

INDIANA BOARD OF ACCOUNTANCY

Meeting Minutes

September 16, 2022, at 9:00a.m.

Indiana Professional Licensing Agency

402 W. Washington Street, W064

Indianapolis, IN 46204

CALL TO ORDER AND ESTABLISHMENT OF A QUORUM 9:00 a.m.

Michael Barton of the Indiana Board of Accountancy, called the meeting to order at 9:02 a.m. and declared a quorum in accordance with IC § 25-2.1-2-8.

Board Members Present:

Michael Barton, Board Chair

Michelle Skeen, CPA, Vice Chair

Dale Gettelfinger, CPA

State Officials Present:

Toby Snell, Board Director

Rachelle Cannon-Mason, Compliance Officer

Ned Hannah, Advisory Counsel

ADOPTION OF THE AGENDA

A motion was made by Member Skeen and seconded by Member Gettelfinger to adopt the September 16, 2022, amended agenda.

3-0-0, Motion carried.

Voting in favor: Michelle Skeen, Michael Barton, and Dale Gettelfinger

ADOPTION OF THE JULY 29, 2022, MEETING MINUTES

A motion was made by Member Gettelfinger and seconded by Member Skeen to adopt the July 29, 2022, meeting minutes.

3-0, Motion carried.

Voting in favor: Michelle Skeen, Michael Barton, and Dale Gettelfinger

REPORT FROM OFFICE OF THE ATTORNEY GENERAL

The Attorney General's Office provided the Board with a report per IC 25-1-7-13.

ADMINISTRATIVE HEARINGS

In the Matter of the License of: Mark Harmon

Cause No.: 2022 IBA 0018

Re: Disciplinary Hearing

CONTINUED

This matter was continued by the Board.

In the Matter of the License of: Crowe LLP
Cause No.: 2021 IBA 0020
Re: Disciplinary Hearing

CONTINUED

This matter was continued by the Board.

APPLICATION REVIEW

Reinstatements

A motion was made by Member Skeen and seconded by Member Gettelfinger to reinstate numbers 1 and 2 and issue Notices of Noncompliance.

3-0, Motion carried.

Voting in favor: Michelle Skeen, Michael Barton, and Dale Gettelfinger

1. Jerry Thomann
2. Craig Blorstad

Transfer of Grades

A motion was made by Member Skeen and seconded by Member Gettelfinger to approve the transfer of grades application.

3-0, Motion carried.

Voting in favor: Michelle Skeen, Michael Barton, and Dale Gettelfinger

1. Carolyn Vieira

CPE HARDSHIP WAIVERS AND EXAM EXTENSION REQUESTS

Jerry Thomann- CPE Hardship Waiver

A motion was made by Member Skeen and seconded by Member Gettelfinger to deny the CPE hardship waiver request.

3-0, Motion carried.

Voting in favor: Michelle Skeen, Michael Barton, and Dale Gettelfinger

DISCUSSION ITEMS NO VOTE REQUIRED

Investigative Fund Statement

There was no fund statement provided for this meeting. One will be available for the November meeting.

Compliance Officer Report

Rachelle Cannon-Mason, Compliance Officer, reported that PROC met on August 19th. The Committee discussed two matters that may potentially require a resource request from the Board. The first matter would be travel reimbursement to attend RAB meetings annually. The second would be creating a statistics report for the Board, which may also require a rule change due to confidentiality issues. Mrs. Cannon-Mason attended the NASBA University conference for executive directors September 7-8th virtually. It was a great refresher and provided new information,

such as access to NASBA's executive director's portal for Toby Snell, Board Director. There will also be a webinar for enforcement and investigation on September 29th. Mrs. Cannon-Mason also reported attending the AICPA Peer Review Board Open Session virtually to gain better insight on how peer review works. There was discussion on how there are less and less reviewers than there used to be and that an educational approach is desired for correction.

Board Director Report

Toby Snell, Board Director, reported that the Rule signature page was signed today. Ned will be sending it to his supervisor's office. There is a 15 day deadline with a potential 15 day extension deadline. The accountancy website page will have an announcement for the finalized rule update. Toby will get with Sherrill for assistance on the language if the Board is okay with what Toby and Sherrill come up with or if the Board would rather review it first. Member Gettelfinger stated he wants the Board to see it first via email. Once the governor approves it then the rule is in place 30 days after that.

NASBA CPA Evolution Transition Recommendation 2022

The Board reviewed NASBA's CPA evolution transition recommendation regarding potential transition issues with candidates and exam credits. NASBA gave the suggestion that any exam credits be extended to 6/30/2025 after the new exam rolls out in January 2024.

NASBA CPE Committee Report

Member Gettelfinger participated in the NASBA CPE Committee that recently had a zoom meeting. Member Gettelfinger reported that presented was the statement on standards for CPE with a joint statement between AICPA and NASBA listing the state board's objectives: content (qualifications of content reviewers), attendance monitoring, fields of study that qualify for CPE (fields added: accounting, review and compilations, environmental social government, fraud, and risk assessment), and nano learning and blended learning (37/55 jurisdictions have done something with this and the grid NASBA provided indicated Michigan and Ohio have done something, Illinois and Kentucky have done nothing, but inquiries as to what has been done resulted in answers all over the place). He stated that there is no interest in nano and blended learning commercially. California's rule was challenged by its Attorney General and Washington's rule faces a lawsuit by a licensee. The state of Washington placed a limit on nano learning/ blended learning and was sued over having a limit. Member Gettelfinger stated the Board does place limits on a licensee by year and reporting period which to him seem to be defensible and that ethics has limits and is defensible. However, he stated he is not so sure on accounting/ auditing's limit being defensible since not everyone uses it. Member Gettelfinger raised the questions as to why the Board has a limit on self-study when there is discussion on nano and blended learning and how does the Board justify limits on

types of education in our requirements. Ned Hannah, Board Counsel, stated that the Board members, secretary, staff, counsel, investigators, and hearing officer have immunity from civil liability pursuant to IC 25-1-3-2. Member Gettelfinger stated he is concerned about the Rule appeal process.

Upcoming Rules


Member Barton stated that potential upcoming rules/ rule changes will involve nano learning, accreditation, CPE reciprocity, peer review, and a retired fee/ limited services.

Member Skeen asked if the Board wanted to change the CPE requirements would that be a rule change like the education rule process. Ned said yes rule changes go through the same process as the recent education rule change did. Ned stated that the 120 total hours is by statute as is the 20 per year. If the accounting/auditing and ethics requirements are also in statute, then that would be a legislature change.

Member Skeen stated that the 150 hours to become licensed is a complaint by the younger generation entering the workforce. Member Skeen stated she would like to know the population of accounting classes. She said at Anderson University there used to be 25-30 kids in accounting classes but now they are down to 6. She asked is no one interested in the field or is it related to the extra 30 hours students have to take? She is glad for the adjusted rule to sit for the exam at 120 hours but still asking for 150 how is it affecting classes. Diane Sturek with the Indiana CPA Society stated that fewer students are going to college and there is competition from other majors like finance and biomedical engineering/marketing. She stated that there are 20 students enrolled but usually it is in the sixties. She stated that pursuing a master's degree is down as well and that there are fewer international students. She stated that the 150 hours will not change any time soon, but some firms are trying to help their workers finish their 150 credit hours to gain licensure. Member Gettelfinger stated that he sat in on those initial discussions and that the 150 credit hours was a compromise for CPA's not having to receive a master's degree.

ADJOURNMENT

There being no further business, and having completed its duties, the meeting of the Indiana Board of Accountancy adjourned at 9:45 a.m.



Mr. Michael Barton, CPA

11/18/2022
Date