

IOWA ACCOUNTANCY EXAMINING BOARD  
200 EAST GRAND, SUITE 350 | DES MOINES, IA 50309

OPEN SESSION MINUTES  
BOARD MEETING  
August 31, 2016  
10:00 a.m.

**Board members present for all or part of the meeting:**

Robert Snodgrass	Tom R. Thompson	Dale Leibfried
Shelley Laracuenta	Ying Sa (10:01)	Dirk Dixon

**Board members absent:**

Cheryl M. Critelli

**Staff Present:**

Robert Lampe, Executive Officer	Luke Dawson, Assistant Attorney General
Lori SchraderBachar, Site Manager	Brandy March, Licensing Specialist
Rod Reed, Bureau Chief	

**Public Present:**

Cindy Adams, ISCPA  
Brad Epperly, ISCPA & Nyemaster Goode

**Call to Order:**

Laracuenta called meeting to order at 9:59 a.m.

Roll Call: Dixon, aye; Laracuenta, aye; Leibfried, aye; Sa, aye; Snodgrass, aye; Thompson, aye.

Quorum was established.

Agenda Changes and Additions  
None

**Motion by Thompson to approve the June 29, 2016 open session minutes.**

Seconded by Snodgrass.

VOTE: Aye: All      Nay: None      Abstaining: None

Motion passed unanimously.

**Motion by Snodgrass to approve the June 29, 2016 closed session minutes.**

Seconded by Leibfried.

VOTE: Aye: All      Nay: None      Abstaining: None

Motion passed unanimously.

**Site Manager Comments** – SchraderBachar informed the Board of the changes to the front lobby which will now house both licensing specialists. Teresa Stull was recently hired will be the new licensing specialist. SchraderBachar requested newsletter articles or information be

submitted to Lampe by September 2, 2016 as it will be distributed after Labor Day. SchraderBachar informed the Board that PLB is working on getting Board vacancies filled.

**Executive Officer Comments** – Lampe stated that Laura Walker resigned and there is not update on her replacement. Lampe informed the Board that random continuing education (CE) audits are being completed to determine compliance. The goal is five per month. The compliance audits could lead to disciplinary action if the licensee failed to comply or was short hours. The Board held a discussion on the need for CE audits.

**Assistant Attorney General Comments** – None

**Public Comment** –Adams from ISCPA introduced herself and Brad Epperly from ISCPA and Nyemaster Goode.

**Old Business** –

Rolling Review of Rules

There is a current opening on the rules committee that must be filled prior to continuing work. Board member Sa volunteered to replace former Board member Walker. The Board was reminded that the deadline for this current review is due by June 30, 2017.

Vote to Adopt Amendments to 193A Chapters 2 and 9

Lampe stated the amendments have not changed since the voted to notice.

**Motion by Thompson adopt amendments to 193A Chapters 2 & 9.**

Seconded by Leibfried.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

Raising Fee for Peer Reviewers

Discussion was held on raising the peer reviewer fee due to more specialized reviews, required expertise and lack of acceptance. The Board considered fee options such as market rate, flat fees and current fees charged by the reviewer at time of audit. Other considerations included the expertise needed, price ceilings for peer review contracts, and administrative workload, as well as options to obtain peer reviewers from other States. The Board reviewed the NASPA poll on how other States, including Iowa, pays peer reviewers.

**Motion by Thompson to change the peer reviewer fee to the current market rate with a cap of \$2,250 per contract/company and allow the Executive Officer to initiate and execute the timeframe of the contracts.**

Seconded by Snodgrass.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

Petition for Waiver-Cordray

Lampe provided the waiver ruling for Cordray's petition.

**New Business** –

ISCPA

Firm mobility - future legislation - Adams has been working with Dawson to make legislative changes that will allow firm mobility in Iowa. The Board was asked to provide their feedback and

to support the Bill. Many states already allow firm mobility. Firm mobility will cause a reduction in firm fees for those firms who currently must apply for licensure. Adams will take Board concerns to ISCPA and Dawson will ensure changes are consistent. The exposure draft has specifications on attest work and will continue to provide protection.

#### Evolution of Peer Review

Adams is requesting a letter of support for the Evolution of Peer Review and feedback is needed by October 31, 2016. Adams stated it will be effective for Iowa to outsource the peer review to IL. Lampe stated that he has dealt with IL on peer reviews and the outcome was positive. The Board is concerned over the peer reviewer pool as it is being cut to 8 administrative units. IL is going to remain in the pool.

#### **Motion by Thompson to send a letter of support for the evolution for the peer review process.**

Seconded by Sa.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed.

#### Follow up of Code of Conduct

Adams is requesting that the Board adopt the AICPA code of conduct as is without making changes specific to Iowa. The Board had previously requested two changes which were implemented. Discussion was held on the continued need for these changes due to concerns that a licensee may be required to provide unfinished work products to a client without payment. Discussion was also held on how to adopt the AICPA code of conduct. Dawson advised the Board to adopt by date so that any updates to the AICPA code of conduct is reviewed by the Board for adoption and will not take place automatically. The Board should provide the dated Code of Conduct on the Board website so public will have easy access to the adopted document. Board requested a revised document that removed the initial changes to review prior to vote.

#### AICPA Referrals-Process to Resolve

The AICPA has sent a few referrals from the DRL to the Board. Discussion was held on the best process to resolve the complaints. It was determined that the Board will authorize Lampe to submit a consent order/settlement agreement to the licensee for consideration. The licensee can choose to sign the consent order or will be required to submit certain documents so that the Board may initiate an investigation of their own as they cannot rely on the other party's investigation. Lampe is to draft a consent order/settlement agreement for Board review prior to the process starting.

#### **NASBA-**

##### Quarterly Exam Reports

Lampe presented the Quarterly Exam report from NASBA for Board review and comparison.

#### Vote on Attendees, NASBA Annual Meeting, October 30-November 2, Austin, TX

#### **Motion by Leibfried to send Lampe, Sa, and Snodgrass to the NASBA Annual Meeting from October 30-November 2, 2016 in Austin, TX.**

Seconded by Dixon.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed.

**Motion made by Sa for the Board to go into closed session pursuant to Iowa Code Section 21.5(1)(a), (d) and (f).**

Seconded by Thompson.

Roll Call –Dixon, aye; Laracuenta, aye; Leibfried, aye; Sa, aye; Snodgrass, aye; Thompson, aye.  
Motion passed unanimously.

The Board entered into closed session at 12:37 p.m. and arose there from at 12:41 p.m.

**Motion made by Thompson to return to open session.**

Seconded by Snodgrass.

Roll Call –Dixon, aye; Laracuenta, aye; Leibfried, aye; Sa, aye; Snodgrass, aye; Thompson, aye.  
Motion passed unanimously.

**Motion made by Thompson to close cases 15-49, 16-11 and 16-15.**

Second by Dixon.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed.

**Motion made by Snodgrass for the Board to go into a second closed session pursuant to Iowa Code Section 21.5(1)(a), (d) and (f). AAG Dawson to leave the room.**

Seconded by Thompson.

Roll Call –Dixon, aye; Laracuenta, aye; Leibfried, aye; Sa, aye; Snodgrass, aye; Thompson, aye.  
Motion passed unanimously.

The Board entered into a second closed session at 12:43 p.m. and arose there from at 12:46 p.m.

**Motion made by Thompson to return to open session.**

Seconded by Dixon.

Roll Call –Dixon, aye; Laracuenta, aye; Leibfried, aye; Sa, aye; Snodgrass, aye; Thompson, aye.  
Motion passed unanimously.

**Adjourn** – Laracuenta adjourned the meeting at 12:47 p.m.

These minutes accurately reflect the minutes approved by the Board at the meeting on:

10/19/16  
DATE

Robert E. Lamyse  
BY: Chair  
on behalf of  
Shelley Laracuenta, Chair