



**DEPARTMENT OF CONSUMER AFFAIRS**  
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.cba.ca.gov>



**CALIFORNIA BOARD OF ACCOUNTANCY (CBA)  
ENFORCEMENT ADVISORY COMMITTEE (EAC)**

**EAC MEETING  
NOTICE & AGENDA**

**Thursday, January 30, 2014  
8:30 a.m. – 5:00 p.m.**

Doubletree by Hilton Berkeley Marina  
200 Marina Blvd.  
Berkeley, CA 94710  
Telephone: (510) 548-7920

- 8:30-8:45 I. Roll Call and Call to Order (**Cheryl Gerhardt, Chair**).
- II. Approval of the December 12, 2013 EAC Meeting Minutes.
- III. Public Comments for Items not on the Agenda.
- 8:45-11:30 IV. Review Enforcement Files on Individual Licensees.  
**[Closed Session: The EAC will meet in closed session to review and deliberate on enforcement files as authorized by Government Code section 11126(c)(2) and Business and Professions Code section 5020.]**

**LUNCH**

- 1:00-5:00 V. Conduct Closed Hearings.  
**[The Committee will meet in closed session as authorized by Government Code Sections 11126(c)(2) and (f)(3), and Business and Professions Code Section 5020 to conduct a closed session to interview and consider disciplinary action against an individual licensee or applicant prior to the filing of an Accusation.]**

Adjournment.

Please note: Action may be taken on any item on the agenda. All times are approximate. In accordance with the Bagley-Keene Open Meetings Act, all meetings of the EAC are open to the public. Government Code section 11125.7 provides the opportunity for the public to address each agenda item during discussion or consideration by the EAC prior to the EAC taking any action on said item. Members of the public will be provided appropriate opportunities to comment on any issue before the EAC, but the EAC Chair may, at her discretion, apportion available time among those who wish to speak. Individuals may appear before the EAC to discuss items not on the agenda; however, the EAC can neither discuss nor take official action on these items at the time of the same meeting. (Government Code sec.11125.7(a). CBA members who are not members of the EAC may be attending the meeting. However, if a majority of members of the full board are present at the EAC meeting, members who are not members of the EAC may attend the meeting only as observers.

The meeting is accessible to individuals with physical disabilities. A person who needs a disability-related accommodation or modification in order to participate in the meeting may make a request by contacting Allison Nightingale at (916) 561-1723, or by email at [anightingale@cba.ca.gov](mailto:anightingale@cba.ca.gov), or send a written request to the CBA office at 2000 Evergreen Street, Suite 250, Sacramento, CA 95815. Providing your request at least five (5) business days before the meeting will help to ensure availability of the requested accommodation.

For further information regarding this meeting, please contact:

Allison Nightingale, Management Services Technician  
(916) 561-1723 or [anightingale@cba.ca.gov](mailto:anightingale@cba.ca.gov)  
California Board of Accountancy  
2000 Evergreen Street, Suite 250  
Sacramento, CA 95815

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



**DEPARTMENT OF CONSUMER AFFAIRS**  
 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.cba.ca.gov>



**DEPARTMENT OF CONSUMER AFFAIRS**  
 CALIFORNIA BOARD OF ACCOUNTANCY (CBA)  
 ENFORCEMENT ADVISORY COMMITTEE (EAC)

**EAC Item II**  
 January 30, 2014

**MINUTES OF THE  
 DECEMBER 12, 2013  
 EAC MEETING**

Westin San Diego  
 400 West Broadway  
 San Diego, CA 92101  
 Telephone: (619) 358-6676

I. Roll Call and Call to Order.

The regularly scheduled meeting of the EAC was called to order at 9:00 a.m. on December 12, 2013 by EAC Vice-Chair, Mary Rose Caras.

Enforcement Advisory Committee

Cheryl Gerhardt, Chair	10:30 a.m. to 1:00 p.m.
Mary Rose Caras, Vice Chair	9:00 a.m. to 3:00 p.m.
Joe Buniva	9:00 a.m. to 3:00 p.m.
Gary Caine	9:00 a.m. to 3:00 p.m.
Nancy Corrigan	9:00 a.m. to 3:00 p.m.
Jeffrey DeLyser	9:00 a.m. to 1:00 p.m.
Bill Donnelly	Absent
Robert A. Lee	9:00 a.m. to 1:00 p.m.
Mervyn McCulloch	9:00 a.m. to 1:00 p.m.
James Rider	9:00 a.m. to 1:00 p.m.
Joseph Rosenbaum	9:00 a.m. to 3:00 p.m.
Seid Sadat	9:00 a.m. to 1:00 p.m.
Michael Schwarz	9:00 a.m. to 3:00 p.m.

Staff and Legal Counsel

Rafael Ixta, Enforcement Chief  
 Paul Fisher, Supervising Investigative CPA  
 Allison Nightingale, Enforcement Secretary  
 Kay Lewis, Investigative CPA  
 Carl Sonne, Deputy Attorney General, Department of Justice

Other Participants

Herschel Elkins, CBA Liaison

II. Review Enforcement Files on Individual Licensees.

The EAC adjourned into closed session under provisions of Government Code section 11126(c)(2) and Business and Professions (B&P) Code section 5020. EAC members convened into closed session at 9:02 a.m. and reconvened into open session at 10:30 a.m.

III. Report of the Committee Chair.

A. Approval of the October 24, 2013 EAC Meeting Minutes.

**It was moved by Mr. Schwarz, seconded by Ms. Corrigan, and unanimously carried to approve the minutes of the October 24, 2013 EAC meeting.**

The minutes for this meeting will be submitted to the CBA members for review and adoption at the next CBA meeting.

B. Report of the November 21-22, 2013 CBA Meeting.

Ms. Gerhardt attended the November 21-22, 2013 CBA meeting. She reported that the CBA members approved the Resolution for retiring EAC member, Jim Rider, for serving on the EAC. She also reported that she was re-appointed as Chair of the EAC and EAC member Jeff DeLyser was appointed as Vice-Chair to the EAC. The term of the re-appointment and appointment is from January through December 31, 2014.

Ms. Gerhardt also reported on an educational presentation given by guest speakers Patricia Hartman of National Association of State Boards of Accountancy (NASBA), Michael Decker of American Institute of CPAs (AICPA), and Kimberly Farace of Prometric regarding the Uniform CPA Examination. She reported that 98 percent of the candidates are satisfied with the CPA Exam process. The candidates sign a confidentiality agreement before taking the CPA exam. Prometric monitors the internet for test banks.

IV. Report of the Enforcement Chief.

A. Enforcement Activity Report.

Mr. Ixta provided an overview of the report. Mr. Ixta reported that the Enforcement Division received 1,946 complaints in fiscal year (FY) 2013/14 and assigned 1,894 for investigation. The increase in complaints received is due to the Peer Review Program preparing to issue citations and fines to the final group of licensees who failed to respond to the CBA regarding the required Peer Review Reporting Form. Currently there are 2,029 investigations pending. EAC member Gary Caine stated that given the high number of investigations pending, the EAC members may be used to review the investigations and provide assistance to enforcement staff. Mr. Ixta welcomed the recommendation and stated that appropriate investigations will be brought to the January 30, 2014 EAC meeting for the EAC members to review and recommendation. The report was provided in the EAC packets.

V. Other Business.

A. Report of the November 21, 2013 Committee on Professional Conduct (CPC) Meeting.

Mr. Elkins gave an overview of the CPC meeting. He reported the CPC discussed the possibility of allowing academia to be accepted for qualifying general accounting experience toward CPA licensure. He stated the CPC also explored how the academia experience should be calculated and who would be authorized to sign off on the experience forms.

During its deliberations, the CPC agreed that 48 teaching semester hours, or its equivalent, would equate to one year of general experience. The CPC also agreed that a dean or department head should be allowed to sign off on the experience.

The CPC recommended that the CBA move forward with legislation that would allow experience in academia to be qualifying and that staff be directed to utilize the CPC's discussions as a framework for a future regulation to implement the legislation should it pass.

VI. Public Comments for Items Not on the Agenda.

Mr. Ixta stated that there are vacancies in many of the CBA committees and that the CBA leadership requested EAC members to encourage their colleagues to apply to serve on one or more of the CBA committees.

VII. Conduct Closed Hearings.

[Closed session as authorized by Government Code sections 11126(c)(2) and (f)(3) and B&P Code section 5020 conducted after the general meeting to interview individual accountants and to consider possible disciplinary action against accountants prior to the filing of an accusation.]

VIII. Adjournment.

The next EAC meeting is scheduled for January 30, 2014 at the Doubletree by Hilton Berkeley Marina.

Having no further business to conduct, the EAC general meeting adjourned at approximately 11:16 a.m. to reconvene in closed session at 1:00 p.m.

---

Cheryl Gerhardt, CPA, Chair  
Enforcement Advisory Committee

Prepared by: Allison Nightingale, Enforcement Secretary