

**MINUTES OF THE KANSAS BOARD OF ACCOUNTANCY
FEBRUARY 4, 2011
VIA TELECONFERENCE
LONDON STATE OFFICE BUILDING
TOPEKA, KS**

1. ADMINISTRATIVE MATTERS:

A. CALL TO ORDER:

Virginia A. Powell, CPA, Chair, called the meeting to order. Board members in attendance were Ms. Powell; Paul Allen, CPA; Jeffery Bottenberg, Public Member; Jeffrey Leiserowitz, CPA; Patricia O'Sullivan, Public Member; Kent Smoll, CPA; and Rodney Van Norden, CPA. Also participating in the teleconference were Susan Somers, Executive Director; Darin Conklin, General Counsel to the Board; Mary MacBain, Kansas Society of CPAs; and Joyce Schartz, Public Accountants Association of Kansas.

2. LEGISLATION:

The Board discussed HB 2124, a Bill introduced by Representative Ward Cassidy on behalf of Denis Miller of Mapes & Miller. The purpose of the Bill is to remove a limitation placed on professional corporations and permit a professional corporation to be in partnership with one or more corporations or individuals and be registered with the Board. This law was changed in 2007 to grandfather in those firms that were practicing under this form of corporate structure, but to prohibit any future firms to form or add to existing structures, due to changes in ERISA laws, bringing firms in compliance with "natural persons" ownership, and the fact that firms could convert to LLC's and LLP's.

Ms. Somers reported that there had been no firm registrations filed under this type of corporate structure since the early 1990's, and that there were only 2 firms left in the state still in existence formed this way. Further, that the other firm had added a new partner over the years, but that partner was included as individual, not as a PC.

Ms. MacBain indicated that the KSCPA would support this Bill on behalf of its members, Mapes & Miller.

The Board, although believing that no firms would come forward in the future to form this type of corporate structure, proposed that a friendly amendment be made to include the word "professional" before the word "corporations" on line 30 of the Bill, to keep professional corporations from being partnered with general corporations.

Mr. Smoll moved and Mr. Van Norden seconded that the Board, after reviewing HB 2124, will stand in support of the Bill, subject to subsection (e), line 30 being amended to insert the word "professional" before the word "corporations". No other changes to the Bill are approved by the Board. Upon a vote, the motion carried.

3. OTHER:

The Board discussed submitting a letter of recommendation for NASBA Vice Chair. The candidates are Carlos Johnson from Oklahoma, Walter Davenport of North Carolina, and Gaylen Hanson from Colorado. After discussion, Mr. Smoll moved and Mr. Van Norden seconded to issue a letter of support for Walter Davenport if a request from Mr. Hanson has not been received from the Board. Upon a vote, the motion carried.

4. ADJOURN

There being no further business to come before the Board, the meeting was adjourned.

/s/ Susan L. Somers
Susan L. Somers, Executive Director