

March 6, 2015
Board of Accountancy

Phone Conference

The meeting was called to order at 10:03 a.m. The roll was called by Ms. Kelly, Division Director, and reflected the following persons present:

BOARD MEMBERS

Cynthia Borders-Byrd	Present
Maria E. Caldwell	Present
David L. Dennis	Present
M.G. Fennema	Present
Tracy Keegan	Present
James Lane	Present
Steve Riggs	Present
Eric Robinson	Present
H. Steven Vogel	Present

STAFF

Veloria Kelly	Present
June Carroll	Present
Richard Evans	Present
Denise Graves	Present

Mary Ellen Clark, Senior Assistant Attorney General and Board Counsel was present. C. Erica White, Chief Attorney, Department of Business and Professional Regulation, was present. Chevonne Christian, Senior Attorney, Department of Business and Professional Regulation was present. Court Reporter was Ingrid Cox.

1. Maintenance And Reactivation - Staff Approvals

Motion was made by Ms. Borders-Byrd, seconded by Mr. Robinson, to approve those listed. Upon vote, the motion passed unanimously.

2. Maintenance And Reactivation – Requests to Reactivate

This item was removed from the agenda.

3. Maintenance And Reactivation - Voluntary Relinquishment

Motion was made by Mr. Dennis, seconded by Dr. Fennema, to approve those listed. Upon vote, the motion passed unanimously.

4. Deceased Practitioners

There was a moment of silence. Mr. Dennis informed the Board that State Legislator Ken Plant passed this week.

5. Temporary Permits

Motion was made by Mr. Robinson, seconded by Dr. Fennema, to ratify list. Upon vote, the motion passed unanimously.

6. Reports

A. House Bill 373 – Legislative Committee Meeting – Discussion

Mr. Vogel reported.

Mr. Vogel informed the Board that the Legislative Committee met on February 23, 2015, to discuss the proposed HB373 sponsored by Representative Raulerson. Mr. Vogel informed the Board that the Legislative Committee did not have the latest version of the bill to review. Mr. Vogel stated the draft bill will help explain why this was introduced. Board members determined upon review of the updated draft they will review, discuss and vote.

Deborah Curry President/CEO, of the Florida Institute of CPA's informed the Board that HB373 was introduced to clarify those firms that need a license. Ms. Curry explained the intention of the bill is to clarify and make clear the rule, which at this time is subject to multiple understanding.

Jennifer Green, Partner Liberty Partners of Florida, LLC gave Board members history on this subject, stating in 1988 the statute was re-written and the Practice of CPA's was in three sections, s.473.302(8)(a), (b) and (c). She stated the purpose of the proposed bill is to make it clear as to what is expected, as well as amending the definition of quality review to clearly reference and include peer review as defined in s. 473.3125 F.S.

Mr. Vogel suggested the Board members re-visit this item once an updated version is available.

B. Prosecuting Attorney Report

Ms. White reported.

Ms. White informed the Board members that the Prosecution team and Enforcement team have been diligently working cases, and catching up on the backlog.

C. Rule 61H1-29.0025 Temporary License – Electronic Practice – Discussion

Ms. Clark reported.

61 H 1-29.0025 Temporary Licenses – Electronic Practice.

- (1) Temporary licenses will be required of out-of-state certified public accountants or firms not authorized to practice public accounting pursuant to the practice privileges granted in Section 473.3141, F.S., who wish to practice public accountancy in this state via electronic means (other than for federal tax matters as provided by Section 473.314, F.S.).
- (2) Applications for temporary licenses must be filed **thirty (30) days** prior to commencement of the engagement. Applications must be in writing and contain the information as specified in Section 473.314, F.S.
- (3) Acceptance of the temporary license constitutes acceptance of the Board's jurisdiction over the work performed by the outof-state certified public accountant or firm.
- (4) The provisions of subsections 61H1-29.002(7) and (8), F.A.C., shall also apply to licenses for electronic practice.

Rulemaking Authority 473.304, 473.314 FS. Law Implemented 473.314 FS. History–New 2-12-98, Amended 8-28-06, 12-10-09, 1-7-13.

Motion was made by Mr. Robinson, seconded by Mr. Dennis, to notice for rule development and approve language as presented. Upon vote, the motion passed unanimously. Motion was made by Mr. Robinson, seconded by Dr. Fennema, that the proposed rule would not have an adverse impact on small business or likely to directly or indirectly increase regulatory cost to any entity (including government) in excess of \$200,00 in the aggregate in Florida within one year after the implementation of the rule. Upon vote, the motion passed unanimously.

D. Rule 61H1-36.004 Disciplinary Guidelines; Range of Penalties; Aggravating and Mitigating Circumstances – Discussion

Ms. Clark reported.

61H1-36.004 Disciplinary Guidelines; Range of Penalties; Aggravating and Mitigating Circumstances.

(1) No change.

(2) The following disciplinary guidelines shall be followed by the board in imposing disciplinary penalties upon licensees for violation of the below mentioned statutes and rules:

VIOLATION	PENALTY RANGE	
	MINIMUM	MAXIMUM
(a) through (aa) No change.		
(bb) <u>Failure to obtain continuing professional education hours</u>		
(Section 473.312, F.S., Rule 61H1-33.003, F.A.C.)		
<u>First Offense</u>		
<u>NUMBER OF HOURS LACKING</u>		
<u>1 to 16 hours</u>	<u>\$500 fine, makeup missing hours plus 20 additional penalty hours, in same category as those missed, if missing hours are ethics, penalty hours would consist of accounting/auditing, within 90 days of final order, must submit proof of compliance for next two renewal periods</u>	<u>\$1,000 fine, makeup missing hours plus 20 additional penalty hours, in same category as those missed, if missing hours are ethics, penalty hours would consist of accounting/auditing, within 90 days of final order, must submit proof of compliance for next two renewal periods</u>
<u>17 to 80 hours</u>	<u>\$1,000 fine, makeup missing hours plus additional penalty hours equal to the number of those missed, within same category as those missed, suspension until all hours are completed, must submit proof of compliance for next two renewal periods</u>	<u>\$2,000 fine, makeup missing hours plus additional penalty hours equal to the number of those missed, within same category as those missed, suspension until all hours are completed, must submit proof of compliance for next two renewal periods</u>
<u>Second Offense</u>		
<u>NUMBER OF HOURS LACKING</u>		

<u>1 to 16 hours</u>	<u>\$500 fine, makeup missing hours plus 20 additional penalty hours, in same category as those missed, if missing hours are ethics, penalty hours would consist of accounting/auditing, suspension until all hours are completed, must submit proof of compliance for next two renewal periods</u>	<u>\$1,000 fine, makeup missing hours plus 20 additional penalty hours, in same category as those missed, if missing hours are ethics, penalty hours would consist of accounting/auditing, suspension until all hours are completed, must submit proof of compliance for next two renewal periods</u>
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(3) No change.

Rulemaking Authority 455.2273, 473.304 FS. Law Implemented 455.277, 455.2273, 473.323(1)(m) FS. History—New 1-7-87, Amended 9-16-87, 8-25-88, 6-18-91, 12-30-91, Formerly 21A-36.004, Amended 12-7-93, 5-23-94, 8-16-99, 1-31-05, 7-28-10,

Motion was made by Mr. Dennis, seconded by Ms. Borders-Byrd, to approve amended text. Upon vote, the motion passed unanimously. Motion was made Mr. Dennis, seconded by Ms. Borders-Byrd, that the proposed rule would not have an adverse impact on small business or likely to directly or indirectly increase regulatory cost to any entity (including government) in excess of \$200,00 in the aggregate in Florida within one year after the implementation of the rule. Upon vote, the motion passed unanimously.

7. Administrative

A. Board Of Accountancy Statistics – FYI

This was an informational item.

B. California Board of Accountancy – FYI

This was an informational item.

C. Remarks from the Executive Director

Ms. Kelly reported.

Ms. Kelly thanked Board Members for approving travel for staff to attend the NASBA Executive Directors Conference as well as the Legal Conference on March 24, 2015 through March 27, 2015. Ms. Kelly informed Board Members that April's agenda will be large and will possibly go until late afternoon, therefore when making travel arrangements keep that in mind.

8. NASBA

E. February 2015 Focus Questions Form – Discussion

Ms. Caldwell encouraged Board members to respond to the Focus Questions.

The Board members advised Ms. Kelly as to how to respond to each question. Ms. Kelly will return questionnaire to NASBA.

9. FICPA

Deborah Curry, President/CEO of the Florida Institute of CPA's reported.

Ms. Curry informed the Board members that the FICPA had been successful with the definitions of the Proposed Rule 64-4.001 Definitions. She stated the definition Certified Financials mirrored the financial statements from the CPA rules.

Ms. Curry informed the Board members that a CPA is to be appointed pending approval by the State Surgeon General to sit on the Committee of Dispensing Units. She stated overall she feels they have been successful with this proposed rule, and she will let the Board know when the next draft of the proposed rule has been released.

ADDITIONS

1. Petition for Variance or Waiver

A. Sasha Harrison

Motion was made by Dr. Fennema, seconded by Ms. Keegan, to approve. Upon vote, the motion passed unanimously.

10. Other Business

There was none at this time.

11. Old Business

There was none at this time.

12. Future Meetings

This was an informational item.

13. Adjourn

The meeting was adjourned at 11:30 a.m.

Steve Vogel, Chair