

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes

January 17, 2018

An open meeting of the Nevada State Board of Accountancy was called to order at 8:15 A.M. by President, Nicola Neilon, January 17, 2018 at the offices of Snell & Wilmer, 3883 Howard Hughes Pkwy, Suite 1100, Las Vegas, Nevada.

Board Members Present:

Nicola Neilon, President  
Robert C. Anderson  
Candace Johnson

Brian Wallace, Secretary/Treasurer  
Steven Brockovich  
L. Ralph Piercy

Michael E. Davis

Board Staff Present:

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

- A. Call to Order, Roll Call and Establish a Quorum
- B. **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.*

◆ ◆ ◆ ◆ 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.

- \*1. Approval of Board Meeting Minutes (*For Possible Action*)
  - A. November 15, 2017 – Board Meeting Minutes
- \*2. Approval of Applications for Certified Public Accountant – Non-Appearance (*For Possible Action*):

Madeleine Batson	Jessica Book	Garrett Burnett	Daniel Call
Kimberly Colton	Marie Cove	Kirk Friedel	Amber Garrett
Ross Granahan	Kaydee Kelsay	Brett Lawrence	Brett Lubbe
Hugh McCafferty	Mukesh Pursnani	John Sanford	Brett Slade
Dustin Smith	Jessica Tang		

- \*3. Approval of Change to License Status *(For Possible Action)*:  
Retired Status: Shirley Bachman J. Richard Barnard Barbara Boint  
Richard Edmunds Carol English Alison Gordon  
Mayla Kent John Leeming William Luthy  
Michael Murphy Walter Rader Jon Reese  
Arthur Reinhardt David Schiessl Nellie Symons  
Micahel DiCianno Candance Falder  
Inactive Status: James Harris Stephanie Merrill  
Michaelina Stanfill Terrance Shirey Martin Weisner  
Return Active Status: Oliver Meservy
- \*4. Approval of Finances *(For Possible Action)*  
A. Monthly Income & Expense
- \*5. Approval of Fictitious Name Use *(For Possible Action)*  
A. TG Accounting  
B. Accounting Source LLC  
C. Finamerica LLC
- \*6. Approval of CPA Examination Scores: October – December, 2017 Window  
*(For Possible Action)*
- \*7. Approval of Attendance at the NASBA Executive Director and Legal Counsel  
Conference March 13 – 15, 2018. *(For Possible Action)*

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve the consent agenda items. Board Member L. Ralph Piercy abstained from voting on Applications for CPA Certification for Jessica Book and Kaydee Kelsay.

◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

Agenda Item 3: Approval of Change to License Status *(For Possible Action)*:  
Inactive Status for Tjeerd Brink

Motion was made, seconded and carried to deny the request of Mr. Brink based on his duties of employment not meeting the requirements for Inactive Status.

Agenda Item 8: Grievance Report and Grievance Matters *(For Possible Action)*

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 or disciplinary action considered by the board.

A. Review of Grievance Report *(For Possible Action)*

Motion was made, seconded and carried to close complaint matter I2017.014 based on Investigator recommendation for lack of cause. Candace Johnson Enforcement Committee Board Member abstained from the vote.

Motion was made, seconded and carried to close complaint matter F2017.003 based on Investigator recommendation of compliance. Candace Johnson Enforcement Committee Board Member abstained from the vote.

- B. Recommendation of Hearing Officer based on hearing held December 14, 2017 for Non-Compliance with 2017 Peer Review program against Ali Kakhsaz. *(For Possible Action)*

Motion was made, seconded and carried to approve the recommendation of the hearing officer to Revoke the license of Ali Kakhsaz based on failure to comply with the Boards 2017 practice monitoring program. Hearing officer Steven Brockovich abstained from the vote. Candace Johnson Enforcement Committee Board Member abstained from the vote.

Recommendation of Hearing Officer to dismiss the following complaints based on compliance *(For Possible Action)*:  
Michael Biel                      Sylvia Claiborne                      Danny Weaver

Motion was made, seconded and carried to approve the recommendation of the hearing officer to dismiss the formal complaints for the above listed individuals based on compliance. Hearing officer Steven Brockovich abstained from the vote. Candace Johnson Enforcement Committee Board Member abstained from the vote.

- C. Recommendation of Hearing Officer based on hearing held December 14, 2017 for failure to disclose child support obligation on license renewal, failure to comply with child support order and failure to respond to the Board's 2017 Peer Review program against Matthew Thebeau. *(For Possible Action)*

Motion was made, seconded and carried to approve the recommendation of hearing of the hearing officer to Revoke the license of Matthew Thebeau for failure to disclose his child support obligation on 2017 license renewal, failure to comply with child support order and failure to respond to the Boards 2017 practice monitoring program. Hearing officer Steven Brockovich abstained from the vote. Candace Johnson Enforcement Committee Board Member abstained from the vote.

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

No information was provided under this agenda item.

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

- A. Board Selected for Sunset Review

Executive Director informed the Board that the Legislature Sunset Review Committee has selected the Board for sunset review. The Board was provided with the selection letter as well as the Board's response with the completed form, report and applicable required documents. The Board was informed that a presentation will also be made to the committee at their meeting on January 22, 2018. Attending will be the Executive Director, Board Counsel, Board Lobbyist and President.

Agenda Item 10 Continued

B. Update on Various Communication Items

1. AICPA Oversight Results of the Nevada Peer Review Program

The Board reviewed the information provided by the AICPA.

2. Attorney General Session Memo on Marijuana Enforcement

The Board was provided with information in connection with Attorney General Session's memo on Marijuana Enforcement. The AICPA has inquired whether this memo will change the current Board Marijuana Policy. The Board discussed the matter and determined no change would be needed to the existing policy.

3. AB 324 Documentation Preparation Service Providers

The Board was provided with information regarding the Legislative Session AB 324 that requires certain documentation preparation service providers which includes tax returns to be registered with the Secretary of State office and to hold a Surety Bond. The Board sent notification to the licensees that this bill specifically exempts CPAs, CPA firms and CPA firm employees. The Nevada Society of CPAs has also been in contact with the Secretary State's office regarding this issue.

4. NASBA ALD Enforcement Information Update

The Board was informed that the Nevada Board was used as a test Board to provide Enforcement information for individuals that have been disciplined under the Practice Privilege. The information in the Accountancy License Database is a marker to show that while the individual is not registered they have been disciplined through the practice privilege.

5. AICPA Peer Review for Non-Members

The Board was informed that information obtained indicates that the AICPA will now be offering Peer Review for non-members of the AICPA. Historically only the Society was able to administer Peer Review for non-members.

C. Update Board Record Retention

Previously the Board discussed the issue of Email Record Retention to identify if a separate Board policy is needed. The Executive Director informed the Board that the State of Nevada includes email retention within the State's General Record Retention & Disposition Schedule. The schedule has a variety of areas where email is included for retention. The majority of areas state 3 years for retention.

Agenda Item 11: Board Determination on Application for CPA Certification

*(For Possible Action):*

A. Brian Sorensen

**APPEARANCE 11:30 AM**

Brian Sorensen came forward to discuss his application for certification as a CPA following previous revocation for failure to comply with the continuing education requirements. The Board reviewed the information provided and discussed the previous revocation. Mr. Sorensen also provided information regarding the pending Federal Indictment against him. Mr. Sorensen also requested the Board waive the penalties assessed at the time of revocation based on information provided.

Motion was made, seconded and carried to approve the application of Brian Sorensen subject to a Consent Order with provisions as previously stated in the revocation decision. The Board also approved reduction in the previously assessed penalties to a fine of \$500 and attorneys fees and costs incurred of \$580.

Agenda Item 12     President's Report (*For Possible Action*)

Nothing discussed under this agenda item.

Agenda Item 13:     Next Board Meeting:             March 21, 2018             Reno, Nevada

◆ ◆ ◆ ◆ PUBLIC HEARING - 10:00 AM ◆ ◆ ◆ ◆

Locations:  
Snell & Wilmer  
3883 Howard Hughes Pkwy, Suite 1100, Las Vegas, NV  
Video-Conferencing  
Snell & Wilmer  
50 W Liberty Street, Suite 510, Reno, NV

Agenda Item 14:     **Proposed Regulation Amendment Hearing**– The purpose of the hearing is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations. (*For Possible Action*)

- A. LCB File No. R068-17 Amendment of Nevada Administrative Code Chapter 628 revising the requirements for experience for licensure as a Certified Public Accountant, making changes resulting from Assembly Bill 454 effective June 9, 2017, revising the provisions for education to sit for the CPA examination, revising the provisions for the self-reporting of certain information to the Board, removing references to public accountants, revising the practice monitoring program provisions to include certain documents be submitted to the Board and that firms opt into the AICPA peer review monitoring program, and providing other matters properly relating thereto.

The Board of Accountancy conducted a public hearing to consider the proposed regulations to Nevada Administrative Code (NAC) Chapter 628.

The Board reviewed the proposed language changes.

There were no individuals that appeared for the public hearing at either the Reno or Las Vegas locations

Written comments were provided in connection with the proposed regulation changes by the following:

American Institute of Certified Public Accountants  
Glenn Bougie, CPA, Board Investigator  
Randal Kuckenmeister, CPA  
Jeanne Yamamura, CPA

Agenda Item 14 Continued

B. Board Determination and Action on LCB File No. R068-17 Amendment of Nevada Administrative Code Chapter 628

Motion was made, seconded and carried to approve the proposed regulation amendments of Nevada Administrative Code, Chapter 628 with the additional amendments as discussed during the public hearing based on discussion and written comment received.

C. **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.*

D. Adjournment