

Illinois Board of Examiners
Board Meeting, March 13, 2009
Union League Club, Chicago, IL

Present:

Board Members: Margaret Cartier, Gary Fish, Claireen Herting, Kenneth Hull, Myra Swick, Cheryl Wilson, Richard York, Penelope Yunker

Staff:

Executive Director, Russ Friedewald

Guests:

Craig Mills, AICPA
Marty Green, ICPAS
Jennifer Schultz, ICPAS

Absent:

Vicki Van Uithoven, Assistant Director

1. Ms Herting called the meeting to order at 2:30 PM. Dr. Yunker moved and was seconded by Mr. York to accept the January 20, 2009 minutes as written. Motion carried unanimously by voice vote. No additions were added to the agenda. Ms. Herting deferred chair time to Dr. Craig Mills for his report.

2. Report by Dr. Craig Mills—Preceding Dr. Mills report on the International Exam status, he advised the Board that Dr. Gary Fish would be volunteering to serve on their examining board.

Dr. Mills also gave a review of the current CBT exam. The trend has been an increase in volume since inception of the exam. The AICPA is finally running a small surplus and will hold costs over the next several years with anticipation of reducing cost once initial investment is recouped. International Exam—If the CPA exam is administered internationally, candidates would have to commit to certain criteria including a state license, binding arbitration of disputes and others. A business plan is in place, but was not shared with the Board. There are still unresolved issues including 120/150 requirements, credibility, education equivalency and others. The goal is to administer the exam globally by 2010.

International Financial Reporting Standards (IFRS)- Dr. Mills briefly discussed the status of the IFRS and they are monitoring the roll out domestically and assessing IFRS impact on entry level practice.

3. Ms. Herting requested Board to go into closed session. Approved by acclamation. The Board entered closed session at 3:15 PM

Ms. Herting moved to return to open session at 3:45 PM. Motion approved by acclamation. No actions or votes were taken from closed session.

Ms. Herting opened discussion about NASBA Awards and recommended the Board nominate Joanne Vician, retiring Executive Director for the Lorraine P. Sachs Award. Following a brief discussion, the Board approved by acclamation that Joanne Vician would be nominated for Sachs Award.

Discussion continued regarding NASBA nominating committee nominations. It was determined that Ms. Herting will contact Ohio to see if Ray Stephens intends to continue his second term representing the Great Lakes Region on the nominating committee. If so, the Board will support Mr. Stephens and nominate Myra Swick as alternate. The Board agreed that should Mr. Stephens not wish to continue his second term, the Board would support Myra Swick to replace Mr. Stephens.

Discussion continued regarding nominations to Regional Director. Ms. Herting agreed to have her name placed in nomination as Director and Gary Fish agreed to have his name placed in nomination as Director at Large. The Board approved by acclamation.

4. Executive Director's report- (R. Friedewald)

a. Focus questions- Mr. Friedewald reported that the focus questions would be submitted by April 1 and that questions 1 and 5 would be addressed by the Board of Examiners and the Department of Professional Regulation would be addressing questions 2,3, and 4.

b. Follow up on RFP for Financial Audit- Mr. Friedewald reminded the Board of information previously given about the Auditor General's concern about the Board issuing a Request for Proposal (RFP) for a financial audit. Auditor General offered to conduct audit, but would allow the University to conduct the audit if the Board preferred. The Board agreed that the audit should be provided by University when they are able to include us. The RFP was pulled.

c. Memorandum of understanding (MOU). Mr. Friedewald presented a Memorandum of Understanding which was approved by the University for the period ending June 30, 2008. Mr. Friedewald explained that he was working on a MOU for this fiscal year and another for long term agreement.

d. Robert Pearson's letter. Mr. Friedewald presented letter from Mr. Pearson requesting input relative to the CPA exam which is the same letter the Board responded to last year with no response from Mr. Pearson. The Board directed that Mr. Friedewald respond to Mr. Pearson with same questions from last year and ask that Mr. Pearson provide a reply.

Committee reports:

5. Administrative Committee-(K. Hull) Mr. Hull addressed the board to advise the changes to section 1400.9 have been completed. This was to clarify education requirements and bring rules in line with the UAA rules 5.1 and 5.2. Motion was made by Mr. Hull and seconded by Ms. Yunker to accept the changes as completed. Motion passed unanimously. It was also agreed that Mr. Friedewald would send all Illinois business educators a copy of the changes by April 1 and ask for their comments and input by May 1.

6. Candidacy Committee-(P. Yunker) - No report.

7. Education Advisory Task Force-(P. Yunker) - Ms. Yunker reported that the Education Advisory Task Force meeting scheduled for March was cancelled due to getting the information out late and a poor response. The Board agreed that an October 23rd meeting would be scheduled. Gary Fish will schedule a room at Illinois State University. Mr. Friedewald will send a “save the date” e-mail during the spring to members of the Task Force

8. Finance Committee-(M. Swick) - No report

9. Infrastructure Committee-(M. Swick) - No report

10. Nominating Committee-(C. Wilson) - Ms. Wilson asked Mr. Friedewald to confirm Governor’s office contact for board appointments. Nominating packets should be mailed soon and the committee needs to meet to select candidates for board appointment and vice chair for next year.

11. State Liaison Committee-(P. Cartier) - No report.

12. Strategic Planning Committee-(G. Fish) - No report

NASBA Committee/Task Force Reports

13. Audit Committee-(K. Hull) - No report.

14. Bylaws Committee-(C. Herting/M. Swick) - No report.

15. Education Committee-(P. Yunker) - Ms. Yunker reported that the NASBA Education Committee was broken into two subcommittees; one subcommittee to review responses to the NASBA 120/150 document and to make recommendations for future action; and a second subcommittee to draft a reply to the IFAC Exposure Draft on the Proposed Framework for International Standards for Professional Accountants. Both subcommittees are to have their recommendations completed by early April. Ms. Yunker will report on these recommendations at the next IBOE meeting

16. Internationalization of CPA Exam-(G. Fish) - Dr. Fish gave a brief report on the meeting in Dallas and indicated the relationship with NASBA and AICPA is improving.

17. Model Board Committee-(P. Cartier) -Ms. Cartier reported that Ellis Duncan is ill. Ms. Cartier also shared information relative to Washington State and that the committee is committed to helping State Boards attain/retain autonomy.

18. Relations with Member Boards Committee-(C. Herting) - No report

Unfinished Business- Mr. Friedewald will pay for all board member's registration fees for the Regional Meeting in Indianapolis once he receives confirmation of registrations.

New Business- None

Ms. Herting moved to adjourn and seconded by Ms. Yunker. Meeting was adjourned at 5:15 PM.