



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

MINUTES OF THE
JANUARY 24-25, 2013
CBA MEETING

Sheraton Suites San Diego
 701 A. St.
 San Diego, CA 92101
 Telephone: (619) 696-9800
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Roll Call and Call to Order.

CBA President Leslie LaManna called the meeting to order at 1:02 p.m. on Thursday, January 24, 2013 at the Sheraton Suites at Symphony Hall in San Diego. The meeting recessed at 3:59 p.m. President LaManna reconvened the meeting at 9:00 a.m. on Friday, January 25, 2013 and the meeting adjourned at 9:55 a.m.

CBA Members

January 24, 2013

Leslie LaManna, President	1:02 p.m. to 3:59 p.m.
Michael Savoy, Vice President	1:02 p.m. to 3:59 p.m.
K.T. Leung, Secretary-Treasurer	Absent
Sarah (Sally) Anderson	1:02 p.m. to 3:59 p.m.
Diana Bell	1:02 p.m. to 3:59 p.m.
Alicia Berhow	1:02 p.m. to 3:59 p.m.
Michelle Brough	Absent
Jose Campos	1:02 p.m. to 3:59 p.m.
Herschel Elkins	1:02 p.m. to 3:59 p.m.
Laurence (Larry) Kaplan	1:02 p.m. to 3:59 p.m.
Louise Kirkbride	Absent
Marshal Oldman	1:02 p.m. to 3:59 p.m.
Manuel Ramirez	1:02 p.m. to 3:59 p.m.
Katrina Salazar	1:02 p.m. to 3:59 p.m.

CBA Members

January 25, 2013

Leslie LaManna, President	9:00 a.m. to 9:55 a.m.
Michael Savoy, Vice President	9:00 a.m. to 9:55 a.m.
K.T. Leung, Secretary-Treasurer	Absent
Sarah (Sally) Anderson	9:00 a.m. to 9:55 a.m.
Diana Bell	9:00 a.m. to 9:55 a.m.
Alicia Berhow	9:00 a.m. to 9:55 a.m.
Michelle Brough	Absent
Jose Campos	9:00 a.m. to 9:55 a.m.
Herschel Elkins	9:00 a.m. to 9:55 a.m.
Laurence (Larry) Kaplan	9:00 a.m. to 9:55 a.m.
Louise Kirkbride	9:00 a.m. to 9:55 a.m.
Marshal Oldman	9:00 a.m. to 9:55 a.m.
Manuel Ramirez	9:00 a.m. to 9:55 a.m.
Katrina Salazar	9:00 a.m. to 9:55 a.m.

Staff and Legal Counsel

Patti Bowers, Executive Officer
Andrew Breece, Legislative Analyst
Rich Andres, Information Technology Staff
Paul Fisher, Supervising Investigative CPA
Dominic Franzella, Chief, Licensing Division
Rafael Ixta, Chief, Enforcement Division
Kari O'Connor, Board Relations Analyst
Deanne Pearce, Assistant Executive Officer
Kristy Shellans, Legal Counsel, Department of Consumer Affairs (DCA)
Carl Sonne, Deputy Attorney General, Department of Justice (DOJ)
Matthew Stanley, Regulation Analyst

Committee Chairs and Members

Cheryl Gerhardt, Chair, Enforcement Advisory Committee (EAC)

Other Participants

Kevin Berggren, Center for Public Interest Law (CPIL)
Don Driftmier, CPA
Reichel Everhart, Deputy Director of Board Relations, DCA
Hal Schultz, California Society of CPAs (CalCPA)
Jeannie Tindel, CalCPA

I. Report of the President

Ms. LaManna introduced recently-appointed CBA members Jose Campos

and Katrina Salazar.

A. DCA Director's Report.

Ms. LaManna introduced DCA Deputy Director of Board Relations, Reichel Everhart.

Ms. Everhart provided an update from the DCA Director's Office. Ms. Everhart stated the DCA Director's Office is making efforts to open lines of communication with DCA boards and bureaus. Ms. Everhart stated that quarterly meetings are being held with DCA Executive Officers and the Director's Office and a bi-monthly newsletter is being created to ensure that important news and information is getting distributed to boards in a timely manner.

Ms. Everhart further stated that her role as Chief Deputy Director of Board Relations includes providing information and support to the Governor's Appointments Office.

Mr. Ramirez inquired about the status of BreEZe.

Ms. Everhart stated that the first phase of BreEze is scheduled for release in February 2013 and that more updates on the BreEZe project will be provided as the first implementation phase begins.

B. Resolutions for Retiring Ethics Curriculum Committee (ECC) Members.

It was moved by Mr. Ramirez, seconded by Mr. Savoy and unanimously carried by those present to approve the resolutions for retiring ECC members.

C. Educational Presentation – Overview of the Legislative and Regulatory Processes.

Mr. Breece and Mr. Stanley provided an overview of the legislative and regulatory processes employed at the CBA (see Attachment 1).

D. Announcement of New CBA Committee and Liaison Appointments.

Ms. LaManna stated that appointments to CBA committees have been made and the updated CBA and Committee Member Roster is available on the CBA website. Ms. LaManna thanked Mr. Savoy, Ms. Berhow, and Mr. Kaplan for agreeing to chair the CBA committees.

II. Report of the Vice President.

- A. Recommendations for Appointment(s) to the Enforcement Advisory Committee (EAC).

It was moved by Mr. Oldman, seconded by Ms. Anderson and unanimously carried by those present to reappoint James Rider to the EAC.

- B. Recommendations for Appointment(s) to the Qualifications Committee (QC).

It was moved by Ms. Bell, seconded by Mr. Ramirez and unanimously carried by those present to reappoint Fausto Hinojosa to the QC.

It was moved by Mr. Ramirez, seconded by Ms. Bell and unanimously carried by those present to appoint Kris Mapes to serve as Vice Chair of the QC.

- C. Recommendations for Appointments/Reappointments to the Peer Review Oversight Committee

There was no report on this item.

III. Report of the Secretary/Treasurer

- A. Discussion of Governor's Budget.

There was no report on this item.

IV. Report of the Executive Officer (EO)

- A. Update on Staffing.

Ms. Bowers reported that the CBA Enforcement Division is fully staffed and there are presently three vacancies within the Licensing Division.

- B. Update on Location for March 21-22, 2013 CBA Meeting.

Ms. Bowers informed CBA members that staff have experienced difficulties in securing a Northern California meeting location for the March CBA meeting. As such, Ms. Bowers stated that the March CBA meeting will be held in Southern California. Ms. Bowers further stated that staff is exploring securing a Northern California for a future CBA meeting.

- C. Update on 2013-2015 CBA Communications and Outreach Plan (Written Report Only).

There were no comments on this item.

D. Review and Approval of Proposed Changes to the CBA Member Guidelines and Procedures (G&P) Manual.

Ms. Pearce provided an overview of this item.

Ms. Pearce stated that the proposed changes to CBA Member G&P Manual include updates to the duties of the EAC and Enforcement Program Oversight Committee (EPOC) approved by the CBA in 2012. Ms. Pearce stated that this included members' requested change that the purpose of statutory committees be clarified to ensure that policy-related issues identified at the committee level are brought to the CBA to be discussed for CBA member input and approval prior to being discussed at the committee level.

It was moved by Mr. Ramirez, seconded by Ms. Bell and unanimously carried by those present to approve the proposed changes to the CBA Member G&P Manual.

V. Report of the Licensing Chief.

A. Report on Licensing Division.

Mr. Franzella provided an overview of this item (Attachment ___).

Mr. Franzella stated that the division continues to maintain processing timeframes under 30 days.

Mr. Franzella informed CBA members that the National Association of State Boards of Accountancy (NASBA) informed CBA staff of 11 California candidates affected by a rescore of some sections of the CPA Exam. He noted that staff contacted these individuals.

Mr. Franzella stated that a Facebook event was recently held to answer questions regarding the new educational requirements for CPA licensure. He further stated that an interactive self-assessment worksheet was posted to the website to assist individuals with determining how their education aligns to the new requirements.

VI. Report of the Enforcement Chief.

A. Enforcement Activity Report.

Mr. Ixta presented an overview of this item (see Attachment ___).

Mr. Ixta reported that the CBA received 2,474 complaints for the current fiscal year, with 1,800 citations issued regarding peer review, and for failure to respond to a board inquiry.

Mr. Ramirez requested that the Enforcement Division report be revised to differentiate consumer complaints from internal citations or complaints.

Mr. Ixta reported that the Enforcement Division has 2,121 investigations pending – 1,800 of which are related to peer review. Mr. Ixta stated that the number of investigation cases pending over 24 months has been reduced to six cases. Mr. Ixta further stated that the average length of an open investigation and the median age of an investigation have reduced since the beginning of the current Fiscal Year.

At this time, CBA Item IX.D., Peer Review Oversight Committee (PROC) (Nancy Corrigan, Chair).

VII. Closed Session. Pursuant to Government Code Section 11126(c)(3), the CBA Convened into Closed Session to Deliberate on Disciplinary Matters (Stipulations, Default Decisions, Proposed Decisions, and Petitions for Reinstatement).

VIII. Regulations.

A. Regulation Hearing Regarding Title 16, California Code of Regulations (CCR) Section 70 – Fees.

Mr. Stanley read the following statement regarding the regulation hearing into the record:

“This is a public hearing on proposed regulations of the California Board of Accountancy, Department of Consumer Affairs, to consider adopting regulations for Fees. On behalf of the Board and its staff, I'd like to welcome you. My name is Matthew Stanley and I serve as the Board's Regulation Analyst. I will preside over this hearing on behalf of the Board and the Department.

The California Board of Accountancy is contemplating this action pursuant to the authority vested by Sections 5010 and 5134 of the Business and Professions Code, authorizing the Board to amend, adopt, or repeal regulations for the administration and enforcement of the Chapter 1 of Division 3 of the Business and Professions Code.

For the record, the date today is January 25, 2013 and the time is approximately 9:01 a.m. Our hearing is being held at the Sheraton Suites at Symphony Hall located at 701 A. Street in San Diego, CA.

The notice for the hearing on these proposed regulations was published by the Office of Administrative Law. Interested parties on our mailing list have been notified of today's hearing. The language of the proposed regulations has been mailed to those who requested it and has been available on the board's Web site and upon request by other members of the public. Copies of the proposed regulations are available at the back of the room.

If the Board has received written comments on the proposal, those comments will be entered into the official record of the proceedings. The Board shall be provided and shall consider all written comments received up until 5:00 p.m., January 14, 2013. Anyone who wishes to comment in writing but does not want to speak today is welcome to do so. If we receive written comments on the proposed regulations, they will be acknowledged and entered into the official record of the rulemaking proceedings.

Those persons interested in testifying today should identify themselves and the section or subsection of the proposed regulations that they wish to address. Individuals will be called to testify in the order determined by recognition from the hearing officer. If you have a comment about the proposed regulation or any part or specific subsection of the proposal, please step up to the microphone and give your name, spelling your last name and tell us what organization you represent, if any. Speak loudly enough for your comments to be heard and recorded. Remember, it's not necessary to repeat the testimony of previous commentators. It is sufficient if you simply say that you agree with what a previous speaker has stated. Written testimony can be summarized but should not be read. When you are testifying, please identify the particular regulation proposal you are addressing. Please comment only on provisions of the article under discussion.

If you have a question about a proposed regulation, please re-phrase your question as a comment. For example, instead of asking what a particular subdivision means, you should state that the language is unclear and why. This will give the Board an opportunity to address your comments directly when the Board makes its final determination of its response to your comments.

Please keep in mind that this is a public forum to receive comments on the proposed regulations from interested parties. It is not intended to be a forum for debate or defense of the regulations. After all witnesses have testified, the testimony phase of the hearing will be closed.

Please raise your hand if you wish to comment on the proposed regulations. Is there anyone else who would like to comment on the

proposed regulations?

Thank you for participating in this regulation hearing. It is important that public comment on such policy issues be heard prior to the Board taking action on the proposal. The Board shall take into consideration all comments timely received. Upon careful consideration of all comments, the Board may take action to adopt the proposed text, or it may direct staff to modify the proposed text and make the text available for additional public comment.”

No public comments were received at this time.

B. Discussion and Possible Action to Adopt or Amend Proposed Text at Title 16, CCR Section 70 - Fees.

Mr. Stanley stated that this proposal would reduce the following fees for two years beginning July 1, 2014 and ending on June 30, 2016; application fee for the Uniform CPA Examination for First Time Applicants; application fee for the Uniform CPA Examination; application fee for CPA Certificate; application fee for Registering a Partnership or Corporation; fee for initial permit to practice as a partnership, corporation, or CPA; fee for renewal of a permit to practice as a partnership, corporation or CPA.

Mr. Stanley further stated that one written public comment was received regarding the proposal. Mr. Stanley stated that the comment noted states that the CBA “should avoid massive cuts and later significant increases to the fees by reducing the fees slightly and not to raise them again for many years; and to take a gradual conservative approach to reduce the fees to avoid yo-yo budgeting by examining the history of the CBA’s costs and regress what the fee line should be.”

It was moved by Mr. Elkins, seconded by Mr. Oldman and unanimously carried by those present to reject the public comment because the comments of Ms. Davis have been incorporated into the CBA deliberations and to direct staff to take all steps necessary to complete the rulemaking process, including the filing of the final rulemaking package with the OAL, authorize the Executive Officer to make any non-substantive changes to the proposed regulations, and adopt the proposed regulations as originally noticed.

C. Regulation Hearing Regarding Title 16, CCR Sections 16, 16.1 and 16.2 – Military Inactive Status.

Mr. Stanley read the following statement regarding the regulation hearing into the record:

“This is a public hearing on proposed regulations of the California Board of

Accountancy, Department of Consumer Affairs, to consider adopting regulations for Fees. On behalf of the Board and its staff, I'd like to welcome you. My name is Matthew Stanley and I serve as the Board's Regulation Analyst. I will preside over this hearing on behalf of the Board and the Department.

The California Board of Accountancy is contemplating this action pursuant to the authority vested by Sections 5010 and 5070.2 of the Business and Professions Code, authorizing the Board to amend, adopt, or repeal regulations for the administration and enforcement of the Chapter 1 of Division 3 of the Business and Professions Code.

For the record, the date today is January 25, 2013 and the time is approximately 9:13 a.m. Our hearing is being held at the Sheraton Suites at Symphony Hall located at 701 A. Street in San Diego, CA.

The notice for the hearing on these proposed regulations was published by the Office of Administrative Law. Interested parties on our mailing list have been notified of today's hearing. The language of the proposed regulations has been mailed to those who requested it and has been available on the board's Web site and upon request by other members of the public. Copies of the proposed regulations are available at the back of the room.

If the Board has received written comments on the proposal, those comments will be entered into the official record of the proceedings. The Board shall be provided and shall consider all written comments received up until 5:00 p.m., December 31, 2012. Anyone who wishes to comment in writing but does not want to speak today is welcome to do so. If we receive written comments on the proposed regulations, they will be acknowledged and entered into the official record of the rulemaking proceedings.

Those persons interested in testifying today should identify themselves and the section or subsection of the proposed regulations that they wish to address. Individuals will be called to testify in the order determined by recognition from the hearing officer. If you have a comment about the proposed regulation or any part or specific subsection of the proposal, please step up to the microphone and give your name, spelling your last name and tell us what organization you represent, if any. Speak loudly enough for your comments to be heard and recorded. Remember, it's not necessary to repeat the testimony of previous commentators. It is sufficient if you simply say that you agree with what a previous speaker has stated. Written testimony can be summarized but should not be read. When you are testifying, please identify the particular regulation proposal you are addressing. Please comment only on provisions of the article

under discussion.

If you have a question about a proposed regulation, please re-phrase your question as a comment. For example, instead of asking what a particular subdivision means, you should state that the language is unclear and why. This will give the Board an opportunity to address your comments directly when the Board makes its final determination of its response to your comments.

Please keep in mind that this is a public forum to receive comments on the proposed regulations from interested parties. It is not intended to be a forum for debate or defense of the regulations. After all witnesses have testified, the testimony phase of the hearing will be closed.

Please raise your hand if you wish to comment on the proposed regulations. Is there anyone else who would like to comment on the proposed regulations?

Thank you for participating in this regulation hearing. It is important that public comment on such policy issues be heard prior to the Board taking action on the proposal. The Board shall take into consideration all comments timely received. Upon careful consideration of all comments, the Board may take action to adopt the proposed text, or it may direct staff to modify the proposed text and make the text available for additional public comment.”

No public comments were received at this time.

The hearing was closed at 9:15 a.m.

D. Discussion and Possible Action to Adopt or Amend Proposed Text at Title 16, CCR Sections 16, 16.1 and 16.2 – Military Inactive Status.

Mr. Stanley stated that the proposed regulations would create an application incorporated by reference for a military inactive status, and note what documentation the CBA will deem as acceptable proof. Mr. Stanley stated there were no written comments received regarding the proposed regulations.

It was moved by Mr. Oldman, seconded by Ms. Bell and unanimously carried by those present to direct staff to take all steps necessary to complete the rulemaking process, including the filing of the final rulemaking package with the OAL, and authorize the Executive Officer to make any non-substantive changes to the proposed regulations, and adopt the proposed regulations as originally noticed.

E. Discussion and Possible Action to Adopt Proposed Text at Title 16, CCR Sections 12, 12.5, 37, 80, 80.1, 80.2, 81, 87, 87.1, 87.7, 87.8, 87.9, 88, 88.1, 88.2, and 89 – Continuing Education.

Mr. Stanley stated that at the September 2012 CBA, the CBA held a public hearing on its CE regulation proposal. Mr. Stanley further stated that the CBA adopted a motion to “direct staff to take all steps necessary to complete the rulemaking process, including sending out the modified text for an additional 15-day comment period. If after the 15-day public comment period, no adverse comments are received, authorize the Executive Officer to make any non-substantive changes to the proposed regulations and adopt the proposed regulations as described in the modified text notice.”

Mr. Stanley stated that during the 15-day comment period, an adverse comment was previously received and the issue was heard at the November CBA meeting; however, because an adverse comment was received, based on the motion adopted at the September 2012 meeting, the Executive Officer’s authority to adopt the proposal was nullified. Mr. Stanley stated that the CBA must adopt a new motion to grant the Executive Officer the authority to adopt the proposal and move forward with the rulemaking.

It was moved by Ms. Anderson, seconded by Mr. Ramirez and unanimously carried by those present to direct staff to take all steps necessary to complete the rulemaking process, including filing of the final rulemaking package with the OAL, authorize the Executive Officer to make any non-substantive changes to the proposed regulations, and adopt the proposed regulations as amended in the 15-day Notice of Modified Text.

IX. Committee and Task Force Reports.

A. Enforcement Program Oversight Committee (EPOC) (Alicia Berhow, Chair).

1. Report of the January 24, 2013 EPOC Meeting.
2. Discussion and Possible Action Regarding Adding a Model Petition for Reinstatement Decision Checklist to the CBA Disciplinary Guidelines.

Ms. Berhow stated that the EPOC discussed modifying the proposed Disciplinary Guidelines to include a Model Petition for Reinstatement Checklist. Ms. Berhow stated that the EPOC agreed the checklist would streamline the petition process for the CBA and

Administrative Law Judge.

It was moved by Ms. Berhow, seconded by Ms. Anderson and unanimously carried by those present to accept the EPOC's recommendation to accept the concept of the Model Petition for Reinstatement Decision Checklist and add another option allowing for precedent condition prior to placing the licensee on probation.

3. Discussion Regarding New Optional Conditions of Probation to be Used in Lieu of Monetary Administrative Penalties.

Ms. Berhow stated that the EPOC discussed the addition of an optional condition of probation allowing the imposition of non-monetary administrative penalties. Ms. Berhow further stated that the EPOC concluded that adding a new optional condition for non-monetary administrative penalties was not needed at this time and the EPOC agreed that non-monetary penalties can presently be used during the Stipulation and Settlement agreement process; therefore, no addition is needed to the CBA Disciplinary Guidelines.

There was no action taken on this item.

B. Committee on Professional Conduct (CPC) (Michael Savoy, Chair).

1. Report of the January 24, 2013 CPC Meeting.
2. Discussion and Possible Action to Initiate an Emergency Rulemaking and Regular Rulemaking to Adopt Title 16, California Code of Regulations Sections 5.5, 18, 19, 20, 21, 22, 26, 36.1 and 98 Regarding Practice Privilege.

Mr. Savoy reported that the CPC discussed proposed regulatory language to implement the new practice privilege provisions, which included a list of substantially equivalent states, definitions, forms, an appeals process and revisions to the CBA Disciplinary Guidelines. Mr. Savoy further stated that staff will present the final regulatory language of the proposal and a Finding of Emergency for adoption at the March CBA meeting.

It was moved by Mr. Oldman, seconded by Ms. Berhow and unanimously carried by those present that the CBA accept the CPC recommendation to approve the proposed regulatory language while removing the definition of "headquartered in California," and direct staff to begin drafting the necessary rulemaking documents.

3. Discussion and Policy Decision on a Potential Legislative Change to Include Pending Criminal Charges as a Cessation Notification Event for the Practice Privilege Provisions Set to Take Effect on July 1, 2013.

Mr. Savoy reported that the CPC discussed a proposal to require an out-of-state licensee who is exercising a practice privilege in California to notify the CBA when pending criminal charges occur and to cease practice until the individual receives written permission from the CBA to resume practice.

It was moved by Ms. Anderson, seconded by Mr. Oldman and unanimously carried by those present that the CBA adopt the CPC's recommendation to direct staff to prepare a proposal requiring practice privilege holders to notify the CBA of pending criminal charges, but not require cessation of practice, in order to be more consistent with the notice the CBA receives for California licensees.

C. Legislative Committee (LC) Larry Kaplan, Chair).

1. Report of the January 24, 2013 LC Meeting.
2. Discussion and Possible Action on Proposed Language for Changes to the New Practice Privilege Provisions Set to Take Effect July 1, 2013.

Mr. Kaplan stated that the LC discussed pursuing legislative language to provide the CBA with citation authority over practice privilege holders.

It was moved by Mr. Savoy, seconded by Ms. Bell and unanimously carried by those present to accept the LC recommendation to direct staff to add citation authority over practice privilege holders and pursue its inclusion in the urgency omnibus bill.

3. Update on Legislative Proposal for Allowing Candidates to Qualify for the Uniform CPA Examination Prior to Conferral of Baccalaureate Degree and Proposal for Extending Ability for Candidates to Qualify for Licensure Under Pathway 1 or Pathway 2 After the New Educational Requirements Take Effect on January 1, 2014.

Mr. Kaplan stated that CPC discussed staff provided statutory language to extend the existing pathways to licensure until December 31, 2015, for candidates who have completed the CPA

examination by December 31, 2013.

It was moved by Mr. Campos, seconded by Mr. Oldman and unanimously carried by those present to accept the LC recommendation to approve the proposed statutory language extending the time frame for applicants to apply under the existing pathways for CPA licensure, if they have completed the CPA Examination by December 31, 2013.

4. Update Regarding CBA Approved 2013 Legislative Proposal for Removing Specified Citation and Fine Information from the CBA Website.

Mr. Kaplan stated that staff provided the CPC an update on the CBA's proposal to remove citation and fine information from its website after five years if the fine is \$1,500 or less. Mr. Kaplan further stated that staff is continuing to seek an author and the LC directed staff to provide the CBA an update on the potential authors staff have already contacted.

There was no action on this item.

D. Peer Review Oversight Committee (PROC) (Nancy Corrigan, Chair).

Report of the December 4, 2013 PROC Meeting.

Ms. Corrigan reported that the PROC discussed its participation at the November 15-16, 2012 CalCPA Peer Review Committee meeting.

Ms. Corrigan stated that the feedback received from the two participating members was positive. Ms. Corrigan further stated that the PROC reviewed the second draft of the 2012 Annual PROC Report and began planning for a second onsite visit to CalCPA. Ms. Corrigan commented that she and another PROC member will attend the AICPA Peer Review board meeting on January 25, 2013.

Ms. Anderson inquired if other states maintain a peer review oversight committee.

Ms. Corrigan stated that the PROC is monitoring other states' PROC committees and the role they have in the peer review oversight process. Ms. Corrigan believes that the PROC's work and oversight of the peer review process should be ongoing.

E. Enforcement Advisory Committee (EAC) (Cheryl Gerhardt, Chair).

Report of the December 13, 2012 EAC Meeting.

Ms. Gerhardt reported that the EAC reviewed 13 closed files and the EAC agreed with closure of all 13 files. Ms. Gerhardt stated that one investigative hearing was held, which resulted in a citation.

F. Qualifications Committee (QC).

Report of the January 23, 2013 QC Meeting.

Mr. Franzella reported that five personal appearance and five Section 69 reviews were held at the QC meeting. Mr. Franzella stated that three personal appearances were not approved and one Section 69 appearance was not approved. Mr. Franzella noted that the next QC meeting will be held in Northern California on April 24, 2013.

XI. Acceptance of Minutes.

A. Draft Minutes of the November 15-16, 2012 CBA Meeting.

Mr. Ramirez requested that staff revise page 19452 regarding his statement about fraud continuing education.

B. Minutes of the November 15, 2012 CPC Meeting.

C. Minutes of the November 15, 2012 LC Meeting.

D. Minutes of the October 19, 2012 PROC Meeting.

E. Minutes of the October 18, 2012 EAC Meeting.

F. Minutes of the July 26, 2012 EPOC Meeting.

It was moved by Mr. Ramirez, seconded by Ms. Berhow and carried by those present to approve the minutes with Mr. Ramirez's suggested changes to page 19452 of the CBA minutes. Mr. Campos and Ms. Salazar abstained.

XII. Other Business.

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

There was no report for this item.

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

1. NASBA's Request for Vice Chair Recommendations for 2013-2014.

It was moved by Mr. Kaplan, seconded by Mr. Ramirez and carried by those present to nominate Janice Gray for the position of NASBA Vice Chair. Ms. Anderson abstained.

a. Accountancy Licensee Database (ALD) Task Force.

There was no report for this item.

b. Board Relevance & Effectiveness Committee.

There was no report for this item.

XIV. Closing Business

A. Public Comments.

Mr. Driftmier provided a report of the NASBA Education Committee meeting.

B. Agenda Items for Future CBA Meetings.

Ms. Kirkbride requested that the CBA discuss E-learning at a future meeting.

Mr. Ramirez requested that the CBA discuss pursuing a single license type at a future meeting.

C. Press Release Focus

Ms. Pearce stated the topic for consideration for a post-meeting press include the CBA's action of the fee reduction.

Adjournment.

President LaManna adjourned the meeting at 9:55 a.m. on Friday, January 25, 2013.

Leslie J. LaManna, CPA, President

_____ K.T. Leung, CPA, Secretary-Treasurer

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