

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

MINUTES

Date: July 30, 2021

Time: 8:30 a.m.

Place: Virtual Videoconference Meeting – Zoom Webinar
(use link below)
<https://dcca-hawaii-gov.zoom.us/j/98257328337>

Present: Gary Y. Miyashiro, CPA, Chairperson
Christopher K. Lee, CPA, Member
Edward L. Punua, CPA, Member
John W. Roberts, CPA, Member
Jon Arbles, CPA, Member
Terrence H. Aratani, Public Member
Brian Uemori, Public Member
Christopher Leong, Deputy Attorney General (“DAG”)
Kedin C. Kleinhans, Executive Officer (“EO”)
Leanne Abe, Secretary
Marc Yoshimura, Technical Support
Kawehi Mau, Technical Support

Excused: Mark Hunsaker, CPA, Member

Guest(s): James
Call-In User_1
Call-In User_2

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: Vice-Chairperson Miyashiro welcomed everyone to the meeting and proceeded with a roll call of the Board members. All Board members confirmed they were present with the exception of Mr. Hunsaker who was excused.

There being a quorum present, Vice-Chairperson Miyashiro called the meeting to order at 8:34 a.m.

Vice-Chairperson Miyashiro provided verbal instructions to attendees on how to connect to the meeting via Internet or through phone access. He reminded attendees that all microphones will be muted. If anyone would like to speak, they may select the raise hand button, and when called upon they will be limited to five minutes of testimony per agenda item.

Approval of the
Minutes of the
June 25, 2021
Board Meeting:

Vice-Chairperson Miyashiro asked if any members of the public would like to provide oral testimony on this agenda item. There were none.

Mr. Roberts requested for a correction on page 2, mid page:

“Applications: At 8:40 a.m., it was moved by Mr. Aratani, seconded by Mr. ~~[Robertson]~~ Roberts, 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). (Note: Board and staff moved to Teams.)”

Vice-Chairperson Miyashiro requested for a correction on page 1, last paragraph:

“All Board members confirmed they were present with the exception of Mr. Uemori ~~[and Mr. Aratani]~~ who ~~[were]~~ was excused.”

After discussion, it was moved by Mr. Aratani, seconded by Mr. Punua, and unanimously carried to approve the open session minutes of the June 25, 2021 meeting with the aforementioned amendments (with new material underscored and repealed material bracketed and stricken through).

Welcome New Board
Members/Election of
Officers:

Vice-Chairperson Miyashiro asked if any members of the public would like to provide oral testimony on this agenda item. There were none.

Vice-Chairperson welcomed Mr. Arbles and Mr. Hunsaker to the Board. Mr. Hunsaker was not in attendance.

Vice-Chairperson Miyashiro requested that Board members could either indicate their interest in, or nominate member(s) for the position of Board Chairperson.

Mr. Roberts nominated Vice-Chairperson Miyashiro for the position of Chairperson. Vice-Chairperson Miyashiro expressed his interest in the position. No further members expressed an interest and no further nominations were made for the position of Chairperson. Mr. Punua seconded the motion, and it was unanimously carried to elect Vice-Chairperson Miyashiro as Chairperson.

Chairperson Miyashiro requested that Board members could either indicate their interest in, or nominate member(s) for the position of Vice-Chairperson. Mr. Roberts nominated Mr. Hunsaker for the position of Vice-Chairperson citing his extensive previous experience on the Board. No further members expressed an interest and no further nominations were made for the position of Board Vice-Chairperson. Mr. Aratani seconded the motion. DAG Leong suggested to defer the nomination until Mr. Hunsaker is in attendance to respond. The motion did not carry.

Chapter 91, HRS,
Adjudicatory Matters:

Chairperson Miyashiro stated that this agenda item will be deferred to the next meeting.

Applications:

Chairperson Miyashiro asked if any members of the public would like to provide oral testimony on this agenda item. There were none.

At 8:44 a.m., it was moved by Mr. Aratani, seconded by Mr. Roberts, 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). (Note: Board and staff moved to Teams.)

EXECUTIVE SESSION

At 9:03 a.m., it was moved by Mr. Aratani, seconded by Mr. Punua, and unanimously carried for the Board to move out of Executive Session.

Applications:

A. CPA Certification

After discussion, it was moved by Mr. Aratani, seconded by Mr. Arbles, and unanimously carried to approve the following applications for certification (with the exception of Mr. Aratani recusing himself from applicant 8) Zachary C. Johnson):

- 1) Brian P. Sullivan
- 2) Britney C. Delima
- 3) Juan Urrutia
- 4) Marci M. Sato
- 5) Rachel M. Cummings
- 6) Robert E. McMillian
- 7) Sizhe Liu
- 8) Zachary C. Johnson

B. Ratification of Individual CPA Permit to Practice

After discussion, it was moved by Mr. Aratani, seconded by Mr. Roberts, and unanimously carried to ratify the approval of the following issued CPA Permits to Practice:

- 1) Chang J. Park
- 2) Daniel F. Zika
- 3) Jongsuk Yu
- 4) Niangui Yang

C. Firm Permit to Practice

After discussion, it was moved by Mr. Punua, seconded by Mr. Aratani, and unanimously carried to ratify the approval of the following issued Firm Permits to Practice:

- 1) Action Accounting Services LLC
(FFTP-1312)
- 2) B&Y Bookkeeping and Tax Services LLC
(FFTP-1311)
- 3) Nicholas & Robison Accounting
(FFTP-1310)

Correspondence:

Chairperson Miyashiro asked if any members of the public would like to provide oral testimony on this agenda item. There were none.

A. Letter from PracticeCFO, LLP Regarding its Firm Permit to Practice Application and Act 41, Session Laws of Hawaii ("SLH") 2018

Chairperson Miyashiro stated that the Board received a letter from PracticeCFO, LLP stating it was the requestor's understanding that they are not required to hold a Hawaii General Excise Tax ("GET") license pursuant to Act 41, SLH 2018.

EO Kleinhans reported his review of previous minutes and found similar discussion in 2015 where the Board indicated a GET is a license requirement for a Firm Permit to Practice that is separate from a taxation requirement.

DAG Leong cited Hawaii Administrative Rules (“HAR”) section 16-71-24(b)(2) which states:

“For a permit to practice public accountancy, a firm shall also provide its Hawaii general excise tax license number pursuant to section 237-9, HRS, on its application. Failure to provide a Hawaii general excise tax license number shall result in a denial of the firm permit to practice unless the firm attests that it does not and shall not have any gross income for engaging in the practice of public accounting in this State.”

EO Kleinhans will provide a response to the requestor of previous Board discussion, and citing HAR §16-71-24(b)(2).

B. Request from Alan Ochoa for Extension of Exam Credits

The Board reviewed and discussed Alan Ochoa’s request for a one month extension of exam credits.

Mr. Punua noted that extension requests are approved on a case-by-case basis, and most of the recent extensions were approved due to COVID-19; however, this request is fairly different from previous approvals.

After discussion, it was moved by Mr. Roberts, seconded by Mr. Arbles, and unanimously carried to approve Mr. Ochoa’s request for a one month extension of exam credits.

Legislative Standing
Committee Report:

Chairperson Miyashiro asked if any members of the public would like to provide oral testimony on this agenda item. There were none.

A. Act 114, SLH 2021 – Relating to the Peer Review Oversight
Committee

Mr. Aratani reported that Governor David Y. Ige signed Senate Bill No. 1103 into law on June 29, 2021.

CPA Exam Committee
Report:

Chairperson Miyashiro asked if any members of the public would like to provide oral testimony on this agenda item. There were none.

A. 2021 2nd Quarter Board of Examiners Highlight Meeting

Mr. Punua attended the 2021 2nd quarter Board of Examiners ("BOE") meeting and provided the following highlights to the Board:

- Volume of candidates has declined, but increased from 2020;
- BOE is scaling back on its plans, but continuing to encourage students into the industry;
- The "CPA Evolution" for the new uniform CPA; examination is scheduled to launch in January 2024
- Remote testing is being explored and examined for security, but no target date established; and
- International test sites are anticipated to be opened in jurisdictions with large industry companies, e.g. India.

Executive Officer's Report:

Chairperson Miyashiro asked if any members of the public would like to provide oral testimony on this agenda item. There were none.

A. Permit to Practice Information Displayed in PVL List Builder

EO Kleinhans followed up with PVL administration and confirmed the CPA Permit to Practice information is providing in lists generated using the PVL List Builder.

B. Hawaii Administrative Rules Chapter 71 – Update on Rule Amendments

EO Kleinhans indicated there have been no new updates, but will continue to follow up with the DCCA Administrative Services Offices, and request a timeframe of completion.

Next Board Meeting:

Friday, August 27, 2021
8:30 a.m.
Virtual Zoom Webinar

Announcements:

Chairperson Miyashiro shared that the 114th NASBA Annual Meeting will be held in San Diego, California on October 31, 2021 through November 3, 2021.

Mr. Punua inquired about the NASBA New Board Member Orientation. Both Chairperson Miyashiro and EO Kleinhans responded that they have not received any information regarding the NASBA New Board Member Orientation.

EO Kleinhans asked if the Board is considering a separate motion on the Executive Session minutes of June 25, 2021. Chairperson Miyashiro affirmed.

Approval of the
Minutes of the
June 25, 2021
Board Meeting:

It was moved by Mr. Punua, seconded by Mr. Aratani, and unanimously carried to approve the Executive Session minutes of June 25, 2021 meeting.

The Board returned to its regular order of business.

Adjournment:

There being no further discussion, the meeting adjourned at 9:36 a.m.

Reviewed and approved by:

Taken and recorded by:

/s/ Kedin C. Kleinhans

/s/ Leanne Abe

Kedin C. Kleinhans
Executive Officer

Leanne Abe
Secretary

KCK:la

08/19/21

- Minutes approved as is.
 Minutes approved with changes. See minutes of.