



GUAM

board of accountancy

August 28, 2014

Honorable Eddie B. Calvo
Governor of Guam
Executive Chambers
POB 2950
Hagatña, GU 96932

32-14-1992
Office of the Speaker
Judith T. Won Pat, F.d.D

Date: 8.28.14
Time: 2:56 PM
Received By: [Signature]

2014 AUG 28 PM 3:05

Dear Governor Calvo:

In compliance with Public Law 31-233, Chapter 8, Title 5GCA, Section 38, §8113.1, attached is an electronic copy of minutes, agenda and other attachments to our Board meeting held on August 21, 2014.

Should you have any questions, please call us at 647-0813 or email to: execdir@guamboa.org.

Sincerely,



Dave N. Sanford
Executive Director

Attachment: Electronic copy of August 21, 2014 Meeting

cc: Honorable Judith T. Won Pat
Speaker, 32nd Guam Legislature

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Suite 101, 335 South Marine Corps Drive, Tamuning, GU 96913

GUAM BOARD OF ACCOUNTANCY
335 South Marine Corps Drive, Suite 101, Tamuning, GU 96913

Board Meeting – August 21, 2014

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GUAM BOARD OF ACCOUNTANCY
335 S. Marine Corps Drive, Suite 101, Tamuning, GU 96913

MINUTES OF MEETING

July 17, 2014

I. CALL TO ORDER:

The meeting was called to order at 4:11 p.m. by Chairman John Onedera. The meeting was held in the GBOA Conference Room.

Members Present: John Onedera, Chairman
 Todd Smith, Vice Chairman
 Dafne Shimizu, Asst. Secretary-Treasurer
 Jennie Chiu, Member

Excused Absence: Francis Quinto Baba, Secretary-Treasurer
 John P. Camacho, Ex-Officio Member

Also Present: Dave Sanford, Executive Director
 Michele B. Santos, Asst. Executive Director
 David Highsmith, Asst. Attorney General, Legal Counsel
 Arleen Gay, Board Secretary

II. APPROVAL OF MINUTES:

Motion was made by Dafne Shimizu and seconded by Jennie Chiu to approve the Board minutes of May 15, 2014, as presented. There being no further discussion or objections, the motion carried.

III. OLD BUSINESS:

A. Draft Bill for Law Changes Update: The Executive Director gave update to the Board members on the status of the proposed law changes saying that mostly he needed to work on editing changes involving typographical errors and once that was completed, he would send the draft out to all members for their review and approval. Once it was approved by the Board members, the proposed law changes would be submitted to the Guam Legislature for introduction and passage. It was noted that due to the passing of our Oversight Chair, it was uncertain at this time as to who would be handling GBOA's oversight.

B. Endowment Update: Some discussion was had on the status of the Endowment appropriation that was presently awaiting to be put on the Legislative Calendar. Public Hearing was held in May with no issues being presented at that time. Again, with the

passing of our Oversight Chair, it was uncertain at this time as to who would assume this process. It was hoped that **Bill 303** would be passed before the end of the year.

IV. NEW BUSINESS:

A. Requests for Approval:

- **CPA Exam Applications:** Motion was made by Todd Smith and seconded by Jennie Chiu to approve the CPA Exam Applications for the months of May and June, 2014, as presented. There being no further discussion or objections, the motion carried.
- **Applications for CPA Initial Certification and License to Practice:** Motion was made by Todd Smith and seconded by Jennie Chiu to approve the Applications for Initial Certification and License to Practice for the months of May and June, 2014, as recommended. There was some discussion on GBOA being ahead of where we were actually projected to be. The Executive Director told the members that this was most probably due to the fact that more passing foreign candidates were applying for Licensure to Guam because of the non-requirements of social security numbers and he said that a number of applications were coming from foreign candidates who were working for major national firms. Because it was harder in some countries, such as India and Pakistan, to get a U.S. CPA to verify their work experience, he told the members that NASBA was working towards providing a service whereby those candidates could apply to NASBA for assistance. There being no further discussion or objections, the motion carried.
- **Grades – April/May Window:** Motion was made by Todd Smith and seconded by Dafne Shimizu to approve the grades for the April/May Window. There being no further discussion or objections, the motion carried.

V. GENERAL DISCUSSION/ANNOUNCEMENTS:

- **GCTC Second Quarterly Report - 2014:** The Executive Director reviewed GCTC's Second Quarterly Report and again explaining that while this is GCTC's second quarter, it is a the third quarter of our FY 2014. He said that the most notable change was that GBOA was down 1.2% for the number of exams administered for the second quarter, while year to date we were up 6.3% in events administered. He also told the members that the ethnicity chart indicated that Korean candidates were up 20.09% for the quarter, and said while the Chinese were down for the quarter, they showed up year to date by 7.66%. He said Korean and Chinese candidates were filling the Japanese gap enough for GBOA to stay afloat.
- **NASBA Jurisdiction Reports – Testing Window 2014Q2:** The Jurisdiction Report for the second quarter testing window indicated that for all jurisdictions there were 1.3 sections per candidate with a 51% pass rate and 72.4 average score. The figures also indicated that overall, 75.9% showed domestic candidates and 8.6% indicated foreign. The Guam figures for the second quarter testing window showed 1.56 sections per

candidate, with a lower pass rate of 43% and our average score at 70 as compared to the overall figure of 72.4. Guam is improving on the pass rate even though we still have 80% foreign candidates. It was noted that there are 11 jurisdictions that have a lower average score than Guam. While the Japanese candidates were not testing at the Guam Testing Center, the majority of those applying as Guam licensees were Japanese.

- **NASBA Candidate Concerns 2014Q1:** The Candidate Care Report concerns for 14Q1 reported 46,823 test events which was a 28% decrease over the previous quarter. Severe winter storms closed down test centers and some candidates had to reschedule several times due to the bad weather. There was a UTD-118 error that caused the exam not to launch. Prometric addressed the issue with a temporary fix that took effect in April of 2014. Prometric will continue to monitor this issue. Three hundred and eighty-three candidates were affected and all but twenty were able to be fixed. The other twenty rescheduled. Also, normally when a candidate first signs on to launch the exam, they are given 10 minutes to review instructions. If a candidate runs out of time before he can get through the first 3 screens, the test is terminated. Although candidates are warned not to take notes and get through the 3 screens quickly, most candidates are running out of time. This quarter a 10 minute clock was added and they found that candidates still continued to take notes and ran out of time. Once the time runs out, the exam is terminated and the candidate has to pay the fee again and retake the test. So overall, complaints were up a bit but not enough to make an impact.
- **Peer Review Update:** A more detailed update was given by NASBA on the issue discussed at the Executive Directors March Conference where concerns were made by U.S. DOL's Chief Accountant regarding the quality of audits of Employee Benefit Plan (EBP) subject to ERISA and DOL and requesting AICPA to verify whether or not certain firms were enrolled in peer review. The update report stated 119 peer review reports had been recalled, requiring replacement reviews, and an additional 119 peer review replacement reviews were necessary, with a total of 9 firms being referred to the AICPA Professional Ethics because a peer review had not been performed. Also, the PRISM needed to be updated and corrected for 105 peer reviews and 122 peer reviews were referred to administering entities (AE) and under review for ultimate disposition. The Executive Director told the members that this update was basically a write up of the fact that NASBA was developing new guidance to make a faster process for recall and review.
- **Peer Review Guidance for Recalling Peer Review:** The Executive Director explained to the members that this action of the PRB for Peer Review Guidance to recall peer reviews was a result of issues brought up by DOL at the last Executive Director's meeting. The proposed Guidance was to be discussed late May (and has since been accepted) with a conference call where state boards wishing to participate could call in or they could provide written comments. The proposed Guidance would require AICPA to provide the reviewed firm and peer reviewer with evidence demonstrating the firms' most recently accepted peer review was not performed in accordance with peer review standards. The Peer Reviewer should recall the peer review report and it would mandate the Peer Review Committee recall of firm acceptance letters regardless of whether the

reviewer recalls the peer review report. Also, the proposed Guidance instructs administering entities to contact state boards informing them that the firm's recent acceptance had been revised. It would require the firm to have a replacement review performed within 90 days of notification and provides additional instructions to inform state boards of revised information in FSBA where they can actually access the AICPA site to see if their firms have had peer review reports posted and were there any issues. The proposed Guidance would require the firm's enrollment in the peer review program to be terminated if the firm fails to have a replacement review performed or timely completed. The Executive Director said this affects any firm that did an ERB audit, did not say they did one, and did one without a peer review. So far, Guam has not been notified and he was not aware of any firms on Guam being affected. For record purposes only.

- **PCAOB Releases:**

- a) **Staff Guidance on Economic Analysis in PCAOB Standard Settings:** PCAOB publicly released its Staff Guidance on Economic Analysis in PCAOB Standard Settings. The Guidance builds on the existing rulemaking process by establishing an analytical framework for staff to evaluate the economic implications of standard-setting projects that are presented for Board consideration. The Executive Director said this was basically an announcement by the PCAOB stating that before a project is undertaken, there must be a described need for a rule, develop a baseline for measuring the effects of a rule, consider a reasonable alternative to the rule, and analyze the economic impacts of the rule, including the benefits and cost.

- b) **Staff Guidance for Auditors of SEC-Registered Brokers/Dealers:** PCAOB publicly released Staff Guidance to assist auditors of brokers and dealers registered with the SEC to plan and perform audits in accordance with PCAOB standards as mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act and SEC rules. The Guidance is to help auditors with the transition and highlights relevant requirements for SEC-registered broker-dealer audits and attestation engagements and provides guidance on the application of PCAOB standards to these engagements, particularly for audits of small broker-dealers with less complex operations.

- **BOE Update Calls/May BOE Meeting Highlights:** Highlights of committee reports from the May BOE meeting included recaps from BOE chairs of their committees such as the Committee on Psychometric Activities and Analyses and the Content Committee. The Content Committee oversees the item inventory management, technical accuracy reviews, obsolescence reviews and systems development and access for remote item writers and reviewers. Recent action by this Committee was to approve a document outlining the roles and responsibilities of the Content Committee and discussion was also had on their determining whether revenue recognition should be included in the FAR section now or when the FASB standard is eligible for testing 17Q3.

Under Market Analysis, which is the study of the candidate pipeline that was defined as an initiative in the BOE strategic plan, update was that the AICPA is going to issue an

RFP to secure a vendor and they hoped to have that completed by the end of the year. There was talk that the market analysis may result in findings that affect the accounting profession and that the examinations team will work with AICPA and NASBA to execute the analysis and implement any findings. The Executive Director told the members that he was not sure what that really meant as it was really hard to tell.

Among projects underway that will result in the launching of the new CPA exam in 2017 are Practice Analysis which is to determine which skills and knowledge are most relevant and aligned with the evolving CPA profession; Enhanced Skills Assessment which is to determine new types of questions needed to meet the new specifications of the next exam version; and Next Gen, where the Exams Team is incrementally moving the technological infrastructure of the exam to a web-based technology over the next few years.

Update from the Financial Oversight Group and overview of the volunteer recruiting process indicated an improved and efficient method of recruiting. There are eighteen openings across all committees and subcommittees. The Executive Director said the single most important note to recognize in developing the CPA exam is that due to the volume of the membership base and the AICPA having 389,000 members, that probably 80 to 90% of the question development and vetting is done by volunteers, adding that what really makes the exam viable in terms of development costs is the volunteers of the membership.

- **State Regulatory Update Summer 2014:** Among items of interest, the 7th edition of the UAA was finally issued, which includes and allows for CPA firm mobility and includes a revised definition of attest. The Peer Review Board approved significant revisions to Recall Guidance, which again related to the issue brought up by DOL with ERB audits. The Executive Director told the members that if Guam did have any problems with local firms, we would be notified. He said he would verify it at the November annual conference.

Notice of a new approach to enhance the monitoring of audit quality of firms' audit and attestation practices using a two-phased approach starting with near-term enhancements such as changes to professional standards and related implementation guidance; creating new tools, professional development strategies and resources; and changes to the existing peer review program. Also of interest, the Peer Review Board proposed changes to report type for firms undergoing engagement reviews; the revised AICPA Code of Professional Conduct was finally launched and U.S. Virgin Islands adopted mobility, becoming the 51st jurisdiction to do so.

- **Letter on Participation in 2013 Practice Analysis – ALD:** Notice from Colleen Conrad, Exec VP and COO for NASBA, to all Executive Directors saying the AICPA is conducting a practice analysis in support of the CPA exam; said practice analysis is conducted periodically to determine what skills and knowledge a candidate must demonstrate prior to licensure as a CPA. The Executive Director told the members that they were requesting for licensee lists from state boards in order to contact CPAs to ask

them whether they wanted to participate in the practice analysis survey. Those jurisdictions already participating in the ALD were asked to simply give approval for them to extract CPA contact information. The Board members present all agreed to give approval for the use of contact information of Guam CPAs through the ALD.

Also Discussed:

- The Executive Director reported on the financial reports for May and June 2014 to the members, telling them that while we have already reached our revenue goal we were a little behind in the Test Center fees. He predicted we would go over that figure. He said he was surprised that we went so far over with our licensing fees and that we had met our exam application fees, so overall we were doing okay with our revenues and the expenses were still down. He did not see any major issues. He also explained his graphs which showed we were holding our own in paid events, being a little bit above last year for June. His ethnicity graph for June indicated the biggest ethnic group were the Koreans, followed by the Chinese. The ethnicity net change graph indicated that even though we improved quarter to quarter from January through May, we saw a decrease in the total over last year, with the biggest decrease being the Chinese but indicating an increase with the Korean candidates.

- Allegations against Chihyuan D. Chen: The allegation came to the Board's attention through a licensed CPA who had been asked to do an audit review of a company in Palau and said CPA had asked to review the work of the previous audit. Through the CPA's review of the previous audit report, he came to the conclusion that the work done had been completed by a person who was not licensed as a CPA when the work was performed, and that the previous audit review had not been done properly. The CPA also did not believe that the person performing the work in the year 2013 was licensed to perform work in Palau. The CPA had indicated that he did not wish to file a formal complaint. Because it was obvious that a violation occurred, with Mr. Chen passing himself off as a CPA in the year of the audit report (2013), it was agreed that the Board could pursue this matter without a formal complaint. Todd Smith made motion to authorize action against Mr. Chen and with Dafne Shimizu seconding the motion, the motion carried. The Executive Director is to draft up a Notice of Complaint and Hearing for Legal Counsel's review. It was agreed to issue a Notice of Complaint and Hearing with sanction stating a \$5,000 fine or one year imprisonment or both to Mr. Chen. Mr. Chen could either accept the sanction or continue on with a hearing. It was agreed that he was in violation of the GBOA laws in that he had not renewed his license to practice since 2006 and he had performed an audit in 2013, indicating that he was a CPA on the letterhead of his audit report. The Executive Director said he would have the Notice of Complaint for the Board's review before the next Board meeting.

- The Executive Director notified the members of the Annual Meeting to be held in Washington, D.C. on November 2 – 5th and asked that those wishing to attend, to please let him know.

VI. ADJOURNMENT:

There being no further business, motion was made by Todd Smith and seconded by Dafne Shimizu to adjourn the meeting at 5:13 p.m. The motion carried.



Respectfully submitted:
Arleen E. Gay
Recording Secretary

	JURIS ID	APP REC'D	AUD	BEC	FAR	REG	Last Name	First Name	State/Country
1	GU14075731	7/1/2014	x	x	x	x	Chiang	Wan-Ting	Taiwan
2	GU14075730	7/1/2014	x	x	x	x	Koyama	Ryosaka	Japan
3	GU13105396	7/1/2014		x	x		Lin	Yu	Japan
4	GU13045111	7/1/2014			x		Oriondo	Lexter Jake	GU
5	GU13115418	7/2/2014	x	x			Chien	Hui-Ling	Taiwan
6	GU00051837	7/2/2014		x		x	Ito	Junichiro	Japan
7	GU08083194	7/2/2014		x			Liu	I-Jane	Taiwan
8	GU14075729	7/2/2014	x		x		Liu	Yun	Taiwan
9	GU14075726	7/2/2014	x			x	Noda	Kengo	Japan
10	GU14075727	7/2/2014	x			x	Nonaka	Hiroki	Japan
11	GU14075728	7/2/2014			x	x	Tadano	Takashi	Japan
12	GU02052032	7/3/2014	x		x		Ohsawa	Yoshihiro	Japan
13	GU12074747	7/3/2014		x			Ryu	Mihoko	Japan
14	GU14075732	7/3/2014				x	Suyama	Kenji	CA
15	GU08093222	7/3/2014				x	Yoshiaki	Amano	Japan
16	GU13115418	7/7/2014			x	x	Chien	Hui-Ling	Taiwan
17	GU14045649	7/7/2014			x		Chung	Chieh-An	TX
18	GU13035101	7/7/2014		x		x	Hsieh	Ren-Jey	Taiwan
19	GU14075733	7/7/2014	x	x	x	x	Liang	Pi-Shang	Taiwan
20	GU10084118	7/7/2014		x	x		Sakamaki	Takeshi	China
21	GU14075734	7/7/2014		x		x	Wang	Cuicui	China
22	GU14075738	7/8/2014	x	x	x	x	Chen	Chia-Li	Taiwan
23	GU14075736	7/8/2014	x	x	x	x	Cheng	Ya-Ping	Taiwan
24	GU13075244	7/8/2014				x	Chiu	Yi-Chieh	Taiwan
25	GU14075751	7/8/2014	x			x	Law	On Yee Angele	China
26	GU14015500	7/8/2014	x			x	Peng	Shang-Wan	Taiwan
27	GU14075757	7/8/2014	x	x	x	x	Samjani	Nusrat	PA
28	GU12024570	7/8/2014			x	x	Xia	Qing	NY
29	GU14075737	7/8/2014		x	x		Xu	Binbin	Japan
30	GU13035074	7/9/2014		x	x		Chen	Fengqing	China
31	GU14075743	7/9/2014	x	x	x	x	Chou	Chingchen	Taiwan
32	GU13085273	7/9/2014	x		x		Itami	Satoru	Japan
33	GU12014547	7/9/2014				x	Meng	Ching-Jiou	Taiwan
34	GU14075744	7/9/2014			x		Shibutani	Fumi	Japan
35	GU12094843	7/9/2014		x			Yoshida	Tetsuya	Japan
36	GU13085264	7/10/2014		x			Huang	Tsu-Ling	Taiwan
37	GU12064718	7/10/2014		x		x	Matsumoto	Hideaki	Japan
38	GU14055682	7/10/2014	x		x		Okubo	Tomohiro	Japan
39	GU12104865	7/10/2014	x		x		Sugaya	Satoshi	Japan
40	GU14075745	7/10/2014			x		Takuma	Maki	Japan
41	GU09023379	7/11/2014				x	Hatakeyama	Hajime	Japan
42	GU14075747	7/11/2014			x	x	Ogura	Takashi	Japan
43	GU14075746	7/11/2014			x		Okamoto	Yoshihiro	Japan
44	GU11084370	7/11/2014			x		Yonezawa	Akiko	CA
45	GU13035093	7/11/2014			x		Yoshida	Sora	Japan
46	GU14075749	7/14/2014	x				Dan	Shouxing	IN
47	GU12034623	7/14/2014	x				Kimura	Masao	Japan
48	Initial	7/14/2014	x	x	x	x	Lo	Yun-Ting	Taiwan
49	GU13105394	7/14/2014			x		Osako	Akiko	Japan
50	GU13105376	7/14/2014				x	Osako	Yasuhiro	TX
51	GU09023359	7/15/2014		x	x		Kobayashi	Kazunobu	Japan
52	GU11094402	7/15/2014	x	x		x	Ono	Kenji	Japan
53	GU14075754	7/16/2014	x	x	x	x	Lin	Tzu-Yun	IL
54	GU14075753	7/16/2014			x		Ushio	Shunsuke	Japan
55	Initial	7/16/2014	x	x	x	x	Yao	Yuan	China
56	GU08053081	7/17/2014		x	x		Hayakawa	Tomohiro	Japan
57	GU14085785	7/17/2014			x	x	Tani	Yuto	Japan
58	GU12094815	7/18/2014	x	x			Sheng	Yongjuan	Shanghai
59	GU10064049	7/18/2014		x			Siu	Kwan Ho Albert	Hong Kong
60	Initial	7/22/2014	x		x		Chen	Po-Hsiang	Taiwan
61	GU12124968	7/22/2014	x	x			Chen	Kai-Jou	Taiwan
62	GU14075756	7/22/2014		x			Hiremath	Gayathri	U A E
63	GU13014990	7/22/2014			x	x	Huang	Wei-Chen	Taiwan
64	GU14035586	7/22/2014		x		x	Kasahara	Hiroo	CA
65	GU13125447	7/22/2014			x	x	Nakao	Asuka	Japan
66	GU14075758	7/22/2014	x	x	x	x	Piao	Chunmei	China
67	GU10033889	7/22/2014	x	x		x	Takahara	Kei	Japan
68	GU11124509	7/22/2014	x	x		x	Xiang	Zhijing	Singapore
69	Initial	7/23/2014	x	x	x	x	Bissou	Amer	Canada

70	GU13035066	7/23/2014	x				Horikawa	Hiroyoshi	Japan
71	GU13115420	7/23/2014	x			x	Nomura	Naoya	Japan
72	Initial	7/23/2014		x		x	Viswambharan	Sagith	U.A.E.
73	GU08073138	7/23/2014	x	x	x	x	Yamamoto	Fumiya	Japan
74	GU14075759	7/24/2014	x	x			Bansil	Maria Cristina	GU
75	GU13095352	7/24/2014	x				Onari	Keiji	Japan
76	GU14075760	7/24/2014				x	Sabbah	Iyad	U.A.E.
77	GU13065189	7/24/2014				x	Zhang	Jing	TX
78	GU11024235	7/25/2014	x			x	Chou	ManFai	Hong Kong
79	GU13085280	7/25/2014	x			x	Yamazaki	Daisuke	Japan
80	GU14025557	7/28/2014	x			x	Chen	Chen-Ju	TX
81	Initial	7/28/2014	x	x	x	x	Huang	Lei	U.A.E.
82	GU11054277	7/28/2014		x			Iritani	Koichi	Japan
83	GU13125456	7/28/2014	x	x	x	x	Tu	Hsu-Yu	Taiwan
84	GU14085772	7/29/2014	x	x	x	x	Liang	Jui-Chi	Taiwan
85	GU12094833	7/29/2014		x		x	Wu	Cho-Yun	Taiwan
86	GU08053082	7/31/2014				x	Kazunari	Kawahara	Japan
87	GU13125435	7/31/2014		x			Kinoshita	Hisashi	Japan
88	GU08023012	7/31/2014	x	x	x	x	Kurakata	Reo	Japan
89	GU12124966	7/31/2014		x		x	Nakayama	Yusuke	Japan
90	GU14075766	7/31/2014	x			x	Obata	Shigenori	Japan
91	GU14075763	7/31/2014				x	Shinozaki	Saori	Japan
92	GU14075765	7/31/2014	x	x	x	x	Tsai	Meng-Jung	Taiwan
93	GU14075764	7/31/2014	x	x	x	x	Xiong	Xi	Taiwan
Total by Section			45	48	54	49			

Guam Board of Accountancy
Applications for Initial Certification and License to Practice
Board Meeting of August 21, 2014

	Name of applicant	Application for	Employer/Period	Schools Attended	Experience	U.S. CPA Verifying Jurisdiction Status	Other Licenses Held	Recommendation
1	Mr. Ananthapadmanabhan Kerala, India	Init. Cert. LTP Active - Attest	None presently Deloitte & Touche AERS India 8/2009 to 10/2013	Loyola College BA	100% Audit Attest Services	Kent J. Francois Virginia Good Standing	None	Approval
2	Ms. Shu-Chien Pai Hsinchu, Taiwan	Init. Cert. LTP Active - Attest	PricewaterhouseCoopers Taiwan 9/2004 to Present	Chengchi University BBA	90% Audit Attest Services 10% Tax/Tax Advisory Services	Chih-Cheng Hsieh Massachusetts Good Standing	None	Approval
3	Mr. Pratik Kapoor India	Init. Cert. LTP Active - Non Attest	Deloitte & Touche AERS India 8/2011 to Present	University of Delhi BA	100% Audit Attest Services	Kent J. Francois Virginia Good Standing	None	Approval
4	Mr. Farhan R. Malik Pakistan	Init. Cert. LTP Active - Non Attest	Pakistan Telecommunications Co. 12/2004 to Present	Allama Iqbal Open University BA	20% Accounting Services 60% Audit Attest Services 20% Consulting Services	Ahmed Mujtaba Khalid North Dakota Good Standing	None	Approval
5	Mr. Akihiro Nakamura Japan	Init. Cert. LTP Active - Non Attest	Toyota Motor Corporation 4/2007 to Present	Kobe University BA California State East Bay	65% Accounting Services 35% Tax/Tax Advisory Services	Toyooki Miwa Guam Good Standing	None	Approval
6	Mr. Man Kin Tam Hong Kong	Init. Cert. LTP Active - Non Attest	Mineralogy Pty. Ltd. 7/2012 to Present Resource Ltd. 4/2010 to 7/2012 JP Morgan Chase Bank N.A 8/2006 to 4/2010	University of Auckland BA Monash University MPA University of Ontario MBA	20% Accounting Services 60% Financial Services 20% Management Advisory Services	Clarence Lee Washington Good Standing	None	Approval
7	Mr. Koichi Tami Saitama, Japan	Init. Cert. LTP Active - Non Attest	Pretty Edge Sdn BHD 7/2012 to 6/2014 Zurich Insurance Co., Ltd. 1/2005 to 5/2012	Tokyo University of Science BA & MA California State East Bay	25% Accounting Services 15% Financial Services 5% Tax/Tax Advisory Services 35% Consulting Skills 20% Management Advisory Services	Toyooki Miwa Guam Good Standing	None	Approval
8	Ms. Ying Wang Beijing, China	Init. Cert. LTP Active - Non Attest	Deping Countax Inc. 6/2012 to 7/2013	Beijing Xicheng Dist. College Concordia University BA McGill University	40% Accounting Services 5% Audit Attest Services 5% Financial Services 40% Tax/Tax Advisory Services 5% Consulting Skills 5% Management Advisory Skills	Jie Cooper Missouri Good Standing	None	Approval
9	Mr. Hiroataka Arai Chiba, Japan	Init. Cert. LTP Inactive	Beckman Coulter K.K. 2/2012 to Present Aderans 6/2008 to 8/2011	Chuo Gakuin University BA			None	Approval
10	Ms. Yi-Ching Chen Taiwan	Init. Cert. LTP Inactive	PricewaterhouseCoopers Intern 2 months	Nat'l Taiwan University BA University of Texas at Dallas MA			None	Approval

Guam Board of Accountancy
Applications for Initial Certification and License to Practice
Board Meeting of August 21, 2014

	Name of applicant	Application for	Employer/Period	Schools Attended	Experience	U.S. CPA Verifying Jurisdiction Status	Other Licenses Held	Recommendation
11	Ms. Mario Dorsey Japan	Init. Cert. LTP Inactive	None Listed	St. Andrews University BA California State East Bay			None	Approval
12	Mr. Kazunori Fujimura Chiba, Japan	Init. Cert. LTP Inactive	Sakura City Government 4/2007 to Present	Nihon University BS California State East Bay			None	Approval
13	Mr. Kentaro Haraguchi Japan	Init. Cert. LTP Inactive	Nagasaki Prefectural Government 4/2007 to 7/2014	Kyushu University BS California State East Bay			None	Approval
14	Ms. Hui-Yu Hsiao Taiwan	Init. Cert. LTP Inactive	Deloitte & Touche Taiwan Intern 2 months Employment to begin in Sept. 2014	Nat'l Cheng Kung University BA			None	Approval
15	Ms. Yi-Han Hsiao Taiwan	Init. Cert. LTP Inactive	PricewaterhouseCoopers 9/2008 to Present	Nat'l Chengchi University BS			None	Approval
16	Ms. Wan-Ling Hsieh Taiwan	Init. Cert. LTP Inactive	K&B CPAs Firm 1/2013 to Present RSI International Co. 5/2012 to 1/2013 Deloitte & Touche Taiwan 10/2011 to 5/2012	Fujen Catholic University BA University of Texas at Dallas MS			None	Approval
17	Ms. Han-Hsuan Huang Taiwan	Init. Cert. LTP Inactive	Deloitte & Touche Taiwan 9/2013 to Present	Nat'l Taiwan University BA			None	Approval
18	Ms. Yu-Syuan Liou Taiwan	Init. Cert. LTP Inactive	Student	Nat'l Taiwan Unviersity BA University of Texas at Dallas			None	Approval
19	Mr. Makoto Shinohara Japan	Init. Cert. LTP Inactive	IT Service Force Inc. 7/2012 to Present	Kanda University BA Minnesota State University California State East Bay			None	Approval
20	Mr. Yohei Takada Chiba, Japan	Init. Cert. LTP Inactive	Otsuka Pharmaceutical Co. 4/2008 to 6/2014	Waseda University Tokyo Institute of Technology BS & MS			None	Approval
21	Ms. Yun-Ting Jessica Tsai Taiwan	Init. Cert. LTP Inactive	Dean & Co. CPAs Dean Wealth Management Consultants 1/2012 to Present	University of Sydney BA			None	Approval
22	Mr. Shang-I Yu Taiwan	Init. Cert. LTP Inactive		Nat'l Chengchi University BS Nat'l Taiwan University MBA			None	Approval
23	Ms. Sijia Zhong New York	Init. Cert. LTP Inactive		Hofisha University MBA			None	Approval

Arleen E Gay

From: Dave Sanford <daves@stgguam.com>
Sent: Wednesday, August 13, 2014 2:35 PM
To: 'Arleen E Gay'
Subject: FW: CPA Exam Notification: FAR section Announcement

Arleen, please include in next board meeting package. Thanks! dave

From: NASBA (National Association of State Boards of Accountancy) [mailto:info@nasba.org]
Sent: Wednesday, August 13, 2014 2:00 AM
To: daves@stgguam.com
Subject: CPA Exam Notification: FAR section Announcement

The AICPA has announced a BOE decision to not test IFRS 15 on the CPA exam

If you're having trouble viewing this email, you may [see it online](#).

Share this:   



Mission Driven - Member Focused

Dear Board of Accountancy Executive Directors:

The AICPA has [announced a BOE decision to not test IFRS 15](#) on the CPA Exam before January 1, 2016 (more information below). You may find the announcement posted on www.aicpa.org/cpa-exam, and it is also accessible via the links provided in this e-mail.

FAR Section: IFRS 15 will not be tested before January 1, 2016

Published August 06, 2014

The AICPA, under the governance of its Board of Examiners (BOE), continually monitors the emerging standards of the profession and their eligibility for testing on the Uniform CPA Examination ("CPA Exam"). According to BOE policy, pronouncements are eligible for testing on the CPA Exam in the testing window beginning six months after their effective date. If early adoption is permitted, pronouncements are eligible for testing on the CPA Exam in the testing window beginning six months after their issuance date.

The International Accounting Standards Board issued IFRS 15, Revenue from Contracts with Customers, on May 28, 2014. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2017, and earlier application is permitted. [Under the CPA Exam Policy on New Pronouncements](#), IFRS 15 would become eligible for testing on January 1, 2015, in the Financial Accounting and Reporting (FAR) section of the CPA Exam.

Given the scope and significance of IFRS 15, the AICPA Board of Examiners has decided that the standard will not be tested in the FAR section of the CPA Exam prior to January 1, 2016. The BOE will re-evaluate its

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decision during the second quarter of 2015 to determine whether an additional deferral of IFRS 15 is necessary. All other accounting and auditing pronouncements, including amendments to the FASB Accounting Standards Codification in Accounting Standards Update 2014-09, Revenue from Contracts with Customers, will continue to follow the Policy on New Pronouncements.

NASBA | 150 Fourth Avenue North | Suite 700 | Nashville, TN | 37219-2417
Phone: 615-880-4200 | Website: www.nasba.org

This email was sent to daves@stgguam.com. To ensure that you continue receiving our emails, please add us to your address book or safe list.

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Arleen E Gay

From: Dave Sanford <daves@stgguam.com>
Sent: Monday, August 18, 2014 8:55 AM
To: 'Arleen E Gay'
Subject: FW: NASBA's Candidate Care Department Report 14Q2
Attachments: CANDIDATE CARE CONCERNS 14Q2.pdf

ARLEEN – please include in Board meeting package. Thanks! Dave

From: Penny Vernon [mailto:pvernon@nasba.org]
Sent: Friday, August 15, 2014 4:45 AM
Subject: NASBA's Candidate Care Department Report 14Q2

Dear Executive Directors:

Attached is the 14Q2 Report from NASBA's Candidate Care Department.

Note: E-Mail is a non-secure method of communication. Please do not send personal/confidential information (Social Security number, credit card number, bank account information, etc.) via email as there is a risk involved with sending such information via non-secure communication method. Please contact us via phone or mail at the address indicated below.

Sincerely,
Penny Vernon
Manager, Candidate Care Department

National Association of State Boards of
Accountancy (NASBA)
150 Fourth Avenue North, Suite 700
Nashville, TN 37219

Phone: 615.880.4209
Fax: 615.880.4225
Email: candidatecare@nasba.org
www.nasba.org

IMPORTANT NOTICE TO CANDIDATES:

To prepare for each section of the Uniform CPA Examination candidates are responsible for reviewing the Uniform CPA Examination tutorial and sample tests. Failure to follow the directions provided in the tutorial and sample tests, including the directions on how to respond, may adversely affect candidate scores. The tutorial and sample tests are posted on the CPA Exams website at www.aicpa.org/cpa-exam under the heading Tutorial and Sample Tests.

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NASBA

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY

CANDIDATE CONCERNS 14Q2

CANDIDATE CARE DEPARTMENT

APRIL 1-MAY 31, 2014



PENNY VERNON, MANAGER



150 Fourth Avenue North, Suite 700 Nashville, TN 37219-2417 Tel 615/880-4200 fax 615/880-4290
Web www.nasba.org



CANDIDATE CARE CONCERNS 14Q2
NASBA'S CANDIDATE CARE DEPARTMENT
APRIL 1-MAY 31, 2014

This is a synopsis of concerns reported to NASBA's Candidate Care Department from CPA candidates during the 14Q2 testing window.

The 14Q2 testing window had relatively few new issues. For the first time in several years there were no environmental disturbances which in the past created problems with site closures, cancelled appointments and the need to assist in extending NTSs and rescheduling examination dates.

I would like to take this opportunity to review the various categories that are used by the Candidate Care Department to track the issues that are received throughout any given testing window. These are used in creating the summary chart that is provided. This is also a means by which we can watch for any trends that are escalating and may need to be addressed by NASBA, Prometric and the AICPA.

AICPA & TEST CONTENT:

Although candidates are informed that any concerns that are related to the content of the examination need to be sent to the AICPA some contact NASBA's Candidate Care Department instead. Each is responded to personally with instructions on how to contact the AICPA for a response.

CANDIDATE ERROR:

This category refers to errors that are made by candidates during or prior to the examination. These include failure to take the NTS to the test center, exiting inadvertently out of exam before finishing, timing out in the introductory screens causing the exam to terminate, arriving at the test center after the scheduled appointment time, and not providing the correct identification.

All of these are addressed in the Candidate Bulletin and/or on the NTS. I have also posted a blog on NASBA's website warning candidates of the consequences of making these errors. Many are made by first time candidates who apparently have not read the literature available to them. In most instances, the candidate has to apply and pay to receive a new NTS in order to take the particular section in which the error occurred.

CONFIRMATION OF ATTENDANCE:

When a candidate finishes the examination they have a choice to either select the 'quit button' or the 'continue button'. If the quit button is selected the candidate is not presented with the survey at the end of the examination. Also, often the TCA's monitor will be marked with a red X indicating that the exam has not been completed. Candidates become concerned that their exam will not be sent to the AICPA for scoring or that their work has been lost. They contact NASBA's Candidate Care Department for assistance.

We have the ability to go into the AICPA's system to actually view the exam and can report back to the candidate that all of their answers in all four testlets were captured, saved and successfully transmitted to the AICPA for scoring. We also assure them that everything is automatically saved regardless of how they end the exam and that it is not necessary to complete the survey.

While this is also explained in detail on NASBA's website, we encourage candidates to contact us if they are concerned about it especially on the rare occasions when an exam has not yet been delivered. We can then flag these for further investigation.

ENVIRONMENT:

This pertains to any and all issues related to weather. Over the years we have dealt with everything from hurricanes, to tornados, a tsunami, and heavy snow and ice storms. Usually such events affect a large number of candidates. NASBA and Prometric work together to address and accommodate the candidates as quickly as possible.

INTERNATIONAL EXAMINATION:

When the examination was first introduced at international locations, NASBA's Candidate Care Department was deluged with questions from potential candidates regarding the entire process. Overtime through dissemination of literature via the Candidate Bulletin, NASBA's website and social media, the number of concerns has dwindled dramatically as candidates have become more knowledgeable of the requirements.

PROMETRIC SCHEDULING ISSUES:

This pertains to any difficulties candidates may encounter scheduling examination appointments with Prometric.

PROMETRIC SITE ISSUES:

These encompass complaints presented by candidates related to their experiences at test centers. They include reports of perceived unprofessional behavior on the part of the staff, power outages, uncomfortable room temperatures, and excessive noise or other disturbances. NASBA's Candidate Care Department researches these situations with Prometric and often if necessary the video is requested and reviewed. If shown to be valid candidates are granted a free retest. It is also an opportunity for NASBA to determine if a site visit is warranted.

TECHNICAL:

Sometimes technical difficulties are experienced by candidates during an examination. These include but are not limited to: a computer crash or freezing, error messages, a calculator malfunction, difficulty launching the section or power outages. These situations are extremely stressful to an already stressed out candidate. Some involve several restarts, or a wait while the situation is resolved. NASBA's Candidate Care Department takes all reports of such of disruption during testing very seriously. Each situation is evaluated and discussed weekly during the NAP meeting held by managers from NASBA, the AICPA and Prometric. If appropriate the candidate is offered a free retest.

CPAES & NCD:

These concerns consist of questions from candidates regarding the entire examination process including score releases. A year ago NASBA's Candidate Care Department's email address was added to NASBA's website and since that time there has been an increase in the number of inquiries received.

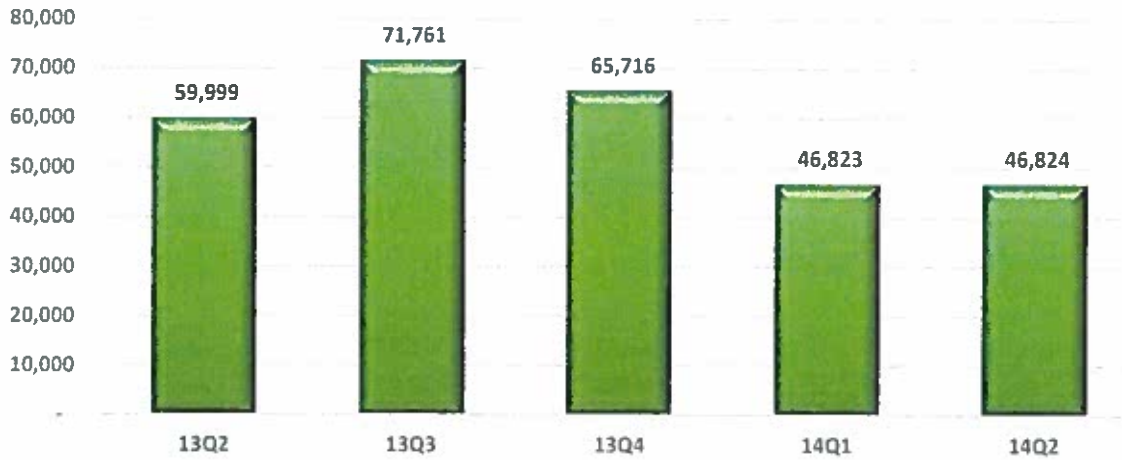
COORDINATOR FOLLOW UP:

Candidates who present issues regarding the qualifications for taking the examination are referred from the Candidate Care Department to the appropriate State Board or State Board coordinator.

NASBA's Candidate Care Department also monitors the survey comments that are left by candidates at the end of the exam. When a candidate leaves a comment they are directed to the Candidate Care Department to file a formal complaint. However, we review the comments to see if there are any issues evolving that need closer investigation as well as to determine through comments if a particular testing center requires further monitoring.

NASBA's Candidate Care Department is pleased to have the opportunity to work with and for your candidates. We understand the importance that the exam plays in their futures and try to treat each individual with support, empathy and fairness. We also welcome any comments, suggestions or questions from Accountancy Boards.

Testing Events - 1 Year Trend



Category	13Q1	13Q2	13Q3	13Q4	14Q1	14Q2
AICPA & Test Content	3	13	28	13	16	6
Candidate Error	58	69	74	77	57	71
Confirmation of Acceptance	79	19	147	133	124	110
Environment	84	17	0	40	160	0
International Exam	137	176	127	100	83	65
Prometric Scheduling Issues	13	8	18	16	21	15
Prometric Site Issues	36	39	53	47	49	38
Technical	107	73	115	119	118	95
Subtotal	517	414	562	545	628	400
*Coordinator follow-up	39	44	174	178	281	318
*CPAES & NCD	71	58	151	156	139	145
Total	627	516	887	879	1048	863

GUAM BOARD OF ACCOUNTANCY
FY2014 Revenue, Expense and Fund Balance Summary w/History and FY2014 Budget
 (Modified Accrual Basis: updated 8/21/14 mbs/dns)

BUDGET CATEGORY		FY2010	FY2011	FY2012	FY2013	FY2014	FY2014
Description	NOTES	Actual	Actual	Actual	Actual	Actual YTD 7/31/2014	Approved Budget
REVENUES SUMMARY							
Exam Application Fees		40,776	26,875	66,976	79,050	65,600	60,000
Guam Computer Test Center Administration Fees		762,150	531,315	402,985	391,490	326,095	306,000
Certification Fees		39,550	29,250	42,875	49,200	41,475	35,000
Individual Licensing Fees		37,050	48,250	72,425	87,100	97,300	69,000
Firm Licensing Fees		4,000	3,000	4,025	3,800	5,050	4,000
Penalties/Miscellaneous Fees/Interest		4,605	5,147	8,840	10,590	6,922	0
TOTAL REVENUES		888,131	643,837	598,126	621,230	542,442	474,000
220 Travel		0	0	0	0	0	0
230 Contractual							
Administrative Services Contract		275,038	270,135	272,707	274,867	227,816	285,000
Legal Services Contract		0	0	0	0	0	0
Copier Services		5,811	5,874	5,529	5,920	5,397	6,500
Education & Testing		0	0	15,255	0	4,325	45,000
Others (Publications, Dues, etc.)		14,269	15,068	14,392	22,100	0	16,000
Web/Database development & maintenance		0	0	0	375	0	15,000
233 Office Space		23,868	23,868	23,868	23,868	19,890	25,000
240 Supplies		6,889	9,610	8,603	10,174	7,940	7,500
250 Small Equipment		376	511	2,689	2,907	1,319	5,000
290 Miscellaneous							
Bank Charges		30	0	2,322	4,784	4,534	3,600
Postage		10,600	10,140	12,466	11,990	15,238	14,000
Training		580	0	50	50	0	4,000
Notices/Compliance Investigations/Others		1,348	1,234	1,978	2,691	557	0
363 Telephone Services		0	0	0	0	0	0
450 Capitalized Equipment		0	0	0	0	0	0
TOTAL EXPENDITURES	(2)	338,809	336,439	359,858	359,726	287,016	426,600
NET EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES		549,323	307,398	238,268	261,505	255,426	47,400
FUND BALANCE:							
Beginning	(1)	1,062,615	1,611,938	1,919,336	1,157,604	1,419,109	1,419,109
UOG Appropriation Paid (per PL 31-77)				(1,000,000)			
Ending		1,611,938	1,919,336	1,157,604	1,419,109	1,674,535	1,466,509
Consisting of:							
Cash - Bank of Guam (established FY2008)		1,582,267	672,088	93,292	344,918	1,166,394	
Cash - Time Certificates of Deposit		0	1,251,002	1,053,501	1,055,496	501,505	
Accounts Receivable-NASBA		54,450	36,190	32,945	50,765	29,315	
Accounts Payable		(24,779)	(39,944)	(22,134)	(32,044)	(22,679)	
Restricted Fund Balance		0	0	0	1,069,000	1,039,000	
Unrestricted Fund Balance		1,611,938	1,919,336	1,157,604	350,135	635,535	

NOTES:

(1) FY2010 Beginning Fund Balance Adjusted for sweep of FY2009 Treasurer of Guam Cash balance.

(2) During FY2014-Oct the Board paid \$33,309 of prior year obligations, shown as FY2013 expenditures. There are no outstanding prior year encumbrances as of 11/30/2013.

GCTC CPA Exam - PAID Events (CY2014 Average 1.8 events per candidate)

