

Firm Registration Requirement

The registration renewal deadline for public accounting firms is December 31, 2003. Renewal forms will be mailed in November. The Board previously announced in the Board newsletter and on the website that all public accounting firms that are subject to peer review will be required to report if the firm's most recent peer review report was modified or adverse, and to submit a copy of the report with the renewal application that is due December 31.

The Board has decided to postpone this requirement. The December 31, 2003 firm registration renewal form will not require disclosure of modified or adverse peer review reports, and firms are not required to submit copies of peer review reports to the Board at this time.

Ownership of Dental Practices

The Oregon Board of Dentistry in an effort to be pro-active has asked for the opportunity to inform those who provide advice to dentists, of some changes that have taken place regarding the ownership of a dental practice.

The 2003 Oregon Legislature passed Senate Bill 390, which was signed into law by the Governor and will take effect January 1, 2004. This new law allows certain entities to legally operate a dental clinic and engage in the practice of dentistry.

These entities include local government agencies, Federally Qualified Community Health Centers and non-profit charitable corporations [501(c)(3)] providing dental services by volunteer licensed dentists and institutions or programs accredited by the Commission of Dental Accreditation of the American Dental Association.

Changes to the law also allow for the orderly transition of a dental office upon the disability or death of an owner dentist by allowing certain persons (such as an executor, personal representative or guardian) to retain an ownership interest for 12 months. Upon request, the Board may extend this 12-month period.

Unchanged is the fact that, **the law does not allow, and it is an illegal practice, for a dentist to form or maintain a business relationship that allows any ownership by non-dentists.**

The Board has become aware that some individuals have advised some dentists regarding tax matters that having family members, who are not licensed dentists that owning a portion of a dental practice, may have some tax advantages. However, Oregon Law prevents this and if a complaint is filed with the Board, it must be investigated and the Board will be obligated to enforce the law.

If you have specific questions regarding these changes and the law, you may contact Patrick D. Braatz, Executive Director of the Oregon Board of Dentistry at, Patrick.Braatz@state.or.us

The Oregon Board of Dentistry wants to thank the Oregon Board of Accountancy for allowing us the opportunity to include this article in their publication.

HONOR ROLL OF STATES

The National Association of State Boards of Accountant (NASBA) announced that Oregon candidates ranked higher than the national average at the May 2003 CPA Examination. Oregon was one of eighteen states that achieved this distinction. Other states on the Honor Roll of States include:

Arizona	Illinois	Montana	Washington
California	Iowa	Nevada	Wisconsin
Colorado	Maine	North Carolina	
Florida	Minnesota	Utah	
Georgia	Missouri	Vermont	

DISCIPLINARY ACTIONS

This is a brief description of action taken by the Board for violations of ORS Chapter 673 and OAR Chapter 801. This report is condensed and may not include all the facts set forth in the Board order. Readers should contact the Board for further information.

Richard K. Grosscup, #3266 October 23, 2003, Final Order issued by default, assessing civil penalties of \$30,000 for professional misconduct and for falsely representing to the public that licensee holds an active license as a certified public accountant for the practice of public accountancy in Oregon.

Richard A. Hogan, Non-Licensee October 28, 2003, Final Order Adopting Administrative Law Judge Proposed Order assessing civil penalty of \$2,000 for falsely representing to the public that he is a licensed certified public accountant in the State of Oregon.

The Board of Accountancy assessed a \$100 civil penalty against the following licensees for failure to submit a change of address within 30 days:

Michael David Yonker, #4487
Donna Jean Clayson, #4287

RESIGNATIONS

Marta Jean Sundberg, #5023 October 20, 2003, the Board accepted licensee's resignation of Oregon CPA certificate and permit #5023.

SUBSTANTIAL EQUIVALENCY

Section 23 of the Uniform Accountancy Act provides an efficient method for licensed certified public accountants to perform services for clients in other states. This procedure is called Substantial Equivalency and it involves three basic requirements for eligibility.

1. The CPA must hold an active license with a state that is substantially equivalent or the individual's personal qualifications must be substantially equivalent;
2. The state in which the CPA wants to do business must be one that has approved Substantial Equivalency as a method for out-of-state licensees to do business in that state; and
3. The applicant CPA may not have a principal place of business in the state to which the application for substantial equivalency is submitted.

The determination of Substantial Equivalency is also based on three requirements:

1. 150 hours education from an accredited university or college, including a baccalaureate degree
2. Successful completion of all sections of the Uniform CPA Exam, and
3. One year experience

A state is substantially equivalent if its licensing requirements are equal to or greater than the requirements stated above.

An individual who does not hold an active license in a state that is substantially equivalent may nevertheless be eligible under substantial equivalency if the individual's personal qualifications are equal to or greater than the requirements stated above.

Most states are substantially equivalent, which allows their licensees to apply for substantially equivalency provisions in another state. However not all states have approved provisions that allow the issuance of authority to practice under substantial equivalency procedures. Oregon is a substantially equivalent state and has also approved the issuance of authority to practice in Oregon under the provisions of substantial equivalency. Oregon Administrative Rule 801-010-0080 describes the requirements for substantial equivalency authority in Oregon.

The following states have adopted provisions to allow practice under Substantial Equivalency:

Arkansas	District of Columbia	Idaho	Indiana
Iowa	Kansas	Kentucky	Louisiana
Missouri	New Jersey	New Mexico	North Carolina
North Dakota	Rhode Island	Oregon	Tennessee
Texas	Utah	West Virginia	

2003 Board Meeting Schedule

December 15, 2003 – Salem
February 17, 2004 – Phone Conference
May 16-17, 2004 – To be determined
August 23, 2004 - Salem
October 17-18, 2004 - To be determined
December 13, 2004 - Salem

Website:

The Board updates the website (www.boa.state.or.us) on a regular basis to keep licensees advised of Board activities. For information on topics such as the computer-based CPA Exam, proposed rules, calendar of events, Independence Task Force reports, please visit the tab marked "Keeping Current". The licensee database on the Board website is updated on a monthly basis. The information is accurate as of the date on the licensee search page. For current information on a licensee or firm, please contact the Board office at 503.378.4181 x21.

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Newsletters: The *Accountancy News* is published every two months. It is posted on the web site (www.boa.state.or.us). Licensees who would like to receive the newsletter by US mail or e-mail need to contact Kimberly Bennett at 503.378.4181 x 24 or Kimberly.bennett@state.or.us