

Accepted June 25, 2008

Minutes of the Illinois Board of Examiners (IBOE) Meeting  
April 23, 2008 10:00 a.m. – 3:00 p.m.  
550 W. Jackson, Suite 900, Meeting Room A  
Chicago, IL

**Present:**

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

Executive Director: Joanne Vician

Assistant Directors: Susan Welch  
Vicki Van Uithoven

- 1. Ms. Wilson called the meeting to order at 10:02 a.m.** Ms. Cartier moved, seconded by Mr. York to accept the January 16, 2008 and April 16, 2008 minutes with corrections. Motion carried unanimously by a voice vote. No additions/changes to agenda.

- 2. Report of the Executive Director (J. Vician)**

Ms. Vician presented Illinois candidates' January-February 2008, CPA Examination Scores. 2,078 candidates took at least one section of the exam; 2,719 exam sections were completed; 315 candidates passed all parts of the exam. Dr. Yunker moved to accept the 08Q1 scores, seconded by Mr. York. Motion carried unanimously by a voice vote.

Ms. Vician presented information relative to two candidates who were allowed to write the same exam section of the CPA exam in the 08Q1 window due to technical problems at NASBA. Dr. Yunker moved, seconded by Ms. Wilson to accept both BEC scores for the two affected candidates. The motion carried unanimously by a voice vote.

Relative to the Auditor General's preliminary audit findings for FY06-FY07, Ms. Wilson discussed the internal controls process and Ms. Van Uithoven elaborated on the approach she takes. Ms. Swick will email her an accounting manual with fiscal policies and procedures as a starting point for creating the IBOE's version. The new committees (Succession Planning and Infrastructure) will also work on these issues.

Memorandum of Understanding: The term of the FY08 Memorandum was discussed (one-year vs. three-year). Dr. Yunker moved to accept the current one-year draft with the 12-month notification clause reinserted. Ms. Vician is to verify the final FY08 document includes all the changes the IBOE requested in the original draft and the timeframe in which Ms. Vician attempted to get the agreement finalized. A draft document for FY09 and FY10 should be prepared in July 2008 to allow adequate time to amend the contract and identify all the relevant issues based on the Auditor General's recommendations. The new two-year contract must clarify our roles in relation to the University and the State, operating as a separate state agency. Dr. Fish seconded the motion. Motion carried unanimously by a voice vote.

**3. Report of the chair (C. Wilson)**

Ms. Wilson described in further detail the charges of the Infrastructure and Succession Planning Committees.

Infrastructure: Review and clarification of the IBOE's state agency status and organization relative to the University and the State. Tasks: develop Memorandum of Understanding; define more clearly IBOE's separate agency status and make recommendations for the future; internal control process overview. Her suggestion is to obtain a global picture first and then address staffing at the micro level. Formulating recommendations most likely will involve outside agencies or organizations: Attorney General? Other stand-alone state agencies? Legal counsel (University or outside)? State representative? CPA firm?

Succession Planning: responsible for overseeing process to hire Executive Director, develop a current job description, identify required credentials, experience, etc. NASBA might assist in a transition plan. A review of other "independent" states' might also be beneficial. A compliance officer would assure IBOE has complied with all required reports and state filing requirements. The Business Manager would work in tandem with that individual to assure financial reports are in order for the financial statement audit scheduled for the Auditor General's next review. Dr. Fish made a motion that Ms. Herting be chair of Succession Planning and Ms. Swick be chair of Infrastructure. The motion was seconded by Ms. Cartier. The motion carried unanimously by a voice vote.

**IBOE Committee and Task Force Reports**

**4. Administrative Committee (K. Hull)**

No report.

**5. Candidacy Committee (M. Swick)**

No report.

**6. EATF**

Dr. Yunker summarized the feedback from the meeting. Ms. Vician will summarize their proposed responses to the UAA Education Rules 5-1 and 5-2. The date of the next meeting will be set after the survey results are evaluated.

**7. Finance Committee (C. Herting)**

The financial statements were discussed including a revised format to include YTD Budget compared to YTD Actual with variance, as well as YTD Current Actual compared to YTD Prior Year and variance. A budget planning meeting was scheduled for May 29, 2008 at 1:00 pm in Chicago.

Ms. Swick move that the board engage an auditor to perform a financial statement audit for FY08 and the RFP be drafted by purchasing to have the audit complete by January 2009. The motion was seconded by Dr. Yunker. The motion carried unanimously by a voice vote.

**8. Nominating Committee (P. Yunker)**

The committee met on two occasions via teleconference. Nominations presented to the board are: CPA member: Thomas Winkler, 3-year term; Public members: Dennis Bielke, Sharon Morrow; All current board members agreed to be re-nominated: Mses. Claireen Herting and Myra Swick for three-year terms; Dr. Gary Fish, Messrs. Kenneth Hull and Richard York for two-year terms; and Mses. Margaret (Peg) Cartier and Cheryl Wilson and Dr. Penelope Yunker for one-year terms. Ms. Herting was nominated as 2008-2009 Chair Claireen and Ms. Swick as Vice Chair. Ms. Cartier moved that the board accept the report.

The motion was seconded by Dr. Fish. The motion carried unanimously by a voice vote. The committee staff liaison will compile a list of potential nominees for future reference.

**9. State Liaison (M. Cartier)**

Ms. Cartier summarized the March ICPAS Regulation and Legislation meeting.

**10. White paper on status of the CPA exam and internationalization of the exam (G. Fish)**

Dr. Fish summarized the presentation made to the committee and other interested parties re: internationalization of the exam. Issues related to International Financial Reporting Standards (IFRS) are developing much faster than earlier anticipated, which relates to international testing issues. The next NASBA committee meeting on Internationalization of the CPA Exam is scheduled for June 11, 2008, prior to the Eastern Regional Meeting. Gary acknowledged the board's feedback to his draft of the IBOE White Paper on CPA Exam Ownership and will write the paper maintaining as neutral a position as possible.

**11. Strategic Planning Task Force – K. Hull**

Mr. Hull moved, seconded by Ms. Cartier to accept the revised Strategic Plan. The motion carried unanimously by a voice vote. Ms. Vician will identify the upcoming year's primary objectives for herself and her staff as part of her FY09 Goals and Objectives.

**AICPA and NASBA Committee/Task Force Reports**

**12. Awards (K. Hull)**

No report.

**13. Bylaws (M. Swick)**

No report

**14. Communications (P. Cartier)**

The committee held a teleconference on April 22, 2008. Members will contact state boards regarding their communications officers. There will be a breakout session at the Regional meetings for the communications officers.

**15. Education (P. Yunker)**

Model rules were approved by the NASBA Board of Directors in April 2008. Ms. Vician will check the NASBA web site for the posting of new UAA Rules 5-1 and 5-2. NASBA is investigating whether the Uniform Accountancy Act must be changed. IBOE must decide what recommended changes to adopt in our rules, if any, after further consultation with educators and interested parties around the state.

**16. Internationalization of exam (G. Fish)**

See Agenda Item #10.

**17. Nominating (M. Swick)**

Billy Atkinson (TX) has been nominated as Vice Chair of NASBA for 2008-2009. Ms. Cartier moved, seconded by Dr. Yunker to nominate Dr. Fish as Director at Large and Ms. Herting as Great Lakes Regional Director for 2008-2009. Ms. Vician will submit letters of nomination by May 27, 2008. Future IBOE endorsements sent on behalf of nominees from other states would clarify that any Illinois Board Member sitting on the NASBA Nominating Committee is uncommitted but advised.

**18. Regulatory Structures & Issues (C. Herting)**

A teleconference was held. Linda Biek is now Director of Governmental, International, and Professional Relationships at NASBA and her new duties may encompass the roles and responsibilities of the committee.

**19. Relations with Member Boards (C. Herting)**

An extension of the Mutual Recognition Agreement with Canada and Mexico was signed by all parties. Four IBOE members and one staff are going to the May 19, 2008 NASBA Examinations Conference in Dallas on the status of the exam. NASBA has committed funds to review an alternate/contingency exam structure. The 120 vs. 150 hour research paper will be presented at the Regional Meetings. Mobility legislation passed in 22 states. All Great Lakes states are in effect but Pennsylvania, which has introduced legislation. A new web page on legislative assistance for boards as well as information about NASBA will be rolled out. Peer review is being reviewed as to its fundamental purpose. A new NASBA award has been created called the Lorraine P. Sachs Standard of Excellence Award for a State Board Executive Director/Administrator.

**20. AICPA State Board Committee (SBC) (J. Vician)**

A meeting will be held in Dallas on May 20, 2008.

**21. AICPA POAC – (G. Fish)**

A conference call was held on May 8, 2008 and their work is done for this cycle. A report will be issued in December 2008.

**Unfinished Business**

**22. NASBA and AICPA Committee Interest Forms 2008-2009 (C. Wilson)**

Ms. Vician will request enrollment on the AICPA SBC Committee. Board members can submit their form to Ms. Vician to fax or return it themselves to NASBA.

**23. Future meeting – C. Wilson**

Mses. Wilson, Herting, Vician, Swick and Drs. Fish and Yunker will attend the 2008 ICPAS New CPA Banquet on May 29, 2008. The June 25, 2008 board meeting will be held in Chicago, not Champaign, from 10:00 a.m. to 3:00 p.m. The July 30, 2008 meeting will also be held in Chicago.

Ms. Swick moved to adjourn. The meeting adjourned at 2:28 p.m.

Submitted by  
Joanne Vician  
Executive Director