

BOARD OF PUBLIC ACCOUNTANCY
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii

MINUTES

Date: Monday, November 23, 2020

Time: 8:30 a.m.

Place: Virtual Videoconference Meeting – Zoom Webinar
(use link below)
<https://dcca-hawaii-gov.zoom.us/j/95181643141>

Present: Darryl T. Komo, CPA, Chairperson
Gary Y. Miyashiro, CPA, Vice-Chairperson
Christopher Lee, CPA, Member
Terrence Aratani, Member
Edward L. Punua, CPA, Member
Carleton L. Williams, CPA, Member
John W. Roberts, CPA, Member
Brian Uemori, Member
Christopher Leong, Deputy Attorney General (“DAG”)
Relley W. Araceley, Executive Officer
Leanne Abe, Secretary
Erin Emerson, Secretary
Kawehi Mau, Secretary
Karyn Takahashi, Secretary to Catherine P. Awakuni Colón,
Director, DCCA

Excused: None.

Guests: James
Curtis Sword
Hawaii

Agenda: The agenda for this meeting was filed with the Office of the Lieutenant Governor, as required by Hawaii Revised Statutes (“HRS”) section 92-7(b).

A brief video was played to explain procedures for this virtual meeting and how members of the public can participate and interact with the Board during the meeting.

Call to Order: There being a quorum present, the meeting was called to order at 8:34 a.m. by Chairperson Komo.

Chairperson Komo proceeded with roll call. All Board members were present.

Approval of the Minutes of the October 30, 2020 Board Meeting: The minutes of the October 30, 2020 meeting is not finalized. The minutes shall be made available to the public within forty days after the meeting, as required pursuant to HRS section 92-9, and will be on the December 18, 2020 meeting agenda for the Board's review and approval.

Applications: At 8:38 a.m., it was moved by Mr. Punua, seconded by Mr. Aratani, and unanimously carried to enter into Executive Session to consider and evaluate personal information relating to individuals applying for licensure in accordance with HRS section 92-5(a)(1), and to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities in accordance with HRS section 92-5(a)(4).

EXECUTIVE SESSION

At 8:48 a.m., it was moved by Mr. Punua, seconded by Vice-Chairperson Miyashiro, and unanimously carried for the Board to move out of Executive Session.

Chairperson Komo proceeded with roll call. All Board members were present.

Applications for CPA Certification: After discussion, it was moved by Mr. Aratani, seconded by Mr. Roberts, and unanimously carried to approve the following applications for certification:

- 1) AVALLONE, David J.
- 2) CHOY, Susie
- 3) GOSSI (NEILON), Nicola
- 4) KOO, Eun Kyung
- 5) MOSES, Mark
- 6) OKI, Tiana A.
- 7) RICHARDS, Jennifer Ann
- 8) ROWLAND, Brandon

Chairperson's
Report:

A. NASBA Regional Conference Report

Chairperson Komo stated the 113th NASBA Annual Meeting was held virtually on November 2-4, 2020. He provided the Board with highlights from the conference:

- CPA Evolution – New Model
 - Core: Accounting, Audit, Tax, Technology
 - Discipline: Tax compliance and planning, Business analysis and reporting, Information systems and controls
 - Changes to Accounting Curriculum (colleges)
 - New Exam: launch expected January 2024
- Board of Accountancy (“BOA”) Issues and Impact
 - Map of BOA Consolidation – Independent vs. Consolidated/Umbrella Agency
 - Hawaii is a Consolidated/Umbrella Agency Board (1 of 32 states)
 - .CPA Domain: licensed firms and licensed CPAs can register available .cpa domains. This will be monitored/administered through AICPA.
- Peer Review Update November 2020: six-month extensions were granted for all firms with reviews, corrective actions, and implementation plans originally due from January 1, 2020 to September 30, 2020.
- Code of Professional Conduct Adoption
 - 9 states that have adopted the AICPA Code of Professional Conduct by Reference
 - Hawaii is 1 of 10 states that has a State Code of Professional Conduct
- CPE Reciprocity
 - Hawaii is 1 of 20 states that have No CPE Reciprocity
 - 34 states that have Full CPE Reciprocity
- Firm Mobility
 - Hawaii is 1 of 26 states that require Firm Registration Under Mobility

- Legislative Issues: 2 of the top 10 issues that impact the Regulation of the Accounting Profession
 - Budget/Finances
 - Occupational Licensing Reform
- Pacific Regional Meeting Highlights
 - California Board of Accountancy: major fiscal concerns; fees received does not cover the expenses to run the State Board
 - Universities: concerns there will be difficulty updating curriculum to coincide with the CPA Evolution – New Model

Executive Officer's Report:

A. Hawaii Administrative Rules Chapter 71 Amendments

Executive Officer Araceley stated that the Public Hearing Notice was published in the newspapers 30 days prior to the meeting date on November 18, 2020. The Public Hearing will be held on December 18, 2020 and the board meeting to follow directly after.

B. Office of Information Practice (OIP) New Virtual Meetings Proposal

The Board reviewed OIP's proposed bill for an act relating to sunshine law boards and justification summary sheet.

Executive Officer Araceley asked if the Board had any questions or concerns regarding this proposed bill allowing boards to use interactive conference technology to conduct virtual meetings under the Sunshine Law.

Mr. Williams expressed concern on a portion of the OIP draft bill which states:

"When practicable, boards shall record meetings open to the public and make the recording of any such meeting electronically available to the public as soon as practicable after a meeting and until such time as the minutes required by section 92-9 are electronically posted on the board's website."

Mr. Williams questioned the security of the recordings made available to the public and expressed concern that there would be no opportunity to clarify or revise a remark before the official minutes are posted.

Executive Officer Araceley stated that he will discuss these concerns regarding the security of recordings and ask for clarification of the audio-visual communication portion of proposed bill with DCCA.

Discussion ensued and members expressed their support in having both in-person and virtual meetings and the benefits.

New Business:

A. 2020 NASBA Regional Conference Focus Questions

Chairperson Komo stated the following focus questions (Winter 2020) had been provided to Board members to review prior to the meeting. The Board discussed and reached consensus on the following responses:

- 1) Has your Board discussed remote testing/proctoring and, if so, what was the outcome?

Response: Yes.

- 2) Would a remote testing/proctoring presentation be helpful to your Board?

Response: Yes.

- 3) What are your Board's top agenda items/initiatives for 2021?

Response:

- Hawaii Administrative Rules Chapter 71 Amendments
- Peer Review Oversight Committee Bill

- 4) Has your Board taken any disciplinary actions for failure to comply with IT security plans required by the IRS or other Federal agencies?

Response: None to date.

- 5) What is happening in your jurisdiction that is important for other State Boards and NASBA to know about?

Response: None to date.

- 6) Can NASBA be of any assistance to your Board at this time?

Response: No.

Next Board Meeting: Friday, December 18, 2020
8:30 a.m.
Virtual Videoconference Meeting
Zoom Webinar

Announcements: Public Hearing will be held on Friday, December 18, 2020.

Adjournment: There being no further discussion, the meeting adjourned at 9:31 a.m.

Reviewed and approved by:

Taken and recorded by:

/s/ Relley W. Araceley

/s/ Leanne Abe

Relley W. Araceley
Executive Officer

Leanne Abe
Secretary

RWA:la

12/15/20

Minutes approved as is.

Minutes approved with changes. See minutes of.