

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

MINUTES

Date: July 29, 2022

Time: 8:30 a.m.

Place: Queen Liliuokalani Conference Room
HRH King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii 96813

Virtual Videoconferencing Meeting – Zoom Webinar
<https://dcca-hawaii-gov.zoom.us/j/92108223713>

Present: Gary Y. Miyashiro, CPA, Chairperson (“Chair”)
Jon Arbles, CPA, Vice-Chairperson (“Vice-Chair”)
Christopher K. Lee, CPA, Member
John W. Roberts, CPA, Member
Zachary Johnson, CPA, Member
Alexander Smith, CPA, Member
Terrence H. Aratani, Public Member
Christopher J.I. Leong, Deputy Attorney General (“DAG”)
Lee Ann Teshima, Executive Officer (“EO Teshima”)
Leanne Abe, Secretary
Faith Nishimura, Technical Support
Mia Hoang, Technical Support

Excused: Brian Uemori, Public Member

Guest(s): Anne Shimokawa, DCCA, PVL, Executive Officer
Chelsea Fukunaga, DCCA, PVL, Executive Officer
Arkhe Pacis
James
Kelli Crawford
Matthew Hara

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:

The Chair 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. Uemori who was excused.

There being a quorum present, the Chair called the meeting to order at 8:36 a.m.

The Chair 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.

Chair's Report:

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

a. Announcements

1) NASBA Western Regional Meeting June 7-9, 2022 – Update

The Chair stated that Mr. Arbles and Mr. Aratani attended the NASBA Western Regional Meeting in-person.

Mr. Aratani provided the following summary report to the Board:

- CPA Evolution Update – Uniform CPA Examination (transition in 2024):
 - Changes to the core examination: candidates will be required to pass all three core sections and one discipline
 - Major infrastructure changes to examination: to assess critical thinking skills differently, removing the written communications task, multiple choice, and Microsoft Excel will be replaced by JavaScript as the spreadsheet used in the examination
 - The pass rate will be based on a set score instead of curve scoring
- Candidate Pipeline Outreach:
 - Attracting new candidates to become CPAs
 - Encourage candidates to continue to take and pass all sections of the CPA examination
 - Reminders to candidates about Notice to Schedule (NTS) expirations

- Reminders to candidates about losing exam credits/expiration.
- Exploring block scheduling so peers can study together or take examinations at the same time
- Pacific Regional Breakout Session: Hawaii, California, Guam, Marshall Islands, Oregon, and Washington
 - Candidate Outreach: California and Washington hold board meetings on campus at various universities to attract students and raise awareness of what is going on in the accountancy profession.
 - Principle Place of Business Issues: (due to COVID-19) CPAs doing business in a different state that they are residing in. Hawaii and Marshall Islands are the only two jurisdictions that do not have mobility.
 - Private Equity and non-CPA Ownership of CPA Firms: large equity firms buying out practices with shareholders.
 - Strategic IT Project Updates and Trends in Cybersecurity: 85% of breaches are human generated, 69% involves compromised credentials
 - ESG (Environmental, Social and Governance) Reporting Sustainability

b. Approval of the Minutes of the March 18, 2022 Meeting

The Chair called for a motion to approve the minutes of the March 18, 2022 meeting.

Mr. Smith recused himself from voting on this matter.

Upon a motion by Mr. Aratani, seconded by Mr. Roberts, it was voted on with the Chair, Mr. Arbles, Mr. Lee, Mr. Roberts, Mr. Johnson, and Mr. Aratani to approve the minutes of the March 18, 2022 meeting minutes as circulated.

Executive Officer's Report:

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

a. Implementation of HAR §16-71-21(c) EXPERIENCE

EO Teshima stated that based on the Board's discussion at the January 2022 and April 2022 meetings, it was not clear in the minutes if the Board was going to recognize the experience obtained from a supervising individual who did not hold a permit

to practice in this State or the equivalent license in another jurisdiction prior to the effective date of the new administrative rules on November 27, 2021.

The Chair stated that the new administrative rules were amended and the implementation of HAR §16-71-21(c) went into effect on November 27, 2021. The Board is currently reviewing applicants who are submitting their applications with experience requirements that were incurred prior to the new administrative rules' promulgation date. He stated that the Board is now faced with the issue of whether the Board is going to recognize the experience gained from a supervising individual who did not hold a permit to practice in this State or the equivalent license in another jurisdiction prior to the effective date of the new administrative rules on November 27, 2021. In a past meeting, the Board had briefly discussed providing a twelve (12) month window from the promulgation date, but no decision was made.

Mr. Roberts stated that the Board's duty is the protection of the public but may consider looking into a "grace period" for applicants that have submitted an application that was received by the DCCA (Department of Commerce and Consumer Affairs) before November 27, 2021.

Mr. Arbles suggested that the Board move into Executive Session to consult with the Board's attorney regarding HAR §16-71-21(c).

Executive Session:

At 8:52 a.m., upon a motion by Mr. Arbles, seconded by Mr. Roberts, it was voted on and unanimously carried to move into Executive Session in accordance with HRS §92-4 and §92-5(a)(1) and (4) "To consider and evaluate personal information relating to individuals applying for CPA licensure;" and "To consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities;"

Mr. Aratani left the Microsoft Teams meeting at 10:05 a.m.

The Board resumed the meeting at 10:05 a.m. after coming out of executive session.

Executive Officer's Report:

a. Implementation of HAR §16-71-21(c) EXPERIENCE

After due consideration and discussion, it was moved by the Chair, seconded by Mr. Arbles, and unanimously carried to interpret HAR §16-71-21(c) which requires the applicant to have their experience gained under the supervision of an individual who holds or has held a permit to practice in this State, or the equivalent in another

jurisdiction, during the period of supervision, effective November 27, 2021. Any application received after November 27, 2021, will require the applicant to certify their experience by an individual who holds or has held a permit to practice in this State, or the equivalent in another jurisdiction, during the period of supervision.

Mr. Aratani rejoined the Zoom meeting at 10:07 a.m.

Standing Committee
Reports:

The Chair asked if any members of the public would like to provide oral testimony on this agenda item.

Ms. Crawford raised her hand and was recognized by the Chair to present oral testimony.

Ms. Crawford introduced herself and stated that she would be available should the Board have any questions regarding her CPA credit extension request.

The Chair asked Ms. Crawford to clarify the date of her CPA credit extension request.

Ms. Crawford responded that her CPA credit extension request date is for September 30, 2022.

a. Examination Committee

1) AICPA Request for Feedback on the Uniform CPA Examination

The Chair stated that the AICPA and NASBA are requesting feedback on the exposure draft of the new design of the Uniform CPA Examination.

Mr. Roberts expressed his concern related to the timing of future CPA credit extension requests in regard to the new design of the Uniform CPA Examination scheduled to launch in January 2024.

2) NASBA Candidate Care Quarterly Report – January 1, 2022 – April 30, 2022

The Chair stated the following issues reported in the NASBA Candidate Care Quarterly Report (January 1, 2022 – April 30, 2022) are consistent with the CPA credit extension requests received by the Board:

- Prometric Scheduling Issues
- Prometric Site Issues

- Technical/Software/Hardware Issues

3) CPA Credit Extension Request

The Chair stated that the CPA credit extension request received from Mr. Conway was unclear. Mr. Conway is requesting a three-month extension from the deadline of July 21st to complete his CPA examination. The Chair stated that it does not appear that Mr. Conway has taken any parts of the CPA examination for the Board to grant an extension for credits that have expired.

Upon a motion by Mr. Aratani, seconded by Mr. Arbles, it was voted on and unanimously carried to

Approve the following CPA credit extension request:

Jessica Otsu
Arkhe Pacis
Kelli Crawford

Defer the following CPA credit extension request:

Eddy Conway

Applications:

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

a. CPA License

Upon a motion by Mr. Roberts, seconded by Mr. Arbles, it was voted on and unanimously carried to

Approve the following applications for CPA license:

Ross Renzo Kawika Uehara-Tilton
Tyson Y. Tsuda

Defer the following applications for CPA license:

Annabelle V. Manansala pursuant to HAR §16-71-21(c)

Emi Yen-Cheun Lee pursuant to HAR §16-71-21(c)

Brian Joseph Normand pursuant to HAR §16-71-21(c)

b. Ratification of CPA License

The Chair noted that Sarah P. Ford's name was mistakenly duplicated on the agenda.

Upon a motion by Mr. Arbles, seconded by Mr. Smith, it was voted on and unanimously carried to

Ratify the following applications for CPA license:

Blair A. Robbins
Daniel T. Manimbo
Jenico A.S. De Guzman
Kyla J. Delgado
Lisa M. Schoepflin
Patricia N. Riady
Pushpita Kotikalapudi
Rachel M. Montgomery
Sarah P. Ford
Siedra P. Tidwell
Matthew Masao Hara
John James Scholl
Darryn R. McGarvey (with Permit to Practice)
Aaron Colgan Miler (with Permit to Practice)
Andres M. Prather (with Permit to Practice)
Qingqin Zhen
Tyler I. Hirotsu
Buddy Dale Newton Jr. (with Permit to Practice)

c. Ratification of CPA Permit to Practice

Upon a motion by Mr. Aratani, seconded by Mr. Arbles, it was voted on and unanimously carried to ratify the following for CPA Permit to Practice:

Alison A. Fossyl	CPA-6076
Bryan W. Mogensen	CPA-6068
Carly M. Walton	CPA-6069
Jason C. Boberg	CPA-6064
Jenny M. Erickson	CPA-6007
Kellie M. Fedkenheuer	CPA-6063
Kelsey J. Reynolds	CPA-6071
Stacey L. Ferris	CPA-6074
Stuart J. Otterness	CPA-6045
Blair A. Robbins	CPA-6089
Jenico Alexis S. De Guzman	CPA-6090
Katheryn Reynolds	CPA-5997
Kyla J. Delgado	CPA-6091
Patricia N. Riady	CPA-6092

d. Ratification of Firm Permit to Practice

Upon a motion by Mr. Roberts, seconded by Mr. Arbles, it was voted on and unanimously carried to ratify the following for Firm Permit to Practice:

Michael Y. Ichikawa	FPTP-1338
Katheryn Reynolds	FPTP-1339
Alicia L. Absher, CPA, LLC	FPTP-1340
APRIO, LLP	FPTP-1341
Jenny Erickson, CPA, LLC	FPTP-1342
M Kaneshiro Consulting LLC	FPTP-1343
Kasaoka CPA LLC	FPTP-1344

e. Ratification of Firm Names & Trade Names

Upon a motion by Mr. Arbles, seconded by Mr. Smith, it was voted on and unanimously carried to ratify the following Firm Name:

Jenny Erickson, CPA, LLC
Grace C M Lee CPA LLC
Price Paige & Company, Certified Public Accountants, LLP
JST CPA LLC

Election of Chair
and Vice Chair:

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

The Chair requested the Board members could either indicate their interest in or nominate member(s) for the position of Board Vice-Chair. Mr. Roberts nominated Mr. Arbles for the position of Vice-Chair. Mr. Arbles nominated Mr. Lee for the position of Vice-Chair. Mr. Lee expressed that Mr. Arbles would be a better candidate for the position of Vice-Chair. No further members expressed an interest, and no further nominations were made for the position of Vice-Chair. Mr. Arbles expressed his interest in the position. It was moved by Mr. Roberts and seconded by Mr. Lee to nominate and elect Mr. Arbles for the position of Vice-Chair. The motion was unanimously adopted.

The Vice-Chair requested that Board members could either indicate their interest in or nominate member(s) for the position of Board Chair. It was moved by the Vice-Chair and seconded by Mr. Roberts to nominate and elect current Chair Miyashiro, for the position of Board Chair. The Chair expressed his interest in the position. No further members expressed an interest, and no further nominations were made for the position of Board Chair. The motion was unanimously adopted.

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Next Board Meeting: Friday, August 26, 2022
8:30 a.m.
King Kalakaua Conference Room
HRH King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii 96813

The Chair announced the next Board meeting.

Adjournment: There being no further discussion, the meeting adjourned at 10:26 a.m.

Reviewed and approved by:

Taken and recorded by:

/s/ Lee Ann Teshima

/s/ Leanne Abe

Lee Ann Teshima
Executive Officer

Leanne Abe
Secretary

LT:la

8/1/22

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