Monday, April 30, 2018

The meeting was called to order at 10:03 a.m. The roll was called by Veloria Kelly, Executive Director, and reflected the following persons present:

**Committee Members:**
- Tracy Keegan, Chair
- David Dennis
- M.G. Fennema
- Mindy Rankin
- H. Steven Vogel

**Staff:**
- Veloria Kelly
- Denise Graves

Mary Ellen Clark, Senior Assistant Attorney General and Board Counsel; Also present were Justin Thames, Florida Institute of Certified Public Accountants (FICPA) and Jennifer Green, FICPA.

1. **Rules Committee Meeting Minutes from March 7, 2018.**

Motion was made by Dr. Fennema, seconded by Mr. Vogel, to approve minutes. Upon vote, the motion passed unanimously.

2. **Consider Recommendations from the Continued Professional Education (CPE) Committee.**

The Committee reviewed and considered the Committee recommendations.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Applicable Statute and/or Rule</th>
<th>Proposed changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total CPE</td>
<td>61H1-33.003, FAC</td>
<td>Change 80 CPE every two (2) years</td>
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<tr>
<td></td>
<td>473.312(1)(a), FS</td>
<td>Implement a twenty (20) CPE Credit per year</td>
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<tr>
<td></td>
<td>473.312(1)(b), FS</td>
<td>Replace with 50% Technical</td>
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The overall consensus was that the CPE rules needed to be updated to keep up with changing times. The committee was split on whether the changes should be made incrementally or whether to make overall sweeping change to the rules. Recommended further discussion by the full Board.

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<tr>
<td>Reactivation Rule</td>
<td>473.313(2), 61H1-33.006, FAC</td>
<td>Change to 120 total hours and – eliminate (b) &amp; (c)</td>
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Motion was made by Mr. Dennis, seconded by Dr. Fennema, to change the total number of hours to 120 and eliminate (b) & (c). Upon vote, the motion passed unanimously.

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<td>CPE</td>
<td>61H1-33.003(b)(b)1,FAC</td>
<td>Implement Nano CPE for (ten)10 min &amp; .2 CPE</td>
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<tr>
<td></td>
<td>61H1-33.003(4), FAC</td>
<td>Add Authorship of articles</td>
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<tr>
<td></td>
<td>61H1-33.003(4), FAC</td>
<td>Add nonqualified sponsor credits</td>
</tr>
<tr>
<td></td>
<td>61H1-33.003(4), FAC</td>
<td>Add work on Technical Committee</td>
</tr>
</tbody>
</table>

The committee supports the proposed changes. In general, the committee supports nonqualified sponsor credits for industry, but agreed that there would need to be parameters around these sponsors.

Motion was made by Mr. Dennis, seconded by Dr. Fennema, to make the recommended changes and put the proposed draft language before the full board. Upon vote, the motion passed unanimously.
### Issue: Course Records
**Applicable Statute and/or Rule:** 61H1-33.003(5), FAC
**Proposed changes:** Change requirements for records

Motion was made by Mr. Dennis, seconded by Dr. Fennema, to amend the current requirement of two (2) years to five (5) years. Upon vote, the motion passed unanimously.

### Issue: CPE Calculation
**Applicable Statute and/or Rule:**
- 61H1-33.003(4)(b)1, FAC
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- 61H1-33.003(4)(b)1, FAC

**Proposed changes:**
- Nano for only .2 CPE
- Self-Study credit starts at .5 CPE
- All CPE – starts at one (1) CPE with increments of .2 and .5

Motion was made by Mr. Dennis, seconded by Ms. Rankin, to accept the proposed changes and go before the full Board. Upon vote, the motion passed unanimously.

### Issue: Limits on CPE Types
**Applicable Statute and/or Rule:**
- 61H1-33.003(4), FAC
- 61H1-33.003(4), FAC
- 61H1-33.003(4), FAC
- 61H1-33.003(4), FAC

**Proposed changes:**
- 50% maximum for instruction
- 50% maximum for review of material
- 50% for authorship
- 25% for Technical Committee

Motion was made by Mr. Dennis, seconded by Ms. Rankin, to accept the proposed changes and go before the full Board for review. Upon vote, the motion passed unanimously.

### Issue: CPE Reciprocity
**Applicable Statute and/or Rule:**
- 473.312(c), FS / New Rule
- 61H1-20.001(2), FAC

**Proposed changes:**
- Implement CPE Reciprocity
- Define Home State

Motion was made by Mr. Dennis, seconded by Ms. Rankin, to accept the proposed changes and go before the full Board for review. Upon vote, the motion passed unanimously.

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The committee supports CPE reciprocity; however the consensus was that Florida ethics should be required. This item was deferred to the Board for further discussion.

3. **Discuss and consider draft language changes to Rule 61H1-23.001, FAC, Confidential Client Information.**

**61H1-23.001 Confidential Client Information.**

A certified public accountant shall not disclose any confidential information obtained in the course of a professional engagement except with the consent of the client. This rule shall not be construed to contravene or contradict any of the provisions of Chapter 473, F.S., or the rules promulgated thereunto, or to relieve a certified public accountant of his or her obligation provided in these laws and rules, under Rules 61H1-20.007 and 61H1-20.008, F.A.C., or to contravene or contradict any of the provisions of Chapter 473, F.S. Furthermore, this rule shall not prohibit either a confidential review of a certified public accountant’s professional practice as a part of a peer quality review program or compliance with a lawful court or Board order.

**Rulemaking Authority** 473.304, 473.315, 473.316 FS. Law Implemented 473.315, 473.316 FS. History—New 12-4-79, Formerly 21A-23.01, 21A-23.001, Amended 1-17-11.

Motion was made by Mr. Dennis, seconded by Dr. Fennema, to approve the draft language. Upon vote, the motion passed unanimously.

This item will be added to the strategic planning session for further discussion and review.

Mr. Thames will also give the rule to the FICPA’s Legislative Policy Committee for further discussion.

5. Adjourn

Ms. Keegan adjourned the meeting at 11:18 a.m.

[Signature]

Tracy Keegan, Chair