

INDIANA BOARD OF ACCOUNTANCY

Meeting Minutes

November 18, 2022, at 10:00a.m.

Indiana Professional Licensing Agency

402 W. Washington Street, W064

Indianapolis, IN 46204

COMMITTEE MEETING

9:00 a.m.

CALL TO ORDER AND ESTABLISHMENT OF A QUORUM

10:00 a.m.

Michael Barton of the Indiana Board of Accountancy, called the meeting to order at 10:00 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, Telephonically

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 November 18, 2022, amended agenda.

3-0-0, Motion carried.

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

ADOPTION OF THE SEPTEMBER 16, 2022, MEETING MINUTES

A motion was made by Member Skeen and seconded by Member Gettelfinger to adopt the September 16, 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. Amy Osborne stated there will be more details in upcoming reports.

DELIBERATIONS AND POSSIBLE ISSUANCE OF FINAL ORDERS

In the Matter of the License of: Mark Harmon

Cause No. 2022 IBA 0018

Re: Proposed Settlement Agreement

Deputy Attorney General Holbrook appeared. Pat Shoulders, attorney for Respondent, appeared telephonically. Dale was recused.

A motion was made by Member Skeen and seconded by Member Barton to accept the Proposed Settlement Agreement.

2-0-1, Motion carried.

Voting in favor: Michelle Skeen and Michael Barton

Recused: Dale Gettelfinger

In the Matter of the License of: Katz, Sapper & Miller LLP

Cause No.: 2022 IBA 0016

Re: Proposed Settlement Agreement

Deputy Attorney General Holbrook appeared for the State. KSM representation was Jayna Cacioppo. Jamie Alice, the chief operations officer of KSM, was also present. Respondent's attorney said Member Dale Gettelfinger was involved in the settlement of this matter. Member Gettelfinger stated the memorandum sent on November 16th to the Board and counsel raised objections to this proposed settlement agreement. Ned Hannah, Board Counsel, advised the Board to consider Dale recused. DAG Holbrook and the Respondent's attorney stated Member Gettelfinger was involved in settlement negotiations. Member Gettelfinger said he objects to not being on the line. Ned said his objections are noted. Member Gettelfinger was recused and will not be telephonically present until after deliberations. Member Barton stated there was a SEC fine but no Indiana fine in the settlement and that Member Gettelfinger's signature was not on the agreement. Ned explained to the Respondent how the board liaison position works regarding how having the signature is policy.

A motion was made by Member Skeen and seconded by Member Barton to reject the Proposed Settlement Agreement due to no signature on the document from the Board Liaison and for the lack of a civil penalty.

2-0-1, Motion carried.

Voting in favor: Michelle Skeen and Michael Barton

Recused: Dale Gettelfinger

APPLICATION REVIEW

Reinstatements

A motion was made by Member Skeen and seconded by Member Gettelfinger to approve the reinstatements and issue Notices of Noncompliance.

3-0, Motion carried.

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

1. Michelle Orme
2. Emily Webb
3. Antonette McCaster

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, Dale Gettelfinger and Michael Barton

- 1. Amanda Nichols

CPE HARDSHIP WAIVERS AND EXAM EXTENSION REQUESTS

Antonette McCaster- CPE Hardship Waiver

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

2-1-0, Motion carried.

Voting in favor: Michelle Skeen and Dale Gettelfinger

Voting against: Michael Barton

IMMEDIATE SUSPENSIONS FROM NOTICES OF NONCOMPLIANCE

Jerry Thomann- Civil Penalty

A motion was made by Member Skeen and seconded by Member Gettelfinger to issue a Notice of Immediate Suspension.

3-0, Motion carried.

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

DISCUSSION ITEMS VOTE REQUIRED

Pierce Weingartner

The Board stated that his application is incomplete until he turns in the 4 hours then he can be approved. No vote was required.

DISCUSSION ITEMS NO VOTE REQUIRED

PROC Report- Alan Parks

Mr. Parks appeared to give the Peer Review Oversight Committee report. He stated that there were two failed reports recently submitted so a PROC meeting will be happening soon. He stated that there are about 1,000 licensed Indiana firms and about 280 participate in PROC. Peer review is every 3 years so there are about 100 reports a year and about 50 are in system and 50 in engagement. PROC reviewed 5 failed reports and decided on whether to forward to the Attorney General’s Office or not. Member Barton asked what financial resources the Board can provide to help. Alan stated that the Alliance meetings are still virtual and PROC wants to try and sit in on a RAB once a year. He is always impressed how RAB advocates for firms being reviewed and it gives a better basis for an issued report because the details could be only 1-2 pages. Alan said PROC doesn’t need any resources

currently because they can sit in virtually until they are back in person then maybe travel costs might need covered. Member Barton inquired how advocating for firms being reviewed works instead of it being punitive. Alan said they would challenge findings and suggest revisions and more feedback which means more fairness to the firm being reviewed. Member Barton said there is a big notion that peer review is more punitive than it really is. Alan said the newest report received is an engagement review. They look harder at system reviews. Member Gettelfinger asked for a written report that he could evaluate. Rachelle will send one to the Board. Member Gettelfinger stated as liaison the AICPA sends a list of firms dropped from the program. He said that Indiana CPA firms decide they will not continue in the peer review program so AICPA drops them that information goes to the staff and that results in a consumer complaint. He said the AICPA drops them mostly because the firm decides to just not do things needing a peer review. Courtney Kinkaid of INCPAS explained being AICPA dropped is just that they no longer will do services needing peer review. Rachelle will reach out to future drop listed firms and review their websites for services provided to prescreen before sending them to the Attorney General's office.

INCPAS Exam Exposure Draft Response

The Board has no questions or comments on this matter.

INCPAS Accountancy Investigative Fund Recommendations

The Board reviewed the investigative fund recommendations. Member Gettelfinger asked where the recommendations are from. Bob, GRAC member, stated that the committee meeting discussion asked INCPAS staff to draft the letter. Member Gettelfinger stated that all items are worthy of deliberation and is it appropriate for Board staff and the Attorney General to respond in writing. Member Gettelfinger stated for Board member staff education what is the criteria and who do they invite on what topics. Member Gettelfinger stated that AICPA for example has contrary opinions. Member Barton stated that it would be the Board's discretion. Member Gettelfinger stated what of public interests that appear before the Board. Member Barton stated like lobbying for example. Member Gettelfinger said for example practitioners have contrary views so would the Board be willing to invite practitioners or influencers in the profession about regulating. Member Barton said it is a well-rounded perspective so that's fine. Member Gettelfinger said what are both sides when the Board takes upon itself when and where a Board member is educated. Board members should have their education when they come to the Board. Inviting in opinions that have to do with legislation rulemaking is bias so how does the Board judge what opinions to bring in. That's a legislative role. Member Barton said the Board knew the exam was coming down the line, so it is for the Board's benefit to know what the changes are and how those changes affect the group. Member Gettelfinger stated that is an individual Board member responsibility. Member Barton said all three members can be addressed at one time this way. Member Gettelfinger said no, and he believes it is wrong as the Board is a

public group inviting in experts with their own opinion on how the Board should administer a statute. Member Barton said the Board deals with people applying for the exam. Member Gettelfinger said he has reservations about bringing in outside experts especially with lobbying compilations. Member Barton said some enforce the accountancy act, exam, and rule changes so it is nice to hear from the AICPA or NASBA which is where original code is coming from not lobbying. Member Skeen inquired if it was for an educational purpose. Member Gettelfinger said the Board should avoid bias from other opinions and education is a board member's individual responsibility. Member Skeen stated if someone can educate the entire Board at once then she has no problem with it. Member Barton stated that through rules on administering the exam, AICPA is not lobbying. Member Gettelfinger stated there are people that think there should be no exam and no CPE so where would the Board draw the line? Member Barton stated by enforcing the rule. Member Gettelfinger said the rules on CPE regarding ethics rules where does the Board draw the line. He said it is good to be educated but it is his responsibility not the board's responsibility. Member Skeen thinks it is a good idea for different firm administrators to come in and share opinions about exam results, CPE, etc. Member Barton agreed and said it is a duty to licensees. Member Gettelfinger stated who is going to issue an invitation to the AICPA, to practicing CPAs in Indianapolis, to a particular firm. Member Barton stated they are beefing up communication with licensees. Member Skeen said in a quarterly newsletter, and they could put the offer out there inviting people to attend when AICPA comes etc. Member Gettelfinger wondered if there were hesitations on inviting in a stream of individual experts. Bob asked Ned about open door law regarding training.

Investigative Fund Statement

Member Barton stated the investigative fund balance is a little shy of \$600,000. No questions or comments from the Board currently.

Compliance Officer Report

Rachelle stated she has been attending webinars hosted by NASBA regarding their enforcement training. These are geared towards newer Board staff and directors but were great refreshers. The September 29th webinar covered conflicts of interest, the open records act, open meetings act, and NASBA's enforcement resource tools. Rachelle stated she learned about the IRS Office of Professional Responsibility and their publishing of PTIN disciplinary actions, which has led to investigation for possible CPA license correlations. She also discovered a resource document for enforcement from NASBA's 2019 Board Counsel Boot Camp that has been a great tool for definitions, regulatory chart, peer review process breakdown, and mobility details. The October 5th webinar was about investigations. The October 12th webinar had an interesting discussion on using an Ethics CPE course as part of a disciplinary option. The November 29th one will be over the administrative hearing process. She stated she also attended the virtual sessions of NASBA's Annual Meeting.

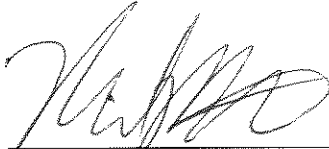
Board Director Report

Toby stated that the State has reclassified positions. The agency is in the works of a call center. By December 1st the individuals processing applications and renewals that is all they will be doing. They will not do phone calls unless it is an escalated call. The call center will focus only on calls.

Doug, PLA's Communications Director, stated that he has some newsletter ideas for how to make it easier and bigger as an asset to the webpages and the Board to decide on how often and what information the Board wants to provide to practitioners. Member Barton stated that it is hard to get to the statutes/ rules on the website. Doug stated it is outdated it has been discussed and they are looking into it being updated. Member Barton stated that the NASBA exam part on their website is incorrect. Toby stated she is working with NASBA and INCPAS to get that corrected. Member Gettelfinger stated he had an Ethics course certificate issue. Toby said he can screenshot the 100 percent completion and email it to her. Member Gettelfinger said he was appointed another term on NASBA's CPE committee and Member Barton stated he was appointed another term on NASBA's Diversity committee.

ADJOURNMENT

There being no further business, and having completed its duties, the meeting of the Indiana Board of Accountancy adjourned at 11:50 a.m.



Mr. Michael Barton, CPA

11/13/2023
Date