accessing ALD and if there is a standard of disclosure amongst the states. Ms. Grooms stated that the information disclosed would be specific to what is considered public record in each state.

Ms. Grooms stated that she will provide follow up regarding whether enforcement information available on the board version of ALD versus the public version.

Mr. Ramirez requested follow up regarding the following issues on ALD:

- What is the enforcement size per state?
- What is the reciprocity between states regarding enforcement matters? Mr. Ramirez stated he would like to see what other states have agreed to.
- What information is available for disclosure? Mr. Ramirez stated the California consumers should be able to access the same information on licensees from other states.

CBA members further discussed enforcement issues as they relate to ALD and mobility. Ms. Grooms stated that she will bring information back to address the CBA's issues.

Ms. Anderson requested that a presentation on ALD be provided at a future CBA meeting.

At this time, Ms. Anderson requested public comment.

Mr. Ross presented a handout (**see Attachment 8**) regarding legislative language for temporary and incidental practice.

Mr. Howard stated there is still an outstanding issue regarding the definition of the practice of public accountancy.

Ms. Tindel recommended that the CBA gather data on why out-of-state licensees are practicing in California under practice privilege, to obtain a better understanding of how mobility would benefit and not harm California consumers.

Ms. Anderson requested staff to review the proposed language and provide recommendations on the definition of the practice of public accountancy at a future meeting.

H. California Research Bureau – Accountancy Project.

Mr. Sala provided an overview of this item (**see Attachment 9**).

I. Open Discussion and Identification of Agenda Items for Future CBA Meetings Related to Mobility and Cross Border Practice.

CBA members further discussed this matter and concurred that there is not sufficient information at this time to make a decision. The CBA assigned staff to research and address concerns raised during discussion and report back at a future meeting.

CBA members then heard agenda items XIII.A. – D. Adoption of Minutes.

It was moved by Mr. Elkins, seconded by Mr. Bermudez and

**unanimously carried by those present to approve agenda items
XIII.A.-D.**

III. Public Comments.

No public comments were received.

IV. Roll Call and Call to Order.

CBA President Anderson called the meeting to order at 9:04 a.m. on Friday, January 28, 2011.

V. Report of the President.

A. Update on Peer Review Implementation.

Mr. Ixta provided an overview of the memorandum for this item (**see Attachment 10**).

Ms. Anderson inquired regarding statistics and why there are so few firms that have reported on peer review. Mr. Ixta stated this is a new process and a rush in reporting is anticipated by July 1, 2011.

B. Resolutions for Retiring CBA Members.

It was moved by Mr. Swartz, seconded by Mr. Driftmier and unanimously carried by those present to adopt the resolutions for retiring CBA members Angela Chi and Robert Petersen.

C. Announcement of New Committee and Liaison Appointments.

No comments were received for this item.

D. Discussion on Amendments to the CBA Guidelines and Procedures Manual.

Ms. Daniel provided an overview of the memorandum for this item (**see Attachment 11**).

It was moved by Ms. Bell, seconded by Mr. Bermudez and unanimously carried by those present to adopt the amendments to the CBA Member Guidelines and Procedures Manual.

VI. Report of the Vice President.

A. Resolution for Retiring Enforcement Advisory Committee (EAC) Member.

It was moved by Mr. Oldman, seconded by Mr. Driftmier and

unanimously carried by those present to adopt the resolution for retiring EAC member Ed Beranek.

B. Recommendation for Appointments to the EAC.

There was no report for this item.

VII. Report of the Secretary/Treasurer.

A. Discussion of Governor's Budget.

Ms. LaManna provided an overview of the memorandum for this item (**see Attachment 12**).

Mr. Bermudez inquired regarding the two and a half positions that were approved and if those positions could be used to assist with the enforcement backlog. Ms. Bowers stated that the hiring freeze is still in effect and limits the CBA from filling any vacant positions.

CBA members discussed the issue of not being able to spend money from the reserve fund towards its enforcement needs. Due to this issue, the CBA is facing an increasing backlog of investigative cases and consumer protection is at risk.

CBA members then heard agenda item VIII.B.1. – Update on Hiring Freeze.

Mr. Stiger stated that the DCA continued with the hiring freeze, even though the executive order expired with the departure of Governor Schwarzenegger. Mr. Stiger stated that it is expected that Governor Brown will implement a similar executive order in the weeks to come.

Mr. Swartz inquired if the DCA could work with the Governor towards allowing independent boards to function independently. Mr. Stiger stated that he spoke with Governor Brown's team on the issue regarding the difference between special funds and general funds, and the Governor is aware of the situation. Mr. Stiger further stated that he is in support of the CBA's request regarding this matter.

B. Repayment Schedule for Loans to the General Fund.

Mr. Rich provided an overview of the memorandum for this item (**see Attachment 13**).

Ms. Anderson stated it is much more impactful that there is a hiring freeze in effect than the issue of having excess funds.

Mr. Oldman commented that the notice of the \$10 million loan came

immediately after the CBA made notice to reduce its licensing renewal fees. Mr. Oldman stated that if the CBA does not receive repayment of the loan in the next fiscal year and were to fill all vacant positions, the CBA would need to utilize its reserve funds and would likely run out of money.

Ms. Bowers stated that there are other deficiencies within the enforcement program regarding proactive enforcement in the areas of continuing education compliance, probation monitoring, and unlicensed activity. Ms. Bowers stated the CBA has submitted a request for additional staffing for the proactive enforcement. Ms. Bowers further stated that staff is doing the best it can until the positions can be filled.

Mr. Swartz stated that the draft letter to Director Stiger should be focused on the hiring issues and not the issue of loan repayment.

It was moved by Mr. Driftmier, and seconded by Mr. Bermudez to approve the draft letter regarding the loans and to deliver a separate formal letter regarding staffing with CBA member's comments. This motion was later withdrawn.

Ms. Anderson requested that staff provide a summary regarding the risk in the enforcement unit due to its limited resources.

Mr. Bermudez suggested sending a letter regarding staffing to the Governor's Office, the Department of Finance (DOF), and leaders of the Senate and Assembly.

Ms. Bell expressed concern with the CBA creating the impression that everything is falling apart. Ms. Brough concurred with Ms. Bell and stated that there needs to be balance. Ms. Brough further stated that she is in favor of sending the letter to the legislature.

Mr. Oldman suggested that the staffing letter should initially be sent to Director Stiger in advance of addressing the issue with the legislature. Ms. Kirkbride concurred with Mr. Oldman.

Ms. Wortman stated the DOF has made a commitment to repay loans; however, the legislative analyst is recommending pushing back the repayment for one year. Ms. Wortman stated that the current funding of the CBA can be handled even without the repayment of the loan. Ms. Wortman further stated that she has seen loans repaid in matters of critical situations.

Ms. Bowers stated that staff is doing a fantastic job with its available resources. Ms. Bowers stated she would not recommend sending a message of crisis, but with the limited resources, staff is spread thin.

Mr. Stiger stated that this is a resource issue and suggested the CBA send a letter to him, detailing the issues and he will commit to bringing this matter before the Governor's Office.

It was moved by Mr. Driftmier and seconded by Mr. Bermudez to approve the first letter regarding the repayment of loans and to allow the Executive Officer to draft a second letter regarding staffing issues to Director Stiger. Mr. Driftmier later withdrew this motion.

It was moved by Mr. Driftmier and seconded by Mr. Bermudez to send the letter regarding the loans to the General Fund. Ms. Anderson, Ms. LaManna, Ms. Bell, Ms. Brough, Mr. Elkins, Ms. Kirkbride, Mr. Leung, Mr. Savoy, and Mr. Swartz were opposed. The motion failed.

It was moved by Mr. Elkins, seconded by Mr. Bermudez and unanimously carried by those present to allow the CBA President to approve and send a letter regarding the CBA's staffing issues to Director Stiger.

It was moved by Mr. Swartz, seconded by Ms. Kirkbride and unanimously carried by those present to approve the letter regarding loans to the General Fund, and to authorize the CBA President to send the letter at a later date.

VIII. Report of the Executive Officer.

A. Update on 2010/2012 CBA Communications and Outreach Plan.

Ms. Hersh provided an overview of the memorandum for this item (**see Attachment 14**).

Ms. Bowers requested that CBA members report any outreach activities for tracking purposes and to ensure that staff is involved in the presentation process. Ms. Bowers further stated that staff members are available to serve as resources in handling specific program questions.

B. DCA Director's Report.

1. Update on Hiring Freeze.

This item was previously heard after agenda item VII.A.

2. Performance Measures.

Mr. Stiger stated that all boards and bureaus performance measures are posted on the home page of the DCA Web site. Mr. Stiger noted that the Senate B&P Committee has taken an interest in the

performance measures.

3. Update on BreEze.

Mr. Stiger stated the BreEZe program is on pace to have the first phase roll out in December 2012.

4. Expert Consultants.

Mr. Stiger stated that the process for contracting expert consultants is being updated to better protect the program and the consultant.

5. \$1 Million CBA Budget Reduction (BCP).

Ms. Wortman stated that the next step regarding the BCPs for two and a half positions is to go through the legislative hearings. Ms. Wortman stated the legislative analyst is recommending rejection of the BCP to add one position for the peer review program as a permanent position. Ms. Wortman further stated that DCA is in discussions with both the Assembly and Senate budget consultants and it sounds like they are willing to fund the proposal on a two-year limited basis.

Ms. Bowers stated the position would be responsible for clerical duties in the peer review program. Ms. Bowers stated the DCA is urging boards and bureaus to move towards having more duties handled electronically. Ms. Bowers further stated the staff supports the idea of automation.

6. \$10 Million Loan to the General Fund.

Ms. Wortman stated the CBA's proposal to reduce fees will allow a better opportunity for the loans to be repaid.

C. Consideration of Revised Legislative Language to Extend the Sunset Date on Peer Review.

Mr. Stanley provided an overview of the memorandum for this item (**see Attachment 15**).

It was moved by Mr. Elkins, seconded by Mr. Bermudez and unanimously carried by those present to adopt the revised language to extend the sunset date on peer review.

D. Amendments to the Bagley Keene Open Meeting Act.

Ms. Bowers introduced Laura Freedman, from the DCA Legal Office, who is attending this meeting. Ms. Bowers further stated that Lavonne Powell has accepted another assignment and the new permanent legal counsel

will be introduced at the March CBA meeting.

Ms. Freedman stated that there are two minor amendments to the Bagley Keene Open Meeting Act. The first is regarding the use of electronic devices in meetings, to prohibit board members from contacting each other and creating serial meetings. The second amendment is to incorporate language into meeting agendas regarding the use of webcasting to allow meetings to continue in the event of technical difficulties.

E. Update on Current Projects List (Written Report Only).

There were no comments received for this item.

IX. Report of the Licensing Chief.

A. Report on Licensing Division Activity.

Ms. Pearce provided an overview of the memorandum for this item (**see Attachment 16**).

Ms. Bell stated that she is in favor of the new report format.

B. Discussion on International Delivery of the Uniform CPA Examination.

Ms. Pearce provided an overview of the memorandum for this item (**see Attachment 17**).

CBA members discussed the concerns regarding security, the benefits to the consumers of California, enforcement, and residency issues.

Ms. Anderson stated that she would like to see the matter addressed at the March 2011 CBA meeting along with the topic of residency.

Ms. Pearce stated that staff has conducted preliminary research regarding the residency issue, and if the CBA were to adopt a change, it would likely need to be accomplished legislatively.

Ms. Anderson stated there is not enough information at this point to make an informed decision and requested for staff to provide more background information regarding this matter.

It was consensus of the CBA to defer deliberation on this matter to the March 2011 CBA meeting.

X. Report of the Enforcement Chief.

A. Enforcement Case Activity and Status Report.

- B. Aging Inventory Report.
- C. Report on Citations and Fines.
- D. Reportable Events Report.

Mr. Ixta provided an overview of the reports for items X.A. – D. (**see Attachment 18**).

Mr. Swartz inquired regarding how many major cases were pending. Mr. Ixta stated there is no major case program and that all cases are treated the same.

XI. Petitions, Stipulations, and Proposed Decisions [Closed Session Government Code Section 11126(c)(3)]. Petition Hearings are Public Before the CBA with a Subsequent Closed Session.

A. Kathleen M. Schmidt – Petition for Reinstatement of Revoked Certificate.

Ms. Schmidt appeared before the CBA members to petition for reinstatement of her revoked certificate.

ALJ Sawyer and the CBA members heard the petition and convened into executive closed session to deliberate the matter. ALJ Sawyer will prepare the decision.

B. James D. Sharpe – Petition for Reinstatement of Revoked Certificate.

Mr. Sharpe appeared before the CBA members to petition for reinstatement of his revoked certificate.

ALJ Sawyer and the CBA members heard the petition and convened into executive closed session to deliberate the matter. ALJ Sawyer will prepare the decision.

XII. Committee and Task Force Reports.

A. Enforcement Program Oversight Committee (EPOC).

There was no report for this item.

B. Committee on Professional Conduct (CPC).

There was no report for this item.

C. Legislative Committee (LC).

There was no report for this item.

D. Accounting Education Committee (AEC).

There was no report for this item.

E. Ethics Curriculum Committee (ECC).

1. Report of the January 26, 2011 ECC Meeting.

Mr. Driftmier stated the ECC met to continue its efforts as set forth by SB 819. Mr. Driftmier further stated the ECC created a sub-committee of two members to meet with staff and fine-tune some of the details.

Ms. Anderson commended Mr. Driftmier for his efforts on the ECC.

2. Proposed 2011 ECC Meeting Dates.

It was moved by Mr. Driftmier, seconded by Mr. Oldman and unanimously carried to approve the 2011 ECC meeting dates.

F. Peer Review Oversight Committee (PROC).

1. Report of the January 20, 2011 PROC Meeting.

Ms. Corrigan stated the PROC is working on developing a mission for the committee and determining the best way to accomplish its goals and objectives. Ms. Corrigan stated the PROC also discussed preparing an operating manual such as other CBA committees. Ms. Corrigan further stated the PROC adopted formal meeting dates for 2011 and requested the CBA's acceptance of the dates.

It was moved by Mr. Swartz, seconded by Mr. Elkins and unanimously carried to approve the 2011 PROC meeting dates.

2. AICPA Peer Review Exposure Draft, June 1, 2010.

It was moved by Mr. Driftmier, seconded by Ms. Bell and unanimously carried to approve the PROC's responses to the AICPA peer review exposure draft.

G. Enforcement Advisory Committee (EAC).

Report of the November 4, 2010 EAC Meeting.

Ms. Gerhardt stated that there were three investigative hearings at the EAC meeting, one was referred for additional investigation, one required additional investigation and was to be referred to the Attorney General's

(AG) Office, and one was referred to the AG's Office. Ms. Gerhardt stated the EAC reviewed 13 closed files and concurred with staff's recommendations. Ms. Gerhardt further stated the EAC's next meeting is scheduled for February 4, 2011, at the Crowne Plaza in Los Angeles.

Mr. Oldman inquired regarding the status of recruitment for the EAC. Ms. Gerhardt stated there is one EAC member who was appointed by the CBA at its November 2010 meeting; however, the appointment is on hold due to the hiring freeze.

H. Qualifications Committee (QC).

1. Report of the January 26, 2011 QC Meeting.

Ms. Pearce stated that at the QC meeting there were five appearances; four were approved, and one was not approved. Ms. Pearce stated the QC discussed Section 37 of the CBA Regulations, which addresses reissuance requirements. Ms. Pearce further stated the QC will again be discussing this topic at its April 2011 meeting.

2. Proposed 2011 QC Meeting Dates.

It was moved by Mr. Oldman, seconded by Ms. LaManna and unanimously carried by those present to approve the 2011 QC meeting dates.

XIII. Adoption of Minutes

- A. Draft Minutes of the September 22-23, 2010 CBA Meeting.
- B. Draft Minutes of the November 17-18, 2010 CBA Meeting.
- C. Draft Minutes of the July 29, 2010 QC Meeting.
- D. Draft Minutes of the September 21, 2010 ECC Meeting.
- E. Draft Minutes of the November 9, 2010 PROC Meeting.

Agenda items XIII.A. – E. was previously heard after agenda item II.E.

XIV. Other Business.

A. American Institute of Certified Public Accountants (AICPA).

Mr. Driftmier stated as previously mentioned, the AICPA is focused on the iExam. Mr. Driftmier stated that information regarding International Financial Reporting Standards (IFRS) has been incorporated into the

exam. Mr. Driftmier further stated that he is no longer a member of this committee and urged CBA members to volunteer so that California may be represented.

B. National Association of State Boards of Accountancy (NASBA).

1. Update on NASBA Committees.

a. Accountancy Licensee Database Task Force.

Ms. Bowers stated that the ALD has not met and the next meeting is scheduled to take place in March 2011, in San Diego.

b. Board Relevance & Effectiveness Committee.

There was no report for this item.

c. Global Strategies Committee.

There was no report for this item.

d. Uniform Accountancy Act Committee (UAA).

Mr. Driftmier stated there will be a white paper issued by the UAA within the next month or two regarding firm names and he will provide an update to the CBA.

e. UAA Mobility Implementation.

There was no report for this item.

2. Discussion of Exposure Draft Regarding UAA Section 3 and UAA Rules Article 14.

Mr. Stanley provided an overview of the memorandum for this item **(see Attachment 19)**.

No action was taking regarding this item as the CBA did not wish to pursue the matter at this time.

XV. Closing Business.

A. CBA Member Comments.

Mr. Swartz inquired regarding the status of defining supervision and general accounting experience. Mr. Stanley stated that the definition of supervision along with the incorporation of disciplinary guidelines was combined into one rulemaking. Ms. Pearce stated the CPC previously

made a recommendation to the CBA to not take any further steps to define general accounting experience.

Mr. Swartz inquired regarding the status of the definition of the practice of public accountancy. Ms. Bowers stated that this topic will be covered at a future meeting.

B. Comments from Professional Societies.

On behalf of CalCPA, Mr. Schultz welcomed Mr. Leung and Mr. Savoy to the CBA.

C. Public Comments.

No comments were received for this item.

D. Agenda Items for Future CBA Meetings.

Mr. Swartz suggested a future agenda item to address statistics on whether practitioners under the practice privilege program are servicing California consumers.

E. Press Release Focus.

Recent Press Releases.

No comments were received for this item.

XVI. Adjournment.

President Anderson adjourned the meeting at 4:30 p.m. on Friday, January 28, 2011.

Sally Anderson, President

Leslie LaManna, Secretary-Treasurer

Veronica Daniel, Board Relations Analyst, and Patti Bowers, Executive Officer, CBA, prepared the CBA meeting minutes. If you have any questions, please call (916) 561-1718.