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

**MINUTES OF THE**  
**March 19-20, 2015**  
**CBA MEETING**

Wyndham Irvine-Orange County Airport  
 17941 Von Karman Avenue  
 Irvine, CA 92614  
 Telephone: (949) 863-1999

Roll Call and Call to Order.

CBA President Jose Campos called the meeting to order at 1:34 p.m. on Thursday, March 19, 2015 at the Wyndham Irvine-Orange County Airport. The CBA convened into closed session at 5:04 p.m. until 5:37 p.m. The meeting reconvened into closed session on Friday, March 20, 2015 at 9:03 a.m. President Campos adjourned the meeting at 9:49 a.m.

CBA Members

March 19, 2015

Jose Campos, CPA, President	1:34 p.m. to 5:37 p.m.
Katrina Salazar, CPA, Vice-President	1:34 p.m. to 5:37 p.m.
Alicia Berhow, Secretary/Treasurer	1:34 p.m. to 5:37 p.m.
Sarah (Sally) Anderson, CPA	1:34 p.m. to 5:37 p.m.
Herschel Elkins, Esq.	1:34 p.m. to 5:37 p.m.
Laurence (Larry) Kaplan	1:34 p.m. to 5:37 p.m.
Louise Kirkbride	Absent
Kay Ko	1:34 p.m. to 5:37 p.m.
Leslie LaManna, CPA	1:34 p.m. to 5:37 p.m.
Xochitl León	1:34 p.m. to 5:37 p.m.
Michael Savoy, CPA	1:34 p.m. to 5:37 p.m.
Mark Silverman, Esq.	1:34 p.m. to 5:37 p.m.
Kathleen Wright, CPA	1:34 p.m. to 5:37 p.m.

CBA Members

March 20, 2015

Jose Campos, CPA, President	9:03 a.m. to 9:49 a.m.
Katrina Salazar, CPA, Vice-President	9:03 a.m. to 9:49 a.m.
Alicia Berhow, Secretary/Treasurer	9:03 a.m. to 9:49 a.m.
Sarah (Sally) Anderson, CPA	9:03 a.m. to 9:49 a.m.
Herschel Elkins, Esq.	9:03 a.m. to 9:49 a.m.
Laurence (Larry) Kaplan	Absent
Louise Kirkbride	Absent
Kay Ko	9:03 a.m. to 9:49 a.m.
Leslie LaManna, CPA	9:03 a.m. to 9:49 a.m.
Xochitl León	9:03 a.m. to 9:49 a.m.
Michael Savoy, CPA	9:03 a.m. to 9:49 a.m.
Mark Silverman, Esq.	9:03 a.m. to 9:49 a.m.
Kathleen Wright, CPA	9:03 a.m. to 9:49 a.m.

Staff and Legal Counsel

Patti Bowers, Executive Officer  
Deanne Pearce, Assistant Executive Officer  
Rich Andres, Information Technology Staff  
Pat Billingsley, Regulations Analyst  
Paul Fisher, Enforcement Supervising ICPA  
Dominic Franzella, Chief, Enforcement Division  
Kathryn Kay, Legislation Analyst  
Corey Riordan, Board Relations Analyst  
Gina Sanchez, Chief, Licensing Division  
Kristy Schieldge, Legal Counsel, Department of Consumer Affairs (DCA)  
Carl Sonne, Deputy Attorney General, Department of Justice (DOJ)  
Matthew Stanley, Examination and Practice Privilege Manager

Committee Chairs and Members

Jeffrey De Lyser, Chair, Enforcement Advisory Committee  
Sherry McCoy, Vice-Chair, Peer Review Oversight Committee

Other Participants

Colleen Conrad, CPA, Executive Vice President and Chief Operations  
Officer, National Association of State Boards of Accountancy  
George Famalett, CPA, PricewaterhouseCoopers  
Jason Fox, California Society of Certified Public Accountants  
Joseph Petito, The Accountants Coalition  
Jon Ross, KP Public Affairs

I. Report of the President.

A. Introduction of Newly Appointed CBA Member, Kathleen Wright, CPA.

Ms. Wright introduced herself to the CBA.

B. National Association of State Boards of Accountancy (NASBA)  
Presentation Regarding Changes to the Uniform CPA Exam.

Ms. Conrad provided a presentation on the upcoming changes to the Uniform CPA Exam. Ms. Conrad stated that an exposure draft will be released in September 2015 and candidates will begin using the next version of the CPA Exam in the second quarter of 2017.

C. NASBA/American Institute of Certified Public Accountants (AICPA)  
Committee Interest Form.

Ms. Riordan stated that members interested in serving on a NASBA committee should submit an online application by April 29, 2015. She further stated that AICPA is accepting applications for the 2015-16 volunteer year until May 15, 2015.

D. Proposed 2016 CBA Meeting Dates and Locations.

**It was moved by Ms. Salazar and seconded by Ms. Berhow to adopt the 2016 meeting dates and locations.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

E. DCA Director's Report.

There was no report on this item.

II. Report of the Vice President.

A. Report on Activities Related to the Sunset Review Process.

Ms. Salazar provided an overview of the activities related to the sunset review process. She stated that the Senate Business Professions and Economic Development Committee (BP&ED) released a Background Paper on the CBA that identified six issues and a recommendation for each issue. The issues identified in the background paper included the continuance of the peer review program, the CBA's progress in meeting the performance measure related to formal discipline, allowing the CBA to include permanent practice restrictions in a final disciplinary order, the adequacy of the Accountancy Fund Reserve level, and whether the CBA's sunset date should be extended. Ms. Salazar stated that Ms. Bowers and she testified at the Sunset Review Hearing on March 18, 2015, and at the hearing they provided an overview of the CBA, responses to three of the issues identified in the Background Paper, as requested by staff for the Senate BP&ED and respectfully requested that the CBA's sunset review date be extended.

Lastly, Ms. Salazar thanked immediate past CBA President Savoy for attending the hearing and CalCPA for providing public comment in support of the CBA.

- B. Recommendations for Appointment(s)/Reappointment(s) to the Enforcement Advisory Committee (EAC).

**It was moved by Ms. Berhow and seconded by Mr. Elkins to appoint Thomas Gilbert, CPA, to the EAC for a two-year term, effective March 20, 2015 until March 31, 2017.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

**It was moved by Mr. Elkins and seconded by Ms. Anderson to reappoint William Donnelly, CPA, to the EAC for a two-year term, effective until March 31, 2017.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

- C. Recommendations for Appointment(s)/Reappointment(s) to the Qualifications Committee (QC).

**It was moved by Ms. Berhow and seconded by Mr. Silverman to appoint Eric Borigini, CPA, David Collins, CPA, Saboohi Currim, CPA, Kristian George, CPA, and Jose Palma, CPA, to the QC for a two-year term, effective March 20, 2015 until March 31, 2017.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

- D. Recommendations for Appointment(s)/Reappointment(s) to the Peer Review Oversight Committee.

**It was moved by Mr. Silverman and seconded by Ms. Anderson to appoint Kevin Harper, CPA, to the PROC effective March 20, 2015 to March 31, 2017 and reappoint Jeffrey De Lyser, CPA, to the PROC effective until March 31, 2017.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

### III. Report of the Secretary/Treasurer.

#### A. Fiscal Year 2014–15 Mid-Year Financial Statement and Governor's Budget.

Ms. Berhow provided an overview of this agenda item. She stated that the fiscal year (FY) 2014-15 budget is currently set at \$13,413,000 and the Governor's budget is estimated to provide the CBA with a budget of \$14,161,000 for FY 2015-16. She stated that the CBA has collected \$2.9 million in the second quarter of FY 2014-15 and the total expenditures through the second quarter reflect an approximate 11 percent increase over the same period last fiscal year.

Mr. Savoy stated that during the Sunset Review Hearing the Legislature questioned that the reserve was too low; however he noted that during the previous sunset review process, it was stated that the reserve was too high. Mr. Savoy inquired about which branch of the government decides to take funds from the CBA's reserve.

Ms. Bowers stated that the Governor's office makes the decision. She further stated that after the last Sunset Review, a provision in law that required the CBA to maintain a nine-month reserve was amended to make the CBA consistent with other boards. Due to the amendment, staff for the Senate BP&ED recommended that the CBA maintain a 24 month reserve.

Lastly, Ms. Berhow stated that the CBA ended the second quarter with 9.5 months in reserve and it is anticipated that an additional \$750,000 in BreEZe costs will be needed in the next three fiscal years.

#### B. Discussion and Possible Action to Initiate a Rulemaking to Propose Changes to Title 16, California Code of Regulations Sections 70 – Fees.

Ms. Pearce provided an overview of this agenda item. Ms. Pearce informed the CBA that the Department of Finance released its loan obligation report and the CBA is projected to receive an additional \$11 million loan repayment in FY 2017-18. Ms. Pearce also stated that the CBA's Background Paper for the Sunset Review contained a recommendation to increase the CBA's reserve to a level at or slightly below 24 months of expenditures.

Ms. Anderson inquired if the CBA will have an additional \$14 million of unscheduled loan repayments from the General Fund, why are we asking licensees to pay additional fees.

Mr. Campos confirmed Ms. Anderson was inquiring what the months in

reserve would be if the CBA included the additional unscheduled repayments.

Ms. Pearce stated that the repayments would result in approximately ten additional months in reserve.

Ms. LaManna suggested that the CBA approve Scenario 2, as it would increase the months in reserve to 12.5 months and should the CBA receive the unscheduled repayments of the loans from the General Fund, the months in reserve will be near the recommended 24 months.

Ms. Salazar suggested that the CBA consider its mission, which is to protect consumers, as it makes a decision and expressed her concern that if the CBA has a major and complex enforcement case, the CBA may not be able to continue its mission.

Mr. Campos provided a brief overview of the fee proposals provided by CBA staff and stated that after the deliberation, a motion would be required to initiate a rulemaking.

**It was moved by Ms. Salazar and seconded by Ms. Berhow to approve Scenario 2 restoring the license renewal and initial permit fees to \$200, initiate the rulemaking process in order to conduct the regulatory hearing at the May 2015 CBA meeting, and authorize the Executive Officer to make any non-substantive changes.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

#### IV. Report of the Executive Officer (EO).

##### A. Update on the Relocation of the CBA's Office.

Ms. Bowers stated that the relocation is still in process and she has signed the lease. She stated that once the lessor has signed, she will be able to release the exact location to the CBA and staff.

##### B. Update on Staffing.

Ms. Bowers introduced Pat Billingsley as the new Regulations Analyst and welcomed him to the CBA.

C. Update on BreEZe Project.

Ms. Pearce provided an overview of this agenda item.

Mr. Elkins confirmed that the CBA would not transition to BreEZe until 2018 or 2019.

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

There were no comments on this item.

V. Report on the Enforcement Advisory Committee, Qualifications Committee, and the Peer Review Oversight Committee.

A. Enforcement Advisory Committee (EAC).

1. Report of the January 29, 2015 EAC Meeting.

Mr. De Lyser thanked President Campos for attending the EAC meeting. He stated that at the meeting, the EAC reviewed 25 closed cases and two open investigations, and conducted one investigative hearing.

B. Qualifications Committee (QC).

There was no report on this item.

C. Peer Review Oversight Committee (PROC).

1. Report on the January 30, 2015 PROC Meeting.

Ms. McCoy reported on various oversight events that the PROC members participated in, including the AICPA Peer Review Board meeting, CalCPA Report Acceptance Board meeting, and review of out-of-state peer review administering entities.

2. Presentation and Approval of the 2014 PROC Annual Report.

Ms. McCoy presented the 2014 PROC Annual Report.

**It was moved by Mr. Savoy and seconded by Ms. Anderson to approve the 2014 PROC Annual Report.**

**Yes: Ms. Anderson, Mr. Campos, Mr. Elkins, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: Mr. Kaplan.**

**Absent: Ms. Berhow.**

**The motion passed.**

VI. Report of the Enforcement Chief.

A. Report on Enforcement Division Activity.

Mr. Franzella provided an overview of this agenda item. Mr. Franzella noted that the CBA received almost 500 additional complaints since the last reporting period. He stated that 73 investigations have been pending for a period of 18-24 months. Mr. Franzella stated that the top violation resulting in the issuance of a citation was related to the continuing education requirements. Lastly, Mr. Franzella thanked Mr. Sonne for providing CBA staff with training regarding testifying and expert testimony.

VII. Report of the Licensing Chief.

A. Licensing Activity Report.

Ms. Sanchez introduced herself to the CBA and provided an overview of this agenda item. She stated that the examination and initial licensing units are processing applications within the 30-day timeframe. Ms. Sanchez stated staff recently attended two outreach events to provide information and answer questions regarding the CPA examination and the new licensure education requirements and will be attending two additional events in April.

VIII. Committee Reports.

A. Mobility Stakeholder Group (MSG).

1. Report of the March 19, 2015 MSG Meeting.
2. The MSG Decision Matrix and Stakeholder Objectives.

There were no comments on this item.

3. Discussion Regarding the Consumer Protection Provisions of Business and Professions Code Sections (BPC) 5096.2 – 5096.21.

Ms. Salazar reported that staff provided an overview of the consumer protection provisions of the practice privilege law in BPC sections 5096.2 – 5096.21, including discipline of a practice privilege, administrative suspension, out-of-state firm registrations, changes to the CBA website, and reporting requirements. She stated that the MSG is expected to review the law in combination with the first few years of mobility statistics prior to issuing its final report in 2017.

4. Discussion and Approval of the MSG Annual Report.

Ms. Salazar presented the CBA with the 2014 Annual MSG Report. She noted that the report details: the activities of the MSG during its first year; provides an overview of the MSG and its responsibilities; an overview of the practice privilege program, including changes to the program; and statistics for the practice privilege program. Lastly, she stated that the final report will be modified with two changes to provide clarity. The changes are:

- The chart on page 6 of the report will contain an asterisk to note that the United States Securities and Exchange Commission and Public Company Accounting Oversight Board disciplinary actions are not specific to California licensees or practice privilege holders.
- The chart on page 7 of the report will contain an asterisk to note that the numbers provided are hits to the specific web pages and if the hits are unique.

5. Report on the New York Board of Accountancy's Practice Privilege Program.

Ms. Salazar reported that during the MSG's November 2014 meeting, members inquired about New York's experiences with the pre-notification requirement. She stated that staff contacted the New York Board of Accountancy and were told that it has not received any pre-notifications since the implementation of the program.

6. Discussion and Recommendation to the CBA Regarding Approval of Timeline and Plan for Making Determinations Required Pursuant to Business and Professions Code Section 5096.21.

Ms. Salazar reported that the MSG reviewed the timeline and plan for making determinations required pursuant to BPC section 5096.21. She stated that BPC section 5096.21(a) requires the CBA to make determinations as to whether allowing licensees of a particular state to

practice in California under the no notice, no fee practice privilege provisions violates its duty to protect the public. If this determination shows the public is at risk, the licensees of those particular states would, following a rulemaking by the CBA, revert back to using the prior practice privilege program, which included notice and fee provisions. She also noted that the CBA determinations must be made on or after January 1, 2016. Ms. Salazar stated that although the timeline does not include it, a second track is being deemed substantially equivalent, which involves NASBA's national enforcement guidelines and best practices.

**The MSG recommends that the CBA adopt the proposed timeline and plan for making the required determinations.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

7. Discussion and Recommendation to the CBA Regarding the Basis for Making Determinations Required Pursuant to Business and Professions Code Section 5096.21.

Ms. Salazar reported that the MSG reviewed the data for three factors that the CBA is required to consider when making determinations required pursuant to BPC section 5096.21 and provided input regarding additional data that is needed. The MSG requested the following additional information: whether each state has a mandatory peer review process, the number of enforcement referrals each state has made to the CBA, and incorporate any information NASBA may have regarding each state. Ms. Salazar stated that staff recommended a letter be prepared and sent to each state. She noted the letter would request specific information from each state and include possible ramifications should the CBA determine that the state does not meet the minimum standards.

**The MSG recommends that the CBA provide any input it may have regarding additional information that it may need to make the required determinations and approve the proposed method for obtaining the necessary information.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

8. Discussion Regarding the CBA's Practice Privilege Preliminary Determinations Report.

Ms. Salazar reported that the MSG provided guidance to staff regarding the terms below and any additional guidance from the CBA would be welcomed.

1. Timely and Adequately Addressing Enforcement Referrals – The MSG recommended using California's current performance measures as initial guideline that may be altered as additional information is received.
2. Adequately Linking Consumers to Electronic Information – The MSG recommended that the information that was available on the old practice privilege notification form be the minimum amount of information required.
3. Appropriate Discipline in Light of Misconduct – The MSG recommended that the number of licensees in each state be ascertained and that each state be evaluated based on their size, procedures, and laws.

Additionally, Ms. Salazar stated that it was the opinion of the MSG that states not be named in the report and it was also requested that a reference to the NASBA enforcement guidelines and best practices be made in the report.

**The MSG recommended that the CBA provide any additional guidance on the draft report and that the CBA exclude specific state names in the draft Preliminary Determinations Report.**

**Yes: Ms. Anderson, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: Ms. Berhow.**

**The motion passed.**

9. Discussion Regarding NASBA's Activities and CPAVerify.

Ms. Salazar reported that at its November 2014 meeting, the MSG requested that this agenda item become a standing item for all future meetings. She also stated that the MSG requested that staff determine if there was a timeframe for New York to report disciplinary information to the Accountancy Licensing Database (ALD).

Ms. Salazar stated that the MSG was informed that New York's enforcement computer system, which belongs to the board's parent agency, is not capable of sending the information to ALD due to its age. She stated that though New York has discussed upgrading the system, there are no plans to do so at this time.

10. Discussion Regarding Proposed Agenda Items for the Next MSG Meeting.

Ms. Salazar reported that the MSG will be discussing a review of the NASBA Enforcement Guidelines and a review of additional information gathered to assist the CBA in making its determinations regarding other states at its next meeting.

B. Strategic Planning Committee (SPC).

1. Report on the March 19, 2015 SPC Meeting.
2. Discussion Regarding the Process to Develop the 2016-2018 Strategic Plan.

**The SPC recommended that the CBA direct staff to engage DCA Strategic Organization Leadership and Individual Development Strategic Planning Unit to facilitate the development of the 2016-2018 Strategic Plan and provide members with an opportunity to participate in a Strength, Weakness, Opportunity and Threat analysis.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

C. Committee on Professional Conduct (CPC).

1. Report of the March 19, 2015 CPC Meeting.
2. Discussion and Update Regarding the Pretesting of the Attest Study Survey Items and Delegation of Authority to Approve Necessary Changes.

Ms. LaManna reported that the CPC reviewed information regarding the pretesting of the attest study questions prior to the launch of the survey and approved delegating authority to the CPC Chair to make any changes to the attest study items as a result of the pretest.

**The CPC recommended that the CBA delegate authority to Ms. LaManna to approved any changes to the attest study items as a result of the pretest.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

D. Legislative Committee (LC).

1. Report of the March 19, 2015 LC Meeting.
2. Update on Sunset Review Activities and Considerations on Position on Senate Bill 467.

Mr. Silverman reported that Senator Jerry Hill, Chair of the Senate BP&ED Committee, introduced Senate Bill (SB) 467, which seeks to extend the CBA's sunset date to January 1, 2020. He also stated that staff have been advised that SB 467 will be amended to include the

CBA's legislative proposal for permanent practice restrictions, which will provide the CBA the authority to include permanent restrictions as a part of a final disciplinary order.

**The LC recommended that the CBA take a support position on SB 467.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

3. Update on Legislative Proposals for Inclusion in the 2015 Annual Omnibus Bill.

Mr. Silverman reported that the CBA directed staff to submit three legislative proposals to the Legislature for inclusion in the annual omnibus bill related to the following:

- Recast and strengthen the reciprocity provision relating to the status of an out-of-state licensee applying for licensure in California
- Clarifying license restoration requirements for a license placed in retired status
- Allowing the CBA to include permanent practice restrictions as part of a final disciplinary order

Mr. Silverman stated that the LC was informed that the proposals were accepted except the permanent practice restrictions proposal, which will be amended in SB 467.

**The LC recommended that the CBA take a support position on SB 799 and send a letter to the Senate BP&ED Committee expressing support of the proposed changes specific to the Accountancy Act.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

4. Review of Introduced Legislation and Consideration of Possible Position.

- a. AB 12 – State government: administrative regulations: review.

There were no comments on this item.

- b. AB 19 – State government: regulations.

There were no comments on this item.

- c. AB 85 – Open meetings.

Mr. Silverman reported that the LC discussed Assembly Bill (AB) 85.

**The LC recommended that the CBA take a watch position on AB 85 to allow staff to further communicate and work with the author's office and provide regular updates to the CBA as the bill moves through the legislative process.**

**Yes: Ms. Anderson, Mr. Kaplan, Ms. Ko, Ms. León, Ms. Salazar, and Ms. Wright.**

**No: Ms. Berhow, Mr. Campos, Mr. Elkins, Ms. LaManna, Mr. Savoy, and Mr. Silverman.**

**Abstain: None.**

**Absent: None.**

**The motion failed.**

**It was moved by Mr. Elkins, seconded by Ms. LaManna that the CBA take an oppose position on AB 85 and send a letter to the author's office.**

**Yes: Ms. Berhow, Mr. Campos, Mr. Elkins, Ms. LaManna, Mr. Savoy, and Mr. Silverman.**

**No: Ms. Anderson, Mr. Kaplan, Ms. Ko, Ms. Salazar, and Ms. Wright.**

**Abstain: Ms. León**

**Absent: None.**

**The motion passed.**

- d. AB 507 – Department of Consumer Affairs.

There were no comments on this item.

- e. AB 513 – Professions and vocations.

There were no comments on this item.

- f. SB 8 – Taxation.

Mr. Silverman reported that the LC discussed SB 8.

**The LC recommended that the CBA take a watch position on SB 8 and direct staff to continue to monitor its development.**

**Yes: Ms. Anderson, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: Mr. Campos and Ms. LaManna.**

**Abstain: Ms. Berhow.**

**Absent: None.**

**The motion passed.**

5. Additional Legislation Impacting the CBA Identifies After the Posting of the Meeting Notice.

Mr. Silverman reported that staff identified four additional bills, AB 750, AB 1060, AB 1215, and SB 729, which do not presently have an impact on the CBA. He stated that the LC requested that staff continue to monitor AB 1060, as concerns were raised regarding the effectiveness of electronic transmission of information to licensees that have had their license revoked.

Mr. Elkins stated that the LC requested that staff reach out to the

author to clarify if the bill would authorize the board to provide information through electronic means only or if it would be in addition to with first class mail.

E. Enforcement Program Oversight Committee (EPOC).

1. Report of the March 19, 2015 EPOC Meeting.
2. Discussion Regarding the CBA's Provisions for Language Assistance.

Ms. Ko reported that staff provided an overview of Article 8 of the Administrative Procedure Act related to Language Assistance and that a statement was recently added to online and hardcopy complaint intake forms regarding language assistance.

Ms. Ko also stated that during the discussions members suggested that the topic of language assistance be broadened to other areas including licensing and that the statement be translated in Spanish as well.

3. Discussion Regarding Proposed Agenda Items for 2015.

Ms. Ko reported that the EPOC approved staff's proposed agenda items for 2015, including:

- A review of CBA Regulations section 95.5 on formal and informal citation appeals
- A discussion regarding compelling mental health evaluations of licensees and applicants

IX. Acceptance of Minutes.

- A. Draft Minutes of the January 22, 2015 CBA Meeting.
- B. Minutes of the November 20, 2014 Meeting.
- C. Minutes of the January 22, 2015 LC Meeting.
- D. Minutes of the January 22, 2015 CPC Meeting.
- E. Minutes of the November 20, 2014 SPC Meeting.
- F. Minutes of the November 20, 2014 MSG Meeting.
- G. Minutes of the December 11, 2014 EAC Meeting.
- H. Minutes of the August 22, 2014 PROC Meeting.

I. Minutes of the December 10, 2014 PROC Meeting.

**It was moved by Ms. Berhow and seconded by Mr. Silverman to approve agenda items IX.A. – IX.I.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. Salazar, Mr. Savoy, and Mr. Silverman.**

**No: None.**

**Abstain: Ms. León and Ms. Wright.**

**Absent: None.**

**The motion passed.**

X. 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. Report on Strategic Planning Task Force.

Mr. Savoy stated that he participated in a teleconference meeting on January 10, 2015 to discuss logistics, including how and when the committee will meet. He stated it was determined that an in-person meeting will be held at the beginning of June.

2. Nominations for NASBA 2015-2016 Vice Chair.

Ms. Riordan stated that NASBA was seeking individuals interested in serving as Vice Chair of NASBA for the 2015-2016 year.

3. Proposed Responses to NASBA Focus Questions.

**It was moved by Ms. Berhow and seconded by Mr. Silverman to approve the responses to the NASBA focus questions.**

**Yes: Ms. Anderson, Ms. Berhow, Mr. Campos, Mr. Elkins, Mr. Kaplan, Ms. Ko, Ms. LaManna, Ms. León, Ms. Salazar, Mr. Savoy, Mr. Silverman, and Ms. Wright.**

**No: None.**

**Abstain: None.**

**Absent: None.**

**The motion passed.**

XI. Closing Business.

A. Public Comments.\*

There were no comments.

B. Agenda Items for Future CBA Meetings.

There were no suggested agenda items for future CBA meetings.

C. Press Release Focus.

Ms. Pearce proposed a press release topic regarding the Sunset Review Hearings.

XII. Closed Session.

A. Pursuant to Government Code Section 11126(c)(3), the CBA Convened Into Closed Session to Deliberate on Disciplinary Matters (Stipulated Settlements, Default Decisions, and Proposed Decisions).

B. Pursuant to Government Code Section 11126(e), the CBA Convened Into Closed Session to Receive Advice from Legal Counsel on Litigation (*David Greenberg v. California Board of Accountancy, Orange County Superior Court, Case No. 30-2014-00751855-CU-BT-CJC*).

President Campos adjourned the meeting at 9:49 a.m. on Friday, March 20, 2015.

\_\_\_\_\_ Jose A. Campos, CPA, President

\_\_\_\_\_ Alicia Berhow, Secretary-Treasurer

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