

Minutes of the Illinois Board of Examiners (IBOE) Meeting
October 17, 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

Staff:

Executive Director: Joanne Vician

Assistant Directors: Vicki Van Uithoven; Susan Welch

Absent: None

1. **Ms. Herting called the meeting to order at 9:40 a.m.** Dr. Yunker moved, seconded by Ms. Cartier to accept the July 30, 2008 minutes as written. The motion carried unanimously by a voice vote. Agenda items: no additions.

2. **Report of the chair (C. Herting)**

Ms. Herting stated that the topics of concern to her would be addressed in other board agenda items.

3. **Report of the Executive Director (J. Vician)**

Ms. Vician presented the Illinois CPA Exam Score Report for candidates who tested in the July-August 2008 testing window. 4,099 exam sections were taken by 2,633 candidates. Of those testing; 505 candidates passed all parts. Dr. Yunker moved to accept the 2008 July-August score report as presented. The motion was seconded by Mr. Hull. The motion carried unanimously by a voice vote.

Ms. Vician reviewed the follow-up items and progress on each item.

Records retention: Mr. York will email Ms. Vician a copy of the document he received at a CPE meeting relative to a records retention policy and appropriate documentation.

The Executive Director of the Legislative Audit Commission requested additional detailed responses to the FY06-07 Audit findings. Ms. Vician will submit the required responses on October 20, 2008. She will be notified later if she will be required to appear in front of the Commission.

Ms. Vician has contacted the Illinois Office of the Comptroller (IOC) for an agency number. No response to date.

IBOE Committee and Task Force Reports

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

Mr. Hull discussed the review process of the educational requirements relative to the UAA Model Rules 5-1 and 5-2 presented by NASBA in 2008. The committee has not arrived at final conclusions nor recommendations at this time. The committee will meet again and make recommendation(s) at the January board meeting.

5. Finance (M. Swick)

Ms. Swick reviewed the quarterly financial statement and monthly report of revenue based on application transactions. Ms. Van Uithoven will insert the budgeted interest amount to the 09Q1 statement. An explanation of the cyclical variations of fee revenue relative to the budget as well as application trends will be included in the documentation for maintaining an adequate fund balance. The significant drop in investment earnings was noted. The Request for Proposal (RFP) to engage an auditor will be submitted to university purchasing in the next month.

6. Infrastructure (M. Swick)

Ms. Swick reviewed Ms. Van Uithoven's response to the Office of the Comptroller's Fiscal and Administrative Control Review Checklist (Internal Controls) to comply with the Fiscal Control and Internal Auditing Act ("FCIAA"). The checklist will be submitted to the Auditor General's office for review and comment.

Ms. Van Uithoven will file the fund balance justification report with the financial statements. She will also provide the status of the compliance reports submitted to the State.

7. Nominating (C. Wilson)

Ms. Wilson would like to initiate the 2009 board nomination process prior to Ms. Welch's retirement. If this is not possible, Ms. Vician or her designee will assist the committee in accomplishing their assigned duties.

8. State Liaison (M. Cartier)

Ms. Vician will issue to the IBOE a draft copy of the board's response to NASBA's 120-150 hour education discussion paper before submitting to NASBA.

Regulation and Legislation meeting: The Governmental Committee brought up the issue of the Open Meetings Act relative to audit committees discussions of state/county organizations. Dedicated fund sweeps have been authorized by the Illinois General Assembly, including money from the Public Accounting fund. Marty Green, ICPAS Vice President-Government Relations, is meeting with the Department of Financial and Professional Regulation in November re: drafting rules relative to the mandatory peer review requirement starting with the 2009-2012 licensing cycle.

9. Strategic Planning (G. Fish)

No report. Dr. Fish will call a committee meeting in the near future.

Dr. Yunker moved, seconded by Ms. Cartier to go into closed session.

10. Succession Planning (C. Herting)

Ms. Herting reviewed the interview process for the Executive Director position and the finalists' credentials and résumés. Four final interviews will be held on November 5, 2008.

Mr. Hull moved, seconded by Ms. Cartier to return to Open Session.

Report from the closed session: The Succession Planning Committee will hold the scheduled interviews and make a final selection by December 1, 2008, as previously agreed upon in the search process timeline.

11. Candidacy Committee (P. Yunker)

Dr. Yunker briefly discussed the candidate hearing procedures.

Dr. Yunker moved to go into closed session.

Candidate Hearing: Adam Syzmoniak re: provisional approval. Mr. Robert Slobig, Hearing Officer, officiated at the hearing.

Mr. York moved to return to open session.

Open session: A vote was taken by board members with the exception of the Candidacy Committee and a decision made regarding the candidate appeal. He will be notified of a decision in writing within 15 days.

12. NASBA Committee/Task Force Reports

Awards (K. Hull) No report.

Bylaws (M. Swick) No report.

Communications Officer (P. Cartier) No report.

Education (P. Yunker)

Ms. Yunker reported on the committee's last conference call on September 29, 2008.

Internationalization of exam (G. Fish)

There have been no meetings since his last report. Dr. Fish was asked to speak on behalf of the committee at the American Accounting Association (AAA) Annual meeting in August. He wrote to AICPA and NASBA leadership to encourage them to sustain the momentum of the committee. The IBOE's consensus is if you are promoting the CPA credential overseas, the IFRS issue must be addressed in tandem.

Nominating (M. Swick) No report.

Regulatory Structures & Issues (C. Herting) No report

Relations with Member Boards (C. Herting) No report

AICPA Committees

State Board Committee (SBC) (J. Vician) No report.

AICPA PAOG – (G. Fish) No report

Unfinished Business

13. CLEAR Conference

Ms. Vician and Dr. Fish will make a formal presentation in the future on the conference highlights.

14. NASBA Annual Meeting (C. Herting)

Marty Green and Jennifer Schultz will attend the NASBA Annual Meeting in October 2008, in addition to Edward Ortiz, Vice Chair of the Public Accountants Registration Committee (PARC).

15. Illinois Accounting Teachers Conference (IATC)

Dr. Fish's presentation included a discussion of the future direction of CPA exam.

Dr. Fish moved, seconded by Dr. Yunker to go in closed session for additional discussion of the hearing deliberations.

Mr. York moved, seconded by Dr. Fish to come out of closed session.

The board agreed, by a vote of four ayes and three nays, that to be consistent with the decision relative to Mr. Syzmoniak's appeal, other candidates with comparable situations will be treated in the same manner.

Ms. Vician is to provide the board with details of any additional candidates with similar circumstances.

New Business

The next meeting of the Education Advisory Task Force (EATF) will be held Friday, March 6, 2009 at the Illinois State University Alumni Center. Dr. Fish will make the initial contact about room reservations at the Illinois State University Alumni Center.

The meeting was adjourned at 3:12 p.m.

Submitted by Joanne Vician, Executive Director