

Minutes of the Illinois Board of Examiners (IBOE) Meeting
July 30, 2008 10:00 a.m. – 2:45 p.m.
1 N. Wacker Drive
Chicago, IL

Present:

Board Members: Gary Fish, Claireen Herting (arrived at 11:40 a.m.), Kenneth Hull, Myra Swick, Cheryl Wilson, Penelope Yunker

Staff:

Executive Director: Joanne Vician Assistant Director: Vicki Van Uithoven

Absent:

Board Member(s): Margaret Cartier, Richard York

Staff: Susan Welch

1. **Ms. Wilson called the meeting to order at 10:10 a.m.** Dr. Yunker moved, seconded by Ms. Swick to accept the June 25, 2008 minutes with correction to item 11. The motion carried unanimously by a voice vote. Agenda items: Addition of Executive Session at the end of regular agenda to discuss personnel matter. The response to the AICPA Exposure Draft on the new CSOs will be included in the Education Committee report. Ms. Wilson established that a quorum was present for action items that require a vote.
2. **Report of the Executive Director (J. Vician)**
Presentation of April-May 2008 scores resulted in the following statistics: 3,543 CPA exam sections taken; 2,441 candidates tested; 394 candidates have successfully completed all exam sections. Dr. Yunker moved to accept the April-May scores as presented, seconded by Ms. Swick. Motion carried by a voice vote.
Ms. Vician will add items to the follow-up report as noted.
Attendance and activity at the ICPAS Business and Technology Show was discussed. Ms. Vician felt that the location of the booth in proximity to the ICPAS space was important. Floor traffic was relatively constant between CPE sessions. She recommended that the IBOE continue participating as part of the Board's outreach activities.
3. **Report of the chair (C. Wilson)**
Ms. Wilson led a discussion of the audit committee charter. The audit committee responsibilities will be part of the Finance Committee.
Additional items that require attention: Whistleblower policy documentation, which should be posted on the web and a copy send to the board; Document destruction and records retention policy; Conflict of interest documentation and Code of Conduct will be posted on the web site and included in the employee manual.

IBOE Committee and Task Force Reports

4. **Administrative Committee (K. Hull)**
No report.

5. Candidacy Committee (M. Swick)

Ms. Swick reviewed the application details of an individual wanting to qualify for an Illinois CPA certificate by Total Transfer of Credit from New Jersey. The board discussed issues relative to her ineligibility. The issue was tabled until Ms. Herting arrived. After Ms. Herting arrived, the board instructed Ms. Vician to request that the applicant obtain a letter from the State of New Jersey which states 1) the New Jersey requirements to sit for the exam when she tested, 2) that she was issued a CPA certificate/license based on passing the exam with a minimum score of 75, and 3) the status of her exam scores (why they are not available to the Illinois Board).

The board considered an appeal from a CPA exam provisional candidate whose score(s) were being voided for not having met the conditions of provisional approval. Dr. Fish moved that the Board acknowledge receipt of his letter and advise the candidate that the decision to void scores would not be reversed. The motion was seconded by Mr. Hull. The motion carried unanimously by a voice vote. Ms. Vician will inform the candidate of his appeal rights.

6. Finance (C. Herting)

Ms. Herting reviewed the FY09 budget and forecast. She detailed the planning process and the decision to write off the software according to the state policies for capitalized expenses. The board commended Ms. Van Uithoven for the excellent budget information. Dr. Yunker moved, seconded by Dr. Fish to accept the FY09 budget. The motion carried unanimously by a voice vote. Ms. Van Uithoven will document the business requirements for maintaining a specific fund balance.

Ms. Van Uithoven will consult with Ms. Swick about financial statement footnotes.

Ms. Swick asked the board to review the document "Request for Proposal: Illinois Board of Examiners, Financial Statement Audit, Year ended June 30, 2008".

Ms. Swick will work with Mses. Van Uithoven and Vician on the timing, requirements, etc. for the RFP.

Ms. Van Uithoven described the process to complete the internal control checklist to comply with the Fiscal Control and Internal Auditing Act (FCIAA) reporting requirements. Ms. Van Uithoven will complete the initial review with appropriate staff input and then discuss with Ms. Vician. When completed the checklist will be forwarded to Ms. Swick.

Mr. Hull asked if the checklist will address detection and prevention of fraud. Ms. Van Uithoven responded affirmatively.

7. Infrastructure (M. Swick)

Ms. Swick led a discussion regarding IBOE's relation to the University of Illinois. The internal control review and our responses are tied to the details that should be incorporated in the Memorandum of Understanding (MOU). The MOU for FY09 and FY10 should be much more comprehensive relative to the University's services and administrative policies vs. State requirements and policies.

The Board would still like a contract executed for FY08, in addition to the two-year extension through June 30, 2010.

8. Nominating – No report.

9. State Liaison (M. Cartier)

The discussion paper from NASBA relative to 120 vs. 150 to test and be licensed should be addressed by the Education Advisory Task Force. Dr. Yunker will contact the American Accounting Association (AAA) for a copy of their response. There are differing opinions on

the Board as to the merits of testing with 120/Bachelor's degree vs. 150 hours, one opinion being that it doesn't matter the order in which the requirements are met.

10. Strategic Planning (G. Fish)

The next step relative to the Strategic Plan is to address what needs to be done to meet the goals and objectives and what needs to be changed as the Board's goals change over time.

11. Succession Planning (C. Herting)

Ms. Herting discussed the status of the Executive Director search as well as announcing that Ms. Susan Welch, Assistant Director for Certification, will be retiring November 1, 2008, for personal reasons. An evaluation of her position will be completed and hiring initiated by Ms. Vician.

NASBA Committee/Task Force Reports

12. Awards (K. Hull)

The committee met on July 18, 2008 to discuss nominees for the NASBA William H. Van Rensselaer, Distinguished Service and the Lorraine P. Sachs Standard of Excellence Awards. The Van Rensselaer Award went to John Peace and the Sachs award to Carol Sigmann, Executive Director of the California Board of Accountancy.

Bylaws (M. Swick)

The committee addressed issues concerning the Regional Nominating Committee process. They proposed to the NASBA Board of Directors that a provision be made for a Regional telephone conference within 30 days to select a nominating committee member if one is not selected at the Regional Meeting.

They also added one word to the bylaws in the area of term limits for Directors at Large. It would limit the number of years an individual can serve if appointed to fill out a vacant term, having already served six years prior to that proposed appointment.

Communications Officer (P. Cartier)

No report.

Education (P. Yunker)

There was no activity from the committee.

Dr. Yunker reviewed the IBOE's response to the AICPA Exposure Draft of Proposed Content and Skill Specifications for the Uniform CPA Examination (2008). Ms. Swick and Dr. Fish were also on that Task Force. Their assessment is that it is a good document. Ms. Vician will make slight edits to the Task Force response and send to the AICPA by July 31, 2008.

Internationalization of Exam (G. Fish)

Dr. Fish reviewed the speech on internationalization of the exam to be presented to the American Accounting Association (AAA) meeting in August. The proposal is to initially offer the exam at two international locales and then roll out more after evaluating its success, problems, etc.

Nominating (M. Swick)

No report.

Regulatory Structures & Issues (C. Herting)

No report. Linda Biek, NASBA's Director of Governmental, International, and Professional Relationships, has assumed the roles and functions of the committee.

Relations with Member Boards (C. Herting)

Ms. Herting reported on the July board meeting. There is a concerted effort to encourage and facilitate participation in the Accounting Licensing Database (ALD). The Regional Directors are to take a lead role in getting that accomplished. There was also discussion of the educational requirement re: 120/Bachelors to test vs. 150 to License. NASBA's conclusion from the Regional Meeting feedback is that the boards want a contingency CPA exam.

AICPA Committees/Task Forces

State Board Committee (SBC) (J. Vician)

No report.

AICPA Practice Analysis Oversight Group – (G. Fish)

The Committee is waiting for responses to the Exposure Draft of Proposed Content and Skill Specifications for the Uniform CPA Examination (2008).

Unfinished Business

13. CLEAR Conference

Ms. Vician and Dr. Fish will summarize the sessions from the CLEAR conference in September.

14. NASBA Annual Meeting (C. Wilson)

Annual Meeting attendees: Drs. Fish and Yunker; Mses. Herting, Swick, Vician, Cartier, Wilson; Mr. Hull. In addition, Drs. Yunker and Fish and Mses. Wilson and Herting will attend the International Regulators conference following the Annual Meeting.

15. Ms. Wilson summarized her year as Chair of the Board. As part of a forward-thinking approach she addressed issues related to licensing; support from the Society (the Board's working relationship with the chair of the board as well as the CEO); the Board's status as a stand alone agency and the Auditor General's report.

The Board's formal thank you to Ms. Wilson will be at the next board meeting.

16. Executive Session

At 2:30 p.m., the Board went into Executive Session to discuss performance and compensation relative to the Executive Director.

At 2:55 p.m., the Board came out of Executive Session. The Board's final action is that their review of the Executive Director is complete and compensation for 2008-2009 has been established.

The meeting adjourned at 2:59 p.m.

Joanne Vician
Executive Director

Minutes of the Board of Examiners (IBOE) Meeting
July 30, 2008 2:45 p.m. – 3:00 p.m.
550 W. Jackson, Suite 900, Meeting Room A
Chicago, IL

The meeting was called to order by Ms. Wilson at 2:59 p.m.

1. Election of Chair and VC for 2008-2009 (P. Yunker)
Dr. Yunker presented the nominees for chair and vice chair.
Dr. Fish moved, seconded by Mr. Hull to nominate Ms. Myra Swick as Vice Chair. The motion carried unanimously by a voice vote. Dr. Fish moved, seconded by Mr. Hull, to nominate Ms. Claireen Herting as chair. The motion carried unanimously by a voice vote.
2. Ms. Herting – 2008-2009 committee and meeting structure.
Ms. Herting will set the meeting schedule and new committee assignments in the near future. The first board meeting was set for October 16, 2008 (later changed to October 17, 2008).

The meeting adjourned at 3:05 p.m.

Joanne Vician
Executive Director