



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

**MINUTES OF THE**  
**March 17, 2016**  
**MOBILITY STAKEHOLDER GROUP (MSG) MEETING**

DoubleTree Guest Suites Anaheim Resort  
 2085 South Harbor Blvd.  
 Anaheim, CA 92802  
 Telephone: (714) 750-3000

**CALL TO ORDER**

Jose Campos, CPA, Chair, called the meeting of the MSG to order at 10:43 a.m. on Thursday, March 17, 2016 at the DoubleTree Guest Suites Anaheim Resort. Mr. Campos requested that the roll be called.

MSG Members

Jose A. Campos, CPA, Chair	Present
Joe Petito, Vice Chair	Present
Donald Driftnier, CPA	Present
Dominic Franzella	Present
Ed Howard, Esq.	Present
Michael Savoy, CPA	Present
Stuart Waldman	Absent

CBA Members Observing

Katrina Salazar, CPA, President  
 Alicia Berhow  
 George Famalett, CPA  
 Laurence (Larry) Kaplan  
 Kay Ko  
 Leslie LaManna, CPA  
 Jian Ou-Yang, CPA  
 Mark Silverman, Esq.  
 Kathleen Wright, Esq., CPA

Staff and Legal Counsel

Patti Bowers, Executive Officer

Deanne Pearce, Assistant Executive Officer

Rich Andres, Information Technology Staff

Pat Billingsley, Regulations Analyst

Corey Faiello-Riordan, Board Relations Analyst

Paul Fisher, Enforcement Supervising Investigative CPA

Nooshin Movassaghi, Legislative Analyst

Gina Sanchez, Chief, Licensing Division

Kristy Schieldge, Legal Counsel, DCA

Carl Sonne, Deputy Attorney General, Department of Justice (DOJ)

Matthew Stanley, Information and Planning Officer

Other Participants

Jeff De Lyser, CPA, Vice-Chair, Peer Review Oversight Committee

Jason Fox, California Society of Certified Public Accountants

Shelly Jones, DCA Representative

Pilar Oñate-Quintana, The Onate Group

- I. Approve Minutes of the January 21, 2016 MSG Meeting.

**It was moved by Mr. Driftmier; seconded by Mr. Petito and carried unanimously to approve the minutes of the January 21, 2016 MSG Meeting.**

**Yes: Mr. Campos, Mr. Driftmier, Mr. Franzella, Mr. Howard, Mr. Petito and Mr. Savoy**

**No: None**

**Abstain: None**

**The motion passed unanimously.**

- II. The Mobility Stakeholder Group Decision Matrix and Stakeholder Objectives.

Mr. Campos indicated this item is a written report only.

- III. Timeline for Activities Regarding Determination to be Made Pursuant to Business and Professions Code Section 5096.21.

Mr. Campos indicated this item was a written report only.

- IV. Discussion and Possible Action Regarding the Findings of the National Association of State Boards of Accountancy Related to Business and Professions Code Section 5096.21(c)

Mr. Stanley indicated that the CBA chose NASBA to research the enforcement practices of each state to assess whether they are substantially equivalent to the NASBA Enforcement Guidelines. NASBA outlined its criteria in its Objectives for Substantial Equivalency Evaluation and provided the CBA with a list of 29 states that it had identified as substantially equivalent with California being one of the 29. Another 14 were identified, but lacked the required disciplinary history being made available online. The remaining 12 had yet to be identified as substantially equivalent. For the 29 states identified by NASBA as substantially equivalent, staff identified three options for how to proceed. For each state, the CBA may approve it as substantially equivalent, request an audit of NASBA's information, or defer action.

Mr. Stanley stated that NASBA will provide staff with the ability to assess its results of the substantial equivalency identifications by meeting to collectively review states as identified by the CBA. This review will include a summary prepared by NASBA of the specific enforcement practices in the selected jurisdictions, and, when deemed necessary by staff, a confidential review of the underlying documents used to make a particular identification at a meeting between NASBA and staff.

The MSG discussed the framework for staff to use in evaluating NASBA's findings of substantially equivalent states. The MSG stated that in ensuring consumer protection, staff needed to review a fair, representative sample of the NASBA findings.

Mr. Campos suggested that to identify states, categories to consider might be licensee population, and geographic location. He also recommended that staff start the assessment with Washington and Arizona and present the results at the CBA's May 2016 meeting.

The MSG continued the discussion and suggested that the number of prior Practice Privilege holders should be considered as well. In addition, the MSG revised the State Information Sheet for use as a guideline when assessing NASBA's findings.

Mr. Howard suggested staff could independently review the Internet disclosure portion of the findings concurrently with the assessments.

**It was moved by Mr. Campos and seconded by Mr. Savoy to recommend that the CBA:**

- 1. Set the initial population at 43 – the total of states identified as substantially equivalent by NASBA irrespective of the Internet Disciplinary Disclosure.**
- 2. Direct Staff to review the Internet portion concurrently.**
- 3. Direct staff to recommend an appropriate sample size.**

4. **Conduct an initial assessment of information regarding Washington and Arizona and present to the MSG and CBA at the May meeting.**
5. **Use the State Information Sheet as suggested to be modified to remove the checkboxes and instead provide for an “Evaluation of NASBA’s answers” as a guideline when conducting assessment.**

**Yes: Mr. Campos, Mr. Driftmier, Mr. Franzella, Mr. Howard, Mr. Petito and Mr. Savoy.**

**No: None.**

**Abstain: None.**

**The motion passed.**

- V. Discussion Regarding the National Association of State Boards of Accountancy’s Activities and CPAVerify

Mr. Stanley reported that at this time there are 51 jurisdictions participating in Accountancy Licensee Database (ALD) and CPAVerify. At the January 2016 meeting, NASBA announced that Michigan was added to the list of participating jurisdictions. There are still four states – Delaware, Hawaii, Utah and Wisconsin – that are not yet participating in ALD and CPAVerify, NASBA continues its efforts to bring these jurisdictions onto the system.

No action was taken on this item.

- VI. Discussion Regarding Proposed Agenda Items for the Next Mobility Stakeholder Group Meeting.

Mr. Stanley indicated that staff was proposing only one topic for the next MSG meeting. That topic would focus on progress made regarding the comparison of other states enforcement programs to the NASBA Enforcement Guidelines and the results of the initial assessment process.

No action was taken on this item.

There being no further business, the meeting adjourned at 11:54 a.m.