

**CALIFORNIA BOARD OF ACCOUNTANCY**

2000 EVERGREEN STREET, SUITE 250  
SACRAMENTO, CA 95815-3832  
TELEPHONE: (916) 263-3680  
FACSIMILE: (916) 263-3675  
WEB ADDRESS: <http://www.dca.ca.gov/cba>



**CALIFORNIA BOARD OF ACCOUNTANCY PUBLIC MEETING NOTICE  
FOR THE COMMITTEE ON PROFESSIONAL CONDUCT (CPC),  
LEGISLATIVE COMMITTEE, AND BOARD MEETINGS**  
(Revised 3/12/2008)

---

**DATE:** March 20, 2008      **CPC**      **TIME:** 9:30 a.m. to 1:00 p.m.  
**LEGISLATIVE**      **TIME:** 2:00 p.m. to 3:00 p.m.

**DATE:** March 21, 2008      **BOARD**      **TIME:** 9:00 a.m. to 12:15 p.m.

**PLACE:** Westin Pasadena  
191 North Los Robles Avenue  
Pasadena, CA 91101  
Telephone: (626) 792-2727

Enclosed for your information are copies of the agendas for the CPC, Legislative, and Board meetings on March 20 - 21, 2008. For further information regarding these meetings, please contact:

Paula Bruning, Executive Office Technician  
(916) 561-1712 or [pbruning@cba.ca.gov](mailto:pbruning@cba.ca.gov)  
California Board of Accountancy  
2000 Evergreen St., Suite 250  
Sacramento, CA 95815

An electronic copy of this notice can be found at <http://www.dca.ca.gov/cba/calendar.shtml>

**The next Board meeting is scheduled for May 8-9, 2008, in Sacramento, California.**

The meeting is accessible to the physically disabled. If you need disability-related accommodations or modifications in order to participate in the meeting, please make a request no later than five (5) working days before the meeting to the Board by contacting Anne Mox at (916) 561-1716 or sending a written request to that person at the Board Office at 2000 Evergreen St., Ste. 250, Sacramento, CA 95815. Requests for further information should be directed to Paula Bruning at (916) 561-1712 or the same address noted above.

**CALIFORNIA BOARD OF ACCOUNTANCY**

2000 EVERGREEN STREET, SUITE 250  
SACRAMENTO, CA 95815-3832  
TELEPHONE: (916) 263-3680  
FACSIMILE: (916) 263-3675  
WEB ADDRESS: <http://www.dca.ca.gov/cba>



## AGENDA

## COMMITTEE ON PROFESSIONAL CONDUCT

March 20, 2008  
9:30 a.m. – 1:00 p.m.

Westin Pasadena  
191 North Los Robles Avenue  
Pasadena, CA 91101  
(626) 792-2727

(Board members who are not members of this  
Committee may be attending the meeting.)

- I. Minutes of the January 17, 2008, CPC Meeting **(Manuel Ramirez, Chair)**  
**(Action).**
- II. Discussion of Administrative Suspension and Other Enforcement Options  
Related to Cross-Border Practice **(George Ritter)** **(Action).**
- III. Consideration of Revised Statutory Language Related to Cross-Border  
Practice **(Patti Bowers/Liza Walker)** **(Action).**
- IV. Proposed Amendments to Section 87.7 Related to the Professional Ethics  
Continuing Education Requirement **(Patti Bowers/Dominic Franzella)**  
**(Action).**
- V. Consideration of Changing the Renewal Period From Two Years to Three  
Years **(Dominic Franzella)** **(Action).**
- VI. Proposed Addition of Section 50.1 to Title 16 of the California Code of  
Regulations Regarding Client Notification of Firm Owners' Ability to  
Provide Attest Services **(Dan Rich/Patti Bowers)** **(Action).**
- VII. Comments from Members of the Public.
- VIII. Agenda Items for Next Meeting.

**CALIFORNIA BOARD OF ACCOUNTANCY**

2000 EVERGREEN STREET, SUITE 250  
SACRAMENTO, CA 95815-3832  
TELEPHONE: (916) 263-3680  
FAX: (916) 263-3675  
WEB ADDRESS: <http://www.dca.ca.gov/cba>



**AGENDA  
LEGISLATIVE COMMITTEE**

March 20, 2008  
2:00 p.m. – 3:00 p.m.

Westin Pasadena  
191 North Los Robles Avenue  
Pasadena, CA 91101  
(626) 792-2727

(Board members who are not members of this  
Committee may be attending the meeting.)

- I. Update on Legislation.
  - A. AB 721 (Maze) – Public Records: Request from Legislature.
  - B. AB 865 (Davis) – State Agencies: Live Customer Service Agents.
  - C. AB 1185 (Hayashi and Ma) – Accountants: Peer Review Program.
  - D. SB 414 (Corbett) – Limited Liability Partnerships: Public Accountancy and Law.
  - E. SB 618 (Alquist) – State Agencies: Electronic Records.
  - F. SB 654 (Denham) – Accountants: Licensing Examination.
  - G. SB 1047 (Chapter 354 2007) (Committee on Business, Professions and Economic Development) – Professions and Vocations.
- II. Positions on Legislation (**Action**).
  - A. AB 1925 (Eng) – Franchise Tax Board: Business and Professional Licenses.
  - B. AB 2118 (Villines) – State Agencies: Administrative Regulations.

C. AB 2223 (Horton) – Department of Consumer Affairs.

D. AB 2473 (Niello and Ma) – Accountancy: Licensure.

E. SB 721 (Ashburn and Perata) – State Agencies: Succession Plans.

F. SB 797 (Ridley-Thomas) – Professions and Vocations.

G. SB 963 (Ridley-Thomas) – Regulatory Boards: Operations.

III. Comments from Members of the Public.

IV. Agenda Items for Next Meeting.

**CALIFORNIA BOARD OF ACCOUNTANCY**

2000 EVERGREEN STREET, SUITE 250  
SACRAMENTO, CA 95815-3832  
TELEPHONE: (916) 263-3680  
FACSIMILE: (916) 263-3675  
WEB ADDRESS: <http://www.dca.ca.gov/cba>

**DEPARTMENT OF CONSUMER AFFAIRS  
CALIFORNIA BOARD OF ACCOUNTANCY****BOARD MEETING  
AGENDA**

**March 21, 2008  
9:00 a.m. to 12:15 p.m.  
(Revised 3/12/08)**

Westin Pasadena  
191 North Los Robles Avenue  
Pasadena, CA 91101  
Telephone: (626) 792-2727  
Facsimile: (626) 792-3755

- I. Call to Order (**Donald Driftmier**).
- II. Board Minutes.
  - A. Draft Board Minutes of the February 25, 2008, Board Meeting\*.
- III. Report of the President (**Donald Driftmier**).
  - A. Proposed 2009 Board Meeting Dates (**Action**).
  - B. Update on CE Forum (**Carol Sigmann**).
  - C. Proposed Resolution for Retired Board Member, Ms. Sally Flowers (**Action**).
  - D. Proposed Resolution for Retired Board Member, Mr. Clifton Johnson (**Action**).
- IV. Report of the Vice-President (**Robert Petersen**).
  - A. Qualifications Committee (QC) Appointments (**Action**).
  - B. Nomination of Billy Atkinson for NASBA Vice Chair (**Action**).

- V. Report of the Secretary-Treasurer (**Rudy Bermúdez**).
  - A. FY 2007/08 Mid-Year Financial Report.
- VI. Report of the Executive Officer (**Carol Sigmann**).
  - A. Update on Board Staffing.
  - B. Report on Licensing and Exam (**Patti Bowers**).
- VII. Report of the Enforcement Chief (**Greg Newington**).
  - A. Report on Status of Enforcement Matters:
    - 1. Activity and Status Reports.
    - 2. Major Case Summary.
    - 3. Report on Citations and Fines.
    - 4. Reportable Conditions Data.
- VIII. Regulations.
  - A. Update on Regulations. (**Written Report Only**).
- IX. Committee and Task Force Reports.
  - A. Administrative Committee (AC) (**Harish Khanna, Chair**).
    - No Report.
  - B. CPA Qualifications Committee (QC) (**Tracy Garone**).
    - No Report.
  - C. Committee on Professional Conduct (CPC) (**Manuel Ramirez, Chair**).
    - 1. Minutes of the January 17, 2008, CPC Meeting\*.
    - 2. Report on the March 20, 2008, CPC Meeting.
    - 3. Discussion of Administrative Suspension and Other Enforcement Options Related to Cross-Border Practice (**Action**).

4. Consideration of Revised Statutory Language Related to Cross-Border Practice **(Patti Bowers/Liza Walker) (Action)**.
5. Proposed Amendments to Section 87.7 Related to the Professional Ethics Continuing Education Requirement **(Patti Bowers/Dominic Franzella) (Action)**.
6. Consideration of Changing the Renewal Period From Two Years to Three Years **(Dominic Franzella) (Action)**.
7. Proposed Addition of Section 50.1 to Title 16 of the California Code of Regulations Regarding Client Notification of Firm Owners' Ability to Provide Attest Services **(Dan Rich/Patti Bowers) (Action)**.

D. Legislative Committee **(Lorraine Hariton, Chair)**.

1. Report on the March 20, 2008, Legislative Committee Meeting.
2. Update on Legislation.
  - a. AB 721 (Maze) – Public Records: Request from Legislature.
  - b. AB 865 (Davis) – State Agencies: Live Customer Service Agents.
  - c. AB 1185 (Hayashi and Ma) – Accountants: Peer Review Program.
  - d. SB 414 (Corbett) – Limited Liability Partnerships: Public Accountancy and Law.
  - e. SB 618 (Alquist) – State Agencies: Electronic Records.
  - f. SB 654 (Denham) – Accountants: Licensing Examination.
  - g. SB 1047 (Chapter 354 2007) (Committee on Business, Professions and Economic Development) – Professions and Vocations.
3. Positions on Legislation **(Action)**.
  - a. AB 1925 (Eng) – Franchise Tax Board: Business and Professional Licenses.
  - b. AB 2118 (Villines) – State Agencies: Administrative Regulations.
  - c. AB 2223 (Horton) – Department of Consumer Affairs.
  - d. AB 2473 (Niello and Ma) – Accountancy: Licensure.

e. SB 721 (Ashburn and Perata) – State Agencies: Succession Plans.

f. SB 797 (Ridley-Thomas) – Professions and Vocations.

g. SB 963 (Ridley-Thomas) – Regulatory Boards: Operations.

E. Enforcement Program Oversight Committee (EPOC) (**Robert Petersen, Chair**).

No Report.

X. Appeals – Personal / Written.

A. Personal Appeal – None.

XI. Recommendations of CPA Qualifications Committee.

A. Personal / Written Appeals – None.

XII. Petitions, Stipulations, and Proposed Decisions [Closed Session Government Code Section 11126(c)(3)] \*Petition Hearings are Public Before the Board with a Subsequent Closed Session (**Action**).

A. Berdj Joseph Rassam – Default Decision.

B. William E. Himmelmann – Stipulated Settlement.

C. John Goodell – Stipulated Settlement.

D. Troy Barnett – Stipulated Settlement.

E. Ira Berkowitz – Stipulated Settlement.

F. Christopher Ruth – Stipulated Settlement.

G. ~~Anthony J. Azavedo – Stipulated Settlement.~~ – Deferred.

XIII. Other Business.

A. American Institute of Certified Public Accountants (AICPA).

1. Update on AICPA State Board Committee (**Donald Driftmier**).

B. National Association of State Boards of Accountancy (NASBA).

1. Update on NASBA Committees.

- a. CBT Administration Committee **(Carol Sigmann)**.
- b. Compliance Assurance Committee **(Robert Petersen)**.
- c. Communications Committee **(Lorraine Hariton)**.
- 2. Report on the Annual Executive Directors/Legal Counsel Conference **(Carol Sigmann/Jeanne Werner)**
- 3. Proposed Responses to NASBA's Regional Directors' Focus Questions **(Dan Rich) (Action)**.
- C. Consent Agenda (Attached) **(Action)**.
- D. Board Member Comments.
- E. Comments from CalCPA Representative.
- F. Comments from SCA Representative.
- G. Public Comments.
- H. Agenda Items for Future Board Meetings.

XIV. Adjournment.

- ❖ The agenda items noted with an asterisk (\*) are on a separate "Consent Agenda" (attached). These items will be taken up on the full agenda as Item XIII.B. "Consent Agenda," and all items will be approved with one vote. If a Board member wishes to remove an item(s) from the Consent Agenda for discussion, he/she must notify the Board President prior to action on the Consent Agenda.

Please note: The order and timing of scheduled business are subject to change.

AGENDA ITEM XIII.C.  
CALIFORNIA BOARD OF ACCOUNTANCY  
BOARD MEETING  
March 21, 2008  
**CONSENT AGENDA**

<u>AGENDA ITEM</u>	<u>SUBJECT</u>
II.A.	Draft Board Minutes of the February 25, 2008, Board Meeting.
IX.C.1.	Minutes of the January 17, 2008, CPC Meeting.