

NEVADA STATE BOARD OF ACCOUNTANCY  
Minutes  
January 17, 2012

Subject to the approval and correction of the Board at its next meeting

An open meeting of the Nevada State Board of Accountancy was called to order at 8:30 A.M. by President, Harry O. Parsons, on Tuesday, January 17, 2012 at Deloitte & Touche LLP, 3883 Howard Hughes Pkwy, Suite 400, Las Vegas, Nevada.

Board Members Present:

Harry O. Parsons, President	Lisa L. Milke, Secretary/Treasurer
Colleen M. Bacchus	Glenn D. Bougie
Felicia R. O'Carroll	Benjamin C. Steele

Board Members Absent: Lynda Hartzell

Board Staff Present:

Karen Peterson, Counsel  
Viki A. Windfeldt, Executive Director  
Leslie C. Walsh, Board Coordinator

◆ ◆ ◆ ◆ CONSENT AGENDA ◆ ◆ ◆ ◆

The Consent Agenda contains matters of routine acceptance. The Board Members may approve the consent agenda items as written or, at their discretion, may address individual items for discussion or change.

**Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the beginning of the meeting.

*Note: No one was present for this section of the public comment agenda item*

\*1. Approval of November 16, 2011 Board Meeting Minutes *(For Possible Approval)*

\*2. Approval of Applications for Certified Public Accountant – Non Appearance  
*(For Possible Approval)*

Jeong Ayarbe	Matthew Bowman	Margaret Burke	Sherrin Fielder
David Friedman	Kenneth Goertz	Dane Hardy	Mark Heaps
Diane Hoernicke	Trent Jackson	Crystal Jennings	Caleb Jensen
J. Kobelnyk	Christopher Lamb	Robert Marshall	Jonathan Mears
Suzanne Olsen	Randall Orton	Ashley Pace	Paul Perkins
Fornia Schanel	Neil Schmalz	Todd Transue	Rebecca Warnick

January 17, 2012 Board Meeting Minutes

- \*3. Approval of Change to License Status *(For Possible Approval)*:  
Inactive Status: Melisima Abarca Patricia Bosworth Miwa Elmer  
Arthur Hamilton Christine Tackett Walter Miller  
Retired Status: David Cox Coralee Dahl Edward Pasquale  
Cheryl Purdue  
Return Active: John Barrett Sharon Buckner Mark Makley  
Lynda Miller
- \*4. Approval of Finances *(For Possible Approval)*:  
A. Treasurer's Report
- \*5. Approval of CPA Examination Scores (October – November 2011)  
*(For Possible Approval)*
- \*6. Board approval for Staff & Legal Counsel Attendance at NASBA Conference  
March 11 – 14, 2012 San Antonio TX *(For Possible Approval)*
- \*7. Board approval of Fictitious Name: Excelsis Accounting Group

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve consent agenda 1-7. The following Board Member abstained from voting on Approval of Applications for Certified Public Accountant: Harry Parsons for Caleb Jensen. The following Board member abstained from voting on Approval of Change to License Status: Colleen Bacchus for Arthur Hamilton.

◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

Agenda Item 8: Grievance Report and Grievance Matters *(For Possible Approval)*  
Note: NRS 241.020 requires the Board to list individuals that may have administrative action taken against them in connection with the Board's disciplinary grievance report. The Board may convene in closed session to consider the character, alleged misconduct, professional competence or physical or mental health for any of the grievances filed with the board.  
A. Review of Grievance Report

Motion was made, seconded and carried to go into closed session to discuss grievance matters:

Upon resumption of the open session motion was made, seconded and carried in complaint matter N-10-1 Michael Bayliss, that Mr. Bayliss is in compliance with the stipulation as agreed to by the Board and Mr. Bayliss. The Board determined that if there is a legal issue with the IRAs and distributions that it is considered an issue between Ms. Dale and Mr. Bayliss and should be determined in Court. The Board is not in a position to vindicate or adjudicate private rights.

January 17, 2012 Board Meeting Minutes

Agenda Item 8 (Cont.)

Motion was made, seconded, and carried to accept the Certificate of Attest Experience Review of Scott Kingham's experience based on submission of the additional item as requested by the Board.

Motion was made, seconded and carried to close complaint matter S-11-17 based on the matter being a fee dispute.

Motion was made, seconded and carried in complaint matter N-11-3 John Rubino, to file a formal complaint based on disciplinary action taken by the SEC.

Motion was made, seconded and carried in complaint matter S-12-1 Clifford Leiker, to file a formal complaint based on allegations of his non-compliance with child support.

Motion was made, seconded and carried to close complaint matter F-11-5 based on the Firm's response and assurances made.

Motion was made, seconded and carried to close non-licensure complaint matter SS-11-3, Larson & Rosenberger, LLP based on compliance.

Agenda Item 8B (1): Recess into a closed session Full Board Disciplinary Hearing against the following *(For Possible Approval):*

Timothy Koch  
Robert Martindale

**Appearance 10:00 AM**  
**Appearance 11:30 AM**

Motion was made, seconded and carried to go into closed session to conduct a full board disciplinary hearing against the above named individuals.

Agenda Item 8B (2): Reconvene into open session for Board Determination of the matters concerning the above *(For Possible Approval):*

Timothy Koch

Upon resumption of the open session, motion was made, seconded and carried to approve the following provisions (1) Mr. Koch is placed on probation for three years. During the three year probation period, license shall be terminated if Koch fails to comply with all statutes, rules and regulations governing the practice of public accounting in the State of Nevada, or fails to comply with the Code of Professional Conduct and all policies and procedures adopted by the Board or there are any material complaints which affect Mr. Koch's competence as a CPA, filed against him which are duly substantiated in a due process hearing. (2) If there are any issues with compliance with provision 1, including but not limited to failure to timely complete CPE, license renewal or peer review, it will result in immediate notification for a revocation hearing before the Board; (3) Payment of attorney's fees of \$880 and court reporter fees of \$257 due within 60 days from the date of the decision; (4) The decision shall be published in accordance with NAC 628.450.

January 17, 2012 Board Meeting Minutes

Agenda Item 8 (Cont.)

Robert Martindale

Upon resumption of the open session, motion was made, seconded and carried to approve a stipulated agreement with the following provisions: (1) Mr. Martindale is placed on probation for three years; (2) Completion of the 2011 CPE requirement of 37 hours that includes 4 hours of ethics by March 20, 2012; (3) Completion of the 2012 CPE requirement of 33 hours by June 30, 2012; (4) Payment of CPE penalty of \$1600 associated with the 2010 CPE shortage extension and attorney's fees of \$220 by March 20, 2012; (5) Mr. Martindale shall provide a plan to the Board by February 10, 2012 listing courses he intends to take; (6) Payment of attorney's fees of \$400 associated with the filing of the formal complaint and stipulated agreement and court reporter fees of \$100 for a total amount of \$500 due by June 30, 2012; (7) Assessment of the 2011 late CPE penalty shall be stayed at this time. If Martindale timely completes the requirements of provisions 2 and 3; (8) Martindale shall complete his license renewal timely and complete the required CPE by December 31<sup>st</sup> of each year and provide documentation for the CPE claimed on his license renewal for the next three years by January 31<sup>st</sup> of each year; (9) Failure to comply with any of the terms and conditions of the stipulated agreement shall result in the automatic revocation of the license without any further action of the Board; (10) The decision shall be published in accordance with NAC 628.450.

Agenda Item 9: Report of Legal Counsel *(For Possible Approval):*

No items were discussed under this agenda item

Agenda Item 10: Report of Executive Director *(For Possible Approval):*

A. Board Information pertaining to Las Vegas HOA Issues  
Executive Director provided the Board with information regarding the HOA issues in Las Vegas. The Board reviewed the information and determined the matter would fall to the Boards investigator based on previous discussions concerning these matters.

B. Nevada support of candidate(s) for NASBA Vice Chair position  
Executive Director provided the Board with information regarding the candidates looking for support of the NASBA Vice Chair position. The Board reviewed the information provided and discussed the various candidates. It was the Board's decision not to support any one candidate at this time.

C. Board Member Position  
Executive Director provided the Board with information regarding the position currently held by Lynda Hartzell, CPA. This position is required to be held by someone in Government or Industry. Ms. Hartzell has taken a new position in public accounting and therefore will not meet the Board Member position requirements. The Board discussed various candidates that might fit this position.

January 17, 2012 Board Meeting Minutes

Agenda Item 11: Board review and determination of individual background check  
(For Possible Approval): Karen Rogers

The Board reviewed the background information of Karen Rogers. Ms Rogers has requested a determination as to her ability to sit for the CPA Examination. Motion was made, seconded and carried to approve Ms. Rogers to sit for the CPA exam.

Agenda Item 12: Board review and approval of Nevada System of Higher Education – Quality Control Review (For Possible Approval)

The Board reviewed the information provided by the Nevada System of Higher Education (NSHE) in connection with the requirement for a Quality Control Review as provided in NAC 628.0624.

Agenda Item 13: Board Request to Rescind prior revocation (For Possible Approval):  
A. Michael Crouch

The Board was provided with information along with a request from Mr. Crouch for Board consideration to approve his re-licensure. Mr. Crouch has submitted all of the required documents.

Motion was made, seconded and carried to approve the request of Mr. Crouch and approve his re-licensure. Mr. Crouch's certificate will be on probation until his Peer Review is completed and passed.

Agenda Item 14: President's Report (For Possible Approval)

No items were discussed under this agenda item

Agenda Item 15: Next Board Meeting: March 20, 2012 Las Vegas

**Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the adjournment of the meeting.

*Note: No one was present for this section of the public comment agenda item*