

**GM 401 &  
402**



GOV. MSG. NO. 401

EXECUTIVE CHAMBERS  
HONOLULU

LINDA LINGLE  
GOVERNOR

March 31, 2010

The Honorable Colleen Hanabusa, President  
and Members of the Senate  
Twenty-Fifth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

Dear Sirs and Mesdames:

In accordance with the provisions of Article V, Section 6, of the Hawai'i State Constitution, I have the honor to submit herewith for your consideration and confirmation, the following nomination to the **State Board of Public Accountancy**:

Steven R. Oberg CPA

Term to Expire: 6/30/2010

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Lingle".

LINDA LINGLE



GOV. MSG. NO. 402

EXECUTIVE CHAMBERS  
HONOLULU

LINDA LINGLE  
GOVERNOR

March 31, 2010

The Honorable Colleen Hanabusa, President  
and Members of the Senate  
Twenty-Fifth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

Dear Sirs and Mesdames:

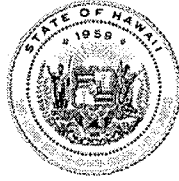
In accordance with the provisions of Article V, Section 6, of the Hawai'i State Constitution, I have the honor to submit herewith for your consideration and confirmation, the following nomination to the **State Board of Public Accountancy**:

Steven R. Oberg CPA

Term to Expire: 6/30/2014

Sincerely,

LINDA LINGLE



LINDA LINGLE  
GOVERNOR  
JAMES R. AIONA, JR.  
LT. GOVERNOR

STATE OF HAWAII  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
335 MERCHANT STREET, ROOM 310  
P. O. Box 541  
HONOLULU, HAWAII 96809  
Phone Number: 586-2850  
Fax Number: 586-2856  
[www.hawaii.gov/dcca](http://www.hawaii.gov/dcca)

RONALD BOYER  
ACTING DIRECTOR  
RODNEY A. MAILE  
DEPUTY DIRECTOR

TO THE SENATE COMMITTEE ON  
COMMERCE AND CONSUMER PROTECTION

TWENTY-FIFTH LEGISLATURE  
Regular Session of 2010

Tuesday, April 13, 2010  
9:30 a.m.

**TESTIMONY ON GOVERNOR'S MESSAGE NO. 402.**

TO THE HONORABLE ROSALYN H. BAKER, CHAIR,  
AND MEMBERS OF THE COMMITTEE:

My name is Laureen Kai and I am the Executive Officer for the Board of Public Accountancy, Department of Commerce and Consumer Affairs ("Department"). The Department thanks you for the opportunity to testify on Governor's Message No. 402, regarding the **reappointment** of Steven R. Oberg, CPA, to the Board of Public Accountancy ("Board"). The Department supports the confirmation of Mr. Oberg's reappointment to the Board.

Mr. Oberg has been a licensed certified public accountant ("CPA") in Hawaii since 1985, and his license is current and in good standing. He has served on the Board since July 1, 2009, when he was appointed to serve out the last year of a previous member's term. Mr. Oberg serves as one of seven members who must hold a

current CPA license, and as one of six members who must also hold a current permit to practice public accountancy and be in active practice.

A graduate of the University of Hawaii, West Oahu College, Mr. Oberg has worked in the field of public accounting for thirty years, beginning his professional career with Albert W. Stiglmeier, CPA, in Lihue, eventually becoming the Managing Partner with Stiglmeier, Oberg & Company, CPAs. Mr. Oberg currently is the owner of Oberg & Free CPAs in Lihue, Kauai.

As a member of both the American Institute of Certified Public Accountants and the Hawaii Society of Certified Public Accountants, Mr. Oberg's involvement in the public accounting profession goes beyond his practice on Kauai, reflecting awareness and knowledge of local as well as national accounting issues. In addition, Mr. Oberg demonstrates his commitment to public service through active participation as a member of the Business Education Advisory Board in the Accounting Department of Kauai Community College.

As a CPA member from the island of Kauai, Mr. Oberg provides the Board with the perspective of an established practitioner of public accountancy on a Neighbor Island. His insight into professional issues is amplified because of the diversity of his CPA practice, which provides a range of public accounting services to individuals, organizations, and businesses.

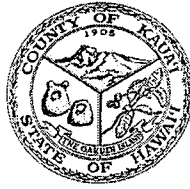
With these multiple perspectives, Mr. Oberg serves the Board as a valuable resource and contributes significantly to the Board's discussions and deliberations as an articulate and effective member. He exemplifies commitment and dedication to his

Testimony on Governor's Message No. 402  
Tuesday, April 13, 2010  
Page 3

responsibilities as a Board member by attending meetings regularly and always being prepared for the matters at hand through independent research and by reviewing all documents and materials provided to the members prior to the meeting.

The Department supports the confirmation of Mr. Oberg's reappointment to the Board of Public Accountancy, and thanks you for the opportunity to provide testimony.

**Bernard P. Carvalho Jr.**  
Mayor



**Gary K. Heu**  
Administrative Assistant

**John Isobe**  
Executive Assistant

**COUNTY OF KAUA'I**

**TESTIMONY OF THE  
COUNTY OF KAUA'I  
OFFICE OF THE MAYOR**

**TO THE SENATE COMMITTEE  
ON COMMERCE AND CONSUMER PROTECTION**

**TWENTY-FIFTH LEGISLATURE  
REGULAR SESSION OF 2010**

April 13, 2010  
9:30 a.m.

TESTIMONY ON **GM 402**, RELATING TO GUBERNATORIAL NOMINEE STEVEN R. OBERG, CPA, TO THE STATE BOARD OF PUBLIC ACCOUNTANCY

TO THE HONORABLE ROSALYN H. BAKER, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Bernard P. Carvalho, Jr., Mayor of the County of Kaua'i, submitting testimony in support of Gubernatorial Nominee Steven R. Oberg, CPA, to the State Board of Public Accountancy.

Mr. Oberg has extensive experience in the accounting profession. Over the past 25 years, he has worked in the accounting field and is currently the owner of Oberg & Free CPAs on Kaua'i.

His willingness to serve on this board for the term ending on June 30, 2014, exemplifies his commitment to giving back to the citizens of our State.

Mr. Oberg is an active leader in the community and has served as an advisor to the Kaua'i Community College Business Advisory Board. He will be an asset to this board, given his professional education and dedication to the accounting profession.

Mahalo nui loa for allowing me the opportunity to submit testimony on Mr. Oberg's behalf.

**baker4 - Cathy**

---

**From:** HSCPA Communication [info@hscpa.org]  
**Sent:** Thursday, April 08, 2010 9:08 AM  
**To:** CPN Testimony  
**Subject:** In Support of GM 401 & 402 - 4/13/10, 9:30 a.m.  
**Attachments:** image001.gif; image002.jpg

Testimony Before the Senate Committee on  
Commerce and Consumer Protection

## GM 401 & 402

In Support of the Confirmation of Steven R. Oberg  
State Board of Public Accountancy

Tuesday, April 13, 2010 at 9:30 a.m.  
Conference Room 016

Chair Baker, Vice-Chair Ige, and Members of the Committee:

My name is Wendell Lee and I am the President of the Hawaii Society of Certified Public Accountants (HSCPA). I am testifying on behalf of the Board of Directors of the HSCPA in support of the confirmation of Steven R. Oberg to the State Board of Public Accountancy.

The HSCPA is the only professional CPA organization in Hawaii representing a diverse membership throughout the State of Hawaii, mainland and internationally in public practice, business and industry, education and government.

Mr. Oberg is serving an interim appointment for a vacancy made by a neighbor island member. Thus far, he has made significant contributions to the Board of Public Accountancy as they continue face challenges with the regulation of accountancy in Hawaii. We believe that Mr. Oberg will continue to bring new perspectives coming from a small firm on the neighbor island with a vision to lead while putting the public interest and the CPA profession's responsibilities first.

Mr. Oberg's commitment to the profession includes his dedication to accounting education as a contributing member of the Kauai Community College Business Advisory Board. He is an active contributor amongst his accounting colleagues on Kauai and will serve as a liaison to small practitioners on the neighbor islands.

For these reasons, we urge you to confirm Mr. Oberg's nomination to the State Board of Public Accountancy. Thank you for the opportunity to testify.

Respectfully submitted,





Wendell K. Lee, President  
Board of Directors  
Hawaii Society of CPAs

**baker4 - Cathy**

---

**From:** Carleton L. Williams [CWilliams@cwassociatescpas.com]  
**Sent:** Friday, April 09, 2010 2:48 PM  
**To:** CPN Testimony  
**Subject:** GM 402 - In Support of Steven R. Oberg

Senator Roz Baker, Chair  
Commerce, Consumer Protection, and Housing Committee  
Hawaii State Capitol, Room 219  
415 South Beretania Street  
Honolulu, Hawaii 96813

**IN SUPPORT OF STEVEN R. OBERG, CPA  
CONFIRMATION FOR THE BOARD OF PUBLIC ACCOUNTANCY**

This letter is in support of the confirmation of Steven R. Oberg, CPA, for the State of Hawaii, Board of Public Accountancy. I have known Steve, his family, and his firm for many years, having enjoyed their company while serving clients on the Island of Kauai. Steve and his partner are recognized by business owners and others as leaders in our profession on Kauai and elsewhere in our State. He will continue to be a diligent Board member who will take on the task of representing both the small firm and Neighbor Island perspective.

Sincerely,

Carleton L. Williams  
CW Associates, CPAs  
700 Bishop Street, Suite 1040  
Honolulu, Hawaii 96813-4124  
E-mail: [cwilliams@cwassociatescpas.com](mailto:cwilliams@cwassociatescpas.com)  
Telephone: (808) 531-1040  
Facsimile: (808) 531-1041  
Cellular: (808) 286-3961  
Direct: (808) 695-4016

If you are not the intended recipient of this message, please notify us immediately. Any tax advice contained in this message cannot be used for the purpose of avoiding penalties under the Internal Revenue Code or applicable state or local tax law. The information contained in this message may be protected from disclosure. If you have received this communication in error, you are prohibited from copying or otherwise disseminating this message or its contents.

# Oberg & Free

---

## *Certified Public Accountants*

Dynasty Court Building  
4473 Pahee Street, Suite P  
Lihue, Hawaii 96766  
808-246-9422 Fax: 808-246-9522  
steve@obergfree.com  
gale@obergfree.com

April 4, 2010

The Honorable Senator Rosalyn Baker  
Hawaii State Capital, Room 231  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Senator Baker:

Thank you for considering my nomination for reappoint to the Hawaii State Board of Accountancy. You have asked that I provide my testimony and statements to the following:

1. Why do I want to continue being a member of this board?

I have served on the Board of Accountancy for the past eleven months. Continuity of the board membership is important to bring thoughtful, coherent progress in dealing with the issues our board encounters. I will continue to add my point of view regarding ongoing board issues. I think it is important to keep the board membership turnover at a minimum to be most effective.

2. What is my perception of my role and responsibilities as a board member?

My perception of my role and responsibilities as a board member include being vigilant in looking out for the public's best interest. I see my responsibility as one who assists in the regulation of CPAs to keep the public safe from bad accounting practices and to keep CPAs informed about best practices in our profession.

3. Based on my experience, what are the major issues and concerns facing our board? How should these issues be addressed?

The major issues the Board of Accountancy is facing today are mandatory peer review and CPA practice mobility. We have new legislation regarding mandatory peer review. The board will be drafting administrative rules to implement the new legislation. Practice mobility is another important issue. Hawaii is lagging the country in implementing both of these issues. Our board is making good progress in addressing and promoting the necessity of both of these issues. As the Board's peer review committee chairman, I have studied and presented to our board how other Western states have adopted mandatory peer review and how

they have implemented this in their respective states. I plan on continuing to add my research and findings to the peer review administration process in order to draft workable rules.

My skills, expertise, and knowledge include over 30 years of experience working with individuals and small businesses and serving them in their accounting and tax affairs. I see how they rely on my independence, objectivity, and judgment. I take this as a sacred trust and understand that my clients expect integrity and technical competence from me. I have worked to educate myself in the areas of accounting, tax, and professional standards to provide consistent, reliable work product and advice.

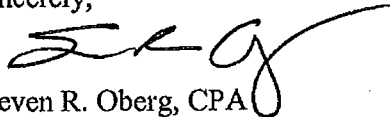
As a small Kauai CPA firm owner, I bring a necessary perspective to the board. Our firm consists of my wife and partner, Gale Free Oberg, CPA, Jan Hashizume, CPA, Stephanie Domingo, recent accounting graduate from University of Hawaii, and our full-time office administrator. Since the board has ample representation from the large national accounting firms, I think it is important that the small, outer-island, firm presence be considered in board decisions. I bring this perspective to the Board of Accountancy.

My qualifications include my required and continuing education to obtain and continue as a licensed CPA since 1985. I passed the CPA exam at my first sitting in 1984. Our firm has had unqualified peer review reports every three years since 1996, the most recent being November 2009. I have been involved in firm peer review since 1990, going back to my former firm, Stiglmeier, Oberg & Co. CPAs, where I was the managing partner. I am a believer in the peer review process and see it as useful in developing and keeping a high standard of accounting for the public.

Finally, I have worked with a variety of businesses and individuals, providing accounting and tax services, and understanding how the public perceives our profession and the public trust we should protect.

Thank you for your consideration is reappointing me to the Hawaii Board of Accountancy.

Sincerely,

A handwritten signature in black ink, appearing to read 'SRO', written over a horizontal line.

Steven R. Oberg, CPA